



STAFF REPORT AND FISCAL IMPACT NOTE

Ordinance: O-44-18

Title: Moderately Priced Dwelling Units – Density Bonus

Date: January 14, 2019

STAFF REPORT

Currently Chapter 20.30.160, Density Bonus, provides incentives for applicants to provide Moderately Priced Dwelling Units (MPDU). Applicants are entitled to a 15% density bonus for for-sale housing and 10% density bonus for rental housing. For applicants who provide MPDUs, Chapter 20.30.160.C currently provides that the Director of Planning and Zoning *shall* allow a density bonus to the regulations in Title 21 (bulk, height, lot size, etc.). The density bonus may not exceed 20%.

This ordinance modifies the density bonus provisions. First, it provides that the Director of Planning and Zoning *may* allow a density bonus not to exceed 20%, but the Director is not required to. Second, the ordinance establishes criteria for the Director of Planning and Zoning to apply in determining whether to allow a density bonus and how much of a density bonus to allow (not to exceed 20%).

The proposed ordinance also modifies Chapter 21.38.030, Bulk Regulations, Regulations Applicable to All Districts, Bulk Regulations. Currently, the Code provides that any project application that exceeds 45 feet must follow the Planned Development Use process; however, the City Attorney has opined that this requirement does not apply if the height in excess of 45 feet is because the applicant received a density bonus for providing MPDUs pursuant to 20.30.160.C.

This ordinance modifies the Bulk Regulation provisions to require *any* development whose height exceeds 45 feet, to go through the Planned Unit Development process and obtain approval of the Planning Commission, including one whose height exceeds 45 feet because of a density bonus granted pursuant to 20.30.160.

If enacted, this process will add additional time to the review process of an application since it requires staff to write reports, attend public hearings, and be prepared to testify at a public hearing.

Prepared by: Pete Gutwald, Department of Planning and Zoning

FISCAL IMPACT

We cannot predict how many developments will obtain density bonuses that take their height to more than 45 feet, triggering the requirement to follow the Planned Unit Development process. Therefore, we are unable to determine the fiscal impact of this proposed ordinance.

Prepared by: Jodee Dickinson, Finance Director