

**Economic Analysis
Key Recommendations**

Inclusionary Housing Production Analysis	
Financially Feasible Inclusionary Housing Percentages	
Submarket #1: Rental Residential Development	
Alternative	Financially Feasible Inclusionary Percentage
Single Income Category Inclusionary Alternatives	
Moderate Income Alternative	19%
Low Income Alternative	12%
Very Low Income Alternative	11%
Mixed Income Category Inclusionary Alternatives	
20% Very Low Income & 80% Low Income	12%
80% Very Low Income & 20% Low Income	11%
30% Low Income & 70% Moderate Income	14%

Inclusionary Housing Production Analysis			
Submarket #2			
Potential Inclusionary Housing Production Requirements			
Income Level	Affordable Units as a % of Base Zoning	Density Bonus Percentage	Number of Incentives or Concessions
Rental Residential Projects			
Very Low (VL)	11%	35%+	3+
Low (L)	12%	35%+	2+
Moderate (MOD)	19%	35%+	2+
Ownership Residential Projects			
Moderate (MOD)	19%	35%+	2+

In-Lieu Fees – Affordability Gap Approach			
Submarket #1: Rental Residential Development			
In-Lieu Fee	Alternative		
	Moderate Income	Low Income	Very Low Income
Per Affordable Unit	\$223,000	\$356,000	\$383,000
Per Square Foot of GBA	\$37.90	\$37.90	\$38.50

In-Lieu Fee Analysis	
Affordability Gap Approach	
Submarket #1: Ownership Housing Development	
Affordability Gaps	Moderate Income
Per Income Restricted Unit	\$270,400
Per Square Foot of GBA	\$23.80

The In-Lieu Fees for Submarket Area 2 are based on the recommended fees for Submarket Area 1.