

Mayor Pro Tem Kathie Tovo
Planning and Neighborhoods Council Committee
August 17, 2015

DRAFT Density Bonus Resolution Summary.

The DRAFT resolution sets forth processes to achieve major actions. **Nothing** in this resolution is a final action, and all changes to the density bonus programs will require some future council action.

1. Fee-in-Lieu Data Report.

- a. Directs the City Manager to prepare a report on the effectiveness of the myriad of density bonus programs throughout the city in generating affordable housing units.
- b. The report will be given to the City Council before **October 8, 2015**.

2. Possible Initiation of Code Amendment to Require On-Site Housing.

- a. Based on the data report, the City Council will consider initiating a code amendment to remove or otherwise modify the fee-in-lieu option in all affordable-housing based density bonus programs.
- b. This initiation of a code amendment process would be posted for City Council consideration on **October 8, 2015**.

3. Matching up Residential with Office/Hotel.

- a. The resolution requests the preparation of an ordinance to adjust the Downtown Development Bonus fees-in-lieu to treat residential and office and hotel development the same for purposes of the density bonus.
- b. This ordinance would be prepared for City Council consideration in the budget process—like other fees.

4. Closing the MF-6 loophole to avoid VMU affordability.

- a. The resolution would initiate a code amendment that would change MF-6 district zoning to incorporate the density bonus requirements of the VMU overlay. Currently, MF-6 provides similar (or greater) entitlements than can be achieved under VMU without the generation of any affordable housing units. Thus, several developers have opted to pursue MF-6 zoning instead of VMU—defeating the purpose and effectiveness of the VMU density bonus program.
- b. This code amendment would be brought back for council consideration before **November 5, 2015**—after being considered by the Planning Commission, Community Development Commission, and Planning and Neighborhoods Council Committee.