

A. Interim Inclusionary Housing Policy (Adopted)

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Adopted by City Council June 24, 2003
 Amended by City Council November 25, 2003

Inclusionary Section	Interim Policy
A. Project Requirements	a) All residential projects that require legislative approval are subject to the inclusionary requirement as follows: <ul style="list-style-type: none"> a. Projects of 1-10 units: pay in-lieu fee or build units. b. Projects of 11 or more units must build units or receive a Council approval to pay in-lieu fees.
B. Percent Affordable	<ol style="list-style-type: none"> 1. The percentage of units within a project that must be affordable shall be 20%. 2. The distribution of affordable units in single family land use areas shall be as follows: <ul style="list-style-type: none"> a. 100% Moderate 3. The distribution of affordable units in multi-family and mixed use commercial land use areas shall be as follows: <ul style="list-style-type: none"> a. 20% Very Low Income b. 37% Low Income c. 43% Moderate 4. In-lieu fees shall be collected for all fractional units up to 0.499 units, fractional units of 0.50 and greater shall be counted as 1.0 units. 5. All inclusionary units shall be deed restricted for a period of 30 years.
C. Exceptions	<ol style="list-style-type: none"> 1. Projects that do not require a legislative approval from the City shall not be subject in the interim policy. 2. Projects that qualify for the State density bonus are exempt from additional inclusionary housing requirements. 3. Second units are exempt from the inclusionary requirement.
D. Affordable Housing Standards	<ol style="list-style-type: none"> 1. The exterior design and quality standards for affordable units shall be comparable to those of market rate units. Affordable units may be of a smaller size and utilize less expensive interior finishes. 2. Affordable units shall be distributed throughout a project site and not concentrated in one location. 3. Inclusionary units shall be built concurrently with market rate units. A construction timeline shall be approved by the City Council prior to construction.
E. In-Lieu Fees	<ol style="list-style-type: none"> 1. In-lieu fees for units and fractions of units shall be based on 5.00% of the construction valuation of the market rate unit.
F. Alternatives	<ol style="list-style-type: none"> 1. The developer may request and the City Council may approve any of the following alternatives to on-site construction or payment of in-lieu fees for inclusionary units: <ul style="list-style-type: none"> a. Off-site construction

	<ul style="list-style-type: none">b. Land dedicationc. Combinations of construction, fees and land dedications.
G. Incentives	<ul style="list-style-type: none">1. As an incentive to provide affordable units, all inclusionary units shall be treated as density bonus units that are not counted as part of the maximum density entitlement of a site.