ORDINANCE NO.

ORDINANCE OF THE CITY OF CHULA VISTA AMENDING CHULA VISTA MUNICIPAL CODE (CVMC) TITLE 19 (PLANNING AND ZONING) CHAPTER 19.91 (INCLUSIONARY HOUSING)

WHEREAS, the City of Chula Vista strives to ensure the City supports varied housing opportunities for the diverse needs of residents including the establishment of permanent affordable housing opportunities for low- and moderate- income households and rental affordable housing opportunities for very low-, low-, and moderate- income households; and

WHEREAS, Policy 3.4 of the 2021-2029 Housing Element identified reviewing the Balanced Communities Policy for its feasibility in making progress to low- and moderate-income Regional Housing Needs Allocation for the City; and

WHEREAS, in the spring of 2023 Housing staff contracted with a third-party consultant, RSG, to conduct a feasibility analysis, hold multiple public stakeholder meetings, and draft an inclusionary ordinance; and

WHEREAS, on May 21, 2024 City Council placed on first reading Ordinance 3572 with one requested amendment to Chapter 19.91 (Inclusionary Housing) to alter the applicable threshold for properties subject to the chapter from ten to twenty units in sections 19.91.050(A), (B), and (C); and

WHEREAS, on May 28, 2024 a second reading of Ordinance 3572 was heard which was inadvertently adopted with the original language; and

WHEREAS, this amendment adopts the language as requested by Council on May 21 to update section 19.91.050(A), (B), and (C) to "twenty" units.

NOW, THEREFORE, the City Council of the City of Chula Vista does hereby find and ordain as follows:

Section I. Findings

The City Council of the City of Chula Vista finds that the proposed amendments to the CVMC identified in this Ordinance No. qualifies for the "common sense" exemption under State CEQA Guidelines Section 15061(b)(3). The action involves updates, modifications, and organizational changes to the CVMC relating to section titles, definitions, groups covered under density bonus, percentages, etc. Furthermore, the action of updating and modifying the CVMC with procedural and clerical changes will not result in an intensification of uses or a change in development potential within the City above what already is permitted under the existing land use and zoning policies of the CVMC that are being updated. Based on an analysis of the nature and type of these procedural and clerical changes to the CVMC, there is a certainty that there is no possibility that the action may have a significant effect on the environment.

Section II. The Chula Vista Municipal Code Title 19 (Planning and Zoning), Chapter 19.91 (Inclusionary Housing) is hereby amended, as follows:

Chapter 19.91

INCLUSIONARY HOUSING

[Sections 19.91.010 – 19.91.040 remain unchanged]

19.91.050 Inclusionary Requirements.

- A. Residential or mixed-use development projects with fewer than twenty units shall not be required to meet the provisions of this Chapter.
- B. For residential or mixed-use development projects of twenty or more For-Sale units, except those projects complying with this Chapter in an alternative manner consistent with Section 19.91.080 below, 10% of the units shall be restricted For-Sale at an Affordable Housing Cost, as follows:
 - 1. The first Inclusionary Unit required by this Chapter shall be restricted For-Sale at an Affordable Housing Cost to a Moderate-Income Household;
 - 2. The second Inclusionary Unit required by this Chapter shall be restricted For-Sale at an Affordable Housing Cost to a Low-Income Household;
 - 3. All subsequent Inclusionary Units shall follow a similar order of distribution as above such that, to the extent possible, 50% of Inclusionary Units will be restricted For-Sale to Moderate-Income Households, and 50% to Low-Income Households.
- C. For residential or mixed-use development projects of twenty or more Rental units, except those projects complying with this Chapter in an alternative manner consistent with Section 19.91.080 below, 10% of the units shall be restricted at an Affordable Rent, as follows:
 - 1. The first Inclusionary Unit required by this Chapter shall be restricted as a Moderate-Income Unit;
 - 2. The second Inclusionary Unit required by this Chapter shall be restricted as a Low-Income Unit; and
 - 3. All subsequent Inclusionary Units shall follow a similar order of distribution as above such that, to the extent possible 50% of Inclusionary Units will be designated as affordable to Moderate-Income Households, and 50% to Low-Income Households.
- D. Fractional Inclusionary Units that may result from the application of these requirements may be met by rounding up to provide an additional Inclusionary Unit consistent with this Section 19.91.050(C), or by paying a fractional Housing In-Lieu Fee as noted in Section 19.91.070.

E. If a proposed Residential Development project would result in the elimination of existing deed restricted affordable housing units, the affordable units must be replaced on a one-for-one basis with equally affordable deed restricted units with a new Affordability Agreement recorded that results in resetting and making consistent the duration of affordability consistent with the requirements of this Chapter.

[Sections 19.91.060 – 19.91.120 remain unchanged]

Section III. Severability

If any portion of this Ordinance, or its application to any person or circumstance, is for any reason held to be, invalid, unenforceable or unconstitutional; by a court of competent jurisdiction, that portion shall be deemed severable, and such invalidity, unenforceability or unconstitutionality shall not affect the validity or enforceability of the remaining portions of the Ordinance, or its application to any other person or circumstance. The City Council of the City of Chula Vista hereby declares that it would have adopted each section, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more other sections, sentences, clauses or phrases of the Ordinance be declared invalid, unenforceable or unconstitutional.

Section IV. Construction

The City Council of the City of Chula Vista intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section V. Effective Date

This Ordinance shall take effect and be in force on the thirtieth (30^{th}) day after its final passage.

Section VI. Publication.

The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

Presented by	Approved as to form by
Stacey Kurz Director of Housing & Homeless Services	Marco A. Verdugo City Attorney