



## CITY OF BOULDER DIVISION OF HOUSING

# INCLUSIONARY HOUSING On-site Process and Timeline

Updated 6/2016

This document contains an overview of the requirements and suggested processes and timelines for meeting Inclusionary Housing (IH) requirements by providing affordable units on the site of your residential development (“On-site”). These processes and timelines may be varied based on specific development needs by the Division of Housing Manager.

The Inclusionary Housing Ordinance may be found in [the Boulder Revised Code Chapter 9-13 Inclusionary Housing](#), and associated [Inclusionary Housing Administrative Regulations](#).

Affordable units may be provided as for-sale or rental. The site where the affordable units are located may either be subject to land use review or as an allowed by-right project; these two types of application have implications for the process and requirements of Inclusionary Housing.

If you are planning to meet the Inclusionary Housing requirements providing affordable units on-site with a by-right project contact a Housing Planner early in the project for additional details and information.

If you are planning to meet the Inclusionary Housing requirements providing affordable units Off-Site please see the Off-site Process and Timelines document.

All documents, forms and policies identified in this document may be found on the city website at [Inclusionary Housing Program Details](#)

### ***Process and Timeline for providing on-site affordable units for development projects subject to land use review.***

#### **Summary of Steps**

1. Applicants with residential developments subject to Site Review, Use Review, or other planning land use approval process start that process with Planning, Housing & Sustainability (“PH&S”).
2. Initial IH discussions with a Housing Planner can be done by phone or in person when choosing to provide all or some of the required the affordable units on-site.

3. The IH unit requirement for the site is determined along with an estimate of the cash-in-lieu contribution if applicable.
4. A Housing Planner will review the proposed affordable units to determine if they meet IH standards for livability, integration, size and other requirements.
5. Prior to building permit submittal, Applicant will execute all required affordable housing documents.
6. Concurrent to construction, the applicant may start marketing the affordable units; the city will start compliance monitoring

### ***Process and Timeline Details – On-site Affordable Units***

#### **1. Submitting for a Review**

You are encouraged to contact a Housing Planner prior to submitting for any type of review to discuss the inclusionary program and options for meeting the requirement.

At concept plan (if applicable) you will receive preliminary comments concerning the Inclusionary Housing requirement. If you do not go through concept plan, these comments will be provided at site or use review.

#### **2. Discuss Options**

A site or use review submittal will include site and floor plans. The Housing Planner (HP) will use these to determine the IH requirement for your project and will be available to discuss the options available for meeting IH either by phone or at a meeting. You may indicate in the submittal which units are proposed as affordable.

#### **3. Determination**

Inclusionary Housing is not a condition of Site or Use review however the Housing Planner can use the submitted site and floor plans to determine the IH requirement and check for conformance with IH standards. It is highly encouraged that applicants complete the process early, to identify on-site affordable units, concurrent with a review process where modifications to meet the requirements may be easily incorporated. IH must be met before a building permit can be issued. If modifications to meet the requirements are needed after completion of a review process a minor modification of the approved review may be required to make changes.

As part of your review process submittal the following may be provided:

- A. The *Preliminary Determination of Inclusionary Housing Compliance Form*
- B. The *Unit Data* excel spreadsheet

Based on this information, the Housing Planner will determine the IH requirement of 20% for your development. The requirement is a proportional determination of unit type, number of bedrooms, and unit size to what is provided in the market rate units on the site. For example, for a development

with half single family homes and half stacked flats the affordable units will also be half single family and half as stacked flats. Similarly, if the units are half one bedroom and half two bedroom the affordable units will reflect that mix. The number of required bathrooms is based on the number of bedrooms per the following:

- 1 bedroom – 1.5 baths required
- 2 bedroom - 2 baths required
- 3 bedroom - 2.5 baths required
- 4 bedroom - 2.5 baths required

The minimum allowable sizes of the affordable units are determined based on a percentage of the average size of all units in the development divided into categories by bedroom/bathroom configuration:

	Rental	For-sale
Single family	min. 80%	min. 48%
Multi-family	min. 80%	min. 80%

For for-sale developments the initial sales price will be determined by the city based on unit size and number of bedrooms. Affordable prices are set to be affordable to a household earning no more than the HUD low income limit for their family size, or approximately 70% of the area median income. Affordable prices are adjusted quarterly and are set for individual units when the Permanently Affordable Housing Covenant, which deed restricts the units in perpetuity, is executed typically a month or two prior to building permit submittal.

Rental developments may provide either for-sale or rental affordable units. Rents are set by the city to be affordable to a household earning no more than 60% of the area median income. Rents are adjusted annually. Affordable rental units must be owned all or in part by a housing authority or similar agency. Details about affordable rental units may be found in the [Rental Compliance Manual](#).

#### 4. Standards

The sizes above are minimums and larger units are acceptable and encouraged. All on-site affordable units must meet the Livability Standards for Affordable Units which may result in units larger than the minimum allowed. The Livability Standards include such items as minimum requirements for kitchen cabinet, storage and closets, and room sizes and warranty requirements for appliances.

To facilitate the Livability Standard review you will be requested to submit [Livability Standards for Permanently Affordable Housing checklist Part 1](#) for each proposed affordable unit.

Depending on the configuration and location of the affordable units the city may require a Housing Inspector to ensure quality construction and compliance with all affordable housing requirements, covenants, and agreements. This most commonly occurs when a building contains only affordable units and no market rate units. The owner is responsible for the cost of the inspector.

If it is determined a Housing Inspector will be required, the inspector may be engaged as early as site review, throughout tec-doc review, and during construction of the units. A final report from the

Housing Inspector is due within 30 days for issuance of certificate of occupancy (CO) and any outstanding balance owed to the city or the applicant is resolved.

## 5. Documents

The following documents need to be completed prior to building permit submittal:

- A. The final [\*Determination of Inclusionary Housing Compliance\*](#) form - Documents the IH requirement for the development. This document is signed by all parties.
- B. When warranted, the *Inclusionary Housing Agreement for Newly Constructed Affordable Units (the "Permanently Affordable Housing Agreement")* – Documents all requirements and responsibilities for the development including the need for a housing inspector if applicable. This document is signed by all parties.

The following documents need to be completed prior to building permit issuance:

- A. If applicant is providing for-sale affordable units, the *Condominium Declaration and Homeownership Association* documents for Housing staff review and approval
- B. [\*Livability Standards for Permanently Affordable Housing checklist Part 2\*](#) for each affordable unit
- C. The *Permanently Affordable Housing Covenant*, the document that deed restricts the units as affordable in perpetuity

## 6. Marketing and Compliance

Whether the applicant provides for-sale or rental affordable units the city has marketing requirements based on Fair Housing Standards and city policies and on-going compliance and monitoring requirements. Usually during construction the applicant will coordinate with housing staff to understand these requirements and start marketing efforts.