

APPENDIX C

INCLUSIONARY HOUSING PROGRAM SURVEYS - ORANGE COUNTY
 INCLUSIONARY HOUSING: FINANCIAL EVALUATION
 COSTA MESA, CALIFORNIA

| Jurisdiction | Compliance Options | Set Aside % | On-site % Varies | Rental Development | | | Ownership Development | | | In-Lieu Fee |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | Threshold Project Size | % of AMI | Covenant Period | Threshold Project Size | % of AMI | Covenant Period | |
| Brea | Create on-site units; pay in-lieu fee. City provides incentives to mitigate the impact of the requirement. | 10% | No | 20 | Undefined Percentages of Very Low & Low Income | 55 | 20 | 120% | 10 | Calculated per project. Based on the Affordability Gap |
| Huntington Beach | Create on-site units; create off-site units; preserve or rehab existing housing; pay in-lieu fee. | 10% | No | 3 | 80% | 55 | 3 | 120% | 45 | Sliding Scale: 3 to 30 units. In-Lieu Fee allowed for projects up to 100 units. Rental: \$3.58 to \$35.80/SF Ownership: \$2.54 to \$25.36/SF. The per SF measurement caps at 2,000 SF. |
| Irvine | Projects with fewer than 50 units can create on-site units; convert market rate housing to affordable housing; extend the term of an existing affordable project; pay in-lieu fee; transfer units to a nonprofit housing agency; create off-site units; donate land. Projects with 50+ units must produce the affordable units on site. | 15% | No | Ordinance applies to all housing projects. 50 unit threshold for the production requirement | 5% @ 50% + 5% @ 80% + 5% @ 120%. Defined credits for deeper affordability & # of bedrooms. | 30 | Ordinance applies to all housing projects. 50 unit threshold for the production requirement | 5% @ 50% + 5% @ 80% + 5% @ 120%. Defined credits for deeper affordability & # of bedrooms. | 30 | Calculated per project. The calculation methodology is based on the average land value in Irvine, the average density of housing in Irvine, and a defined predevelopment cost allowance. Formula: $[(\text{Land Value} \div \text{Density}) + \text{Predevelopment Allowance}] \times \text{Percentage Share of Cost related to affordable units not being produced}$ |
| Laguna Beach | Create on-site; pay in-lieu fee. | 25% | No | 2-subdivision 3-other | Low and Moderate | | 2-subdivision 3-other | Low and Moderate | | \$247,317 per affordable rental unit. \$348,197 per affordable ownership unit or lot. |
| Laguna Woods | Create on-site units; create off-site units; pay in-lieu fee; donate land. | 15% | No | 5 | 7.5% @ VL + 7.5% @ Low | 45 | 5 | 10% @ Low + 5% @ Mod | 45 | In-lieu fee is allowed for ownership housing developments that can prove to the City Council's satisfaction that including affordable units is financially infeasible. The fee is calculated based on: the median price of homes sold in Laguna Woods during the last quarter of the previous calendar year minus the affordable price for a 2-bedroom unit. |
| La Habra | Create on-site units; create off-site units; pay in-lieu fee; acquisition/rehabilitation. | 15% | No | 10 | 9% Mod or 6% VL & Low | 55 | 10 | 110% | 45 | \$6.50 per square foot of total building area |

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|---------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------|----------------------------------|-------------------------------------------------------------|--------------------|---------------------------|----------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | Threshold Project Size | % of AMI | Covenant Period | Threshold Project Size | % of AMI | Covenant Period | |
| San Clemente | Create on-site units; create off-site units, pay in-lieu fee; donate land. | 4% | No | 6 | Very Low | 30 | 6 | Very Low | 30 | Based on the greater of 1% of construction costs as determined by the Building Division or 2% of the affordability gap determined by the formula in the Housing Element. |
| San Juan Capistrano | Create on-site units; create off-site units; preserve or rehab existing housing; pay in-lieu fee; donate land. | 10% | No | 2 | | 55 | 2 | | 55 | Based on 90% of the Affordability Gap, which is updated monthly based on benchmark market prices |
| Santa Ana | Only applies to changes in land use and zoning designations. Create on-site units; off-site units; pay in-lieu fee. | Rental: 5% / 15% & Own: 5% | No | 5 | 15% @ Low or 10% @ VL or 5% @ ELI or 5% Low + 3% VL +2% ELI | 55 | 5 | 120% | 55 | Fee charged per sf of habitable area: 5-9: \$6.00; 10-14: \$9.00; 15-19: \$12; 20+: \$15. Discounts for use of skilled and trained labor force |
| Costa Mesa | Only applies to rezone areas. Create on-site units; create off-site units; pay in-lieu fee; donate land. | Rental: 10% or 5% Own: in-lieu fee | No | 60 du/ac + 2-acre min. site size | 10% @ Low or 5% @ VL | 55 | 10 | Moderate | 45 | (In-lieu fee study in progress) |