



City of Boulder Planning, Housing and Sustainability

Inclusionary Housing Off-site Process and Timelines Updated 12/2018

This document contains an overview of the requirements process and timeline for meeting Inclusionary Housing (IH) requirements by providing affordable units off-site - on a different site than the site that generated the original requirement. The process and timeline may vary based on specific development. Because this is an overview, it may not include all details but is meant to provide a general understanding of the process for providing affordable units off-site. Frequent meetings with a housing planner are needed to ensure that all requirements per the IH Ordinance, Administrative Regulations and city policies are met.

The Inclusionary Housing Ordinance can be found in Chapter 9-13 of the Boulder Revised Code, 1981. The Ordinance is administered through the Inclusionary Housing Administrative Regulations.

All documents, forms and policies identified in this document may be found on the city website at www.boulderaffordablehomes.com.



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1. Off-site Requirements for Newly Constructed Affordable Units

Depending on the details of the development that generated the affordable housing requirement, off-site affordable units may be provided as for-sale or rental. These variations may have implications for the process and requirements of IH. If the off-site development is not subject to Site Review, an Affordable Housing Design Review is required.

The table below includes the steps to propose and complete newly constructed affordable units off-site. The development generating the IH requirement is referred to as the **Sending Site** and the location where the off-site units will be provided is referred to as the **Receiving Site**.

The process outlined in this document is based on the Sending Site being ahead of the Receiving Site in the development process. If the Receiving Site review process is ahead of the Sending Site, Receiving Site approvals may be held up pending Sending Site approvals and execution of required documents. The following table indicates the sequence of steps needed to satisfy IH with off-site affordable units.

Process and Timeline for Providing NEWLY CONSTRUCTED Off-site Affordable Units:

(See table next page)



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Sending Site	Receiving Site
<p>1. Developments subject to a planning land use review start that process with the Planning Division.</p> <p>2. Discuss options for meeting the IH requirement with a housing planner; choose to provide some or all of the required affordable units off-site.</p> <p>3. The IH requirement for the sending site is determined and documented.</p>	
	<p>4. An off-site location is proposed & approved.</p>
<p>5. Planning land use review approval started.</p>	
	<p>6. Developments subject to a land use review start that process with the Planning Division.</p> <p>7. IH requirement for sending and receiving sites finalized and documented.</p>
<p>8. Documents and guarantees are executed; may submit for a building permit.</p>	<p>9. Documents and guarantees are executed; may submit for a building permit.</p>
<p>10. Certificate of Occupancy</p>	<p>11. Housing Inspections and monitoring.</p> <p>12. Marketing of for-sale units or leasing of rental units can begin.</p>
	<p>13. Certificate of Occupancy – no later than one year after the sending site receives any temporary or final CO. Guarantees fully released.</p>



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1. SENDING SITE – Subject to Planning Land Use Review

Applicants with residential developments subject to Site Review, Use Review or other planning land use approval process start that process with the Planning Division (“planning”).

2. SENDING SITE – Inclusionary Housing Discussions

Applicants in a planning land use review process will receive preliminary comments concerning the IH requirement through that process. Applicants proposing a by-right residential development not subject to a land use process should contact a housing planner as soon as possible prior to building permit submittal. In either case, the applicant and a housing planner should discuss the options available to meet the IH requirement.

Once the Applicant determines to provide the affordable units off-site several meetings with staff will be arranged to ensure clear understanding of the requirements and timelines.

3. SENDING SITE – Inclusionary Housing Requirement

Based on the data provided in the “Unit Data Spreadsheet” which is required as part of the review submittal, and the site and floor plans the housing planner will determine the inclusionary requirement.

The IH requirement is based on a proportional determination of unit type, number of bedrooms and unit size to what is provided in the market rate units on the sending site. For example, a sending site with half single-family homes and half stacked flats will be required to provide half of the affordable units as single family and half as stacked flats. Similarly, if the sending site 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:

- 0 bedroom - equivalent number of baths in the sending units up to 1
- 1 bedroom – equivalent number of baths in the sending units up to 1.5
- 2 bedroom - equivalent number of baths in the sending units up to 2
- 3 bedroom - equivalent number of baths in the sending units up to 2.5
- 4 bedroom - equivalent number of baths in the sending units up to 2.5

The sizes of the affordable units are based on the following table which can be found in the IH Administrative Regulations:

(see table next page)



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Affordable Units*	Minimum Floor Area** – as compared to the average size of all units in the development	Maximum Floor Area* Low/moderate Income (Square Ft.)	Maximum Floor Area* Middle Income (Square Ft.)
Micro Unit (180–300 sq. ft.)	Equal	1,200	1,200
Studio/Zero-bedroom	Equal or 600 sq. ft. whichever is smaller	1,200	1,200
One-bedroom	Equal or 700 sq. ft. whichever is smaller	1,200	1,200
Two-bedroom	80%	1,200	1,200
Three-bedroom	80%	1,400	1, 600
Four-bedroom	80%	1,400	1, 600

Note that the receiving site has an IH requirement and those affordable unit sizes should be equal to the sizes of the off-site affordable units.

For-sale developments must provide for-sale affordable units with the following prices:

1. Low/Moderate-Income Households. The initial sales price is determined by the city to be affordable to a household earning no more than the HUD low income limit for their family size.
2. Middle-Income Households. The initial sales price is determined by the city to be affordable to a household with annual incomes between eighty percent and one-hundred twenty percent (80% - 120%) of Area Median Income. Three tiers of middle-income pricing will be distributed as indicated in the IH Administrative Regulations.

Rental developments may provide either for-sale or rental affordable units. Low/moderate-income rents are set by the city to be affordable to a household earning no more than sixty percent (60%) of the area median income. Middle income rents are set to be affordable to a household earning no more than eighty percent (80%) 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](#).

Often a receiving site can produce more units than required. If additional affordable units are provided, city consideration may be considered.

Affordable prices are adjusted quarterly; rents are set annually. Prices and rents are established by the city based on the IH ordinance when the deed restricting covenant is executed.



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Once the IH requirement for the Sending Site is determined, a proposal for the Receiving Site, may be determined.

4. RECEIVING SITE – Off-site Location Approval

Off-site proposals for newly-construction affordable units must first have the proposed off-site location approved. Approval of a potential receiving site location is the first step towards approval of a proposed off-site development, however it does not ensure the off-site development will be approved. The off-site location request will be reviewed to determine the degree to which it meets the following criteria:

- Consistent with Boulder Valley Comprehensive Plan policies for affordable housing, including 7.13 (Integration of Permanently Affordable Housing) to disperse and integrate affordable housing throughout the community;
- Annexed and zoned for residential use;
- Consistent with the land use map and the service area map;
- Consistent with any applicable adopted area plans;
- Able to support multi-modal mobility (walking, biking, and other alternatives to the single-occupant vehicle); and
- Compatible with adjacent uses.

Applicant submits a [Pre-Application Review](#) form to the Planning Division which includes a letter detailing specifically how the proposed location (the Receiving Site) will meet the above criteria. In addition, the Pre-Application process may also be used to request verification of the maximum residential unit density and to answer other questions the applicant may have about the proposed site. Additional details about the off-site location approval process may be found in the “Off-site Location Review Process” document on the city web site.

5. SENDING SITE – Land Use Review Approval

Once the Sending Site receives a land use approval, the IH requirement is finalized and may be used to develop the Receiving Site proposal.

It is assumed that the Sending Site will get approvals and start development before the Receiving Site. If the Receiving Site process gets ahead of the Sending Site, Receiving Site approvals may be held up pending Sending Site approvals and execution of required documents.

Sending Site developments subject to technical document review should start that process with the Planning Division. Steps 6-9 below may be completed concurrent to the technical review process.



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6. RECEIVING SITE – Land Use Review Approval

Receiving Site developments are subject to review as follows:

- *Site Review* – Any affordable housing project subject to site, use or other land use review must complete that process.
- *Off-site Affordable Housing Design Review* – Off-site developments in excess of five units providing affordable units shall be subject to an Affordable Housing Design Review unless the development is approved pursuant to a site review.

7. RECEIVING SITE – Inclusionary Housing Requirements

The Receiving Site will be assessed an IH requirement in the same manner as the Sending Site (see #3 above). The total number of market and affordable units on both sites are combined to determine the total IH requirement.

The receiving site proposal should meet both the sending and receiving site IH requirements. Minor variations to the proportional unit mix may be considered but must be deemed by the city to provide equivalent community benefit to the proportional mix. If a deficiency in community benefit is identified it must be rectified before the affordable units will be acceptable to satisfy IH.

Livability Standards

All affordable units must meet the city Livability Standards for Affordable Units. Livability Standards ensure that the substantial and long-term public investment in affordable housing in the community be livable, of good quality and design and meet health and safety standards. The Livability Standards for Permanently Affordable Housing may be found on the city Housing & Human Services web site.

Two checklists are required prior to building permit submittal to facilitate the Livability Standard review; Part 1 is typically provided during site review. This checklist indicates compliance with room/storage sizes, and the amount and location of cabinetry and appliances. Part II lists finish and appliance requirements and warranty periods for both.

Housing Inspections

Depending on the configuration and location of the affordable units the city may require a Housing Inspector to ensure quality construction, materials and installations and compliance with all affordable housing requirements, covenants, and agreements. The owner is responsible for the



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cost of the inspector which must be provided to the city prior to residential building permit submittal. A final report from the Housing Inspector is due prior to issuance of any certificate of occupancy (CO).

Concurrency and Timing

All Receiving Site affordable units must receive at a minimum a temporary certificate of occupancy (TCO) within one year of the issuance of any temporary or final certificate of occupancy on the Sending Site.

8. SENDING SITE – Requirements Prior to Building Permit

The following are required prior to building permit submittal for the Sending Site:

- a. *Land Use Review* approval
- b. *Inclusionary Housing Agreement for Newly Constructed Off-site Affordable Units (the “Off-site Agreement”)* – This Agreement documents the requirements and responsibilities of the Sending Site developer and what must be provided when on the Receiving Site
- c. *Determination of Inclusionary Housing Compliance* - Documents the IH requirement for the Sending Site
- d. *Receiving Site Location Approval*

The following are required prior to building permit issuance for the Sending Site:

- a. *Financial Guarantee* - security to ensure the affordable units are completed. For details concerning the financial guarantee please see the full policy available on-line at: www.boulderaffordablehomes.com

9. RECEIVING SITE – Requirements Prior to Building Permit

All documents for the Sending Site per #8 above must be completed and accepted by the city. The following are required prior to building permit submittal for the Receiving Site:

- a. *Land Use Review or Affordable Housing Design Review* approval
- b. *Inclusionary Determination of Inclusionary Housing Compliance* - Documents the IH requirement for the Receiving Site
- c. Review and city approval of *site and floor plans that meet the Livability Standards for Permanently Affordable Housing* including *Checklist I & II*
- d. An interim or final *Permanently Affordable Housing Covenant, Promissory Note and Deed of Trust*; and any other required documentation. The Covenant deed restricts the units as affordable in perpetuity. Prior to signing the Affordable Housing Covenant



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- applicant will need to provide a number of documents to the city including an “Authority to Sign” for any ownership LLC’, title good to within 30 days.\
- e. *Remittance* sufficient to cover the estimated cost of housing inspections.

10. SENDING SITE – Certificate of Occupancy

The Sending Site may receive a certificate of occupancy, however, the IH obligation will not be satisfied until the affordable units on the Receiving Site also have a certificate of occupancy.

11. RECEIVING SITE – Housing Inspector

The city will utilize a housing inspector at the owners cost to ensure quality construction and compliance with all affordable housing requirements and agreements. Details concerning the goal, scope and cost of the inspector will be included in the Off-site Agreement. The Receiving Site may not receive a certificate of occupancy until the housing inspector issues a final report indicating all quality standards and contractual requirements have been met.

12. RECEIVING SITE – Final Certificates of Occupancy

Once the Receiving Site affordable units are completed, the following items will be addressed:

- a. *Housing inspection costs* - An estimate of the housing inspection costs are paid to the city up front and reconciled when the affordable units receive a certificate of occupancy. Details will be documented in the On-site Agreement.
- b. *Financial Guarantee* – the financial guarantee or any remaining balance will be released and/or any adjustments owed by the Developer will be collected when the affordable units have been accepted by the city and the Receiving Site has been issued a CO. Please see the financial guarantee policy for additional details.



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2. Off-site Requirements when Deed Restricting Existing Units

Depending on the details of the development that generated the affordable housing requirement, off-site affordable units may be provided as for-sale or rental. These variations may have implications for the process and requirements of IH. If the off-site development is not subject to Site Review, an Affordable Housing Design Review is required.

The table below includes the steps to propose deed restricting existing units off-site. The development generating the IH requirement is referred to as the **Sending Site** and the location where the off-site units will be provided is referred to as the **Receiving Site**.

The process outlined in this document is based on the Sending Site being a few months ahead of the Receiving Site in the development process. If the Receiving Site review process is ahead of the Sending Site, Receiving Site approvals may be held up pending Sending Site approvals and execution of required documents. The following table indicates the sequence of steps needed to satisfy IH with off-site by deed restricting existing units as permanently affordable.

Process and Timeline for DEED RESTRICTING EXISTING UNITS Off-site:

(See table next page)



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Sending Site	Receiving Site(s) Off-site Existing Units
<ol style="list-style-type: none"> 1. Developments subject to a planning land use review start that process with the Planning Division. 2. Discuss options for meeting the IH requirement with a housing planner; choose to provide some or all of the required affordable units off-site. 3. A preliminary estimate of the IH requirement for the Sending Site is determined and existing units may be proposed. 	
	<ol style="list-style-type: none"> 4. Off –site location approval & existing unit preliminary proposal.
<ol style="list-style-type: none"> 5. Land use approval granted. Start TEC-DOC review process in the planning department. 6. Sending Site IH program finalized. 	
	<ol style="list-style-type: none"> 7. Final IH and rehabilitation proposal approved. Interim Covenant executed. Housing construction inspection funds remitted to the city.
<ol style="list-style-type: none"> 8. Documents and guarantees are executed; may submit for a building permit. 	
	<ol style="list-style-type: none"> 9. Housing Inspections 10. Letter of completion & Final Covenants– no later than one year after the Sending Site receives any temporary or final CO



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1. SENDING SITE – Subject to Planning Land Use Review

Applicants with residential developments subject to Site Review, Use Review or other planning land use approval process start that process with the Planning Division (“planning”).

2. SENDING SITE – Initial Inclusionary Housing Discussion

Applicants in a planning land use review process will receive preliminary comments concerning the IH requirement through that process. Applicants proposing a by-right residential development not subject to a land use process should contact a housing planner as soon as possible prior to building permit submittal. In either case, the applicant and a housing planner should discuss the options available to meet the IH requirement. Once the Applicant determines to provide the affordable units off-site several meetings with staff will be arranged to ensure clear understanding of the requirements and timelines.

3. SENDING SITE – Preliminary IH Requirement

Based on the data provided in the site and floor plans and the Unit Data Spreadsheet, which is required as part of the review submittal, the housing planner will determine the IH requirement.

The IH requirement is based on a proportional determination of unit type, number of bedrooms and unit size to what is provided in the market rate units on the Sending Site. For example, a Sending Site with half single-family homes and half stacked flats will be required to provide half of the affordable units as single family and half as stacked flats. Similarly, if the Sending Site 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 – equivalent number of baths in the Sending units up to 1.5
- 2 bedroom - equivalent number of baths in the Sending units up to 2
- 3 bedroom - equivalent number of baths in the Sending units up to 2.5
- 4 bedroom - equivalent number of baths in the Sending units up to 3

The size of the affordable units is determined based on the following table which can be found in the IH Administrative Regulations:

Affordable Unit Size Requirements:



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(See table next page)

Affordable Units*	Minimum Floor Area** – as compared to the average size of all units in the development	Maximum Floor Area* Low/moderate Income (Square Ft.)	Maximum Floor Area* Middle Income (Square Ft.)
Micro Unit (180–300 sq. ft.)	Equal	1,200	1,200
Studio/Zero-bedroom	Equal or 600 sq. ft. whichever is smaller	1,200	1,200
One-bedroom	Equal or 700 sq. ft. whichever is smaller	1,200	1,200
Two-bedroom	80%	1,200	1,200
Three-bedroom	80%	1,400	1,600
Four-bedroom	80%	1,400	1,600

*This table is not applicable to affordable units proposed to satisfy the IH requirement on a Receiving Site.

**If a proposed permanently affordable unit cannot meet the Livability Standards within the minimum allowable floor area, the unit shall be enlarged to accommodate the Livability Standards.

For-sale developments must provide for-sale affordable units with the following affordable prices:

1. Low/Moderate-Income Households. The initial sales price is determined by the city to be affordable to a household earning no more than the HUD low income limit for their family size.
2. Middle-Income Households. The initial sales price is determined by the city to be affordable to a household with annual incomes between eighty percent and one-hundred twenty percent (80% - 120%) of Area Median Income. Three tiers of middle income pricing will be distributed as indicated in the IH Administrative Regulations.

Rental developments may provide either for-sale or rental affordable units. Low/Moderate-income rents are set by the city to be affordable to a household earning no more than sixty percent (60%) of the area median income. Middle-income rents are set to be affordable to a household earning no more than eighty percent (80%) 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](#).

Affordable prices are adjusted quarterly; rents are set annually. Prices and rents are established by the city based on the IH ordinance when the deed restricting covenant is executed.

Once the IH requirement for the Sending Site is determined, a proposal for the Receiving Site, may be determined.



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4. RECEIVING SITE – Off-site Location Approval & preliminary approval

Off-site proposals for deed-restricting existing units to meet IH requirement off-site must first have the proposed off-site location approved. Approval of a potential Receiving Site location is the first step towards approval of a proposed off-site development. However, approval of location does not ensure the off-site development will be approved. The off-site location request will be reviewed to determine the degree to which it meets the following criteria:

- Consistent with Boulder Valley Comprehensive Plan policies for affordable housing, including 7.13 (Integration of Permanently Affordable Housing) to disperse and integrate affordable housing throughout the community;
- Annexed and zoned for residential use;
- Consistent with the land use map and the service area map;
- Consistent with any applicable adopted area plans;
- Able to support multi-modal mobility (walking, biking, and other alternatives to the single-occupant vehicle); and
- Compatible with adjacent uses.

Applicant submits a [Pre-Application Review](#) form to the Planning Division which includes a letter detailing specifically how the proposed location (the Receiving Site) will meet the above criteria. In addition, the Pre-Application process may also be used to request verification of the maximum residential unit density and to answer other questions the applicant may have about the proposed site. Additional details about the off-site location approval process may be found in the “Off-site Location Review Process” document on the city web site.

Preliminary Proposal

Once a preliminary estimate of the IH requirement for the Sending Site is determined and the off-site location is approved, existing units may be proposed to meet the IH requirement. The existing unit mix should substantially reflect the Sending Site requirement however, minor variations due to existing unit constraints may be considered.

To assess the proposed program, the applicant provides the housing planner with a **preliminary proposal** summarizing the Sending Site IH requirement and proposed existing building and/or individual unit(s) to be deed restricted. Include details on how the proposal meets the Sending Site IH requirement and the preliminary criteria below.

After a walk-through of the proposed affordable unit(s), the city will issue a Preliminary Proposal Determination letter indicating the proposed units(s) do or do not meet the preliminary criteria, pending acceptable rehabilitation.



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Preliminary Criteria:

- Units meet the size, bedroom & bath proportional requirements.
- Determination that the property is habitable and in good condition and can be successfully rehabilitated to meet the final requirements as an affordable home.
- Not located in a majority student neighborhood preferred.
- Not located on a block with a high percentage of pre-existing affordable housing units preferred.
- No portion of the building located in the 100-year flood plain or the high hazard or conveyance zones.
- Detached homes or townhomes, the home must have been constructed after 1980.
- Attached homes, the home must have been constructed within ten years from the date of the proposal.
- Attached homes, not located in a building or development with greater than twenty-five percent (25%) pre-existing affordable housing units is preferred.
- Units with existing affordability requirements do not qualify.

5. SENDING SITE – Land Use Approval

Once the Sending Site land use approval is finalized, the IH requirement for the Sending Site can be finalized and used to finalize the Receiving Site proposal.

It is assumed that the Sending Site will get approvals and start development before the Receiving Site. If the Receiving Site process gets ahead of the Sending Site, Receiving Site approvals may be held up pending Sending Site approvals and execution of required documents.

Sending Site developments subject to technical document review should start that process with the Planning Division. Steps 6-9 below may be completed concurrent to the technical review process.

6. SENDING SITE – IH Program Finalized

If there are any changes to the Sending Site from the time the preliminary IH requirement was done, the requirement may need to be adjusted. The final requirement will include the type and number of units, size, number of bedrooms and baths and levels of affordability.



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7. OFF-SITE EXISTING UNITS – Final IH & Rehabilitation Proposal

Once a final IH requirement for the Sending Site is determined and the preliminary proposal and location review are approved, the off-site proposal may be finalized.

Sending Site IH Requirement

The proposal should substantially reflect the Sending Site requirement however, minor variations due to existing constraints may be considered. In some cases, the IH requirement for the Sending Site and proposed program for the will not match exactly. In this case the Sending Site applicant and housing planner will agree upon equivalencies to the IH requirement.

Home Inspection Report

The Owner will hire, at the Owner's expense, an ASHI-certified home inspector (or other nationally recognized home inspection program) to complete a comprehensive inspection. A critical needs assessment may be provided in place of the home inspection if approved by the City Manager. In addition, city housing staff will inspect the home.

Final Proposal

The applicant provides the housing planner with a **final proposal** that includes the following (each item is described below):

- Summary of the Sending Site IH requirement and details on how the proposal meets the Sending Site IH requirement.
- Proposed existing building and date and case number of the location approval (see number 4 above) that will be deed restricted.
- Rehabilitation proposal that includes both a home inspection report and the city staff inspection report and detailed information on how each item will be addressed.
- Specific details on how the proposal will meet the final criteria.

Rehabilitation Program

Acceptance of any existing off-site building, site, or unit shall be based on individual property characteristics. The city manager shall determine the requirements, process and criteria for acceptance of an existing dwelling unit as permanently affordable which may include but is not limited to date of construction, location, initial and rehabilitated condition of the unit.

City approval will be based on the proposal addressing all items identified in the home and staff inspections, meeting the criteria listed below and the completed units be comparable to what would have been provided in a newly constructed unit on the Sending Site. Finishes do not have to be exactly the same as the Sending Site market finishes but should be functionally equivalent. For example, counter tops in the market units may be granite, the affordable unit counters may



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be laminate. **The proposal will be reviewed by the city staff who may request changes prior to approval.** Once a final proposal is approved by the city an interim covenant securing the affordability of the units will be executed. This covenant will be replaced with final covenants once the rehabilitation is completed and the city accepts the units into the affordable housing program.

Final Criteria

The following requirements and standards must be met for the property to be deemed acceptable as a permanently affordable unit. Exceptions may be considered by the city on an individual unit basis. Replacement does not apply to items maintained by the HOA:

- Meets Livability Standards; staff may grant exceptions on a case by case basis based on existing constraints; checklists I & II
- HOA dues for single family homes must be below \$50/month, and multi-family homes below \$250/month
- The HOA must have adequate capital reserves for major capital expenditures anticipated in the subsequent 10-year period
- Kitchen and baths have finishes and fixtures similar to new products or replaced
- Muted, neutral paint, trim, tile and cabinet colors in excellent condition or replaced.
- Appliances that are in excellent condition, under warranty or replaced
- Carpet in excellent condition or replaced; wood floors in good condition or refinished
- Windows in good condition sealed and refinished or repainted or replaced.
- Clean and insured title
- Home eligible for FHA financing

Single, duplex, four-plex buildings or any building where greater than 30% of the units are proposed as affordable:

- Attractive, thriving, complete landscaping or replacement
- Systems, heating, plumbing, electrical, roof, foundation, structure, driveway in average or above average condition with no additional work anticipated in the next five years or replaced

Agreements and Housing Inspection

These and additional details of the proposal as agreed upon by both the city and applicant will be included in an Off-site Deed Restricting Existing Unit Agreement. The city will utilize a housing inspector at the owners cost to ensure quality rehabilitation and compliance with all affordable housing requirements and agreements. Details concerning the goal, scope and cost of the inspector will be included in the Off-site Agreement. The Receiving Site may not receive a letter of completion and the units will not be accepted to satisfy the inclusionary requirement until the housing inspector issues a final report indicating all quality standards and contractual requirements have been met.



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8. SENDING SITE – Requirements for a Building Permit

The following are required prior to building permit submittal for the Sending Site:

- a. *Off-site Location Approval* letter
- b. *Preliminary Proposal Determination* letter from city indicating the proposed units(s) meet the preliminary criteria pending acceptable rehabilitation
- c. *Final Proposal* approved by the city
- d. *Interim Covenant* and all supporting documentation executed for the off-site units
- e. *Inclusionary Housing Agreement for Existing Unit Off-site Affordable Housing (the “Off-site Agreement”)* documents city acceptance of the final proposal including all requirements and responsibilities
- f. *Determination of Inclusionary Housing Compliance form* - Documents the basic agreement for the Sending Site IH requirement and how it will be met
- g. *Housing Inspections* – fees sufficient to meet the estimated cost of inspections
- h. *Financial Guarantee* - security to ensure the affordable units are completed. For details concerning the financial guarantee please see the full policy available on-line at: www.boulderaffordablehomes.com

9. OFF-SITE EXISTING UNITS – Housing Inspector

The city may utilize a housing inspector during the rehabilitation to ensure quality construction, materials and installations and compliance with all affordable housing requirements, covenants, and agreements. The owner is responsible for the cost of the inspector which must be provided to the city prior to residential building permit submittal for the sending site. A final report from the Housing Inspector is due prior to issuance of any certificate of occupancy (CO) or letter of completion.

10. OFF-SITE EXISTING UNITS – Final Inspections, Covenants

Once the Applicant completes the rehabilitation, passes any applicable building inspections, and the housing inspector verifies all contractual obligations and livability and other standards as identified in the approved final proposal have been met the following items will be finalized:

- a. *Letter of completion* from the city – may be issued
- b. *Covenant* – Execute a land covenant on the underlying parcel and a final deed restricting covenant for each affordable unit
- c. *Housing inspection costs* - reconciled
- d. *Financial Guarantee* - The financial guarantee released

All Receiving Site affordable units must achieve a city issued Letter of Completion following final inspections within one year of the issuance of any temporary or final certificate of occupancy on the Sending Site.