

**Budget Direction re: Affordable Housing Linkage Fee**

When soliciting the Affordable Housing Linkage Fee Study, City Staff should refer to City Council Resolution # 20160616-035 for guidance.

**BE IT FURTHER RESOLVED:**

The City Council directs the City Manager to conduct a nexus study to determine whether a relationship exists between new residential and commercial development and the City's affordable housing needs. The study should be based on the number of employees occupying new developments, earnings of employees in new developments, the affordability gap between employees' earnings and available housing, and the cost of building affordable housing. If the study finds a relationship, the study should examine the potential market and economic impacts of various fee levels and the potential impact of various fee levels on prototypical commercial and residential development, including mixed use developments; and include recommended fee levels that will not deter development. The Council desires that the study be conducted by an outside firm with nationwide experience.