



**Alternative Inclusionary Housing Program Summary**

October 25, 2016

**Mixed Use and Zones with Base FAR below 5.0**

<b>Mandatory Inclusionary Requirement</b>	<ul style="list-style-type: none"> <li>• 15% of Units at 80% Area Median Income*</li> </ul>
Offsets	<ul style="list-style-type: none"> <li>• Density Bonus of 3.0 FAR</li> <li>• 10 Year Property Tax Exemption on All Units</li> <li>• CET Exemption on Affordable Units</li> <li>• SDC Waiver on Affordable Units</li> </ul>
<b>Voluntary Deeper Affordability Option</b>	<ul style="list-style-type: none"> <li>• 10% of Units at 60% Area Median Income</li> </ul>
Offsets	<ul style="list-style-type: none"> <li>• Density Bonus of 3.0 FAR</li> <li>• 10 Year Property Tax Exemption on All Units</li> <li>• CET Exemption on Affordable Units</li> <li>• Density Bonus Units Exempt from Parking Requirements (Mixed Zones only)</li> <li>• SDC Waiver on Affordable Units</li> </ul>

**High-Rise Prototype Policy; FAR above 5.0**

<b>Mandatory Inclusionary Requirement</b>	<ul style="list-style-type: none"> <li>• 15% of Units at 80% Area Median Income*</li> </ul>
Offsets	<ul style="list-style-type: none"> <li>• Density Bonus of 3.0 FAR</li> <li>• 10 Year Property Tax Exemption on All Units</li> <li>• SDC Fee Waiver on All Units</li> <li>• CET Exemption on Affordable Units</li> <li>• BDS Fee Exemption on Affordable Units</li> <li>• Additional SDC and BDS offsets triggered by State Building Code definition of high rise</li> </ul>
<b>Voluntary Deeper Affordability Option</b>	<ul style="list-style-type: none"> <li>• 10% of Units at 60% Area Median Income</li> </ul>
Offsets	<ul style="list-style-type: none"> <li>• Density Bonus of 3.0 FAR</li> <li>• 10 Year Property Tax Exemption on All Units</li> <li>• CET Exemption on All Units</li> <li>• SDC Waiver on All Units</li> <li>• BDS Fee Exemption on Affordable Units</li> </ul>

**All Zones, Other Required Elements**

<b>Distribution of Units</b>	<ul style="list-style-type: none"> <li>• Reasonable distribution of affordable units in project, unit type, amenities. MULTE language.</li> </ul>
<b>Fee-in-Lieu</b>	<ul style="list-style-type: none"> <li>• \$7.18-10.67 per rentable square foot option of residential space at initial implementation, then ramp up to \$17.25-23.00 per rentable square foot of residential, excluding parking and commercial areas.</li> </ul>
<b>Off Site Options</b>	<ul style="list-style-type: none"> <li>• Option #1: Off-site Construction of <i>New</i> Units—still analyzing alternatives to the proposal, but requiring two separate projects to be constructed at same time is not workable             <ul style="list-style-type: none"> <li>• Allow offsite to be done with a 5 year performance period, or penalties are triggered</li> </ul> </li> <li>• Option #2: Off-site Dedication of <i>Existing</i> Units—still analyzing the alternatives to the proposal, but affordability mismatch between this option and MULTE projects at 20% of units at 80% MFI</li> </ul>
<b>Ramp Up Inclusion Rate</b>	<ul style="list-style-type: none"> <li>• 3-10% inclusion rate for 60% MFI and 3-11% inclusion rate for 80% MFI at initial implementation, ramping up to 10% and 15% respectively over 3-5 years.</li> </ul>
<b>Developer Contribution</b>	<ul style="list-style-type: none"> <li>• Developer absorbs up to up 10 basis points(0.01%) of total development cost in the 80% MFI mandatory program.</li> </ul>

