

CITY COUNCIL COMMITTEE

HOUSING & ECONOMIC DEVELOPMENT

Ron Leone, Chair

Dan Helix, Committee Member

5:30 p.m., Monday, March 28, 2016

Building D, Permit Center Conference Room
1950 Parkside Drive, Concord

- ANNOTATED AGENDA -

ROLL CALL: All present

STAFF PRESENT: Jovan Grogan, Laura Simpson, Victoria Walker

MEMBERS OF THE PUBLIC WHO ADDRESSED THE COMMITTEE: George Fulmore, Betty Gabaldon

PUBLIC COMMENT PERIOD: George Fulmore and Betty Gabaldon both spoke on issues related to rent control.

1. **CONSIDERATION** – Presentation of the Housing In-lieu Fee Nexus Study and Fee Recommendations. Report by Laura Simpson, Planning Manager.

ACTION: The HED Committee members approved of staff recommendations with two modifications as shown below:

Ownership Projects

- Change the in-lieu fee from a flat, per unit fee to a scalable fee based on the size of the unit, in dollars per square feet to provide more equality among project sizes.
- Lower the threshold to collect fees from those projects that are 2-9 units in size to support the concept that “everyone pays” (Note: would require a Code text amendment).
- Reduce the fee for those smaller projects to coordinate with a sliding scale based on project size; for example 2 units - \$2/sq. ft.; 3 unit projects - \$3/sq. ft., etc. (Note: this would require an ordinance change, as currently the Inclusionary Ordinance only covers those projects of 5 units and greater.)

CITY COUNCIL COMMITTEE

- Phase in schedule, such that planning applications for projects that have not been deemed complete by January 1, 2017, would be subject to new fees, based on the following incremental increases over the next three years.
 - January 2017 - \$8/sq. ft.
 - January 2019 - \$9/sq. ft.
 - January 2021 - \$10/sq. ft.
- In an effort to encourage high density (33 du or more), for-sale condominium units, treat such units as rentals for the purpose of collecting fees.

Rental Projects

- Fee would remain \$0 until July 1, 2018.
- Fee would apply to 2 unit buildings or greater.
- Planning applications for multi-family rental projects that have not been deemed complete by July 1, 2017, would be subject to the fee.
- Rental In-Lieu fee would start out very small in July 2018 with incremental increases, as shown in bullet below, but the initiation of the fee would be postponed if at least 600 units were not yet under construction by April 2018.
- Phase-in for Rental Project In-Lieu fees, would be based on the following incremental increases over three years. Staff would return to Council prior to incorporating into the fee schedule in May 2018.
 - July 2018 - \$3/sq. ft.
 - July 2020 - \$4/sq. ft.
 - July 2022 - \$5/sq. ft.

The HED Committee modified the staff recommendations in two ways: they expanded the intervals for staging fee increases for ownership and rental units from one year to two-year intervals, and they increased the threshold number of building permits issued from 500 to 600 units, before the rental fee would be implemented. The HED Committee did not recommend moving forward with a study of commercial linkage fees.

2. **ADJOURNMENT** at 6:15 p.m.

Reviewed by:



Jovan Grogan, Deputy City Manager

In accordance with the Americans with Disabilities Act and California Law, it is the policy of the City of Concord to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, or an agenda and/or agenda packet in an appropriate alternative format; or if you require other accommodation, please contact the ADA Coordinator at (925) 671-3361, at least five days in advance of the meeting. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

CITY COUNCIL COMMITTEE

Distribution: City Council
Valerie Barone, City Manager
Jovan Grogan, Deputy City Manager
Brian Libow, Interim City Attorney
Victoria Walker, Community & Economic Development Director
John Montagh, Housing & Economic Development Manager
Laura Simpson, Planning Manager
Joan Ryan, Senior Planner
Joelle Fockler, City Clerk