DATE: January 24, 2017

TO: Mayor and Members of the City Council

FROM: Kristine Alessio and Colin Parent

SUBJECT: Affordable Homes Bonus Program

In January 2017, Assembly Bill 2501 took effect, changing the law in California under Section 65915 of the California Government Code.

Assembly Bill 2501 was adopted by the California legislature to help address the state's growing problem of housing affordability. The bill expands upon existing state policy which requires incentives and streamlining for new developments that include at least some deed-restricted affordable homes.

The new law requires that local governments, including the City of La Mesa, adopt a local ordinance that specifies how compliance with this state policy will be implemented. The law also requires La Mesa to publish a list of all documents and information required to be submitted with a development application that seeks to build affordable homes and receive the benefits available under Section 65915. Currently, La Mesa does not have an implementation ordinance.

Assembly Bill 2501 requires that local governments provide incentives to developments that include affordable homes, even without a local implementation ordinance. However, adoption of a local ordinance and the publication of associated materials will provide clarity to city staff, local residents, and the development community regarding how La Mesa intends to implement Assembly Bill 2501.

We are seeking the approval of the City Council for the formation of a subcommittee to work with City Staff and the City Attorney to develop a local ordinance and associated materials to implement Assembly Bill 2501. Once those document drafts are completed, the subcommittee will bring them back to the full Council for review and consideration for adoption.