

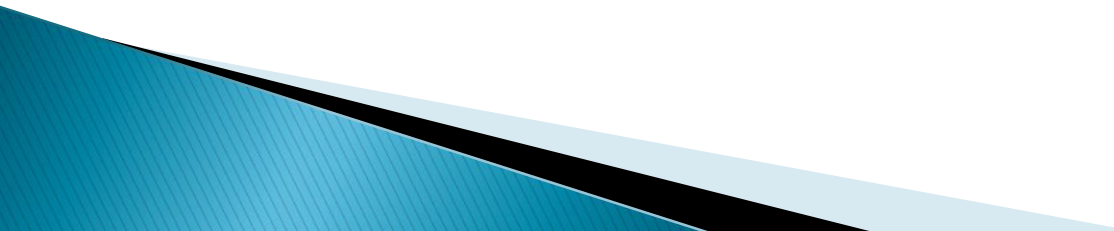
San Benito County Affordable Housing Ordinance

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Purpose of Ch. 21.03

- ▶ To enhance the public welfare, benefit the property being developed, assure compatibility between future housing development and the housing units affordable to persons of extremely low, very low, low, and moderate-income and ensure that remaining developable land in the County is utilized in a manner consistent with State and local housing policies and needs.
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Changes to the Affordable Housing Ordinance

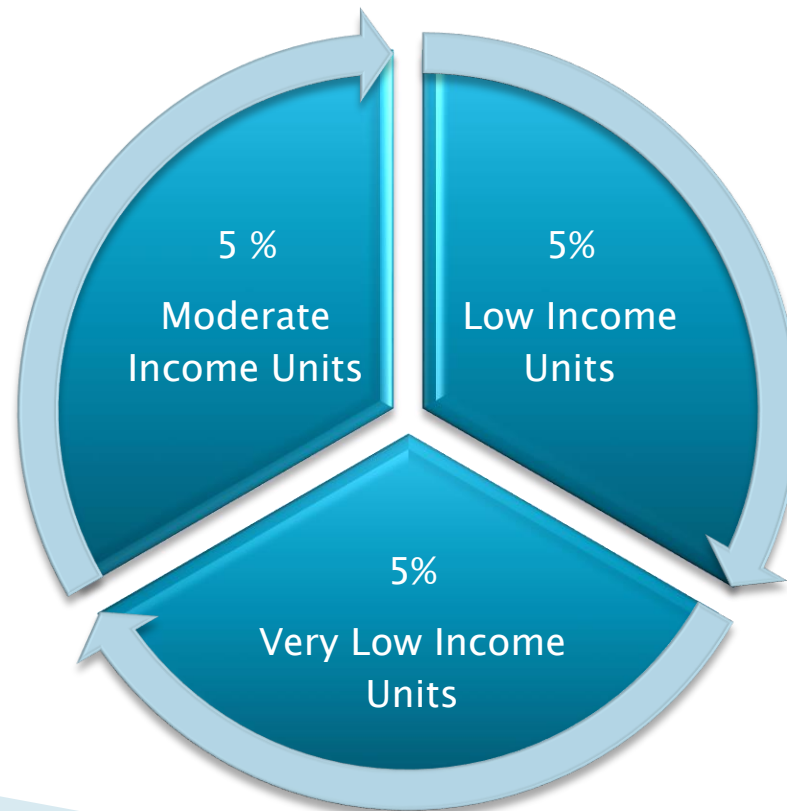
- ▶ 1) Removing 21.03.014–.016 & Density Bonus sections
 - ▶ 2) Including the term, extremely low income, for use of in-lieu payments
 - ▶ 3) Updating the Housing Advisory Committee Members
 - Inclusion of the Housing Advisory Committee By-Laws
 - ▶ 4) Establishing in-lieu payment and per inclusionary unit cost
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Housing Advisory Committee

- ▶ Established Committee Bylaws
- ▶ Housing Advisory Committee
 - Advise the Board of Supervisors on Housing Element and inclusionary housing ordinance;
 - Seven (7) members:
 - 2 Planning Commissioners
 - 2 Board of Supervisors
 - 3 Public Members
 - Member from Affordable Housing Development, Builder, and financial or accounting background.

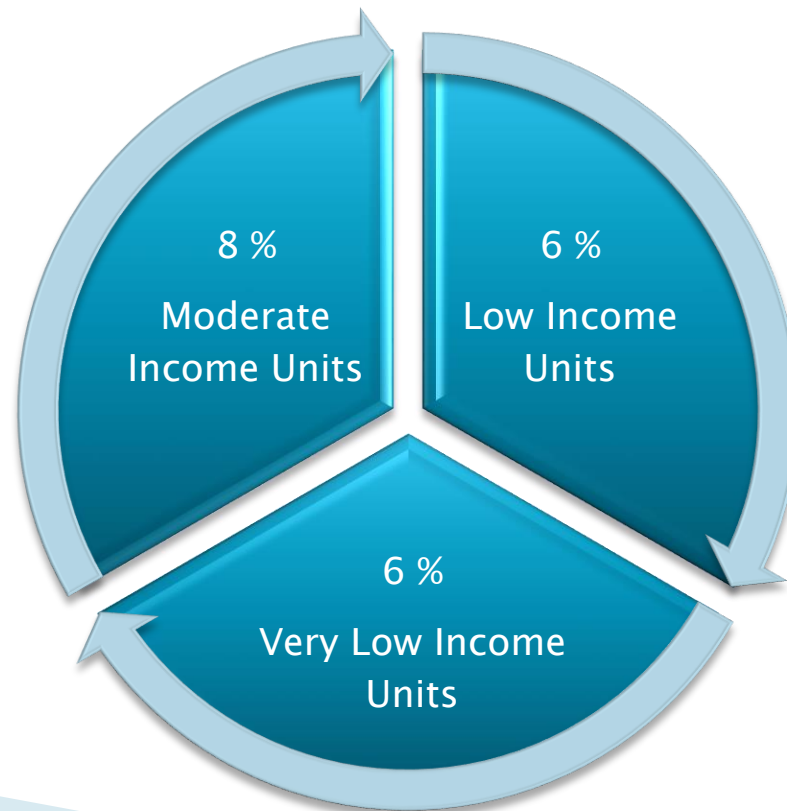
Example of a Development with On-Site Inclusionary Construction

- ▶ Development of 100 units, to include 15 affordable
- ▶ Inclusionary On-Site minimum 15% Composition:



Example of a Development with Off-Site Construction

- ▶ Development of 100 units, to include 20 affordable
- ▶ Inclusionary On-Site minimum 20% Composition:



In-Lieu Established

Affordability Gap

4 bedroom/5 person household

	Gruen & Gruen Average Market Rate Price	Affordable Price 3 Bedroom/4 person*	Affordable Price 4 Bedroom/5 person*	Average Affordable Price*	Gap	Average Gap	20% In-Lieu Fee per unit
Extremely Low	\$ 613,500	\$ 76,500	\$ 83,000	\$ 79,750	\$ 533,750	\$ 413,000	\$ 82,600
Very Low	\$ 613,500	\$ 135,000	\$ 145,000	\$ 140,000	\$ 473,500		
Low	\$ 613,500	\$ 194,000	\$ 210,500	\$ 202,250	\$ 411,250		
Moderate	\$ 613,500	\$ 365,000	\$ 395,000	\$ 380,000	\$ 233,500		

- Price Assumptions: 6% Interest Rate, 95% Loan to Value, no more than 30% of AGI,
- ** Based average of 2,100 sq ft. home

In-Lieu Payment per Inclusionary Unit

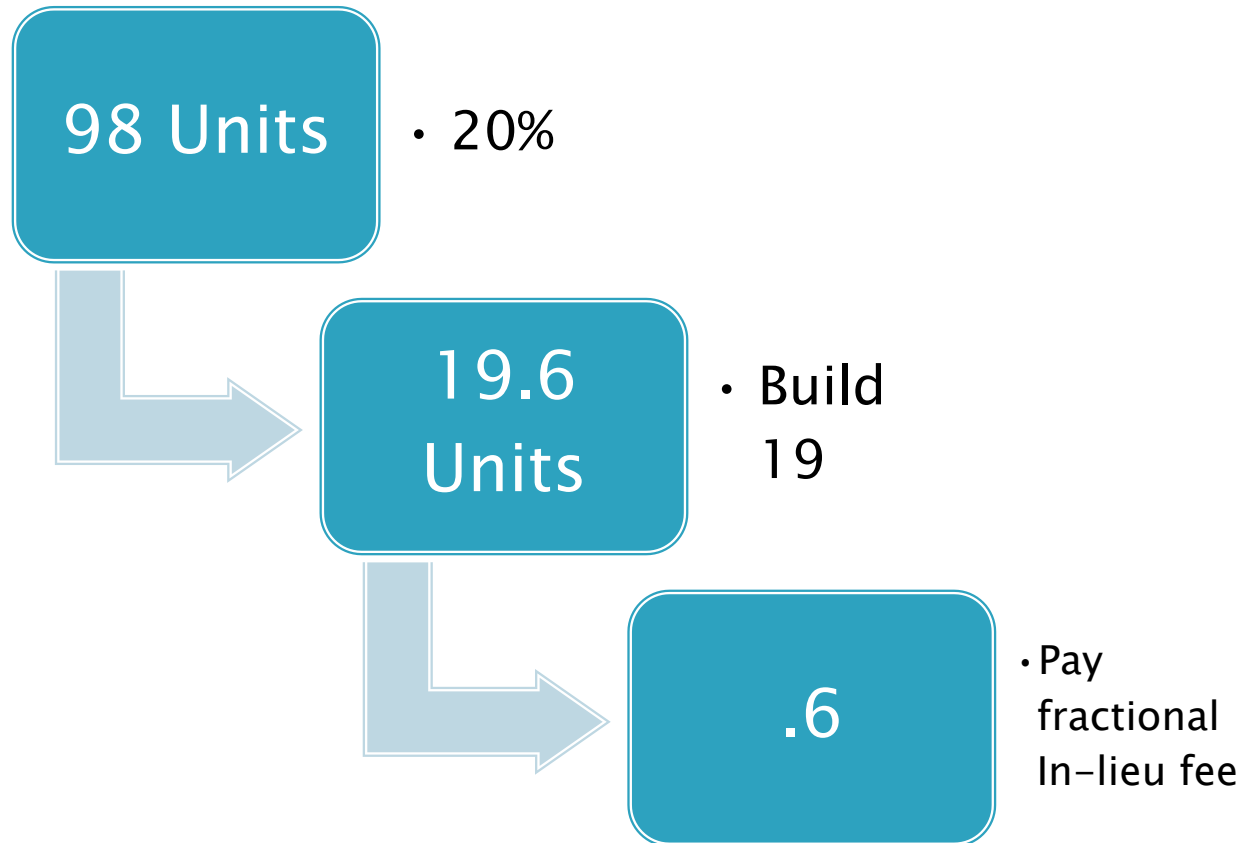


The diagram consists of two blue, chevron-shaped boxes pointing to the right, connected by a horizontal line. The first box on the left contains the text 'Inclusionary Payment'. The second box on the right contains the text '\$413,000 Per Inclusionary Unit Cost'. The boxes have a 3D effect with a gradient and a shadow.

Inclusionary
Payment

\$413,000 Per
Inclusionary
Unit Cost

An Example of a Fractional In-Lieu Payment



Example Cont.

- ▶ Steps to determine the fractional in-lieu payment
 - Multiple inclusionary unit cost by the fractional amount
 - $\$413,000 \times .6 \text{ (fractional unit)} = \$247,800$
 - Fractional In-Lieu Payment = \$247,800

Questions or Comments?