



Housing & Career Services Department

Affordable Housing Workshop

Pasadena Inclusionary Housing Ordinance

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April 12, 2016





Ordinance Basics

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- Enacted in 2001
- Zoning Code, Chapter 17.42
- Applies to housing developments of 10+ units
 - > Rental: 10% Low Income and 5% Moderate Income
 - > For-Sale: 15% Moderate Income
 - > Developer may provide fewer units but at deeper affordability level (e.g., 1 Very Low instead of 2 Mod)
- Affordable housing deed restrictions
 - > Rental: In perpetuity
 - > For-Sale: 45 years



Ordinance Basics

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- **Developer has options**
 - > Provide Inclusionary units within the development
 - > Provide the units on another property (“off-site”)
 - > Pay Inclusionary In-Lieu Fee
 - > Donate land w/ value equivalent to the fee
- **Incentives to provide Inclusionary units on-site**
 - > Density bonus: Inclusionary units can be credited towards affordable units required for density bonus
 - > Residential Impact Fee: \$910 vs. \$20,000 per unit
 - > Building Permit Fee partially waived
 - > Traffic Impact Fee discounted



Inclusionary Production

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Inclusionary units produced: 456

	Very Low	Low	Moderate	TOTAL	%
Rental	106	65	246	417	91%
For-Sale	2	2	35	39	9%
TOTAL	108	67	281	<u>456</u>	100%
%	24%	15%	61%	100%	

- Under construction or permitted
 - > 12 projects w/ 118 Inclusionary units
 - > 98 rental, 20 for-sale
 - > 86 Low/Very Low income, 32 Moderate income



Westgate Apartments (96 units)

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Haskett Court (6 units, off-site)

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In-Lieu Fee

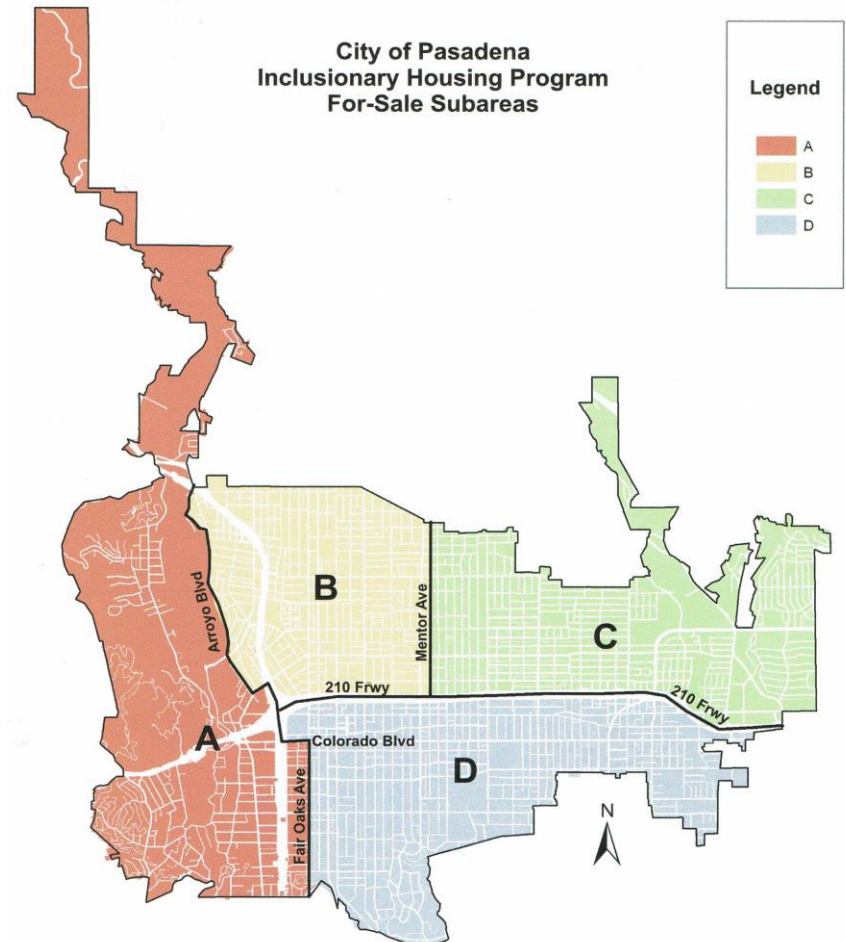
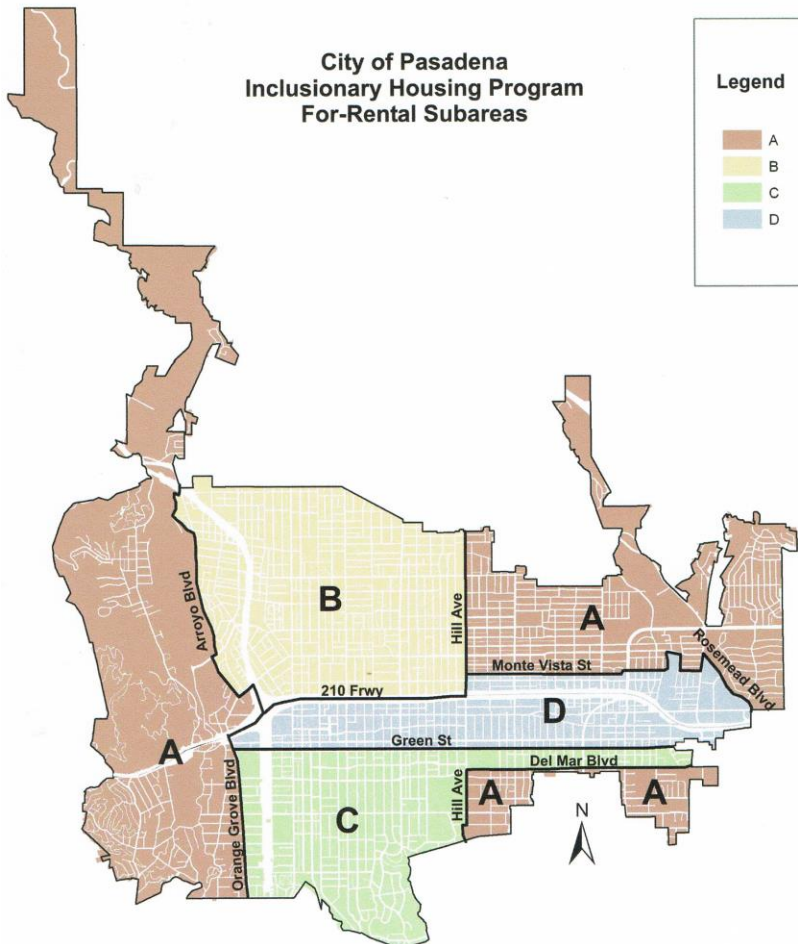
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- Paid at building permit issuance
- \$19.6M to date, and leveraged \$2M State funds (Local Housing Match Program)
- Fee amount based on size of development and applicable In-Lieu Fee rate
- In-Lieu Fee rates adjusted annually by CPI
- Ordinance provides for periodic analysis to adjust fees for changes in housing market



Inclusionary Sub-Areas

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In-Lieu Fee

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How the fee is calculated for a project

Example: 40-unit rental project in Sub-Area “B”

- Project has 36,000 sf net residential floor area
- Sub-Area “B” In-Lieu Fee rate = \$25.21 per sf
- In-Lieu Fee = 36,000 sf x \$25.21 per sf
= \$907,560