



# Affordability & Retention Bonuses Summary Sheet

## Overview

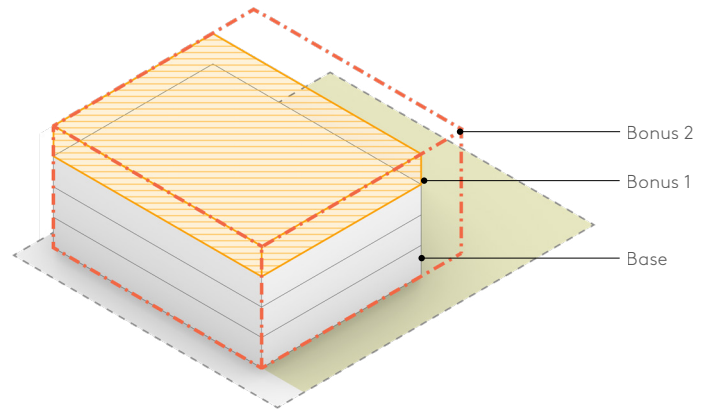
- The proposed HIT affordability bonuses are intended to support the construction of housing affordable to households earning 60% to 80% AMI (area median income) for rentals, and up to 100% AMI for ownership.
- The HIT market feasibility analysis shows middle housing is financially feasible & will increase affordability and choice—but other actions are needed for moderate to low-income households. The HIT Bonus Program can help meet that need and support other goals. (see chart below)
- Other City programs exist (see the **Affordable Housing Action Strategy**) and could be expanded to create deeper affordability.

## Bonuses offered (can be combined)

- More units (density)
- Larger Buildings (floor area or “FAR”)
- Taller Buildings (Rear Yard in UR 1/2, entire building in UR-3)
- Parking reductions
- Multi Family Tax Exemption (in UR-3)
- Relaxed Setbacks (front and rear)
- Reduced Amenity Space & Tree Canopy

## Public Benefits

- Affordability : Two levels — moderately affordable and deeply affordable
- Building retention: Keep existing building while adding units to site



Illustrative diagram showing bonuses

	UR-1	UR-2	UR-3
<b>Voluntary or Mandatory?</b>	Voluntary		
<b>Length of Affordability</b>	50 years		
<b>Fee in lieu</b> (currently \$10,000 per bonus unit) (*Fee goes to the <b>Housing Trust Fund</b> )	\$62,000 per unit	\$62,000 per unit	\$72,000 per unit
<b>Number of Units</b>	2 bonus units (or 20%)	2 bonus units (or 20%)	20% of total units
<b>Affordability requirement: Area Median Income (AMI)</b>	80% AMI rental, 100% AMI ownership <b>Bonus 2:</b> 60% AMI rental, 80% AMI ownership	80% AMI rental, 100% AMI ownership <b>Bonus 2:</b> 60% AMI rental, 80% AMI ownership	70% AMI rental, 100% AMI ownership <b>Bonus 2:</b> 60% AMI rental, 80% AMI ownership
<b>Layer with MFTE (<b>Multi Family Tax Exemption</b>)</b>	n/a	n/a	MFTE and bonuses can be combined MFTE applies to all Mid-scale Residential areas and Multifamily High-density areas

