



**City of Burbank  
Planning Division  
INCLUSIONARY HOUSING  
Implementing Regulations**

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On March 28, 2006, the Burbank City Council adopted an Inclusionary Zoning Ordinance (#3694) that requires developers of housing to provide units that are affordable to low and moderate income households. These guidelines will assist potential developers in understanding the requirements placed upon housing projects in the City of Burbank. The City Council has given the Community Development Director the authority to make minor modifications to these regulations if necessary and they will be reviewed every five years by the City Council.

### **APPLICABILITY**

The requirement applies to projects involving construction of five or more new housing units. Therefore, developers of one single family home, a duplex, a triplex or a four-unit apartment project are not subject to the requirements of this ordinance. The requirement is based upon the number of units being constructed and is not affected by the number of existing units on the site. The ordinance does not apply to project applicants who have submitted a complete Development Review application as of the effective date of the ordinance.

### **REQUIREMENTS**

Fifteen percent (15%) of all newly constructed units must be available for Low or Moderate Income households. For rental projects, 5% of the units must have rents which are affordable to Very Low Income households and 10% of the units must have rents which are affordable to Low Income households. Developers may not use moderate income units to meet low or very low income unit requirements. Very Low income households are defined as those earning 50% of the median family income (MFI) for LA County and Low income are those earning 80% MFI. Income levels are adjusted for household size appropriate for the unit.

Where the units are offered for sale, all of the affordable units (15%) must be available for Low or Moderate income households. Moderate Income households are defined as those which earn up to 120% MFI, adjusted for household size. These income definitions are based upon the housing cost definition within the California Health and Safety Code and are consistent with income thresholds used in Burbank's other housing programs.

The attached sheet lists the current median family income by household size and the maximum affordable rents and/or housing costs permitted for Very Low, Low, and Moderate Income units. These incomes, rents and housing cost figures are updated annually consistent with the published U.S. Department of Housing and Urban Development (HUD) income limits.

In calculating the overall number of required affordable units, any decimal fraction shall be rounded up to the nearest whole number.

Example: Construction of 15 new units to be offered for rent  
15 units x 15% = 3 affordable units  
15 units x 5% = 1 unit to be offered for very low income  
15 units x 10% = 2 unit to be offered for low income

Conclusion: A 15 unit project must provide a total of three affordable units. One of these units will be available to very low income earning households and the other two will be available to low income earning households. Therefore 12 units may be offered for rent at market rates.

### **INCLUSIONARY CREDITS FOR DEEPER INCOME TARGETING, SPECIAL NEEDS UNITS**

The City has greater needs for certain housing types and therefore will offer a credit to developers who provide this housing. The desired housing is identified below:

- If Very Low Income rental units are provided in lieu of required Low Income rental units, the developer will receive a credit of 1.25 units for every 1 unit toward the 15% total
- If Low Income owner units are provided in lieu of required Moderate Income owner units, the developer will receive a credit of 2 units for every 1 unit toward the 15% total
- If a greater number of affordable rental or ownership units are provided for large families (3 or more bedrooms) than required for the project or fully accessible units (in excess of California Building Code Chapter 11A requirements) are provided for the physically disabled, the developer will receive a credit of 1.5 units for every 1 unit.

### **IN-LIEU FEE OPTION**

Developers may elect to pay an in-lieu fee rather than provide the affordable units within the project. The in-lieu fee structure is tiered, providing reduced fees for residential developments of between 10-13 units, and further fee reductions for developments of between 5-9 units. The attached sheet identifies the current fees which may be adjusted annually based on market indicators. The in-lieu fee is to be paid prior to issuance of a building permit, and deposited into the City's Affordable Housing Fund. These funds will be used for affordable housing projects throughout the City. The initial fee amount charged is based on the Rental Fee Structure. For ownership projects, once final maps are approved by City Council, in-lieu fees will be recalculated at the ownership rate and any balance will be refunded to the applicant, or additional fees will apply.

### **OTHER ALTERNATIVES TO ON-SITE CONSTRUCTION**

Under certain circumstances described below, developers may be permitted to meet their requirement through a means other than on-site construction or an in-lieu fee. Small projects (5-9 units) are permitted to use all of these options by right; all other projects may be permitted to use these options subject to discretionary approval by the City Council. These options are:

#### 1) Off-site development

The developer may construct the affordable units off-site within another project (including a mixed use project). The off-site development option is subject to the following criteria:

- Site suitability requirements. The off-site location selected by the developer must be suitable in size and have the appropriate zoning and meet other applicable requirements to accommodate the same number and type of affordable units required. Off-site parcels must be served by infrastructure and be environmentally suitable for residential development.
- The off-site units must be located within the City of Burbank
- The off-site units may have a different design standard from the base project units in terms of size, appearance, materials and finished quality, but shall be comparable to market rate units within the neighborhood where the off-site units are constructed and be of a quality consistent with new housing.
- The off-site units must, at a minimum, have the same bedroom mix as the base residential project.

## 2) Off-Site Substantial Rehabilitation and Adaptive Reuse

In-lieu of constructing the affordable units on-site, the developer may perform substantial rehabilitation of existing off-site units. This option also includes adaptive re-use of an existing non-residential building. The rehabilitation and adaptive reuse option is subject to the following criteria:

- The minimum standards threshold for substantial rehabilitation shall include corrections of code violations, Title 24 upgrades, seismic rehabilitation (where appropriate) and accessibility upgrades.
- The minimum cost threshold for substantial rehabilitation is \$40,000 per unit, adjusted periodically for inflation, while demonstrating the standards upgrades listed above.
- Site suitability requirements – Any substantial rehabilitation or adaptive re-use project must involve a site which has suitable zoning to accommodate the same number, type, and bedroom mix of affordable units required.

## 3) Donation of Land

The developer may donate land in lieu of constructing the affordable units within the project. The land donation option is subject to following criteria:

- Land donation must be of equal or greater value than in-lieu fee alternative as determined by a certified City appraisal paid for by the applicant.
- Site suitability requirements – the land to be donated must have the appropriate zoning and meet other applicable requirements to accommodate the type and size of development including environmental considerations. The land to be donated shall obtain all entitlements for residential construction (other than a building permit).
- The number of affordable units to be credited will be based on zoning and the holding capacity of the site and any other applicable factors.
- Title to the land shall be conveyed to the City before a building permit is issued for any or all portions of the residential development.

## **INCENTIVES FOR ON-SITE CONSTRUCTION**

The City recognizes that this inclusionary requirement is an added cost for developers. However, the City has a need for affordable units. Therefore, the City will offer incentives (which result in a cost savings) to developers to construct the units on-site within their proposed projects. It is important to note that all concessions given will be based on the applicant

demonstrating that it is not financially feasible to build the project without the incentives. Besides these concessions listed below, the City will offer assistance, at no cost to the developer, with screening potential tenants or purchasers to determine qualification for the affordable units and the City will also assist in marketing the affordable units.

The incentives (or concessions) are broken down into three tiers depending on their level of impact on residents of the project and/or the surrounding community. Concessions with an anticipated greater impact require a higher level of review and approval. The three tiers of approval are administrative (Community Development Director), Planning Board, and City Council as outlined below.

If a single project requests multiple concessions from different tiers, all requested concessions would be subject to the highest applicable level of review and approval. For example, if a proposed project requested two Tier 1 concessions and one Tier 2 concession, all concessions, including those from Tier 1, would be subject to Planning Board approval under Tier 2. Combinations of concessions from lower tiers may also automatically result in a higher level of review, as noted below.

#### Tier 1

(Administrative approval by the Community Development Director with appeal to Planning Board and City Council)

- Reduce common open space area by up to 30% and/or reduce private open space area by up to 30% per unit or eliminate private open space for 30% of units
  - 30% reduction of both common and private open space not allowed – must mix and match between the two to reach average equivalent
  - Does not allow for reduced minimum open space dimensions
- Increase lot coverage from 60% to 70% when greater than 300 feet from R-1 zoned property
- Increase building height up to the maximum height otherwise allowed in the zone when greater than 300 feet from R-1 zoned property
- Allow laundry/utility room on third floor when 150 to 300 feet from R-1 zoned property
- Reduce side yard setback for three story projects from 6 feet to 5 feet

#### Tier 2

(Planning Board approval with appeal to City Council)

- Any three or more concessions from Tier 1 requested for one project
- Other increases in lot coverage not covered in Tier 1
- Reduce front, side or rear average setbacks and façade breaks (not minimum setbacks)
- Reduce 50% of amenities
- Reduce 25% of landscaping requirements or amenities

#### Tier 3

(City Council approval)

- Any five or more concessions from Tier 1 and/or Tier 2 requested for one project

- Any additional reductions or variations thereof not specifically covered in Tiers 1 and 2 (e.g. reduce open space greater than 30%, three stories of habitable space when less than 300 feet from R-1, etc.)
- Deviation from any other development standards not addressed in Tiers 1 and 2 (e.g. parking, landscaping, amenities, etc.)
- Development impact fee waivers on affordable units, and fee deferrals on market rate units until issuance of certificate of occupancy
- Any direct financial assistance, including that for purchasers of affordable units.

Findings which must be made in order to grant incentives:

Before granting any of the above concessions, the Community Development Director, Planning Board, or City Council must make each of the following findings:

1. The concession or incentive is required in order to provide for affordable housing costs or for rents for the targeted units.
2. The concession or incentive would not have a specific adverse impact upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is not feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low and moderate income households.
3. The applicant has shown that the waiver or modification of development standards is necessary to make the housing units economically feasible.

**OTHER REQUIREMENTS**

Listed below are various other requirements found in the ordinance; these requirements are found in various sections of the ordinance, but are offered here together for easy reference:

1. Standards for Affordable Units and Project Construction
  - There must not be significant identifiable differences between the affordable and market rate units that are visible from the exterior of the dwelling units.
  - Affordable units may be smaller in aggregate size and have different interior features as long as interiors are of good quality, and consistent with construction standards for new housing. The bedroom mix must at a minimum be the same as those in the market rate units.
  - Affordable units must be dispersed throughout the development.
  - On-site units must be constructed simultaneously with market rate units and offered for sale or rent prior to or at the same time as the market rate units
  - Developers must produce evidence of site control as part of the project application package
  - Any person who occupies an affordable unit (rental or purchase) shall occupy that unit as his or her principal residence.
2. Affordable Unit Sales and Project Operating Requirements
  - Units must remain affordable in perpetuity which shall be defined as the useful life of the structure.
  - The City or Redevelopment Agency shall be given the opportunity to purchase affordable for-sale units created pursuant to the on- or off-site affordable unit options.
  - Purchasers of affordable units must remain as owner-occupants, and may not rent out the unit.

- Newly constructed inclusionary units must first be offered to eligible low and moderate income households displaced by any demolition necessary to construct the project.

### 3. Land Conveyance for Off-Site Requirement

- Any developer using the land donation option may dedicate land, sell land at below market rate or option the land on behalf of the City or an eligible non-profit affordable housing developer.
- The fair market value of the parcels shall be supported by an estimate of value prepared by a qualified real estate appraiser hired by the City and paid for by the applicant. A Phase I assessment shall be required before any parcel can be considered for conveyance and a Phase II assessment shall be required if necessary based on the Phase I.
- Conveyance of land or an option to purchase land to the City or an eligible non-profit affordable housing developer shall be completed prior to the City's final sign-off on construction permits for the market rate units, or issuance of a certificate of occupancy.
- An eligible non-profit affordable housing developer is a private, non-profit corporation with (1) a current exemption under Section 501(c)(3) of the IRS code; (2) a certificate of good standing from the Secretary of State in which the organization is incorporated; and (3) has the development of housing affordable to low-income households as one of its principle missions. The non-profit affordable housing developer intended as the recipient of land pursuant to the Land Acquisition Option must be identified as part of the project application.

## COMPLIANCE PROCEDURES

Approval of an Inclusionary Housing Plan and implementation of an approved Inclusionary Housing Agreement is a condition of approval for any Development for which this ordinance applies and for applicants who elect not to pay the in-lieu fee.

Inclusionary Housing Plan. Concurrent with the Developer's first application for a Residential Development, the Developer shall submit to the Director an Inclusionary Housing Plan for review and approval. No Approval shall be granted without submission of the Inclusionary Housing Plan.

1) Contents of Inclusionary Housing Plan. The Inclusionary Housing Plan shall contain the following information:

- i. A brief description of the Residential Development including the number of Market Rate and Inclusionary Units proposed, and the basis for the calculation of the number of Inclusionary Units.
- ii. The unit mix, location, structure type, and size of the Market Rate and Inclusionary Units, and whether the Residential Development is an ownership or rental project. A floor plan depicting the location of the Inclusionary Units shall be provided.
- iii. The income level of the Inclusionary Units.
- iv. In the event the Developer proposes a phased project, a phasing plan that provides for the timely development of the Inclusionary Units as the Residential Development is built out. The phasing plan shall provide for development of the Inclusionary Units concurrently with the Market Rate Units.
- v. If the substantial rehabilitation option is selected, an accounting of the costs to be incurred, which will be verified by receipts and invoices after rehabilitation is complete.

- vi. If conveyance of land or an off-site Inclusionary Unit alternative is proposed, information necessary to establish compliance with Section 31-690 of the Ordinance.
- vii. If the Developer is requesting fulfillment of the Inclusionary Housing requirement through payment of an In-Lieu Fee for Residential Developments with 10 or more units, submittal of the required ProForma analysis along with information necessary to support the findings required by Section 31-690 for approval of the fee alternative. Calculation of the total fee payment required.
- viii. A description of the specific incentives being requested of the City which shall also be accompanied by a ProForma analysis supporting why the incentives are necessary.
- ix. Any other information reasonably requested by the Director to assist with evaluation of the Plan under the standards of this Division.

2) Review and Approval of Plan. The Director shall approve, conditionally approve or reject the Inclusionary Housing Plan within a reasonable time after the date of a complete application for that approval. If the Inclusionary Housing Plan is incomplete, the Inclusionary Housing Plan will be returned to the Developer along with a list of the deficiencies or the information required. At any time during the review process, the Director may require from the Developer additional information reasonably necessary to clarify and supplement the application or determine the consistency of the proposed Inclusionary Housing Plan with the requirements of this ordinance.

Inclusionary Housing Agreement. Except for those cases where the requirements of this ordinance are satisfied by payment of an In-Lieu Fee or the conveyance of land to the City, all Developers whose projects are not exempt from this ordinance as specified in Section 31-688(b) shall enter into an Inclusionary Housing Agreement with the City. The Director, except when the matter is decided by the City Council, is hereby authorized to execute the Inclusionary Housing Agreement on behalf of the City. No building permit shall be issued for all or any portion of the Residential Development unless the Inclusionary Housing Agreement has been recorded in accordance with the Implementation Procedures.

1) Contents of Inclusionary Housing Agreement. The Inclusionary Housing Agreement must include, at a minimum, the following information:

- i. Description of the development, including whether the Inclusionary Units will be rented or owner-occupied.
- ii. The number, size and location of Very Low, Low or Moderate Income Units.
- iii. Inclusionary incentives by the City (if any), including the nature and amount of any local public funding.
- iv. Provisions and/or documents for resale restrictions, deeds of trust, rights of first refusal or rental restrictions.
- v. Provisions for monitoring the ongoing affordability of the units, and the process for qualifying prospective resident households for income eligibility.
- vi. Any additional requirements requested by the Director relevant to compliance with this ordinance.

2) Recording of Agreement. Inclusionary Housing Agreements that are acceptable to the Director must be recorded against owner-occupied Inclusionary Units and residential projects containing rental Inclusionary Units. Additional rental or resale restrictions, deeds of trust, rights

of first refusal and/or other documents acceptable to the Director must also be recorded against owner-occupied Inclusionary Units. In cases where the requirements of this ordinance are satisfied through the development of Off-Site Units, the Inclusionary Housing Agreement must simultaneously be recorded against the property where the Off-Site Units are to be developed.

#### **ATTACHMENTS**

- Current median family income by household size and the maximum affordable rents and/or housing costs permitted for Very Low, Low, and Moderate income units.
- Current in-lieu fee schedule by project size



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# 2008 Los Angeles County Affordable Housing Worksheet

### 1. Income Eligibility<sup>1</sup>

The first step in determining eligibility for an affordable housing program is determining whether the family which will be purchasing or renting the housing unit meets the following income standards applicable to Los Angeles County, based upon the size of the family:

<i>Income Level</i>	<i>1 person household</i>	<i>2 person household</i>	<i>3 person household</i>	<i>4 person household</i>	<i>5 person household</i>	<i>6 person household</i>	<i>7 person household</i>	<i>8 person household</i>
<i>Extremely Low</i>	\$15,950	\$18,200	\$20,500	\$22,750	\$24,550	\$26,400	\$28,200	\$30,050
<i>Very Low</i>	\$26,550	\$30,300	\$34,100	\$37,900	\$40,950	\$43,950	\$47,000	\$50,050
<i>Lower</i>	\$42,450	\$48,500	\$54,600	\$60,650	\$65,500	\$70,350	\$75,200	\$80,050
<i>Median</i>	\$41,900	\$47,800	\$53,800	\$59,800	\$64,600	\$69,400	\$74,200	\$78,900
<i>Moderate</i>	\$50,300	\$57,400	\$64,600	\$71,800	\$77,500	\$83,300	\$89,000	\$94,800

<sup>1</sup> Based on currently effective median income of Los Angeles County, as released by the Department of Housing and Community Development ("HCD") by memorandum dated as of February 28, 2008, which memorandum was posted to the HCD website on March 13, 2008. These median income numbers are revised annually.

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## 2. Determining Affordable Housing Cost

For **ownership housing**, the second step in determining compliance with affordable housing requirements is determining whether the total housing costs payable by the buyer are within allowable amounts.

### For **Extremely Low Income Buyers**:<sup>2</sup>

- purchasing a **0 bedroom** house, monthly housing payments may not exceed **\$314.25**
- purchasing a **1 bedroom** house, monthly housing payments may not exceed **\$358.50**
- purchasing a **2 bedroom** house, monthly housing payments may not exceed **\$403.50**
- purchasing a **3 bedroom** house, monthly housing payments may not exceed **\$448.50**
- purchasing a **4 bedroom** house, monthly housing payments may not exceed **\$484.50**
- purchasing a **5 bedroom** house, monthly housing payments may not exceed **\$520.50**

### For **Very Low Income Buyers**:<sup>3</sup>

- purchasing a **0 bedroom** house, monthly housing payments may not exceed **\$523.75**
- purchasing a **1 bedroom** house, monthly housing payments may not exceed **\$597.50**
- purchasing a **2 bedroom** house, monthly housing payments may not exceed **\$672.50**
- purchasing a **3 bedroom** house, monthly housing payments may not exceed **\$747.50**
- purchasing a **4 bedroom** house, monthly housing payments may not exceed **\$807.50**
- purchasing a **5 bedroom** house, monthly housing payments may not exceed **\$867.50**

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<sup>2</sup> Affordable Housing Cost for Extremely Low Income Households is the product of 30 percent times 30 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50052.5 (b)(1).

<sup>3</sup> Affordable Housing Cost for Very Low Income Households is the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50052.5 (b)(2).

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For Lower Income Buyers:<sup>4</sup>

- purchasing a *0 bedroom* house, monthly housing payments may not exceed **\$733.25**
- purchasing a *1 bedroom* house, monthly housing payments may not exceed **\$836.50**
- purchasing a *2 bedroom* house, monthly housing payments may not exceed **\$941.50**
- purchasing a *3 bedroom* house, monthly housing payments may not exceed **\$1,046.50**
- purchasing a *4 bedroom* house, monthly housing payments may not exceed **\$1,130.50**
- purchasing a *5 bedroom* house, monthly housing payments may not exceed **\$1,214.50**

In addition, for any Lower Income Household whose income falls within the following guidelines, it is optional for the agency to require that affordable housing cost not exceed 30 percent of the gross income of the household:<sup>5</sup>

- *1 person households* whose income is between **\$29,330 and \$42,450**
- *2 person households* whose income is between **\$33,460 and \$48,500**
- *3 person households* whose income is between **\$37,660 and \$54,600**
- *4 person households* whose income is between **\$41,860 and \$60,650**
- *5 person households* whose income is between **\$45,220 and \$65,500**
- *6 person households* whose income is between **\$48,580 and \$70,350**
- *7 person households* whose income is between **\$51,940 and \$75,200**
- *8 person households* whose income is between **\$55,230 and \$80,050**

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<sup>4</sup> Affordable Housing Cost for Lower Income Households is the product of 30 percent times 70 percent of the area median income adjusted for family size appropriate for the unit. Health and Safety Code Section 50052.5(b)(3).

<sup>5</sup> Health and Safety Code Section 50052.5(b)(3)

For Moderate Income Buyers:<sup>6</sup>

- purchasing a *0 bedroom* house, monthly housing payments may not exceed **\$1,344.29**
- purchasing a *1 bedroom* house, monthly housing payments may not exceed **\$1,533.58**
- purchasing a *2 bedroom* house, monthly housing payments may not exceed **\$1,726.08**
- purchasing a *3 bedroom* house, monthly housing payments may not exceed **\$1,918.58**
- purchasing a *4 bedroom* house, monthly housing payments may not exceed **\$2,072.58**
- purchasing a *5 bedroom* house, monthly housing payments may not exceed **\$2,226.58**

In addition, for any Moderate Income Household whose income falls within the following guidelines, it is **optional** for the agency to require that **affordable housing cost not exceed 35 percent of the gross income of the household.**<sup>7</sup>

- 1 person households whose income is between **\$46,090 and \$50,300**
- 2 person households whose income is between **\$52,580 and \$57,400**
- 3 person households whose income is between **\$59,180 and \$64,600**
- 4 person households whose income is between **\$65,780 and \$71,800**
- 5 person households whose income is between **\$71,060 and \$77,500**
- 6 person households whose income is between **\$76,340 and \$83,300**
- 7 person households whose income is between **\$81,620 and \$89,000**
- 8 person households whose income is between **\$86,790 and \$94,800**

<sup>6</sup> Affordable Housing Cost for Moderate Income Households is not less than 28 percent of the gross income of the household, and not more than the product of 35 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. Health and Safety Code Section 50052.5(b)(4).

<sup>7</sup> Health and Safety Code Section 50052.5 (b)(4).

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For purposes of determining Affordable Housing Cost, "Monthly Housing Payments" include an estimate of the following costs for the upcoming twelve months:<sup>8</sup>

- principal and interest payments on the mortgage loan, including rehabilitation loans
- mortgage loan insurance fees
- property taxes and assessments
- fire and casualty insurance
- property maintenance and repairs
- a reasonable allowance for utilities (including garbage collection, sewer, water, electricity, gas and other fuels, but not telephone service). Such an allowance shall take into consideration the cost of an adequate level of service.
- homeowner association fees
- space rent, if the housing unit is on rented land

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<sup>8</sup> 25 California Code of Regulations Section 6920.

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### 3. Determining Affordable Rent

For **rental housing**, the second step in determining compliance with affordable housing requirements is determining whether the total rent costs payable by the tenant are within allowable amounts.

#### For **Extremely Low Income Households**:<sup>9</sup>

- renting a **0 bedroom** unit, monthly rent may not exceed **\$314.25**
- renting a **1 bedroom** unit, monthly rent may not exceed **\$358.50**
- renting a **2 bedroom** unit, monthly rent may not exceed **\$403.50**
- renting a **3 bedroom** unit, monthly rent may not exceed **\$448.50**
- renting a **4 bedroom** unit, monthly rent may not exceed **\$484.50**
- renting a **5 bedroom** unit, monthly rent may not exceed **\$520.50**

#### For **Very Low Income Households**:<sup>10</sup>

- renting a **0 bedroom** unit, monthly rent may not exceed **\$523.75**
- renting a **1 bedroom** unit, monthly rent may not exceed **\$597.50**
- renting a **2 bedroom** unit, monthly rent may not exceed **\$672.50**
- renting a **3 bedroom** unit, monthly rent may not exceed **\$747.50**
- renting a **4 bedroom** unit, monthly rent may not exceed **\$807.50**
- renting a **5 bedroom** unit, monthly rent may not exceed **\$867.50**

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<sup>9</sup> Affordable Rent for Extremely Low Income Households is the product of 30 percent times 30 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50053 (b)(1).

<sup>10</sup> Affordable Rent for Very Low Income Households is the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50053 (b)(2).

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**For Lower Income Households:<sup>11</sup>**

- renting a **0 bedroom** unit, monthly rent may not exceed **\$628.50**
- renting a **1 bedroom** unit, monthly rent may not exceed **\$717.00**
- renting a **2 bedroom** unit, monthly rent may not exceed **\$807.00**
- renting a **3 bedroom** unit, monthly rent may not exceed **\$897.00**
- renting a **4 bedroom** unit, monthly rent may not exceed **\$969.00**
- renting a **5 bedroom** unit, monthly rent may not exceed **\$1,041.00**

In addition, for any Lower Income Household whose income falls within the following guidelines, it is **optional** for the agency to require that **affordable rent not exceed 30 percent of the gross income of the household:**<sup>12</sup>

- **1 person households** whose income is between **\$25,140 and \$42,450**
- **2 person households** whose income is between **\$28,680 and \$48,500**
- **3 person households** whose income is between **\$32,280 and \$54,600**
- **4 person households** whose income is between **\$35,880 and \$60,650**
- **5 person households** whose income is between **\$38,760 and \$65,500**
- **6 person households** whose income is between **\$41,640 and \$70,350**
- **7 person households** whose income is between **\$44,520 and \$75,200**
- **8 person households** whose income is between **\$47,340 and \$80,050**

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<sup>11</sup> Affordable Rent for Lower Income Households is the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50053 (b)(3).

<sup>12</sup> Health and Safety Code Section 50053 (b)(3).

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For Moderate Income Households:<sup>13</sup>

- renting a **0 bedroom** unit, monthly rent may not exceed **\$1,152.25**
- renting a **1 bedroom** unit, monthly rent may not exceed **\$1,314.50**
- renting a **2 bedroom** unit, monthly rent may not exceed **\$1,479.50**
- renting a **3 bedroom** unit, monthly rent may not exceed **\$1,644.50**
- renting a **4 bedroom** unit, monthly rent may not exceed **\$1,776.50**
- renting a **5 bedroom** unit, monthly rent may not exceed **\$1,908.50**

In addition, for any Moderate Income Household whose income falls within the following guidelines, it is **optional** for the agency to require that **affordable rent not exceed 30 percent of the gross income of the household:**<sup>14</sup>

- **1 person households** whose income is between **\$46,090 and \$50,300**
- **2 person households** whose income is between **\$52,580 and \$57,400**
- **3 person households** whose income is between **\$59,180 and \$64,600**
- **4 person households** whose income is between **\$65,780 and \$71,800**
- **5 person households** whose income is between **\$71,060 and \$77,500**
- **6 person households** whose income is between **\$76,340 and \$83,300**
- **7 person households** whose income is between **\$81,620 and \$89,000**
- **8 person households** whose income is between **\$86,790 and \$94,800**

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<sup>13</sup> Affordable Rent for Moderate Income Households is the product of 30 percent times 110 percent of area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50053 (b)(4).

<sup>14</sup> Health and Safety Code Section 50053 (b) (4).



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For purposes of determining Affordable Rent, "*Rent*" is an average of estimated housing costs for the next twelve months. "*Rent*" includes the total of monthly payments for all of the following:<sup>15</sup>

- Use and occupancy of a housing unit and land and facilities associated therewith.
- Any separately charged fees or service charges assessed by the lessor which are required of all tenants, other than security deposits.
- A reasonable allowance for utilities not included in the above costs, including garbage collection, sewer, water, electricity, gas, and other heating, cooking, and refrigeration fuels. Utilities does not include telephone service. Such an allowance shall take into consideration the cost of an adequate level of service.
- Possessory interest taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than the lessor.

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<sup>15</sup> 25 California Code of Regulations Section 6918.



City of Burbank  
Planning Division  
**INCLUSIONARY HOUSING**  
In lieu Fee Schedule

<b>PROJECT SIZE</b>	<b>OWNERSHIP PROJECTS (per square foot)</b>	<b>RENTAL PROJECTS (per square foot)</b>
14+ units	\$20.07	\$10.27
10 to 13 units	\$16.46	\$8.42
5 to 9 units	\$11.24	\$5.75

PASSED and ADOPTED this 21<sup>st</sup> day of March, 2006.

Ord. No. 3694, effective on May 6, 2006.