



December 15, 2008

The Honorable Linda Budge
Mayor, City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

The Honorable Dan Skoglund
Incoming Mayor, City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

RE: Agenda 10.1. City of Rancho Cordova's Housing Element

Dear Mayor Budge:

On behalf of the North State Building Industry Association (BIA), I am offering the following comments on your December 1, 2008 draft of the City of Rancho Cordova's Housing Element of the General Plan. We are grateful for your Council direction of providing additional flexibility to the document that is before you. We recognize that the City is committed to the provision of housing for those that need additional subsidies.

Overall, we believe that your proposed draft with minor modification is something that the BIA and development community could support. We acknowledge and appreciate that the City has incorporated a number of the suggestions that we have offered that still allows your Council to achieve its overall goal, without over burdening new development. In order to shorten our comment letter, we will not be commenting on issues that we agree or do not oppose. But of particular importance to the industry is an acknowledgment that the current version presents a more balanced and flexible approach.

We would offer our suggestion to your Council to ensure that the staff proposed draft continues your commitment to both housing for those less fortunate and much needed flexibility.

In Policy H.1.5 it would be our suggestion that your Council consider replacing the word "obligation" with "plan."

In Action H.1.6.2 we would suggest that your Council consider replacing the word "obligation" in the first sentence with the word "components, if any."

We would offer to your Council that these changes maintain flexibility without altering the final product needed to achieve project entitlement.

Also, in several places the Housing Element reads the "City" will approve certain plans or programs. We would suggest this be changed to the "City Council" (See Policy H.1.5, Action H.1.6.2, H.1.6.7).

In Policy H.1.6, Action H.1.6.2 we would suggest that your Council consider including the identification of land that will be designated for affordable housing as an option. Including this option would still vest the final decision with the City Council. We would suggest the following language:

- Identification or dedication of land on site that will be designated for affordable housing.

- Dedication or acquisition of land off site that will be designated for the construction of affordable housing.

In Action H.1.6.5 it would be our suggestion that you amend the staff propose language as follows:

Action H.1.6.5 – The City may chose to approve shall maintain flexibility in approving Affordable Housing Plans in order to take into account that provide relief from current housing market conditions. In such cases the Plan ~~shall~~ may specify a manner by which specify how the project will ultimately fulfill its contribute to affordable housing obligations ~~as~~ if residential markets improve. The plans should also authorize affordable housing impact fees that are adopted by the City on a citywide or area basis in the future to be levied on properties within the subject Affordable Housing Plan.

The suggested modifications, we believe, provide your Council with the flexibility to adjust the plans to meet not only market conditions, but also policy objectives of the Council. In addition, proscribing a citywide fee in the housing element remove that flexibility and we believe is contrary to the direction that your Council gave staff.

Of final note, the staff prepared Appendix A Housing Needs Assessment still contains a reference to 10% mixed income housing policy. In addition, it does not address the proposed affordable housing fee in the constraints analysis.

On behalf of our industry I wish to thank you for taking the time to listen to our concerns. We all realize that that the final decision rests with you and your fellow Council members. The purpose of this letter is to respectfully request your consideration of our suggestions.

Regards,

A handwritten signature in black ink, appearing to read 'Dennis M. Rogers', with a stylized, somewhat abstract flourish at the end.

Dennis M. Rogers
Senior Vice President
Governmental and Public Affairs

Cc: City Council and Senior Staff