

**CITY OF CLOVERDALE
CITY COUNCIL
RESOLUTION NO. 088-2018**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE ADOPTING INCOME LIMITS,
INCLUSIONARY HOUSING COST CRITERIA, AND REGIONAL HOUSING NEEDS ASSESSMENT
DISTRIBUTION**

WHEREAS, Chapter 18.13 of the Cloverdale Municipal Code requires that 15% of dwelling units in housing developments comprising five or more new units be affordable units;

WHEREAS, an affordable unit is a dwelling which is affordable to very low, lower, or moderate income households as defined by the U.S. Department of Housing and Urban Development (HUD) Sonoma County Median Income by Household Size report; and

WHEREAS, as an alternative to actually building the required affordable units, an applicant or developer may instead pay an in-lieu fee to the City's affordable housing fund; and

WHEREAS, Chapter 18.13 of the Municipal Code requires that the City, by resolution, adopt a list of income limits, maximum affordable housing costs, and utility allowances for rental units, and the Regional Housing Needs Assignment (RHNA) based on definitions from the Federal Department of Housing and Urban Development (HUD), the Sonoma County Community Development Commission and the Association of Bay Area Governments and further provides that this list shall be updated as needed and shall be used in the implementation of the affordable housing provisions of the Zoning Ordinance, and

WHEREAS, on November 13th, 2018, the City Council held a public hearing on the provisions of this resolution.

NOW, THEREFORE BE IT RESOLVED by the Cloverdale City Council that:

1. Where the ordinance requires use of the Regional Housing Needs Assessment (RHNA) allocation of very low, low, and moderate-income units, the following percentage assignments shall be used: 18% very low, 14% low, and 15% moderate income.
2. The Maximum Rents, Maximum Ownership Costs, and Maximum Affordable Sales Price to be used in implementing Chapter 18.13 of the Municipal Code shall be as shown in Exhibit A, attached hereto and incorporated herein, until amended by subsequent City Council resolution.
3. For the purposes of implementing Chapter 18.13 of the Municipal Code, the in-lieu fee shall be equal to the maximum in-lieu fee identified in Exhibit A, attached hereto and incorporated herein, until amended by subsequent City Council resolution.
4. The Utility Allowances to be used in implementing Chapter 18.13 of the Zoning Ordinance for rental housing shall be as shown in Exhibit B, attached hereto and incorporated herein, until amended.

It is hereby certified that the forgoing Resolution No. 088- 2018-was duly introduced and duly adopted by the City Council of the City of Cloverdale at its regular meeting held on the 13th day of November, 2018, by the following roll call vote: (Ayes-4; Noes-0; Absent-1; Recuse-0).

Ayes: Vice Mayor Russell, Councilmember Brigham, Councilmember Wolter, and Mayor Palla

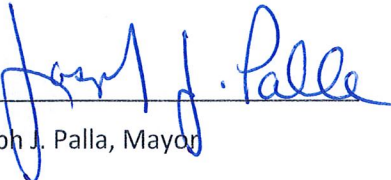
Noes: None

Absent: Councilmember Bagby

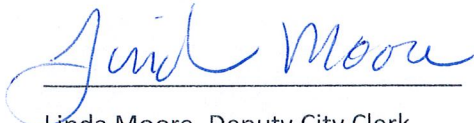
Recuse: None

APPROVED:

ATTESTED:



Joseph J. Palla, Mayor



Linda Moore, Deputy City Clerk

Exhibit A

Table 1
Inclusionary Zoning Ordinance Ownership In-Lieu Fee Calculation
City of Cloverdale
2018

Assumptions

HUD Median Family Income, Santa Rosa MSA 2018 (1) \$84,100
 Affordable Mortgage Principal and Interest as a % of income 30%

No. of Bedrooms	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	7 Bedroom
Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Household Size Income Adjust. Factor	70%	80%	90%	100%	100%	116%	124%	132%

Mortgage Interest Rate 8.00%
 Term (Years) 30
 Downpayment (% of Sales Price) 10.00%

In Lieu Fee as % of Difference Between Market and Affordable Home Price 15.00%

Per Unit Affordable Sales Price by Unit Bedroom Count

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	7 Bedroom
120% AMI								
Annual Income Limit	\$70,644	\$80,736	\$90,828	\$100,920	\$108,994	\$117,067	\$125,141	\$133,214
Affordable Ownership Payment (2)	\$1,766	\$2,018	\$2,271	\$2,523	\$2,775	\$2,927	\$3,129	\$3,330
Supportable Mortgage	\$240,677	\$275,020	\$309,500	\$343,843	\$377,373	\$398,902	\$426,431	\$453,824
Plus: Downpayment @ 10.00%	\$26,742	\$30,558	\$34,389	\$38,205	\$41,264	\$44,322	\$47,381	\$50,425
Maximum Affordable Sales Price (3)	\$267,419	\$305,578	\$343,889	\$382,048	\$412,636	\$443,224	\$473,812	\$504,249
Maximum Affordable Sales Price (Rounded)	\$267,400	\$305,600	\$343,900	\$382,000	\$412,600	\$443,200	\$473,800	\$504,200
Market Home Price, Adjusted by Household Size (4)	\$427,350	\$488,400	\$549,610	\$610,500	\$659,404	\$708,308	\$757,212	\$805,796
Maximum In Lieu Fee (5)	\$24,000	\$27,400	\$30,900	\$34,300	\$37,000	\$39,800	\$42,500	\$45,200

Notes:

- (1) The Santa Rosa MSA is comprised of Sonoma County.
- (2) Affordable ownership payment defined as monthly house payments, after a 10% downpayment but excluding taxes and HOA dues, if any, not to exceed 30% of gross monthly income.
- (3) The 'maximum affordable sales price' for a moderate income household means the present value of a 30-year loan at 8% interest or prevailing mortgage interest rate, whichever is higher, in which monthly payments do not exceed 30% of 120% of median income.
- (4) The median price for new and resale homes and condos in Sonoma County in May 2018 of \$610,500 from CoreLogic (formerly Dataquick) was assigned as the market price for a 3 bedroom unit and adjusted by unit size.
- (5) The in lieu fee equals 15% of the difference between the maximum affordable sales price and the lesser of the actual sales price of the unit or the median sales price of houses in Sonoma County, adjusted for household size.

Source: DRA

Table A-1
Affordable Rent Calculations By Income Level
City of Cloverdale
2018

Assumptions

2018 Median Income, Santa Rosa MSA	\$84,100
2018 HUD Very Low Income Limit, 4 Persons, Santa Rosa MSA	\$49,100
Affordable Housing Cost As a % of Income	30%

No. of Bedrooms	Studio	One Bedroom	Two Bedroom	Three Bedroom
Household Size	1.0 Persons	1.5 Persons	3.0 Persons	4.5 Persons
Household Size Income Adjust. Factor (1)	70%	75%	90%	104%
Renter Utility Allowance (2)	\$72	\$94	\$76	\$99

30% of Median

Annual Gross Income	\$20,622	\$22,095	\$26,514	\$30,638
Affordable Monthly Housing Cost	\$516	\$552	\$663	\$766
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$444	\$458	\$587	\$667

45% of Median

Annual Gross Income	\$30,933	\$33,143	\$39,771	\$45,958
Affordable Monthly Housing Cost	\$773	\$829	\$994	\$1,149
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$701	\$735	\$918	\$1,050

50% of Median

Annual Gross Income	\$34,370	\$36,825	\$44,190	\$51,064
Affordable Monthly Housing Cost	\$859	\$921	\$1,105	\$1,277
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$787	\$827	\$1,029	\$1,178

60% of Median

Annual Gross Income	\$41,244	\$44,190	\$53,028	\$61,277
Affordable Monthly Housing Cost	\$1,031	\$1,105	\$1,326	\$1,532
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$959	\$1,011	\$1,250	\$1,433

80% of Median

Annual Gross Income	\$54,992	\$58,920	\$70,704	\$81,702
Affordable Monthly Housing Cost	\$1,375	\$1,473	\$1,768	\$2,043
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$1,303	\$1,379	\$1,692	\$1,944

100% of Median

Annual Gross Income	\$68,740	\$73,650	\$88,380	\$102,128
Affordable Monthly Housing Cost	\$1,719	\$1,841	\$2,210	\$2,553
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$1,647	\$1,747	\$2,134	\$2,454

120% of Median

Annual Gross Income	\$82,488	\$88,380	\$106,056	\$122,554
Affordable Monthly Housing Cost	\$2,062	\$2,210	\$2,651	\$3,064
Less: Monthly Utility Allowance	(\$72)	(\$94)	(\$76)	(\$99)
Affordable Monthly Rent	\$1,990	\$2,116	\$2,575	\$2,965

Summary of Affordable Rents	Studio	One Bedroom	Two Bedroom	Three Bedroom
30% of Median	\$444	\$458	\$587	\$667
45% of Median	\$701	\$735	\$918	\$1,050
50% of Median	\$787	\$827	\$1,029	\$1,178
60% of Median	\$959	\$1,011	\$1,250	\$1,433
80% of Median	\$1,303	\$1,379	\$1,692	\$1,944
100% of Median	\$1,647	\$1,747	\$2,134	\$2,454
120% of Median	\$1,990	\$2,116	\$2,575	\$2,965

(1) HUD published factors for adjusting household income by household size.

(2) Assumes tenant pays electric heating, cooking and water heating, and other electric, based on utility allowances effective (

Sources: Sonoma County Community Development Commission; DRA