

ORDINANCE NO. 1377

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALY CITY
REPEALING AND REPLACING CHAPTER 17.47 RE: AFFORDABLE HOUSING

The City Council of the City of Daly City, DOES ORDAIN as follows:

SECTION 1. Chapter 17.47 of Title 17 of the Daly City Municipal Code is hereby repealed in its entirety.

SECTION 2. Chapter 17.47 of Title 17 of the Daly City Municipal Code is hereby added to read as follows:

Chapter 17.47

AFFORDABLE HOUSING

17.47.010 Purpose.

- A. The purpose of this Chapter is to:
1. Assure that development projects mitigate and/or compensate for the increased demand for affordable housing attributable to and generated by such development projects within the City of Daly City;
 2. Encourage the development and availability of housing affordable to a broad range of households with varying income levels within the City as mandated by State Law, California Government Code Sections 65580 and following;
 3. Promote the City's goal to add affordable housing units to the City's housing stock in proportion to the overall increase in new jobs and housing units;
 4. Offset the demand on housing that is created by new ownership and rental development and mitigate environmental and other impacts that accompany new residential development by protecting the economic diversity of the City's housing stock, reducing traffic, transit and related air quality impacts, promoting jobs/housing balance and reducing the demands placed on transportation infrastructure in the region;
 5. Implement Programs 10, 11 and 19 of the Housing Element

17.47.020 Applicability.

This ordinance applies to developments in all areas of the City.

17.47.030 Findings.

The City Council finds and determines:

A. Lack of access to affordable housing has a direct impact upon the health, safety and welfare of the residents of the City. The City will not be able to contribute to the attainment of State housing goals or to retain a healthy environment without additional affordable housing. The housing problem has an impact upon a broad range of income groups including many who are not impoverished by standards other than those applicable to California's and the City's housing markets, and no single housing program will be sufficient to meet the housing need.

B. A lack of new Affordable Units will have a substantial negative impact on the environment and economic climate because:

1. Housing will have to be built elsewhere, far from employment centers and therefore commutes will increase, causing increased traffic and transit demand and consequent noise and air pollution; and

2. City businesses will find it more difficult to attract and retain the workers they need. Affordable housing policies contribute to a healthy job and housing balance by providing more affordable housing close to employment centers.

C. The California Legislature has required each local government agency to develop a comprehensive, long-term general plan establishing policies for future development. As specified in the Government Code (at Sections 65300, 65302(c), and 65583(c)), the plan must:

1. "encourage the development of a variety of types of housing for all income levels, including multifamily rental housing;"

2. "[a]ssist in the development of adequate housing to meet the needs of low- and moderate-income households;" and

3. "conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action."

D. The citizens of the City seek a well-planned, aesthetically pleasing and balanced community, with housing affordable to Very Low-, Low- and Moderate-Income Households. Affordable housing should be available throughout the City, and not restricted to a few neighborhoods and areas.

E. Federal and state funds for the construction of new affordable housing are insufficient to fully address the problem of affordable housing within the City. Nor has the private housing market provided adequate housing opportunities affordable to Moderate-, Low- and Very Low-Income Households.

F. The City is aware that there may be times when affordable housing requirements make market-rate housing more expensive. In weighing all the factors, including the significant need for affordable housing, the City has made the decision that the community's interests are best served by the adoption of the Affordable Housing Ordinance.

17.47.40 Definitions.

As used in this Chapter, the following terms shall have the following meanings:

A. “Affordable Housing Agreement” means a written agreement between Developer and the City as provided by Section 17.47.100(C).

B. “Affordable Housing Impact Fee” is a fee that is charged to developers of market-rate housing and is used by the City to support affordable housing development and operation. The “Affordable Housing Fee Nexus Study,” dated March 2014 (the “Nexus Study”), prepared by Kaiser Martson Associates, quantifies the impacts of new market-rate rental and ownership units on the need for affordable housing in the City.

C. “Affordable Housing Plan” means a plan for a residential or Commercial Development submitted by a Developer as provided by Section 17.47.100(B).

D. “Affordable Housing Project” means a housing project where 100% of the units are offered at an Affordable Rent or Affordable Sales Price. The Affordable Housing project is developed by an affordable housing developer and all its units are deed-restricted for 55 years.

E. “Affordable Rent” means monthly rent that does not exceed one-twelfth of 30 percent of the maximum annual income for a Household of the applicable income level (Moderate-, Low or Very Low-Income) at the Presumed Household Size.

F. “Affordable Sales Price” means a sales price that results in a monthly housing cost (including mortgage, insurance and home association costs, if any) that does not exceed one-twelfth of 30 percent of income for a Moderate-Income Household, adjusted by the presumed household size.

G. “Affordable Unit” means a dwelling unit that must be offered at Affordable Rent or available at an Affordable Sales Price, and is deed restricted.

H. “Area Median Income” means the median Household income as provided in Section 50093(c) of the California Health and Safety Code.

I. “City” means the City of Daly City.

J. “City Manager” means the City Manager of the City or his or her designee.

K. “Condominium Conversion” means the conversion of the ownership of the units in a Rental Project from a single ownership to an ownership in which the Dwelling Units may be sold individually. Such Condominium Conversions may include, but are not limited to, the conversion of existing multiple unit Residential Development Projects to any of the following, all as defined Civil Code Section 1351; (a) a community apartment project; (b) a condominium project; and (c) a stock cooperative.

L. “Developer” means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a Residential or Commercial Development.

M. “Household” means one person living alone or two or more persons sharing residency whose income is considered for housing payments.

N. “Implementing Guidelines” means the written guidelines detailing the detailed procedures and guidelines to ensure the orderly and efficient administration of the requirements of this chapter.

O. “Low-Income Household” means a Household whose annual income does not exceed the qualifying limits set for “lower income households” in Section 50079.5 of the California Health & Safety Code.

P. “Market-rate Unit” means a dwelling unit in a Residential Development that is not an Affordable unit.

Q. “Moderate-Income Household” means a Household whose income does not exceed the qualifying limits set for “persons and families of low or moderate income” in Section 50093 of the California Health & Safety Code.

R. “Occupancy Standard” means the minimum household size upon which qualification and pricing for Affordable units is based.

S. “Off-Site Unit” means an Affordable Unit that will be built separately or at a different location than the main development.

T. “On-Site Unit” means an Affordable Unit that will be built as part of the main development.

U. “Ownership Project” means a residential project, or portion thereof, that includes the creation of one or more residential living units that may be sold individually, including a condominium, stock cooperative, community apartment, or attached or detached single –family home. An ownership project also includes a residential condominium conversion project as defined in Section 17.47.040(H) and the creation of residential living units that may be sold individually, but are initially rented rather than sold.

V. “Presumed Household Size” means the household size that is presumed appropriate to live in a unit of a particular bedroom count. The presumed household size is used for determining the incomes adjusted for household size that are available for supporting housing payments of Affordable Units.

W. “Rental Project” means a residential project, or portion thereof, that creates living units that cannot be sold individually, except that the construction for any secondary dwelling unit as defined in Section 17.04.010 shall not be considered a rental project.

X. “Residential Development” means the construction of any residential dwelling units where the tentative map, parcel map or, for project not processing a map, the building permit was received after October 24, 2007.

Y. “Very Low-Income Household” means a Household whose income does not exceed the qualifying limits set for “very low income households” in Section 50105 of the California Health & Safety Code.

17.47.050 Affordable Housing Requirements

A. Requirement – Rental Projects - All rental projects shall pay an affordable housing impact fee, upon issuance of a building permit for each dwelling unit in the rental project, unless an alternative is proposed by the developer and approved by the City Manager. Any affordable housing impact fee shall be established by resolution of the City Council. No application for a rezoning, tentative map, parcel map, conditional use permit, design review, or building permit shall be approved, nor shall any such rental project be constructed or condominium conversion approved without compliance with this Article.

B. Requirement – Ownership Projects All ownership projects of five or more units shall either include the number of Affordable units required under Section 17.47.050.c or, if approved by the City Manager pay the impact fee required under Section 17.47.080. No application for a rezoning, tentative map, parcel map, conditional use permit, design review, or building permit shall be approved, nor shall any such ownership project be constructed or condominium conversion approved, without compliance with this Article.

C. Number of Affordable Units – Ownership Projects

1. Basic Requirement. The required number of affordable units included in an ownership project shall depend upon the total number of dwelling units in the project.

a. Projects of 5 or more units. The developer of an ownership project, including a condominium conversion shall pay the impact fee specified in Section 17.47.080, or include 20 percent of the units to be affordable to Moderate-Income Households.

b. In determining the affordable housing obligation of a proposed development, any fractional unit obligation will be rounded up to the nearest whole number or be subject to the pro-rata share of the City's per unit impact fee.

17.47.060 Exemptions.

The requirements of this Chapter do not apply to:

A. The reconstruction of any structures that have been destroyed by fire, flood, earthquake or other act of nature provided that the reconstruction of the site does not increase the number of residential units by 5 or more units.

B. Affordable Housing Projects, as defined in Section 17.47.040(A).

C. Housing constructed by other government agencies.

17.47.070 Affordable Housing Standards Applicable to Rental and Ownership Projects

Affordable Units built under this Chapter must conform to the following standards:

A. Design. Except as otherwise provided in this Chapter, Affordable Units must be dispersed throughout a Residential Development and be comparable in infrastructure (including sewer, water and other utilities), construction quality and exterior design to the Market-rate

Units. Affordable Units may be smaller in aggregate size and have different interior finishes and features than Market-rate Units so long as the interior features are durable, of good quality and consistent with contemporary standards for new housing. The number of bedrooms must be the same as those in the Market-rate Units, except that if the Market-rate Units provide more than four bedrooms, the Affordable Units need not provide more than four bedrooms.

B. Timing. All Affordable Units must be constructed and occupied concurrently with or prior to the construction and occupancy of Market-rate Units or development. In phased developments, Affordable Units may be constructed and occupied in proportion to the number of units in each phase of the Residential Development.

C. Duration of Affordability Requirement. Affordable Units produced under this Ordinance must be legally restricted to occupancy by households of the income levels for which the units were designated for a minimum of 55 years.

D. Occupancy Standards. Priority for occupancy shall be for households meeting the following size requirements:

1. Studio Units – minimum one-person occupancy
2. 1 bedroom units - minimum one-person occupancy
3. 2 bedroom units – minimum two person occupancy.
4. 3 bedroom units – minimum three person occupancy.
5. 4 bedroom units – minimum four person occupancy.

E. Maintenance Standards. All Affordable Units (rental and ownership) developed pursuant to this Ordinance will be kept in good repair and properly maintained. Minimum standards of maintenance are provided in the Implementing Guidelines as adopted by resolution by the City Council.

17.47.080 Affordable Housing Impact Fees

A. As provided in Section 17.47.050, all rental projects will pay an affordable housing impact fee, upon issuance of a building permit for each dwelling unit in the rental project, unless an alternative is proposed by the developer and approved by the City Manager.

B. As provided in Section 17.47.090, and with approval from the City Manager, the developer of an ownership project may pay an impact fee rather than provide onsite units. The impact fees shall be deposited to the City's Affordable Housing Trust Fund

C. Timing of Payment. The fee must be paid prior to issuance of a building permit for the Development or the permit will be null and void. For phased developments, payments may be made for each portion of the Development prior to issuance of a Building Permit for that phase.

D. The City Council shall, from time to time, adopt a resolution setting forth the amount of the impact fees. The impact fees shall be based upon the estimated cost to mitigate the affordable housing needs generated by new market rate housing development as identified in a housing nexus study adopted by the City Council. These costs include but are not limited to (1) estimated construction costs, (2) the costs of land, (3) financing costs, (4) consultant costs (including without limitation architecture, engineering, and other costs), and (5) any indirect

costs. Nothing in this chapter shall deem or be used to deem the impact fees authorized pursuant to this section as an ad hoc exaction, as a mandated fee required as a condition to developing property, or as a fee subject to the analysis in *Building Industry Association of Central California v. City of Patterson*, 171 Cal. App. 4th 886 (2009). Any impact fee adopted by the City Council is a menu option that may serve as an alternative to the on-site housing requirements for ownership projects set forth in this Article, subject to City Manager approval.

E. Effect of No Payment. No final inspection for occupancy will be completed for any corresponding Market-rate Unit in a Residential Development unless fees required under this Section have been paid in full to the City.

F. Fractional impact fees. The pro-rata share of an impact fee will be charged for fractional affordable housing obligations.

17.47.090 Alternatives.

A. Developer Proposal. A Developer may propose an alternative means of compliance for an ownership project in an Affordable Housing Plan as provided in Section 17.47.100 according to the following provisions.

1. *Off-Site Construction.* Affordable Units may be constructed off-site if the City Manager finds that the proposed off-site units will have equivalent or greater benefit to the City.

2. *Land Dedication.* In lieu of building affordable units, a Developer May choose to dedicate land to the City suitable for the construction of Affordable Units that the City Manager reasonably determines to be of equivalent or greater benefit than is produced by applying the City's affordable housing impact fee

3. *Combination.* The City Manager may accept any combination of on-site construction, offsite construction, impact fees and land dedication that at least equal the cost of providing affordable Units on-site as would otherwise be required by this Chapter.

B. Discretion. The City Manager may approve, conditionally approve or reject any alternative proposed by a Developer as part of an Affordable Housing Plan. Any approval or conditional approval must be based on a finding that the purposes of this Chapter would be better served by implementation of the proposed alternative(s). In determining whether the purposes of this Chapter would be better served under the proposed alternative, the City Manager should consider

1. whether implementation of an alternative would overly concentrate Affordable Units within any specific area and, if so, must reject the alternative unless the undesirable concentration of Affordable Units is offset by other identified benefits that flow from implementation of the alternative in issue; and

2. the extent to which other factors affect the feasibility of prompt construction of the Affordable Units on the property, such as costs and delays, the need for an appraisal, site design, zoning, infrastructure, clear title, grading and environmental review.

17.47.100 Compliance Procedures.

A. General. Approval of an Affordable Housing Plan and implementation of an approved Affordable Housing Agreement is a condition of any tentative map, parcel map or building permit for any Development for which this Chapter applies. This Section does not apply to exempt projects or to projects where the requirements of the Chapter are satisfied by payment of a fee under Sections 17.47.080.

B. Affordable Housing Plan. The City Manager must approve, conditionally approve or reject the Affordable Housing Plan within 60 days of the date of a complete application for that approval. If the Affordable Housing Plan is incomplete, the Affordable Housing Plan will be returned to the Developer along with a list of the deficiencies or the information required. No application for a tentative map, parcel map or building permit to which this Chapter applies may be deemed complete until an Affordable Housing Plan is submitted to the City Manager. At any time during the review process, the City Manager may require from the Developer additional information reasonably necessary to clarify and supplement the application or determine the consistency of the proposed Affordable Housing Plan with the requirements of this Chapter. The Affordable Housing Plan must include:

1. The location, structure (attached, semi-attached, or detached), proposed tenure (for sale or rental), and size of the proposed market-rate, commercial space and/or Affordable Units and the basis for calculating the number of Affordable Units;
2. A floor or site plan depicting the location of the Affordable Units;
3. The income levels to which each Affordable Unit will be made affordable;
4. The mechanisms that will be used to assure that the units remain affordable for the desired term, such as resale and rental restrictions, deeds of trust, and rights of first refusal and other documents;
5. For phased Development, a phasing plan that provides for the timely development of the number of Affordable Units proportionate to each proposed phase of development as required by Section 17.47.070(B) of this Chapter.
6. Any alternative means designated in Section 17.47.090 proposed for the Development along with information necessary to support the findings required by Section 17.47.090 for approval of such alternatives; and
7. Any other information reasonably requested by the City Manager to assist with evaluation of the Plan under the standards of this Chapter.

C. Affordable Housing Agreement. The forms of the Affordable Housing Agreement, resale and rental restrictions, deeds of trust, rights of first refusal and other documents authorized by this subsection, and any change in the form of any such document which materially alters any policy in the document, must be approved by the City Manager or his or her designee prior to being executed with respect to any Residential Development or Affordable Housing Proposals. The form of the Affordable Housing Agreement will vary, depending on the manner in which the provisions of this Chapter are satisfied for a particular development. All Affordable Housing Agreements must include, at minimum, the following:

1. Description of the development, including whether the Affordable Units will be rented or owner-occupied;
2. The number, size and location of the Affordable Units;
3. Affordable incentives by the City (if any), including the nature and amount of any local public funding;
4. Provisions and/or documents for resale restrictions, deeds of trust, rights of first refusal or rental restrictions;
5. Provisions for monitoring the ongoing affordability of the units, and the process for qualifying prospective resident Households for income eligibility; and any additional obligations relevant to the compliance with this Chapter.

D. Recording of Agreement. Affordable Housing Agreements that are acceptable to the City Manager must be recorded against owner-occupied Affordable Units and residential projects containing rental Affordable Units. Additional rental or resale restrictions, deeds of trust, rights of first refusal and/or other documents acceptable to the City Manager must also be recorded against owner-occupied Affordable Units. In cases where the requirements of this Chapter are satisfied through the development of Off-Site Units, the Affordable Housing Agreement must simultaneously be recorded against the property where the Off-Site Units are to be developed.

17.47.110 Eligibility for Affordable Units.

A. General Eligibility. No Household may occupy an Affordable Unit unless the City or its designee has approved the Household's eligibility, or has failed to make a determination of eligibility within the time or other limits provided by an Affordable Housing Agreement or resale restriction. If the City or its designee maintains a list or identifies eligible Households, initial and subsequent occupants will be selected first from the list of identified Households, to the maximum extent possible, in accordance with any rules approved by the City Manager. If the City has failed to identify a Household as an eligible buyer for the initial sale of an Affordable Unit that is intended for owner occupancy 90 days after the unit receives a completed final inspection for occupancy, upon 90 additional days' notice to the City and on satisfaction of such further conditions as may be included in City-approved restrictions (which may include a further opportunity to identify an eligible buyer), the owner may sell the unit at a market price, and the unit will not be subject to any requirement of this Chapter thereafter.

B. Conflict of Interest. The following individuals are ineligible to purchase or rent an Affordable Unit:

1. City employees and officials (and their immediate family members) who have policy-making authority or influence regarding City housing programs and do not qualify as having a remote interest as provided by California Government Code Section 1091;

2. The Project Applicant and its officers and employees (and their immediate family members); and (iii) the Project Owner and its officers and employees (and their immediate family members).

C. Occupancy. Any Household who occupies an affordable rental Unit or purchases an Affordable Unit must occupy that unit as a principal residence.

17.47.120 Owner-Occupied Units.

A. The Units must be offered at an Affordable Sales Price.

B. Transfer. Renewed restrictions will be entered into on each change of ownership, with a 55-year renewal term, upon transfer of an owner-occupied Affordable Unit prior to the expiration of the 55-year affordability period.

C. Resale. The maximum sales price permitted on resale of an Affordable Unit designated for owner-occupancy shall be the lower of:

1. fair market value or

2. the current Affordable Sales Price for the unit based on current income limits (see Section 17.47.040 “Definitions.

D. Maintenance of Unit. The owner of the Affordable Unit will be responsible to maintain their unit to housing maintenance standards as described in the Implementing Guidelines

E. Changes in Title. Title in the Affordable Unit may change due to death, marriage and divorce. Except as otherwise provided by this Subsection, if a change in title is occasioned by events that change the financial situation of the Household so that it is no longer income eligible, then the property must be sold to an income-eligible Household within 180 days. Upon the death of one of the owners, title in the property may transfer to the surviving joint tenant without respect to the income-eligibility of the Household. Upon the death of a sole owner or all owners and inheritance of the Affordable Unit by a non-income-eligible heir of one or more owners, there will be a one year compassion period between the time when the estate is settled and the time when the property must be sold to an income-eligible Household.

F. Annual certifications. The owner of the Affordable Unit shall certify annually that the unit is their primary residence.

17.47.140 Adjustments, Waivers.

The requirements of this Chapter may be adjusted or waived if the Developer demonstrates to the City Manager that there is not a reasonable relationship between the impact of a proposed Residential Development and the requirements of this Chapter, or that applying the requirement of this Chapter would take property in violation of the United States or California Constitutions.

A. Timing. To receive an adjustment or waiver, the Developer must make a showing when applying for a first approval for the Residential Development..

B. Considerations. In making a determination on an application to adjust or waive the requirements of this Chapter, the City Manager may assume each of the following when applicable:

1. that the Developer is subject to the Affordable housing requirement or impact fee;
2. that the Developer will be obligated to provide the most economical Affordable Units feasible in terms of construction, design, location and tenure; and
3. that the Developer is likely to obtain other housing subsidies where such funds are reasonably available.

C. Decision and Further Appeal. The City Manager, upon legal advice provided by or at the behest of the City Attorney, will determine the application and issue a written decision. The City Manager's decision may be appealed to the City Council in the manner and within the time set forth in Section 8.16.300.

D. Modification of Plan. If the City Manager, upon legal advice provided by or at the behest of the City Attorney, determines that the application of the provisions of this Chapter lacks a reasonable relationship between the impact of a proposed residential project and the requirements of this Chapter, or that applying the requirement of this Chapter would take property in violation of the United States or California Constitutions, the Affordable Housing Plan shall be modified, adjusted or waived to reduce the obligations under this Chapter to the extent necessary to avoid an unconstitutional result. If the City Manager determines no violation of the United States or California Constitutions would occur through application of this Chapter, the requirements of this Chapter remain applicable.

17.47.150 Affordable Housing Trust Fund.

A. Trust Fund. There is hereby established a separate Affordable Housing Trust Fund ("Fund"). This Fund shall receive all fees contributed under Sections 17.47.050, 17.47.080 and 17.47.090 and may also receive monies from other sources.

B. Purpose and Limitations. Monies deposited in the Fund must be used to increase and improve the supply of housing affordable to Moderate-, Low-, and Very Low-Income Households in the City. Monies may also be used to cover reasonable administrative or related expenses associated with the administration of this Section.

C. Administration. The fund shall be administered by the City Manager, who may develop procedures to implement the purposes of the Fund consistent with the requirements of this Chapter and any adopted budget of the City.

D. Expenditures. Fund monies shall be used in accordance with City's Housing Element, , or subsequent plan adopted by the City Council to construct, rehabilitate or subsidize affordable housing or assist other governmental entities, private organizations or individuals to do so. Permissible uses include, but are not limited to, assistance to housing development corporations, equity participation loans, grants, prehome ownership co-investment, pre-development loan funds, participation leases or other public-private partnership arrangements. The Fund may be used for the benefit of both rental and owner-occupied housing.

E. City Manager's Annual Report. The City Manager shall report to the City Council and Planning Commission on the status of activities undertaken with the Fund as provided by Section 66006(b) of the California Government Code. The report shall include a statement of income, expenses, disbursements and other uses of the Fund. The report should also state the number and type of Affordable Units constructed or assisted during that year and the amount of such assistance. The report will evaluate the efficiency of this Chapter in mitigating City's shortage of affordable housing and recommend any changes to this Chapter necessary to carry out its purposes, including any adjustments to the number of units to be required.

17.47.160 Enforcement.

A. Penalty for Violation. It shall be a misdemeanor to violate any provision of this Chapter. Without limiting the generality of the foregoing, it shall also be a misdemeanor for any person to sell or rent to another person an Affordable Unit under this Chapter at a price or rent exceeding the maximum allowed under this Chapter or to sell or rent an Affordable Unit to a Household not qualified under this Chapter. It shall further be a misdemeanor for any person to provide false or materially incomplete information to the City or to a seller or lessor of an Affordable Unit to obtain occupancy of housing for which he or she is not eligible. Any such violation constituting a misdemeanor under this Chapter may in the discretion of the enforcing authority, be charged and prosecuted as an infraction.

B. Legal Action. The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Chapter, including:

1. actions to revoke, deny or suspend any permit, including a Building Permit, certificate of occupancy, or discretionary approval;
2. actions to recover from any violator of this Chapter civil fines, restitution to prevent unjust enrichment from a violation of this Chapter, and/or enforcement costs, including attorneys' fees;
3. eviction or foreclosure; and
4. any other appropriate action for injunctive relief or damages.

Failure of any official or agency to fulfill the requirements of this Chapter shall not excuse any person, owner, Household or other party from the requirements of this Chapter.

17.47.170 Minimum Requirements.

The requirements of this Chapter are minimum and maximum requirements, although nothing in this Section limits the ability of a private person to waive his or her rights or voluntarily undertake greater obligations than those imposed by this Chapter.

17.47.180 Administrative Fees.

Developers of affordable ownership units and owners of affordable rental units subject to this ordinance will be required to pay an administrative fee to the City of Daly City to monitor

compliance with this chapter. The fee will be adopted by resolution of the City Council and subject to annual review.

SECTION 3: Severability. If any provision of this Ordinance is held by any court or by any Federal or State agency of competent jurisdiction, to be invalid as conflicting with any Federal or State law, rule or regulation now or hereafter in effect, or is held by such court or agency to be modified in any way in order to conform to the requirements of any such law, rule or regulation, such provision shall be considered a separate, distinct, and independent part of this Ordinance, and such holding shall not affect the validity and enforceability of all other provisions hereof. In the event that such law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed, so that the provision thereof which had previously been held invalid or modified is no longer in conflict with such law, rule or regulation, said provision shall thereupon return to full force and effect and shall thereafter be binding.

SECTION 4: Environmental Determination. The City Council of the City of Daly City finds and determines that the implementation of measures described in this Chapter is in furtherance police powers of the City of Daly City, and that these purposes are exempt from the provisions of the California Environmental Quality Act (CEQA); Chapter 3 (commencing with Section 21100) of Division 13 of the Public Resources Code, as provided in categorical exemption within CEQA’s categorical exemption for activities involving regulation of activities.

SECTION 5: Publication/Summary Pursuant to the provisions of Government Code Section 36933, a summary of this ordinance shall be prepared by the City Attorney. At least five (5) days prior to the Council meeting at which this ordinance is scheduled to be adopted, the City Clerk shall (1) publish the summary, and (2) post it in the City Clerk’s office a certified copy of this ordinance. Within fifteen (15) days after the adoption of this ordinance, the City Clerk shall (1) publish the summary and (2) post in the City Clerk’s office a certified copy of the full text of this ordinance along with the names of those City Council members voting for and against this ordinance or otherwise voting. This ordinance shall become effective thirty (30) days from and after its adoption.

Introduced this 14th day of April 2014.

Passed and adopted as an Ordinance of the City of Daly City at a regular meeting of the City Council of the City of Daly City held on the 28th day of April 2014, by the following vote:

AYES, Councilmembers	<u>Buenaventura, Guingona, Klatt,</u>
	<u>Torres, Canepa</u>
NOES, Councilmembers	<u>None</u>
Absent, Councilmembers:	<u>None</u>

K. ANNETTE HIPONA
CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

DAVID J. CANEPA
MAYOR OF THE CITY OF DALY CITY

By TERESA M. RICCI
Assistant City Clerk