COUNCIL AGENDA: 3/2/2021
FILE: 21-387
ITEM: 7.1

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Jon Cicirelli

SUBJECT: **SEE BELOW**

DATE: February 24, 2021

Approved D. DSyL Date 02/26/21

REPLACEMENT

SUBJECT: PARKLAND FEE CREDITS FOR DEED RESTRICTED MODERATE-INCOME HOUSING UNITS

REASON FOR REPLACEMENT

This memorandum has been modified to include updated attachments.

RECOMMENDATION

(a) Approve an ordinance amending Chapter 14.25 of Title 14 and Chapter 19.38 of Title 19 of the San José Municipal Code ("SJMC") prescribing new definitions for moderate-income units, gross household income for moderate-income units, and expanding affordability restrictions to include moderate-income units, and to provide that moderate-income units shall pay fees set forth in the schedule of parkland fees.

(b) Adopt a resolution amending Resolution No. 78474 (Schedule of Parkland Fees) temporarily establishing the parkland fees charged pursuant to Chapters 14.25 and 19.38 of the SJMC be set at 50% of the applicable parkland fees for deed restricted moderate-income residential units that are provided to satisfy Inclusionary Housing ordinance provisions (SJMC 5.08) until January 1, 2026.

OUTCOME

Approval of these recommendations will result in amendments and additions to the City's municipal code to provide a 50% per unit parkland fee credit toward the payment of park impact in-lieu fees for qualifying deed restricted moderate-income housing units that satisfy Inclusionary Housing Ordinance requirements as described further below.

BACKGROUND

Inclusionary Housing Ordinance

Staff are currenting pursuing several efforts to address the City's housing crisis[1] by enacting strategies and taking policy actions to enable the production of 25,000 new housing units consisting of 15,000 market-rate units and 10,000 affordable units by 2023. One of these strategies is the Inclusionary Housing Ordinance.

The current Inclusionary Housing Ordinance (IHO – SJMC Chapter 5.08) requires that new residential developments provide a percentage of the project's total number of housing units to households that have low to moderate-income levels. These units must be protected for use by low- or moderate-income households for at least 55 years. The definitions of "low-income" and "moderate-income" are defined by the federal Department of Housing and Urban Development. In San José, a two-person household is considered "low-income" if income is below $113,300, and a two-person household is considered "moderate-income" if income is below $124,630. The City of San José Housing Department Income and Rent Limit Tables shows the range of income limits and rent limits (Attachment A).

A residential housing project can meet current IHO requirements by constructing new housing units and then selling and/or renting a percentage (15%) of the total number of these units to low or moderate-income households and sustaining the units for those income levels for 55 years. Alternatively, a project can comply with the IHO by paying an in-lieu fee based on 20% of the project's total housing units, or through a negotiated form of compliance. Additional information on the City's current IHO requirements is included in Attachment B or can be found at www.sanjoseca.gov/IHO.

Parkland Fee Credits for Moderate-Income Households

The City has a General Plan Service Level goal to provide three and a half (3-½) acres of parkland for every 1,000 residents.[2] Some of the regulations that help to meet this goal are the Parkland Dedication (PDO) and Park Impact (PIO) ordinances (SJMC 19.38 and 14.45). The PDO and PIO help meet the need for providing new or improved public recreational facilities (i.e. parks, trails, community centers) by requiring development projects to provide three acres of parkland for every 1,000 people added to the community by the development. This requirement can also be met through the payment of park impact in-lieu fees (parkland fees).

Currently, the PDO and PIO allow new housing development projects to receive a 50% per unit credit toward the payment of parkland fees for qualifying low-income units. To qualify for this

[1] On September 28, 2017, the Mayor issued a memorandum entitled "Responding to the Housing Crisis." The memorandum identified several items to address the housing crisis. A "Housing Crisis Workplan Update" is available on the Community and Economic Development Committee October 26, 2020 agenda. The agenda can be accessed online at this address: file:///C:/Users/rebekah.ross/Downloads/Agenda%20(27).pdf
[2] Envision San Jose 2040 General Plan policy PR-1

credit, a housing unit must have an affordability restriction, which is a condition that is recorded on a property's title report requiring the use of these units by low income residents for a minimum period of 30 years.

On November 5, 2019,[3] the City Council directed the Parks, Recreation and Neighborhood Services Department (the Department) to explore an amendment to the Park Impact Ordinance (PIO – SJMC 14.25) to allow for onsite deed restricted moderate-income housing units to also qualify for a 50% per unit credit toward the payment of parkland fees.

ANALYSIS

Inclusionary Housing Ordinance and Its Relationship to Park Fees

On October 9, 2020 the Office of Economic Development and the Housing Department provided an update to the Community and Economic Development Committee[4] and highlighted that the housing market is facing challenging conditions, noting that housing production is significantly slowing despite the many programs and policies the City currently has in effect. This is also despite new State legislation that streamlines housing production. Affordable housing developers are facing challenges to secure financing due to changes in State bonding and tax credits. Lastly, as outlined in a 2019 Report on the Cost of Residential Development,[5] the housing market was mostly stable in late 2019 and early 2020, but it was hampered by rising construction costs.

The City Council will consider changes to the IHO during the February 23, 2021 meeting. Attachment C, IHO – Recommended Changes, outlines the Housing Department's recommended changes to the IHO. The recommended changes are intended to produce more inclusionary units built on the same site as market rate units and to allow for additional compliance options to encourage more projects with increased affordable housing options to move forward.

Currently, the IHO allows developers to satisfy this requirement by providing 15% - 20% of the total units as affordable units for low and moderate-income households. The proposed changes to the IHO would allow rental housing developers to include 5% of their onsite rental units to be affordable to moderate income households.

Parkland Fee Credit

As a result of City Council direction from 2019 and in support of the proposed changes to the IHO, staff is recommending adoption of amendments and addition of new definitions to the PIO and the PDO to allow new moderate-income housing units built to satisfy IHO requirements (as amended) to receive a 50% per unit parkland fee credit.

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[3] November 5, 2019 City Council agenda item 4.4
[4] Community and Economic Development Committee File No. CC20-180 item (d)2.
[5] Report on the Cost of Residential Development, 11/5/19 City Council agenda item 4.2, File No. 19-991

Revenue gained from the payment of parkland fees is paid into the Park Trust Fund. Monies in the Park Trust Fund can only be spent on capital recreational projects. Capital projects include the acquisition of land, design and/or other studies that enable new construction, renovation, repair expansion or replacement project for an existing public recreational facility or facilities (e.g., parks, community centers, trails, etc.). The funds must be spent within a ¾-mile radius of the residential development for a neighborhood-serving recreational amenity and within a three-mile radius for a community-serving project. The Park Trust Fund represents the second highest source of funding for the Department's capital projects. A portion of these funds support positions in the Department and in Public Works, which administer the PDO/PIO program and assist with delivery of capital projects.

The recommended amendment to the PIO and PDO is expected to reduce the revenue the City would receive into this fund. A loss of revenue in the Park Trust Fund would impact the Department's ability to complete or fully fund some capital projects and some staff positions which may exacerbate already existing inequities in park deficient communities and adversely affect historically challenged neighborhoods. Staff cannot provide a comprehensive prediction of potential revenue loss from this proposed credit program given the many variables that inform how a project's parkland obligation is determined while also considering all possible credit applications. As a result, staff propose an expiration date of January 1, 2026 for this program, providing an opportunity to assess the fiscal and equity impacts before recommending further action. Prior to expiration of the program, the Department will re-evaluate the impact of the proposed credit and make recommendations about its extension.

Qualifying low income units are still eligible to receive the 50% per affordable unit credit per the current parkland fee ordinances. That is not proposed to be changed. Credits for qualifying moderate-income affordable units could be applied either independently or in addition to credits applied toward the parkland obligation. This could include up to 50% of the gross obligation in Private Recreation Credits, a per unit credit for existing housing units, and/or a square footage credit for large stormwater detention facilities that also have public recreational purpose. Private Recreation Credits are for privately owned and maintained on-site amenities that provide a recreational benefit to residents that might also be publicly accessible (i.e. a publicly accessible plaza, a children's playground, picnic areas, swimming pool, recreation room, etc.). On average, most projects qualify for 20% - 30% reduction in their Parkland Fee as a result of Private Recreation Credits.

The Department recommends that the 50% parkland fee credits for deed restricted moderate income housing units only be applied toward the units that are constructed/provided to satisfy IHO requirements. Moderate-income housing units that are provided above IHO requirements would not receive this parkland fee credit. This would limit the amount of lost revenue to the Park Trust Fund and maintain some resources. Table 1 shows the potential per unit revenue loss if parkland fee credits were given to a multi-family housing project with five units or more in real estate Multiple Listing Service (MLS) district # 9. This MLS district was selected because it has the area of the city where most new housing projects are proposed and built. This includes portions of Council Districts 3, 6, and 9. The estimated credit is the amount of parkland fee credit that would be applied *per qualifying unit* if those units satisfied the IHO. Other variables, such as credits for Low Income units or Private Recreation Credits, which could additionally lower the total amount of revenue received are not considered in the table.

Table 1 – Per Unit Credit for Moderate-Income Residential Units Built to Satisfy the IHO

	Current Park Impact fee (5+ Units)	Moderate-income IHO Unit Fee (50% reduction)
MLS Zone #9	$22,600	$11,300

CONCLUSION

Approval of these recommendations will result in amendments and additions to the City's municipal code to provide a 50% per unit parkland fee credit for qualifying deed restricted moderate-income housing units that are built to satisfy Inclusionary Housing Ordinance requirements.

EVALUATION AND FOLLOW-UP

Data on the credit program will be collected for five years, and the credit program will be re-evaluated prior to expiring on January 1, 2026.

CLIMATE SMART SAN JOSÉ

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

POLICY ALTERNATIVES

Alternative #1: Reject the adoption of temporary parkland fee credits for moderate-income affordable housing units that satisfy the IHO.
Pros: There will be no additional loss to the revenues received from the collection of park impact in-lieu fees.
Cons: The production of deed restricted moderate-income housing units would not be incentivized.
Reason for not recommending: It is unclear if a 50% per unit credit for moderate-income housing units that are provided to satisfy the IHO will incentivize the production of these housing units and compliance with the IHO. This temporary program will allow the City to study the effects of this type of incentive program.

Alternative #2: Adopt a 25% parkland fee credit for each qualifying moderate-income housing unit instead of a 50% per unit fee credit.
Pros: This would lessen the amount of revenue loss to the Park Trust Fund.
Cons: There would still be revenue loss.
Reason for not recommending: A 25% fee per unit fee credit might not be sufficient incentive to support the production of moderate-income housing units.

PUBLIC OUTREACH

This was considered by the Parks and Recreation Commission on December 2, 2020. This program will be included in a public engagement process that will occur after the findings of a parkland fee study is completed in 2021.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Housing Department.

COMMISSION RECOMMENDATION/INPUT

On December 2, 2020 the Parks and Recreation Commission (Commission) voted 8-0 to recommend the Council adopt this temporary fee credit after expressing some concerns. After the public meeting, the Commission prepared a letter that outlines the Commission's concerns. While the Commission supports and understands the need for affordable housing, the Commission is concerned that this fee credit will hinder the City's ability to meet General Plan goals and provide quality public recreational amenities equitably. The Commission supports the fee credit on a temporary five-year basis only.

FISCAL/POLICY ALIGNMENT

The effort to incentivize the production of moderate-income housing is consistent with the City's goals to support the production of affordable homes at moderate-income levels per the State Regional Housing Needs Allocation goals.

The Department recognizes that parkland fee credits for moderate-income housing units will be a loss to the Park Trust Fund; however, it is difficult to predict what this loss might be. The current housing market is unpredictable due to COVID-19 construction stops and slowdowns alongside other current challenges for developers to secure financing and other mechanisms that make construction feasible. Additionally, it is challenging to predict which future projects would satisfy the IHO by providing on-site low and/or moderate-income units (and any other possible parkland fee credits). Therefore, staff cannot provide a fiscal prediction estimating potential revenue loss. This program will be studied in the upcoming parkland fee study and re-evaluated prior to expiring on January 1, 2026

CEQA

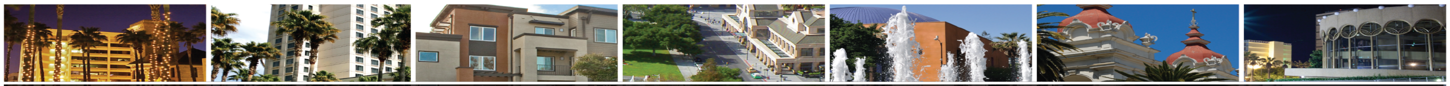
Not a Project, File No. PP17-005, Adjustment to Fees, Rates and Fares without changes to or expansion of services.

/s/
JON CICIRELLI
Director of Parks,
Recreation and Neighborhood Services

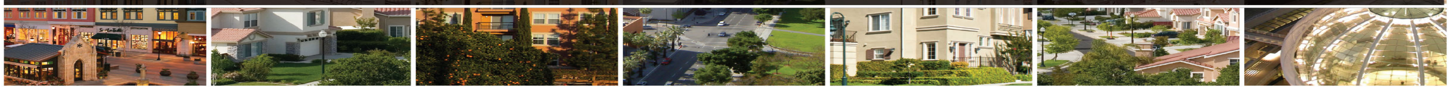
For questions please contact Deputy Director Nicolle Burnham by email at nicolle.burnham@sanjoseca.gov.

Attachments:

A. City of San José Housing Department Income and Rent Limit Tables
B. Inclusionary Housing Ordinance Compliance
C. IHO – Recommended Changes



San José's Inclusionary Housing Ordinance (IHO)



OVERVIEW

What is the Inclusionary Housing Ordinance (IHO)?

- The Inclusionary Housing Ordinance, Chapter 5.08 of the San José Municipal Code, was adopted on January 12, 2010.
- The IHO requires all residential developers who create new, additional, or modified For-Sale or Rental units to provide 15% of housing on-site that is affordable to income qualified buyers/renters.
- IHO allows alternative compliance options that a developer may meet the affordable unit requirement. Please see other side for more information.

Which projects are subject to the Ordinance?

- Any proposed project that the owner intends to create 20 or more residential units.

IMPLEMENTATION PROCESS

- Submit a Compliance Plan to Housing for review and approval (download form from IHO website or call Housing Department at 408-975-4416)
- Upon approval of Compliance Plan, projects may then move forward with their entitlement process
- Execute an Inclusionary Housing Agreement with the City, recorded against the property
- Pull building permits
- Chosen IHO compliance option is completed prior to its first Certificate of Occupancy

Compliance Plan Application

Developers are required to submit a signed Affordable Housing Compliance Plan Application (Compliance Plan) and $3,042 processing fee payable to the "City of San José" to the Housing Department for approval. This Compliance Plan Application will provide the Housing Department with enough information to calculate the Housing obligations associated with the development. The information obtained will be included in the project's conditions of approval. The IHO Compliance Plan Application can be found online at: www.sanjoseca.gov/IHO.

Projects with 3 to 19 dwelling units for rent are subject to the Affordable Housing Impact Fee (AHIF). For-Sale residential developments with 19 or less units are exempt, but are still required to submit a Compliance Plan under AHIF. To learn more, please visit: www.sanjoseca.gov/AHIF.

ELLIS ACT ORDINANCE

How is IHO related to Ellis Act Ordinance?

- Ellis Act applies to all apartments with 3 units or more and provides requirements for landlords removing these apartments from the rental housing market. The most frequent use of the Ellis Act Ordinance would be the demolition and redevelopment of existing rent controlled housing. Additional information on Ellis Act Ordinance may be found online at: www.sanjoseca.gov/RENT
- The Ordinance creates a standardized process for issuing Ellis Act notices, and possible relocation benefits, Tenant's right to return and the re-control of rents for units returned to the market.
- A project that demolishes an apartment that was built before 1979 (an "Ellis Act" building) is required to re-control the greater of: 50% of all the newly constructed rental units or the number of covered units removed from the rental market.
- Re-control means capping rents from increasing annually at 5% (or as amended by City Council)

	IHO Rental—Option 1	IHO Rental—Option 2
Inclusionary Housing Ordinance	Choose Build On-Site: 15% of totals units are deed-restricted affordable units: *Where 9% at 80% AMI* *Where 6% at 50% AMI*	Choose an Alternative Compliance Option
Ellis Act Ordinance	Add an additional 5% at 100% AMI → No re-control **OR** The greater of: 50% of all the newly constructed rental units or the number of covered units removed from the rental market are re-controlled.	The greater of: 50% of all the newly constructed rental units or the number of covered units removed from the rental market are re-controlled.

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Housing Department
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INCLUSIONARY HOUSING ORDINANCE COMPLIANCE OPTIONS

	Obligation	For-Sale	Rental
On-Site	15%	Purchasers must be at or below 120% AMI	9% at MOD (80% AMI) 6% at VLI (50% AMI)
Inclusionary Housing Ordinance Alternative Compliance Options			
Off-Site	20%	Purchasers must be at or below 120% AMI	12% at LI (60% AMI) 8% at VLI (50% AMI)
In-Lieu Fee	20%	In-lieu fee per Inclusionary home is $157,858 (July 1, 2020- June 30, 2021)	In-lieu fee per Inclusionary unit is $125,000 (July 1, 2020 - June 30, 2021)
Dedication of Land	20%	Marketable title, general plan designation zoned for residential development and at a density required, and suitable for inclusionary units.	
Surplus In-Lieu Credits	20%	Developers may purchase or transfer credits for affordable housing units that are available for occupancy concurrently with market rate units.	
Acquisition and Rehab of Units	20%	Rehabilitate existing market rate units for conversion to units affordable to Lower and Very Low Income Households. Number of Rehabilitation units must be 2 to 1 of the base inclusionary obligation.	
HUD Restricted Units	20%	Developers may provide units that are restricted to Affordable Housing Cost for Lower or Very Low Income Households through entering into an agreement with the U.S. Department of Housing and Urban Development (HUD).	
Combination of Methods	20%	Developers may propose any combination of methods to satisfy the project's inclusionary housing obligation.	

EXEMPTION CLAIMS

Are there any exemptions ? If so, what are they?

- *Small Projects with 19 or less units (this is being reevaluated by City Council in 2021)*
- Residential Developments that claim they are exempt from the requirements of the Ordinance must indicate the basis for the exemption in the Compliance Plan for IHO
- Developments that are eligible for the Downtown High-Rise Exemption, but must meet the following requirements:
    - Located in Downtown Core
    - Ten(10) or more stories of residential development
    - Receive a Certificate of Occupancy on or before June 20, 2025

For a full list of exemptions, please see Section 5.08.320 of the Ordinance

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

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CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY
Housing

Inclusionary Housing Ordinance

Briefing Sheeting — Amendments to the Ordinance — Rental & For-Sale Properties

DIRECTED BY CITY COUNCIL			
	Current		**Amended**
Base Requirement & Small Projects: Study how to incentivize density where appropriate for small projects between 1 -4 units' and between 5-20 units. Return to Council after outreach to small-project builders about the viability of those projects, and offer recommendations to incentivize densifying these projects including, but not limited to, considering bonuses to small projects that are substantially densifying infill sites.			
Rental & For-Sale	**Applicability:** 20 or more units	➤	10 or more units
Rental & For-Sale	**Base Requirement:** Minimum 15% IHO On Site Obligation	➤	No Change
Rental & For-Sale	**Small Projects:** Small rental developments pay an impact fee only & Small for-sale are not subject to AHIF or IHO	➤	10 to 19 unit developments are now under IHO but may pay half the in lieu fee rate if providing at least 90% of maximum density allowed by the General Plan
Serve a Wider Income Range: Accept staff recommendation to serve a wider range of target income levels as listed (5% at 100% AMI, 5% at 60% AMI, 5% at 50% AMI)			
Rental	Target income levels On-Site: • 9% at 80% AMI • 6% at 50% AMI Target income levels Off-Site: • 12% at 60% AMI • 8% at 50% AMI	➤	Income levels On-Site: • 5% at 100% AMI • 5% at 60% AMI • 5% at 50% AMI OR • 10% at 30% AMI Income levels Off-Site: • 5% at 80% AMI • 5% at 60% AMI • 10% at 50% AMI
In-lieu Fee Option & Geographic Market Areas: Accept staff recommendation to restructure the in-lieu fee option to apply the fee on a square foot basis and change the amount to $43 per square foot for rental development and $25 per square foot for for-sale development; Direct staff to develop geographic market areas to phase in the in-lieu fee adjustments over time.			
Rental	Applied to 20% of the units at $125,000 ($28/ ft^2) set by Council resolution in 2018	➤	Applied to all units based on square footage based on 20% in lieu requirement – applied to rentable square footage
		➤	**Strong Market** $43/$ft^2$ **Moderate Market** $18.70/$ft^2$
Rental	In-Lieu Fees are set at the same rate across the City	➤	• Strong Market Areas are Central and West Valley • All other Market Areas are moderate
For-Sale	Per unit applied to 20% of the units $157,858 (~$27.45/ ft^2)	➤	Per square footage applied to all units $25/ ft^2
Encourage On-Site Compliance (New Option): Accept staff recommendation to encourage rental developments to choose on-site compliance option by setting the in-lieu fee to $17.60 per square foot where at least 5% of the units are provided on-site and allowing affordable units to be in a separate building on-site.			
Rental	Combination of on-site apartments and in-lieu fees, but each proposal must be evaluated.	➤	Building 5% of total units at 100% AMI On-Site
		➤	**Strong Market** $18.70/ ft^2 in-lieu for all rentable areas **Moderate Market** $11.87/ ft^2 in-lieu for all rentable areas
Longer Deed-Restriction Affordability: Report back with the specific outreach to, and resulting responses from, market rate and affordable housing developers and financiers regarding impact on financing by extending period of affordability to 99 years.'" Study and consider "life of the project" as San Francisco applies to their affordable projects.			
Rental	55 years	➤	• 99 years with voluntary demolition after 55 years and relocation benefits for inclusionary units • Affordable developers may request a term of no less than 55 years
Land Dedication: Purchasing land that meets the requirements to utilize Senate Bill 35(SB 35) and land requirements for the IHO; Entitling the land with the City of San Jose; Giving the entitled land to the City of San Jose (which the City will then solicit to developers to build 100% affordable projects)			
Rental & For-Sale	Current Dedication of Land Compliance option does not require use for housing	➤	Added New option for SB 35 entitled land to be used for housing

Inclusionary Housing Ordinance

Briefing Sheeting — Amendments to the Ordinance — Rental & For-Sale Properties

DIRECTED BY CITY COUNCIL - CONTINUED			
Current			**Amended**
Clustering of Affordable Units On-Site Expanded: Include explicit flexibility for the City Manager/Housing Director to approve offsite (unintegrated) affordable housing plans that do not meet the minimum standard for contributions (currently proposed at 75% of in-lieu fee value) if the project incorporates innovative or unique partnerships with affordable housing developers that better accomplish City goals. Explore lowering percentage threshold in order to encourage innovative partnerships to maximize affordable housing as part of a project.			
Rental	No clustering option and must be dispersed within market-rate development	➤	• If located on an immediately adjacent parcel and in close proximity to the market rate building, then subject to only the 15% requirement • Must have Low Income Housing Tax Credit Financing or other public financing that requires separation • Establish a minimum contribution from market rate developer to affordable developer equivalent of 75% of the required in-lieu fee obligation • Provide a Letter of Credit of in-lieu fees, if affordable building does not begin construction before the earlier of 5 years or the issuance of the first Certificate of Occupancy for the market rate building • Clustered affordable units must have equivalent amenities as market rate
Incentive: Direct the Director of Parks, Recreation and Neighborhood Services to explore an amendment to the Park Impact Ordinance (SJMC 14.25) to clarify that on site deed restricted 100% AMI rental units qualify for a 50% per unit credit towards the payment of park impact in-lieu fees			
➤ PRNS will return to City Council this spring with an amendment to the Park Fees ordinance.			

RECOMMENDED BY STAFF FOR CITY COUNCIL REVIEW			
Current			**Amended**
Streamlining for Affordable Developments			
Rental	Required all developments to have a stand-alone inclusionary housing agreement.	➤	• Inclusionary Affordability restrictions may be incorporated into density bonus agreements • Developments funded and restricted by the City may be deemed to meet the IHO requirements
Transition Process for Projects			
Rental	Developers who has a planning permit before May 1, 2021 may stay under the existing IHO requirements.	➤	• Developers may choose the new IHO regulations if they meet the following criteria: ○ Have planning permits before May 1, 2021, or otherwise final under state law ○ Building permit has not been issued ○ Has not paid any inclusionary in-lieu fees ○ Has not recorded an inclusionary agreement ○ Submit a replacement affordable housing compliance plan and record the inclusionary agreement
Rental & For-Sale	Transition for Small Projects	➤	Projects less than 10 units must have planning permit prior to May 1, 2021, or otherwise final under state law, to remain exempt from the current IHO
Inclusionary Unit Requirements			
Rental & For-Sale	The purpose of the IHO program is to enhance the public welfare and market the Inclusionary Units to the public consistent with Fair Housing Laws	➤	Allow marketing of inclusionary units to a subpopulation if the marketing is nondiscriminatory, affirmatively furthers fair housing, and provides an anti-displacement policy

CITY OF SAN JOSE HOUSING DEPARTMENT
INCOME AND RENT LIMIT TABLES
Effective Date: June 1, 2020

INCOME LIMITS

	% of AMI Income Level	Number of People in Household								% of AMI Income Level
		1	2	3	4	5	6	7	8	
*	120%	$118,950	$135,900	$152,900	$169,900	$183,500	$197,100	$210,700	$224,250	120%
**	110%	$109,010	$124,630	$140,195	$155,760	$168,245	$180,675	$193,160	$205,590	110%
*	100%	$99,100	$113,300	$127,450	$141,600	$152,950	$164,250	$175,600	$186,900	100%
**	90%	$89,190	$101,970	$114,705	$127,440	$137,655	$147,825	$158,040	$168,210	90%
*	80%	$78,550	$89,750	$100,950	$112,150	$121,150	$130,100	$139,100	$148,050	80%
***	60%	$66,360	$75,840	$85,320	$94,740	$102,360	$109,920	$117,480	$125,100	60%
***	55%	$60,830	$69,520	$78,210	$86,845	$93,830	$100,760	$107,690	$114,675	55%
*	50%	$55,300	$63,200	$71,100	$78,950	$85,300	$91,600	$97,900	$104,250	50%
***	45%	$49,770	$56,880	$63,990	$71,055	$76,770	$82,440	$88,110	$93,825	45%
***	40%	$44,240	$50,560	$56,880	$63,160	$68,240	$73,280	$78,320	$83,400	40%
***	35%	$38,710	$44,240	$49,770	$55,265	$59,710	$64,120	$68,530	$72,975	35%
*	30%	$33,150	$37,900	$42,650	$47,350	$51,150	$54,950	$58,750	$62,550	30%
***	25%	$27,650	$31,600	$35,550	$39,475	$42,650	$45,800	$48,950	$52,125	25%
***	20%	$22,120	$25,280	$28,440	$31,580	$34,120	$36,640	$39,160	$41,700	20%
***	15%	$16,590	$18,960	$21,330	$23,685	$25,590	$27,480	$29,370	$31,275	15%

*	= Income limits provided by HCD
**	= Income Limits imputed from 100% AMI incomes
***	= Income Limits imputed from 50% AMI incomes

RENT LIMITS

Santa Clara County Area Median Income Effective April 30, 2020 = $141,600

Rent Limit based on HCD Occupancy Guidelines = 1 Person Per Bedroom +1					% of AMI Rent Level	Rent Limit based on TCAC Occupancy Guidelines = 1.5 People Multiplied by # of Bedrooms				
Efficiency	1BR	2BR	3BR	4BR		Efficiency	1BR	2BR	3BR	4BR
$2,973	$3,399	$3,822	$4,248	$4,587	120%	$2,973	$3,186	$3,822	$4,417	$4,929
$2,725	$3,115	$3,503	$3,894	$4,204	110%	$2,725	$2,920	$3,503	$4,049	$4,518
$2,477	$2,832	$3,185	$3,540	$3,822	100%	$2,477	$2,655	$3,185	$3,681	$4,107
$2,229	$2,549	$2,866	$3,186	$3,440	90%	$2,229	$2,389	$2,866	$3,313	$3,696
$1,982	$2,266	$2,548	$2,832	$3,058	80%	$1,982	$2,124	$2,548	$2,945	$3,286
$1,486	$1,699	$1,911	$2,124	$2,293	60%	$1,486	$1,593	$1,911	$2,208	$2,464
$1,362	$1,557	$1,751	$1,947	$2,102	55%	$1,362	$1,460	$1,751	$2,024	$2,259
$1,238	$1,416	$1,592	$1,770	$1,911	50%	$1,238	$1,327	$1,592	$1,840	$2,053
$1,114	$1,274	$1,433	$1,593	$1,720	45%	$1,114	$1,194	$1,433	$1,656	$1,848
$991	$1,133	$1,274	$1,416	$1,529	40%	$991	$1,062	$1,274	$1,472	$1,643
$867	$991	$1,114	$1,239	$1,337	35%	$867	$929	$1,114	$1,288	$1,437
$743	$849	$955	$1,062	$1,146	30%	$743	$796	$955	$1,104	$1,232
$619	$708	$796	$885	$955	25%	$619	$663	$796	$920	$1,026
$495	$566	$637	$708	$764	20%	$495	$531	$637	$736	$821
$371	$424	$477	$531	$573	15%	$371	$398	$477	$552	$616

HCD occupancy guidelines assume 1 person per bedroom plus 1

2020 County AMI Using Federal Program (TCAC) occupancy guidelines. Owners may make an election to use the TCAC occupancy guidelines for an entire property. Federal TCAC occupancy guidelines use 1.5 persons per bedroom.

Calculation of Housing Cost and Rent: Refer to Heath & Safety Code Sections 50052.5 and 50053. Use benchmark household size and multiply against applicable percentages defined in the H&SC using Area Median Income.