RESOLUTION NO. 8528

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS ADOPTING A FEE SCHEDULE FOR THE INCLUSIONARY HOUSING IN-LIEU FEE PURSUANT TO ORDINANCE NO. 2959

WHEREAS, on July 5th, 2023, the City Council of the City of Redlands adopted Ordinance No. 2959 to add Chapter 18.230 to the Redlands Municipal Code relating to Inclusionary Housing; and

WHEREAS, as backup to Ordinance No. 2959, the City Council received a Policy Recommendation report dated January 23, 2023 and a Supplemental In-lieu Fee Analysis Memorandum from Keyser Marston Associates (KMA) which include analyses pertaining to the City's methodology for calculating the payment of Inclusionary Housing fees; and

WHEREAS, an Updated In-lieu Fee Analysis dated October 28, 2023 was prepared by KMA and distributed to the City Council as part of the agenda packet for the December 19, 2023 meeting; and

WHEREAS, Ordinance No. 2959 enhances the public welfare by requiring certain housing developments provide affordable units or comply with alternative means to promote the City's legislative policy of ensuring the development of affordable housing;

WHEREAS, Ordinance No. 2959 authorizes an alternative means of compliance whereby a developer may pay an in-lieu fee if the housing development consists of for-sale or rental units, and for any fractional unit that is determined when calculating the total number of inclusionary units required; and

WHEREAS, for a rental housing development with greater than 22 units, Ordinance No. 2959 requires City Council approval of a developer's request to pay an in-lieu fee, and to approve such a request the City Council must find that providing the affordable units in the development would create an unreasonable economic hardship due to such factors as project size, site constraints, and/or excessively large affordability gaps; and

WHEREAS, the amount of the in-lieu fee pursuant to Ordinance No. 2959 must be established by City Council resolution in a noticed public hearing; and

WHEREAS, the notice of the public hearing on December 19, 2023 was published in a newspaper of general circulation on December 8, 2023.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDLANDS DOES HEREBY RESOLVE AS FOLLOWS:

The above recitals are true and correct and are incorporated herein.

<u>Section 1.</u> The Inclusionary Housing In-lieu Fee shall be as set forth in Attachment A to this resolution.

<u>Section 2.</u> If, in computing the total number of Inclusionary Units required in a Residential Development, there is a fractional unit required, the in-lieu fee for the fractional unit shall be as set forth in Attachment B to this resolution.

ADOPTED, SIGNED AND APPROVED this 19th day of December, 2023.

Eddie Tejeda, Mayor

ATTEST:

Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing resolution was duly adopted by the City Council at a regular meeting thereof held on the 19th day of December 2023, by the following vote:

AYES:

Councilmembers Barich, Davis, Guzman-Lowery, Saucedo; Mayor Tejeda

NOES:

None

ABSENT:

None

ABSTAINED:

None

Jeanne Donaldson, City Clerk

Attachment A

In-lieu Fee Payment Schedules

Per Square Foot of Total Leasable or Saleable Area in Project

	Ownership	
	Housing	Apartment
# of Units	Developments	Developments
10	\$0.70	\$1.39
11	\$1.40	\$2.78
12	\$2.10	\$4.18
13	\$2.80	\$5.57
14	\$3.50	\$6.96
15	\$4.20	\$8.35
16	\$4.90	\$9.75
17	\$5.60	\$11.14
18	\$6.30	\$12.53
19	\$7.00	\$13.92
20	\$7.70	\$15.32
21	\$8.40	\$16.71
22 or more	\$9.10	\$18.10

Attachment B

Fractional In-lieu Fee Payment Calculations Measured Per Square Foot of the Leasable Area of One Unit in an Apartment Complex				
Affordability Gap Per Inclusionary Unit Average Unit Size (Square Feet of Leasable Area)		\$171,900 973		
In-lieu Fee Per Square Foot of One Unit		\$176.80		
Fraction	Fractional In-lieu Fee: Per Square Foot of One Unit	Total Fractional In-lieu Fee: Apartment Development		
0.10	617.70	¢17.210		
0.10 0.20	\$17.70 \$35.40	\$17,210 \$34,430		
0.30	\$53.00	\$51,540		
0.40	\$70.00	\$68,760		
0.50	\$88.40	\$85,970		
0.60	\$106.10	\$103,180		
0.70	\$123.80	\$120,400		
0.80	\$141.40	\$137,510		
0.90	\$159.10	\$154,720		
1.00	\$176.80	\$171,940		

Fractional In-lieu Fee Payment Calculations Measured Per Square Foot of the Saleable Area of One Unit in an Ownership Housing Development

Affordability Gap Per Inclusionary Unit	\$442,000
Average Unit Size (Square Feet of Saleable Area)	2430
In-lieu Fee Per Square Foot of One Unit	\$181.90

	Fractional In-lieu Fee:	Total Fractional In-lieu Fee:
Fraction	Per Square Foot of One Unit	Apartment Development
0.10	\$18.20	\$44,230
0.20	\$36.40	\$88,450
0.30	\$54.60	\$132,680
0.40	\$72.80	\$176,900
0.50	\$91.00	\$221,130
0.60	\$109.10	\$265,110
0.70	\$127.30	\$309,340
0.80	\$145.50	\$353,570
0.90	\$163.70	\$397,790
1.00	\$181.90	\$442,020