

Exhibit A**30.01.120 Inclusionary Housing**

(Added by Ordinance No. 188163; amended by Ordinance Nos. 189071 and 189213, effective October 17, 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, ~~2018~~2020:
 - 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, ~~2018~~2020:
 - 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. **Standards.** Developments providing IH Units must satisfy the following standards:
 - 1. The IH Units must meet clear and objective administrative criteria that ensure a reasonable equivalency between the IH Units and the market-rate units in the development;
 - 2. The IH Units shall remain affordable for a period of 99 years;
 - 3. Owners of property subject to the IH Program are required to sign a Regulatory Agreement to be recorded with the property where the IH Units are located;
 - 4. The owner or a representative shall submit annual documentation of tenant income and rents for the IH Units to PHB;
 - 5. The City may inspect the IH Units for fire, life and safety hazards and for compliance with IH Program requirements and may inspect files documenting tenant income and rents of the IH Units; and
 - 6. Subsequent failure to meet the requirements of the IH Program previously determined at the time the permit is reviewed will result in a penalty equal to the amount of the current fee-in-lieu calculation plus accrued interest, and could result in legal action if unpaid.
 - 7. When the IH Units are configured based on a percentage of the total number of bedrooms within the proposed development, the IH Units must be provided in 2 or more bedrooms per unit.
- E. To the extent that a financial incentive as set forth in this Section is not available to a development that otherwise complies with City Code Chapter 33.245, the IH Program will not be applicable to the development. If the IH Program is not applicable to the development, PHB will provide a letter certifying that the development is not subject to any IH Program requirements.
- F. **Fee-In-Lieu.** When the applicant elects the fee-in-lieu option, the fee-in-lieu per gross residential and residential related square foot (GSF) of the proposed development is:
 - 1. For developments in zones outside the Central City Plan District

Fee per GSF on or before December 31, 20182020
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\$19

Fee per GSF after December 31, 20182020

\$23

2. For developments in zones within the Central City Plan District

Fee per GSF

\$27

3. For Bonus FAR in non-residential developments

Fee Schedule for Bonus FAR for non-residential occupancy/use

\$24 per square foot of Bonus FAR
