

**Workforce Housing Program
Board Direction on Key Policy Issues, October 23, 2018 Workshop**

Policy Issues	Current Code	BCC Direction at October 23, 2018 Workshop
Optional Density Bonus	Under 'Full Incentive' Option: <ul style="list-style-type: none"> • LR-1 to LR-3: limited to 30% bonus • MR-5 and higher: based on concentration of VL-L income households and other factors 	Move forward with March 2018 recommendation, and in concurrence with Steering Committee recommendation: <ul style="list-style-type: none"> • Allow up to 100% density bonus
Limited/No Incentive Options	WHP offers, in addition to Full Incentive Option: <ul style="list-style-type: none"> • Limited Incentive Option, reduces bonus and obligation in half • No Incentive Option, for projects with all WH units, all on site, no bonus density 	Move forward with March 2018 recommendation, and in concurrence with Steering Committee recommendation: <ul style="list-style-type: none"> • Eliminate No Incentive option
Requirement for On-site WH Units	<ul style="list-style-type: none"> • No requirement for units to be on-site (except under 'No Incentive' Option) 	Move forward with March 2018 recommendation, and in concurrence with Steering Committee recommendation: <ul style="list-style-type: none"> • Revise to reduce obligation by 10% if all WHP units are built on site, to incentivize onsite construction
Income Category Flexibility	<i>No requirement</i>	Move forward with March 2018 recommendation, and in concurrence with Steering Committee recommendation: <ul style="list-style-type: none"> • Allow, on a case by case basis, a buyer to purchase WHP unit for another income level, if qualifying ratios are met and unit is available
Bedrooms Proportional to Market Rate	<i>No requirement</i>	Move forward with revised recommendation, and in concurrence with Steering Committee recommendation: <ul style="list-style-type: none"> • Any for sale (SF, ZLL, TH, and Condo) WFH units have a minimum of 2 bedrooms with each bedroom being a minimum of 100 sf • Require a minimum of 25% of for sale WFH units to be 3 bedrooms or more, with each bedroom being a minimum of 100 sf • No restriction on rental WFH projects relative to number of bedrooms per unit or SF of each bedroom
In-Lieu Fee	\$81,500 (SF) \$50,000 (MF)	Move forward with March 2018 recommendation: <ul style="list-style-type: none"> • Increase to: \$120,000 (SF) \$100,000 (TH) \$75,000 (MF) In addition: <ul style="list-style-type: none"> • Annual CPI indexing beginning 24 months following adoption of the fee increase.
Select WHP Option at Public Hearing	Developer can revise selected method to meet WH obligation until final DRO or 1st building permit	Move forward with Steering Committee recommendation: <ul style="list-style-type: none"> • Require declaration at public hearing • Allow option to post performance surety to encourage off-site construction v. in lieu payment at first building permit. • Allow use of Expedited Application Consideration (EAC) process to amend the declaration of WHP disposition only
Release of Obligation	After 180 day good faith effort to market WH units, developer can request release from obligation and pay significantly reduced in lieu fee, if market rate units in project/phase are 80% under contract	Move forward with revised staff recommendation: <ul style="list-style-type: none"> • Replace 180 day timeframe with requirement that 75% of market rate units be CO'd • Eliminate discount on in lieu fee To include concurrence with Steering Committee recommendations: <ul style="list-style-type: none"> • Provide specific requirements for notification, marketing, and developer updates in an accompanying procedure
Exchange Program	<i>Not addressed (not precluded under current code)</i>	Move forward with revised staff recommendation, to include partial concurrence with Regional Subcommittee recommendation: <ul style="list-style-type: none"> • Require surety bond equal to full in lieu fee • Require developer to provide notice to County as building permits approach 85% at parent project • Evaluate exchange concept and report to BCC within 3 years of implementation To include partial concurrence with Steering Committee recommendations: Decoupling: If 100% of WHP units are not CO'd prior to building permits for 85% of parent project units, surety bond is paid to PBC, but parent project will not be stopped
Like-for-Like WH Units	<i>No requirement</i>	Move forward with Steering Committee recommendation: <ul style="list-style-type: none"> • Do not establish a like for like requirement. Require any off-site <u>rental</u> WFH units be calculated at 1.5 times the required on-site for sale (SF, ZLL, TH, and Condominium) WFH units. Condominium units should be construed as for sale units and not multi-family units.
WH Obligation on Comp Plan Amendments	<i>No requirement</i>	Move forward with revised recommendation: <ul style="list-style-type: none"> • Do not establish a FLU policy that requires WFP units must be provided on site at 10% if project is SF or 25% if MF. The BCC shall retain legislative authority to establish the WFH requirement (if in excess of ULDC) during the FLUA amendment process. • Staff to inform FLUA applicants that staff will be recommending WFP units be provided on site, at 10% if project is SF and 25% if MF.