Portland Housing Bureau

To: Inclusionary Housing Calibration Study Work Group
From: Jessica Conner, Senior Policy and Planning Coordinator
Cc: Molly Rogers, Interim Bureau Director
Date: February 24, 2023
Re: Comparative Analysis - Inclusionary Housing Programs

Executive Summary

As the program administrator for the City of Portland's Inclusionary Housing program, the Housing Bureau is committed to regularly assessing the program and making technical or substantive adjustments as needed. This comparative analysis of inclusionary housing (IH) programs is one component of the current periodic review.

This analysis summarizes a review conducted by Housing Bureau staff focused on nine jurisdictions, in addition to Portland representing IH programs across the country with high, medium, and lower urban populations with varying density. The outcome of this analysis shows that **compared to Portland, other jurisdictions in this comparison have similar set-aside rates, comparable income thresholds, and lower incentive offset packages.**

This analysis found that while the IH programs included in this comparison have a baseline compliance requirement to provide units, not all programs use unit count thresholds as the policy trigger. **Long-term affordability** is prevalent as is setting different **income thresholds based on tenure**. Similar to the national survey, below, offering a **density bonus is the most common development incentive** among the nine programs. Additionally, each of the jurisdictions require some type of development standard such as proportional unit mix and offer **more than one compliance option**, usually on-site units and fee-in-lieu.

Inclusionary Housing in the U.S.

A recent report by Wang and Balachandran (2019)[1], found approximately 1,019 IH programs exist in states and jurisdictions across the United States. According to this study, nearly 70% of the programs identified are traditional IH programs with unit provision requirements. Programs were identified in 31 states – and the District of Columbia. California, Massachusetts, and New Jersey have statewide mandates and account for the bulk of the 734 total jurisdictional programs between them with 162, 142, and 222 programs, respectively.

Wang and Balachandran evaluated 258 programs in greater detail. Of those programs, the average set-aside rate is 16% and programs predominately serve households between 50% - 80% of the (local) median family income (MFI). The most common type of IH program is mandatory, applying to both rental and for-sale developments. The most common income threshold is 80% MFI.

[1] Wang, R., & Balachandran, S. (2021): *Inclusionary Housing in the United States: Prevalence, Practices, and Production in Local Jurisdictions as of 2019.* Grounded Solutions Network. https://groundedsolutions.org/tools-for-success/resource-library/inclusionary-housing-united-states

Review of the underlying data from the study, showed 470 IH programs with a mandatory rental and for-sale component. 271 list an entry in the 'incentive' category. Located in 21 states, 90 of these have at least one financial incentive listed such as a direct subsidy or some type of project financing, fee reduction or waiver, and tax relief. California is home to 41%, or 37 of these individual programs. Of the 90 programs, 73 offer a fee reduction or waiver, 25 offer a direct subsidy, and 15 offer tax relief. A single financial incentive is offered in 68 programs. Only 3 programs offer all three financial incentives. Density bonus was shown to be the most common incentive offered.

Inclusionary Housing Facts
IH is a local land use policy that links affordable housing production to market rate production. As a policy that is linked to the market, it will fluctuate with the market. More units will be created in high production years and fewer units will be produced during a downturn. However, the policy is not a one size fits all and should be developed considering local context and needs.

IH is highly customizable, and programs across the country vary greatly. Programs can be mandatory or voluntary, include or exclude certain development types, provide an option to pay out of the program, set a single or varied level of set-aside rates, income thresholds, and affordability durations, and offer a single or suite of development incentives. IH policies operate best when they establish clear and objective criteria for developers, providing a consistent and predictable framework that developers can learn and adapt to their work.

IH is also a trade, or value exchange, as described by Grounded Solutions. In exchange for assisting in providing a community need, developers typically receive development incentives that can include fee waivers or reductions, development standard waivers or reductions, increased density and height allowances, tax relief, among others.

Similarly, jurisdictions can tailor the options for compliance in a variety of ways that are best suited to the local context. Common policy compliance options include providing units on-site or off-site in either new construction or rehabilitated buildings or paying a fee instead of providing units. Land dedications and compliance option combinations seem to be offered less often or only under specific circumstances.

In addition to expanding the supply of affordable housing, IH policies support economic and racial integration as well as a jurisdiction's federal obligation to affirmatively further fair housing. Including affordable units in what would otherwise be fully market rate buildings, creates a built-in anti-displacement measure supporting neighborhood stabilization while buffering against future displacement pressures. Policies are primarily constructed around voluntary provision of units or through mandates of providing units or a fee.

IH policies typically included all or at least some of the following criteria:

- Policy trigger threshold
- Set-aside rate and income threshold
- Affordability duration
- Compliance options
- Geographic boundary or development type
- Inapplicability or exception criteria
- Development standards for affordable units

Inclusionary Housing in Oregon
In 2016, the statewide pre-emption to IH policies was rescinded through Senate Bill 1533. The legislative provided several sideboards:

- May not require more than 20% of all units to be affordable;
- May not require units at affordability levels below 80% AMI;
- Must provide financial incentive(s) or waivers; and
- Must provide an option of a fee in lieu of providing units.

In Portland, Ordinance 188163 went into effect on February 1, 2017, adding inclusionary housing to the City's portfolio of affordable housing development tools. The development and adoption of the IH program was based on direction given under the 2035 Comprehensive Plan Policies in Chapters 3 and 5 as well as the IH Policy Framework, detailed below, established through a local policy development process in 2016. Policy and program adjustments are made in alignment with the IH Policy Framework. Under Portland's IH program, all buildings proposing 20 or more new units must provide a percentage of the new units at rents affordable to households at 80% of the median family income (MFI) or below.

IH Policy Framework

- Citywide program, calibrating the inclusion rate and incentives by geography;
- Mandatory program at 80% MFI, develop supplemental incentives to reach below 60% MFI;
- Prioritize units on-site over fee-in-lieu revenue or units off-site;
- IH requirement for all buildings with 20 or more units;
- IH units maintain market comparable quality, size, bedroom composition, and unit distribution; and
- Maintain affordable units for 99 years.

Analysis Methodology
A full, complete, and centralized database for IH programs does not exist, however, Grounded Solutions Network, a national membership organization of community land trusts, municipal housing programs, and nonprofits, has carried out an extensive national survey and research project to build public and policy maker understanding of the prevalence and versatility of IH programs. The use of the Grounded Solutions 2019 IH report mentioned above, and the organizations' Inclusionary Housing Database Map was the starting point for this analysis.

After reviewing the dataset for the IH Database Map, jurisdictions were narrowed to include those with a traditional IH program and limited to those with a mandatory requirement applied to both rental and for-sale units. Out of over 1,000 programs, 470 met this criterion. Locales with very little data were removed. The remaining cities and counties were then filtered for research by total population size at or greater than Portland's. This filtering narrowed program options more than desired, so the criterion was scaled back to those with populations of at least 400K. The resulting list of jurisdictions were then considered and selected based on providing a variety of program components, implementation dates, and program criteria. A total of 9 programs were selected for comparison with Portland's program.

IH Program Structures

The most common trigger for mandatory IH programs is a unit count threshold; however, some jurisdictions also use increases in density or zone changes. Chicago limits their mandatory program to projects that are direct recipients of city investments of land or funding. Set asides across the programs range considerably from 4 – 35% with most applying regardless of tenure. When it comes to income limits, it is slightly more common for a program to separate income limits based on tenure and generally give a higher income limit in for-sale projects. Long-term affordability, 75 years or greater, was found to be most common among the programs. It should be noted that Montgomery County applies a different affordability duration to rental projects (99 years) and for-sale projects (30 years).

	Trigger	Set-aside	Income Limit	Duration
Portland	20+ units	20% (10%, 30% options)	30 – 80% MFI (rental) 60- 100% MFI (sale)	99 yrs.
LA County	5+ units	5 – 20% (rental) 7 – 20% (sale)	40 – 80% AMI (rental) 135% AMI avg (sale)	Perpetuity (rent) First purchase (sale)
New York City	10+ units or 12,500+ sq. ft.	20 – 35%	40 – 115% AMI	Perpetuity
Chicago	Recipient of entitlement, City land sale, City funds	10 – 20% (rental) 8 – 20% (sale)	30 – 60% AMI (rental) 120% AMI (sale)	30 yrs.
Fairfax County	50+ units	6.25 – 12.5%	50 – 70% AMI (rental) 70% AMI (sale)	30 yrs.
Seattle	Increase in FAR, height, or units, zone change	5 – 11%	40 – 60% AMI (rental) 80% AMI (sale)	75 yrs.
D.C	10+ units or 50%+ increase in floor area	8 – 10% floor area 70-90% FAR bonus 8.5% - 20% units	60% MFI (rental) 80% MFI (sale)	Perpetuity
Montgomery County	20+ units 11-19 units (fee)	12.5 – 15%	65 – 70% AMI plus housing cost standard	99 yrs. (rent) 30 yrs. (sale)
Denver	10+ units	8 – 15%	60 – 90%	99 yrs.
Minneapolis	20+ units	4 – 20%	30 – 80%	20 – 30 yrs.

Compliance Options and Incentives

All the jurisdictions provide an on-site unit compliance option. Most of the jurisdictions, eight out of ten, allow units to be provided off-site. Only Washington, D.C. does not allow offer a fee-in-lieu option. Just three IH programs offer a land dedication option, however as described in the case studies below, these are usually under limited circumstances. Chicago and Fairfax County's IH programs include a combination of compliance options allowing a developer to provide some units on-site, some units off-site, and pay a portion of a fee. The Montgomery County for-sale IH program allows a developer to make an alternative payment to meet their obligation. Density was found to be the most common development incentive; nine out of ten programs offered this incentive. That is followed by six programs offering a change or reduction in development standards. Three programs offer financial incentives, this could be considered four since Chicago's IH program is triggered by city assistance. Each IH program includes some requirements regarding the development standards of the affordable units. Proportional unit type mix and unit distribution throughout the project are the most common. The detail of each development standard varies among the IH programs.

	Compliance Options	Development Incentives	Development Standards
Portland	On-site, off-site, fee-in-lieu	Density, height, parking reduction, fee waivers, tax exemptions	Unit mix, distribution, and amenities, unit size
LA County	On-site, off-site	Density, development standard and parking reductions	Unit mix, distribution, and amenities, access to building amenities
New York City	On-site, off-site, rehab, preservation, conversion, fee-in-lieu	Density	Unit mix and distribution
Chicago	On-site, off-site, fee-in-lieu combos	Density, height	Unit mix, distribution, and amenities, unit size, access to building amenities, parking access
Fairfax County	On-site, land, fee-in-lieu combos	Density	Unit mix, access to building amenities
Seattle	On-site, fee-in-lieu	Density	Unit mix, distribution, and amenities, access to building amenities
D.C	On-site, off-site	Density, development standard reductions	Unit mix and distribution, unit size
Montgomery County	On-site, off-site, fee-in-lieu, alt payment on for-sale projects	Density, development standard reductions	Bedroom mix and size, unit amenities and size
Denver	On-site, off-site, fee-in-lieu, land, lower AMI, more bedrooms	Density, height, parking and fee reductions	Unit mix, distribution, and amenities
Minneapolis	On-site, off-site, fee-in-lieu, land	Small project deferral, Revenue Offset Assistance	Unit mix, distribution, and amenities, building amenities and entrances

Program Details
The following are deeper details of each of the IH programs focused on in this analysis. The IH programs are listed in the order they appear in the charts above. Included in the individual program details are citations regarding unit production. The IH programs highlighted in this analysis did not report unit production consistently and thus a side-by-side comparison was not conducted.

Portland, Oregon
Population: 642,218
Percentage renters: 46.6%

Policy Overview
Name: Inclusionary Housing
Year adopted: 2016
Coverage area: Citywide
Program trigger: Buildings adding 20 or more residential units
Rental/for-sale set aside & income limit: on-site units: 20% units at 80% AMI or 10% units at 60% AMI; off-site units in new building: 20% units at 60% AMI or 10% units at 30% AMI; off-site units in existing building: 25% units at 60% AMI or 15% units 30% AMI.
Affordability duration: 99 years
Compliance options: on-site, on-site consolidation, on-site reconfiguration, off-site new construction, off-site existing building, fee-in-lieu
Development standards: proportional unit types, unit size, unit distribution, unit amenities
Incentives: Density bonus, height bonus, parking exemption, construction excise tax exemption, system development charge waiver, property tax exemption
Marketing: no requirements
Legislation: Ordinance 188163. Portland City Code Title 33, Planning and Zoning, Chapter 33.245, Inclusionary Housing. Portland City Code Title 30, Affordable Housing, Chapter 30.01.120, Inclusionary Housing. Portland Policy Document HOU-3.04, Inclusionary Housing Program. City of Portland Comprehensive Plan Policy 5.35, Inclusionary Housing.

Production
Since the program's effective date in February 2017 through the end of the 2022 calendar year, there are 242 total projects with 14,823 total units. Included in these 242 projects are 1,622 affordable units. Out of the 242 total projects, 169 are private market projects receiving no direct government subsidies. Within the 169 private market projects are 10,185 total units of which 989 are affordable units.

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Los Angeles County, California
Population: 9,829,544
Percentage renters: 53.6%

Policy Overview
Name: Inclusionary Housing Ordinance
Year adopted: 2020
Coverage area: Specific submarkets within the County
Program trigger: 5 or more units
Rental set aside & income limit: Projects of 5 – 14 units, 5% units at average of 40% AMI; 7% units at average of 65% AMI; 10% units at 80% AMI. Projects 15+ units, 10% units at average of 40% AMI; 15% units at average of 65% AMI; 20% units at 80% AMI.
For-sale set aside & income limit: Projects of 5 – 14 units, 7% or 10% based on submarket. Projects 15+ units, 5%, 15%, or 20% set aside based sub-market. Average of 135% AMI.
Affordability duration: In perpetuity for rental. Income eligibility and equity sharing agreement at initial sale on for-sale units.
Compliance options: On-site, off-site
If a project takes advantage of the density bonus, then the IH units must be provided on-site. For off-site IH units, they must be located either within: (1) a quarter mile of the principal project; (2) a moderate, high, or highest resource area; (3) 2 miles of principle project in an area with known displacement risk; or (4) a community land trust project.
Development standards: unit distribution, proportional unit types, similar exterior and interior finishes, access to building amenities.
Incentives: Density bonus, waivers or reductions in development standards, parking reductions. Projects may not be eligible for all incentives.
Marketing: no required marketing plan identified
Legislation: Ordinance 2020-0064. Los Angeles County Code of Ordinances, Title 22, Planning and Zoning, Division 6, Development Standards, Chapter 22.121, Inclusionary Housing.

Production
Unable to locate reported production information.

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https://planning.lacounty.gov/inclusionary

New York City, New York
Population: 8,467,513
Percentage renters: 66.7%

Policy Overview
Name: Mandatory Inclusionary Zoning
Year adopted: 2016
Coverage area: Specific areas of city
Program trigger: 10 or more units or projects over 12,500 square feet
Rental/for-sale set aside & income limit: 20 – 30%, additional 5% for off-site. Income limit is location dependent at 40%, 60%, 80%, or 115% AMI.
Affordability duration: No affordability expiration
Compliance options: On-site, off-site, substantial rehab, preservation, conversion from non-residential to residential, fee-in-lieu only for projects with 10 – 25 units and 25,000 square feet or less
Development standards: unit distribution, proportional unit types or 50% of units must be 2-bedrooms or greater and 75% of units must be 1-bedroom or greater.
Incentives: Density bonus
Marketing: Must use marketing handbook for rental and homeownership units. Guidelines on outreach, advertising, and applications. Includes requirements to show specific actions to reach potential applicants with disabilities and those from underrepresented groups.
Legislation: Rules of the City of New York, Title 28, Housing Preservation and Development, Chapter 41, Inclusionary Housing; NYC Planning; Zoning Resolution, Article II, Residence District Regulations, Chapter 3, Residential Bulk Regulations in Residence Districts, 23-90, Inclusionary Housing.

Production
MIH is already producing results: over 1,500 permanently affordable homes will be included in projects approved subject to MIH just in the first nine months the program has been in effect. *Housing New York: Three Years of Progress*.

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100 Gold Street
New York, NY 10038
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Inclusionary@hpd.nyc.gov
https://www1.nyc.gov/site/hpd/services-and-information/inclusionary-housing.page

Chicago, Illinois
Population: 2,696,561
Percentage renters: 53.4%

Policy Overview
Name: Affordable Requirements Ordinance
Year adopted: 2007
Coverage area: Specific areas of city
Program trigger: residential developments that receive an entitlement, city land sale, or financial assistance. Projects that receive some type of financial assistance that imposes a greater affordability requirement that the Affordable Requirements Ordinance may not be subject to this policy.
Rental set aside and income limit: (1) 20% of units at average of 60% AMI; (2) 16% of units at average of 50% AMI; (3) 13% of units at average of 40% AMI; (4) 10% of units at average of 30% AMI.
For-sale set-aside and income limit: Higher cost area either 20% of units at average of 100% AMI or 16% of units at average of 80% AMI**.** Low/moderate cost area either 10% of units at average of 100% AMI or 8% of units at 80% AMI. Households may earn up to 120% AMI.
Affordability duration: 30 years
Compliance options: On-site, off-site, combination on-site/off-site, fee-in-lieu, combination on-site, off-site, and fee-in-lieu. Option availability, scale, and rate vary by location. Rental projects must provide 25% of units on-site, 25% on-site or off-site, and remaining with any other option or combination of options. For-sale projects must provide 50% of units on-site or off-site and remaining with any other option or combination of options. Incentive for Family-sized Units (reconfiguration type).
Development standards: unit distribution, proportional unit mix, similar exterior and interior finishes, access to building amenities, equivalent parking access, unit square footage requirement.
Incentives: density bonus or height increase. Not all projects eligible for incentives.
Marketing: Marketing plan required. Agency must approve plan.
Legislation: 2021 ARO Ordinance, Chapter 2-44-085. Municipal Code of Chicago, Title 2, City Government and Administration, Chapter 2-44, Department of Housing, 2-44-080, 2015 affordable requirements.

Production
Today, the ARO has led to nearly 1,500 units completed and under construction for very-low and moderate-income households, including more than 1,000 units within new, market-rate housing developments. *Inclusionary Housing Task Force Staff Report*.

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Fairfax County, Virginia
Population: 1,139,720
Percentage renters: 30.7%

Policy Overview
Name: Affordable Dwelling Unit Program
Year adopted: 1990
Coverage area: county wide
Program trigger: site or portion of a site at one location with 50 or more new dwelling units at a density equivalent to more than 1 unit per acre.
Rental set aside & income limit: amount of density bonus project requests determines set aside. 10% density bonus requires a 6.25% set aside. 20% density bonus requires a 12.5% set aside. 2/3 units at 70% AMI and 1/3 units at 50% AMI.
For-sale set aside & income limit: set aside criteria same as rental. Income limit at 70% AMI.
Affordability duration: 30 years. For homeownership, if sold within 30 years then 30-year restriction resets; continues with subsequent owners until 30 years are met.
Compliance options: on-site. Under strict circumstances, if a developer can prove an economic hardship for providing units, they can petition to provide land dedication, fee-in-lieu, or a combination with some affordable units.
Development standards: policy has been amended a few times, there is a range of requirements based on when the unit was developed. Current requirements: substantially the same bedroom mix and full access to all site amenities.
Incentives: density bonus
Marketing: allows use of a policy to prioritize applicants that live or work in the County.
Legislation: Fairfax County Zoning Ordinance, Article 5, Development Standards, 5101, Affordable Dwelling Unit Program

Production
Since the inception of the program, 2,929 Affordable Dwelling Units (ADUs) produced. *Annual Report Fiscal Year 2021*.

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RHA@fairfaxcounty.gov
https://www.fairfaxcounty.gov/housing/adu-wdu-developer-resources

Seattle, Washington
Population: 733,904
Percentage renters: 54.1%

Policy Overview
Name: Mandatory Housing Affordability
Year adopted: 2017
Coverage area: designated low, medium, and high areas
Program trigger: commercial or residential projects that increase the total number of residential units, zone change requests, increases in base height or FAR.
Set aside: ranges from 5 – 11% depending on (1) commercial or residential project, (2) area designation (low, medium, or high), (3) zone designation (M, M1, or M2); and (4) location inside or outside downtown.
Rental income limit: 40% - 60% AMI depending on unit size
For-sale income limit: 80% AMI
Affordability duration: 75 years
Compliance options: performance option (providing units), payment option (fee-in-lieu)
Development standards: unit distribution, proportional unit type, proportional unit size, access to amenity areas, and functionality.
Incentives: density bonus
Marketing: Must contact three community-based organizations from list provided by agency to solicit prospective applicants prior to advertising to public either two weeks for rental units or 90 days for ownership units. For rental, submit Special Outreach Affirmative Marketing form.
Legislation: Seattle, Washington Municipal Code, Title 23, Land Use Code, Subtitle III, Land Use Regulations, Chapter 23.58C, Mandatory Housing Affordability for Residential Development

Production
Since initial adoption of MHA legislation through December 31, 2021, developers have committed to including 188 MHA Units in 26 projects totaling 2,463 units. *Mandatory Housing Affordability and Incentive Zoning 2021 Report*.

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https://www.seattle.gov/housing/housing-developers/mandatory-housing-affordability

Washington, D.C
Population: 670,050
Percentage renters: 58.4%

Policy Overview
Name: Inclusionary Zoning
Year adopted: 2007
Coverage area: district wide
Program trigger: residential new construction or rehab projects creating 10 or more new units or results in an increase of 50% or more in the buildings' existing gross floor areas
Set aside: based on project type, construction type, and zone, either: 8 – 10% of gross floor area, 70% - 90% of density bonus used, or 8.5% - 20% of total units.
Affordability duration: perpetuity
Income limit: 60% MFI for rental and 80% MFI for ownership
Compliance options: on-site, off-site
Development standards: unit mix, unit distribution, minimum unit size, unit amenities
Incentives: density bonus, modification in development standards
Marketing: developers must use names from a DHCD lottery
Legislation: District of Columbia Municipal Regulations, Title 11, Zoning Regulations of 2016, Subtitle 11-C, General Rules, Chapter 11-C10, Inclusionary Zoning.

Production
In fiscal year 2021, the IZ program produced 372 affordable housing units, the most unit produced in a single year since the program began in August 2009. To date, nearly 1,600 IZ units have been produced. (Exact number is 1,583 at the close of fiscal year 2021). *Inclusionary Zoning Annual Report for Fiscal Year 2021*.

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https://www.dhcd.dc.gov/service/inclusionary-zoning-iz-affordable-housing-program
DHCD - Inclusionary Zoning Database Dashboard

Montgomery County, Maryland
Population: 1,054,827
Percentage renters: 34.3%

Policy Overview
Name: Moderately Priced Dwelling Unit Program
Year adopted: 1973
Coverage area: countywide
Program trigger: new developments of 20 or more units. Applies to single development or projects phased in over time. New developments of 11 – 19 units not required to provide affordable units but must make payment in to Housing Initiative Fund.
Set aside: 12.5 – 15% based on density
Income limit: 4 stories or less = 65% AMI, 5 or more stores = 70% AMI. Plus, housing cost standard limiting prices to 25% of household gross income
Affordability duration: 99 years (rental) and 30 years (for-sale)
Compliance options: on-site, fee-in-lieu. Alternatives authorized at discretion of County include alternative payment option for ownership units and alternative location option for projects of 5 or more stories.
Development standards: bedroom mix (excluding dens), unit amenities, minimum bedroom and units' size in square feet, living space, unit distribution, variety of unit types encouraged but not required to match market rate types.
Incentives: density bonus, potential for adjustment to zoning requirements
Marketing: no required marketing plan identified
Legislation: Montgomery County Code, Part II, Local Laws, Ordinances, Resolutions, Etc., Chapter 25A, Housing, Moderately Priced.

Production
As a result, the MPDU program has successfully produced more than 16,500 affordable units since the first MPDUs were built in 1976. *Annual Report on the Moderately Priced Dwelling Unit (MPDU) and Workforce Housing Programs Covering Calendar Year 2021*.

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Denver (city and county), Colorado
Population: 711,463
Percentage renters: 49.7%

Policy Overview
Name: Mandatory Affordable Housing
Year adopted: 2022
Coverage area: City and County of Denver
Program trigger: 10 or more units on one lot including phased projects, multiple permits, multiple owners; exemption for non-profit regulated affordable housing
Rental set aside & income limit: high market area: 10% units at 60% AMI or 15% units at average 70% AMI, typical market area: 8% units at 60% AMI or 12% units at average 70% AMI
For-sale set aside & income limit: high market area: 10% units at 80% AMI or 15% units at average 90% AMI, typical market area: 8% units at 80% AMI or 12% units at average 90% AMI.
Affordability duration: 99 years
Compliance options: on-site, fee-in-lieu. At discretion of Director: land dedication, fewer units with greater affordability, fewer units with greater number of bedrooms, off-site.
Development standards: unit mix, unit distribution, unit amenities
Incentives: permit fee reduction, parking reduction, possible reduction in commercial linkage fee, if provide 2 – 3% above base set-aside: increase in height and FAR, parking exemption.
Marketing: acknowledgement in Affordable Housing Plan that owner will use a fair and equitable system to select eligible households.
Legislation: Denver, Colorado Code of Ordinances, Chapter 27, Housing, Article X, Mandatory Affordable Housing, Division 2, Mandatory Affordable Housing for Residential Developments.

Production
The Department of Housing Stability's Five-Year Plan aims to create or preserve 7,000 units of affordable housing from 2022 to 2026, reduce housing cost burden among low-and moderate-income households (those earning at or below 80% of the area median income) from 59% to 51%, and increase the rate of homeownership among low- and moderate-income households from 36% to 41%. *Expanding Housing Affordability Through Market-Based Tools*.

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https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Community-Planning-and-Development/Denver-Zoning-Code/Text-Amendments/Affordable-Housing-Project

Minneapolis, Minnesota
Population: 425,338
Percentage renters: 50.2%

Policy Overview
Name: Inclusionary Zoning Ordinance (interim)
Year adopted: 2020 (building upon a 2018 IZ ordinance)
Coverage area: citywide
Program trigger: 20 or more residential units; exceptions: university housing, regulated affordable housing
Rental set aside & income limit: 8% units at 60% AMI, 4% units at 30% AMI, or 20% at 50% AMI
For-sale set aside & income limit: 4% units priced at 70% AMI for households at 80% AMI
Affordability duration: 20 years for rental, 30 years if Revenue Offset Assistance is provided. 30 years for for-sale, renewable upon each resale.
Compliance options: on-site, fee-in-lieu, off-site, land donation
Development standards: unit distribution, unit mix, unit amenities, building amenities and entrances
Incentives: Revenue Offset Assistance for 20% set aside options, development deferral for smaller projects
Marketing: affirmatively market affordable housing opportunities
Legislation: Minneapolis, Minnesota Code of Ordinances, Title 20, Zoning Code, Chapter 535, Regulations of General Applicability, Article XIV, Inclusionary Housing.

Production
From 2020 through 2022, 2,505 total dwelling units in 18 projects were permitted IZ projects. Of these total units, 103 are affordable on-site units. There are 25 projects with 20 or more units in the development pipeline with 3,758 total units. Inclusionary Zoning Tracker Dashboard.

Administering agency
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https://www2.minneapolismn.gov/government/departments/cped/housing-policy-development/inclusionary-zoning-archive/