

Inclusionary Housing Extension Zoning Code

**Proposed Draft
September 4, 2018**

Commentary

33.245.040 Inclusionary Housing Standards

Affordable dwelling units must be provided as follows, or a fee-in-lieu of providing affordable dwelling units must be paid. Adjustments are prohibited:

- A. On-site affordable dwelling units.** When the affordable dwelling units will be located on-site, affordable dwelling units must be provided at one of the following rates. For the purpose of this Section, affordable dwelling units located within the boundaries of a Central City Master Plan are considered to be on-site:
1. Central City and Gateway plan districts. Inside the Central City and Gateway plan districts, affordable dwelling units must be provided at one of the following rates:
 - a. 10 percent of the total number of dwelling units in the new building or the alteration must be affordable to those earning no more than 60 percent of the area median family income; or
 - b. 20 percent of the total number of dwelling units in the new building or the alteration must be affordable to those earning no more than 80 percent of the area median family income; or
 - c. Alternate calculation method. As a way to encourage the creation of larger affordable dwelling units, using one of the percentages stated above, the number of affordable dwelling units required may be calculated based on the total number of bedrooms in the new or altered building. For example, using the 10 percent rate, a new building with 60 two-bedroom dwelling units could provide 6 two-bedroom affordable units or 4 three-bedroom affordable units.

Commentary

33.245.040.A.2.1 Inclusionary Housing Zoning Standards

A phase-in a lower inclusion rate for both the mandatory and voluntary options outside the Central City and Gateway plan districts at 15 percent of units at 80 percent MFI and 8 percent of units at 60 percent MFI were adopted on December 21, 2016. The phase-in period was to end and increase to 20 percent of units at 80 percent MFI and 10 percent of units at 60 percent MFI on January 1, 2019. This zoning code change extends the phase-in period to January 1, 2021.

2. Outside the Central City and Gateway plan districts. Outside the Central City and Gateway plan districts, affordable dwelling units must be provided at one of the following rates:
 - a. Rates before January 1, ~~2019-2021~~:
 - (1) 8 percent of the total number of dwelling units in the new building or the alteration must be affordable to those earning no more than 60 percent of the area median family income; or
 - (2) 15 percent of the total number of dwelling units in the new building or the alteration must be affordable to those earning no more than 80 percent of the area median family income.
 - (3) Alternate calculation method. As a way to encourage the creation of larger affordable dwelling units, using one of the percentages stated above, the number of affordable dwelling units required may be calculated based on the total number of bedrooms in the new or altered building. For example, using the 10 percent rate, a new building with 60 two-bedroom dwelling units could provide 6 two-bedroom affordable units or 4 three-bedroom affordable units.
 - b. Rates on and after January 1, ~~2019-2021~~. The rates shown in Paragraph A.1. apply outside the Central City and Gateway plan districts on and after January 1, ~~2019-2021~~.

B. Off-site affordable dwelling units. [No changes]