

**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.