



INCLUSIONARY HOUSING SUMMARY

Updated 3/2021

The Inclusionary Housing Ordinance, Administrative Regulations, a **Unit and Cash-in-lieu Calculator** for determining the Inclusionary requirement for your development and other documents referenced below may be found on the city website at www.boulderaffordablehomes.com.

Additional detailed information is available by contacting a City of Boulder Housing Planner:

- Michelle Allen, allenm@bouldercolorado.gov, 303-441-4076
- Sam Olson (she/her), olson@bouldercolorado.gov, 303-441-1828

Each new residential unit developed in Boulder is subject to 9-13 B.R.C., 1981, “Inclusionary Housing” which requires that all residential developments with 5 or more dwelling units contribute 25% and developments with 4 or fewer dwelling units contribute 20% of the total dwelling units as housing affordable to low/moderate and middle-income households. The means for satisfying the inclusionary requirement is approved by city staff concurrent with any land use review or for projects not subject to any land use review, prior to application for a residential building permit.

The program includes incentives for providing for-sale affordable units on-site, including:

- All for-sale affordable units provided on-site in developments with 20 or fewer total units will qualify for middle-income pricing;
- When fifty percent (50%) or more of required for-sale affordable units are provided on-site, the remaining cash-in-lieu will be reduced by half; and
- When seventy-five percent (75%) or more of required for-sale affordable units are provided on-site, the pricing mix may be adjusted to allow half of the affordable units to be priced to be affordable to middle-income households.

To avoid permit application delays, developers are encouraged to meet with housing staff well in advance of permit application to discuss options for satisfying the IH requirement. For-sale affordable units are constructed by a developer and sold with city assistance to an approved buyer. Rental affordable units must be owned *all or in part* by a housing authority or similar non-profit agency. A deed restricting land covenant for each permanently affordable unit must be signed and recorded prior to applying for a residential building permit.

For-sale Developments

For-sale developments should provide at least half of the required permanently affordable units on site. The other half may be met through provision of the affordable units off-site, a cash-in-lieu contribution, dedicating vacant land or by any combination of options. Developments that do not provide at least half of the required affordable units on-site must provide additional community benefit in the form of additional CIL.

Current low/moderate prices may be found on the *Low/Moderate Income Pricing Sheet* and middle-income prices may be found on the *Middle-Income Pricing Sheet*. For information on how the maximum allowable sales prices for new affordable homes are determined, review the *Sales Price Calculation Methodology*.

Rental Developments

Rental developments do not have an on-site requirement and may fulfill the Inclusionary Housing requirement through provision of on-site or off-site rental dwelling units owned by a housing authority or similar agency, a cash-in-lieu contribution, dedicating vacant land or by any combination of these options.

Rents for permanently affordable units are based on the number of bedrooms in a unit and can be found in the *Affordable Rent Chart*. Affordable rents include the total rent paid by the tenant including any non-optional fees and the established monthly utility allowance. City of Boulder maximum rents are grounded in the CHFA maximum rent and reflect the Boulder market. The city maintains the discretion to amend maximum rents or substitute an alternative index. Cash-in-lieu amounts are adjusted annually on July 1st and are applicable for 12 months. Refer to the *Cash-In-Lieu Chart*, for details on applicable amounts.

Providing Affordable Units Off-site

Any off-site existing or newly constructed affordable units proposed to satisfy the inclusionary requirement must to be approved in advance by the city manager prior to building permit application. A number of process and other requirements apply including concurrency of construction, a financial guarantee, and housing inspections. The first step in proposing off-site affordable units is to have the off-site location approved. This is done by submitting a Pre-Application Review form to the planning department. Refer to the *Off-site Process and Timelines for Developers* and *Off-site Location Review Process* documents for more details.

Permanent Affordability

Permanently affordable means a given unit has an ongoing resale restriction that is designed to keep the unit affordable in perpetuity to lower income households.