

# **Planning & Building Department**

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# Inclusionary Housing Program Information

Land Use Code Section 20.20.030

# **Overview of Inclusionary Housing Program**

In order to provide affordable housing in a dispersed manner throughout the community, the City of Healdsburg requires certain residential development projects to include units that are affordable to very low-, low- and moderate-income households. These are known as "inclusionary" units.

#### **Projects subject to the Inclusionary Housing Program**

The following types of projects are subject to the Inclusionary Housing Program:

- Construction of one or more residential units
- The construction of a residential unit that replaces a residence that was destroyed or demolished if the replacement dwelling is more than 1,299 square feet larger than the original dwelling

#### **Projects exempt from the Inclusionary Housing Program**

The following projects are exempt from the Inclusionary Housing Program:

- Construction of a residential unit that replaces a residence that was destroyed or demolished within two years prior to the application for a building permit for the new residential unit if the that the exterior floor area of the dwelling is not increased by 1,300 square feet or more
- Secondary dwelling units constructed pursuant to Land Use Code Section 20.20.010
- Guest houses, as defined by the Land Use Code

#### **Inclusionary Housing Program requirements**

#### Projects of 7 or more units

Residential development projects consisting of 7 or more units or lots are required to sell or rent at least 15% of the total number of new dwelling units or lots to moderate-, low- and very low-income households at affordable prices or rents ("inclusionary units").

Of these inclusionary units, two-thirds shall be made available for very low- and low-income households and one-third shall be made available for moderate-income households.

The inclusionary units may be provided in the following ways:

- Construction of the inclusionary units within the project
- Construction of the units on another site within the city

If the final decision-making body finds that construction of the inclusionary units is not feasible or appropriate, the inclusionary requirement may be met by:

- Payment of in-lieu fees for each non-inclusionary unit in the project, based on the unit's size (see attached fee table). The in-lieu fee is payable at the time of building permit issuance.
- In-lieu dedication of land for affordable housing purposes.
- Other equivalent methods which meet the intent of the General Plan Housing Element as determined acceptable by the final decision-making body for the project.

#### Projects of 6 or fewer units

Residential development projects consisting of 6 or fewer units or lots may fulfill their inclusionary requirement through the payment of in-lieu fees, the dedication of land or other equivalent methods.

## Eligible households for inclusionary housing

Target households for inclusionary units are defined by the Land Use Code as follows:

Moderate-income household. A household earning an income from 81 to 120 percent of the median household income for Sonoma County as determined by the U.S. Department of Housing and Urban Development.

Low-income household. A household receiving an income from 51 to 80 percent of the median household income for Sonoma County as determined by the U.S. Department of Housing and Urban Development.

Very low-income household. A household receiving an income less than or equal to 50 percent of the median household income for Sonoma County as determined by the U.S. Department of Housing and Urban Development.

The area median income for Sonoma County in 2005 is \$74,600 for a family of four. This income figure is adjusted annually.

#### Maximum sales prices or rents for inclusionary units

Sales prices and rents for inclusionary units are limited to 30% of the gross annual household income of the target group. For example, a low-income family with a gross annual income of \$40,600 should pay no more than \$1,015 per month for housing. For rental units, total housing costs include the monthly rent payment and utilities. Total housing costs for ownership units include the mortgage payment (principal and interest), homeowners association dues, taxes, mortgage insurance and any other related assessments.

#### Length of affordability restrictions

Inclusionary units must be reserved for occupancy by the targeted households for at least 45 years for ownership units and 55 years for rental units.

## **Development requirements for inclusionary units**

The inclusionary units should be an integral part of the project and must also comply with the following development standards:

• Required affordable units shall be constructed concurrently with the construction of market rate units, unless an alternative schedule based upon extenuating circumstances is adopted as part of project approval.

- For those residential development projects which are required to provide 10 or more inclusionary units, at least 10 percent of the inclusionary units shall have three or more bedrooms.
- The size (square footage) and amenities of inclusionary units may differ from the market rate units provided that all other zoning and building codes are met. However, the exterior design of the inclusionary units shall be reasonably consistent and compatible with the total project design in terms of appearance, materials and finish quality, as determined though the design review process.
- Secondary dwelling units may not be counted towards meeting the inclusionary housing requirement.

This information is provided as a general summary of the city's Inclusionary Housing Program. Please refer to Land Use Code Section 20.20.030 for detailed requirements or contact the Planning Department for more information.

# In-Lieu Fee Sliding Scale October 17, 2005

Ì	Unit Square	
l	Footage	Unit Fee
J	4000	<u> </u>
9	1300	exempt
4	1300	\$2,455
ļ	1310	\$2,505
	1320	\$2,555
	1330	\$2,605
1	1340	\$2,655
Į	1350	\$2,705
	1360	\$2,755
	1370	\$2,805
	1380	\$2,855
	1390	\$2,905
	1400	\$2,955
	1410	\$3,005
	1420	\$3,055
	1430	\$3,105
	1440	\$3,155
	1450	\$3,205
	1460	\$3,255
	1470	\$3,305
	1480	\$3,355
	1490	\$3,405
	1500	\$3,455
L	1510	\$3,605
	1520	\$3,755
	1530	\$3,905
	1540	\$4,055
	1550	\$4,205
	1560	\$4,355
	1570	\$4,505
	1580	\$4,655
	1590	\$4,805
Ĺ	1600	\$4,955
	1610	\$5,105
	1620	\$5,255
Ĺ	1630	\$5,405
	1640	\$5,555
	1650	\$5,705
L	1660	\$5,855
L	1670	\$6,005
L	1680	\$6,155
L	1690	\$6,305

Total Per
Unit Fee
\$6,455
\$6,605
\$6,755
\$6,905
\$7,055
\$7,205
\$7,355
\$7,505
\$7,655
\$7,805
\$7,955
\$8,105
\$8,255
\$8,405
\$8,555
\$8,705
\$8,855
\$9,005
\$9,155
\$9,305
\$9,455
\$9,605
\$9,755
\$9,905
\$10,055
\$10,205
\$10,355
\$10,505
\$10,655
\$10,805
\$10,940
\$11,075
\$11,210
\$11,345
\$11,480
\$11,615
\$11,750
\$11,885
\$12,020
\$12,155
\$12,290

Unit Square	Total Per	
Footage	Unit Fee	
2100	\$12,425	
2110	\$12,560	
2120	\$12,695	
2130	\$12,830	
2140	\$12,965	
2150	\$13,100	
2160	\$13,235	
2170	\$13,370	
2180	\$13,505	
2190	\$13,640	
2200	\$13,775	
2210	\$13,910	
2220	\$14,045	
2230	\$14,180	
2240	\$14,315	
2250	\$14,450	
2260	\$14,585	
2270	\$14,720	
2280	\$14,855	
2290	\$14,990	
2300	\$15,000	