

SECTION 153. Section 12.025 of Part 12 of Resolution No. 72737 is amended as follows:

12.025 For Sale Inclusionary In-Lieu Fees under Municipal

Code Section 5.08.520

Prior to May 1, 2021:

\$166,698.00 per unit

Pursuant to San José Municipal Code Section 5.08.520, the inclusionary housing requirement may be satisfied by the payment of a fee in lieu of constructing affordable housing units provided that such fee is paid for 20% of total Market Rate Units and received after issuance of a development permit for the project, but prior to the issuance of any certificate of occupancy for a building in the Residential Development.

On or after May 1, 2021:

Pursuant to San José Municipal Code Section 5.08.520, the inclusionary housing requirement may be satisfied by the payment of a fee in lieu of constructing affordable housing units provided that such fee is paid and received after issuance of a development permit for the project, but prior to the issuance of any certificate of occupancy for a building in the Residential Development, as follows:

In-Lieu Fee for For-Sale Residential Developments

Per Net New Square Foot of Residential Floor Area ⁽¹⁾

Residential Developments Adding 20 or More Units or Adding 10 to 19 Units at less than 90% of maximum density allowed by the General Plan (“Allowable Density”)	\$26.32
Residential Developments Adding 10 to 19 Units at 90% or More of Allowable Density	\$13.16

⁽¹⁾ As determined pursuant to the Inclusionary Housing Ordinance Guidelines.

The in-lieu fee shall be increased on July 1 of each year by the Engineering News Record (“ENR”) Construction Cost Index for the San Francisco Urban area as determined for the preceding twelve (12) months – until the fee is recalculated pursuant to the Inclusionary Housing Ordinance.

Fee for qualifying Downtown High Rise Developments, pursuant to Resolution No. 79688, the Inclusionary Housing Guidelines, and San José Municipal Code Section 5.08.520.D., that obtain all Certificates of Occupancy on or prior to June 30, 2025 shall be as follows:

Building permit by June 30, 2021	\$0/square foot
Building permit by June 30, 2022	\$0/square foot
Building permit by June 30, 2023	\$0/square foot
Building permit by June 30, 2024	\$13/square foot
Building permit by June 30, 2025	\$23/square foot

SECTION 154. Section 12.026 of Part 12 of Resolution No. 72737 is amended as follows:

12.026 Rental Inclusionary In-Lieu Fees under Municipal Code Section 5.08.520
On or before May 1, 2021:

Pursuant to San José Municipal Code Section 5.08.520, the inclusionary housing requirement for rental developments may be satisfied by the payment of a fee in lieu of constructing affordable rental residential units provided that such fee is paid for 20% of all units in the rental development and received after issuance of a development permit for the project, but prior to the issuance of any certificate of occupancy for a building in the rental development. \$132,000.00 per unit

On or after May 1, 2021:

Pursuant to San José Municipal Code Section 5.08.520 the inclusionary housing requirement may be satisfied by the payment of a fee in lieu of constructing affordable housing units provided that such fee is paid and received after issuance of a development permit for the project, but prior to the issuance of any certificate of occupancy for a building in the Residential Development, as follows:

In-Lieu Fee for Rental Residential Developments
Per Net New Square Foot of Residential Floor Area ⁽¹⁾

	Strong Market Areas	Moderate Market Areas
Rental Residential Developments Adding 20 or More Units or Adding 10 to 19 Units at Less Than 90% of Allowable Density	\$45.26	\$19.68

On or after May 1, 2021:
Pursuant to San José Municipal Code Section 5.08.525 the inclusionary housing requirement may be satisfied by the payment of a fee in lieu of constructing affordable housing units provided that such fee is paid and received after issuance of a development permit for the project, but prior to the issuance of any certificate of occupancy for a building in the Residential Development, as follows:

**In-Lieu Fee for Rental Residential Developments
Providing a Minimum of 5% Inclusionary Units On-Site**
Per Net New Square Foot of Residential Floor Area ⁽¹⁾

	Inclusionary Units On-Site	Rental Residential Developments Adding 20 or More Units or Adding 10 to 19 Units at Less Than 90% of Allowable Density		Rental Residential Developments Adding 10 to 19 Units at 90% or More of Allowable Density	
		Strong Market Areas	Moderate Market Areas	Strong Market Areas	Moderate Market Areas
		With 5% Inclusionary Units On-Site	5% at 100% AMI rents	\$19.68	\$12.49
	5% at 60% AMI rents	\$13.13	\$8.34	\$6.57	\$4.17
	5% at 50% AMI rents	\$10.60	\$6.73	\$5.31	\$3.37
With 10% Inclusionary Units On-Site	5% at 100% AMI and 5% at 60% AMI rents	\$11.11	\$7.05	\$5.56	\$3.53
	5% at 100% AMI and 5% at 50% AMI rents	\$8.58	\$5.44	\$4.92	\$2.73
	5% at 60% AMI and 5% at 50% AMI rents	\$2.02	\$1.28	\$1.01	\$0.64

AMI = Area Median Income

⁽¹⁾ As determined pursuant to the Inclusionary Housing Ordinance Guidelines.

The in-lieu fee shall be increased on July 1 of each year by the Engineering News Record (“ENR”) Construction Cost Index for the San Francisco Urban area as determined for the preceding twelve (12) months – until the fee is recalculated pursuant to the Inclusionary Housing Ordinance.

SECTION 156. Part 12 of Resolution No. 72737 is amended to add Section 12.028 as follows:

12.028 Inclusionary Housing Application Fee

Standard Application	\$4,029.00 per transaction
Abbreviated Application	\$934.00 per transaction

SECTION 170. Section 12.145 of Part 12 of Resolution No. 72737 is amended as follows:

12.145 Affordable Housing Impact Fee

The Housing Impact Fee shall be paid for each Market Rate Rental Unit, not exempted as an “Eligible Pipeline Project”, with three (3) or more units as defined in Resolution No. 77218. \$19.61 per finished livable square foot.

SECTION 171. Section 12.150 of Part 12 of Resolution No. 72737 is amended as follows:

12.150 Affordable Housing Compliance Fee Program

In accordance with Resolution No. 77218 (AHIF) and SJMC Chapter 5.08 (Inclusionary):

Standard Application	\$4,029.00 per application
City Attorney Staff Time	\$187.00 per hour in excess of seven (7) hours
City Housing Staff Time	\$136.00 per hour in excess of twenty (20) hours

SECTION 173. Part 12 of Resolution No. 72737 is amended to add Section 12.200 as follows:

12.200 Commercial Linkage Fee Application Fee

Deferred Payment or Credit Agreement	\$3,396.00 per application
Standard Application	\$1,726.00 per application
Abbreviated Application	\$895.00 per application
City Attorney Staff Time	\$187.00 per hour in excess of eight (8) hours
City Housing Staff Time	\$136.00 per hour in excess of fifteen (15) hours

SECTION 174. Part 12 of Resolution No. 72737 is amended to add Section 12.201 as follows:

12.201 Commercial Linkage Fee Schedules – Non-Residential Use, Fee per Sq.Ft.

<u>Downtown and Nearby</u> Office (≥ 100,000 sq.ft.)	\$12.63 when paid in full prior to the Building Permit issuance.
	\$15.79 when paid at Scheduling of Final Building Inspection.
	Eligible for deferred payment pursuant to subsection E.

Office (<100,000 sq.ft.)	\$0 for all square footage <50,000 sq.ft. and \$3.16 for all remaining square footage. When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.
Retail	\$0
Hotel	\$5.26 excluding Common Area. When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.
Industrial/Research and Development (≥100,000 sq.ft.)	\$3.16 When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply. Eligible for deferred payment pursuant to subsection E.
Industrial/Research and Development (<100,000 sq.ft.)	\$0

Warehouse

\$5.26

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

Residential Care

\$6.32 Excluding Common Area.

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

North San Jose and Nearby; West San Jose
Urban Villages:

Office (≥ 100,000 sq.ft.)

\$5.26

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

Eligible for deferred payment pursuant to subsection E.

Office (<100,000 sq.ft.)	0\$ for all square footage <50,000 sq.ft. and \$3.16 for all remaining square footage. When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.
Retail	\$0
Hotel	\$5.26 excluding Common Area. When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.
Industrial/Research and Development (≥100,000 sq.ft.)	\$3.16 When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply. Eligible for deferred payment pursuant to subsection E.
Industrial/Research and Development (<100,000 sq.ft.)	\$0

Warehouse

\$5.26

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

Residential Care

\$6.32 Excluding Common Area.

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection 100% of the fee will apply.

Edenvale and Monterey Corridor:

Office (≥ 100,000 sq.ft.)

\$5.26

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

Eligible for deferred payment pursuant to subsection E

Office (<100,000 sq.ft.)	0\$ for all square footage <50,000 sq.ft. and \$3.16 for all remaining square footage. When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.
Retail	\$0
Hotel	\$5.26 excluding Common Area. When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.
Industrial/Research and Development	\$0
Warehouse	\$5.26 When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply. When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

Residential Care

\$6.32 Excluding Common Area.

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

South and East San Jose Growth Areas:

Office

\$0

Retail

\$0

Hotel

\$5.26 excluding Common Area.

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

**Industrial/Research and Development
(≥100,000 sq.ft.)**

\$3.16

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

**Industrial/Research and Development
(<100,000 sq.ft.)**

\$0

Warehouse

\$5.26

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

Residential Care

\$6.32 Excluding Common Area.

When paid in full prior to the Building Permit issuance, a 20% reduction in the payment will apply.

When paid at Scheduling of Final Building Inspection, 100% of the fee will apply.

SECTION 175. Part 12 of Resolution No. 72737 is amended to add Section 12.300 as follows:

12.300 Replacement Unit Determination

The Housing Crisis Act of 2019 prohibits the approval of any proposed housing development project on a site that will require the demolition of existing residential dwelling units or occupied or vacant “Protected Units” unless the proposed housing development project replaces those units. The Housing department reviews preliminary applications to determine the replacement obligations.

SB-330 applies to “housing development projects” as defined by California Government Code Section 65589.5(h)(2)(B). Specifically, pursuant to Government Code Section 65589.5(h)(2)(B) a project is a housing development project if:

- 1) The project is a development project consisting of two or more residential units.
- 2) (or) The project is a mixed-use development project where at least two-thirds of the square footage comprises residential uses.
- 3) (or) The project is a transitional or supportive housing development project.

Standard Application

\$2,904.00 per
standard application

City Attorney Staff Time

\$187.00 per hour in
excess of eight (8)
hours

City Housing Staff Time

\$136.00 per hour in
excess of fifteen
(15) hours

Relocation Pass Through Fee
(for charges associated with contracting
for consultant services for required
relocation services on behalf of developer)

Actual cost