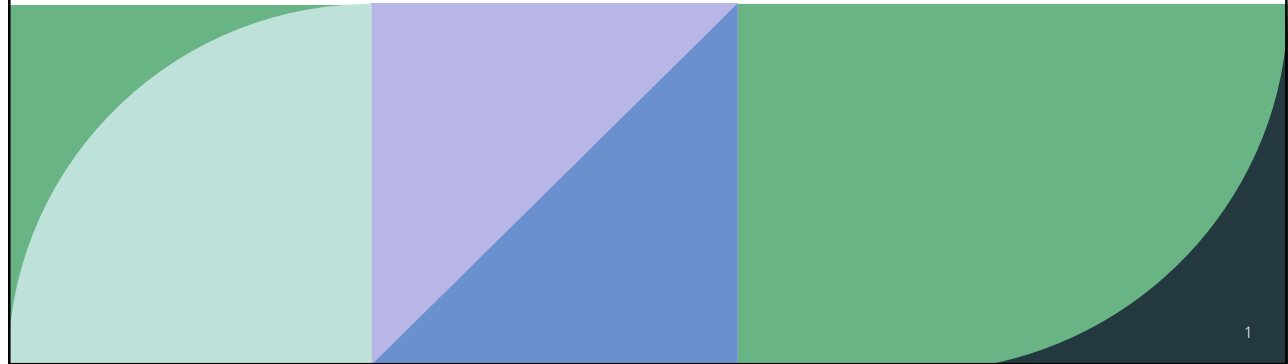




Downtown Core Housing Initiative

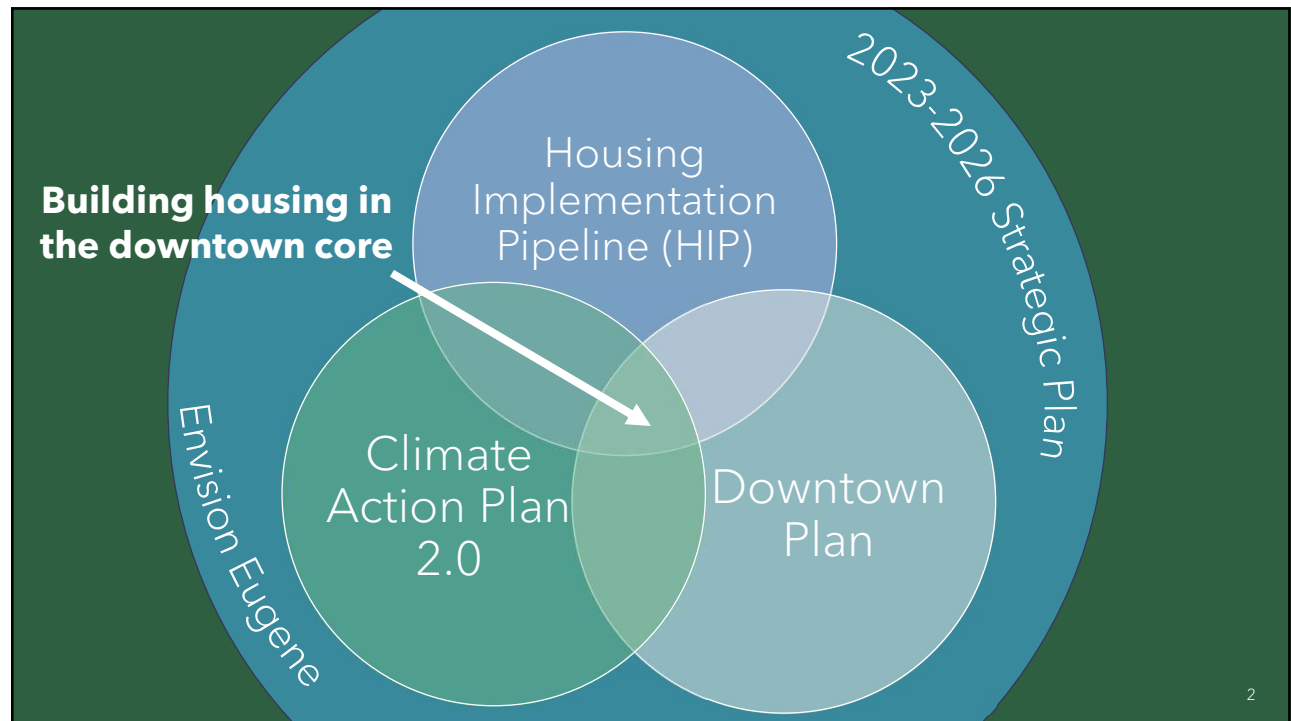
January 22, 2024

City Council & Urban Renewal Agency Board



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Downtown Core Housing Initiative Agenda

- Downtown update
- Challenges to creating new housing in the downtown core
- Downtown Core Housing Initiative
 - Downtown Fee Assistance proposal
 - Accelerated MUPTC discussion
- Possible next steps

3

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Downtown Priorities

- Public Safety
- Social Services
- Housing
- Commercial Activity & Development
- Public Space & Mobility
- Events & Culture

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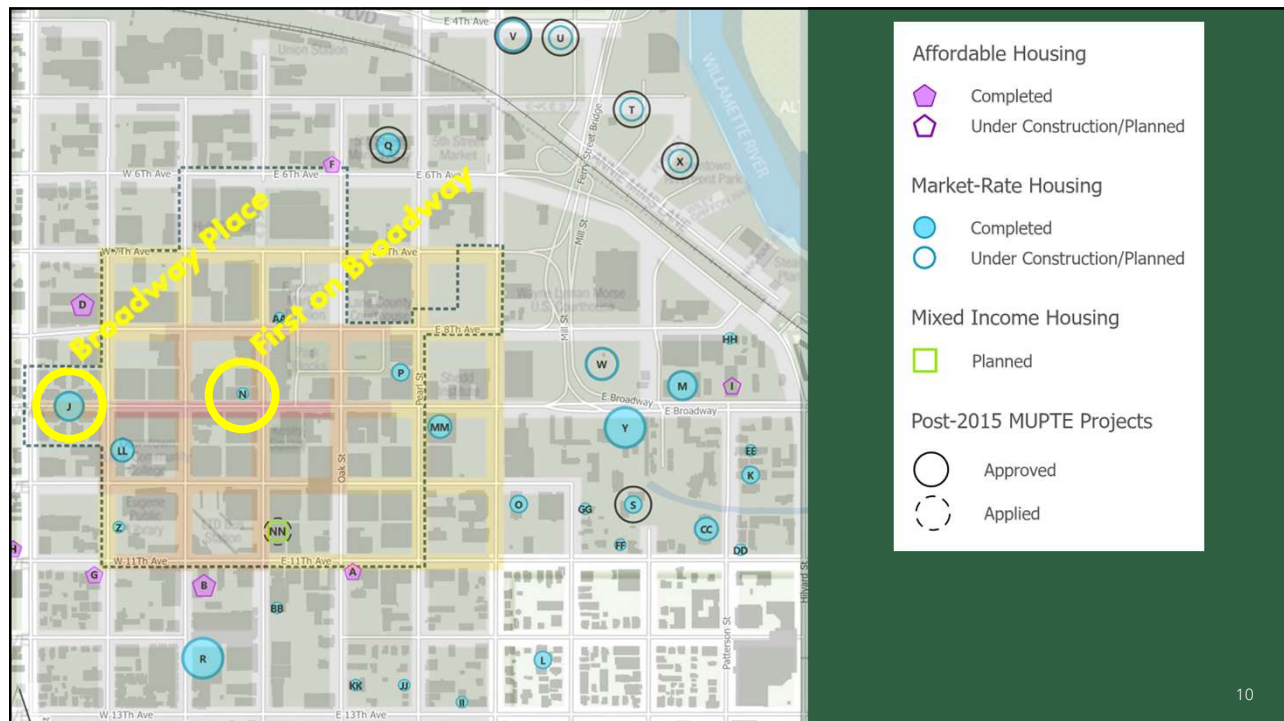
**Safe
Clean
Vibrant
Walkable**

It's about



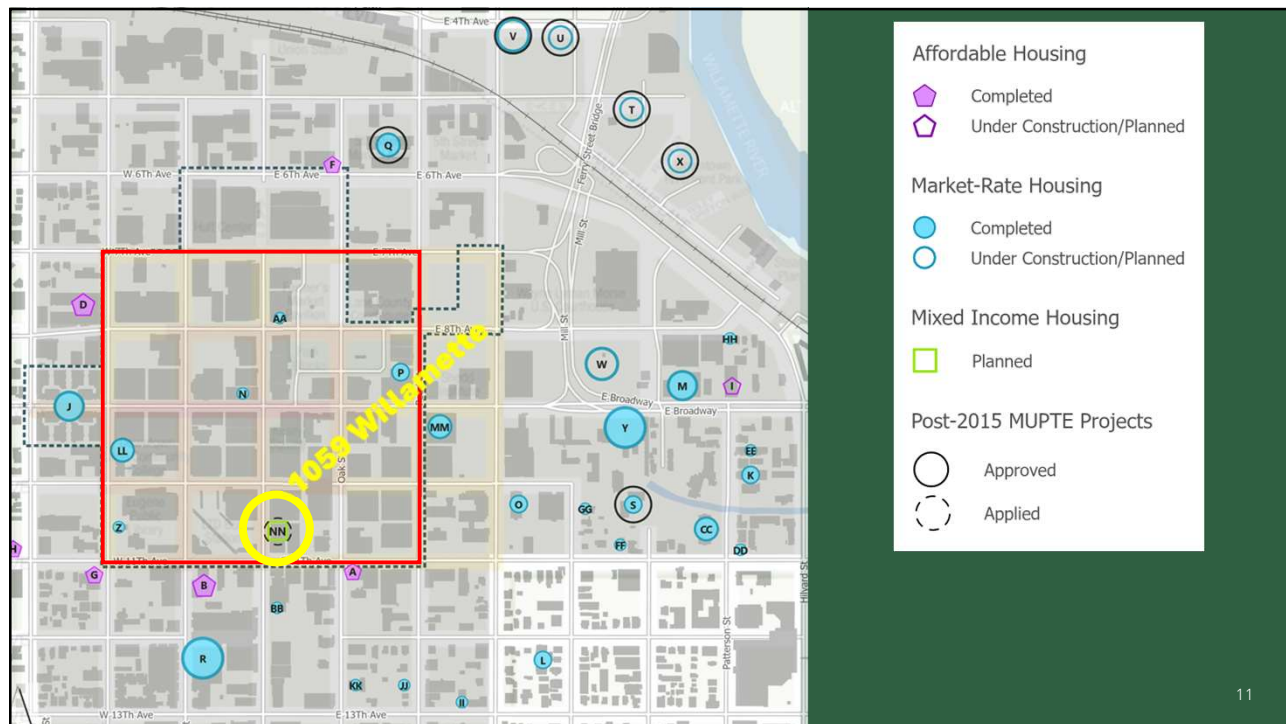
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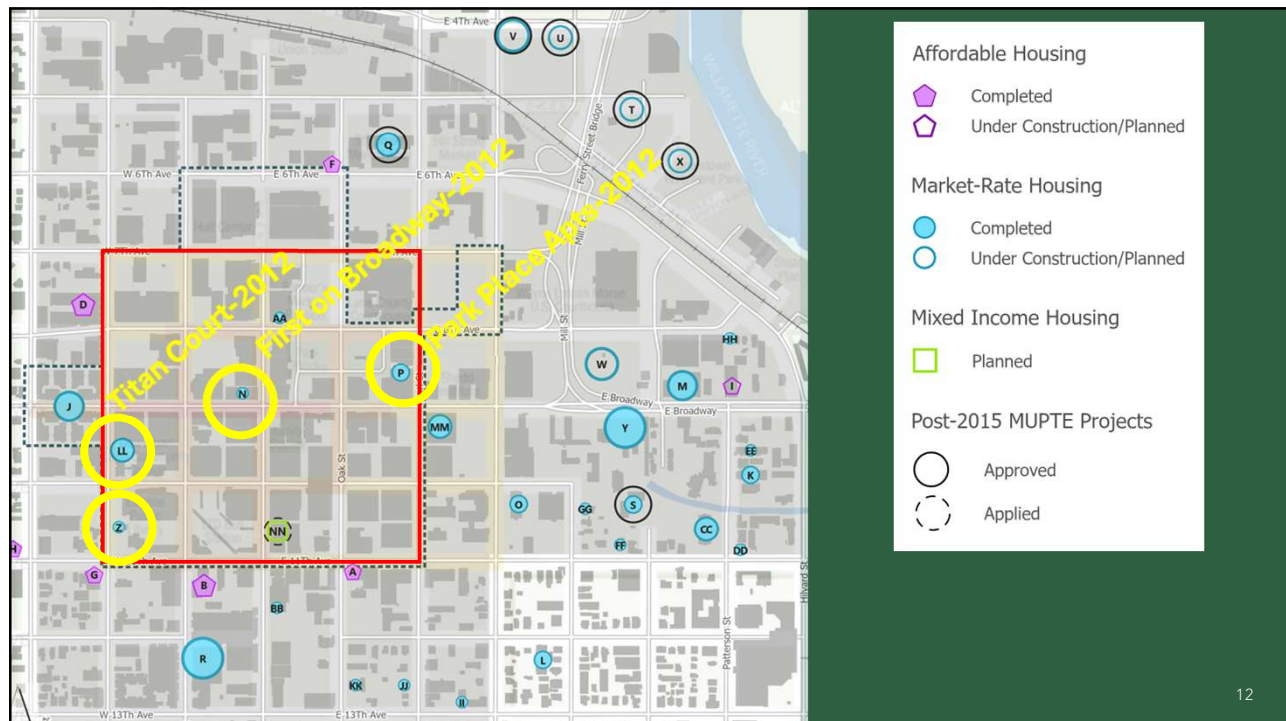


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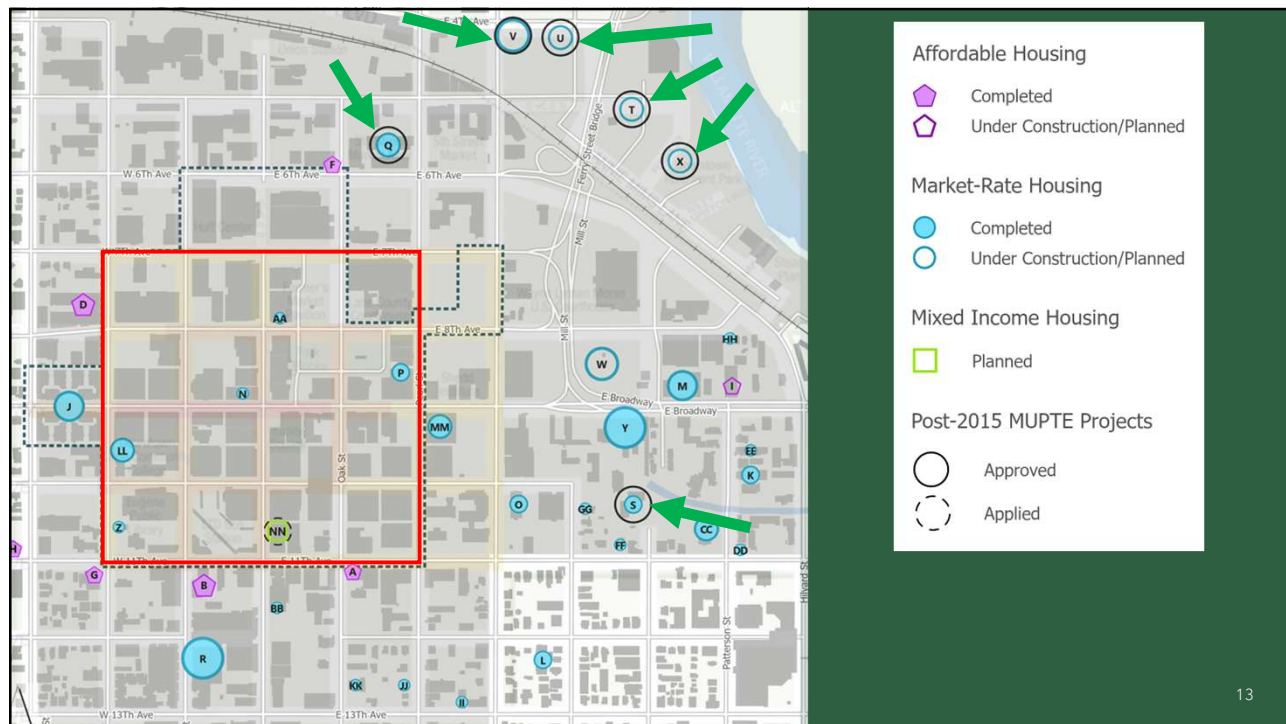
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Challenges to Build in the Downtown Core

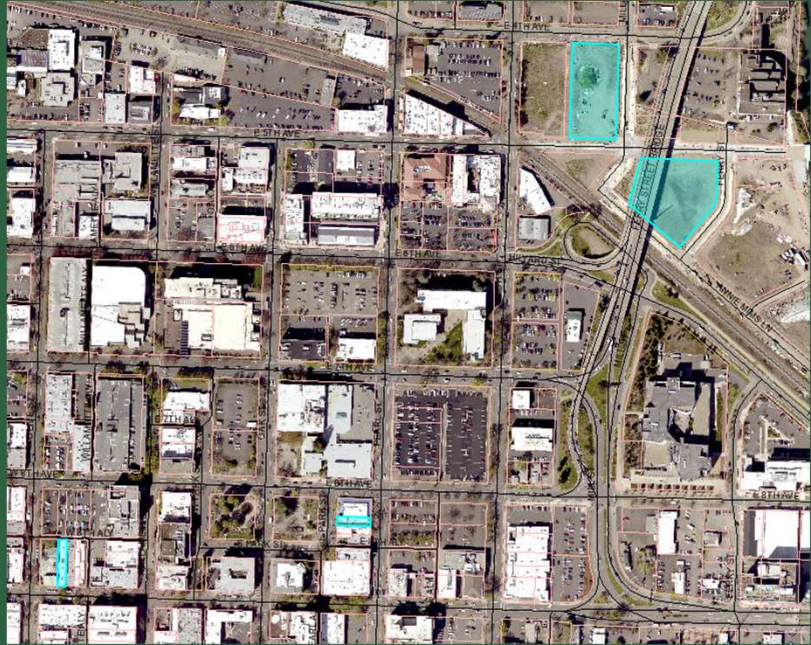
- Constrained Sites
- Logistics



14

Challenges to Build in the Downtown Core

- Small sites
- Unconsolidated
- Existing buildings
- Existing tenants



15

Downtown Core Housing Initiative

5-year pilot
(metrics at
2 years)

Today

Two Potential
Pilot Programs

**Development
Fee Assistance**

**Accelerated
MUPTE**

Later this year

**Property
Acquisition/
Disposition**

16

16

Downtown Fee Assistance

For new housing in the Downtown Urban Renewal District

- Included in 2023 Plan Amendment

Pay for costs of government-imposed fees (e.g. SDCs, permits)

- Estimated \$10k-12k per unit



17

17

Downtown Fee Assistance

Proposed Criteria

- Minimum units
 - 4 if new construction
 - 2 if conversion
 - If demo, increase by 50%
- Density - 25 units per acre
- Project Need
- Urban Design Review

Staff Evaluation

- Based on criteria approved by Agency Board



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Downtown Fee Assistance

Potential Next Steps

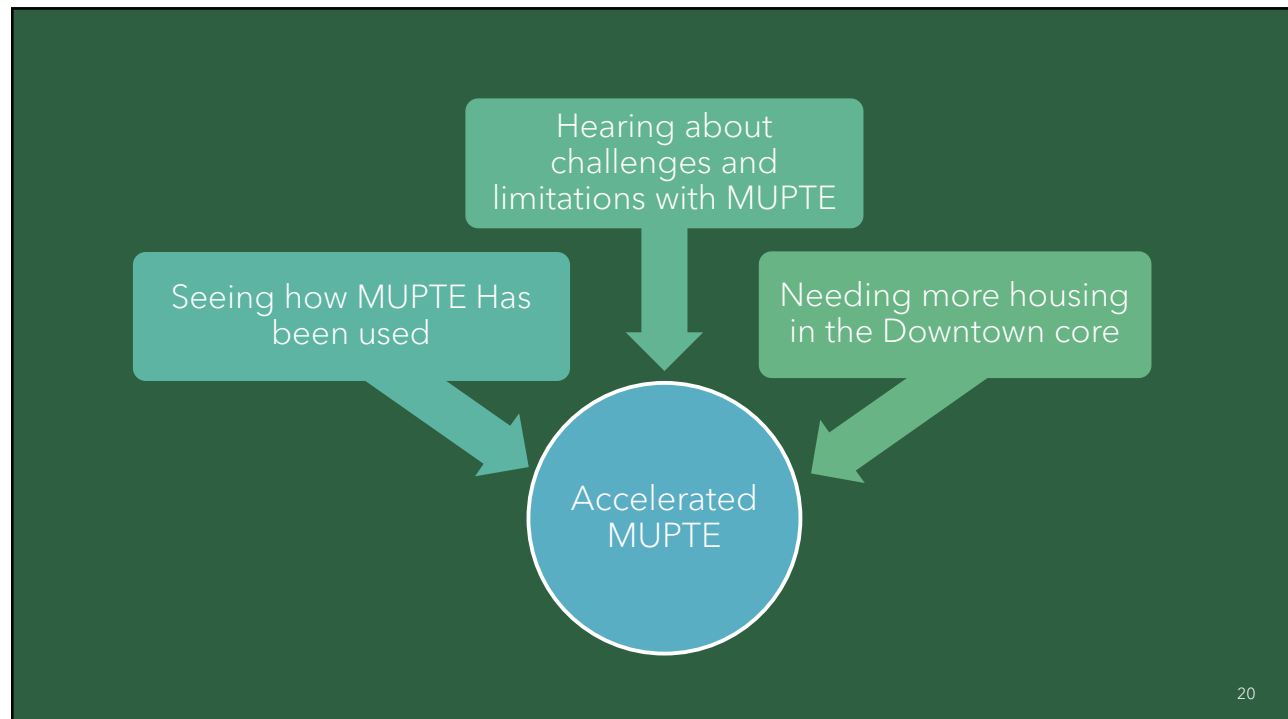
- Resolution (as Agency Board)
 - Implementation
- Adapt Affordable Housing City Fee Assistance process

5-year pilot
(metrics at
2 years)



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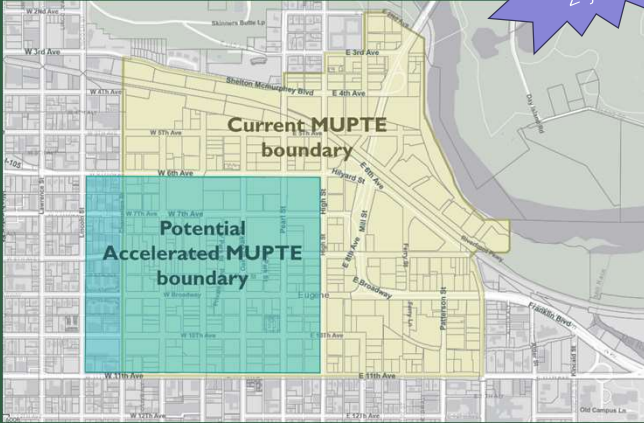
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Item 2A, Attachment D

Accelerated MUPTE

5-year pilot (metrics at 2 years)



Current MUPTE boundary

Potential Accelerated MUPTE boundary

Considerations:

- Shorten the application timeline
- Reduce City administration time and costs
- Reduce the time and resources needed to apply

21

21

Item 2A, Attachment D

Existing MUPTE Program

Basic Criteria

- Minimum 5 units
- No housing designed for students
- No vacation housing

Public Benefit Criteria

1. Compact Urban Development
2. Green Building Features
3. Local Economic Impact Plan
4. Moderate-Income Housing Contribution
5. Project Design and Compatibility
6. Historic and Existing Housing Sensitivity
7. Project Need

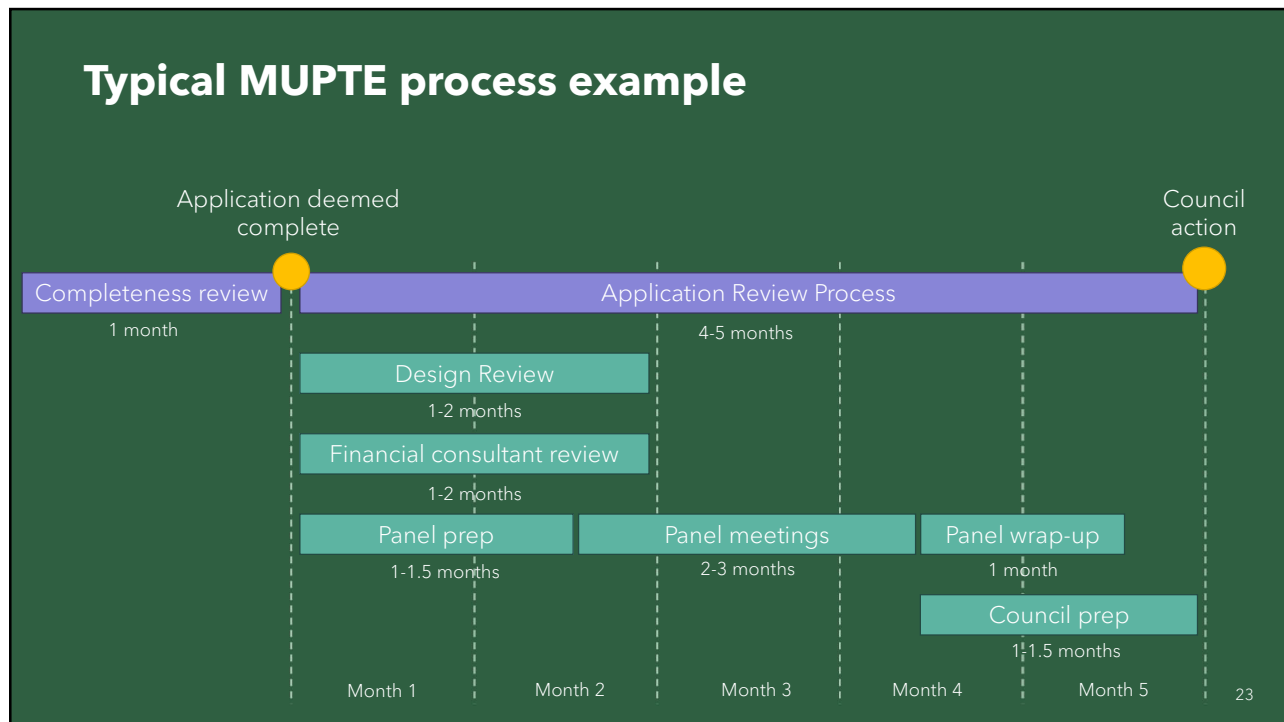
Process

- Neighborhood Engagement
- Panel
- Council evaluates criteria
- Post-Approval Compliance

22

22

Typical MUPTE process example



23

Existing MUPTE

Item 2A, Attachment D

Basic Criteria

- Minimum 5 units
- No housing designed for students

Public Benefit Criteria

1. Compact Urban Development
2. Green Building Features
3. Local Economic Impact Plan
4. Moderate-Income Housing Contribution
5. Project Design and Compatibility
6. Historic and Existing Housing Sensitivity
7. Project Need

Process

- Neighborhood Engagement
- Panel
- Council evaluates criteria
- Post-Approval Compliance

24

24

Accelerated MUPTE - Opportunity Areas

- 1 Evaluation of criteria
- 2 Potential Options
 1. Council approves or denies applications.
 2. Council considers applications as Consent items.
 3. Council delegates the approval or denial of applications to the City Manager, based on criteria established by Council.
- 3
- 4

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Accelerated MUPTE - Opportunity Areas

- 1 Community review panel
- 2 Potential option: Consider removal of panel review during 5-year pilot period
 - Reduces application time by 2-5 months
 - Internal staff team continues to evaluate applications based on Council-approved criteria
- 3
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26

26

Item 2A, Attachment D

Accelerated MUPTE - Opportunity Areas

- 1 Project need
- 2 Potential option: Revise process of reviewing project need.
- 3
 - Reduces staff time, applicant resources needed
- 4

27

27

Item 2A, Attachment D

Accelerated MUPTE - Opportunity Areas

- 1 Minimum units
- 2 Current MUPTE: 5 units
- 3 Accelerated MUPTE potential option:
 - New construction: 4 units
 - Conversion: 2 units
- 4
 - If demo, increase by 50%

28

28

Possible Next Steps - Recap

Accelerated MUPTE (Council)

- Discuss
- Direct us to bring back proposed program, or
- Take no action at this time

Downtown Fee Assistance (Agency Board)

- Bring back resolution, or
- Direct us to revise program & come back, or
- Take no action at this time

31