



**KEYSER MARSTON ASSOCIATES**

**INCLUSIONARY HOUSING:  
POLICY RECOMMENDATIONS**

**Prepared for:**

**City of Chino**

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The City of Chino (Chino) is currently exploring the opportunity for creating an Inclusionary Housing program. To assist in this process, the City engaged Keyser Marston Associates, Inc. (KMA) to undertake the following tasks:

1. A financial evaluation of the impacts created by the imposition of income and affordability restrictions on new residential development; and
2. The recommendation of policies to be incorporated into the Inclusionary Housing program.

## I. BACKGROUND

Dyett & Bhatia Urban & Regional Planners (Dyett & Bhatia) was engaged by the City to assist in preparing a General Plan update. As part of the update, Dyett & Bhatia is proposing the creation of an Affordable Housing Overlay Zone and a Mixed-Use Overlay Zone (Overlay Zones). These Overlay Zones are located in areas that generally do not permit residential development.

### A. Financial Analyses

KMA was subsequently engaged as a subconsultant to Dyett & Bhatia to assist the City in creating an Inclusionary Housing program. As the first step in this process, KMA prepared an *Inclusionary Housing: Financial Evaluation* (Financial Evaluation) that is dated January 30, 2023. The Financial Evaluation is focused on the potential for imposing Inclusionary Housing obligations in the Overlay Zones.

During a Planning Commission public hearing that was held on March 6, 2023 speakers questioned components of the Financial Evaluation. One significant issue was that the Financial Evaluation used public permits and fees estimates, derived from the City's Draft Housing Element, which did not fully account for current and projected fee amounts. City staff and the speakers worked collaboratively to arrive at estimates that reflect the amounts that will be in place by 2024.

Given the magnitude of the increase in the public permits and fees estimates, KMA updated the pro forma analyses of prototype developments on March 14, 2023. The findings of this updated analysis have been factored into this Policy Recommendations report.

## B. Report Organization

Based on the results of the Financial Evaluation and the March 14, 2023 update (collectively referred to as the Updated Financial Analysis), KMA prepared the Inclusionary Housing program policy recommendations that are presented in the following report. The report is organized as follows:

1. The findings of the Updated Financial Analysis are summarized.
2. The components of the recommended policies are identified.
3. The recommended implementation package is described.
4. Case studies are presented to compare the Inclusionary Housing options that could potentially be applied to hypothetical projects in the Overlay Zones.

## II. FINDINGS: UPDATED FINANCIAL ANALYSIS

The supportable Inclusionary Housing requirements within the Overlay Zones are:

1. Apartment Development:<sup>1</sup>
  - a. Density at 26 Units Per Acre – 9% Low Income.
  - b. Density at 30 Units Per Acre – 13% Low Income.
2. A 3% moderate income requirement can be supported by ownership housing development.

The supportable in-lieu fee payment amounts are presented in the following table:

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<sup>1</sup> The Financial Evaluation concluded that developers may mitigate the impacts created by the Inclusionary Housing requirements by using the Government Code Section 65915 et seq. (Section 65915) density bonus. In those cases the City's low income requirement may be fulfilled with the very low income units used to fulfill the density bonus requirements.

In-Lieu Fee Payment Amounts Overlay Zones		
In-Lieu Fee	Apartments (9% Low Income)	Ownership Housing (3% Moderate Income)
Per Inclusionary Unit	\$313,000	\$436,300
Per Square Foot of Leasable/Saleable Area in a 100% Market Rate Project	\$22.60	\$8.30

### III. POLICY RECOMMENDATIONS

KMA's Inclusionary Housing policy recommendations cover the following topics:

1. The minimum residential project size that will trigger an Inclusionary Housing obligation.
2. The income and affordability requirements that will be applied to apartment projects and ownership housing projects.
3. The covenant periods under which the income and affordability standards should be imposed for apartment projects and ownership housing projects.
4. The City is required to provide options for fulfilling the Inclusionary Housing requirements. These options should be tailored to the type of housing being developed in Chino order to mitigate the financial impacts created by the Inclusionary Housing requirements. The following Inclusionary Housing fulfillment options are recommended to be offered under specified circumstances:
  - a. On-site production;
  - b. Off-site production;
  - c. Land dedication;

- d. Parcelization of a market rate ownership housing development site to create a separate site for the development of an affordable apartment project; and
  - e. In-Lieu Fee Payment.
5. The development standards that should be imposed on the affordable housing units that are produced to fulfill the Inclusionary Housing requirements.
  6. Implementation activities that should be undertaken by the City are identified.

## **A. Threshold Project Size**

The majority of Inclusionary Housing programs in California include a threshold project size below which projects are not subject to the affordable housing production requirements. Common thresholds fall between three and 10 units. It is KMA's recommendation that the threshold project size be set at 10 units.

## **B. Income and Affordability Standards**

An Inclusionary Housing program's income and affordability standards should be set at levels that do not constrain the opportunities for residential development. The Updated Financial Analysis provides context for the on-site production requirements that are being recommended.

## **APARTMENT DEVELOPMENT**

### ***Affordable Rent Calculation Methodology***

KMA recommends that the "Affordable Rents" be based on the following standards:

1. The low income rents should be based on 80% of area median income (AMI). This percentage of AMI is based on the standard imposed in Assembly Bill 1505.
2. The affordable rents used in Section 65915 density bonus projects are required to be based on the household income standards imposed by California Health and Safety Code (H&SC) §50053.

**Recommended Income and Affordability Standards**

On-Site Production of the Required Inclusionary Units

The results of the Updated Financial Analysis indicate that the following Inclusionary Housing requirements can be supported for apartment development projects:

Recommended Inclusionary Housing Requirements Low Income Requirement Overlay Zones Apartment Development	
Density Units / Acre	Percentage Requirement
20	9%
30	13%

The City is proposing to translate these requirements into the following sliding scale:

Proposed Inclusionary Unit Obligation – Sliding Scale					
Density (Units/Acre)	26	27	28	29	30
Low Income %	16%	17%	18%	19%	20%

Off-Site Production of the Required Inclusionary Units

If a developer chooses to produce the Inclusionary Units in an off-site location, KMA recommends that the Inclusionary Housing requirements be set as follows:

1. The Inclusionary Housing percentage should be set at 20% of the total number of units in the market rate project; and
2. The affordable units should be required to be rented at the very low income standard.



## OWNERSHIP HOUSING DEVELOPMENT

### *Affordable Sales Price Calculation Methodology*

KMA recommends that the City apply the H&SC §50052.5 methodology to the calculation of “Affordable Sales Prices”. In addition, the following specific calculation metrics are being recommended by KMA.

### Benchmark Mortgage Interest Rate

The mortgage interest rate chosen to be applied in the calculations creates a significant impact on the Affordable Sales Price. In establishing a benchmark interest rate it is important to understand the following issues that are commonly faced by moderate income first time home buyers:

1. Credit history and scores that do not fall within the exceptional level required to obtain the lowest interest rate available in the marketplace;
2. Back-end ratios that are often higher than the typical ratios applied in conventional lenders’ underwriting standards for the lowest interest rate mortgages; and
3. There is a limited pool of mortgage lenders that are willing to provide loans on homes that are subject to income and affordability covenants. These lenders do not generally offer the lowest interest rates available in the marketplace.

Given that mortgage interest rates can be expected to fluctuate over time, KMA recommends that the City apply the following conservative methodology in setting the benchmark interest rate used in the Affordable Sales Price calculations:

1. KMA recommends that the benchmark mortgage interest rate be set on the first day of each calendar quarter.
2. In setting the benchmark interest rate, KMA recommends using the interest rate published by Freddie Mac for 30-year fixed interest rate fully amortizing mortgages. However, other sources that provide the same type of information are also acceptable.

### Range of Allowable Home Buyer Down Payments

An Inclusionary Housing program is intended to target home buyers that could otherwise not afford to purchase a home in Chino. To achieve that goal while minimizing the risk of defaults, KMA recommends that the following down payment requirements be imposed:

1. The minimum home buyer down payment amount should be set at 5% of the Affordable Sales Price:
  - a. At least 1% of this down payment amount must be provided from the home buyer's own funds.
  - b. Gifts funds may be obtained by the home buyer to fulfill the balance of the 5% requirement.
2. The maximum down payment amount should be set at 35% of the Affordable Sales Price:
3. Gift funds of up to \$75,000 may be used for the down payment amount that falls between 1% and 35% of the Affordable Sales Price.

### *Recommended Income and Affordability Standards*

#### On-Site Production of the Required Inclusionary Units

Based on the results of the Updated Financial Analysis, KMA recommends that if the Inclusionary Units are provided on site within the market rate project, the Inclusionary Housing requirements should be set as follows:

1. The Inclusionary Housing percentage should be set at 3% of the units in the market rate project;  
and
2. The units should be required to be sold at the moderate income standard.

## Off-Site Production or Parcelization to Fulfill the Inclusionary Housing Requirements

KMA recommends that the developers of ownership housing projects be given the option to fulfill the Inclusionary Housing obligation in one of the following ways:

1. The off-site production of affordable apartment units; or
2. The creation of a parcel within an ownership housing development site on which affordable apartment units are constructed.

For both of these options, KMA recommends that the Inclusionary Housing requirement be set as follows:

1. The Inclusionary Housing percentage should be set at 20% of the total number of units in the market rate project; and
2. The units should be required to be rented at the very low income standard.

### **C. Covenant Periods**

#### **APARTMENT DEVELOPMENT**

KMA recommends that the covenants for the Inclusionary Housing apartment units should be required to remain in place for as long as the property is developed with a residential use, but for not less than 75 years. Following the 75-year term, the covenant should only be removed if at some point the property is rezoned and subsequently put to a non-residential use.

#### **OWNERSHIP HOUSING DEVELOPMENT**

KMA recommends that a 45-year covenant period be applied to affordable ownership housing units. However, the homeowner should be allowed to resell the home at the unrestricted fair market value at any time during the covenant period in return for providing the City with the following monetary consideration:

1. The difference between the fair market value of the home and the Affordable Sales Price when the home was originally purchased. This is known as the “Affordability Gap”; plus
2. A percentage share of the equity appreciation achieved upon the resale of the home. The equity appreciation share should be based on the percentage share the Affordability Gap represented of the home’s fair market value on the original purchase date.

## **D. Inclusionary Housing Development Standards**

### **ON-SITE PRODUCTION OPTION**

KMA recommends that the following standards be applied to the on-site production of Inclusionary Units within both market rate apartment projects and ownership housing projects:

1. The affordable housing units should be required to be constructed concurrently with the market rate project, and they must be dispersed throughout the project.
2. The affordable housing units should be required to comply with the following development scope requirements:
  - a. The Inclusionary Units must be equally distributed throughout the project;
  - b. The bedroom and bathroom mix for the Inclusionary Units must be proportional to the bedroom and bathroom mix of the market rate units;
  - c. The Inclusionary Units must have the same exterior finishes as the market rate units in the project; and
  - d. The Inclusionary Units must have the same type or quality of appliances, fixtures, and finishes as the market rate units in the project.

## OFF SITE AND PARCELIZATION PRODUCTION OPTIONS

If a developer chooses to fulfill the Inclusionary Housing obligation off site, or by creating a separate parcel on the development site for the affordable units, the following development standards should be imposed:

1. The Inclusionary Housing obligation must be fulfilled with apartment units.
2. An off-site development parcel must be located within an Overlay Zone and within one mile of the market rate project that is subject to the Inclusionary Housing obligations.
3. Under the following circumstances the developer of the market rate project should be allowed to enter into an agreement with an affordable housing developer to construct, own and operate the affordable housing project:
  - a. The affordable housing developer must have recent relevant experience, and be approved by the City.
  - b. The affordable housing developer may not request any financial assistance from the City.
  - c. The developer may apply to use the Section 65915 density bonus and the statutorily established number of incentives or concessions.
4. The affordable housing project must be constructed prior to or concurrently with the market rate project that triggered the Inclusionary Housing obligation. If the market rate project is proposed to be developed in phases, the affordable housing units should be required to be developed along with the first phase of the market rate project.

## IN-LIEU FEE PAYMENT OPTION

### *In-Lieu Fee Payment Thresholds*

In accordance with City Council and Planning Commission guidance, the City will establish objective criteria under which in-lieu fee payments are allowed. To assist the City in making these determinations, KMA offers the following recommendations:

1. Inclusionary Housing requirements have a disproportionate impact on smaller projects, because there are fewer market rate units available to spread the impact created by the income and affordability standards. KMA recommends that an in-lieu fee payment be allowed by right for apartment projects with 20 or fewer units.
2. The City Council should be provided with the discretion to allow an in-lieu fee to be paid for apartment projects with more than 20 units if the obligation is deemed to create an extreme financial hardship circumstance.

### *In-Lieu Fee Schedules*

It is KMA's opinion that an in-lieu fee measured against the square footages of the units corresponds more closely to the Affordability Gap than an in-lieu fee that is measured by the number of units in the project. As such, KMA recommends that the in-lieu fee be based on the leasable area for apartment projects and the saleable area for ownership housing projects.

KMA recommends that the following in-lieu payment schedules be applied, in 2023 dollars, the first year following the adoption of the Inclusionary Housing Ordinance:

Recommended In-Lieu Fee Schedules Per Square Foot of Leasable or Saleable Area			
Units		Apartments	Ownership Housing
10		\$2.05	\$0.75
11		\$4.11	\$1.51
12		\$6.16	\$2.26
13		\$8.22	\$3.02
14		\$10.27	\$3.77
15		\$12.33	\$4.53
16		\$14.38	\$5.28
17		\$16.44	\$6.04
18		\$18.49	\$6.79
19		\$20.55	\$7.55
20		\$22.60	\$8.30

### *In-Lieu Fee Payment Timing*

Developers should be required to pay the in-lieu fee when building permits are obtained for the project. However, for phased projects, the developer should be allowed to pay a pro rata share of the in-lieu fee concurrently with the issuance of building permits for each development phase.

### **LAND DEDICATION OPTION**

The City Council should have the discretion, but not the requirement, to approve a developer's proposal to dedicate property in lieu of producing Inclusionary Units. KMA recommends that the following threshold requirements be imposed for any property put forth for City Council consideration:

1. The developer must be willing to convey the property to the City at no cost.
2. The developer must provide evidence of the following when the land dedication proposal is submitted:

- a. The developer must have site control with lien-free title. Any encumbrances or easements that adversely impact the property's title must be disclosed and factored into the estimated value of the interests proposed to be conveyed to the City.
  - b. The property cannot contain any hazardous materials at the time the land dedication proposal is submitted:
    - i. The developer must disclose whether any hazardous materials were previously contained on the site; and
    - ii. If hazardous materials were previously remediated, the developer must provide evidence that the cleanup was performed in accordance with applicable law.
  - c. The property cannot have been improved with any residential use for at least five years prior to the submission of a land dedication proposal.
  - d. Payment in full of all property taxes and special taxes must have been made when the proposal is submitted, and again prior to conveyance of the property to the City.
3. The following Inclusionary Housing obligations should be applied:
- a. The requirement should be set at 20% of the of units in the project that triggered the Inclusionary Housing obligation; and
  - b. The income and affordability standards should be set at the very low income level.
4. The property must embody the following characteristics:
- a. The property must be located within an Overlay Zone and within one mile of the project that is subject to the Inclusionary Housing obligation.
  - b. The land dedication site must meet the following conditions:



- i. The site's General Plan and zoning standards must allow for a residential use at a density sufficient to allow for the requisite number of Inclusionary Units to be developed.
    - ii. The site must be suitable in terms of size, configuration, and physical characteristics to allow for the requisite number of Inclusionary Units to be developed on a cost efficient basis.
  - c. The property must be fully served by the necessary infrastructure prior to conveyance to the City.
5. KMA recommends that the City only re-convey dedicated properties to developers with experience developing affordable apartment projects targeted to very low income households. To assist the City in evaluating land dedication proposals, the prospective developer should be required to submit the following documents:
  - a. A conceptual site plan and narrative description of a project that could be developed on the property.
  - b. A identification of the income and affordability restrictions proposed to be imposed.
  - c. A pro forma analysis that quantifies any financial gap associated with the identified development scope, and describes how this financial gap will be filled.
  - d. If a Section 65915 density bonus will be required, the terms of the requested density bonus; incentives and concessions; and development standards waivers must be identified.

Prior to submitting a proposal to the City Council for consideration, the City staff should independently evaluate the information submitted by the developer. Based on that review, the City should determine whether the proposal meets the defined threshold standards.

## **IV. IMPLEMENTATION RECOMMENDATIONS**

As part of the implementation process for the Inclusionary Housing program KMA recommends that the City take the following actions:

### **A. Marketing Requirements**

The City wishes to focus the marketing effort in a manner that focuses on households that live and/or work in Chino. To that end, the Inclusionary Housing regulations will require developers to prominently advertise the Inclusionary Units in local publications. In addition, information pertaining to Inclusionary Units that are being developed and marketed should be placed on the City's website.

### **B. Inclusionary Housing Guidelines**

The following Manuals that detail the Inclusionary Housing Policies and Procedures should be created:

1. Apartment Development; and
2. Ownership Housing Development: Developer Requirements.

### **C. Inclusionary Housing Program Updates**

The Inclusionary Housing program should be updated at regular intervals:

1. The entire program should be re-evaluated at least every five years.
2. To allow in-lieu fees to keep pace with changes in the market place during the intervening periods, the in-lieu fees should continue to be adjusted each year based on the percentage change in new home prices in San Bernardino County as published annually by the Real Estate Research Council (RERC).

### **D. Staffing Plan**

A staffing and administrative plan should be created for managing the development process and the ongoing monitoring of the Inclusionary Units once they are built.

## V. CASE STUDIES

The following sections of this report describe case studies for a hypothetical apartment project and a hypothetical ownership housing project. The case studies identify each of the recommended options for fulfilling the Inclusionary Housing requirements.

It is important to note that these case studies are based on the policy recommendations provided in this report. If the City ultimately chooses to apply different requirements, these case studies will need to be modified accordingly.

### A. Apartment Project

The development scope used in the apartment project case study can be described as follows:

1. The market rate project includes 100 units.
2. The development site consists of 3.8 acres, which represents a density of 26 units per acre.

The unit mix is presented in the following table:

Unit Mix - Hypothetical Apartment Project			
Number of Bedrooms	Number of Units	Percentage of Total	Leasable Square Feet
1	35	35%	800
2	50	50%	1,300
3	15	15%	1,650
Total	100	100%	119,500

### ON-SITE PRODUCTION OF AFFORDABLE APARTMENT UNITS

A developer may select the on-site production option by right. The requirements associated with this alternative are:

1. An apartment development at 26 units per acre is subject to a 9% Inclusionary Housing requirement. This equates to a nine unit Inclusionary Housing requirement for a 100 unit project.
2. The income and affordability restrictions are set at the low income level.
3. To match the distribution of the bedroom types included in the market rate apartment project, the Inclusionary Units must be provided in the following mix:

Affordable Housing Unit Mix On-Site Fulfillment of the Inclusionary Housing Requirement Apartment Project		
Number of Bedrooms	Number of Units	Percentage of Total
1	3	33%
2	5	56%
3	1	11%
Total	9	100%

4. The Inclusionary Units must be dispersed throughout the market rate project and developed concurrently with the market rate project.

### OFF-SITE PROJECTION OF AFFORDABLE APARTMENT UNITS

A developer may select the off-site production option by right. However, the City Council has approval right's over the development site's location. The requirements imposed by this alternative are:

1. The site must be located within an Overlay Zone and within one mile of the market rate project that is subject to the Inclusionary Housing obligations.
2. A 20% Inclusionary Housing requirement is imposed on the off-site production of the Inclusionary Units. This equates to a 20 unit requirement.

3. The income and affordability restrictions are set at the very low income level.
4. The off-site affordable apartment units must be constructed concurrently with the market rate apartment project.

### IN-LIEU FEE PAYMENT

Under the recommended structure, a 100 unit apartment project would not be allowed to pay a fee to fulfill the Inclusionary Housing obligation. However, if the developer can prove an extreme financial hardship, the City Council has the discretion to approve the payment of an in lieu fee.

Based on the in-lieu fee schedule being recommended by KMA, the hypothetical apartment project would generate the following in-lieu fee payment obligation:

1. The total leasable area of the 100 unit market rate project is 119,500 square feet.
2. The in-lieu fee for projects that include 20+ units is \$22.60 per square foot of leasable area.
3. The resulting total in-lieu fee is \$2.7 million, or \$27,000 per unit in the market rate project.

### LAND DEDICATION

The use of the land dedication option should be subject to City Council approval. Proposals must meet all the following requirements in order to be presented to the City Council for consideration:

1. The site must be located within an Overlay Zone and within one mile of the market rate project that is subject to the Inclusionary Housing obligations.
2. The Inclusionary Housing obligation is set at 20% of the units being constructed in the market rate project. This equates to 20 units for the hypothetical 100 unit project.
3. The income and affordability standard is set at the very low income level.
4. At an assumed allowable density of 30 units per acre, the dedicated site must include at least 29,040 square feet (.67 acres) of land area.

- The developer must submit a conceptual plan and a pro forma analysis to demonstrate that an apartment project that includes 20 very low income units will be feasible with no financial contribution from the City.

## B. Ownership Housing Project

The development scope used in the ownership housing project case study can be described as follows:

- The market rate project consists of 90 townhome units.
- The development site consists of five acres, which represents a density of 18 units per acre.

The unit mix is presented in the following table:

Unit Mix - Hypothetical Ownership Housing Project			
Townhome Development			
Number of Bedrooms	Number of Units	Percentage of Total	Saleable Square Feet
3	54	60%	1,700
4	36	40%	2,100
Total	90	100%	167,400

## ON-SITE PRODUCTION OF AFFORDABLE OWNERSHIP HOUSING UNITS

A developer may select the on-site production option by right. The requirements associated with this alternative are:

- A 3% Inclusionary Housing requirement is imposed. This results in a requirement to include three affordable units within the 90 unit project.
- The income and affordability restrictions are set at the moderate income level.
- To match the distribution of the bedroom types included in the market rate townhome project, the Inclusionary Units must be provided in the following mix:

Affordable Housing Unit Mix On-Site Fulfillment of the Inclusionary Housing Requirement Ownership Housing Project Townhome Development		
Number of Bedrooms	Number of Units	Percentage of Total
3	2	67%
4	1	33%
Total	3	100%

4. The Inclusionary Units must be dispersed throughout the market rate project and developed concurrently with the market rate project.

#### OFF-SITE PRODUCTION OR PARCELIZATION OF THE OWNERSHIP HOUSING PROJECT SITE

A developer may select the off-site production or parcelization option by right. However, the City Council has the following approval rights:

1. For the off-site production option: Approval right's over the development site's location.
2. For the parcelization option: Approval rights over the parcel size and the location within the original development site.

The fulfillment requirements imposed by both options are:

1. The Inclusionary Housing obligation must be fulfilled with the development of affordable apartment units.
2. The site must be located within an Overlay Zone and within one mile of the market rate project that is subject to the Inclusionary Housing obligations.
3. A 20% Inclusionary Housing requirement is imposed. This equates to an 18 unit requirement.
4. The income and affordability restrictions are set at the very low income level.

5. The affordable apartment units must be constructed concurrently with the market rate ownership housing project.

### IN-LIEU FEE PAYMENT

Under the recommended structure, the developer of any ownership housing project would be allowed to pay a fee in lieu of producing any affordable housing units. Based on the in-lieu fee schedule being recommended by KMA, the hypothetical ownership housing project would generate the following in-lieu fee payment obligation:

1. The total saleable area of the 90 unit market rate project is 167,400 square feet.
2. The in-lieu fee for projects that include 20+ units is \$8.30 per square foot of saleable area.
3. The resulting total in-lieu fee is \$1.39 million, or \$15,400 per unit in the market rate project.

### LAND DEDICATION

The use of the land dedication option should be subject to City Council approval. Proposals must meet all the following requirements in order to be presented to the City Council for consideration:

1. The Inclusionary Housing obligation must be fulfilled with the development of affordable apartment units.
2. The Inclusionary Housing obligation is set at 20% of the units being constructed in the market rate project. This equates to 18 units for the hypothetical 90 unit project.
3. The income and affordability standard is set at the very low income level.
4. At an assumed allowable density of 30 units per acre, the dedicated site must include at least 26,136 square feet (.6 acres) of land area.
5. The developer must submit a conceptual plan and a pro forma analysis to demonstrate that an apartment project that includes 20 very low income units will be feasible with no financial contribution from the City.



## VI. SUMMARY

The preceding report presented KMA's policy recommendations related to creating an Inclusionary Housing program. The recommended affordable housing requirements are based on the results of the Updated Financial Analysis, and on an evaluation of the array of fulfillment options that can be made available to the developers of market rate residential projects.

It should be City's goal to create an Inclusionary Housing program that balances the interests of property owners and developers against the public benefits associated with increasing the inventory of affordable housing units in the community. To that end, KMA identified supportable Inclusionary Housing production requirements and provided a mix of alternative methods for fulfilling the requirements.