

INCLUSIONARY HOUSING



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PLANNING + ENVIRONMENTAL



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LA County Affordable Rental Rates

Household size	1	2	3	4	5	6	7	8
Moderate (120%)	\$2,063	\$2,357	\$2,652	\$2,946	\$3,182	\$3,417	\$3,653	\$3,888
Low (80%)	\$1,375	\$1,571	\$1,768	\$1,964	\$2,121	\$2,278	\$2,435	\$2,592
Very Low (50%)	\$859	\$982	\$1,105	\$1,228	\$1,326	\$1,424	\$1,522	\$1,620



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RHNA Accomplishments 5th and 6th Cycles

Income Level	5 th Cycle (2014-2021) RHNA	6 th Cycle (2021-2029) RHNA	5 th Cycle (2014-2021) Production (Completed)	6 th Cycle (2021-2023) Permitted/ Completed	5 th & 6 th Cycle Total* (2014-2023)
Very Low	101	519	13	12	15
Low	61	262	0	0	0
Moderate	65	254	4	13	17
Above Moderate	162	635	727	1,121	1,868
Totals	389	1,670	744	1,146	1,900

*Does not include approximately 300 entitled units, including 17 very low income or 261 affordable units in MODA

INCLUSIONARY

What is Inclusionary Housing?

- Requirement for affordable housing
- Rental and/or Ownership Units
- Taps into economic gains in real estate

Government Code §65850(g)

“alternative means of compliance that may include, but are not limited to, in-lieu fees, land dedication, off-site construction, or acquisition and rehabilitation of existing units”



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COMMUNITY BENEFITS

- Provides affordable housing
- Tool to meet RHNA

2021-2029 RHNA

Income Level	Number of Units
Very Low	519
Low	262
Moderate	254
Above Moderate	635
Total	1,670

- Increases mix of housing
- Healthier communities



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DEVELOPER BENEFITS

- Increase in number of units
- Reduce or waive development standards
- Request concessions
- Reduced parking
- Tax incentives



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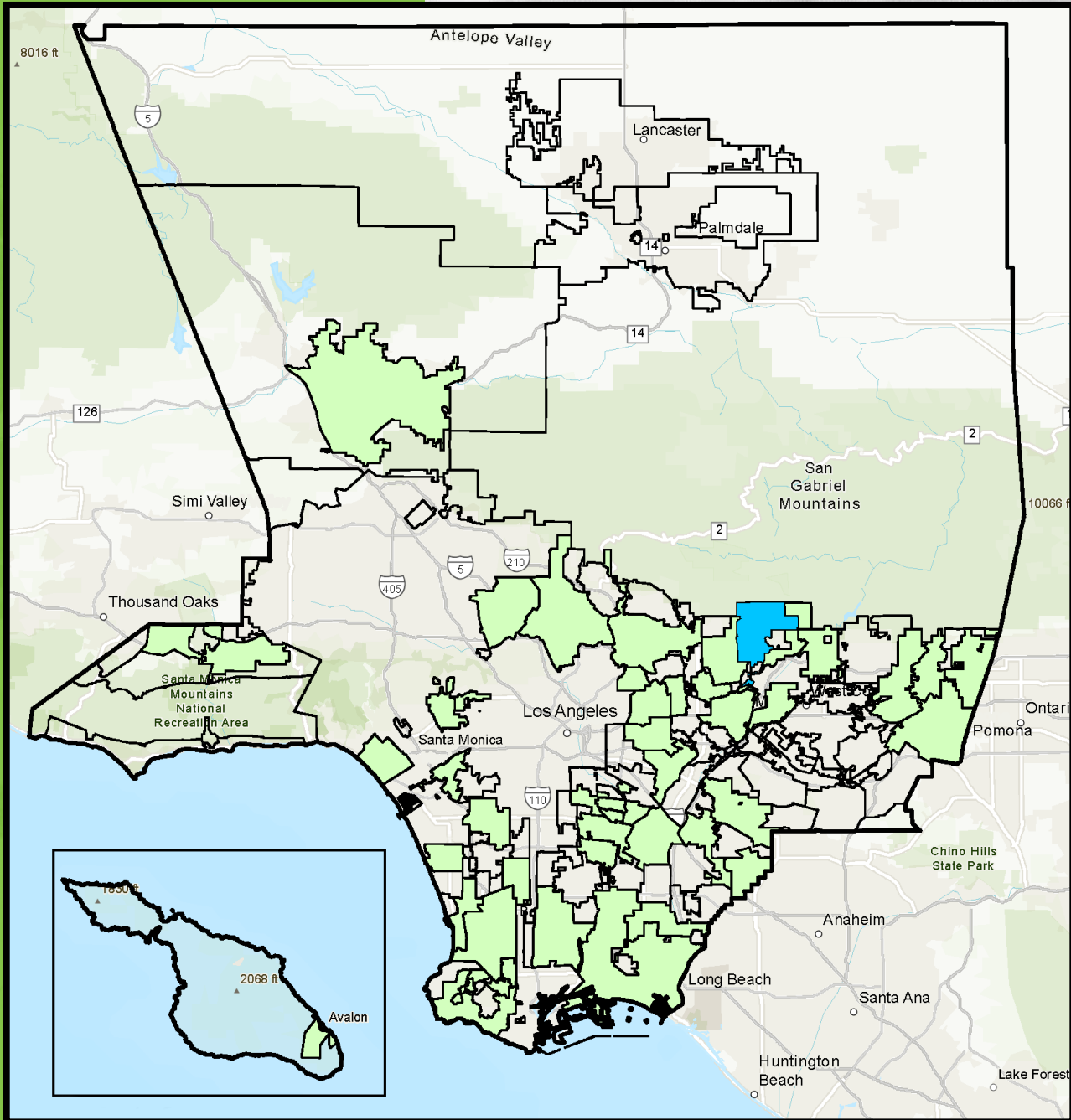
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COMMON CONCERNS

- Will discourage development
- Increases price of housing
- Limits future sales price
- There are alternative methods

HOUSING ELEMENTS



HOUSING ELEMENTS

PROGRAM 1.7: INCLUSIONARY ORDINANCE

As part of the Planning HOME program, explore adopting an inclusionary housing ordinance to increase the supply of affordable housing throughout Monrovia.

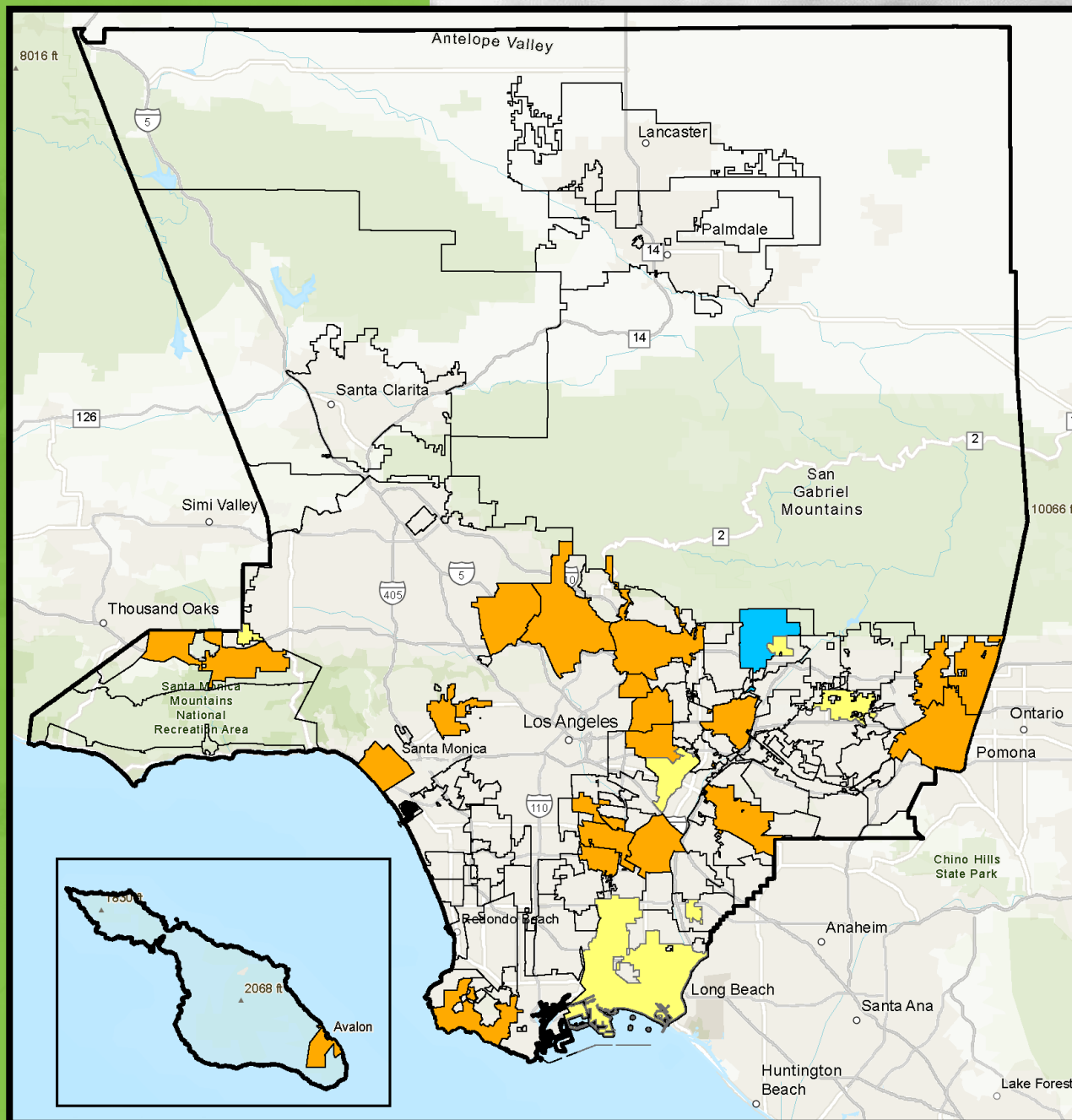


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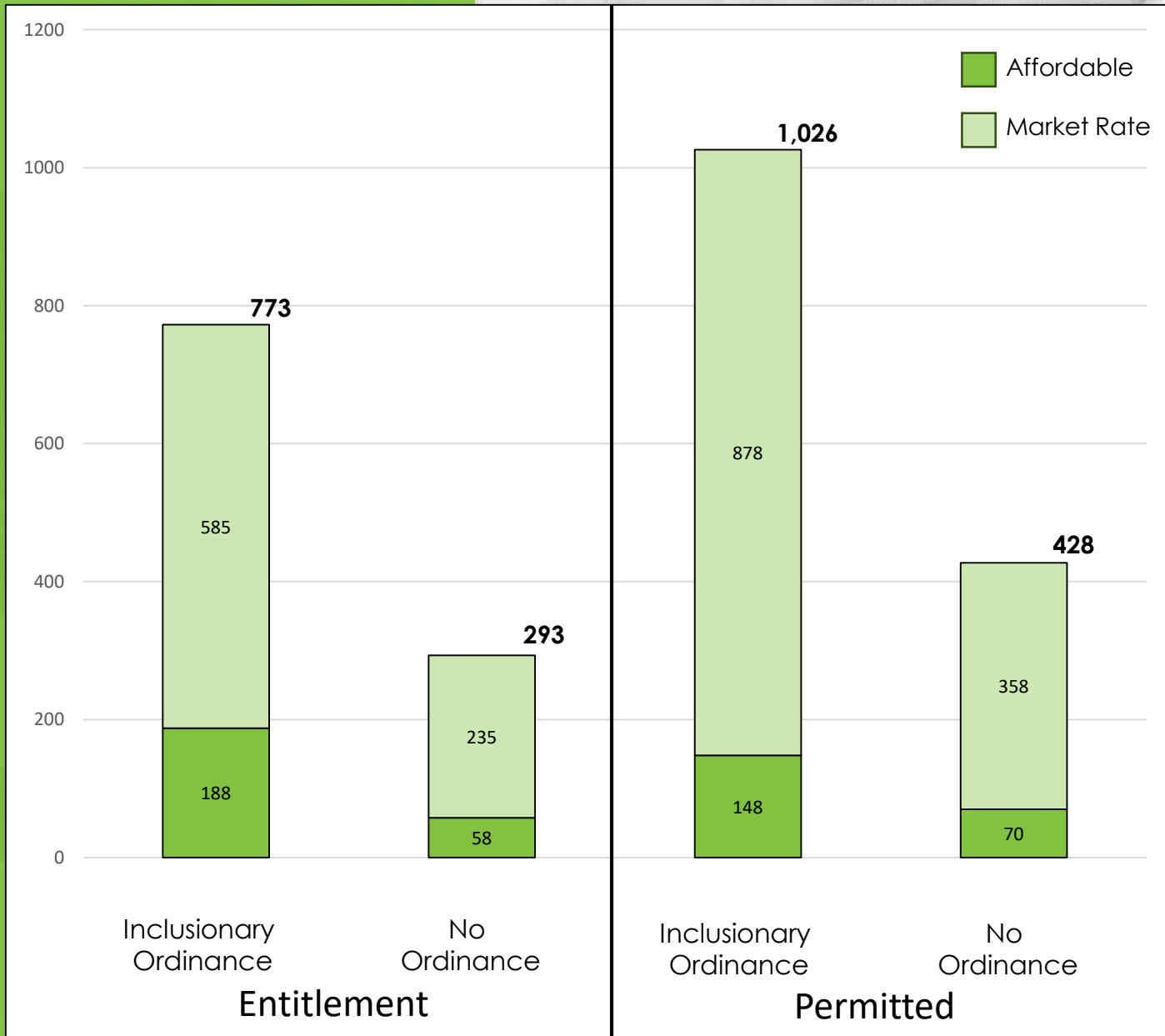
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INCLUSIONARY ZONING



HOUSING PRODUCTION

Current Housing Element Cycle 2021-2023



FISCAL ANALYSIS

The fiscal analysis was prepared to determine:

- Affordability gaps associated with different residential types
- Project size to trigger inclusionary
- Income and affordability standards that can be supported
- The in-lieu fee that corresponds to the income and affordability standards



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AFFORDABILITY GAP

$$\begin{aligned} & \text{Market Rate Value} \\ & - \text{Affordable Housing Cost} \\ \hline & = \text{Affordability Gap} \end{aligned}$$



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REQUIREMENTS

- What size project should trigger the affordable housing requirements?
- What levels of income should the program be targeted towards?
- What percentage of the total units in a project should be required to be affordable?



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IN-LIEU FEE

- Options for setting the in-lieu fee amounts
- Using per unit fee vs. square footage fee



CONSIDERATIONS

- Concerns?
- Goals?
- Policy Direction?

THANK YOU



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