



Affordable Housing Nexus Fees

Type of Use*	Affordable Housing Nexus Fee Per Square Foot**
Residential, Single Family, Townhouse	\$3.00/gross square foot
Residential, Stacked Flats, Apartment	\$3.50/gross square foot
Office	\$0.75/gross square foot
Hotel	\$0.75/gross square foot
Retail	\$0.75/gross square foot
Warehouse	\$0.5/gross square foot
Industrial	\$0.5/gross square foot
All Other Nonresidential	\$0.75/gross square foot

* New development for a bona fide tax exempt use (such as the Boys and Girls Club and religious facilities) and housing for lower income residents are exempt from the Affordable Housing Nexus Fee.

**All housing fees shall be calculated using the gross square footage definition in Municipal Code Section 19.28.020.

The Nexus fees shall be adjusted annually in an amount equal to the inflation rate, as measured by the California Consumer Price Index, or 2%, whichever is less consistent with Article XIII A of the state Constitution.

RESOLUTION NO. 2016-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AMENDING THE CITY'S MASTER FEE RESOLUTION BY REPEALING RESOLUTION 2009-51 REGARDING INCLUSIONARY HOUSING IN-LIEU FEES AND REPLACING IT WITH A RESIDENTIAL AND NONRESIDENTIAL AFFORDABLE HOUSING NEXUS FEE

WHEREAS, the City of American Canyon ("City") seeks to ensure that the City's zoning laws are consistent with the goals, policies, and standards set forth in the City General Plan; and

WHEREAS, increasing the supply of housing at all income levels, when designed and located well, can strengthen neighborhoods and local economies and there are many ways in which a community may provide housing for low- and moderate-income families; and

WHEREAS, since at least 2001, the City has used an Inclusionary Housing Ordinance ("Ordinance") to require residential projects containing five or more residential units to provide 10% of the units in the project to be sold or rented at prices affordable to lower-income households; and

WHEREAS, inclusionary housing in-lieu fees were most recently adopted by the City Council with Resolution 2009-51; and

WHEREAS, expansion of commercial and industrial development in American Canyon increases demand for affordable housing in our City. However, the City's Ordinance does not require new non-residential development to contribute funds to help offset affordable housing demand that it creates; and

WHEREAS, in 2009, the *Palmer/Sixth Street Properties vs. City of Los Angeles* court ruling ("the Palmer Case") invalidated many cities' inclusionary ordinances, including the City of American Canyon's, as it relates to inclusionary requirements on rental homes. As a result of the Palmer Case, the city's ability to require affordable units in new rental housing developments has been significantly curtailed; and

WHEREAS, in June 2015, the California Supreme Court in *California Building Industry Association (CBIA) v. City of San Jose* reaffirmed the constitutional police power of municipalities to address affordable housing needs. In doing so, the court found that properly drafted inclusionary housing regulations further a legitimate public purpose and will continue to be reviewed by courts under the deferential standard for reviewing the constitutional validity of all police power regulations.

WHEREAS, in April, 2014, the City Council directed staff to establish an Affordable Housing Nexus fee among additional recommendations from the final report. The Affordable Housing Nexus fee recommendation was included in the May 2014 Community Vision and Strategic Plan and supported by the City's Housing Element, which was certified by the State Department of Housing and Community Development on March 26, 2015; and

WHEREAS, on behalf of the City, on February 13, 2015, David Paul Rosen & Associates prepared an Administrative Review Draft of the American Canyon Affordable Housing Nexus Study. On January 19, 2016 the American Canyon Affordable Housing Nexus Study: Fee Calculation and Economic Impact Analysis was prepared; and

WHEREAS, the proposed Affordable Housing Nexus fees would provide a new source of funds to support a variety of affordable housing programs; and

WHEREAS, on January 28, 2016, City of American Canyon Planning Commission considered the proposed Affordable Housing Nexus fees and recommended their approval; and

WHEREAS, a duly-noticed public hearing was held by the City of American Canyon City Council on February 2, 2016 on the subject application, at which time all those in attendance were given the opportunity to speak on this proposal; and

WHEREAS, the City Council has considered all of the written and oral testimony presented at the public hearing in making its decision.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of American Canyon to repeal Resolution 2009-51 and replace it with the following Affordable Housing Nexus fees as depicted in Exhibit A.

Exhibit A

Type of Use*	Affordable Housing Nexus Fee Per Square Foot**
Residential, Single Family, Townhouse	\$3.00/gross square foot
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SECTION 1: Compliance with California Environmental Quality Act.

The City Council finds that this Resolution is subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15060(c)(2) of the CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3) because the action will not result in a direct or reasonably foreseeable indirect physical change in the environment, and pursuant to CEQA Guidelines Section 15060(c)(3) because the activity is not a project as defined in Section 15378 of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly. In addition, the consideration and adoption of the Resolution is not a "project" under CEQA Guidelines Section 15061(b)(3) because it has no potential for causing a significant effect on the environment.

PASSED, APPROVED and ADOPTED at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 16th day of February, 2016, by the following vote:

AYES: Council Members Joseph, Leary, Ramos, Vice Mayor Bennett, and Mayor Garcia
NOES: None
ABSTAIN: None
ABSENT: None



Leon Garcia, Mayor

ATTEST:



Cherri Walton, CMC, Deputy City Clerk