

17.69.030 Workforce housing required – Alternatives – Exemptions.

A. Applicants seeking land use approval of new overnight accommodations or conversions of other development into overnight accommodations shall do one of the following:

1. Construct or provide an appropriate number of affordable housing units in conjunction with the development of the overnight accommodations (the construction requirement); or
2. Pay the fee in lieu of construction (FILC).

B. The remodeling, repair, or reconstruction of any overnight accommodations lawfully existing at the time of the enactment of this chapter shall be exempt from the provision of this chapter; provided, that such activity does not result in a new addition or expansion (measured in square feet) relative to the existing use. Remodeling, repair, or reconstruction of overnight accommodations that expand the finished floor area of the building or structure shall be subject to this chapter to the extent of the expanded area. (Ord. 18-20 (part), 2018)

17.69.040 Fee in lieu of construction.

A. A developer/subdivider proposing new overnight accommodations that do not satisfy the construction requirement must pay to the City a fee in lieu of construction (FILC) equal to the total finished floor area (measured in square feet) of the overnight accommodation type multiplied by the following sums:

Hotel/Motel:	\$15.57 per square foot;
Condominium:	\$5.18 per square foot; or
Townhome:	\$8.77 per square foot.

B. The FILC is due and payable prior to the issuance of a building permit.

C. The City shall use the FILC, either individually or in combination with other funds, for affordable housing purposes. FILC funds shall be held and accounted for in a separate fund which shall be used solely for the acquisition, construction, maintenance, management, or development of affordable housing. (Ord. 18-20 (part), 2018)

17.69.050 Construction requirement.

A. Except as is otherwise provided in this section, a developer/subdivider may construct new affordable housing units within the project area of the overnight accommodation, or on other suitable property within the City.

1. Construction requirement review procedures may be consolidated with procedures generally applicable to the review of the underlying overnight accommodations application (e.g., site plan review), as necessary.

B. The construction requirement is determined by dividing the finished floor area (or total units) of the type of overnight accommodation by the floor area factor (or unit factor) and multiplying the result by the AH unit mitigation number for the type of housing to be constructed. Where the mitigation number results in a decimal of 0.5 or higher, the number of required units to be constructed shall be rounded to the next highest whole number.

Development Type	Income Category	AH Unit Mitigation	Floor Area Factor or Unit Factor	FILC Mitigation	Per _____
Hotel/Motel	Extremely Low-Income	5.43	60,000 sq. ft.	\$15.57	Sq. Ft.
	Very Low-Income	6.36	60,000 sq. ft.	\$15.57	Sq. Ft.
	Low-Income	10.87	60,000 sq. ft.	\$15.57	Sq. Ft.
	Moderate	229.16	60,000 sq. ft.	\$15.57	Sq. Ft.
Condominiums	Extremely Low-Income	4.07	100 condo units	\$5.18	Sq. Ft.
	Very Low-Income	4.76	100 condo units	\$5.18	Sq. Ft.
	Low-Income	8.14	100 condo units	\$5.18	Sq. Ft.
	Moderate	171.61	100 condo units	\$5.18	Sq. Ft.
Townhomes	Extremely Low-Income	8.41	100 townhomes	\$8.77	Sq. Ft.
	Very Low-Income	9.85	100 townhomes	\$8.77	Sq. Ft.
	Low-Income	16.85	100 townhomes	\$8.77	Sq. Ft.
	Moderate	355.07	100 townhomes	\$8.77	Sq. Ft.

Example: a 35,000 square foot hotel results in the following: $35,000/60,000 = 0.583 \times 10.87$ low income units = 6.340 = Construction Requirement of 6 units of low income housing.

C. All affordable housing units constructed under the construction requirement shall meet applicable building codes and use requirements for the zoning district in which they are to be located.

D. The mix of income types for affordable housing units to be developed under the construction requirement will be determined by the City in consultation with the developer on a case-by-case basis based on the needs of the development and feasibility of the site. Affordable housing units must be developed proportionately to the development of overnight accommodations, as further specified in the development improvements agreement between the City and the developer/subdivider and/or the LURA.

E. The area of affordable housing units built pursuant to the construction requirement shall be an average of not less than one thousand square feet per unit. Developers shall provide a mix of one bedroom and larger units based on the expected needs of the project, as further specified in the development improvements agreement and/or the LURA.

F. In cases of the development of new townhomes or condominiums that will be offered or used as overnight accommodations, the developer/subdivider shall satisfy the requirements of this chapter utilizing the construction requirement unless the City determines that construction would be infeasible or impractical, given the: (1) size or scope of the project; (2) site limitations, or (3) existence of other compelling factors.

G. If, given the finished floor area of the project, the construction requirement would result in less than one unit of affordable housing being built, the developer/subdivider shall utilize and pay the FILC that would be applicable to the project.

H. First preference for affordable units built under the construction requirement shall be given to eligible employees of the developer/subdivider who are or will be employed on the developed premises. All tenants of affordable units

developed under the construction requirement shall occupy units pursuant to a written lease providing for a tenancy with a duration of not less than a month to month period. (Ord. 18-20 (part), 2018)

17.69.060 Dedication.

A. As an alternative to the construction requirement or payment of the FILC, a developer/subdivider may, subject to City Council approval, elect to dedicate to the City real property with a current fair market value which is equal to or greater than the FILC which would otherwise be payable in conjunction with the overnight accommodation development. The following must be shown to satisfy a dedication:

1. The property must be within the City limits or be subject to annexation within a reasonable period of time;
2. The property must have legal access to a public street;
3. Domestic water, sewer, and other public utilities must be available in reasonable proximity to the property;
4. The value of the property must be confirmed by a current appraisal from a properly licensed and qualified appraiser;
5. The property must be conveyed to the City (or its designee) via warranty deed, free of all liens or encumbrances; and
6. The property must have a zoning designation that permits housing uses.

B. The City Council, in its discretion, may review the proposed conveyance to determine if the property meets the above criteria and is otherwise suitable for dedication as affordable housing. If approved, the dedication will be confirmed in a written development agreement with the developer. The Council may properly reject a proposed dedication if it determines that the property has one or more attributes or conditions which would render development infeasible or impractical.

1. By way of example only, and not of limitation, a property may be deemed infeasible or impractical for development due to: (a) extreme topography; (b) unsuitable soil or geotechnical conditions; (c) excessive cost for roads, utilities, or other infrastructure; (d) lack of proximity to schools, stores, or other necessary services; (e) unsatisfactory environmental conditions; (f) inadequate size; or (g) other legal, financial, or physical conditions negatively affecting prospects for development.

C. Dedicated property shall be developed, either individually or in conjunction with other parcels, for affordable housing. (Ord. 18-20 (part), 2018)