

Proposed Amendment

The following amendments are proposed Land Use Code Section 5-13: Affordable Housing .
Proposed new text is underlined. Deletions are shown with strike-through.

5-1303 G. Employee Housing Impact Fee/Mitigation

- XI. Exemptions to the Employee Housing Impact Fee/Mitigation. An employee housing Impact Fee/Mitigation will not be required to be paid or constructed for the following categories of Development:
- a. Any Single-family Residence, Duplex, Multi-family unit or Lot that is Deed-Restricted under the County R-1 Housing Deed Restriction, Covenant or other restriction approved by the Board of County Commissioners is exempt from paying the Impact Fee.
 - b. Change of Use. Change of use without adding additional Square Footage of Floor Area or without increasing employee generation as determined herein will not result in the assessment of an employee housing Impact Fee/Mitigation.
 - c. Residential or Commercial Remodels. Commercial or Residential interior remodels that do not involve the construction of additional Square Footage or do not increase employee generation as determined herein will not result in the assessment of an employee housing Impact Fee/Mitigation.
 - d. Affordable Housing in Subdivisions. Existing or proposed subdivisions that include deed-restricted affordable housing units properly restrained through deed-restrictions from open market sale or use to ensure that it is properly characterized as affordable housing, as such term is defined by this Code, may be given a level of credit to offset or mitigate the total employee housing Impact Fee assessed, unless there is an increase in the density or a change in use that increases employee generation. To evaluate and determine the level of credit assessed, the percent of deed-restricted, affordable housing units will be evaluated in relation to the impact mitigation required of that Development when approved.
 - e. Single-family Dwelling ~~less than one thousand eight hundred two thousand (1,800) sq. ft. square feet or less~~ less than two thousand (2,000) sq. ft. or less of Floor Area. The Board of County Commissioners finds that residential improvements less than ~~two thousand (2,000) one thousand eight hundred (1,800)~~ two thousand (2,000) sq. ft. ~~or less~~ are presumed to be occupied by local employees, and only residential improvements with a Floor Area ~~of greater than two thousand (2,000) one thousand eight hundred (1,800)~~ greater than two thousand (2,000) sq. ft. ~~or larger~~ should pay employee housing Impact Fees. This is based on the fact that residential improvements ~~above greater than two thousand (2,000) one thousand eight hundred (1,800)~~ above greater than two thousand (2,000) sq. ft. of Floor Area have a strong tendency for non-resident occupancy, and the employee generation for non-resident occupied residential

structures (second homes) is significantly greater than that for resident-occupied improvements creating impacts beyond the County's ability to mitigate without a fee assessed for the development.

- f. Other Exemptions. The Board of County Commissioners may grant additional exemptions and waivers of the employee housing Impact Fee/Mitigation when deemed to be in the public interest due to special circumstances or unique situations where the Development provides community benefit(s), or where the value of such benefit(s) meets or exceeds the mitigation that would otherwise be required.
- XII. Right to Appeal Employee Housing Impact Fee Determination to Board of County Commissioners. Any person aggrieved by the decision of the Planning Office with respect to the administration of the employee housing Impact Fee under this Code will have the right to appeal such decision to the Board of County Commissioners pursuant to the Section 1-1903 of this Code. In addition, a developer may present alternative calculations of employee generation to the Board of County Commissioners for review and consideration.
- XIII. Future Revisions to Employee Housing Impact Fee Regulations. The employee housing Impact Fee regulations may be reviewed periodically and relevant mitigation requirements adjusted as determined appropriate by the Board of County Commissioners.
- XIV. Employee Housing Impact Fee Calculation for Residential Development. The employee housing Impact Fee shall apply to the Development of Residences, as defined in this Code, whose housing impacts have not previously been mitigated. The employee housing Impact Fee also applies to:
- a. New additions to existing detached Single-family Buildings. The fee shall be assessed only for the additional square footage ~~beyond the where the total Floor Area is greater than the two thousand (2,000) one thousand eight hundred (1,800)~~ s.f. exemption threshold;
 - b. New additions to existing Multi-Family Buildings that are two (2) units or less;
 - c. Accessory Dwelling Units (regardless of size), unless the unit is subject to the County R-1 Housing Deed-Restriction (see Sections 5-1304 and 5-1305) and ADU Deed Restriction Covenant; and
 - d. Caretaker units (regardless of size), unless the unit is subject to the County R-1 Housing Deed-Restriction (see Sections 5-1304 and 5-1305) and ADU Deed Restriction Covenant.

XV. Employee Housing Impact Mitigation Rate. All new Residential Development shall be assessed the Impact Mitigation Rate as set forth in the table below based on the size (square feet of Floor Area) of the unit approved for each Development to mitigate for the employees generated, as shall be amended from time to time by the Board of County Commissioners.

a. Impact Mitigation Rate summary table.

Square Footage		Mitigation Rate
0	1,799 <u>2,000</u>	0%
1,800 <u>2,001</u>	2,500	30%
2,501	3,000 <u>5,000</u>	$(\text{ResFlrArea} * 0.00024) - 0.3$ 42%
3,001	<u>4,000</u>	66%
<u>45,001</u>	12,000	90%

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XVI. Generation rate of Employees for Single Family Residential and Duplex Dwellings.

a. $\text{Generation Rate} = 0.070174(e)^{0.000322 \times \text{New Floor Area}} + 0.11(\text{New Floor Area}/1000)$

XVII. Market-Affordability Gap Fee. The formula to calculate the market-affordable price gap involves a three-step process:

- a. Calculate the amount that households in a certain income category can afford to pay for housing.
- b. Determine the market price for housing using available previous home sales data.
- c. Compare market price to the affordable amount calculated to determine the gap. Use conversion factors to express the gap in per-unit, per employee and per square foot amounts.
- d. Appendix E of this Code sets forth the procedures that shall be used by County Planning staff to calculate the Employee Housing Impact Fee, which shall be calculated by April 30 of each calendar year.
- e. Appendix E, Table 2, of this Code sets forth the Impact Fee Calculation each year for residential development.

XVIII. Calculation for the Residential Employee Housing Impact Fee. The amount of Impact fee shall be calculated using the following formula, based on (A)

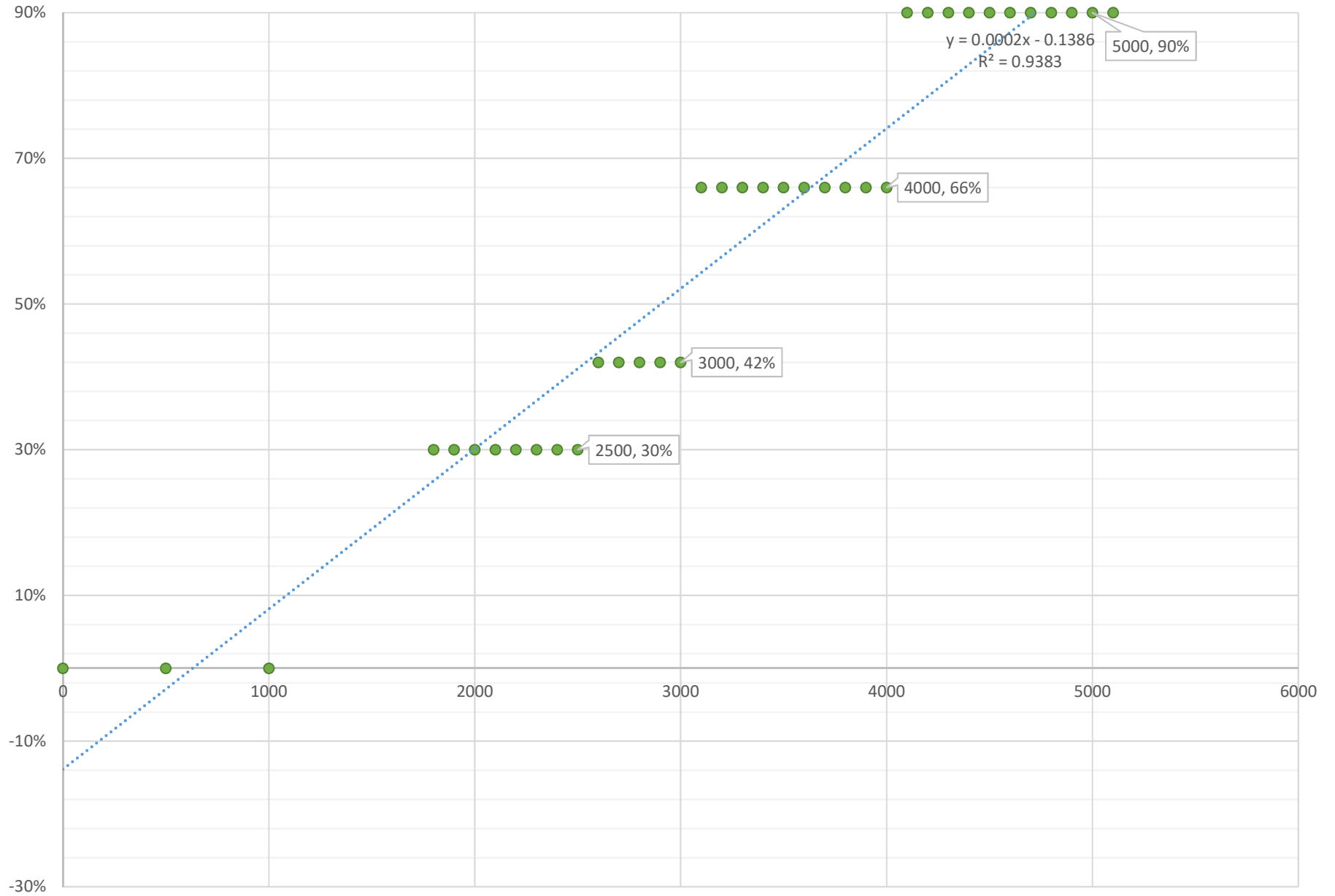
the number of Employees generated by the development, as determined under XVI above (“Employees Generated”), multiplied by (B) the provision of four hundred (400) square feet of space per employee generated by the development as determined under 5-1303 E. I above (“Minimum Mitigation Unit Size”), and multiplied by (C) the Required Employee Housing Mitigation Rate as determined under XV above for single-family and duplex uses, multiplied by (D) the Market-Affordability Gap Fee per square foot.

Employees Generated X 400 sq. ft. X Required Percentage Mitigation Rate
X Market-Affordability Gap Fee Per Square Foot

- XIX. Credit for the construction of a Deed-restricted Accessory Dwelling Unit (ADU) / Caretaker Units that is subject to the County R-1 Housing Deed-Restriction (see Sections 5-1304 and 5-1305) and ADU Deed Restriction Covenant will be granted as follows: Affordable Housing Unit Floor Area to be constructed X Impact Fee/SF. The amount of credit shall not exceed the amount of impact fee owed by residential developer.
- XX. Commercial Development is not required to pay an Impact Fee but is required to provide Affordable Housing Units as determined in Section 5-1303 A., 5-1303 B. and 5-1303 D.
- XXI. Multi-Family Development is not required to pay an Impact Fee but is required to provide Affordable Housing Units as determined in Section 5-1303 C.

The San Miguel County Building Department is responsible for determining the impact fee per Section 5-1303 F. V. above.

Mitigation % per Residence SF



Mitigation Rate per Residence SF

