

Appendix C

Example of an Inclusionary Housing Plan for a residential development subject to the inclusionary ordinance in the City of Sacramento.

INCLUSIONARY HOUSING PLAN

for the

PARKVIEW DEVELOPMENT

Introduction

Alleghany Properties, Inc. is the owner and developer ("Developer") of certain real property in the City of Sacramento on which it proposes to construct a mixed-use development ("Development Project") including 1,120 residential units ("Residential Project").

The Mixed Income Housing Policy adopted in the City of Sacramento Housing Element and required by the City's Mixed-Income Housing Ordinance ("Ordinance"), City of Sacramento City Code Chapter 17.190, requires that ten percent (10%) of the units in a Residential Project be affordable to very low income households and five percent (5%) to low income households (the "Inclusionary Requirement" and "Inclusionary Units").

Pursuant to the City Code section 17.190.110 (B), an Inclusionary Housing Plan must be approved prior to or concurrent with the approval of legislative entitlements for the Development Project. City Code section 17.190.110 (A) sets forth the number, unit mix, location, structure type, affordability and phasing of the Inclusionary Units in the Residential Project. This document constitutes that Plan, and, as supplemented and amended from time to time, is intended to begin implementation of the Inclusionary Requirement. All future approvals for the Development Project, including final maps, subsequent tentative maps, planned development permits, special permits, site development plans, and plan reviews shall be consistent with this Inclusionary Housing Plan.

The Inclusionary Requirement for the Residential Project will be set forth in more detail in the Inclusionary Housing Agreement(s) executed by Developer and the Sacramento Housing and Redevelopment Agency ("SHRA") and recorded against all the residential land in the Development Project. The Inclusionary Housing Agreement(s) will describe with particularity the site and building schematics and financial arrangements for the construction and financing of the Inclusionary Units, pursuant to Section 17.190.110 (C). Prior to recordation of the Inclusionary Housing Agreement(s), covenants shall be placed on parcels 17, 18, and 31. These covenants shall restrict any development on said parcels for thirty years to include affordable units as required in the Ordinance.

Number of Inclusionary Units

The Developer, or its successors and assignees, shall construct or cause to be constructed a number of dwelling units affordable to Low Income Households ("Low Income Units") equal to five percent (5%) and Very Low Income Households ("Very Low Income Units") equal to ten percent (10%),

as defined in the Sacramento City Code section 17.190.020, of the total number of housing units approved for the Residential Project. Based on current project proposals, the Inclusionary Requirement is fifty-six (56) Low Income Units and one hundred and twelve (112) Very Low Income Units. If the project approvals are amended to increase the number of residential units in the Residential Project, this Plan will be amended to reflect a number equal to five percent (5%) Low Income Units and ten percent (10%) Very Low Income Units of the increased total residential units in the amended entitlements. If the project approvals are amended to decrease the number of residential units in the Residential Project, this Plan will be amended to reflect a number equal to five percent (5%) of Low Income Units and ten percent (10%) Very Low Income Units of the decreased total residential units in the amended entitlements; provided, however, that after a building permit has issued for a structure or Master Parcel which contain Inclusionary Units, those Units will be constructed and maintained as Inclusionary Units pursuant to the terms of Chapter 17.190 of the City Code regardless of any subsequent reduction in the number of approved total residential units.

Tenure

The Inclusionary Housing Units shall consist of “for sale” and rental units.

Size and Bedroom Count

The Inclusionary Housing units shall include one, two- and three bedroom units to accommodate diverse family sizes. The Inclusionary Housing Agreement(s) will set forth the precise bedroom mix and unit size.

Location of Inclusionary Units

The Inclusionary Units shall be located throughout the Residential Project consistent with that indicated in Table 1 and as shown on Exhibit A. The Inclusionary Units will be dispersed throughout the multifamily buildings in the parcel or parcels as determined more specifically in the Inclusionary Housing Agreement.

TABLE 1					
Parcel Number	Number of Inclusionary Units	Proposed Land Use	Type of Unit	For Sale or Rent	
17	36	Multi-Family	Very Low Income	Rent	
18	5	SFR	Low Income	Sale	
19	2	SFR*	Very Low Income	Rent	
20	2	SFR*	Very Low Income	Rent	
25	1	SFR	Low Income	Sale	
26	1	SFR	Low Income	Sale	
31	75	Multi-Family	Very Low Income	Rent	
31	50	Multi-Family	Low Income	Rent	
Total Units		172			

* Affordable unit associated with "Granny Unit" portion of SFR

Affordability Requirements

The Inclusionary Units “For Sale” shall be restricted to occupancy by Low Income Households and Very Low Income Households. Low Income Households shall have gross incomes, at the time of initial occupancy, that do not exceed eighty percent (80%) of the Sacramento area median income, adjusted for family size. Very Low Income Households shall have gross incomes, at the time of initial occupancy, that do not exceed fifty percent (50%) of the Sacramento area median income, adjusted for family size.

Monthly Affordable Rents (including utility allowances) of the Inclusionary Units shall be restricted to Low Income Households and Very Low Income Households. A unit whose occupancy is restricted to a Low Income Household has a monthly rent that does not exceed one-twelfth of thirty percent (30%) of eighty percent (80%) of the Sacramento area median income, adjusted for family size. A unit whose occupancy is restricted to a Very Low Income Household has a monthly rent that does not exceed one-twelfth of thirty percent (30%) of fifty percent (50%) of the Sacramento area median income, adjusted for family size. Median income figures are those published annually by the United States Department of Housing and Urban Development.

The Sacramento Housing and Redevelopment Agency will provide the Developer a schedule of maximum Affordable Rents and Affordable Housing Prices (single family) annually. With respect to each Inclusionary Unit, the affordability requirements of this Section shall continue for no less than thirty (30) years from the recordation of the Inclusionary Housing Agreement. For-sale Inclusionary Units will be subject to the Sacramento Housing and Redevelopment Agency's resale and recapture provisions if sold before the end of the thirty (30) year regulatory period.

“Granny Units”, as specified in Table 1, will carry a regulatory agreement that will require rental to a very low income qualified family. The purchaser of a Market Rate Unit which has a "Granny Unit" shall be required to sign a declaration stating that if the "Granny Unit" is rented, it shall be rented at a monthly rental rate not to exceed the rate as described above.

Phasing of Development of the Inclusionary Units

The Inclusionary Units shall be developed concurrently with the development of the Development Project. The nature of the concurrency is defined by a series of linkages between approvals of the market rate units and the development of the Inclusionary Units.

MARKET RATE HOUSING / INCLUSIONARY HOUSING LINKAGES

Market Rate Activity	Inclusionary Approval Linkage
Approval of legislative entitlements and project-level applications submitted with legislative entitlements	Approval of Inclusionary Housing Plan
Approval of first final map for single family or multi-family market rate housing	City acceptance of improvement plans for infrastructure designed to accommodate development of, at a minimum, Master Parcels 17, 18 & 31.
Issuance of Special Permit for approval of each single family development or Issuance of Use Permit for Multi-family development.	Execution/recordation of Inclusionary Housing Agreement by Alleghany Properties, Inc.
Issuance of building permits in excess of 65% of single family residential units in each Master Parcel with Inclusionary Housing Units.	Issuance of building permits for Inclusionary Housing Units of each Master Parcel with Inclusionary Units.
Issuance of building permits for units in excess of 40% of total residential units in Master Parcels 28, 29, & 30.	Issuance of building permits for Multi-family complex on Master Parcel 31 or provision of Infrastructure to such Parcel and completion of external financing.

Amendment and administration of this Housing Plan

This Inclusionary Housing Plan shall be administered by the Planning Director with the advice of the Executive Director of SHRA. The Planning Director may make minor administrative amendments to the text of this Plan as provided in Sacramento City Code section 17.190.030.