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**City Council Work Session Minutes
RMH Affordable Housing Incentives**

**Monday, April 23, 2018
6:00 p.m., Community Auditorium**

***Minutes are unofficial until approved by Council.
Council approved minutes as presented June 11, 2018.***

1. ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:00 p.m.

ROLL CALL: COUNCIL PRESENT: Thomas Johnston, Council President; Timothy Rippe; Ronald Thompson; Elena Uhing; Adolph “Val” Valfre; Malynda Wenzl; and Mayor Peter Truax.

STAFF PRESENT: Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; Bryan Pohl, Community Development Director; Dan Riordan, Senior Planner; Bev Maughan, Executive Assistant to City Manager. **STAFF ABSENT:** Anna Ruggles, City Recorder, excused.

2. WORK SESSION: RMH AFFORDABLE HOUSING INCENTIVES

Riordan, Pohl and VanderZanden facilitated the above-noted work session and presented a PowerPoint presentation overview, noting the purpose of the work session was to provide an opportunity to report back to Council on the Planning Commission’s discussion about density in the Residential Multifamily High (RMH) zoning district and to ask Council about the merits of holding a joint Council and Planning Commission (PC) work session to discuss density. Pohl provided background information, noting last November, Council referred to the PC to increase the target density in the RMH zone from 20.28 dwelling units per net acre (DUA) to 30 DUA, consistent with the neighboring Community Commercial Zone. Council also requested PC consider an incentive for affordable housing. Riordan and Pohl recapped the following options for Council discussion relating to density:

Accept PC’s recommendation to:

- Retain the target density of 20.28 dwellings per acre for market rate projects; and
- Provide for a 10 unit per acre density bonus for affordable housing projects provided 20% of the total units area set-aside for households earning no more than 60% County area median income (AMI). Under this approach qualifying affordable housing projects would be allowed up to 30 units per acre, and/or

Hold a joint work session with PC to discuss:

- An increase in the target density from 20.28 to 30 DUA in the RMH zone for market rate projects with an affordable housing incentive of 10 DUA for a total of 40 DUA in the RMH zone with a 20% set-aside for 60% County AMI.
- Increase target density from 20.28 to 30 DUA in the RMH zone for market rate

projects with an affordable housing incentive of 20 DUA for a total of 50 DUA in the RMH zone with a 20% set-aside for 60% County AMI.

In conclusion of the above-noted staff report, Riordan and Pohl provided additional background pertaining to affordable housing density bonus in the Town Center and target density increased in the Community Commercial zone from 20 DUA to 30 DUA, noting all residential subdivisions and multifamily developments are required to develop at a minimum of 80% of the target density. Maximum density of the RMH zone is 115% of the target density and is only allowed as part of a planned development approved by the PC.

Council Discussion:

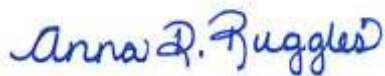
Mayor Truax opened the floor and roundtable Council discussion ensued pertaining to the above-noted options for density in the RMH zoning district. Riordan, Pohl and VanderZanden addressed various concerns and scenarios posed by Council pertaining to the concerns expressed with both the increase to the target density and to the affordable housing incentive. Riordan and Pohl recapped the PC's work session held on April 2, 2018, noting concerns included compatibility of higher density development with lower density neighborhoods, whether there was a current market need to increase the density in the RMH zone and whether increasing the density would really aid in the affordable housing effort. After careful consideration and discussion, the PC reached consensus to support a housing density bonus of 10 DUA for developments that include affordable housing. With this approach a maximum density of 30 DUA is possible for eligible affordable housing projects provided 20% of the DUA are for affordable housing. In response to inquiries pertaining to criteria to qualify for affordable housing density bonus, Riordan and Pohl explained the criteria would require further refinement, including maximum number of affordable housing units and household income targets. In conclusion of the above-noted discussion, Council collectively concurred holding a joint work session with the PC to exchange ideas and explore the concepts further. VanderZanden advised a joint work session with the Planning Commission will be scheduled for Tuesday, May 29, 2018.

Council took no formal action nor made any formal decisions during the work session.

3. ADJOURNMENT

Mayor Truax adjourned the work session at 6:37 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder