



Office of the City Manager

INFORMATION CALENDAR

December 17, 2013

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: Eric Angstadt, Director, Planning and Development

Subject: Affordable Housing Mitigation Fee Collection Update

INTRODUCTION

When the City Council adopted Resolution 65,920-N.S. setting the Affordable Housing Mitigation Fee they asked for a report on the amount of fees collected within the first year of the program. To date no fees have been collected.

CURRENT SITUATION AND ITS EFFECTS

In 2011 the Council adopted the affordable housing mitigation fee ordinance and on October 16, 2012 the Council adopted Resolution 65,920-N.S. setting the fee at \$28,000 per unit. The Council adopted Resolution 66,015-N.S. on February 19, 2013 reducing the fee to \$20,000 per unit for projects that apply before October 16, 2014.

All projects that have received their entitlements since the Council adopted the ordinance were subject to its requirements. Most projects have elected to provide onsite below market rate units to fulfill the ordinance requirements rather than pay the mitigation fee. One project, 2024 Durant, has indicated they plan to pay the mitigation fee, but they have not proceeded with the project to certificate of occupancy which is the point at which payment is due.

CONTACT PERSON

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