



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Sergio Jimenez

SUBJECT: SEE BELOW

DATE: March 4, 2022

Approved

Date: 3/4/2022

A handwritten signature in cursive script, appearing to read "Sergio Jimenez".

SUBJECT: BARRIERS TO AFFORDABLE HOUSING CONSTRUCTION

RECOMMENDATION

If City Council approves staff recommendation (b), then direct staff to explore applying any suspension of (or exemption from) construction taxes only to Category 1 neighborhoods as defined in the Affordable Housing Siting Policy.

BACKGROUND/ANALYSIS

The residential construction taxes listed in the staff recommendation are essential sources of revenue, particularly for neighborhoods that historically have not received adequate investment through redevelopment. In fact, affordable housing may be the only significant residential development occurring in some neighborhoods.

In their analysis, staff should consider and potentially incorporate the Affordable Housing Siting Policy in any recommendation that returns to Council. Staff may also evaluate an alternative that includes Category 2 neighborhoods in addition to Category 1 neighborhoods.