

**AFFORDABLE HOUSING COMPLIANCE PLAN
APPLICATION PACKET FOR THE
AFFORDABLE HOUSING IMPACT FEE (AHIF)**

Affordable Housing Programs

The City of San José has demonstrated a commitment to ensure that affordable housing is available to moderate, low, and very-low income households by adopting an Inclusionary Housing Ordinance (“IHO”) [Chapter 5.08 of the Municipal Code](#), and an Affordable Housing Impact Fee (“AHIF”) initially implemented by [City Resolution No. 77218](#). The IHO and the AHIF are collectively referred to as the “Affordable Housing Programs”) The City of San José also has Inclusionary Housing Ordinance Guidelines (“Guidelines”) and AHIF Regulations. The Guidelines can be found at www.sjhousing.org/IHO. For more information on the AHIF program please visit: www.sjhousing.org/AHIF and review the [AHIF Regulations](#).

Overview

Developments in San José that create three (3) to nineteen (19) dwelling units including co-living dwelling units may be subject to AHIF, resulting in an affordable housing obligation (“Obligation”). In order to determine the extent of the Obligation, and whether any exemptions may apply, all residential developments with three (3) or more units seeking permits are required to submit an Affordable Housing Compliance Plan Application (“Compliance Plan Application”), as described in this packet.

Developers who claim their project is exempt or entitled to a waiver of the AHIF Obligation must comply with this process in order for the claim to be evaluated by Housing Department staff. Housing staff will evaluate, amongst other things, how many units are in the Development and in any contiguous property under common ownership or control and whether the units are rental or for-sale. If there is contiguous property under common ownership or control, the developer’s project may be deemed be part of a larger project and possibly be subject to the Inclusionary Housing Ordinance.

The purpose of this packet is 1) to provide developers with background and a general understanding of the AHIF requirements; 2) to define what information must be provided for Housing Department Staff to determine the extent to which any Obligation may be associated with the project; and 3) to describe the process of Compliance Plan Application submittal, review, and determination. *An IHO Compliance Plan Application for developments with 20 or more dwelling units can be found at www.sjhousing.org/IHO.*

Affordable Housing Impact Fee

The AHIF applies to projects that create new dwelling units (“Residential Developments”)- specifically to those that create three (3) to nineteen (19) new rental dwelling units in San José. The fee is based on net livable square footage. For co-living and single room occupancy projects, net livable square footage includes common area square footage. This fee will be increased annually by 2.4% every July 1. Please see the following rate schedule:

| FISCAL YEAR | AHIF PER SQ' |
|-------------|--------------|
| FY 17-18 | \$ 17.41 |
| FY 18-19 | \$ 17.83 |
| FY 19-20 | \$ 18.26 |
| FY 20-21 | \$ 18.70 |

Any Residential Development which has received all approved entitlements without an approved tentative map will be presumed to be a rental development.

For-Sale projects are projects with an approved tentative map or other similar documentation allowing for the creation of separately conveyable dwelling units or interests (such as condominiums, stock cooperatives, community apartments or detached single family homes).

Claims of Exemption/Waiver from the AHIF

Developers who claim their project is exempt or entitled to a waiver of the AHIF Obligation must comply with this process in order for the claim to be evaluated by Housing Department staff. All information supporting the qualification for an exemption or waiver must be submitted with this packet. Housing staff will evaluate, amongst other things, how many dwelling units are in the Development and in any contiguous property under common ownership or control and whether the units are rental or for-sale. If there is contiguous property under common ownership or control, the developer’s project may be deemed be part of a larger project and possibly be subject to the Inclusionary Housing Ordinance.

The information in the Compliance Plan Application will be included in the Project’s conditions of approval. Projects claiming an exemption or waiver will receive an AHIF fee condition, but will receive a waiver of the fee at building permit issuance if the developer provides sufficient evidence to the Housing Department that the requirements for the waiver or exemption are met.

For more information, please visit: www.sjhousing.org/AHIF.

Affordable Housing Compliance Plan Application

As part of the application for “First Approval” of any development, the Developer must submit to the Department of Housing an original wet signed copy of the completed Compliance Plan Application and all relevant attachments (including the Unit Mix Worksheet). If the project is a mix of For-Sale and Rental, attach both Attachment A and B to indicate how many units are for each tenure. All information supporting the qualification for an exemption or waiver must also be submitted with this packet.

The application fee must be paid by check in the amount of \$3,119 (as may be adjusted in the annual Schedule of Fees and Charges) and attached to the Compliance Plan Application. The check must be made out to “City of San José”.

Submit by mail or deliver in-person to the following:

City of San José Housing Department
Attention: Tina Vo
200 E. Santa Clara Street, 12th Floor
San José, CA 95113

“First Approval” means the first of the following approvals to occur with respect to a Residential Development: development agreement, general plan amendment, specific or area plan adoption or amendment, zoning, rezoning, pre-zoning, annexation, planned development permit, tentative map, parcel map, conditional use permit, special use permit, or building permit.

No application for a “First Approval” will be deemed complete by the City unless the Compliance Plan application is submitted and approved by the Housing Department. The Compliance Plan must be approved before public hearings on the First Approval and before any permits are issued.

Application Review Process

The Housing Department will provide the developer with a preliminary estimate of the AHIF obligation based on the then-current AHIF. This determination will then be attached and made a part of the project’s conditions of approval. The Housing Department will use the information provided to evaluate any exemption/waiver claims. Projects claiming an exemption or waiver will receive an AHIF fee condition, but will receive a waiver of the fee at building permit issuance if the developer provides sufficient evidence to the Housing Department that the requirements for the waiver or exemption are met.

The Housing Department will coordinate with Planning, Building and Code Enforcement (“PBCE”) to provide the developer written notice of any additional information required in connection with the Compliance Plan Application.

Affordable Housing Impact Fee Payment Process

As part of the building permit process, prior to issuance of any building or foundation permit, the developer must provide updated information that will allow the Housing Department to confirm ongoing eligibility of any exemption claims, and to determine a final calculation of the obligation associated with the project. This information will include an updated Unit Mix Worksheet. Further, the building plans submitted as part of the building permit process shall include a detailed unit mix completed by a licensed architect or engineer.

Prior to the issuance of any building permit for a Residential Development that may be subject to AHIF, the following must occur:

- 1) Developer provides the Housing Department final approved building plans,
- 2) Developer submits any evidence regarding exemption/waivers claimed in the Compliance Plan,
- 3) Once Housing validates the net livable square footage and that no additional units have been added to the project, Housing will issue to the Developer the AHIF invoice due for payment,
- 4) Developer to submit AHIF payment to Housing Department.

Submit by mail or deliver in-person to the following:

City of San José Housing Department
Attention: Tina Vo
200 E. Santa Clara Street, 12th Floor
San José, CA 95113

- 5) Housing will provide a receipt when AHIF payment is cleared or if applicable confirm that the requirements for exemption/waiver claimed is satisfied.

To avoid delays of building permit issuance, please plan accordingly by allowing 5 business days for the Housing Department to review building plans to create an AHIF Invoice and 10 business days for any check payment clearance. Wiring instructions are available upon request for AHIF payments.

Please contact Amy Chen at (408) 975-4489 or Amy.Chen@SanJoseCA.gov to answer any questions or discuss the requirements of the Affordable Housing Impact Fee or Inclusionary Housing Ordinance programs.

AFFORDABLE HOUSING COMPLIANCE PLAN (AHIF)

In order for Staff to assess the potential Inclusionary Housing obligations of a project, the developer must complete this Compliance Plan in its entirety, along with a check made out to the “City of San José” in the amount of \$3,119 (as may be adjusted). The Developer should answer each question thoroughly, attaching additional documents, as needed. Please enter “N/A” if a field is not applicable. **Only an authorized representative of the property owner or developer is authorized to sign this application.**

| DEVELOPER INFORMATION | |
|--|------------------------------------|
| Company Name: | E-Mail: |
| | Phone #: |
| Company Address (Street, City, State, Zip Code): | |
| Contact Name: | E-Mail: |
| | Phone #: |
| PROJECT INFORMATION | |
| Project Name: | Project Address: |
| Project APN(s): | Planning file number, if assigned: |
| PROJECT DETAILS | |
| <i>Please select an answer or fill in the blanks to the following questions:</i> | |
| 1. Provide the name of the Property Owner(s) and complete and attach an owner’s authorization: | |
| 2. Does the Developer/Owner of the Property or an affiliated/related person or entity (as described in IHO section 5.08.150) own/have any interest in any property contiguous to the project? <i>If Yes, please attach a list of all the properties by APN(s) and addresses.</i> <i>If No, please complete an attached Affidavit of No Common Interest or Control.</i> | |

3. Number of Residential Buildings _____ and total number of Residential Units _____ anticipated

4. This project is anticipated to be a:

___ Rental (Please submit Attachment A - Unit Mix Worksheet)

___ Both For-Sale and Rental (Please provide a separate unit mix worksheet for each type)

___ Co-living or single room occupancy (Please submit a site map and/or plans showing the co-living/SRO dwelling units and Attachment B - Unit Mix Worksheet for Co-Living)

5. Is the project a mixed-use (commercial and residential) development? ___ Yes or No ___

If yes, please provide the total square footage of commercial space: _____

6. Is this a rehabilitation or conversion project? ___ Yes or No ___

If yes, please provide the number of new or converted units: _____

7. Will any residential units be demolished or converted? ___ Yes or No ___

If yes, were any of the units built before September 7, 1979? ___ Yes or No ___

8. Is there any intention to obtain a parcel/tentative map, and final map for the project?

___ Yes or No ___

9. If there is intend to obtain a map, is it for the purpose of subdividing units or single family lots?

___ Yes or No ___

10. Is there any intention to create residential condominiums, a stock cooperative, or community apartments? ___ Yes or No ___

11. Will the project include deed restricted affordable apartments? ___ Yes or No ___

If yes, how many? _____ Have those restrictions been recorded? If so, please provide a copy.

PROJECT DATES

Please fill in all the dates below to the best of your knowledge (provide projected estimates as needed):

| | |
|--|---|
| <p align="center">Actual/Projected Date of Public Outreach Meeting:</p> <p align="center">_____ (mm/dd/yyyy)</p> | <p align="center">Actual/Projected Date of First Approval (Entitlement):</p> <p align="center">_____ (mm/dd/yyyy)</p> |
| <p align="center">Projected Date to Pull Building Permits:</p> <p align="center">_____ (mm/dd/yyyy)</p> | <p align="center">Projected Completion Date (Certificate of Occupancy):</p> <p align="center">_____ (mm/dd/yyyy)</p> |

SIGNATURES

By signing below, the developer acknowledges that the project must comply with the conditions of the Inclusionary Housing Ordinance and the selected Compliance Option(s). Additionally, developer acknowledges exemption claims can only be conditionally approved at the time the Compliance Plan Application is approved and final approval is not guaranteed. The Developer will be required to record an Affordable Housing Agreement agreeing to satisfy the Obligation and comply with any exemption conditions.

| | |
|-----------------------------------|-------|
| Authorized Developer's Signature: | Date: |
|-----------------------------------|-------|

Housing Department Office Use Only

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|--------------------------------------|-------|
| Housing's Acceptance of Application: | Date: |
|--------------------------------------|-------|

**ATTACHMENT A – RENTAL PROJECTS
UNIT MIX WORKSHEET**

| UNIT MIX SAMPLE WORKSHEET (For Illustrative Purposes Only) | | | | |
|---|-------------------|-------------------|-------------------|------------------|
| Unit Type/Plan | # OF BDRMS | LIVING SQ' | # OF UNITS | TOTAL SQ' |
| MODEL A | 1 | 750 | 10 | 7,500 |
| MODEL B | 1 | 854 | 15 | 12,810 |
| MODEL C | 2 | 1,050 | 27 | 28,350 |
| MODEL D | 2 | 1,163 | 22 | 25,586 |
| MODEL E | 2 | 1,200 | 17 | 20,400 |
| MODEL F | 2 | 1,253 | 9 | 11,277 |
| MODEL G | 3 | 1,300 | 8 | 10,400 |
| | | TOTALS | 108 | 116,323 |

| UNIT MIX WORKSHEET (To Be submitted with Affordable Housing Compliance Plan Application) | | | | |
|---|-------------------|-------------------|-------------------|------------------|
| UNIT TYPE/ PLAN | # OF BDRMS | LIVING SQ' | # OF UNITS | TOTAL SQ' |
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| | | TOTALS | | |

| ESTIMATED AHIF CALCULATION(S) RENTAL PROJECTS ONLY | | |
|---|------------------------|-------------------------|
| FISCAL YEAR | AHIF PER SQ' ** | ESTIMATED FEE*** |
| FY 18-19 | \$ 17.83 | |
| FY 19-20 | \$ 18.26 | |
| FY 20-21 | \$ 18.70 | |

** AHIF increases by 2.4% annually
 *** AHIF must be paid when the Project's building permits are pulled

**ATTACHMENT B – CO-LIVING RENTAL PROJECTS
UNIT MIX WORKSHEET**

| CO-LIVING UNIT MIX SAMPLE WORKSHEET (For Illustrative Purposes Only) | | | | |
|---|-------------------|-------------------|-------------------|------------------|
| Unit Type/Plan | # OF BDRMS | LIVING SQ' | # OF UNITS | TOTAL SQ' |
| MODEL A | 1 | 750 | 10 | 7,500 |
| MODEL B | 1 | 854 | 15 | 12,810 |
| MODEL C | 2 | 1,050 | 27 | 28,350 |
| MODEL D | 2 | 1,163 | 22 | 25,586 |
| MODEL E | 2 | 1,200 | 17 | 20,400 |
| MODEL F | 2 | 1,253 | 9 | 11,277 |
| MODEL G | 3 | 1,300 | 8 | 10,400 |
| | | TOTALS | 108 | 116,323 |

| CO-LIVING UNIT MIX WORKSHEET (To Be submitted with Affordable Housing Compliance Plan Application) | | | | |
|---|----------------------------------|--------------------------------|-------------------|------------------------|
| FLOOR # | TOTAL UNIT LIVING SQ' | HEATED COMMON AREAS | # OF UNITS | TOTAL FLOOR SQ' |
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| | | TOTALS | | |

| ESTIMATED AHIF CALCULATION(S) RENTAL CO-LIVING PROJECTS ONLY | | |
|---|------------------------|-------------------------|
| FISCAL YEAR | AHIF PER SQ' ** | ESTIMATED FEE*** |
| FY 18-19 | \$ 17.83 | |
| FY 19-20 | \$ 18.26 | |
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