

**Exhibit A****30.01.120 Inclusionary Housing.**

(Added by Ordinance No. 188163; amended by Ordinance Nos. 189071, 189213 and 189302, effective December 12, 2018.)

**A. – B.** No changes.

**C. Financial Incentives.** The following financial incentives are provided for the respective options of IH Program compliance:

1. When the proposed development will include 20 percent of the units or total number of bedrooms configured into IH Units at or below 80 percent MFI, or for developments outside of the Central City Plan District, 15 percent of the units or total bedrooms configured into IH units at or below 80 percent MFI for applications filed on or before December 31, ~~2020~~2021:
  - a. Ten-year property tax exemption in accordance with City Code Chapter 3.103 for the IH Units. If the development is in the Central City Plan district, as designated in City Code Chapter 33.510, and has a built or base FAR of 5:1 or greater the tax exemption applies to all residential units; and
  - b. Construction Excise Tax exemption for the IH Units in accordance with Subsection 6.08.060 A.2.
2. When the proposed development will include 10 percent of the units or total number of bedrooms configured into IH units at or below 60 percent MFI, or for developments outside the Central City Plan District, 8 percent of the units or total number of bedrooms configured into IH units at or below 60 percent MFI for applications filed on or before December 31, ~~2020~~2021:
  - a. Ten-year property tax exemption according to City Code Chapter 3.103 for the IH units. If the development is in the Central City Plan District, as designated in City Code Chapter 33.510, and has a built or base FAR of 5:1 or greater, the tax exemption applies to all residential units; and
  - b. Construction Excise Tax exemption for the IH Units in accordance with Subsection 6.08.060 A.2.; and
  - c. SDC exemption for the IH Units in accordance with Section 30.01.095.
3. When the proposed development elects to construct IH Units offsite:

- a.** Construction Excise Tax exemption for the Receiving Site's IH Units in accordance with Subsection 6.08.060 A.2.; and
  - b.** SDC exemption for the Receiving Site's IH Units in accordance with Section 30.01.095.
- 4.** When the applicant elects to dedicate IH Units in an existing development, there are no financial incentives provided under Section 30.01.120.
- 5.** When the applicant elects the fee-in-lieu option, there are no financial incentives provided under Section 30.01.120.

**D. – F.** No changes.

**Exhibit B****3.103.040 Program Requirements.**

(Amended by Ordinance Nos. 188163 and 189302, effective December 12, 2018.) In order to be considered for an exemption under this Chapter, an applicant must verify by oath or affirmation in the application that the project meets the following program requirements as further described in the program Administrative Rules:

**A. – B.** No changes.

**C.** Affordability

1. For rental projects, for applications received on or before December 31, 2018, during the term of the exemption, a minimum of 15 percent of the number of units or bedrooms must be affordable to households earning 80 percent or less of the area median family income, or a minimum of 8 percent of the number of units or bedrooms must be affordable to households earning 60 percent or less of the area median family income. For applications received after December 31, ~~2020~~2021, during the term of the exemption, a minimum of 20 percent of the number of units or bedrooms must be affordable to households earning 80 percent or less of the area median family income, or a minimum of 10 percent of the number of units or bedrooms must be affordable to households earning 60 percent or less of the area median family income. The units meeting the affordability requirements must match the unit mix in the project as a whole in terms of number of bedrooms.
2. For projects containing for-sale units, those units receiving the exemption must not exceed the maximum price established under City Code Section 3.102.040 at initial sale and must sell to an initial homebuyer who income qualifies and occupies the unit as established under City Code Section 3.102.040. During the term of the exemption, the unit must be occupied by a homebuyer as established under City Code Section 3.102.040.

**D.** No change.