# 836540 - Consider Increasing Inclusionary Housing Requirement to 20% in New Residential Developments

Originating Year: 2023 Project Type: Housing Department: 150 - Community Development

Planned Completion Year:2025/26Category:SpecialProject Manager:Ryan Dyson

# Project Description/Scope/Purpose

Study Issue CDD 23-01. This study issues features a feasibility study that will be prepared to identify whether increasing the City's inclusionary housing requirement from 15% to 20% for both for-sale and rental housing will allow the City to capture additional affordable units and make progress towards meeting the Regional Housing Needs Allocation. This study will also analyze in-lieu fee amounts. Depending on the outcome of the feasibility study, an updated ordinance would be prepared to increase residential inclusionary percentages as identified. The City would ensure adequate legal review is included in this ordinance revision because of the new level of review by the State.

# **Project Evaluation and Analysis**

A consultant will be hired to prepare the feasibility study and fee analysis. Pending the consultant study, a study session with the Council will be held. The City's Inclusionary Ordinances and Fee Schedules will be updated accordingly based on final action. Study is anticipated to be completed in summer 2025.

# **Fiscal Impact**

\$225,000 in General Funds has been approved to cover the cost of the Consultant for this work effort. Should affordable housing in-lieu fees be increased based on the study, additional housing revenue is anticipated.

### **Funding Sources**

General Fund

### **Plans and Goals**

HE - Housing Element - HE-5: Equal Housing Opportunities

HE - Housing Element - HE-1: Adequate Housing

HE - Housing Element - HE-2: Enhanced Housing Conditions and Affordability

# **Project Financial Summary**

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2024-25	225,000	-	-
2025-26	-		-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
2043-44	-	-	-
2044-45			-
20 Year Total		-	-
Grand Total	225,000	-	-