

**City of Sacramento Mixed Income Housing Ordinance**  
**Annual Report**  
**for**  
**November 1, 2016 to December 31, 2016**

**Sacramento Housing and Redevelopment Agency**

**May 2017**

## **MIXED INCOME HOUSING ORDINANCE REPORT FOR 2016**

On September 1, 2015, the City Council (Council) repealed Chapter 17.712 of the City Code known as the Mixed Income Housing Ordinance (No. 2000-039) and adopted a revised citywide Mixed Income Housing Ordinance (No. 2015-0029) effective November 1, 2015 (Ordinance). As part of this revision, the City contracted with a consultant to perform a residential nexus analysis which demonstrates the relationship between the development of market rate residential units and the need for additional workforce housing. The revised Ordinance requires an affordable housing impact fee for all new housing units and large subdivisions to provide housing for a variety of incomes and family types. The fee-generated revenue is placed in a citywide Housing Trust Fund and used to develop affordable housing units with the goal of increasing the supply available for lower-income workers.

Pursuant to subsection 17.712.070 of the revised Ordinance, this annual report provides the public with information on revenue and production generated by the City Mixed Income Housing Ordinance's housing impact fees.

### **Housing Impact Fee As of July 1, 2017**

<b>Housing Type</b>	<b>July 1, 2017 (per Square Foot)</b>
Single-unit and duplex dwellings (less than 20 dwelling units per net acre)	\$2.68
High density single-unit and duplex dwellings (20 dwelling units per net acre or more*)	\$0.00
Multi-unit dwellings (less than 40 dwelling units per net acre)	\$2.68
High density multi-unit dwellings (40 dwelling units per net acre or more*)	\$0.00
Conversion of a nonresidential building to a residential use	\$0.00
Dwelling units in the Housing Incentive Zone (See Figure 1)	\$1.16

\* "Net acre" for the purposes of this fee, means the total area of a site excluding portions that cannot be developed, such as public and private streets, and open space.

The following City Mixed Income Housing Financial Information tables provide the following figures for the fees generated in 2016, including:

- beginning and ending balance
- revenue, including the amount of fees collected, interest earned, and income from loan repayments
- amount of expenditures for developments and operations
- amount budgeted, but not expended, for developments
- balance available for new developments

### 2016 City Mixed Income Housing Financial Information

Beginning Balance	
	\$ 0
Income	
Fees Collected	\$ 565,192
Expense	
Operations	\$ 73,259
Ending Balance	
Balance Available for Projects	\$ 491,933
<b>Ending Balance</b>	<b>\$ 491,933</b>

### 2016 Fee Revenue Source

Housing Type	Project Name	Fee Revenue
Single-unit and duplex dwellings (less than 20 dwelling units per net acre)	Scattered	\$ 130,260
Multi-unit dwellings (less than 40 dwelling units per net acre)	Sheldon Apartments	\$ 434,932
<b>Total Fee Revenue</b>		<b>\$ 565,192</b>

#### **Production Accomplished**

There were no developments constructed or assisted under the revised Ordinance during 2016.

#### **Future Funding**

SHRA follows its Multifamily Lending and Mortgage Revenue Bond Policies approved by Council on March 17, 2009, for the allocation of the Mixed Income Housing Ordinance funds.

#### **Recommended Changes to Chapter 17.712**

There are no recommended changes at this time.

#### **Adjustments to the Fee**

The fees established pursuant to this section shall be adjusted automatically to take into consideration inflation on July 1 of each year by a factor equal to the percentage increase, if any, in the construction cost index for San Francisco (based on 1913 U.S. average = 100) during the 12 months ending on the preceding March 1 as published by Engineer News Record/McGraw-Hill Construction Weekly, or any substitute index that the city council adopts by resolution.

**Figure 1 – Map of Housing Incentive Zones**

