



## MEMORANDUM

TO: Ordinance Revisions Committee  
FROM: Alexis DiLeo, Principal Planner, and Julia Shake, Associate Planner  
DATE: August 27, 2024  
SUBJECT: Ordinance Revisions related to Reimbursements and Reductions

### Introduction

Staff presents ordinance revisions related to application fee reimbursements and reductions for the provision of affordable housing provided in Section 5.28.1.E.

### Proposed Amendments

The proposed revisions to application fee reimbursements for affordable housing provision in Section 5.28.1.E are:

#### E. Reimbursements and Reductions

1. Reimbursements of fees for withdrawn applications and permits partially processed shall be offered as established by resolution of the City Council upon recommendation of the City Administrator.
2. ~~Fifty percent of application fees shall be reimbursed when~~ When the proposed *development* provides *affordable housing dwelling units*, reimbursement of the percentage of fees equal to the percentage of floor area dedicated to affordable housing dwelling units in the development divided by two shall be offered.

### Comments

Currently, there is no specification as to the number of provided affordable housing units or percentage necessary to qualify for the fee reduction. Developments with any number or percentage, including a single affordable housing unit, are offered reimbursement of 50% of fees paid. This amendment would provide for a proportional application of reimbursements based on the percentage of floor area dedicated to affordable housing dwelling units, up to the same 50% reduction for entirely affordable developments.

Development Review: City Planning Commission Action				
Case Type	Cost Breakdown		Total Cost	More Information
Site Plan for Planning Commission Approval with City Stormwater Review	Planning Services Fee	\$5,600	\$10,640	Multiplier is added per lot OR per 1,000 sq ft of new gross floor area or fraction thereof  See bottom of sheet for other fees as applicable
	System Planning Fee	\$4,800		
	Fire Services Fee	\$240	+\$50	
	Planning Services Multiplier	+\$50		

#1 An entirely affordable development in a 40,000-square foot building that would normally require \$12,640.00 in fees:

- Current policy: may be reimbursed half of fees paid for providing affordable housing = \$6,320.00
- Proposed policy: may be reimbursed 50% of the total fees paid for the 100% of floor area devoted to affordable housing = \$6,320.00.
- Example based on recent 121 Catherine St Site Plan for Planning Commission, submitted jointly by the Housing Commission and Avalon Housing.

#2 A site plan for a 181-unit apartment development in a 20-story, 280,000 square foot building including one floor (12,000 square feet) of affordable housing dwelling units would normally require \$25,175.00 in fees:

- Current policy: may be reimbursed half of fees paid for providing affordable housing = \$12,587.50
- Proposed policy: may be reimbursed 2% of fees paid for providing 4% of floor area dedicated to affordable housing = \$503.50
- Example inspired by new 625 Church St Site Plan for Planning Commission application.

#3 A site plan for 15 new buildings including a hotel, eight apartment buildings, three restaurants, and three parking structures, proposing 2,156,067 square feet of floor area, including 229 affordable housing dwelling units (137,400 square feet), that would normally require \$118,490.00 in fees

- Current policy: may be reimbursed half of fees paid for providing affordable housing = \$59,245.00
- Proposed policy: may be reimbursed 3% of total fees paid for providing 6% of floor area dedicated to affordable housing = \$3,554.70
- Example based on 2845 S State St “Arbor South” Site Plan for Planning Commission application.