
CITY OF FOREST LAKE ORDINANCE NO. 635

Forest Lake, MN 55025

AN ORDINANCE AMENDING SECTION 153.308 OF THE CITY CODE OF THE CITY OF FOREST LAKE AND PERTAINING TO AFFORDABLE HOUSING INCENTIVES.

The City Council of the City of Forest Lake hereby ordains as follows:

Section 153.308 of the City Code of the City of Forest Lake is hereby amended as follows:

§ 153.308 AFFORDABLE HOUSING INCENTIVES.

(A) **Purpose.** The purpose of this section is to encourage the development of affordable housing within Forest Lake. The Metropolitan Council has identified a need for housing that is affordable for a large number of working households in the region. Forest Lake is responding to this need by offering incentives to encourage a continued availability of a diverse supply of housing opportunities for low to moderate income households.

(B) **Applicability.**

- (1) For all affordable 50-80% of area median income for Washington County adjusted by family size appropriate for the dwelling unit. Housing costs include rent and utilities. Affordable monthly rental shall be considered to be an amount not exceeding 30% of adjusted area median family income.

(C) **Definitions.**

- (1) Affordable rental housing. Where the rent plus utilities for the dwelling unit does not exceed 30% of the allowed individual household income.
- (2) Area medium income (AMI). The median income of the greater metropolitan area to which Forest Lake belongs, as is established and updated annually by the United States Department of Housing and Urban Development.
- (3) Density bonus. Those additional units that will be allowed to be built if the density bonus is granted.
- (4) Rental dwelling. Any dwelling unit intended to be leased.

(D) **Incentives.**

- (1) Developers providing affordable housing units may qualify for the following incentives and zoning code modifications listed below. Approval of requested incentives and modifications shall be made by the City Council. The city, in determining the reasonableness of the incentives and modifications to be considered, shall recognize that it may be benefited not only on the inclusion of affordable housing but overall quality of design, increase in efficiency in public facilities, location and amount of proposed common space and location, design and type of dwelling units.
 - (a) **Density bonus.** A developer may qualify for up to 15% increase in the otherwise allowable density for a property as determined by the comprehensive plan designation of the property may be allowed. The density bonus must be calculated by determining the largest number of units that may be built on the property, then multiplying the result by 1.15 and rounding up any fractions.
 - (b) Eligible projects may qualify for reduced setbacks, reduced lot width, reduced lot size requirements and reduced parking requirements from the underlying zone requirements throughout the development.

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- (c) The city may consider reduced street width requirements throughout the development provided health and safety provisions are met.
- (d) At the request of the developer, the city may issue a reimbursement for fees and/or charges related to the development and construction of the affordable housing units, including but not limited to the following:
1. **Planning and zoning fees.** The city may issue a reimbursement to the developer for up to 20% of the zoning and subdivision fees for any affordable housing development.
 2. **Building permit fees.** The city may issue a reduction or reimbursement to the builder for up to 20% of the building permit fee for any structure meeting the definition of an affordable housing unit. For multi-family housing developments, the building permit reimbursement may be available for any individual structure meeting the definition of an affordable housing unit.
 3. **Sewer and water availability charges.** The city may issue a reimbursement to the builder for up to the amount of 20% of the sewer core charge and water availability charge (WAC) for any structure meeting the definition of an affordable housing unit.
 4. **Parkland dedication fees.** The city may issue a reimbursement to the developer for up to 20% of a cash payment in lieu of park and open space dedication, if any, for each affordable housing unit constructed within an affordable housing development. A reimbursement will not be provided for land dedication.
- (2) Other incentives may be negotiated or offered by the City Council through the affordable housing plan review process.

Passed and adopted by the City Council of the City of Forest Lake this 24th day of March, 2014.

Chris Johnson, Mayor

ATTEST:

Aaron Parish,
City Clerk, Administrator