

RESOLUTION 2026-###

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO TO PROCEED WITH AMENDMENT NO. #2 TO THE FY 2025-27 CITY COUNCIL PRIORITY WORKPLAN, UNDER MAJOR POLICY AREA: EXPAND HOUSING OPTIONS, ADD NEW POLICY NO. 312 - ASSESS THE LEGAL FEASIBILITY OF IMPLEMENTING A POLICY FOR NEW OR PROSPECTIVE DEVELOPMENT AGREEMENTS ENTERED INTO BY THE SUCCESSOR AGENCY/HOUSING SUCCESSOR AGENCY TO REQUIRE THE INCLUSION OF A PREFERRED LOCAL RESIDENT PROVISION FOR A PORTION OF NEWLY CONSTRUCTED AFFORDABLE HOUSING UNITS WHEN PRIVATE DEVELOPERS REQUEST FINANCIAL ASSISTANCE FROM THE HOUSING SUCCESSOR AGENCY'S LOW & MODERATE HOUSING ASSET FUND; AND INCLUDE ALIGNMENT WITH EFFORTS TO MONITOR AND PRESERVE THE LONG-TERM AFFORDABILITY OF UNITS SUBJECT TO AFFORDABILITY RESTRICTIONS OR COVENANTS ESTABLISHED BY THE HOUSING SUCCESSOR AGENCY, AS PART OF OVERALL POLICY IMPLEMENTATION

WHEREAS, the City Council has adopted the FY 2025-27 Council Priority Workplan with all adopted policies contained herein, effective April 7, 2025, via Resolution 2025-044;

WHEREAS, periodically, the City Council makes necessary policy amendments to the FY 2025-27 Council Priority Workplan via adopted Resolution, with a previous Policy Amendment #1 being adopted on January 26, 2026 via Resolution 2026-009;

WHEREAS, on March 30, 2026, on motion made by Mayor Pabon-Alvarado, duly seconded, the City Council voted unanimously via minute order to direct the City Manager to schedule for formal consideration of a potential Policy Amendment #2 to the FY 2025-27 Council Priority Workplan for potential Council discussion and approval;

WHEREAS, the City Council desires to explore the legal feasibility of a new policy created for future Development Agreements involving the Successor Agency or Housing Successor Agency. This policy would require private developers who receive financial help from the Low & Moderate Income Housing Asset Fund (LMHIF) to reserve a portion of newly built affordable housing units for qualifying local residents;

WHEREAS, the purpose of this policy amendment is to make sure that San Pablo residents have fair access to affordable homes supported by public funds. Before such a policy can be adopted, the City must understand what types of "local preference" rules are legally allowed under current State law;

WHEREAS, Federal and State fair housing laws also place limits on how preference systems can be used, so the City needs to confirm that any new policy would not create discrimination risks or conflict with funding requirements from State HCD or affordable housing tax-credit financing programs. The policy assessment would also look at how other cities have handled similar policies and identify best practices that could work for San Pablo; and

WHEREAS, the proposed policy amendment #2 would also enable City staff to currently monitors long-term affordability for units with existing affordability covenants or restrictions. Many of these agreements expire over time, so strengthening monitoring practices is important to protect the City's affordable housing supply. This effort would support the City's broader housing goals and help ensure progress toward meeting its Regional Housing Needs Allocation (RHNA) requirements.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo hereby authorizes the following:

1. Adopt a Policy Amendment #2 to the FY 2025-27 Council Priority Workplan (*under Major Policy Goal: Expand Housing Options*) to proceed with adding:

Add Policy No. #312:

Assess the legal feasibility of implementing a new policy for new or prospective development agreements entered into by the Successor Agency/Housing Successor Agency to require the inclusion of a Preferred Local Resident Provision for a portion of a newly constructed affordable housing units when private developers request financial assistance from the Housing Successor Agency's Low & Moderate Housing Asset Fund (LMHIF); and include alignment with efforts to monitor and preserve the long-term affordability of units subject to affordability restrictions or covenants established by the Housing Successor Agency, as part of overall policy implementation.

2. Instruct City staff to review Policy Amendment #2 for legal compliance, consider alternatives, and report back with policy recommendations. If adopted, the Council can use the policy in future development agreement negotiations.

3. Provided that policy implementation is legally viable, this policy aligns with the City's overarching policy objectives contained in the City's Housing Element by promoting housing stability, advancing equity, and ensuring access to long-term, affordable housing opportunities for San Pablo residents.

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings.

ADOPTED this 20th of April, 2026, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

ATTEST:

APPROVED:

Dorothy Gantt, City Clerk

Elizabeth Pabon-Alvarado, Mayor