

## REPORT TO CITY COUNCIL

**DATE:** SEPTEMBER 26, 2018

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER 

**BY:** NATHAN HAMBURGER, ASSISTANT CITY MANAGER   
MIKE KAMINO, PLANNING CONSULTANT 

**SUBJECT:** CONDUCT A PUBLIC HEARING AND INTRODUCE FOR FIRST READING ORDINANCE NO. 18-438, AMENDING THE INCLUSIONARY HOUSING ORDINANCE, SECTION 9133 (INCLUSIONARY HOUSING) OF PART 4 (GENERAL DEVELOPMENT STANDARDS) OF CHAPTER 1 (INTRODUCTION) OF ARTICLE IX (ZONING) OF THE AGOURA HILLS MUNICIPAL CODE AND MAKING A DETERMINATION OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CASE NO. ZOA-01250-2016) (CITY OF AGOURA HILLS, APPLICANT) AND ADOPT RESOLUTION NO. 18-1882, ESTABLISHING A FEE SCHEDULE PURSUANT TO SECTION 9133 (INCLUSIONARY HOUSING) OF THE AGOURA HILLS MUNICIPAL CODE

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The City Council initially adopted the Inclusionary Housing Ordinance (IHO) in 2000, requiring that a certain number of affordable housing units be provided on-site as part of any market rate residential development greater than 10 dwelling units. Pursuant to the IHO, the Council also adopted the in-lieu fee as an alternative to providing the affordable housing units on-site. In 2008, the City Council amended the IHO and adopted a resolution updating the in-lieu fees.

The purpose of inclusionary housing is to provide affordable housing opportunities as part of individual private market-rate residential development projects as a way to ensure that the City has a range of housing options available and achieve the City's affordable housing goals (in accordance with State law). An inclusionary housing requirement means that a certain percentage of new housing construction must be made affordable to Very Low, Low, and Moderate income households. The income levels for these categories are established for each county by the California Department of Housing and Community Development (HCD). Table A below is from RSG's Inclusionary Housing In-Lieu Fee Analysis, August 29, 2018 (attached to this staff report as Exhibit G) and shows the L.A. County qualifying income limits for Very Low, Low, and Moderate income households ranging from 1-person to 8-person households.

**Table A: Qualifying Income Limits by Household Size**

2017 Qualifying Income Limits by Household Size		Table 2-1						
Los Angeles County								
Income Category	Household Size							
	1	2	3	4	5	6	7	8
Very Low (50% of AMI)	\$31,550	\$38,050	\$40,550	\$45,050	\$48,700	\$52,300	\$55,900	\$59,500
Low (80% of AMI)	\$50,500	\$57,700	\$64,900	\$72,100	\$77,900	\$83,650	\$89,450	\$95,200
Median Income <sup>1</sup>	\$45,350	\$51,850	\$58,300	\$64,800	\$70,000	\$75,150	\$80,350	\$85,550
Moderate (120% of AMI)	\$54,450	\$62,200	\$70,000	\$77,750	\$83,950	\$90,200	\$96,400	\$102,650

Source: California Department of Housing and Community Development

<sup>1</sup> The California Department of Housing and Community Development has disconnected the 50% and 80% income limits from Median Income in order to avoid reducing income limits at a time when median incomes have declined or remained flat.

The proposed ordinance includes legal and administrative changes to the IHO to clarify the regulations and encourage a more streamlined process. Staff has prepared the proposed amendments to the IHO, which is attached to this report in two alternative forms as Exhibit A-1 and A-2 (Draft Ordinance No. 18-438) and summarized below in the “Zoning Ordinance Amendment” section of this report.

As part of this update to the IHO, the City Council authorized staff to enter into an agreement with RSG, Inc., to update the in-lieu fees. A copy of RSG’s report entitled “Inclusionary Housing In-Lieu Fee Analysis, August 29, 2018” is attached as Exhibit G. A summary of the proposed inclusionary housing in-lieu fees is contained below in the “Inclusionary Housing In-Lieu Fee” section of this report.

In updating the IHO and in-lieu fees, it is important to note that the State continues to emphasize the need to develop more housing units throughout California to meet continued demand for housing, particularly affordable housing. In 2017, the Legislature passed, and the governor signed into law, a package of 15 housing bills to respond to the housing crisis in California. These bills are intended to create and preserve affordable housing, streamline housing development, and create greater accountability on the part of cities to approve housing in accordance with their fair share of the regional housing need. Local inclusionary housing requirements are considered an important tool to ensure the production of new affordable housing units and to assist cities in complying with State housing laws.

**Zoning Ordinance Amendments**

The following is a summary of the proposed revisions to the current Inclusionary Housing provisions in the Agoura Hills Municipal Code (AHMC) Section 9133.

A. Definitions and applicability (Section 9133.2 and 9133.3)

All references to the former Agoura Hills Redevelopment Agency (RDA) were removed from the IHO because the RDA no longer exists. As revised, the IHO would continue to apply to apartments, condominiums, and single family dwelling

projects. The threshold of applicability of the IHO would remain at 10 dwelling units and the definition of “residential development” would confirm the City’s intent that the IHO applies to residential components of mixed-use projects and residential subdivisions, including condominium conversions. Finally, the IHO amendments would remove unnecessary provisions and duplicative definitions.

**B. Inclusionary unit requirement (Section 9133.4)**

Table B below compares the inclusionary housing set-aside requirements of the current 2008 ordinance and the proposed 2018 update.

**Table B: Inclusionary Housing Set Aside: 2008 vs. 2018**

CURRENT ORDINANCE (2008)	2018 UPDATE (STAFF RECOMMENDATION)
<p>At least 15% of all units shall be set aside as inclusionary units as follows:</p> <ul style="list-style-type: none"> <li>• Very Low Income — minimum 6% of all units</li> <li>• Low or Moderate Income — remaining 9% of all units</li> </ul>	<ul style="list-style-type: none"> <li>• Very Low income — minimum 7% of all units</li> <li>• Low Income — minimum 4% of all units</li> <li>• Moderate Income — minimum 4% of all units</li> </ul>

The current ordinance requires that at least 15 percent of the total number of units in apartment, condominium, and single family residential development projects shall be set aside and made affordable as inclusionary housing units for occupancy by Very Low, Low, and Moderate income households as follows: a minimum of 6 percent of all units shall be set aside for Very Low income households; and the remaining 9 percent of all units shall be set aside for Low or Moderate income households. In the existing IHO, the Low and Moderate income categories are combined, although there is a methodology allowing for credits toward the total number of units if some units are reserved for Low income households instead of Moderate income households. Under the existing ordinance, a 100-unit project would be required to reserve at least 15 inclusionary housing units, of which at least 6 of those unit must be set aside for Very Low income households and 9 of those units must be set aside for Low or Moderate income households.

The following set aside adjustments are proposed for the 2018 update: a minimum of 7 percent of all units for Very Low income households; a minimum of 4 percent of all units for Low income households; and a minimum of 4 percent of all units for Moderate income households. In other words, the current 15 percent overall set aside requirement with two sub-requirements (one for the Very Low income category and the other for the Low or the Moderate income category) would be replaced by separate minimum set aside requirements for the Very Low, Low, and

Moderate income categories. For the same 100 unit project, for example, at least 7 units would be set aside for Very Low income households; at least 4 units would be set aside for Low Income households; and at least 4 units would be set aside for Moderate income households.

Unlike the existing provisions, the proposed IHO would separate the set-aside requirement for Low and Moderate income households. Staff recommends this change for two reasons. First, combining the Low and Moderate into one category arguably results in very few units reserved for households making between 50 and 80 percent of the Area Median Income (i.e., Low income households). When given the option of reserving units for Low and Moderate income households *combined*, developers generally reserve units for the Moderate income households only, instead of the Low income households. Although the current IHO includes an incentive structure to encourage the production of lower income units, staff believes it will be easier to implement and more effective in meeting the City's affordable housing goals if these two categories are separated. As a result, staff recommends formally separating Low and Moderate income households as separate categories and inclusionary requirements.

In addition, in the wake of the 2017 Housing Package, State law now places greater emphasis on satisfying each of the household income categories, particularly the Very Low and Low income categories that are allocated to the City under the Regional Housing Needs Assessment (RHNA). The RHNA allocation represents the fair share of the total regional housing need that is assigned to the City. The RHNA allocation is incorporated into the City's current General Plan Housing Element (2014-2021). Separating the required inclusionary units into occupancy by income category, in alignment with the RHNA income categories, will allow inclusionary units that are newly constructed and deed-restricted for households earning these income levels to be credited toward the City's RHNA obligations for each of those income categories. Table C below shows the breakdown of the RHNA assigned to the City.

**Table C: City RHNA (2014-2021)**

Household Income Level	RHNA Allocation (units)
Very Low	31
Low	19
Moderate	20
Above Moderate	45
<b>TOTAL</b>	<b>115</b>

C. Alternatives to providing inclusionary units on-site (Section 9133.5)

Instead of constructing the required inclusionary units on-site, the developer can choose to pay an in-lieu fee to the City. The in-lieu fee collected under the IHO is deposited into the City's Inclusionary House Trust Fund (Section 9133.10). The City is not bound to spend these funds to actually build the affordable units elsewhere in the city, but can use the funds in a number of ways to develop, establish, and preserve affordable housing and to most efficiently accommodate the City's changing affordable housing needs. Ordinance Section 9133.10.C lists examples of how the City may expend these funds. They include acquiring property for development of affordable units, subsidies to developers to build affordable housing, maintenance and rehabilitation of affordable units, conversion of existing market rate units to affordable rentals, subsidies for covenants to create and preserve affordable units, and costs to administer the housing trust fund and the inclusionary housing program.

The other alternatives available to developers under the current code are to build the required inclusionary units off-site or donate land to the City. These two alternatives are eliminated in the draft Ordinance. Staff feels that the City should take the lead in any efforts for acquisition of off-site locations or land donations that would best suit the City's affordable housing efforts. The in-lieu fees that accrue in the inclusionary housing trust fund would allow the City to coordinate off-site development or establishment of affordable housing units.

At the May 3, 2018, Planning Commission meeting, Commissioners raised the possibility of a "combination" compliance alternative in which the developer would have the option to develop a certain number of the required inclusionary units on-site and pay in-lieu fees equivalent to the remaining balance of the required inclusionary units. Since the time the Planning Commission considered the draft IHO, City staff coordinated with RSG to update the in-lieu fee study to make sure that the methodology used to calculate the in-lieu fee would allow for this type of combination compliance alternative. RSG's study now supports a fee that would be paid "per inclusionary unit that is not developed on-site." This allows the City Council flexibility in setting various options to comply with the inclusionary housing requirements, including a combination compliance alternative. Further discussion of RSG's updated in-lieu fee study is included in the next section entitled "Inclusionary Housing In-Lieu Fee."

At this point, the City Council may adopt an ordinance that incorporates the alternative allowing developers to comply with the IHO through a combination of building on-site units and paying in-lieu fees. The Council may establish the parameters of compliance in any way that would reasonably relate to the City's purpose of meeting its affordable housing goals and developing more housing for various income groups. For example, the Very Low and Low income categories would be the most challenging for the City if it were to develop these units through its in-lieu fee trust fund. Moreover, as shown in Table C, the Very Low income category represents the highest share of the three target income categories and

would be particularly challenging for the City to develop. To address this, staff recommends that the City allow developers to take advantage of a combined compliance option only if the developer builds the Very Low income inclusionary housing units and/or the Low income inclusionary housing units on-site, paying the required in-lieu fees for the remaining inclusionary units not built.

Allowing for this type of targeted combination compliance system would give a developer the following options:

1. Construct all of the required inclusionary units on-site (Very Low, Low, and Moderate income); or
2. Pay the in-lieu fees for all of the required inclusionary units (Very Low, Low, and Moderate income); or
3. Construct all of the required Very Low and/or all the required Low income units on-site, and pay the required in-lieu fees for the remaining required inclusionary units not built by the developer.

Per suggestion by the Planning Commission, staff supports adding the combination alternative, i.e., option 3 above, as this option would provide added flexibility to the developer to utilize a combination of building certain inclusionary housing units within the development and paying the in-lieu fees for the remaining required inclusionary units in order to comply with the City's Inclusionary Housing Ordinance. If the City Council is in favor of adding the combination alternative, staff recommends that the Council introduce the attached draft Ordinance marked as Exhibit A-1. Under this version of the draft Ordinance, the developer would have all of the options outlined above.

On the other hand, the City Council may wish to maintain the "all or nothing" strategy requiring that the developer either provide all of the required inclusionary units on site or pay the required in-lieu fee (i.e., only options 1 or 2 above). If the City Council prefers this approach, staff recommends that the Council introduce the attached draft Ordinance marked as Exhibit A-2.

D. Housing plan (9133.6)

The housing plan is meant to demonstrate how the developer will implement the requirements of the IHO in a specific proposed development project and will be submitted as part of the project application.

E. Inclusionary housing agreement (Section 9133.7)

Language in the current ordinance regarding the submittal of an inclusionary housing agreement was moved to this new separate section. The agreement will include provisions and terms for meeting the requirements of the IHO for units proposed on-site and procedures for preparation of the agreement. The agreement is subject to approval by the City Manager.

F. Implementation and enforcement (9133.9)

This section has been clarified and augmented to provide for the development of Administrative Guidelines, to be prepared by staff and approved by City Council by resolution, which will provide further guidance to the developer and staff in the contents and provisions of the inclusionary housing plan and agreement. The Administrative Guidelines also can provide details and criteria on certain aspects of implementation of the inclusionary housing ordinance and program, such as application materials, eligibility criteria, transfer of property, resale, appraisals, deed restrictions, occupancy restrictions, and consultant reviews.

For reference, staff has prepared Exhibit F, which is the current IHO with the new language underlined and the language to be removed stricken over. Exhibit F reflects the language in Exhibit A-1, the version of the ordinance with the “combination alternative” that staff is recommending.

**Inclusionary Housing In-Lieu Fee**

In 2017, the City entered into an agreement with RSG, Inc., to prepare a study to update the current inclusionary housing in-lieu fees, which have been in place since 2008. Attached is a copy of RSG’s “Inclusionary Housing In-Lieu Fee Analysis, August 29, 2018” (Exhibit G). It is important to update the in-lieu fees periodically so that the fees would reflect current costs as closely as possible.

The study analyzes current regional and local housing affordability levels, current market rate housing and development costs, and the affordable housing development funding gap, which is the difference between the cost to develop an affordable unit versus a market rate unit. Staff used the information in RSG’s study to arrive at the recommended updates to the in-lieu fees for apartment, condominium, and single-family residential development projects.

While no formal action on the in-lieu fee update was necessary by the Planning Commission, copies of an earlier version of the RSG study were provided to the Commission, for information purposes only, at its public hearing on the IHO on May 3, 2018. As stated earlier, the Commissioners raised the possibility of a “combination alternative”, in which the developer would use a combination of developing a certain number of the required inclusionary units on-site and paying an in-lieu fee equivalent to the project’s remaining balance of the required inclusionary units.

To provide the City Council with options in establishing its inclusionary policies, City staff coordinated with RSG to update the study to make sure that the methodology used to calculate the in-lieu fees would allow for a combination compliance alternative, as discussed by the Planning Commission. In discussions between City staff and RSG, it was determined that in order to allow for the inclusion of a combination compliance alternative, the development funding gaps for each of the three target income categories (Very Low, Low, and Moderate

income) could be multiplied by the number of inclusionary units required for each of the three target income categories.

Accordingly, the RSG study has been updated since the time of Planning Commission meeting such that the in-lieu fees are assessed “per inclusionary unit that is not built on-site.” Attached as Exhibit G is a copy of RSG’s “Inclusionary Housing In-Lieu Fee Analysis, August 29, 2018,” which includes the updated analysis. Staff is proposing that the in-lieu fee essentially be the development funding gap for each of the target income categories for apartment, condo, and SFR projects. This allows the City Council flexibility in setting various options to comply with the inclusionary housing requirements, including the combination alternative.

Table D below shows the development funding gaps, which are recommended to be the in-lieu fees for apartments, condominiums, and single family residences (SFR) for each income category.

**Table D: DEVELOPMENT FUNDING GAP / IN-LIEU FEE PER INCOME CATEGORY AND TYPE OF UNIT**

INCOME CATEGORY	APARTMENT	CONDOMINIUM	SFR
Very Low (7%)	\$285,336	\$307,872	\$1,219,858 (or \$508,849 w/ reduction)
Low (4%)	\$260,196	\$262,541	\$1,219,858 (or \$487,943 w/ reduction)
Moderate (4%)	\$134,498	\$130,159	\$1,067,504 or (or \$427,002 w/ reduction)

For reference purposes, below is Table 3-2 from RSG's updated study, which shows examples of the required number of inclusionary units for 14, 20, 42, 72, and 100 unit development projects.

**Inclusionary Housing Requirement Examples** **Table 3-2**  
**Agoura Hills Residential In-Lieu Fee Study**

Income Level	Total Units				
	14	20	42	72	100
Very Low	1	2	3	6	7
Low	1	1	2	3	4
Moderate	1	1	2	3	4



Table 3-3 below is from RSG’s study and shows the required in-lieu fee for an example 20-unit rental development. In this example the per unit fee, i.e., the development funding gap for each income group, is multiplied by the required number of affordable units in the corresponding income groups to calculate the required in-lieu fee amount for the development.

**Rental Development In-Lieu Fee -  
20-Unit Development Example** **Table 3-3**  
**Agoura Hills Residential In-Lieu Fee Study**

	Per Unit Fee	Share of 15% Set- Aside	Required Affordable Units	In-Lieu Fee
Very Low	\$285,336	7.0%	2	\$570,672
Low	\$260,196	4.0%	1	\$260,196
Moderate	\$134,498	4.0%	1	\$134,498
<b>Total</b>		<b>15.0%</b>		<b>\$965,366</b>

According to RSG’s In-Lieu Fee Analysis, the recommended in-lieu fees represent the amount of funding the City would need to have in order to build the units that the applicant would be required to build under the IHO. The maximum fee amounts for each income category are intended to enable the City to bridge the gap, based on current market conditions, to produce affordable housing units in those instances when developers choose not to include such units within the project.

In order to be effective in meeting the City’s affordable housing goals, including the RHNA obligations, staff recommends the City require the maximum supportable in-lieu fees, which also reflects the full development funding gap, as shown in RSG’s report and in Table D above. If an applicant opts not to include the units in a development, the applicant pays the required in-lieu fees which are deposited into the City’s Inclusionary Housing Trust Fund. The City could use the funds in the Inclusionary Housing Trust Fund to develop or establish affordable units to help meet its affordable housing goals.

RSG’s study recommends that the in-lieu fees for single family residential projects, however, be reduced to 40 percent of the actual development funding gap amounts as setting the in-lieu fees so high could have the effect of deterring single family residential development and significantly raise the price of new SFRs. The SFR column in the above Table D shows the development funding gaps/in-lieu fees with the reduced 40% in-lieu fee for SFR shown in parenthesis for each income category. Per the recommendations in RSG’s study, staff recommends that the

City adopt the in-lieu fee schedule as shown in Table D above, including the reduced 40% in lieu fee for SFR.

A representative from RSG will be available at the City Council meeting to make a presentation about the in-lieu fee study and to answer the Council's questions. The attached Exhibit B is a copy of the draft resolution regarding the inclusionary housing in-lieu fee update for City Council consideration. Staff recommends the City Council adopt the draft resolution, which contains the in-lieu fees shown in the above Table D with the 40% reduction for SFR.

### **Land Use and Economic Development Committee**

City staff and RSG discussed the proposed amendments to the Inclusionary Housing Ordinance and the in-lieu fees with the Land Use/Economic Development Committee (LUEDC) of the City Council on March 27, 2018. The LUEDC did not have any additional comments on the proposed amendments to the IHO and the in-lieu fees.

### **Planning Commission Meeting**

The Planning Commission considered the proposed amendments to the Inclusionary Housing Ordinance at a noticed public hearing on May 3, 2018. There were two speakers at the meeting who provided testimony in opposition to the proposed updates to the Zoning Ordinance and the in-lieu fees. On a 4-0-1 vote (with Commissioner Asuncion absent), the Commission adopted Resolution No. 18-1214 (Exhibit C) recommending that the City Council approve the amendments to the IHO, and directed staff to provide the City Council with copies of the meeting minutes so that the Council could have the benefit of considering the various comments of individual Planning Commissioners. While no formal action on the in-lieu fees was necessary by the Planning Commission, individual Commissioners made comments on the fees when deliberating. Attached, as Exhibit D, are the adopted minutes of the May 3, 2018, Planning Commission meeting with detailed comments by each Planning Commissioner. Also attached is Exhibit E, the May 3, 2018 Planning Commission staff report.

### **Environmental Analysis**

The Ordinance has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, as the amendments to the Ordinance are covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that the project may have a significant effect on the environment, as the amendments to the Ordinance address outdated references and apply inclusionary housing to three different product types, apartments, condominium and single-family, with only a minor adjustment in the percentage of such newly constructed units that must be set aside for different affordable housing categories

and making administrative changes to the existing IHO. The project does not involve nor authorize the physical development of housing units but merely lays out the policy framework for applying the requirement to incorporate inclusionary housing in market-rate residential development projects. Moreover, additional CEQA review would be required on a case-by-case basis, prior to issuance of any approvals to construct such units.

## **RECOMMENDATION**

- 1) Staff respectfully recommends the City Council conduct a public hearing, introduce, read by title only, and waive further reading of Ordinance 18-438 (Exhibit A-1), amending the Inclusionary Housing Ordinance, Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code and Making a Determination of Exemption under the California Environmental Quality Act.
  
- 2) Staff respectfully recommends that the City Council adopt Resolution No. 18-1882, establishing a fee schedule pursuant to Section 9133 (Inclusionary Housing) of the Agoura Hills Municipal Code.

### **Attachments:**

- Exhibit A-1: Draft Ordinance No. 18-438 (with Combination Alternative)
- Exhibit A-2: Draft Ordinance No. 18-438 (without Combination Alternative)
- Exhibit B: Resolution No. 18-1882 (In-lieu Fee Update)
- Exhibit C: Planning Commission Resolution No.18-1214
- Exhibit D: Planning Commission Meeting Minutes (May 3, 2018)
- Exhibit E: Planning Commission Staff Report (May 3, 2018)
- Exhibit F: Current Ordinance with strikeouts and underlines
- Exhibit G: Inclusionary Housing In-Lieu Fee Analysis (RSG, August 29, 2018)

**EXHIBIT A-1**

**Draft Ordinance No. 18-438  
(with Combination Alternative)**

Exhibit A-1

**ORDINANCE NO. 18-438**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, AMENDING THE INCLUSIONARY HOUSING ORDINANCE, SECTION 9133 (INCLUSIONARY HOUSING) OF PART 4 (GENERAL DEVELOPMENT STANDARDS) OF CHAPTER 1 (INTRODUCTION) OF ARTICLE IX (ZONING) OF THE AGOURA HILLS MUNICIPAL CODE AND MAKING A DETERMINATION OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**A. Recitals.**

- (i) On July 9, 2008, the City Council adopted Ordinance No. 08-353 revising regulations applicable to the provision of inclusionary housing, and amending Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code (AHMC).
- (ii) The purpose of this Ordinance is to further amend Sections 9133 *et seq.* of the AHMC to update certain regulations pertaining to: (1) the provision of inclusionary housing units in certain residential and mixed-use developments; (2) alternatives to developing inclusionary units on-site in residential developments; and (3) minor clarifications and text revisions, including the removal of references to and provisions related to the former City of Agoura Hills Redevelopment Agency.
- (iii) On May 3, 2018, the Planning Commission conducted and concluded a duly noticed public hearing concerning this Ordinance as required by law at which the Planning Commission received testimony from City staff and all interested parties regarding the proposed amendments. Following the close of the public hearing, the Planning Commission adopted Resolution No. 18-1214, recommending approval of the draft Ordinance.
- (iv) On \_\_\_\_\_, 2018, the City Council of the City of Agoura Hills conducted and concluded a duly noticed public hearing concerning the Ordinance as required by law.
- (v) At the public hearing on \_\_\_\_\_, 2018, the City Council received testimony from City staff and all interested parties regarding the proposed amendments.
- (vi) All legal prerequisites to the adoption of the Ordinance have occurred.

NOW, THEREFORE, the City Council of the City of Agoura Hills hereby ordains as follows:

**Section 1.** The facts set forth in the Recitals of this Ordinance are true and correct.

**Section 2.** Pursuant to the California Environmental Quality Act (“CEQA”), and the City’s local CEQA Guidelines, City staff has determined that this Ordinance (the “project”) is covered by the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment. City staff found that there is no possible significant effect related to the project since the Ordinance proposes to update certain regulations pertaining to the provision of inclusionary housing units in residential and mixed-use developments, alternatives to developing inclusionary units on-site, including updating in-lieu fees, and making minor clarifications and text revisions, including the removal of references and provisions relating to the former City of Agoura Hills Redevelopment Agency. The administrative changes included in the Ordinance will not contribute to any physical changes to the environment; therefore, the project would not result in significant impacts to the environment. No further action is required under CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines (14 CCR § 15061(b)(3)). The City Council has reviewed the project, and based upon the whole record before it, in the exercise of its independent judgment and analysis, finds that City staff has correctly concluded that it can be seen with certainty that there is no possibility the proposed Ordinance may have a significant effect on the environment.

**Section 3.** Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code is hereby amended in its entirety to read as follows:

**“9133. Inclusionary Housing.**

**9133.1. Purpose.**

The provisions of this section establish standards and procedures that encourage the development of housing that is affordable to a range of households with varying income levels. The purpose of this section is to encourage the development and availability of affordable housing by ensuring that the addition of affordable housing units is in proportion with the overall increase in new housing units and to provide standards and procedures for the administration of the city’s inclusionary housing program.

**9133.2. Definitions.**

As used in this section, the following terms shall have the following meanings:

*Adjusted for household size appropriate for the unit* means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

*Affordable housing cost* means the total housing costs paid by a qualifying household, which shall not exceed a specified fraction of its gross income, adjusted for household size appropriate for the unit, as follows:

- A. Very low-income households, rental or for-sale units: thirty (30) percent of fifty (50) percent of the Los Angeles County median income.
- B. Low Income households, rental units: thirty (30) percent of sixty (60) percent of the Los Angeles County median income.
- C. Low-income households, for-sale units: thirty (30) percent of seventy (70) percent of the Los Angeles County median income.
- D. Moderate-income households, rental units: thirty (30) percent of one hundred ten (110) percent of the Los Angeles County median income.
- E. Moderate-income households, for sale units: thirty-five (35) percent of one hundred and ten (110) percent of the Los Angeles County median income.

*Developer* means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a residential development.

*Development agreement* means an agreement entered into between the city and a developer pursuant to California Government Code sections 65864 *et seq.* and Agoura Hills Municipal Code sections 9681 *et seq.*

*Director* means the city's director of planning.

*Dwelling unit means* one (1) or more rooms, designed, occupied, or intended for occupancy as separate living quarters, with full cooking, sleeping, and bathroom facilities for the exclusive use of a single household.

*HCD* means the California Department of Housing and Community Development.

*HUD* means the United States Department of Housing and Urban Development.

*Inclusionary housing agreement* means a legally binding agreement between a developer and the city, in form and substance satisfactory to the director and city attorney, setting forth those provisions necessary to ensure that the requirements of this section are satisfied.

*Inclusionary housing plan* means the plan referenced in subsection 9133.6 and further described in the guidelines, which sets forth the manner in which the requirements of this section will be implemented for a particular residential development.

*Inclusionary housing trust fund* shall have the meaning set forth in subsection 9133.10.

*Inclusionary unit* means a dwelling unit that will be offered for occupancy by very-low, low-, and moderate-income households, at an affordable housing cost, pursuant to this section.

*In-lieu fee* means a fee paid to the city by a developer instead of providing the required inclusionary units within the residential development.

*Low-income households* means households whose gross income is greater than fifty (50) percent and does not exceed eighty (80) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

*Market rate units* mean those dwelling units in a residential development that are not inclusionary units.

*Moderate-income households* means households whose gross income is greater than eighty (80) percent and does not exceed one hundred and twenty (120) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

*Residential development* means the construction, development, or subdivision of property, including condominium conversions, resulting in ten (10) or more lots or dwelling units, including dwelling units in mixed-use projects.

*Very-low-income households* means households whose gross income is equal to fifty (50) percent or less of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

**9133.3. Applicability.**

- A. This section shall apply to all residential developments, as defined herein, where the lots or units will be offered for sale or for rent.
- B. Notwithstanding subsection A, inclusionary units shall not be required for any project for which the city enters into a development agreement or for any project that is otherwise exempt under State law.

**9133.4. Inclusionary unit requirements.**

- A. Inclusionary units shall be reserved for very low-, low- and moderate- income households, and offered at an affordable housing cost, as follows:
  - 1. For all newly constructed rental units in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be rented to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be rented to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be rented to and occupied by moderate income households.
  - 2. For all condominium conversion projects and newly constructed condominiums in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the



development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

3. For all single-family subdivisions, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

B. The city shall set on an annual basis, or as otherwise needed, the maximum allowable rents and sales prices for inclusionary units, adjusted for family size.

**9133.5. Alternative.**

Developing all of the required inclusionary units within the residential development, as required under Section 9133.4, is preferred. However, as an alternative, the requirements of Section 9133.4 may be satisfied as follows:

A. The developer may propose to satisfy the inclusionary housing unit requirements of Section 9133.4.A.1, 9133.4.A.2, and 9133.4.A.3 through payment of an in-lieu fee. The amount of the in-lieu fee shall be calculated using the fee schedule established by resolution of the city council.

B. In accordance with this paragraph, the developer may propose to satisfy the inclusionary housing unit requirements of Section 9133.4.A.1, 9133.4.A.2, and 9133.4.A.3 by providing some of the required inclusionary units on-site and paying an in-lieu fee for any required inclusionary units that are not included in the project. The developer may build the required very low income inclusionary units on-site, and pay the applicable in-lieu fee for the required low income and moderate income units that are not built within the development. The developer may build the required low income inclusionary units on-site, and pay the applicable in-lieu fee for the required very low income and moderate income units that are not built within the development. The developer may build both the required very low income and low income inclusionary units on-site, and pay the in-lieu fee for the required moderate income units that are not built within the development. In no case may the developer build the moderate income units on-site and pay the in-lieu fee for the required very low and low income inclusionary units. The amount of the in-lieu shall be calculated by using the fee schedule established by resolution of the city council.

C. One-half of the in-lieu fee required under Section 9133.5.A or 9133.5.B shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development. All fees collected shall be deposited in the inclusionary housing trust fund.

**9133.6. Housing plan.**

Along with an application for a residential development, a developer shall submit a housing plan to the Director setting forth in detail the manner in which the provisions of this section 9133 will be implemented for the proposed residential development. No application shall be deemed complete until the developer has submitted a complete housing plan.

**9133.7. Inclusionary housing agreement.**

For residential developments providing inclusionary units on-site, an inclusionary housing agreement is required. Such agreement, which shall include provisions and terms for meeting the requirements of this section, shall be approved by the city manager, and recorded as a deed restriction against the property prior to issuance of either a grading or building permit, whichever comes first.

**9133.8. Standards for inclusionary units.**

A. All inclusionary units shall be:

1. Reasonably dispersed throughout the residential development.
2. Proportional, in number, bedroom size and location, to the market rate units.
3. Comparable with the market rate units in terms of the base design, appearance, materials and finished quality.

B. All inclusionary units in a residential development shall be made available for occupancy concurrently with or prior to the occupancy of the market rate units. In the event the city approves a phased project, the inclusionary units required by this section shall be provided proportionally within each phase of the residential development.

C. Inclusionary units shall remain restricted for owner-occupancy by the target income category at the applicable affordable housing cost for a period of not less than forty-five (45) years. At the request of the owner-occupants who initially occupy the inclusionary unit and subsequently seek to sell the inclusionary unit, the City may impose the equity sharing agreement rules included in California Density Bonus Law, currently codified as Government Code Section 65915(c)(2), instead of requiring the aforementioned restriction for 45 years.

D. Inclusionary units in rental residential developments shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty-five (55) years.

E. The occupancy of the inclusionary units shall be governed by the terms of the inclusionary housing agreement recorded as a deed restriction against the property.

**9133.9. Implementation and enforcement.**

A. The City Council may adopt administrative guidelines to assist in implementing and administering this section.

B. Any violation of this section constitutes a misdemeanor.

C. The provisions of this section shall apply to all owners, developers, their agents, successors, and assigns that propose a residential development, occupy an inclusionary unit, or both. All inclusionary units shall be sold or rented in accordance with this section and any regulations and administrative guidelines adopted pursuant to this section.

D. Any individual who sells or rents an inclusionary unit in violation of the provisions of this section, the guidelines, or the inclusionary housing agreement shall be required to forfeit to the city all monetary amounts obtained in violation of those provisions. Recovered funds shall be deposited into the inclusionary housing trust fund.

E. The city may institute any appropriate legal actions or proceedings necessary to ensure compliance with this section, including but not limited to: (1) actions to revoke, deny, or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; and (2) actions for injunctive relief or damages.

F. In any action to enforce this section or an inclusionary housing agreement recorded hereunder, the city shall be entitled to recover its reasonable attorney's fees and costs.

**9133.10. Inclusionary housing trust fund.**

A. There is an established separate fund of the city, known as the inclusionary housing trust fund. All monies collected by the city pursuant to this section shall be deposited in the inclusionary housing trust fund.

B. The monies in the fund and all earnings from investment of the monies in the fund shall be expended to provide housing affordable to very low-income, low-income, and moderate-income households in the city. Such expenditures may include, but shall not be limited to, the costs of administration, monitoring, and compliance for the city's affordable housing program, as further explained in subsection C.

C. For the purpose of this section, providing housing affordable to very low-, low-, and moderate-income households may include, but is not limited to, expending funds for the following: development of affordable units; acquisition of property for the development of such units; subsidies for the construction of such units; maintenance of affordable housing; partnering with affordable housing developers; conversion of existing market rate units to very low-, low- and moderate-income for-sale or rental units; subsidies for covenants to create or preserve very low-, low-, and moderate-income units; substantial rehabilitation of very low-, low-, and moderate-income units; and costs to administer the inclusionary housing trust fund and inclusionary housing program.

**9133.11. Administrative fees.**

The city council may by resolution establish reasonable fees and deposits for the administration of this chapter.”

**Section 4.** If any section, subsection, sentence, clause, portion, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, portions, or phrases of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, portion, or phrase without regard to whether any other section, subsection, sentence, clause, portion, or phrase of the Ordinance would be subsequently declared invalid or unconstitutional.

**Section 5.** The City Clerk shall certify the adoption of this Ordinance and cause its publication in accordance with applicable law.

PASSED, APPROVED, AND ADOPTED this \_\_\_ day of \_\_\_\_\_ 2018, by the following vote to wit:

- AYES:           ()
- NOES:           ()
- ABSENT:       ()
- ABSTAIN:      ()

\_\_\_\_\_  
William D. Koehler, Mayor

ATTEST:

\_\_\_\_\_  
Kimberly M. Rodrigues, City Clerk, MMC

APPROVED AS TO FORM:

\_\_\_\_\_  
Candice K. Lee, City Attorney

**EXHIBIT A-2**

**Draft Ordinance No. 18-438  
(without Combination Alternative)**

**ORDINANCE NO. 18-438**

**AN ORDINANCE OF THE CITY OF AGOURA HILLS, CALIFORNIA, AMENDING THE INCLUSIONARY HOUSING ORDINANCE, SECTION 9133 (INCLUSIONARY HOUSING) OF PART 4 (GENERAL DEVELOPMENT STANDARDS) OF CHAPTER 1 (INTRODUCTION) OF ARTICLE IX (ZONING) OF THE AGOURA HILLS MUNICIPAL CODE AND MAKING A DETERMINATION OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**A. Recitals.**

- (i) On July 9, 2008, the City Council adopted Ordinance No. 08-353 revising regulations applicable to the provision of inclusionary housing, and amending Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code (AHMC).
- (ii) The purpose of this Ordinance is to further amend Sections 9133 *et seq.* of the AHMC to update certain regulations pertaining to: (1) the provision of inclusionary housing units in certain residential and mixed-use developments; (2) alternatives to developing inclusionary units on-site in residential developments; and (3) minor clarifications and text revisions, including the removal of references to and provisions related to the former City of Agoura Hills Redevelopment Agency.
- (iii) On May 3, 2018, the Planning Commission conducted and concluded a duly noticed public hearing concerning this Ordinance as required by law at which the Planning Commission received testimony from City staff and all interested parties regarding the proposed amendments. Following the close of the public hearing, the Planning Commission adopted Resolution No. 18-1214, recommending approval of the draft Ordinance.
- (iv) On \_\_\_\_\_, 2018, the City Council of the City of Agoura Hills conducted and concluded a duly noticed public hearing concerning the Ordinance as required by law.
- (v) At the public hearing on \_\_\_\_\_, 2018, the City Council received testimony from City staff and all interested parties regarding the proposed amendments.
- (vi) All legal prerequisites to the adoption of the Ordinance have occurred.

NOW, THEREFORE, the City Council of the City of Agoura Hills hereby ordains as follows:

**Section 1.** The facts set forth in the Recitals of this Ordinance are true and correct.

**Section 2.** Pursuant to the California Environmental Quality Act (“CEQA”), and the City’s local CEQA Guidelines, City staff has determined that this Ordinance (the “project”) is covered by the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment. City staff found that there is no possible significant effect related to the project since the Ordinance proposes to update certain regulations pertaining to the provision of inclusionary housing units in residential and mixed-use developments, alternatives to developing inclusionary units on-site, including updating in-lieu fees, and making minor clarifications and text revisions, including the removal of references and provisions relating to the former City of Agoura Hills Redevelopment Agency. The administrative changes included in the Ordinance will not contribute to any physical changes to the environment; therefore, the project would not result in significant impacts to the environment. No further action is required under CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines (14 CCR § 15061(b)(3)). The City Council has reviewed the project, and based upon the whole record before it, in the exercise of its independent judgment and analysis, finds that City staff has correctly concluded that it can be seen with certainty that there is no possibility the proposed Ordinance may have a significant effect on the environment.

**Section 3.** Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code is hereby amended in its entirety to read as follows:

**“9133. Inclusionary Housing.**

**9133.1. Purpose.**

The provisions of this section establish standards and procedures that encourage the development of housing that is affordable to a range of households with varying income levels. The purpose of this section is to encourage the development and availability of affordable housing by ensuring that the addition of affordable housing units is in proportion with the overall increase in new housing units and to provide standards and procedures for the administration of the city’s inclusionary housing program.

**9133.2. Definitions.**

As used in this section, the following terms shall have the following meanings:

*Adjusted for household size appropriate for the unit* means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

*Affordable housing cost* means the total housing costs paid by a qualifying household, which shall not exceed a specified fraction of its gross income, adjusted for household size appropriate for the unit, as follows:

- A. Very low-income households, rental or for-sale units: thirty (30) percent of fifty (50) percent of the Los Angeles County median income.
- B. Low Income households, rental units: thirty (30) percent of sixty (60) percent of the Los Angeles County median income.
- C. Low-income households, for-sale units: thirty (30) percent of seventy (70) percent of the Los Angeles County median income.
- D. Moderate-income households, rental units: thirty (30) percent of one hundred ten (110) percent of the Los Angeles County median income.
- E. Moderate-income households, for sale units: thirty-five (35) percent of one hundred and ten (110) percent of the Los Angeles County median income.

*Developer* means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a residential development.

*Development agreement* means an agreement entered into between the city and a developer pursuant to California Government Code sections 65864 *et seq.* and Agoura Hills Municipal Code sections 9681 *et seq.*

*Director* means the city's director of planning.

*Dwelling unit means* one (1) or more rooms, designed, occupied, or intended for occupancy as separate living quarters, with full cooking, sleeping, and bathroom facilities for the exclusive use of a single household.

*HCD* means the California Department of Housing and Community Development.

*HUD* means the United States Department of Housing and Urban Development.

*Inclusionary housing agreement* means a legally binding agreement between a developer and the city, in form and substance satisfactory to the director and city attorney, setting forth those provisions necessary to ensure that the requirements of this section are satisfied.

*Inclusionary housing plan* means the plan referenced in subsection 9133.6 and further described in the guidelines, which sets forth the manner in which the requirements of this section will be implemented for a particular residential development.

*Inclusionary housing trust fund* shall have the meaning set forth in subsection 9133.10.

*Inclusionary unit* means a dwelling unit that will be offered for occupancy by very-low, low-, and moderate-income households, at an affordable housing cost, pursuant to this section.

*In-lieu fee* means a fee paid to the city by a developer instead of providing the required inclusionary units within the residential development.



*Low-income households* means households whose gross income is greater than fifty (50) percent and does not exceed eighty (80) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

*Market rate units* mean those dwelling units in a residential development that are not inclusionary units.

*Moderate-income households* means households whose gross income is greater than eighty (80) percent and does not exceed one hundred and twenty (120) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

*Residential development* means the construction, development, or subdivision of property, including condominium conversions, resulting in ten (10) or more lots or dwelling units, including dwelling units in mixed-use projects.

*Very-low-income households* means households whose gross income is equal to fifty (50) percent or less of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

**9133.3. Applicability.**

- A. This section shall apply to all residential developments, as defined herein, where the lots or units will be offered for sale or for rent.
- B. Notwithstanding subsection A, inclusionary units shall not be required for any project for which the city enters into a development agreement or for any project that is otherwise exempt under State law.

**9133.4. Inclusionary unit requirements.**

- A. Inclusionary units shall be reserved for very low-, low- and moderate- income households, and offered at an affordable housing cost, as follows:
  - 1. For all newly constructed rental units in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be rented to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be rented to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be rented to and occupied by moderate income households.
  - 2. For all condominium conversion projects and newly constructed condominiums in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

3. For all single-family subdivisions, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

B. The city shall set on an annual basis, or as otherwise needed, the maximum allowable rents and sales prices for inclusionary units, adjusted for family size.

**9133.5. Alternative.**

Developing the inclusionary units within the residential development, as required by subsection 9133.4, is preferred. However, the requirements of this section may be satisfied by payment of an in-lieu fee, as follows:

A. The amount of the fee shall be calculated using the fee schedule established by resolution of the city council.

B. One-half of the in-lieu fee required by this subsection shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development. All fees collected shall be deposited in the inclusionary housing trust fund.

**9133.6. Housing plan.**

Along with an application for a residential development, a developer shall submit a housing plan to the Director setting forth in detail the manner in which the provisions of this section 9133 will be implemented for the proposed residential development. No application shall be deemed complete until the developer has submitted a complete housing plan.

**9133.7. Inclusionary housing agreement.**

For residential developments providing inclusionary units on-site, an inclusionary housing agreement is required. Such agreement, which shall include provisions and terms for meeting the requirements of this section, shall be approved by the city manager, and recorded as a deed restriction against the property prior to issuance of either a grading or building permit, whichever comes first.

**9133.8. Standards for inclusionary units.**

A. All inclusionary units shall be:

1. Reasonably dispersed throughout the residential development.
2. Proportional, in number, bedroom size and location, to the market rate units.

3. Comparable with the market rate units in terms of the base design, appearance, materials and finished quality.

B. All inclusionary units in a residential development shall be made available for occupancy concurrently with or prior to the occupancy of the market rate units. In the event the city approves a phased project, the inclusionary units required by this section shall be provided proportionally within each phase of the residential development.

C. Inclusionary units shall remain restricted for owner-occupancy by the target income category at the applicable affordable housing cost for a period of not less than forty-five (45) years. At the request of the owner-occupants who initially occupy the inclusionary unit and subsequently seek to sell the inclusionary unit, the City may impose the equity sharing agreement rules included in California Density Bonus Law, currently codified as Government Code Section 65915(c)(2), instead of requiring the aforementioned restriction for 45 years.

D. Inclusionary units in rental residential developments shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty-five (55) years.

E. The occupancy of the inclusionary units shall be governed by the terms of the inclusionary housing agreement recorded as a deed restriction against the property.

**9133.9. Implementation and enforcement.**

A. The City Council may adopt administrative guidelines to assist in implementing and administering this section.

B. Any violation of this section constitutes a misdemeanor.

C. The provisions of this section shall apply to all owners, developers, their agents, successors, and assigns that propose a residential development, occupy an inclusionary unit, or both. All inclusionary units shall be sold or rented in accordance with this section and any regulations and administrative guidelines adopted pursuant to this section.

D. Any individual who sells or rents an inclusionary unit in violation of the provisions of this section, the guidelines, or the inclusionary housing agreement shall be required to forfeit to the city all monetary amounts obtained in violation of those provisions. Recovered funds shall be deposited into the inclusionary housing trust fund.

E. The city may institute any appropriate legal actions or proceedings necessary to ensure compliance with this section, including but not limited to: (1) actions to revoke, deny, or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; and (2) actions for injunctive relief or damages.

F. In any action to enforce this section or an inclusionary housing agreement recorded hereunder, the city shall be entitled to recover its reasonable attorney's fees and costs.

**9133.10. Inclusionary housing trust fund.**

A. There is an established separate fund of the city, known as the inclusionary housing trust fund. All monies collected by the city pursuant to this section shall be deposited in the inclusionary housing trust fund.

B. The monies in the fund and all earnings from investment of the monies in the fund shall be expended to provide housing affordable to very low-income, low-income, and moderate-income households in the city. Such expenditures may include, but shall not be limited to, the costs of administration, monitoring, and compliance for the city's affordable housing program, as further explained in subsection C.

C. For the purpose of this section, providing housing affordable to very low-, low-, and moderate-income households may include, but is not limited to, expending funds for the following: development of affordable units; acquisition of property for the development of such units; subsidies for the construction of such units; maintenance of affordable housing; partnering with affordable housing developers; conversion of existing market rate units to very low-, low- and moderate-income for-sale or rental units; subsidies for covenants to create or preserve very low-, low-, and moderate-income units; substantial rehabilitation of very low-, low-, and moderate-income units; and costs to administer the inclusionary housing trust fund and inclusionary housing program.

**9133.11. Administrative fees.**

The city council may by resolution establish reasonable fees and deposits for the administration of this chapter."

**Section 4.** If any section, subsection, sentence, clause, portion, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, portions, or phrases of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, portion, or phrase without regard to whether any other section, subsection, sentence, clause, portion, or phrase of the Ordinance would be subsequently declared invalid or unconstitutional.

**Section 5.** The City Clerk shall certify the adoption of this Ordinance and cause its publication in accordance with applicable law.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_ 2018, by the following vote to wit:

AYES: ()  
NOES: ()  
ABSENT: ()  
ABSTAIN: ()

\_\_\_\_\_  
William D. Koehler, Mayor

ATTEST:

\_\_\_\_\_  
Kimberly M. Rodrigues, City Clerk, MMC

APPROVED AS TO FORM:

\_\_\_\_\_  
Candice K. Lee, City Attorney

# **EXHIBIT B**

**Draft Resolution No. 18-1882  
(In-Lieu Fee Update)**

## **EXHIBIT B**

### **RESOLUTION NO. 18-1882**

#### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, ESTABLISHING A FEE SCHEDULE PURSUANT TO SECTION 9133 (INCLUSIONARY HOUSING) OF THE CITY OF AGOURA HILLS MUNICIPAL CODE**

WHEREAS, Agoura Hills Municipal Code Section 9133 *et seq.* requires developers of residential projects of 10 or more units to provide housing units affordable to very low, low, or moderate income households within the residential development;

WHEREAS, Agoura Hills Municipal Code Section 9133 *et seq.* provides that the City's inclusionary housing requirements may be satisfied by payment of an in-lieu fee (instead of building the inclusionary units on-site);

WHEREAS, Agoura Hills Municipal Code Section 9133 *et seq.* provides that the City Council shall adopt a resolution setting forth the amount of the in-lieu fee;

WHEREAS, RSG, Inc., a consulting firm commissioned by the City, prepared a study dated August 29, 2018 entitled "Inclusionary Housing In-Lieu Fee Analysis" addressing the gap between market rate sales prices and rents for housing units in the City and sales prices and rents affordable to very low, low, and moderate income households. The study also contained detailed analysis for the estimated development funding gap related to constructing the affordable units on site. The study included a proposed in-lieu fee amount for apartment, condominium, and single family residential projects necessary to fund 100% of the estimated cost or assistance needed to develop the affordable units at an off-site location. The study also included a reduced fee option at 40% of the estimated cost or assistance needed to develop an affordable single family residential project at an off-site location;

WHEREAS, Section 9133 *et seq.* provides that all monies collected by the City in-lieu of constructing affordable units on-site shall be deposited in the inclusionary housing trust fund;

WHEREAS, a public hearing was duly held on September 26, 2018 at 6:00 p.m. in the Agoura Hills City Hall Council Chambers, 30001 Ladyface Court, Agoura Hills, California. Notice of the time, date, and place and purpose of the aforesaid was duly given;

WHEREAS, evidence, both written and oral, was duly presented to and considered by the City Council of the City of Agoura Hills at the aforesaid public hearing;

WHEREAS, after close of the public hearing, the City Council considered all public comments received both before and during the public hearing, the presentation by City staff, the staff report, the recommendations, and all other pertinent documents and associated actions regarding the proposed ordinance amendment and fee update; and

WHEREAS, the in-lieu fee schedule resolution was reviewed and considered by the City Council in accordance with the provisions of the California Environmental Quality Act (CEQA), as amended, and the CEQA Guidelines promulgated thereunder. The inclusionary housing in-lieu fee schedule resolution has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(4) of the CEQA Guidelines, since it includes the amendment to government funding mechanisms and fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment. Moreover, additional CEQA review would be required on a case-by-case basis prior to issuance of any approvals to construct units with the funds generated by the in-lieu fees.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Agoura Hills as follows:

**Section 1.** The City Council has reviewed and approved the study prepared by RSG, Inc., and finds that the analysis therein supports the in-lieu fees established by this resolution.

**Section 2.** The City Council hereby adopts the inclusionary housing in-lieu fee amounts stated in this resolution. To satisfy the inclusionary housing requirements of Agoura Hills Municipal Code Section 9133 *et seq.*, the total amount of the in-lieu fee for a residential development shall be calculated by multiplying the number of units that are required to be reserved for very low, low, and moderate income households (but that are not built onsite) by the in-lieu fee amounts applicable to each apartment, condominium, and single family units at the income levels stated in Table A below:



TABLE A

In-Lieu Fees for Apartment, Condominium and Single Family Residential Developments
<u>In-Lieu Fee for Apartment Developments:</u> <ul style="list-style-type: none"><li>• \$285,336 for every very low income unit not built</li><li>• \$260,196 for every low income unit not built</li><li>• \$134,498 for every moderate income unit not built</li></ul>
<u>In-Lieu Fee Condominium Developments</u> <ul style="list-style-type: none"><li>• \$307,872 for every very low income unit not built</li><li>• \$262,541 for every low income unit not built</li><li>• \$130,159 for every moderate income unit not built</li></ul>
<u>In-Lieu Fee Single Family Residential Developments</u> <ul style="list-style-type: none"><li>• \$508,849 for every very low income unit not built</li><li>• \$487,943 for every low income unit not built</li><li>• \$427,002 for every moderate income unit not built</li></ul>

**Section 3.** Effective Date. The fees specified in this resolution shall take effect immediately following the adoption of this resolution. Any and all prior resolutions of the City Council establishing or modifying the inclusionary housing in-lieu fees are hereby repealed and replaced as of the effective date of this resolution. However, such repeal shall not excuse or affect the failure of any person or entity to pay any fee heretofore imposed upon such person or entity.

PASSED, APPROVED AND ADOPTED this \_\_\_ day of \_\_\_\_\_, 2018, by the following vote to wit:

AYES:            ( )  
NOES:            ( )  
ABSENT:         ( )  
ABSTAIN:        ( )

\_\_\_\_\_  
William D. Koehler, Mayor

ATTEST:

\_\_\_\_\_  
Kimberly M. Rodrigues, MMC  
City Clerk

**EXHIBIT C**

**Planning Commission Resolution No. 18-1214**

**RESOLUTION NO. 18-1214**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF AGOURA HILLS RECOMMENDING THAT THE CITY COUNCIL REVISE REGULATIONS APPLICABLE TO THE PROVISION OF INCLUSIONARY HOUSING IN THE CITY OF AGOURA HILLS MUNICIPAL CODE (CASE NO. ZOA-01250-2016)**

THE PLANNING COMMISSION OF THE CITY OF AGOURA HILLS HEREBY FINDS, RESOLVES, AND ORDERS AS FOLLOWS:

WHEREAS, the Planning Commission has considered a Zoning Ordinance Amendment (ZOA) to update the regulations pertaining to the provision of inclusionary units in Section 9133 of Part 4 of Chapter 1 of Title IX of the City of Agoura Hills Municipal Code; and

WHEREAS, a duly noticed public hearing was held on May 3, 2018 at 6:30 p.m. in the City Hall Council Chambers, 30001 Ladyface Court, Agoura Hills, California. Notice of the time, date, place and purpose of the aforesaid hearing was duly given; and

WHEREAS, evidence, both written and oral, was duly presented to and considered by the Planning Commission of the City of Agoura Hills at the aforesaid public hearing; and

WHEREAS, after close of the public hearing, the Planning Commission considered all public comments received both before and during the public hearing, the presentation by City staff, the staff report, the recommendations, and all other pertinent documents and associated actions regarding the proposed ordinance amendment and fee update; and

WHEREAS, the inclusionary housing program of the Municipal Code provides parameters that require at least fifteen (15) percent of all newly constructed dwelling units in residential developments to be developed, sold to or rented to, and occupied by very low, low and moderate-income households at an affordable housing cost, and to allow for payment of a fee in-lieu of constructing the units on site; and

WHEREAS, changes need to be made to amend Sections 9133 *et seq.* of the AHMC to update certain regulations pertaining to: (1) the provision of inclusionary housing units in certain residential and mixed-use developments; (2) alternatives to developing inclusionary units on-site in residential and mixed-use developments; and (3) clarifications and administrative text revisions, including the removal of references to and provisions related to the former City of Agoura Hills

Redevelopment Agency, streamlining the definition section and updating the inclusionary housing requirements to reflect current Agoura Hills Housing Element goals and policies and state laws.

WHEREAS, the proposed amendments to the inclusionary housing ordinance are consistent with the purposes of the General Plan as follows. The proposed ordinance amendments updates and implements the Inclusionary Housing Ordinance to reflect recent state laws and case law and to reflect market conditions (Housing Program 4). The proposed amendments would provide affordable housing units as part of a variety of market-rate apartment, condominium and single-family residential development projects, thereby helping to achieve diversity of affordable housing types and densities, and units that are dispersed throughout the City (Goals H-2 and H-3). The proposed ordinance amendments continues to prioritize the provision of inclusionary units within the market-rate residential development, and offers an option to pay fees in-lieu as an alternative to be used to provide and preserve affordable housing elsewhere. (Policy H-2). The proposed in-lieu fees in the ordinance provides opportunities for participation in public-private partnerships to explore potential affordable housing possibilities (Policy H-2). The proposed ordinance amendments provide opportunities for a full range of housing types, locations, and densities to address the community's fair share of regional housing needs and its diverse housing needs, and provides market support to economically sustain commercial land uses in Agoura Hills (Policy LU-2.1).

WHEREAS, the provisions of the Municipal Code have been reviewed and considered by the City Council in accordance with the provisions of the California Environmental Quality Act (CEQA), as amended, and the CEQA Guidelines promulgated thereunder. The Ordinance Amendment has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, as the amendments to the Ordinance are covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that the project may have a significant effect on the environment, as the proposed project does not involve the physical development of housing units, but lays out the policy framework for applying the requirement to incorporate inclusionary housing in market-rate residential development projects. Moreover, additional CEQA review would be required on a case-by-case basis, prior to issuance of any approvals to construct such units.

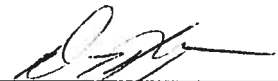
NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Agoura Hills recommends that the City Council adopt the ZOA to Section 9133 of Part 4 of Chapter 1 of Title IX of the City of Agoura Hills Municipal Code, and that the City Council find that the ZOA is exempt from the CEQA.

**PASSED, APPROVED AND ADOPTED** this 3rd day of May 2018, by the following vote to wit:

AYES:	(4)	Zacuto, Anderson, Justice and O'Meara
NOES:	(0)	
ABSENT:	(1)	Asuncion
ABSTAIN:	(0)	

  
\_\_\_\_\_  
Curtis Zacuto, Chair

ATTEST:

  
\_\_\_\_\_  
Doug Hooper, Secretary

**DRAFT ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE OF THE CITY OF AGOURA HILLS, CALIFORNIA,  
AMENDING THE INCLUSIONARY HOUSING ORDINANCE,  
SECTION 9133 (INCLUSIONARY HOUSING) OF PART 4  
(GENERAL DEVELOPMENT STANDARDS) OF CHAPTER 1  
(INTRODUCTION) OF ARTICLE IX (ZONING) OF THE AGOURA  
HILLS MUNICIPAL CODE AND MAKING A DETERMINATION OF  
EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL  
QUALITY ACT**

**A. Recitals.**

- (i) On July 9, 2008, the City Council adopted Ordinance No. 08-353 revising regulations applicable to the provision of inclusionary housing, and amending Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code (AHMC).
- (ii) The purpose of this Ordinance is to further amend Sections 9133 *et seq.* of the AHMC to update certain regulations pertaining to: (1) the provision of inclusionary housing units in certain residential and mixed-use developments; (2) alternatives to developing inclusionary units on-site in residential developments; and (3) minor clarifications and text revisions, including the removal of references to and provisions related to the former City of Agoura Hills Redevelopment Agency.
- (iii) On \_\_\_\_, 2018, the Planning Commission conducted and concluded a duly noticed public hearing concerning this Ordinance as required by law at which the Planning Commission received testimony from City staff and all interested parties regarding the proposed amendments. Following the close of the public hearing, the Planning Commission adopted Resolution No. \_\_\_\_\_, recommending approval of the draft Ordinance.
- (iv) On \_\_\_\_, 2018, the City Council of the City of Agoura Hills conducted and concluded a duly noticed public hearing concerning the Ordinance as required by law.
- (v) At the public hearing on \_\_\_\_\_, 2018, the City Council received testimony from City staff and all interested parties regarding the proposed amendments.
- (vi) All legal prerequisites to the adoption of the Ordinance have occurred.

NOW, THEREFORE, the City Council of the City of Agoura Hills hereby ordains as follows:

**Section 1.** The facts set forth in the Recitals of this Ordinance are true and correct.

**Section 2.** Pursuant to the California Environmental Quality Act ("CEQA"), and the City's local CEQA Guidelines, City staff has determined that this Ordinance (the "project") is covered by the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment. City staff found that there is no possible significant effect related to the project since the Ordinance proposes to update certain regulations pertaining to the provision of inclusionary housing units in residential and mixed-use developments, alternatives to developing inclusionary units on-site, including updating in-lieu fees, and making minor clarifications and text revisions, including the removal of references and provisions relating to the former City of Agoura Hills Redevelopment Agency. The administrative changes included in the Ordinance will not contribute to any physical changes to the environment; therefore, the project would not result in significant impacts to the environment. No further action is required under CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines (14 CCR § 15061(b)(3)). The City Council has reviewed the project, and based upon the whole record before it, in the exercise of its independent judgment and analysis, finds that City staff has correctly concluded that it can be seen with certainty that there is no possibility the proposed Ordinance may have a significant effect on the environment.

**Section 3.** Section 9133 (Inclusionary Housing) of Part 4 (General Development Standards) of Chapter 1 (Introduction) of Article IX (Zoning) of the Agoura Hills Municipal Code is hereby amended in its entirety to read as follows:

**"9133. Inclusionary Housing.**

**9133.1. Purpose.**

The provisions of this section establish standards and procedures that encourage the development of housing that is affordable to a range of households with varying income levels. The purpose of this section is to encourage the development and availability of affordable housing by ensuring that the addition of affordable housing units is in proportion with the overall increase in new housing units and to provide standards and procedures for the administration of the city's inclusionary housing program.

**9133.2. Definitions.**

As used in this section, the following terms shall have the following meanings:

*Adjusted for household size appropriate for the unit* means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

*Affordable housing cost* means the total housing costs paid by a qualifying household, which shall not exceed a specified fraction of its gross income, adjusted for household size appropriate for the unit, as follows:

A. Very low-income households, rental or for-sale units: thirty (30) percent of fifty (50) percent of the Los Angeles County median income.

B. Low Income households, rental units: thirty (30) percent of sixty (60) percent of the Los Angeles County median income.

C. Low-income households, for-sale units: thirty (30) percent of seventy (70) percent of the Los Angeles County median income.

D. Moderate-income households, rental units: thirty (30) percent of one hundred ten (110) percent of the Los Angeles County median income.

E. Moderate-income households, for sale units: thirty-five (35) percent of one hundred and ten (110) percent of the Los Angeles County median income.

*Developer* means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a residential development.

*Development agreement* means an agreement entered into between the city and a developer pursuant to California Government Code sections 65864 *et seq.* and Agoura Hills Municipal Code sections 9681 *et seq.*

*Director* means the city's director of planning.

*Dwelling unit* means one (1) or more rooms, designed, occupied, or intended for occupancy as separate living quarters, with full cooking, sleeping, and bathroom facilities for the exclusive use of a single household.

*HCD* means the California Department of Housing and Community Development.

*HUD* means the United States Department of Housing and Urban Development.

*Inclusionary housing agreement* means a legally binding agreement between a developer and the city, in form and substance satisfactory to the director and city attorney, setting forth those provisions necessary to ensure that the requirements of this section are satisfied.

*Inclusionary housing plan* means the plan referenced in subsection 9133.6 and further described in the guidelines, which sets forth the manner in which the requirements of this section will be implemented for a particular residential development.

*Inclusionary housing trust fund* shall have the meaning set forth in subsection 9133.10.

*Inclusionary unit* means a dwelling unit that will be offered for occupancy by very-low, low-, and moderate-income households, at an affordable housing cost, pursuant to this section.

*In-lieu fee* means a fee paid to the city by a developer instead of providing the required inclusionary units within the residential development.



*Low-income households* means households whose gross income is greater than fifty (50) percent and does not exceed eighty (80) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

*Market rate units* mean those dwelling units in a residential development that are not inclusionary units.

*Moderate-income households* means households whose gross income is greater than eighty (80) percent and does not exceed one hundred and twenty (120) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

*Residential development* means the construction, development, or subdivision of property, including condominium conversions, resulting in ten (10) or more lots or dwelling units, including dwelling units in mixed-use projects.

*Very-low-income households* means households whose gross income is equal to fifty (50) percent or less of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

### **9133.3. Applicability.**

- A. This section shall apply to all residential developments, as defined herein, where the lots or units will be offered for sale or for rent.
- B. Notwithstanding subsection A, inclusionary units shall not be required for any project for which the city enters into a development agreement or for any project that is otherwise exempt under State law.

### **9133.4. Inclusionary unit requirements.**

- A. Inclusionary units shall be reserved for very low-, low- and moderate- income households as follows:
  1. For all newly constructed rental units in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be rented to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be rented to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be rented to and occupied by moderate income households.
  2. For all condominium conversion projects and newly constructed condominiums in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

3. For all single-family subdivisions, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

B. The city shall set on an annual basis, or as otherwise needed, the maximum allowable rents and sales prices for inclusionary units, adjusted for family size.

C. In calculating the required number of inclusionary units in Section 9133.4.A.1, Section 9133.4.A.2, and Section 9133.4.A.3, any fractional units shall be rounded-up to a whole unit.

**9133.5. Alternative.**

Developing the inclusionary units within the residential development as required by subsection 9133.4, is preferred. However, the requirements of this section may be satisfied by payment of an in-lieu fee, as follows:

A. The amount of the fee shall be calculated using the fee schedule established by resolution of the city council.

B. One-half of the in-lieu fee required by this subsection shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development. All fees collected shall be deposited in the inclusionary housing trust fund.

**9133.6. Housing plan.**

Along with an application for a residential development, a developer shall submit a housing plan to the Director setting forth in detail the manner in which the provisions of this section 9133 will be implemented for the proposed residential development. No application shall be deemed complete until the developer has submitted a complete housing plan.

**9133.7. Inclusionary housing agreement.**

For residential developments providing inclusionary units on-site, an inclusionary housing agreement is required. Such agreement, which shall include provisions and terms for meeting the requirements of this section, shall be approved by the city manager, and recorded as a deed restriction against the property prior to issuance of either a grading or building permit, whichever comes first.

**9133.8. Standards for inclusionary units.**

A. All inclusionary units shall be:

1. Reasonably dispersed throughout the residential development.
2. Proportional, in number, bedroom size and location, to the market rate units.
3. Comparable with the market rate units in terms of the base design, appearance, materials and finished quality.

B. All inclusionary units in a residential development shall be made available for occupancy concurrently with or prior to the occupancy of the market rate units. In the event the city approves a phased project, the inclusionary units required by this section shall be provided proportionally within each phase of the residential development.

C. Inclusionary units shall remain restricted for owner-occupancy by the target income category at the applicable affordable housing cost for a period of not less than forty-five (45) years.

D. Inclusionary units in rental residential developments shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty-five (55) years.

E. The occupancy of the inclusionary units shall be governed by the terms of the inclusionary housing agreement recorded as a deed restriction against the property.

**9133.9. Implementation and enforcement.**

A. The City Council may adopt administrative guidelines to assist in implementing and administering this section.

B. Any violation of this section constitutes a misdemeanor.

C. The provisions of this section shall apply to all owners, developers, their agents, successors, and assigns that propose a residential development, occupy an inclusionary unit, or both. All inclusionary units shall be sold or rented in accordance with this section and any regulations adopted pursuant to this section.

D. Any individual who sells or rents an inclusionary unit in violation of the provisions of this section, the guidelines, or the inclusionary housing agreement shall be required to forfeit to the city all monetary amounts obtained in violation of those provisions. Recovered funds shall be deposited into the inclusionary housing trust fund.

E. The city may institute any appropriate legal actions or proceedings necessary to ensure compliance with this section, including but not limited to: (1) actions to revoke, deny, or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; and (2) actions for injunctive relief or damages.

F. In any action to enforce this section or an inclusionary housing agreement recorded hereunder, the city shall be entitled to recover its reasonable attorney's fees and costs.

**9133.10. Inclusionary housing trust fund.**

A. There is an established separate fund of the city, known as the inclusionary housing trust fund. All monies collected by the city pursuant to this section shall be deposited in the inclusionary housing trust fund.

B. The monies in the fund and all earnings from investment of the monies in the fund shall be expended to provide housing affordable to very low-income, low-income, and moderate-income households in the city. Such expenditures may include, but shall not be limited to, the costs of administration, monitoring, and compliance for the city's affordable housing program, as further explained in subsection C.

C. For the purpose of this section, providing housing affordable to very low-, low-, and moderate-income households may include, but is not limited to, expending funds for the following: development of affordable units; acquisition of property for the development of such units; subsidies for the construction of such units; maintenance of affordable housing; partnering with affordable housing developers; conversion of existing market rate units to very low-, low- and moderate-income for-sale or rental units; subsidies for covenants to create or preserve very low-, low-, and moderate-income units; substantial rehabilitation of very low-, low-, and moderate-income units; and costs to administer the inclusionary housing trust fund and inclusionary housing program.

**9133.11. Administrative fees.**

The city council may by resolution establish reasonable fees and deposits for the administration of this chapter.”

**Section 4.** If any section, subsection, sentence, clause, portion, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, portions, or phrases of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, portion, or phrase without regard to whether any other section, subsection, sentence, clause, portion, or phrase of the Ordinance would be subsequently declared invalid or unconstitutional.

**Section 5.** The City Clerk shall certify the adoption of this Ordinance and cause its publication in accordance with applicable law.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_ 2018, by the following vote to wit:

- AYES: (0)
- NOES: (0)
- ABSENT: (0)
- ABSTAIN: (0)

\_\_\_\_\_  
William D. Koehler, Mayor

ATTEST:

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Kimberly M. Rodrigues, City Clerk, MMC

APPROVED AS TO FORM:

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Candice K. Lee, City Attorney

**EXHIBIT D**

**Planning Commission Meeting Minutes  
(May 8, 2018)**

**MINUTES  
REGULAR MEETING OF THE  
AGOURA HILLS PLANNING COMMISSION  
Civic Center – Council Chambers  
30001 Ladyface Court, Agoura Hills, California 91301  
Thursday, May 3, 2018  
6:30 P.M.**

The Planning Commission meeting was called to order at 6:30 p.m. by Chair Zacuto.

The Pledge of Allegiance was led by Commissioner Justice.

Present were: Chair Curtis Zacuto and Commissioners Kate Anderson, Michael Justice, and John O'Meara.

Absent were: Vice Chair John Asuncion.

Also Present were: Planning Director Doug Hooper, Assistant City Attorney Nick Ghirelli, Assistant City Manager Nathan Hamburger, Planning Consultant Mike Kamino, RSG Consultant Tara Matthews and Assistant Planning Director/Recording Secretary Allison Cook.

**EXCUSED ABSENCE**

ACTION: The Planning Commission excused the absence of Vice Chair John Asuncion 4-0, by the following voice vote:

AYES: Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

NOES: None.

ABSENT: Vice Chair Asuncion.

**APPROVAL OF AGENDA**

ACTION: Commissioner Justice moved to approve the Agenda, as presented. Commissioner O'Meara seconded. The motion carried 4-0, with Vice Chair Asuncion absent, by the following voice vote:

AYES: Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

NOES: None.

ABSENT: Vice Chair Asuncion.

**PUBLIC COMMENTS**

There were no public speakers.

**APPROVAL OF MINUTES**

1. Minutes – March 15, 2018 Planning Commission Meeting

**ACTION:** Commissioner Justice moved to approve Item No. 1, as presented. Commissioner O’Meara seconded. The motion carried 3-0, with Vice Chair Asuncion absent and Chair Zacuto abstaining, by the following voice vote:

**AYES:** Commissioners Anderson, Justice, and O’Meara.

**NOES:** None.

**ABSENT:** Vice Chair Asuncion.

**ABSTAIN:** Chair Zacuto.

**NEW PUBLIC HEARING**

2. **REQUEST:** Request for the Planning Commission to adopt a Resolution relating to Zoning Ordinance Amendment Case No. ZOA-01250-2016, recommending the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing, and amending Zoning Ordinance Section 9133.

**APPLICANT:** City of Agoura Hills

**CASE NO.:** ZOA-01250-2016

**LOCATION:** City-wide

**ENVIRONMENTAL DETERMINATION:** Exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3) of the CEQA Guidelines.

**RECOMMENDATION:** Staff recommended the Planning Commission adopt a Resolution recommending that the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing.

Following presentation of the staff report, Chair Zacuto opened the Public Hearing at 7:03 p.m.

The following person(s) spoke:

Gary Collett, Westlake Village, representing California Commercial Investment Group and "The Ave"  
Brad Rosenheim, Agoura Hills



There being no further public speakers, Chair Zacuto closed the Public Hearing at 7:40 p.m.

The Planning Commission requested the following comments be included in the minutes:

**Commissioner Anderson:** *"First I want to thank staff for the tremendous report and the work that you have done in here. I am proud that we're one of a 170 communities in California that has an inclusionary housing ordinance. I am glad that we are updating our ordinance; it seems like it's about time that we did that and in a timely way. I support our efforts through this update to meet our RHNA obligations which are not small and then to address our speakers, thank you for coming out. Thank you for what you do here in Agoura Hills and thank you from the bottom of my heart for your passion for affordable housing. Lord knows we need it here in California and I just want to say I encourage you to bring your tremendous creativity, your tremendous passion, and your tremendous resources to bring in affordable housing here to Agoura Hills. You saw those RHNA obligations, they're not insubstantial, and we would love to see you help us meet those obligations. I'm proud that we are a City that wants to meet those obligations. I heard your objections to the in-lieu fees, those aren't before us tonight so I'm not going to address those and then I heard your request, as Chair Zacuto lifted up to make an exemption. As both of you know, because I know both of you have been before this Commission many many times, long before I have ever been here, we are not a Commission that likes variations, or variances, or in this case exceptions, and I see no reason to deviate from what our City Attorney has said is the standard law and until you are vested an ordinance takes effect and that is something that makes a whole lot of sense to me here. Brad, I see you shaking your head, I know it doesn't make sense to you, but it makes sense to me. As we said, we are not a, we respect our laws here and it takes a lot to get a variation or an exception and I'm not hearing reasons for it here and so with that, thanks to the fantastic clarifications I got earlier, I can make all of the findings and vote to, in favor, and can vote in favor of, this ordinance as it stands, to make the recommendation.*

**Commissioner O'Meara:** *"I, respectfully, disagree. There's been a lot of talk, especially when we're talking about Agoura Village and we're talking about our housing here or how we do not have housing for our teachers, our civil servants, our police, our fire, our new families and this will make it worse. There is absolutely no question this will make it worse and the reason it will make it worse is because none of those families will qualify for very low, low, or moderate income because their incomes are simply too high. These incomes are based on families so what we're doing here today is potentially recommending something that is going to make it much harder for our children to afford to live in the town we love, our teachers that teach here to afford to live in the town we love, our firemen, our police, and I think that is absolutely wrong. I think that, while I do understand the benefits of inclusionary housing and the importance of inclusionary housing, I think that this particular ordinance is a big shiny object which is out there that looks really, really, good and really, really, pretty and at the end of the day when we look at it, all it's going to do is make it harder for the people who we want to live here*

*to live here and the reason is because the developers are going to have to raise the price of the market units to make up for the price of the low market units. So, I mean, we even have statutes, we have specific plans that talk about how much we want to encourage our civil servants to live here and we say that out of one side of our mouth and then this comes before us, which does exactly the opposite. So, I completely disagree with it. That's not to say we don't need one, but I think we need one, I think what we have there now, with the numbers we have there now are just fine. The old numbers from 2006; the in-lieu fees that are currently there. They've been there for awhile and anybody who comes, who has an application pending, knows those have been there and to assume they would not be applied, I think is a presumption that they maybe shouldn't make, but I think those numbers are fine. I think that the report, with all due respect, is insufficient. It does not deal with the unintended consequences of this in-lieu fee in regard to the apartments and the houses. It does discuss the unintended consequences in the single family residences and determined that it would have a grossly negative effect on those so I think a report needs to come to us and to the City Council which addresses the unintended consequences. There are no findings as to what happens if this does stifle development. We heard that if this does stifle development, developers don't build, that puts the onus on the City to go out and on its own rezone, buy property, and find a place to put affordable housing. I don't think any of us want that. So, the better thing is to have our developers do it and this does not encourage our developers to do it, it makes them not do it. I think that Agoura Village, because there is a specific plan, which mandates certain types of parking, certain types of amenities, it is intended to be very, very high scale. I think Agoura Village, as a whole, should be excluded from this. And, the reason is, if you're going to go to a developer and say we're insisting on certain types of parking, certain types of fixtures, underground parking, all these happy stuff that we all want to see in Agoura Village, we can't then turn around and say okay, we want you to spend more money than you would otherwise spend because we want this special stuff, but now we're going to charge you an in-lieu fee also so, I think that Agoura Village should be excluded from this because it's inconsistent with the specific plan, in my opinion. Certainly, if that is not accepted, which my suspicion is, is that is not going to be unanimous, certainly, any application that is in the pipeline, whether it's an application already in and a fee paid, should be excluded from this. I don't think it's fair to allow a project that has been going on for years and then at the last minute move the bar and say, okay, changed our minds, you now owe us some exceptionally more amount of money. That is not fair, absolutely not fair, and it also creates distrust in our City on behalf of the developers and the citizens, who expect when they apply for something under a certain set of rules, will be, only have to follow those rules. I don't think it's fair to change the rules, I think it's ex post facto, to quote a legal term. So, that being said, oh, the other thing is I think that we should consider this issue of the hybrid where if a developer is able to meet a certain percentage, then the in-lieu fee should only be on the percentage that they cannot meet. I actually think that will encourage developers to actually build what they can, economically, feasibly build. And, if that's the goal was to have them actually build them, I think we should give them the shot to build as many as they possibly can. With that, I know we have differences of opinion, I appreciate the debate and discussion, and I turn it over to my fellow Commissioners."*

**Commissioner Justice:** *"I agree with Commissioner O'Meara. I don't want to repeat everything that he said, but I do want to add this. I think that when you talk to people who work in the construction industry or the building industry or the development industry, they will tell you that Agoura has a reputation for making it very, very hard to get projects started and to get projects finished. I think that this ordinance is going to make it even worse. I think it's going to have the effect of chasing out development and construction out of Agoura and those development dollars are limited to the extent they are not spent here, they will be spent somewhere else at the expense of Agoura. I agree that it is unfair, patently unfair to take any project that has been in an application stages for a number of years in which someone has been into this for seven figures already and to then to hit someone like that, with an additional seven figure or 4.2 was the figure I heard here in this meeting, I think is patently unfair and I think that some exemptions need to be carved out for pending applications. I think one of the things that we hear, not just in Agoura, but everywhere in this state, we're bombarded with data everyday about how government regulations and government red tape drives business away and, with all due respect, to everybody who answered my questions today, what I heard was that, well, that the City Council has options and that there's discretion and all of these uncertainties, all of these gray areas, I think, create a murass (sic) of regulation that is going to be so confusing that the impact of that will be to drive these people away and if we want our City to prosper, and if we want to have that low income housing, we need these people. We need better, tighter regulations. I look at this ordinance, particularly with the housing trust fund. I don't think it's very well written, I think it's very vague, I think it's really open to interpretation, I really think it needs to be redone. If it was my vote, I would not vote to approve this, I would recommend that the City Council not approve this, and if the City Council does approve it, at the very minimum, I would recommend that exemptions be carved out for existing applications."*

**Chair Zacuto:** *"Thank you, and that just leaves me and I think that there's been lots of great discussion tonight on this and I thank everyone coming out and voicing your thoughts and concerns about the changes to the inclusionary ordinance and the amendments to it which is also just reminder to everyone we already have the ordinance, it's not a new ordinance, it's just amendments to the ordinance. I think that I would like to recommend that the City Council get our minutes and hear everyone's thoughts about what they would like to see on it, unless you, unless I hear otherwise that if you want more direction, but I think that, one of the things that I was thinking about, which Commissioner O'Meara had suggested was that Agoura Village be exempt from it and I really disagree with that. I don't think Agoura Village should be exempt from it whatsoever, but I do think that perhaps Council should think about a hybrid. I was thinking about the in-lieu fees, about the current ones from 2008 and the proposed ones, and I know that they're really not before us tonight, but it's all part of this package later down the road and I do think that we should probably have some sort of bar recommending to Council to suggest that applications that are in the process, that they not be throwing out new regulations or new fees, that they were going through the process knowing there was a 2008 fees and I think that I would prefer that maybe Council take a closer look at that issue and also I think that, again, I don't think cutting out any part of*

*the City should be part of the recommendation since it's a citywide ordinance and it should be applied citywide and I think, with that, then I guess we would then move forward with a motion."*

**ACTION:** Following discussion, Commissioner Anderson moved to adopt **Resolution No. 18-1214**; A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF AGOURA HILLS, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL REVISE REGULATIONS APPLICABLE TO THE PROVISION OF INCLUSIONARY HOUSING IN THE CITY OF AGOURA HILLS MUNICIPAL CODE (CASE NO. ZOA-01250-2016), subject to the aforementioned comments by the Planning Commission on the resolution. Commissioner O'Meara seconded. The motion carried 4-0, with Vice Chair Asuncion absent, by the following voice vote:

**AYES:** Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

**NOES:** None.

**ABSENT:** Vice Chair Asuncion.

### **PLANNING COMMISSION/STAFF COMMENTS**

Commissioner O'Meara recommended the Planning Commission elect a Chair and Vice Chair at the next regular meeting and suggested maintaining the status quo with the current members (Chair Zacuto and Vice Chair Asuncion) finishing the term.

### **ADJOURNMENT**

Chair Zacuto announced the next Regular Meeting of the Planning Commission would be held at 6:30 p.m., Thursday, May 17, 2018, in the Council Chambers of the Civic Center. The Civic Center is located at 30001 Ladyface Court, Agoura Hills, California.

**ACTION:** At 8:01 p.m., Commissioner Justice moved to adjourn the meeting. Commissioner Anderson seconded. The motion carried 4-0, with Vice Chair Asuncion absent, by the following voice vote:

**AYES:** Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

**NOES:** None.

**ABSENT:** Vice Chair Asuncion.

**EXHIBIT E**

**Planning Commission Staff Report  
(May 3, 2018)**



**DEPARTMENT OF PLANNING**

**DATE:** May 3, 2018

**TO:** Planning Commission

**APPLICANT:** City of Agoura Hills

**CASE NO.:** ZOA-01250-2016

**LOCATION:** City-wide

**REQUEST:** Request for the Planning Commission to adopt a Resolution relating to Zoning Ordinance Amendment Case No. ZOA-01250-2016, recommending the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing, and amending Zoning Ordinance Section 9133.

**ENVIRONMENTAL DETERMINATION:** Exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3) of the CEQA Guidelines.

**RECOMMENDATION:** Staff recommends that the Planning Commission adopt a Resolution recommending that the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing.

**I. PROJECT BACKGROUND AND DESCRIPTION**

The purpose of this Zoning Ordinance Amendment (ZOA) is to revise the Agoura Hills Municipal Code (AHMC) pertaining to the provision of inclusionary housing units in the City.

As background, in 2000, the City Council initially adopted the Inclusionary Housing Ordinance (IHO) requiring that a certain number of affordable housing units be provided as part of any market rate residential development greater than 10 dwelling units. The purpose of inclusionary housing is to provide affordable housing opportunities as part of individual private market-rate residential development projects constructed in the City. An inclusionary housing requirement means that a certain percentage of new housing construction must be made affordable to people with very

low-, low- and moderate-income households. The income levels for these categories are established by the California Health and Safety Code (H&SC) and the California Department of Housing and Community Development (HCD). Table A shows the qualifying income limits for a 4 person household in Los Angeles County.

**Table A:  
2017 Qualifying Income Limits**

Affordability Category	% of Area Median Income	L.A. County Income (\$) for 4 Person Household
Very Low	0-50	45,050
Low	51-80	72,100
Moderate	81-120	77,750

**Note:** The information in Table A was derived from Table 2-1 in RSG's Inclusionary Housing In-Lieu Fee Analysis, Feb. 14, 2018 (Attachment D). The Los Angeles County 2017 median income is \$64,800 for a four persons household. However, the state HCD currently is not applying the \$64,800 median income to the Very Low and Low Income categories to avoid reducing income limits at a time when median incomes have declined or remained flat. Table A above reflects the current qualifying income limits per HCD.

Staff has conducted a thorough review of the IHO and per consultation with the City Attorney, the proposed ordinance amendments include various legal, administrative, streamlining, and clarification related clean-up changes and updates. Staff has prepared the proposed amendments to the IHO, which is attached to this report and summarized below in the "Zoning Ordinance Amendment" section of this report.

The original IHO also required that such affordable units, known as "inclusionary units" must be included on-site, but also provided alternative options including payment of an in-lieu fee to the City. In 2008, the City Council adopted revisions to the IHO, including an update to the in-lieu fees. Most recently, the City Council authorized staff to enter into an agreement with RSG, Inc. to update the in-lieu fees as part of updating certain provisions of the IHO. A copy of RSG's report entitled "Inclusionary Housing In-Lieu Fee Analysis, February 14, 2018" is attached. A summary of the proposed inclusionary housing in-lieu fees is contained in the "Inclusionary Housing In-Lieu Fee" section of this report.

In updating the IHO and the in-lieu fees, it is important to note that the State continues to emphasize the need to develop more housing units throughout California to meet continued demand for housing, particularly affordable housing. The state legislature passed, and the governor signed into law, a package of 15

housing bills last year to respond to the housing crisis in California. To summarize, these bills are intended to create and preserve affordable housing, streamline housing development, and create greater accountability on the part of cities to approve housing per their regional fair share of housing. Therefore, a city's requirements for inclusionary housing is considered to be an important tool in meeting the new state housing laws and in providing affordable housing.

The role of the Planning Commission at this time is to conduct a public hearing on the proposed amendments to the inclusionary housing section of the Zoning Ordinance and to adopt the attached Resolution with the Commission's recommendations on Case No. ZOA-01250-2016. The Commission's recommendations will be forwarded to the City Council for consideration at a public hearing for final action on the proposed ordinance amendment. There is no formal action required of the Planning Commission regarding the proposed Inclusionary Housing In Lieu Fee as it is the City Council's role to set and amend fees. However, the information regarding the in-lieu fees is included herein as RSG's analysis on in-lieu fees provides the basis for recommendation on certain proposed amendments to the IHO.

## **II. STAFF ANALYSIS**

### Zoning Ordinance Amendments

The following is a summary of the proposed revisions to the current Inclusionary Housing provisions in the Agoura Hills Municipal Code (AHMC) Section 9133.

Definitions and applicability (Section 9133.2 and 9133.3) — All references to Redevelopment Agency (RDA) were removed from the definition section and the IHO because the Agoura Hills RDA no longer exists. The threshold of applicability of the IHO would remain at 10 dwelling units and the definition of "residential development" was clarified to include residential components in mixed use projects (such as in Agoura Village) and residential subdivisions, which would include condominium conversions. The IHO was also streamlined to remove unnecessary provisions and duplicate definitions. The applicability of the IHO would continue to apply to apartments, condominiums, and single family dwelling projects.

Inclusionary unit requirement (Section 9133.4) — Table B below compares the inclusionary housing set aside requirements of the current 2008 ordinance and the proposed 2018 update.



**Table B:  
 Inclusionary Housing Set Aside: 2008 vs. 2018**

<b>CURRENT ORDINANCE (2008)</b>	<b>2018 UPDATE (STAFF RECOMMENDATION)</b>
<p>At least 15% of all units shall be set aside as inclusionary units as follows:</p> <ul style="list-style-type: none"> <li>• Very Low Income— minimum 6% of all units</li> <li>• Low or Moderate Income— remaining 9% of all units</li> </ul>	<ul style="list-style-type: none"> <li>• Very Low income — minimum 7% of all units</li> <li>• Low Income — minimum 4% of all units</li> <li>• Moderate Income —minimum 4% of all units</li> </ul>

The current ordinance requires that at least 15% of the total number units in apartment, condominium, and single family residential development projects shall be set aside as inclusionary housing units for occupancy by very low, low, and moderate income household at an affordable cost as follows: minimum 6% of all unit shall be set aside for very low income households; and the remaining 9% of all units shall be set aside for low or moderate income households. The low and moderate income categories were combined as allowed by state law at that time. For a 100-unit project, for example, a total of at least 15 inclusionary housing units are required of which at least 6 of those unit must be set aside for very low income households and the remaining 9 of those units must be set aside for low or moderate income households.

The following adjustments are proposed for the 2018 update: minimum 7% of all units shall be set aside for very low income households; minimum 4% of all units shall be set aside for low income households; and minimum 4% of all units shall be set aside for moderate income households. In other words, the current 15% overall set aside requirement with two sub-requirements (one for the very low income category and the other for the low or the moderate income category) combined to total 15% will be replaced by separate minimum set aside requirements for very low, low, and moderate income categories. For the same 100 unit project for example, at least 7 units must be set aside for very low income households; at least 4 units must be set aside for low income households; and at least 4 units must be set aside for moderate income households. When combined, a total of 15 affordable units would be required for the project.

The proposed ordinance is also being amended to require that any fractional unit be rounded up to a whole number (instead of the current .50) which will ensure that the minimum set aside requirements will be provided for each income category. This will also result in the overall set aside to be at least 15% and higher. It is also possible in certain instances that rounding up of any fractional unit could yield a higher inclusionary housing units count than if rounding up at .50.

The reason why staff is recommending separating the low and moderate income categories for the proposed ordinance and rounding up of any fractional unit (instead of at .50) is because new state law (SB166) places greater focus on satisfying each of the household income categories, particularly the lower income categories, in the Regional Housing Needs Allocation (RHNA). The RHNA is the allocation of fair share of regional housing assigned to the City and is incorporated in the City's current General Plan Housing Element (2014-2021 cycle). The inclusionary housing units are restricted to occupancy by very low, low, and moderate income households and are thus creditable to the RHNA obligations for each of those income categories.

Table C below shows the breakdown of the RHNA assigned to the City:

**Table C:  
City RHNA (2014-2021)**

Household Income Level	RHNA Allocation
Very Low	31
Low	19
Moderate	20
Above Moderate	45
<b>TOTAL</b>	<b>115</b>

Cities have broad authority to establish reasonable inclusionary housing set aside requirements and in-lieu fees. The City may establish set aside requirements based on what the City perceives as its affordable housing needs in consideration of the local real estate market. As an example, the inclusionary housing set aside percentage for each housing type, the breakdown of the percentages for each household income category, and the in-lieu fees may be adjusted to fulfill the City's affordable housing goals. While the City has broad discretion in establishing these requirements, the City's decision cannot be arbitrary and must be reasonably related to protection of the general public welfare. The proposed ordinance amendments, including the proposed set aside percentages and the in-lieu fees, are considered reasonable and justifiable as they are based on, and address the affordable housing policies in, the City's Housing Element and the RHNA obligations for each household income category. RSG's 2018 In-Lieu Fee study analyzed the current local real estate market and development costs in updating the 2008 in-lieu fees and provides sound basis for the proposed in-lieu fees.

Alternatives to providing inclusionary units on site (Section 9133.5) — The options to construct the required inclusionary units off site and donation of land were

eliminated given the limited availability of residentially zoned land in the City compared to 2000 when the IHO was first adopted. In the proposed IHO, the payment of the in-lieu fee is the only alternative to providing the inclusionary units on site.

Housing plan (9133.6)—The housing plan is meant to demonstrate how the developer plans to implement the requirements of the IHO in a specific proposed development project. The current language in the Ordinance will be clarified to reference the Administrative Guidelines (see 9133.9 below) regarding the required contents of the housing plan.

Inclusionary housing agreement (Section 9133.7)—Language in the current ordinance regarding the submittal of an inclusionary housing agreement was moved to this new separate section. The agreement will include provisions and terms for meeting the requirements of the inclusionary housing ordinance for units proposed on-site and procedures for preparation of the agreement. The agreement is subject to approval by the City Manager.

Implementation and enforcement (9133.9) —This section has been clarified and augmented to include the Administrative Guidelines, to be prepared by staff and approved by City Council by resolution, which will provide further guidance to the developer and staff in the contents and provisions of the inclusionary housing plan and agreement. The Administrative Guidelines can also provide details and criteria on certain aspects of implementation of the inclusionary housing ordinance and program such as application materials, eligibility criteria, transfer of property, resale, appraisals, deed restrictions, occupancy restrictions, and consultant reviews.

The Administrative Guidelines also can include preferences previously expressed by the City Council regarding priority of applicants such as local public educators and public safety employees and locations of inclusionary units such as within Agoura Village. Preferences and priorities of expenditure of inclusionary housing trust fund monies may also be included the Administrative Guidelines. It would be appropriate to place the City's preferences and the details of implementation of the IHO in the Guidelines rather than in the Ordinance.

Attached to this staff report is Exhibit B, the draft IHO, which would replace the current IHO in its entirety. For reference, staff has prepared Exhibit C which is the current IHO showing the new language as underlined text and the language to be removed as strike-through text.

### **Inclusionary Housing In-Lieu Fee**

Staff has used the information in the "Inclusionary Housing In-Lieu Fee Analysis, February 14, 2018" (Exhibit D) prepared by RSG to arrive at the recommended revised in-lieu fee amounts. RSG calculated the recommended in-lieu fees based on the "affordable housing funding development gap" which reflects the difference

in the value of an affordable housing unit and the estimated costs to develop the unit. The gap represents the subsidy or assistance amount needed to create affordable housing units.

Table D below compares the current inclusionary housing in-lieu fees with the proposed the in-lieu fees:

**Table D:  
 Inclusionary Housing In-Lieu Fees: 2008 (current) vs. 2018 (proposed)**

	<b>CURRENT FEES (2008)</b>	<b>2018 FEE UPDATE (STAFF RECOMMENDATION)</b>
<b>IN-LIEU FEES</b>	Apartments — \$15,313 Condos — \$21,821 SFRs — \$21,821	Apartments — \$35,395 Condos - \$36,812 SFRs — \$180,028 (or \$79,560 w/ fee reduction of 44%)

Instead of constructing the required inclusionary units on site, the developer can pay an in-lieu fee, which is calculated by multiplying the per unit in-lieu fee rate by the total number of units in the development. For example, under the current 2008 ordinance, for a 100 unit condominium project, instead of developing the required inclusionary units on site, the developer can pay an in-lieu fee based on \$21,821/unit x 100 units for a total in-lieu fee of \$2,182,100.

Under the newly proposed in-lieu fee, for the same 100 unit condominium project, instead of developing the required inclusionary units on site, the developer can pay an in-lieu fee (if approved by the City) based on \$36,812/unit x 100 units for a total in-lieu fee of \$3,681,200.

RSG's study contains a reduced fee option of \$79,560 as the in-lieu fee for single family residential projects, which is 44% of the calculated fee of \$180,028. It is possible to adopt a different fee amount. RSG feels that the \$180,543 in-lieu fee may be so high that it would deter single family residential development or increase housing costs. RSG's study notes that the \$79,560 in-lieu fee is not out of line compared with the in-lieu fee charged in other municipalities in Los Angeles County. Staff would note, however, that there is limited application of the IHO to single family developments given the limited availability of vacant land designated for single family development in Agoura Hills that would meet the ten unit ordinance applicability threshold.

The in-lieu fees collected under the IHO are deposited into the City's Inclusionary Housing Trust Fund. The City is not limited to spending these funds to actually build affordable units elsewhere in the City. Instead, the City can use the funds in a number of ways to most efficiently accommodate the City's changing affordable

housing needs. Proposed Section 9133.10.C lists examples of how the City may expend these funds. They include acquiring property for development of affordable units, providing subsidies to developers to build affordable housing, maintenance and rehabilitation of existing affordable units, conversion of existing market rate units to affordable rental units, granting property owners subsidies in exchange for covenants to create and preserve affordable units, and costs to administer the housing trust fund and the inclusionary housing program.

Again, the information above pertaining to the inclusionary housing in-lieu fee is for Planning Commission's information only, as no action is necessary by the Commission regarding the in-lieu fee. Formal consideration of the proposed in-lieu fees will be made by the City Council and a separate resolution will be presented to the Council for adoption of the in-lieu fees.

### Land Use and Economic Development Committee

The proposed amendments to the Inclusionary Housing Ordinance and RSG's *Inclusionary Housing In Lieu Fee Analysis, February 14, 2018* were discussed with the Land Use/Economic Development Committee (LUEDC) of the City Council on March 27, 2018. The LUEDC found the proposed IHO amendments to be acceptable and supported the proposed in-lieu fee rates in RSG's report.

### Environmental

The Ordinance has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, as the amendments to the Ordinance are covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that the project may have a significant effect on the environment, as the amendments to the Ordinance address outdated references, and apply inclusionary housing to three different product types, apartments, condominium and single-family, and adjusting the percentage of such newly constructed units that must be set aside as affordable. The project does not involve the physical development of housing units, but lays out the policy framework for applying the requirement to incorporate inclusionary housing in market-rate residential development projects. Moreover, additional CEQA review would be required on a case-by-case basis, prior to issuance of any discretionary approvals required to develop residential units.

The role of the Planning Commission is to review the attached draft Ordinance and direct staff to forward the Commission's recommendations to the City Council. The City Attorney has reviewed the draft Ordinance, and has found it acceptable as to form.

### **III. RECOMMENDATIONS**

Based on the foregoing analysis, staff recommends that the Planning Commission adopt a motion to approve a Resolution recommending that the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing in Zoning Ordinance Section 9133.

### **IV. ATTACHMENTS**

- Exhibit A: Draft Planning Commission Resolution.
- Exhibit B: Draft Ordinance.
- Exhibit C: Current Ordinance with strike outs and underlines.
- Exhibit D: Inclusionary Housing In-Lieu Fee Analysis (RSG, February 14, 2018)

Case Planner: Michael Kamino, AICP, Planning Consultant

# **EXHIBIT F**

**(Current Ordinance with strike-outs and underlines)**

## EXHIBIT F

### **“TRACK CHANGE MODE”(FOR REFERENCE ONLY)**

#### **CITY COUNCIL MEETING - 9-26-18**

#### **9133 - Inclusionary Housing**

##### **9133.1 Purpose**

The provisions of this section establish standards and procedures that encourage the development of housing that is affordable to a range of households with varying income levels. The purpose of this section is to encourage the development and availability of ~~such~~ affordable housing by ensuring that the addition of affordable housing units ~~to the City's housing stock~~ is in proportion with the overall increase in new housing units and to provide standards and procedures ~~to that effect.~~ for the administration of the City's inclusionary housing program.

##### **9133.2 Definitions**

As used in this section, the following terms shall have the following meanings:

*Adjusted for Household Size Appropriate for the Unit* means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

*Affordable Housing Cost* means the total housing costs paid by a qualifying household, which shall not exceed a specified fraction of its gross income, adjusted for household size appropriate for the unit, as follows:

- A. Very Low-Income Households, rental or for-sale units: thirty (30) percent of fifty (50) percent of the Los Angeles County median income.
- B. Low Income-Households, rental units: thirty (30) percent of sixty (60) percent of the Los Angeles County median income.
- C. Low Income-Households, for-sale units: thirty (30) percent of seventy (70) percent of the Los Angeles County median income.
- D. Moderate-Income Households, rental units: thirty (30) percent of one hundred and ten (110) percent of the Los Angeles County median income.
- E. Moderate-Income Households, for sale units: thirty-five (35) percent of one hundred and ten (110) percent of the Los Angeles County median income.

*Developer* means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a residential development.



*Development Agreement* means an agreement entered into between the City and a developer pursuant to California Government Code Section 65864 of the California Government Code et seq. and Agoura Hills Municipal Code Sections 9681 et sec. and 9682 of Division 1, Part 4 of Title IX of the City of Agoura Hills Municipal Code.

*Director* means the City's Director of Planning and Community Development.

~~*Discretionary Approval* means any entitlement or approval pursuant to Section 9133 of the Municipal Code, including but not limited to a use permit, variance, design approval, and subdivision map.~~

*Dwelling Unit* means one (1) or more rooms, designed, occupied, or intended for occupancy as separate living quarters, with full cooking, sleeping, and bathroom facilities for the exclusive use of a single household.

*HCD* means the California Department of Housing and Community Development.

*HUD* means the United States Department of Housing and Urban Development.

*Inclusionary Housing Agreement* means a legally binding agreement between a developer and the City, in form and substance satisfactory to the Director and City Attorney, setting forth those provisions necessary to ensure that the requirements of this section, ~~whether through the provision of inclusionary units or through an alternative method,~~ are satisfied.

*Inclusionary Housing Plan* means the plan referenced in ~~paragraph "A" of Subsection 9133.86~~ and further described in the regulations guidelines, which sets forth the manner in which the requirements of this section will be implemented for a particular residential development.

*Inclusionary Housing Trust Fund* shall have the meaning set forth in subsection 9133.4210.

*Inclusionary Unit* means a dwelling unit that will be offered for ~~rent or sale to and for~~ occupancy by very low, low and moderate-income households, at an affordable housing cost, pursuant to this section.

*In-Lieu Fee A* means a fee paid to the City by a developer instead of providing the required inclusionary units within the residential development.

*Low-Income Households* means households whose gross income is greater than fifty (50%) percent and does not exceed eighty (80%) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

~~"Low-Income Units"; "Moderate-Income Units"; and "Very Low-Income Units" mean inclusionary units restricted for sale or rent to and for occupancy by low, moderate, or very low-income households, respectively, at an affordable housing cost.~~

*Market Rate Units* means those dwelling units in a residential development that are not inclusionary units.

*Moderate Income Households* means households whose gross income is greater than eighty (80%) percent and does not exceed one hundred and twenty (120%) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

~~*Off-Site Construction* means the erection of affordable housing units on land other than that on which the developer intends to place a project within the City.~~

~~*Redevelopment Agreement* means an Owner Participation Agreement, Disposition and Development Agreement, Affordable Housing Agreement, Regulatory Agreement or similar agreement entered into between the City of Agoura Hills Redevelopment Agency and a developer.~~

~~*Regulations* means the regulations adopted by the Agoura Hills City Council pursuant to Subsection 9133.11 for the implementation and enforcement of the provisions of this section.~~

~~*Residential Development* means the construction, development, or subdivision of projects consisting of property, including condominium conversions, resulting in ten (10) or more lots or dwelling units, including dwelling units in mixed-use projects.~~

~~*Substantial Rehabilitation or Substantially Rehabilitated* means the rehabilitation of a dwelling unit(s) for very low and low income households, which has substantial building and other code violations, and has been vacant for at least six (6) months, such that the unit is returned to the City's housing supply as decent, safe, and sanitary housing, and the cost of such work exceeds Forty Thousand Dollars (\$40,000) per unit, as that amount may be adjusted for inflation pursuant to the Regulations.~~

~~*Total Housing Costs* means the total monthly or annual recurring expenses required of a household to obtain shelter. For a rental unit, total housing costs include the monthly rent payment and a reasonable allowance for utilities. For an ownership unit, total housing costs include the mortgage payment (principal and interest), mortgage insurance, property taxes, property insurance, utilities, homeowner's association dues, and any other related fees and assessments.~~

*Very Low Income Households* means households whose gross income is equal to fifty (50%) percent or less of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

### **9133.3 Applicability**

~~This subsection shall apply to all residential developments, except those that are exempt pursuant to Section 9133.4, and excluding here from residential developments located in the Agoura~~

~~Hills Redevelopment Project Area, which are separately subject to inclusionary housing requirements under the California Health and Safety Code Section 33000 et seq., and related regulations and policies of the Agoura Hills Redevelopment Agency.~~

- ~~A. This section shall apply to all residential developments, as defined herein, where the lots or units will be offered for sale or for rent.~~
- ~~B. Notwithstanding subsection A, inclusionary units shall not be required for any project for which the city enters into a development agreement or for any project that is otherwise exempt under State law.~~

#### **9133.4 Exemptions**

~~The following residential developments are exempt from the requirements of this Section:~~

- ~~A. Residential developments that obtain a variance, conditional use permit, or design review approval (pursuant to Sections 9676, 9673, and 9677 of Division 6 of Part 3 of Title IX of the Municipal Code, respectively) from the City prior to the effective date of this section, which obtain a building permit pursuant to that discretionary approval within one year of the effective date of this section, and which obtain a certificate of occupancy pursuant to that same discretionary approval.~~
- ~~B. Residential developments that are exempt from this section pursuant to state law, including, but not limited to, those for which the City enters into a development agreement.~~
- ~~C. Residential developments for which the Redevelopment Agency enters into a Redevelopment Agreement, so long as the Redevelopment Agreement is in full force and effect at the time the residential development would otherwise be required to comply with the requirements of this Section, and there is no uncured breach of the Redevelopment Agreement prior to the earlier of a) issuance of Certificate of Completion for the Redevelopment Agreement, or b) issuance of the first certificate of occupancy for the residential development.~~

#### **9133.54 Inclusionary unit requirements**

- ~~A. Affordable inclusionary units shall be reserved for very low, low and moderate income households. Such units shall be provided at affordable housing cost, as defined by California Health and Safety Code Section 50052.5 for owner occupied units and Section 50053(b) for rental units, which calculates affordable housing rates for each applicable income category. At least fifteen percent (15%) of all newly constructed dwelling units in residential developments shall be developed, sold to or rented to, and occupied by very low, low and moderate income households, at an affordable housing cost. A minimum of six percent (6%) of all the units shall be sold to or rented to very low income households; the remaining nine percent (9%) shall be sold to or rented to low or moderate income households.~~

A. Inclusionary units shall be reserved for very low-, low- and moderate- income households as follows:

1. For all newly constructed rental units in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be rented to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be rented to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be rented to and occupied by moderate income households.
2. For all condominium conversion projects and newly constructed condominiums in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.
3. For all single-family subdivisions, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

B. The City shall set on an annual basis, or as otherwise needed, set the maximum allowable rents and sale prices for inclusionary units, adjusted for family size.

C. The inclusionary unit requirement set forth in Paragraph A of this subsection may be reduced as follows:

1. If very low income units are provided in lieu of required low income units, a credit of 1.5 units shall be granted for every 1 unit actually provided.
2. If very low income units are provided in lieu of required moderate income units, a credit of 2 units shall be granted for every 1 unit actually provided.
3. If low income units are provided in lieu of required moderate income units, a credit of 1.5 units shall be granted for every 1 unit actually provided.

DC. In calculating the required number of inclusionary units in Section 9133.4.A.1, Section 9133.4.A.2, and Section 9133.4.A.3, any fractional units of (0.50) or above will shall be rounded-up to a whole unit if the residential development consists of ten (10) or more units.

E. In setting priorities among eligible households, first priority shall be given to public safety employees and primary and secondary school teachers. Second priority shall be

~~given to Agoura Hills' residents. Third priority shall be given to persons employed within Agoura Hills. Fourth priority shall be given to all other persons.~~

### 9133.65 Alternatives

~~As an alternative to developing the inclusionary units in the residential development pursuant to Subsection 9133.5, the requirements of this section may be satisfied at the Planning Commission's discretion by off-site development of required units, donation of off-site land, or an in-lieu fee payment. Where provision of affordable units onsite is determined to be economically infeasible, off-site units are preferred, followed by donation of off-site land, to payment of an in-lieu fee. If neither on-site or off-site mitigation is feasible, an in-lieu housing fee will be collected in accordance with procedures and standards set forth in the regulations.~~

~~A. Off-site units. Upon application by the developer and at the discretion of the Planning Commission, the developer may satisfy the requirement of providing inclusionary units as part of the residential development, in whole or in part, by constructing or substantially rehabilitating the required inclusionary units at a site different than the site of the residential development.~~

~~B. Land Donation. Upon application by the developer and at the discretion of the Planning Commission, the developer may satisfy the requirement of providing inclusionary units as part of the residential development, in whole or in part, by conveying land to the City for the construction of the required inclusionary units. The donated land must at least be equal in value to the in-lieu amount that would be applied to the project, vacant and suitable for development for affordable housing units, and fully served by utilities and related infrastructure improvements.~~

~~C. In-Lieu Fee. At the discretion of the Planning Commission, the developer may satisfy the requirement for providing inclusionary units as part of the residential development, in whole or in part, by paying a fee in-lieu for all or some of the inclusionary units as follows:~~

- ~~1. The amount of the fee shall be calculated using the fee schedule established by resolution of the City Council.~~
- ~~2. One half of the in-lieu fee required by this subsection shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development.~~
- ~~3. The fees collected shall be deposited in the Inclusionary Housing Trust Fund for use exclusively for the development of housing units affordable to very low, low or moderate income households.~~

Developing all of the required inclusionary units within the residential development, as required under Section 9133.4, is preferred. However, as an alternative, the requirements of Section 9133.4 may be satisfied as follows:

- A. The developer may propose to satisfy the inclusionary housing unit requirements of Section 9133.4.A.1, 9133.4.A.2, and 9133.4.A.3 through payment of an in-lieu fee. The amount of the in-lieu fee shall be calculated using the fee schedule established by resolution of the city council.
- B. In accordance with this paragraph, the developer may propose to satisfy the inclusionary housing unit requirements of Section 9133.4.A.1, 9133.4.A.2, and 9133.4.A.3 by providing some of the required inclusionary units on-site and paying an in-lieu fee for any required inclusionary units that are not included in the project. The developer may build the required very low income inclusionary units on-site, and pay the applicable in-lieu fee for the required low income and moderate income units that are not built within the development. The developer may build the required low income inclusionary units on-site, and pay the applicable in-lieu fee for the required very low income and moderate income units that are not built within the development. The developer may build both the required very low income and low income inclusionary units on-site, and pay the in-lieu fee for the required moderate income units that are not built within the development. In no case may the developer build the moderate income units on-site and pay the in-lieu fee for the required very low and low income inclusionary units. The amount of the in-lieu shall be calculated by using the fee schedule established by resolution of the city council.
- C. One-half of the in-lieu fee required under Section 9133.5.A or 9133.5.B shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development. All fees collected shall be deposited in the inclusionary housing trust fund.

### **9133.76 Procedures Housing plan**

~~A. At the times and in accordance with the standards and procedures set forth in the regulations, developers shall:~~

- ~~1. Submit an inclusionary housing plan for approval by the Director, setting forth in detail the manner in which the provisions of this section will be implemented for the proposed residential development.~~
- ~~2. Execute and cause to be recorded an inclusionary housing agreement unless developer is complying with this section pursuant to paragraphs "B" (land donation) or "C" (in lieu fee) of Subsection 9133.6.~~

~~B. No discretionary approval shall be issued for all or any portion of a residential development subject to this section until the developer has submitted an inclusionary housing plan.~~

~~C. No building permit shall be issued for all or any portion of a residential development subject to this section unless the Director has approved the inclusionary housing plan, and the inclusionary housing agreement, if required, recorded.~~

~~D. No certificate of occupancy shall be issued for all or any portion of a residential development subject to this section unless the approved inclusionary housing plan has been fully implemented.~~

Along with an application for a residential development, a developer shall submit a housing plan to the Director setting forth in detail the manner in which the provisions of this section 9133 will be implemented for the proposed residential development. No application shall be deemed complete until the developer has submitted a complete housing plan.

### **9133.7. Inclusionary housing agreement.**

For residential developments providing inclusionary units on-site, an inclusionary housing agreement is required. Such agreement, which shall include provisions and terms for meeting the requirements of this section, shall be approved by the city manager, and recorded as a deed restriction against the property prior to issuance of either a grading or building permit, whichever comes first.

### **9133.8 Standards for inclusionary units**

A. All inclusionary units shall be:

1. Reasonably dispersed throughout the residential development.
2. Proportional, in number, bedroom size and location, to the market rate units.
3. Comparable with the market rate units in terms of the base design, appearance, materials and finished quality.

B. All inclusionary units in a residential development shall be ~~constructed~~ made available for occupancy concurrently with or prior to the ~~construction~~ occupancy of the market rate units. In the event the City approves a phased project, the inclusionary units required by this section shall be provided proportionately within each phase of the residential development.

C. Inclusionary units shall ~~be reserved~~ remain restricted for very low, low and moderate income households at the ratios established pursuant to California Health and Safety Code Section 33413(b)(2) and shall be ~~provided at the applicable affordable housing cost~~ owner-occupancy by the target income category at the applicable affordable housing cost for a period of not less than forty-five (45) years. At the request of the owner-occupants who initially occupy the inclusionary units and subsequently seek to sell the inclusionary unit, the City may impose the equity sharing rules included in California Density Bonus Law, currently codified as Government Code Section 65915(c)(2), instead of requiring the aforementioned restriction for 45 years.

- ~~1. An inclusionary unit that is for rent shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty-five (55) years.~~
- ~~2. An inclusionary unit that is for sale shall remain restricted for owner-occupancy the target income category at the applicable affordable housing cost for a period of not less than forty-five (45) years.~~

~~The occupancy and rents of the inclusionary units shall be governed by the terms of a deed restriction recorded with the property.~~

~~D. Notwithstanding paragraph C (2) of this Subsection 9133.8, if an inclusionary unit for sale is sold to an above moderate income purchaser, the sale shall result in a recapture by the City or its designee of a financial interest in the unit equal to (1) the difference between the initial affordable sales price and the appraised "fair market" value of the unit at the time of the initial sale, and (2) a proportionate share of any appreciation, provided that there are no more restrictive agreements executed by and between the home owner and the City or Redevelopment Agency, in which case the more restrictive requirement will apply. Inclusionary units in rental residential developments shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty-five (55) years.~~

~~E. Where the developer contends that onsite provision of inclusionary units is economically infeasible, the developer may request that the Planning Commission review the proposed residential development for a determination of economic infeasibility. The developer is required to submit to the City all necessary documentation demonstrating economic infeasibility. Upon a determination of economic infeasibility by the Planning Commission, the units may then be provided at another location in the City's jurisdiction at the Planning Commission's discretion. Any such off-site inclusionary units shall be completed prior to the issuance of a certificate of occupancy for the market rate housing development. The occupancy and rents of any such off-site units shall be governed by the terms of a deed restriction similar to that used for onsite inclusionary units, as referenced in Paragraph C of Subsection 9133.8. The occupancy of the inclusionary units shall be governed by the terms of the inclusionary housing agreement recorded as a deed restriction against the property.~~

### **9133.9 Enforcement Implementation and enforcement**

~~A. Any violation of this section constitutes a misdemeanor. The City Council may adopt administrative guidelines to assist in implementing and administering this section.~~

~~B. Any violation of this section constitutes a misdemeanor.~~

~~BC. The provisions of this Section shall apply to all owners, developers, and their agents, successors and assigns that proposing a residential development, occupy an inclusionary unit, or both. All Inclusionary Units shall be ~~rented or~~ sold or rented in accordance with this section and any regulations adopted pursuant to this section.~~

~~CD. Any individual who sells or rents an inclusionary unit in violation of the provisions of this Section, the guidelines, or the inclusionary housing agreement shall be required to forfeit to the City all monetary amounts so obtained in violation of those provisions. Recovered funds shall be deposited into the Inclusionary Housing Trust Fund.~~



~~DE.~~ The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Section, including but not limited to: (1) actions to revoke, deny or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; and (2) actions for injunctive relief or damages.

~~EF.~~ In any action to enforce this Section or an Inclusionary Housing Agreement recorded hereunder, the City shall be entitled to recover its reasonable attorney's fees and costs.

### **~~9133.10~~ Regulations**

~~The City Council may by resolution establish additional regulations for the implementation of this section.~~

### **~~9133.11~~10 Inclusionary housing trust fund**

~~There is an established separate fund of the City, known as the Inclusionary Housing Trust Fund. All monies collected pursuant to Paragraph "C" of Subsection 9133.6 shall be deposited in the Inclusionary Housing Trust Fund.~~

A. There is an established separate fund of the city, known as the inclusionary housing trust fund. All monies collected by the city pursuant to this section shall be deposited in the inclusionary housing trust fund.

B. The monies in the fund and all earnings from investment of the monies in the fund shall be expended to provide housing affordable to very low-income, low-income, and moderate-income households in the city. Such expenditures may include, but shall not be limited to, the costs of administration, monitoring, and compliance for the city's affordable housing program, as further explained in Subsection C.

C. For the purpose of this section, providing housing affordable to very low-, low-, and moderate-income households may include, but is not limited to, expending funds for the following: development of affordable units; acquisition of property for the development of such units; subsidies for the construction of such units; maintenance of affordable housing; partnering with affordable housing developers; conversion of existing market rate units to very low-, low- and moderate-income for-sale or rental units; subsidies for covenants to create or preserve very low-, low-, and moderate-income units; substantial rehabilitation of very low-, low-, and moderate-income units; and costs to administer the inclusionary housing trust fund and inclusionary housing program.

### **~~9133.12~~11 Administrative Fees**

The City Council may by resolution establish reasonable fees and deposits for the administration of this Chapter.

### **~~9133.13 Appeal~~**

~~Within fifteen (15) calendar days after the date of the Director's decision, an appeal may be filed pursuant to Section 9804 of Division 4 of Part 1 of Chapter 8 of Title IX of the Municipal Code in which appeal procedures are set forth.~~

### **~~9133.14 Taking Determination~~**

~~A. Commencing upon the approval or disapproval of the inclusionary housing plan by the Planning Commission pursuant to the regulations, and within fifteen (15) days thereafter, a developer may request a determination that the requirements of this section, taken together with the inclusionary incentives, as applied to the residential development, would legally constitute a taking of property of the residential development without just compensation under the California or Federal Constitutions.~~

~~B. The developer has the burden of providing economic information and other evidence necessary to establish that application of the provisions of this section to the residential development would constitute a taking of the property of the proposed residential development without just compensation. The Director shall make the determination, which may be appealed in the manner and within the time set forth in Subsection 9133.13, except that the City Council shall serve as the review body.~~

~~C. In making the taking recommendation or determination, the decision maker shall assume each of the following:~~

- ~~1. Application of the inclusionary housing requirement to the residential development;~~
- ~~2. Application of the inclusionary incentives;~~
- ~~3. Utilization of the most cost efficient product type for the inclusionary units;~~
- ~~and~~
- ~~4. External funding where reasonably likely to occur.~~

~~D. If it is determined that the application of the provisions of this section would be a taking, the inclusionary housing plan shall be modified to reduce the obligations in the inclusionary housing component to the extent and only to the extent necessary to avoid a taking. If it is determined no taking would occur though application of this section to the residential development, the requirements of this section remain applicable."~~

## EXHIBIT F

Current Ordinance with Strikeouts and  
underlines

**EXHIBIT F**

**DRAFT**

**FOR REFERENCE ONLY**

**“TRACK CHANGE MODE”  
(W/ DRAFT ORDINANCE EXHIBIT A-1 REVISIONS)**

**CITY COUNCIL MEETING - 9-26-18**

**9133 - Inclusionary Housing**

**9133.1 Purpose**

The provisions of this section establish standards and procedures that encourage the development of housing that is affordable to a range of households with varying income levels. The purpose of this section is to encourage the development and availability of such affordable housing by ensuring that the addition of affordable housing units ~~to the City's housing stock~~ is in proportion with the overall increase in new housing units and to provide standards and procedures ~~to that effect.~~ for the administration of the City's inclusionary housing program.

**9133.2 Definitions**

As used in this section, the following terms shall have the following meanings:

*Adjusted for Household Size Appropriate for the Unit* means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

*Affordable Housing Cost* means the total housing costs paid by a qualifying household, which shall not exceed a specified fraction of its gross income, adjusted for household size appropriate for the unit, as follows:

- A. Very Low-Income Households, rental or for-sale units: thirty (30) percent of fifty (50) percent of the Los Angeles County median income.
- B. Low Income-Households, rental units: thirty (30) percent of sixty (60) percent of the Los Angeles County median income.
- C. Low Income-Households, for-sale units: thirty (30) percent of seventy (70) percent of the Los Angeles County median income.
- D. Moderate-Income Households, rental units: thirty (30) percent of one hundred and ten (110) percent of the Los Angeles County median income.
- E. Moderate-Income Households, for sale units: thirty-five (35) percent of one hundred and ten (110) percent of the Los Angeles County median income.

*Developer* means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a residential development.

*Development Agreement* means an agreement entered into between the City and a developer pursuant to California Government Code Section 65864 ~~of the California Government Code~~ *et seq.* and Agoura Hills Municipal Code Sections 9681 *et seq.* and 9682 ~~of Division 1, Part 4 of Title IX of the City of Agoura Hills Municipal Code.~~

*Director* means the City's Director of Planning ~~and Community Development.~~

*Discretionary Approval* ~~means any entitlement or approval pursuant to Section 9133 of the Municipal Code, including but not limited to a use permit, variance, design approval, and subdivision map.~~

*Dwelling Unit* means one (1) or more rooms, designed, occupied, or intended for occupancy as separate living quarters, with full cooking, sleeping, and bathroom facilities for the exclusive use of a single household.

*HCD* means the California Department of Housing and Community Development.

*HUD* means the United States Department of Housing and Urban Development.

*Inclusionary Housing Agreement* means a legally binding agreement between a developer and the City, in form and substance satisfactory to the Director and City Attorney, setting forth those provisions necessary to ensure that the requirements of this section, ~~whether through the provision of inclusionary units or through an alternative method,~~ are satisfied.

*Inclusionary Housing Plan* means the plan referenced in ~~paragraph "A" of Subsection 9133.86~~ and further described in the regulations guidelines, which sets forth the manner in which the requirements of this section will be implemented for a particular residential development.

*Inclusionary Housing Trust Fund* shall have the meaning set forth in subsection 9133.4210.

*Inclusionary Unit* means a dwelling unit that will be offered for ~~rent or sale to and for~~ occupancy by very low, low and moderate-income households, at an affordable housing cost, pursuant to this section.

*In-Lieu Fee* A means a fee paid to the City by a developer instead of providing the required inclusionary units within the residential development.

*Low-Income Households* means households whose gross income is greater than fifty (50%) percent and does not exceed eighty (80%) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

~~“Low-Income Units”; “Moderate-Income Units”; and “Very Low-Income Units” mean inclusionary units restricted for sale or rent to and for occupancy by low, moderate, or very low-income households, respectively, at an affordable housing cost.~~

*Market Rate Units* means those dwelling units in a residential development that are not inclusionary units.

*Moderate Income Households* means households whose gross income is greater than eighty (80%) percent and does not exceed one hundred and twenty (120%) percent of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

~~*Off-Site Construction* Erection of affordable housing units on land other than that on which the developer intends to place a project within the City.~~

~~*Redevelopment Agreement* means an Owner Participation Agreement, Disposition and Development Agreement, Affordable Housing Agreement, Regulatory Agreement or similar agreement entered into between the City of Agoura Hills Redevelopment Agency and a developer.~~

~~*Regulations* means the regulations adopted by the Agoura Hills City Council pursuant to Subsection 9133.11 for the implementation and enforcement of the provisions of this section.~~

~~*Residential Development*” means the construction, development, or subdivision of projects consisting of property, including condominium conversions, resulting in ten (10) or more lots or dwelling units, including dwelling units in mixed-use projects.~~

~~*Substantial Rehabilitation or Substantially Rehabilitated* means the rehabilitation of a dwelling unit(s) for very low and low income households, which has substantial building and other code violations, and has been vacant for at least six (6) months, such that the unit is returned to the City’s housing supply as decent, safe, and sanitary housing, and the cost of such work exceeds Forty Thousand Dollars (\$40,000) per unit, as that amount may be adjusted for inflation pursuant to the Regulations.~~

~~*Total Housing Costs* means the total monthly or annual recurring expenses required of a household to obtain shelter. For a rental unit, total housing costs include the monthly rent payment and a reasonable allowance for utilities. For an ownership unit, total housing costs include the mortgage payment (principal and interest), mortgage insurance, property taxes, property insurance, utilities, homeowner’s association dues, and any other related fees and assessments.~~

*Very Low Income Households* means households whose gross income is equal to fifty (50%) percent or less of the median income for Los Angeles County as determined annually by HCD based on household income data promulgated by HUD.

### **9133.3 Applicability**

~~This subsection shall apply to all residential developments, except those that are exempt pursuant to Section 9133.4, and excluding here from residential developments located in the Agoura Hills Redevelopment Project Area, which are separately subject to inclusionary housing requirements under the California Health and Safety Code Section 33000 et seq., and related regulations and policies of the Agoura Hills Redevelopment Agency.~~

A. This section shall apply to all residential developments, as defined herein, where the lots or units will be offered for sale or for rent.

B. Notwithstanding subsection A, inclusionary units shall not be required for any project for which the city enters into a development agreement or for any project that is otherwise exempt under State law.

### **9133.4 Exemptions**

The following residential developments are exempt from the requirements of this Section:

~~A. Residential developments that obtain a variance, conditional use permit, or design review approval (pursuant to Sections 9676, 9673, and 9677 of Division 6 of Part 3 of Title IX of the Municipal Code, respectively) from the City prior to the effective date of this section, which obtain a building permit pursuant to that discretionary approval within one year of the effective date of this section, and which obtain a certificate of occupancy pursuant to that same discretionary approval.~~

~~B. Residential developments that are exempt from this section pursuant to state law, including, but not limited to, those for which the City enters into a development agreement.~~

~~C. Residential developments for which the Redevelopment Agency enters into a Redevelopment Agreement, so long as the Redevelopment Agreement is in full force and effect at the time the residential development would otherwise be required to comply with the requirements of this Section, and there is no uncured breach of the Redevelopment Agreement prior to the earlier of a) issuance of Certificate of Completion for the Redevelopment Agreement, or b) issuance of the first certificate of occupancy for the residential development.~~

### **9133.54 Inclusionary unit requirements**

~~A. Affordable inclusionary units shall be reserved for very low, low and moderate income households. Such units shall be provided at affordable housing cost, as defined by California Health and Safety Code Section 50052.5 for owner occupied units and Section 50053(b) for rental units, which calculates affordable housing rates for each applicable income category. At least fifteen percent (15%) of all newly constructed dwelling units in residential developments shall be developed, sold to or rented to, and occupied by very low, low and moderate income households, at an affordable housing cost. A minimum of six percent (6%) of all the units shall be sold to or rented to very low~~

~~income households; the remaining nine percent (9%) shall be sold to or rented to low or moderate income households.~~

A. Inclusionary units shall be reserved for very low-, low- and moderate- income households as follows:

1. For all newly constructed rental units in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be rented to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be rented to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be rented to and occupied by moderate income households.
2. For all condominium conversion projects and newly constructed condominiums in a residential or mixed-use development, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.
3. For all single-family subdivisions, a minimum seven percent (7%) of all the units in the development shall be sold to and occupied by very low-income households; a minimum four percent (4%) of all the units in the development shall be sold to and occupied by low-income households; and a minimum four percent (4%) of all the units in the development shall be sold to and occupied by moderate income households.

B. The City shall set on an annual basis, or as otherwise needed, set the maximum allowable rents and sale prices for inclusionary units, adjusted for family size.

C. The inclusionary unit requirement set forth in Paragraph A of this subsection may be reduced as follows:

- ~~1. If very low income units are provided in lieu of required low income units, a credit of 1.5 units shall be granted for every 1 unit actually provided.~~
- ~~2. If very low income units are provided in lieu of required moderate income units, a credit of 2 units shall be granted for every 1 unit actually provided.~~
- ~~3. If low income units are provided in lieu of required moderate income units, a credit of 1.5 units shall be granted for every 1 unit actually provided.~~

DC. In calculating the required number of inclusionary units in Section 9133.4.A.1, Section 9133.4.A.2, and Section 9133.4.A.3, fractional units of (0.50) or above will shall be rounded-up to a whole unit if the residential development consists of ten (10) or more units.



~~E. In setting priorities among eligible households, first priority shall be given to public safety employees and primary and secondary school teachers. Second priority shall be given to Agoura Hills' residents. Third priority shall be given to persons employed within Agoura Hills. Fourth priority shall be given to all other persons.~~

### **9133.65 Alternatives**

~~As an alternative to developing the inclusionary units in the residential development pursuant to Subsection 9133.5, the requirements of this section may be satisfied at the Planning Commission's discretion by off-site development of required units, donation of off-site land, or an in-lieu fee payment. Where provision of affordable units onsite is determined to be economically infeasible, off-site units are preferred, followed by donation of off-site land, to payment of an in-lieu fee. If neither on-site or off-site mitigation is feasible, an in-lieu housing fee will be collected in accordance with procedures and standards set forth in the regulations.~~

~~A. Off-site units. Upon application by the developer and at the discretion of the Planning Commission, the developer may satisfy the requirement of providing inclusionary units as part of the residential development, in whole or in part, by constructing or substantially rehabilitating the required inclusionary units at a site different than the site of the residential development.~~

~~B. Land Donation. Upon application by the developer and at the discretion of the Planning Commission, the developer may satisfy the requirement of providing inclusionary units as part of the residential development, in whole or in part, by conveying land to the City for the construction of the required inclusionary units. The donated land must at least be equal in value to the in-lieu amount that would be applied to the project, vacant and suitable for development for affordable housing units, and fully served by utilities and related infrastructure improvements.~~

~~C. In-Lieu Fee. At the discretion of the Planning Commission, the developer may satisfy the requirement for providing inclusionary units as part of the residential development, in whole or in part, by paying a fee in-lieu for all or some of the inclusionary units as follows:~~

- ~~1. The amount of the fee shall be calculated using the fee schedule established by resolution of the City Council.~~
- ~~2. One half of the in-lieu fee required by this subsection shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development.~~
- ~~3. The fees collected shall be deposited in the Inclusionary Housing Trust Fund for use exclusively for the development of housing units affordable to very low, low or moderate income households.~~

Developing all of the required inclusionary units within the residential development, as required under Section 9133.4, is preferred. However, as an alternative, the requirements of Section 9133.4 may be satisfied as follows:

- A. The developer may propose to satisfy the inclusionary housing unit requirements of Section 9133.4.A.1, 9133.4.A.2, and 9133.4.A.3 through payment of an in-lieu fee. The amount of the in-lieu fee shall be calculated using the fee schedule established by resolution of the city council.
- B. In accordance with this paragraph, the developer may propose to satisfy the inclusionary housing unit requirements of Section 9133.4.A.1, 9133.4.A.2, and 9133.4.A.3 by providing some of the required inclusionary units on-site and paying an in-lieu fee for any required inclusionary units that are not included in the project. The developer may build the required very low income inclusionary units on-site, and pay the applicable in-lieu fee for the required low income and moderate income units that are not built within the development. The developer may build the required low income inclusionary units on-site, and pay the applicable in-lieu fee for the required very low income and moderate income units that are not built within the development. The developer may build both the required very low income and low income inclusionary units on-site, and pay the in-lieu fee for the required moderate income units that are not built within the development. In no case may the developer build the moderate income units on-site and pay the in-lieu fee for the required very low and low income inclusionary units. The amount of the in-lieu shall be calculated by using the fee schedule established by resolution of the city council.
- C. One-half of the in-lieu fee required under Section 9133.5.A or 9133.5.B shall be paid (or an irrevocable letter of credit posted) prior to issuance of a building permit for all or any part of the residential development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the residential development. All fees collected shall be deposited in the inclusionary housing trust fund.

### **9133.76 Procedures Housing plan**

~~A. At the times and in accordance with the standards and procedures set forth in the regulations, developers shall:~~

- ~~1. Submit an inclusionary housing plan for approval by the Director, setting forth in detail the manner in which the provisions of this section will be implemented for the proposed residential development.~~
- ~~2. Execute and cause to be recorded an inclusionary housing agreement unless developer is complying with this section pursuant to paragraphs "B" (land donation) or "C" (in lieu fee) of Subsection 9133.6.~~

~~B. No discretionary approval shall be issued for all or any portion of a residential development subject to this section until the developer has submitted an inclusionary housing plan.~~

~~C. No building permit shall be issued for all or any portion of a residential development subject to this section unless the Director has approved the inclusionary housing plan, and the inclusionary housing agreement, if required, recorded.~~

~~D. No certificate of occupancy shall be issued for all or any portion of a residential development subject to this section unless the approved inclusionary housing plan has been fully implemented.~~

Along with an application for a residential development, a developer shall submit a housing plan to the Director setting forth in detail the manner in which the provisions of this section 9133 will be implemented for the proposed residential development. No application shall be deemed complete until the developer has submitted a complete housing plan.

### **9133.7. Inclusionary housing agreement.**

For residential developments providing inclusionary units on-site, an inclusionary housing agreement is required. Such agreement, which shall include provisions and terms for meeting the requirements of this section, shall be approved by the city manager, and recorded as a deed restriction against the property prior to issuance of either a grading or building permit, whichever comes first.

### **9133.8 Standards for inclusionary units**

A. All inclusionary units shall be:

1. Reasonably dispersed throughout the residential development.
2. Proportional, in number, bedroom size and location, to the market rate units.
3. Comparable with the market rate units in terms of the base design, appearance, materials and finished quality.

B. All inclusionary units in a residential development shall be ~~constructed~~ made available for occupancy concurrently with or prior to the construction occupancy of the market rate units. In the event the City approves a phased project, the inclusionary units required by this section shall be provided proportionately within each phase of the residential development.

C. Inclusionary units shall ~~be reserved~~ remain restricted for ~~very low, low and moderate income households at the ratios established pursuant to California Health and Safety Code Section 33413(b)(2) and shall be provided at the applicable affordable housing cost-owner-occupancy by the target income category at the applicable affordable housing cost for a period of not less than forty-five (45) years.~~ At the request of the owner-occupants who initially occupy the inclusionary units and subsequently seek to sell the inclusionary unit, the City may impose the equity sharing rules included in California Density Bonus Law, currently codified as Government Code Section 65915(c)(2), instead of requiring the aforementioned restriction for 45 years.

1. ~~An inclusionary unit that is for rent shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty five (55) years.~~
2. ~~An inclusionary unit that is for sale shall remain restricted for owner occupancy the target income category at the applicable affordable housing cost for a period of not less than forty five (45) years.~~

~~The occupancy and rents of the inclusionary units shall be governed by the terms of a deed restriction recorded with the property.~~

~~D. Notwithstanding paragraph C (2) of this Subsection 9133.8, if an inclusionary unit for sale is sold to an above moderate income purchaser, the sale shall result in a recapture by the City or its designee of a financial interest in the unit equal to (1) the difference between the initial affordable sales price and the appraised "fair market" value of the unit at the time of the initial sale, and (2) a proportionate share of any appreciation, provided that there are no more restrictive agreements executed by and between the home owner and the City or Redevelopment Agency, in which case the more restrictive requirement will apply. Inclusionary units in rental residential developments shall remain restricted for occupancy by the target income category at the applicable affordable housing cost for a period of not less than fifty-five (55) years.~~

~~E. Where the developer contends that onsite provision of inclusionary units is economically infeasible, the developer may request that the Planning Commission review the proposed residential development for a determination of economic infeasibility. The developer is required to submit to the City all necessary documentation demonstrating economic infeasibility. Upon a determination of economic infeasibility by the Planning Commission, the units may then be provided at another location in the City's jurisdiction at the Planning Commission's discretion. Any such off-site inclusionary units shall be completed prior to the issuance of a certificate of occupancy for the market rate housing development. The occupancy and rents of any such off-site units shall be governed by the terms of a deed restriction similar to that used for onsite inclusionary units, as referenced in Paragraph C of Subsection 9133.8. The occupancy of the inclusionary units shall be governed by the terms of the inclusionary housing agreement recorded as a deed restriction against the property.~~

### **9133.9 Enforcement Implementation and enforcement**

~~A. Any violation of this section constitutes a misdemeanor. The City Council may adopt administrative guidelines to assist in implementing and administering this section.~~

~~B. Any violation of this section constitutes a misdemeanor.~~

~~BC. The provisions of this Section shall apply to all owners, developers, and their agents, successors and assigns that proposing a residential development, occupy an inclusionary unit, or both. All Inclusionary Units shall be ~~rented or sold or rented~~ in accordance with this section and any regulations adopted pursuant to this section.~~

~~CD.~~ Any individual who sells or rents an inclusionary unit in violation of the provisions of this Section, the guidelines, or the inclusionary housing agreement shall be required to forfeit to the City all monetary amounts so obtained in violation of those provisions. Recovered funds shall be deposited into the Inclusionary Housing Trust Fund.

~~DE.~~ The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Section, including but not limited to: (1) actions to revoke, deny or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; and (2) actions for injunctive relief or damages.

~~EF.~~ In any action to enforce this Section or an Inclusionary Housing Agreement recorded hereunder, the City shall be entitled to recover its reasonable attorney's fees and costs.

### ~~9133.10~~ **Regulations**

~~The City Council may by resolution establish additional regulations for the implementation of this section.~~

### ~~9133.11~~10 **Inclusionary housing trust fund**

~~There is an established separate fund of the City, known as the Inclusionary Housing Trust Fund. All monies collected pursuant to Paragraph "C" of Subsection 9133.6 shall be deposited in the Inclusionary Housing Trust Fund.~~

A. There is an established separate fund of the city, known as the inclusionary housing trust fund. All monies collected by the city pursuant to this section shall be deposited in the inclusionary housing trust fund.

B. The monies in the fund and all earnings from investment of the monies in the fund shall be expended to provide housing affordable to very low-income, low-income, and moderate-income households in the city. Such expenditures may include, but shall not be limited to, the costs of administration, monitoring, and compliance for the city's affordable housing program, as further explained in Subsection C.

C. For the purpose of this section, providing housing affordable to very low-, low-, and moderate-income households may include, but is not limited to, expending funds for the following: development of affordable units; acquisition of property for the development of such units; subsidies for the construction of such units; maintenance of affordable housing; partnering with affordable housing developers; conversion of existing market rate units to very low-, low- and moderate-income for-sale or rental units; subsidies for covenants to create or preserve very low-, low-, and moderate-income units; substantial rehabilitation of very low-, low-, and moderate-income units; and costs to administer the inclusionary housing trust fund and inclusionary housing program.

### **9133.1211 Administrative Fees**

The City Council may by resolution establish reasonable fees and deposits for the administration of this Chapter.

### **9133.13 Appeal**

~~Within fifteen (15) calendar days after the date of the Director's decision, an appeal may be filed pursuant to Section 9804 of Division 4 of Part 1 of Chapter 8 of Title IX of the Municipal Code in which appeal procedures are set forth.~~

### **9133.14 Taking Determination**

~~A. Commencing upon the approval or disapproval of the inclusionary housing plan by the Planning Commission pursuant to the regulations, and within fifteen (15) days thereafter, a developer may request a determination that the requirements of this section, taken together with the inclusionary incentives, as applied to the residential development, would legally constitute a taking of property of the residential development without just compensation under the California or Federal Constitutions.~~

~~B. The developer has the burden of providing economic information and other evidence necessary to establish that application of the provisions of this section to the residential development would constitute a taking of the property of the proposed residential development without just compensation. The Director shall make the determination, which may be appealed in the manner and within the time set forth in Subsection 9133.13, except that the City Council shall serve as the review body.~~

~~C. In making the taking recommendation or determination, the decision maker shall assume each of the following:~~

- ~~1. Application of the inclusionary housing requirement to the residential development;~~
- ~~2. Application of the inclusionary incentives;~~
- ~~3. Utilization of the most cost efficient product type for the inclusionary units;~~
- ~~and~~
- ~~4. External funding where reasonably likely to occur.~~

~~D. If it is determined that the application of the provisions of this section would be a taking, the inclusionary housing plan shall be modified to reduce the obligations in the inclusionary housing component to the extent and only to the extent necessary to avoid a taking. If it is determined no taking would occur though application of this section to the residential development, the requirements of this section remain applicable."~~

Track Change Mode IHO CC 09-26-18

## **EXHIBIT G**

# **Inclusionary Housing In-Lieu Fee Analysis (RSG, August 29, 2018)**





## **Inclusionary Housing In-Lieu Fee Analysis**

CITY OF AGOURA HILLS

August 29, 2018

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## INTRODUCTION

This Inclusionary Housing In-Lieu Fee Analysis ("Report") has been prepared by RSG, Inc. ("RSG") for the City of Agoura Hills ("City") to support an update of the City's current in-lieu fees, which were adopted in 2008 when the Inclusionary Housing Ordinance ("Ordinance") was last revised. The City is currently considering updating its in-lieu fees to reflect current market and economic conditions. The City is also considering certain amendments to the Ordinance.

First adopted in 2000, the Ordinance requires that new market rate residential developments include a percentage of income-restricted affordable housing units, referred to as inclusionary units. These units must be sold or rented to and occupied by very low-, low-, and moderate-income households. The Ordinance provides some alternatives to providing the inclusionary units on-site, including payment of an in-lieu fee to the City. The City uses these in-lieu fee revenues, along with other funds dedicated to affordable housing, to develop, establish, and preserve affordable housing in the City.

### Affordability Levels

The City's 2013-2021 Housing Element ("Housing Element") provides data regarding the need for affordable housing in the City. The City's affordable housing needs are largely defined by the Regional Housing Needs Allocation ("RHNA") promulgated by the Southern California Association of Governments ("SCAG"), which allocates the regional housing demand, by income category, to local jurisdictions as targets to be addressed in their respective Housing Elements. Agoura Hills' RHNA for the period of January 2014 through October 2021 reflects a target of 115 new residential housing units, of which 13% are for extremely low-income households, 14% are for very low-income households, 17% are for low-income households, 17% are for moderate-income households, and 39% are for above moderate-income households. The maximum income level for low- and moderate-income households, as defined in the California Health and Safety Code ("H&SC") and as promulgated by the California Department of Housing and Community Development ("HCD"), is 120% of the Area Median Income ("AMI").

The U.S. Department of Housing and Urban Development's ("HUD") threshold for overpayment is when households spend more than 30% of their gross monthly income on rent or mortgage payments. The Housing Element states that 40% of owners and 54% of renters are spending more than 30% of their monthly income on housing costs. Moreover, 18% of owners and 34% of renters are spending more than 50% of their monthly income on housing costs. The percentage of renters spending 50% or more of their income on housing exceeds the countywide average by 5%. Extremely low-income households spend a startling 85% of their income on housing costs. Overpayment is a critical issue, because it leaves households with insufficient funds for other necessities, such as food, health care, clothing, and utilities. Extremely low-, very low-, and low-income households are not the only households in the City who are affected by the City's high housing costs. The issue of overpayment is significant for lower-income seniors, people with disabilities, and single parents living in Agoura Hills. This is further exacerbated by the fact that there are currently no income-restricted residential rental or ownership units in the City's jurisdiction.

The Housing Element shows that 28% of the households in the City make less than 120% AMI (moderate-income) and 14% earn less than 80% AMI (low-income). Homes in the City are not affordable to renters and homeowners earning the median household income. The 2017 annual median household income for a three-person household in Los Angeles County, as calculated by HCD, is \$58,300, or \$4,858 per month. Assuming that housing costs should not exceed 30% of a household's income, monthly housing costs in Agoura Hills should not exceed \$1,457 to be affordable to households earning the median household

income, which is an appropriate proxy for potential future residents who will be employed in the low-income jobs generated by new residential development in the City.

In Agoura Hills and the neighboring cities, the average monthly asking rent is \$2,365 for a two-bedroom apartment, significantly higher than \$1,457. Additionally, based on RSG’s June 2017 analysis of condominium comparables, the median sales price for condominiums in the City was \$380,000. Based on this price, the estimated monthly housing cost - including principal and interest, taxes, insurance, and HOA dues - would be about \$2,150, again much higher than \$1,457.

Housing costs are especially unaffordable for those earning minimum wage, which in the State of California is \$10.50 per hour as of the writing of this report, or \$21,840 per year (assuming the employee works 40 hours a week for 52 weeks of the year). In order to rent a one-bedroom apartment in Agoura Hills, a household would need to earn at least \$77,734 a year. This means that a dual-income household where both workers work full-time at minimum wage cannot afford to rent a median-priced apartment within the City. Because people spend significant portions of their expenditures in service-based industries, such as restaurants, retail stores, and personal care, many new jobs resulting from future development will be local jobs that pay minimum wage. A shortage in affordable housing means that local employees must spend a larger portion of their income on housing to live in the City, live in substandard conditions, or find housing outside of the City, which results in increased transportation costs, as well as greenhouse gas emissions.

The California H&SC provides a general definition of low- and moderate-income limits and identifies the calculation of the respective affordable housing costs and rents for each income category. Pursuant to the H&SC, HCD establishes and publishes annually Qualifying Income Limits by income category adjusted for household size. The income limits and affordable housing cost criteria under the H&SC are widely used and generally applicable for various affordable housing programs implemented in local jurisdictions, including those by redevelopment agencies and projects using redevelopment housing set-aside funds before redevelopment agencies were dissolved, those by housing authorities, and those under density bonus programs. The City’s Ordinance uses the same criteria as identified under the H&SC. Accordingly, this Report uses the H&SC income limits and rents criteria. The income category limits are generally defined as follows:

Very Low-Income	Households earning 50% or less of the area median income;
Low-Income	Households earning 80% or less of the area median income; and
Moderate-Income	Households earning 120% or less of the area median income.

However, Los Angeles County is identified as a high housing cost area by HCD and HUD. Therefore, the actual income limits can be set at higher levels. For example, in 2017, HCD defined the income category limits approximately as follows:

Very Low-Income	Households earning 70% or less of the area median income;
Low-Income	Households earning 111% or less of the area median income; and
Moderate-Income	Households earning 120% or less of the area median income.

**Summary of Findings**

Based on the difference between current development costs and either amortized net operating income (for rental units) or sales value (for ownership units), RSG calculated the development feasibility funding gaps for very low-, low-, and moderate-income units. The maximum in-lieu fee amounts for new residential developments per required affordable unit are equal to the development feasibility funding gaps. However, for ownership single-family residential developments, RSG recommends implementing an in-lieu fee of

approximately 40% of the development feasibility funding gap. This is because a higher fee based on the full development funding gap would be out of proportion to the fees for rental and condominium ownership development and may deter single-family residential development and result in increased housing costs, which negates the purpose of the Ordinance. The recommended fees vary based on the product type of the proposed development (i.e., rental, condominium ownership, or single-family residential development), ranging from:

- \$285,336 to \$508,849 per very low-income unit,
- \$260,196 to \$487,943 per low-income unit, and
- \$130,159 to \$427,002 per moderate-income unit.

### **Report Organization**

This Report contains three sections, as follows:

Section 1 – Market Rate Units: This section provides an overview of the market rate units in and around the City.

Section 2 – Affordable Housing Costs: This section examines the cost to produce affordable housing units in the City. This analysis is used to associate a cost with the need for affordable units.

Section 3 – Fee Analysis and Recommendations: This section details the calculations involved in determining the maximum residential inclusionary housing in-lieu fees for the City.

### **Data Sources**

RSG has prepared this Report using the most current and verifiable data available. RSG believes that these data sources are deemed to be reliable and provide accurate and relevant information for this analysis. Nonetheless, RSG cannot guarantee the accuracy of this data and assumes no liability for information from these sources or others.

**SECTION 1: MARKET RATE UNITS**

Residential units that can be constructed in the City include single-family residences (“SFR”), attached townhomes/condominiums, and rental apartments. Accordingly, the product types used in this analysis include a single-family residential development, an attached townhome/condominium development, and a rental apartment development. Based on the data reviewed, conversations with City staff, and RSG’s knowledge of the City’s residential market, RSG believes that these three product types provide an accurate cross section of the potential residential developments affected by the Ordinance.

**Agoura Hills Housing Market and Product Types**

To select the residential product types, RSG used sales data from January 2016 to June 2017 and open listings and rent advertisements in June 2017 to ascertain the median values and rents for properties within the City. RSG utilized CoreLogic MetroScan (“MetroScan”) to obtain a database of all residential properties sold in the City from January 2016 to June 2017. MetroScan utilizes County Assessor data to provide property information, including sales information and property characteristics. Sales data was divided into two categories, single-family residences and condominiums. In addition to the data obtained from MetroScan, RSG conducted an online survey of home sale listings on zillow.com and apartment rents advertised on sites such as hotpads.com, rent.com, and craigslist.com. Since there are few apartments within the City, RSG extended the search area for apartment listings to the surrounding communities of Oak Park, Calabasas, and Westlake Village. The three product types are summarized in Table 1-1 below, including the typical unit size, number of bedrooms, and pricing/rent levels.

**Market Rate Product Types** **Table 1-1**  
**Agoura Hills Residential In-Lieu Fee Study**

Unit Type	Rental	Ownership Units	
		Condo	SFR
Median Unit Size	899	1,088	2,435
Median Bedrooms	1	2	4
Median Rent/(Asking) Sales Price	\$2,222	\$380,000	\$859,000
Median Rent/(Asking) Sales Price per SF	\$2.49	\$344.81	\$372.31
Required Annual Household Income	\$77,734	\$90,665	\$182,236

Source: CoreLogic Metroscan, Craigslist.org, Hotpads.com, Rent.com, and Zillow.com

**Rental Product Type**

The rental product type is based on the median-sized apartment unit. No new rental developments have been constructed in the City recently, but apartments may be included in the development of the Agoura Village Specific Plan area. Table A-1 in Attachment A identifies all available apartments in or near the City. These are good quality units with good finishes and community amenities, such as pools and recreation facilities, similar to what new apartment development in the City would likely feature. Based on the market data, the median apartment size is approximately 899 square feet and the median monthly rent is \$2,222.

It is notable that there are only 2 apartment complexes in the City and all apartments in and near the City are 1- and 2-bedroom units, limiting residential options, particularly for larger households.

#### Attached Ownership Product Type

The attached ownership product type represents attached multi-family ownership units available in the City. The median sales price for the 114 townhomes sold within the last 18 months was \$381,250. In addition, four attached condominium units were for-sale, with a median asking sales price of \$279,500. As shown in Table 1-1 above, the median price for all units, both sold and for-sale, is \$380,000, with a median square footage of 1,088. This product type is meant to represent attached ownership developments similar to what is currently available in the City. These units would typically be of good quality and have finishes similar to new single-family residences. They tend to be smaller than single-family residences, but are adjacent to or within the same communities. These developments also tend to offer HOA amenities, such as access to a community pool, children's tot lot, or other recreational facilities. For this product type, the monthly HOA fees were estimated to be \$350, an average of the HOA dues advertised for units for sale. The complete list of comparable condominiums is provided as Table A-2 in Attachment A.

#### Ownership Single-Family Home Product Type

This product type is based on the 18-month (January 2016 through June 2017) median price for single-family residences sold in the City. Based on the 349 sales completed within the indicated period, the median priced single-family residence in the City was valued at \$859,000, as shown in Table 1-1 above. The median size of the new single-family residences sold in the twelve-month period was 2,435 square feet. These homes are typically of good quality and have average to good finishes. This product type is meant to represent the majority of new single-family residences which will be constructed in the City.



**SECTION 2: AFFORDABLE HOUSING COSTS**

The analysis presented in Sections 2 and 3 is based on development costs associated with rental apartments, for-sale condominium units, and for-sale single-family residences. To estimate the cost of developing affordable units in Agoura Hills, the following three prototypical developments were assumed, based on the City’s standards for density in residential developments: an apartment development with a density of 20 dwelling units per acre, a condominium development with a density of 20 dwelling units per acre, and single-family residences with a density of two dwelling units per acre.

**Affordable Housing Cost Overview**

Monthly rents and sale prices for affordable housing units are usually established in accordance with the California H&SC. Calculations for rental housing are made pursuant to Section 50053(b); calculations for owner-occupied housing are made pursuant to H&SC Section 50052.5(b). Affordable housing costs are a function of the AMI adjusted for family size appropriate to the unit, which is assumed to be one person in a studio unit, two persons in a one-bedroom unit, three persons in a two-bedroom unit, four persons in a three-bedroom unit, five persons in a four-bedroom unit, and six persons in a five-bedroom unit.

The qualifying income limits for very low-, low-, and moderate-income households and the applicable AMIs adjusted for family size are established annually by HCD for each California county in accordance with data provided by HUD. For Los Angeles County, the 2017 median income is \$64,800 for a family of four. A summary of the 2017 Los Angeles County AMIs and qualifying income limits is provided in Table 2-1 below.

**2017 Qualifying Income Limits by Household Size** **Table 2-1**  
**Los Angeles County**

Income Category	Household Size							
	1	2	3	4	5	6	7	8
Very Low (50% of AMI)	\$31,550	\$36,050	\$40,550	\$45,050	\$48,700	\$52,300	\$55,900	\$59,500
Low (80% of AMI)	\$50,500	\$57,700	\$64,900	\$72,100	\$77,900	\$83,650	\$89,450	\$95,200
Median Income <sup>1</sup>	\$45,350	\$51,850	\$58,300	\$64,800	\$70,000	\$75,150	\$80,350	\$85,550
Moderate (120% of AMI)	\$54,450	\$62,200	\$70,000	\$77,750	\$83,950	\$90,200	\$96,400	\$102,650

*Source: California Department of Housing and Community Development*

<sup>1</sup> The California Department of Housing and Community Development has disconnected the 50% and 80% income limits from Median Income in order to avoid reducing income limits at a time when median incomes have declined or remained flat.

This analysis incorporates the data in Table 2-1 above to establish the income category of a household based on the applicable qualifying income limits established by HCD. The calculation of affordable housing rents or prices is then made based on the income category of the household, adjusted for family size and multiplied by the AMI adjusted for that household size. The calculations in the following sections of this analysis use a variety of affordability levels and adjusted household sizes to generally reflect market data, which will be identified as they are used.

**Affordable Rental Values**

The maximum affordable rental costs are calculated per H&SC Section 50053(b) to reflect the affordable housing cost per income category adjusted for household size as a percentage of the gross AMI, as well as a deduction of an allowance for utilities. The calculation of annual affordable rental housing cost may not exceed the following:

- For very low-income households, the product of 30% times 50% of the AMI adjusted for family size appropriate for the unit.
- For low-income households, the product of 30% times 60% of the AMI adjusted for family size appropriate for the unit.
- For moderate-income households, the product of 30% times 110% of the AMI adjusted for family size appropriate for the unit.

The Los Angeles County 2017 maximum affordable monthly rents, before deducting an allowance for utilities, for each income category by unit size is summarized in Table 2-2 below.

**Los Angeles County 2017 Monthly Affordable Rental Housing Cost Limits** **Table 2-2**  
**Agoura Hills Residential In-Lieu Fee Study**

Unit Type	Very Low Income Households	Low Income Households	Moderate Income Households
Studio	\$567	\$680	\$1,247
1 Bedroom	\$648	\$778	\$1,426
2 Bedroom	\$729	\$875	\$1,603
3 Bedroom	\$810	\$972	\$1,782
4 Bedroom	\$875	\$1,050	\$1,925
5 Bedroom	\$939	\$1,127	\$2,067

Note: The costs shown above represent the maximum a household can spend on housing before deductions for a utility allowance.

Source: California Department of Housing and Community Development

The value of an affordable rental unit is a function of the annual gross income of the unit reduced by vacancies and operating expenses to determine the net operating income ("NOI"). Lenders' underwriting standards generally incorporate a 5% vacancy factor. Comparable annual operating expenses (excluding real estate taxes) for affordable rental units are about \$6,000 per unit. The exclusion of real estate taxes for affordable apartments is deemed reasonable under the assumption that most affordable apartments are constructed in conjunction with non-profit housing developers and are thus exempt from property taxes. The industry practice of establishing the value of rental units is to apply a reasonable market capitalization rate to the NOI to identify the value based on the ability to achieve a comparable investment rate to other similar properties.

In estimating the value of rental apartment projects, RSG used rents, bedroom counts, and unit sizes that reflect rental apartments in the area, assuming that future rental developments in the City will be similar to current rental developments in the City. For purposes of this analysis, for a 20-unit affordable apartment development, a mix of 50% one-bedroom and 50% two-bedroom units with an average size of 899 square feet was assumed. These assumptions reflect the rental apartment market comparables summarized in Table 2-1 above and detailed in Attachment A in Table A-1. The affordable net monthly rent, after deducting an allowance for utilities, for each unit size and income category is used to determine the weighted average rent for each income category, as follows:

- For very low-income units, the weighted monthly rent is \$644 (\$0.72 per sf).
- For low-income units, the weighted monthly rent is \$782 (\$0.87 per sf).
- For moderate-income units, the weighted monthly rent is \$1,470 (\$1.64 per sf).

The resulting calculations of the estimated values of affordable rental units in the City are summarized in Table 2-3 below.

**2017 Monthly Affordable Rents Market Capitalization (per unit)** **Table 2-3**  
**Agoura Hills Residential In-Lieu Fee Study**

	Very Low Income Households	Low Income Households	Moderate Income Households
Est. Annual Gross Rent Income <sup>1</sup>	\$7,727	\$9,380	\$17,641
Other Income <sup>2</sup>	\$116	\$141	\$265
Less 5% Vacancy	(\$392)	(\$476)	(\$895)
Less Operating Costs	(\$6,000)	(\$6,000)	(\$6,000)
Net Operating Income	\$1,451	\$3,044	\$11,010
Capitalized Value @ 5.50% Rate	\$26,382	\$55,349	\$200,184

<sup>1</sup> Based on affordable rental prices shown in Table 5-1. Weighted average reflects assumed unit mix of 50% 1-bedroom units and 50% 2-bedroom units, based on unit mix of rental comparables.

<sup>2</sup> Estimated as 1.5% of estimated gross rent income.

**Affordable Sale Prices**

The maximum affordable sale prices are calculated per H&SC Section 50052.5(b) to reflect the affordable housing cost per income category, adjusted for household size, as a percentage of the gross AMI, allowing for the deduction of related housing expenses.

The calculation of annual affordable ownership housing cost may not exceed the following:

- For very low-income households, the product of 30% times 50% of the AMI adjusted for family size appropriate for the unit.
- For low-income households, the product of 30% times 70% of the AMI adjusted for family size appropriate for the unit.
- For moderate-income households, not less than 28% of the household's gross income, or more than the product of 35% times 110% of the AMI adjusted for family size appropriate for the unit.

Table 2-4 below identifies the Los Angeles County 2017 monthly affordable ownership housing cost limits for each income category by unit size, as calculated in accordance with the above formulas.

**Los Angeles County 2017 Monthly Affordable Ownership Housing Cost Limits** **Table 2-4**  
**Agoura Hills Residential In-Lieu Fee Study**

Unit Type	Very Low Income Households	Low Income Households	Moderate Income Households
Studio	\$567	\$794	\$1,455
1 Bedroom	\$648	\$907	\$1,664
2 Bedroom	\$729	\$1,020	\$1,870
3 Bedroom	\$810	\$1,134	\$2,079
4 Bedroom	\$875	\$1,225	\$2,246
5 Bedroom	\$939	\$1,315	\$2,411

Note: The costs shown above represent the maximum a household can spend on housing before deducting for allowances for utilities, real estate taxes, insurance, and Home Ownership Association fees.

Source: California Department of Housing and Community Development

For this analysis, affordable sale prices were calculated for attached condominiums and single-family residences reflecting the same homeowner expense categories (taxes, insurance, HOA fees/maintenance costs, and utilities), with the assumption that single-family residence owners who do not pay HOA fees pay property maintenance costs that approximate the amount of an HOA fee. The analysis also assumes a 3.5% down payment (the minimum required for a Federal Housing Administration (FHA) loan) and a 30-year amortized loan at a 6.00% interest rate (based on RSG's recent experience reviewing terms of mortgage loans provided to purchasers of affordable housing units). The maximum affordable condominium sale prices for each income category by unit size are summarized in Table 2-5 below, and the maximum affordable single-family residential sale prices for each income category by unit size are summarized in Table 2-6 below. Detailed calculations of the affordable prices by income category and unit size are provided as Attachment C.

**City of Agoura Hills 2017 Affordable Ownership Condominium Prices** **Table 2-5**  
**Agoura Hills Residential In-Lieu Fee Study**

Unit Type	Very Low Income Households	Low Income Households	Moderate Income Households
Studio	\$8,391	\$42,854	\$143,236
1 Bedroom	\$18,436	\$57,655	\$172,479
2 Bedroom	\$28,384	\$72,478	\$201,452
3 Bedroom	\$37,194	\$86,370	\$229,622
4 Bedroom	\$42,744	\$95,855	\$250,694
5 Bedroom	\$48,170	\$105,172	\$271,469

**City of Agoura Hills 2017 Affordable Ownership SFR Prices** **Table 2-6**  
**Agoura Hills Residential In-Lieu Fee Study**

Unit Type	Very Low Income Households	Low Income Households	Moderate Income Households
1 Bedroom	\$15,410	\$54,792	\$169,452
2 Bedroom	\$25,358	\$69,615	\$198,588
3 Bedroom	\$33,978	\$83,154	\$226,406
4 Bedroom	\$39,338	\$92,449	\$247,288
5 Bedroom	\$44,424	\$101,426	\$267,723

Based on the median unit sizes of the condominium and single-family residential market comparables detailed in Attachment A Tables A-2 and A-3, RSG assumed a condominium unit size of 1,088 square feet and a single-family residential size of 2,435 square feet. Since market rate and income-restricted residences are generally equal in quality, these averages are applied to income-restricted units as well. In order to identify one affordable condominium sales price and one single-family residential sales price per income category to incorporate in the development cost estimates, RSG used a weighted average of the condominium and single-family residential sales prices in each income category to reflect the mix of one-bedroom, two-bedroom, three-bedroom, four-bedroom, and five-bedroom units of the condominium and single-family residential market comparables described in Attachment A Tables A-2, and A-3. Using this weighted average assumes that future ownership developments in the City will be similar to current ownership developments in the City. The resulting weighted average sales prices for each income category are as follows for the condominium units:

- For very low-income units, the weighted average sales price is \$30,301 (\$3.48 per sf).
- For low-income units, the weighted average sales price is \$75,632 (\$6.95 per sf).
- For moderate-income units, the weighted average sales price is \$208,014 (\$95.59 per sf).

The resulting weighted average sales prices for each income category are as follows for the single-family residences:

- For very low-income units, the weighted average sales price is \$38,075 (\$15.64 per sf).
- For low-income units, the weighted average sales price is \$90,340 (\$37.10 per sf).
- For moderate-income units, the weighted average sales price is \$242,694 (\$99.67 per sf).

**Affordable Housing Development Funding Gap**

The affordable housing development funding gap reflects the difference between the value of an affordable unit and the estimated cost to develop the unit, which will generally approximate the cost of constructing market rate units in the area. The development funding gap indicates the subsidy or assistance amounts needed to create affordable housing units.

The major cost components for affordable housing units are similar to those for market rate units in terms of unit cost, with an exception perhaps for somewhat smaller unit sizes, slightly lower quality materials and finishes, and a lower developer fee (profit). For this analysis, the estimated development costs were based on independent construction cost data obtained from Marshall and Swift Valuation Services, which is a national comprehensive database that is updated monthly and serves the development and insurance industries. This methodology reflects the assumption of all things being equal, such as unit size, construction costs, and land costs.

The construction funding gaps reflect the difference between the direct construction cost of an affordable unit and the value of that unit. For both rental and for-sale units, the construction funding gap amount is increased by the allocated land cost to reflect the development funding gap associated with producing the affordable units. The weighted average development funding gaps for affordable units are summarized by product type and income level in Tables 2-7, 2-8, and 2-9 below and further detailed in Attachment C. The complete list of comparable land sales, which support the land cost estimates incorporated in the development funding gap calculations, is provided in Attachment A as Table A-4.

The indicated development funding deficits reflect the financial impacts associated with producing the affordable units without the benefit of tax credits to leverage the project, thus reflecting the 100% in-lieu fee amount necessary for the City to produce an affordable unit for each income category. Affordable projects often receive financial assistance from local, state, and federal funding sources including 4% or 9% low-income housing tax credit equity to reduce the funding deficits to make the development more financially feasible. The future availability of such assistance, however, cannot be assured. Accordingly, this analysis uses the 100% funding gap amounts as the basis for determining the in-lieu fee amounts and does not assume that tax credits or any other financing source will be used.

**Affordable Rental Apartment Development Funding Gaps (per unit)** **Table 2-7**  
**Agoura Hills Residential In-Lieu Fee Study**

	Very Low Income	Low Income	Moderate Income
Amortized NOI	\$19,111	\$40,094	\$145,011
Capitalized Excess Cash Flow	\$3,785	\$7,941	\$28,722
Construction Cost	(\$261,277)	(\$261,277)	(\$261,277)
Allocated Land Cost	(\$46,954)	(\$46,954)	(\$46,954)
<b>Development Funding Gap</b>	<b>(\$285,336)</b>	<b>(\$260,196)</b>	<b>(\$134,498)</b>

**Affordable Ownership Condominium Development Funding Gaps (per unit)** **Table 2-8**  
**Agoura Hills Residential In-Lieu Fee Study**

	Very Low Income	Low Income	Moderate Income
Unit Value	\$30,301	\$75,632	\$208,014
Construction Cost	(\$291,218)	(\$291,218)	(\$291,218)
Allocated Land Cost	(\$46,954)	(\$46,954)	(\$46,954)
<b>Development Funding Gap</b>	<b>(\$307,872)</b>	<b>(\$262,541)</b>	<b>(\$130,159)</b>

**Affordable Ownership SFR Development Funding Gaps (per unit)** **Table 2-9**  
**Agoura Hills Residential In-Lieu Fee Study**

	Very Low Income	Low Income	Moderate Income
Unit Value	\$38,075	\$90,340	\$242,694
Construction Cost	(\$840,655)	(\$840,655)	(\$840,655)
Allocated Land Cost	(\$469,543)	(\$469,543)	(\$469,543)
<b>Development Funding Gap</b>	<b>(\$1,272,123)</b>	<b>(\$1,219,858)</b>	<b>(\$1,067,504)</b>

### SECTION 3: FEE ANALYSIS AND RECOMMENDATIONS

This section outlines maximum affordable housing in-lieu fees reflecting the full financial equivalent needed to develop housing units affordable to very low-, low-, and moderate-income households. The full financial equivalent reflects the in-lieu fee amounts necessary to fund 100% of the estimated cost or assistance needed to develop the affordable units at an off-site location; that is, the full production cost of the affordable unit.

If the fee is too high, however, it may deter residential development altogether, thereby raising housing costs and negating the purpose of the Ordinance. To avoid this unintended consequence, the City may choose to implement a reduced fee to mitigate the cost impacts to future residential development in the City. Should the City choose to implement a reduced fee, additional funding sources would not necessarily be required to create affordable units. The City could maintain in-lieu fees in a special fund until enough in-lieu fees are collected to develop the units or it could create income-restricted units without construction, for example by buying income-restricting covenants or purchasing units and selling them to low-income residents for less than market value.

#### Approach and Methodology

Below is a summary of the methodology used for identifying the development funding gap and the corresponding in-lieu fee amounts. The first five points refer to components of the methodology that were discussed in detail in Section 2; the final point refers to the component of the methodology that is discussed in detail in this section.

1. Identification of current affordable housing costs in accordance with the requirements under the H&SC, which provides the methodologies for calculating affordable housing costs for ownership units (Section 50052.5(b)) and rental units (Section 50053(b)).
2. For rental units, determination of capitalized value of NOI, based on rent limits and utility allowances for each income category and estimates of miscellaneous income, vacancy, operating costs, and a cap rate. For ownership units, determination of weighted average sales price, based on ownership cost limits and estimates of property taxes, insurance, HOA fees, utilities, mortgage interest rates, buyers' down payment, and closing costs.
3. Preparation of development financial pro formas for prototypical rental apartments, ownership condominium units, and single-family residences, using comparable market building prototypes and unit sizes to estimate direct and indirect construction costs, financing costs, base developer fees, and estimated land costs, to identify the total estimated development costs.
4. Identification of the total rent or sales revenue based on the maximum affordable rent limit or sales price per income category, as defined under the affordability standards pursuant to the H&SC.
5. For rental units, the difference between the total estimated development cost per unit and the sum of the amortized value of the NOI and the capitalized excess cash flow (the amount of NOI that is in excess of what is needed for debt service) per unit represents the affordable development funding gap associated with the affordable rent for each income category and is considered the maximum supportable in-lieu fee. For ownership units, the difference between the total estimated development cost per unit and the affordable sale price per unit represents the affordable development funding gap associated with the affordable sales price for each income category and is considered the maximum supportable in-lieu fee.



- The in-lieu fee is set at the development funding gap for each product type at each income level. It would be paid based on the number of affordable units required. This provides more flexibility for developers, who can choose to build units at certain required affordable income levels and pay the in-lieu fee for others in the same development.

**Summary of Affordable Housing Funding Gaps**

Table 3-1 below summarizes the construction and development funding gaps associated with each affordable housing unit in the City by income category. Section 2 provides greater detail.

**Summary of Affordable Rental and Ownership Funding Gaps (per unit)** **Table 3-1**  
**Agoura Hills Residential In-Lieu Fee Study**

<b>Rental Apartment Development Funding Gaps</b>	<b>Very Low Income</b>	<b>Low Income</b>	<b>Moderate Income</b>
Construction Funding Gap : <i>(excludes land cost allocation)</i>	(\$242,166)	(\$221,183)	(\$116,266)
Development Funding Gap : <i>(includes land cost allocation)</i>	(\$285,336)	(\$260,196)	(\$134,498)
<b>Ownership Condominium Development Funding Gaps</b>	<b>Very Low Income</b>	<b>Low Income</b>	<b>Moderate Income</b>
Construction Funding Gap : <i>(excludes land cost allocation)</i>	(\$260,917)	(\$215,586)	(\$83,205)
Development Funding Gap : <i>(includes land cost allocation)</i>	(\$307,872)	(\$262,541)	(\$130,159)
<b>Ownership SFR Development Funding Gaps</b>	<b>Very Low Income</b>	<b>Low Income</b>	<b>Moderate Income</b>
Construction Funding Gap : <i>(excludes land cost allocation)</i>	(\$802,580)	(\$750,314)	(\$597,961)
Development Funding Gap : <i>(includes land cost allocation)</i>	(\$1,272,123)	(\$1,219,858)	(\$1,067,504)

**Inclusionary Requirement and In-Lieu Fee Considerations**

The current 15% total affordable housing inclusionary requirement will remain at 15%. The City has decided to allocate that 15% requirement among income levels in proportion to its RHNA Final Allocation Plan for years 2014 to 2021. Based on that allocation, the City's inclusionary requirements would be:

- 7.0% for very low-income units,
- 4.0% for low-income units, and
- 4.0% for moderate-income units.

Table B-1 in Attachment B details how the breakdown of the 15% inclusionary housing set-aside was calculated. It should be noted that the above moderate-income category does not qualify as affordable housing and, thus, is excluded from the 15% set-aside. Notably, these percentage requirements would be rounded up to the next whole unit to determine the exact inclusionary requirement or in-lieu fee. Table 3-2 shows what the inclusionary requirement would be for developments of different sizes, regardless of the product type. The numbers of total units shown were intentionally selected to provide examples illustrating how the need to round percentage requirements to whole units affects the numbers of required affordable units for developments of different sizes.

**Table 3-2**

**Inclusionary Housing Requirement Examples**  
**Agoura Hills Residential In-Lieu Fee Study**

Income Level	Total Units				
	14	20	42	72	100
Very Low	1	2	3	6	7
Low	1	1	2	3	4
Moderate	1	1	2	3	4

In many cases, inclusionary requirements are only applied to developments larger than a certain residential unit count. The City intends to apply its inclusionary requirements only to developments of ten or more dwelling units, meaning that developments of nine or fewer residential units would not be subject to the inclusionary requirements.

For situations in which a developer prefers to build some affordable units and pay the in-lieu fee for others, the City may elect to require the developer to build the units for a certain income-level before building the units for the other income levels. For example, the City may require that if the developer builds any affordable units, they would have to build the very low-income units and could pay the in-lieu fee for the low-income and moderate-income units.

The following tables identify the in-lieu fee per affordable housing unit and calculate the total fee in sample 20-unit developments of each of the product types. The fee is determined by multiplying the development funding gaps in Table 3-1 by the number of required affordable units. This is done for each income category separately. The resulting fees are summed to calculate a total fee.

Rental Development In-Lieu Fee

As shown in Table 3-3 below, the inclusionary requirements for a sample 20-unit rental development would include 2 very low-income units, 1 low-income unit, and 1 moderate-income unit. The developer could either build these units or pay an in-lieu fee equal to the development funding gap for each unbuilt affordable unit. If the developer decides to build only market-rate units, the total in-lieu fee for the example 20-unit rental development would equal \$965,366. The City could then use the in-lieu fee revenues to build the needed affordable units or purchase covenants to ensure the preservation or creation of affordable units elsewhere in the City.

**Table 3-3**

**Rental Development In-Lieu Fee -**  
**20-Unit Development Example**  
**Agoura Hills Residential In-Lieu Fee Study**

	Per Unit Fee	Share of 15% Set-Aside	Required Affordable Units	In-Lieu Fee
Very Low	\$285,336	7.0%	2	\$570,672
Low	\$260,196	4.0%	1	\$260,196
Moderate	\$134,498	4.0%	1	\$134,498
<b>Total</b>		<b>15.0%</b>		<b>\$965,366</b>

Ownership Condominium Development In-Lieu Fee

The inclusionary requirements for a hypothetical 20-unit ownership condominium development would result in the same numbers of affordable units required: 2 very low-income units, 1 low-income unit, and 1 moderate-income unit. Because the fee per unit would be different, based on the development funding gap for condominiums, the total in-lieu fee for an example 20-unit condominium development would equal \$1,008,444 if the developer built only market-rate units, as shown in Table 3-4.

**Ownership Condominium Development In-Lieu Fee -  
20-Unit Development Example** **Table 3-4**  
**Agoura Hills Residential In-Lieu Fee Study**

	Per Unit Fee	Share of 15% Set- Aside	Required Affordable Units	In-Lieu Fee
Very Low	\$307,872	7.0%	2	\$615,744
Low	\$262,541	4.0%	1	\$262,541
Moderate	\$130,159	4.0%	1	\$130,159
<b>Total</b>		<b>15.0%</b>		<b>\$1,008,444</b>

Ownership Single-Family Residential Development In-Lieu Fee

As with the rental and ownership condominium developments, inclusionary requirements for a 20-unit single-family residential development would necessitate 2 very low-income units, 1 low-income unit, and 1 moderate-income unit. The higher development funding gap for single-family homes would result in a total in-lieu fee of almost \$4,831,608. However, setting the in-lieu fees for single-family development based on the development funding gap may result in fees so high that they would deter single-family residential development and result in increased housing costs, which is not the City's intention. To avoid this, **RSG recommends implementing in-lieu fees for single-family development that are approximately 40% of the development funding gap.** In the same example, this would mean a total in-lieu fee of \$1,932,643 for a 20-unit, all market-rate, development. Table 3-5 shows what the in-lieu fees would be for single-family development based on the development funding gap and at the recommended 40% level.

**Ownership SFR Development In-Lieu Fee -  
20-Unit Development Example** **Table 3-5**  
**Agoura Hills Residential In-Lieu Fee Study**

	Per Unit Fee	Reduced Per Unit Fee	Share of 15% Set- Aside	Required Affordable Units	In-Lieu Fee	Reduced In- Lieu Fee Option
Very Low	\$1,272,123	\$508,849	7.0%	2	\$2,544,246	\$1,017,698
Low	\$1,219,858	\$487,943	4.0%	1	\$1,219,858	\$487,943
Moderate	\$1,067,504	\$427,002	4.0%	1	\$1,067,504	\$427,002
<b>Total</b>			<b>15.0%</b>		<b>\$4,831,608</b>	<b>\$1,932,643</b>

## CONCLUSION

The City's inclusionary housing in-lieu fees for new rental and for-sale residential developments were last updated in 2008. At this time, the City is considering updating its in-lieu fees to reflect current market and economic conditions, in conjunction with revising the Inclusionary Housing Ordinance. Based on the analysis contained in this Report, RSG identified the following maximum in-lieu fee amounts:

- In rental developments,
  - \$285,336 for every required very-low income unit not built,
  - \$260,196 for every required low-income unit not built, and
  - \$134,498 for every required moderate-income unit not built;
- In ownership condominium developments,
  - \$307,872 for every required very-low income unit not built,
  - \$262,541 for every required low-income unit not built, and
  - \$130,159 for every required moderate-income unit not built; and
- In single-family residential developments,
  - \$1,272,123 for every required very-low income unit not built,
  - \$1,219,858 for every required low-income unit not built, and
  - \$1,067,504 for every required moderate-income unit not built.

These maximum fee amounts are based on the development funding gap and represent the maximum fees the City can reasonably set to accomplish its goals to provide more affordable housing. These amounts are intended to enable the City to bridge the gap, based on current market conditions, to produce affordable housing units in those instances when developers choose not to include such units in their project. The City can set actual fees lower for any and all product types to reduce the potential disincentivizing effects on new, market-rate residential development or for other practical reasons. In fact, RSG recommends setting the in-lieu fees for single-family development at 40% of these maximums, namely the following amounts:

- \$508,849 for every required very-low income unit not built,
- \$487,943 for every required low-income unit not built, and
- \$427,002 for every required moderate-income unit not built.

By adopting the Inclusionary Housing Ordinance, the City seeks to increase the supply and availability of affordable housing units in the City. If a developer chooses not to include such units in their development, the City would need to create those units elsewhere to meet its affordable housing goals. The in-lieu fees have been calculated to account for the total cost to the City of producing the required units so that it can meet its affordable housing goal.

**ATTACHMENTS**

INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Attachment A: Market Rate Product and Land Comparables

Rental Apartment Market Comparables Table A-1  
 Agoura Hills Residential In-Lieu Fee Study

Community	Location	Rent	Bedrooms	Average Sq Ft	Average \$ Per Sq Ft	Year Built
<b>Apartments</b>						
The Lexington Agoura Hills	30856 Agoura Rd., Agoura Hills, CA	\$2,244	1	763	\$2.94	1986
Avalon Oak Creek	29128 Oak Creek Ln., Agoura Hills, CA	\$2,249	1	913	\$2.46	2005
Country Oaks Apartments	5813 Hickory Dr., Oak Park, CA	\$2,113	1	734	\$2.88	1985
Oakview Apartments	645 Hampshire Rd., Westlake Village, CA	\$1,820	1	771	\$2.36	1970
IMT Westlake Village	603 Hampshire Rd., Westlake Village, CA	\$2,014	1	730	\$2.76	1971
Oak Park Apartment Homes	5325 Oak Park Ln. Oak Park, CA	\$1,862	1	750	\$2.48	1989
Malibu Canyon Apartments	5758 Las Virgenes Rd., Calabasas, CA	\$1,797	1	575	\$3.13	1978
Avalon Calabasas	3831 N Orchid Ave., Calabasas, CA	\$2,004	1	705	\$2.84	1988
<b>1 Bedroom Totals</b>		<b>\$2,009</b>	<b>1</b>	<b>742</b>	<b>\$2.80</b>	<b>1986</b>
The Lexington Agoura Hills	30856 Agoura Rd., Agoura Hills, CA	\$2,323	2	1,050	\$2.21	1986
Avalon Oak Creek	29128 Oak Creek Ln., Agoura Hills, CA	\$3,144	2	1,237	\$2.54	2006
Country Oaks Apartments	5813 Hickory Dr., Oak Park, CA	\$2,692	2	1,180	\$2.28	1985
Oakview Apartments	645 Hampshire Rd., Westlake Village, CA	\$2,232	2	1,023	\$2.18	1970
IMT Westlake Village	603 Hampshire Rd., Westlake Village, CA	\$2,640	2	989	\$2.67	1971
Oak Park Apartment Homes	5325 Oak Park Ln. Oak Park, CA	\$2,189	2	950	\$2.30	1989
Malibu Canyon Apartments	5758 Las Virgenes Rd., Calabasas, CA	\$2,212	2	885	\$2.50	1978
Avalon Calabasas	3831 N Orchid Ave., Calabasas, CA	\$2,407	2	1,074	\$2.24	1988
<b>2 Bedroom Totals</b>		<b>\$2,365</b>	<b>2</b>	<b>1,036</b>	<b>\$2.29</b>	<b>1986</b>
<b>1 and 2 Bedroom Totals</b>		<b>\$2,222</b>	<b>1</b>	<b>899</b>	<b>\$2.49</b>	<b>1986</b>

Source: Hotpads.com, Rent.com, Apartments.com, and Craigslist.org

INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Condominium Comparable Sales in Agoura Hills** **Table A-2**  
**Agoura Hills Residential In-Lieu Fee Study**

Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
4024 Yankee Dr	1	\$315,000	02/03/2016	850	\$370.59
5734 Skyview Way #f	1	\$349,000	02/23/2016	886	\$393.91
28915 Thousand Oaks Blvd #198	1	\$206,000	04/14/2016	604	\$341.06
5714 Skyview Way #e	1	\$345,000	04/19/2016	886	\$389.39
5728 Skyview Way #f	1	\$330,000	07/20/2016	681	\$484.58
5728 Skyview Way #e	1	\$330,000	08/16/2016	666	\$495.50
28947 Thousand Oaks Blvd #220	1	\$212,000	08/17/2016	604	\$350.99
5800 Kanan Rd #247	1	\$205,000	08/18/2016	604	\$339.40
28947 Thousand Oaks Blvd #230	1	\$190,000	09/16/2016	501	\$379.24
28947 Thousand Oaks Blvd #133	1	\$165,000	10/31/2016	604	\$273.18
5800 Kanan Rd #158	1	\$210,000	11/17/2016	604	\$347.68
28947 Thousand Oaks Blvd #223	1	\$213,000	12/13/2016	604	\$352.65
28947 Thousand Oaks Blvd #244	1	\$202,000	02/24/2017	604	\$334.44
5800 Kanan Rd #153	1	\$210,000	04/05/2017	501	\$419.16
28947 Thousand Oaks Blvd #214	1	\$211,500	04/05/2017	604	\$350.17
28947 Thousand Oaks Blvd #121	1	\$225,000	06/20/2017	501	\$449.10
28947 Thousand Oaks Blvd #123	1	\$235,000	For Sale	604	\$389.07
28947 Thousand Oaks Blvd #130	1	\$260,000	For Sale	501	\$518.96

<b>1 Bedroom Totals</b>	<b>Low</b>	<b>\$ 165,000</b>	<b>Total (Pending) Sales</b>	<b>18</b>
	<b>High</b>	<b>\$ 349,000</b>	<b>Average Sq Ft</b>	<b>634</b>
	<b>Average</b>	<b>\$ 245,194</b>	<b>Average Price Per Sq Ft</b>	<b>\$ 388</b>
	<b>Median</b>	<b>\$ 212,500</b>	<b>Median Price Per Sq Ft</b>	<b>\$ 375</b>

28947 Thousand Oaks Blvd #235	2	\$233,000	02/03/2016	811	\$287.30
5269 Colodny Dr #2	2	\$355,000	02/05/2016	981	\$361.88
28874 Conejo View Dr	2	\$333,000	03/03/2016	981	\$339.45
29742 Strawberry Hill Dr	2	\$360,000	03/31/2016	1,056	\$340.91
4108 Yankee Dr #155	2	\$372,000	04/01/2016	1,088	\$341.91
28947 Thousand Oaks Blvd #105	2	\$248,000	04/08/2016	811	\$305.80
5291 Colodny Dr #2	2	\$380,000	04/19/2016	1,167	\$325.62
4120 Yankee Dr	2	\$345,000	04/26/2016	1,127	\$306.12
5263 Colodny Dr #4	2	\$314,000	04/29/2016	981	\$320.08
28834 Conejo View Dr	2	\$355,000	05/05/2016	930	\$381.72
28654 Conejo View Dr #284	2	\$345,000	05/09/2016	981	\$351.68
28619 Conejo View Dr	2	\$349,000	05/18/2016	930	\$375.27
29676 Strawberry Hill Dr	2	\$430,000	05/19/2016	1,056	\$407.20
29617 Canwood St	2	\$425,000	06/01/2016	1,056	\$402.46
4000 Yankee Dr	2	\$362,500	06/01/2016	1,127	\$321.65
5800 Kanan Rd #180	2	\$252,000	06/16/2016	811	\$310.73
5321 Colodny Dr #7	2	\$390,000	06/16/2016	1,165	\$334.76
29663 Strawberry Hill Dr	2	\$430,000	06/21/2016	1,056	\$407.20

INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Condominium Comparable Sales in Agoura Hills** **Table A-2 continued**  
**Agoura Hills Residential In-Lieu Fee Study**

Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
28655 Conejo View Dr	2	\$335,000	06/24/2016	981	\$341.49
29739 Windsong Ln	2	\$602,000	07/08/2016	1,867	\$322.44
4126 Yankee Dr	2	\$390,000	07/21/2016	1,127	\$346.05
5257 Colodny Dr #5	2	\$380,000	07/26/2016	981	\$387.36
5726 Skyview Way #b	2	\$410,000	07/28/2016	1,227	\$334.15
28827 Oakpath Dr	2	\$363,500	07/29/2016	921	\$394.68
5320 Colodny Dr #3	2	\$358,000	07/29/2016	1,189	\$301.09
4043 Liberty Canyon Rd	2	\$400,000	08/22/2016	869	\$460.30
28731 Conejo View Dr	2	\$350,000	08/25/2016	930	\$376.34
5720 Skyview Way #b	2	\$435,000	09/21/2016	1,227	\$354.52
5320 Colodny Dr #1	2	\$420,000	09/26/2016	1,203	\$349.13
28853 Oakpath Dr	2	\$368,000	09/27/2016	921	\$399.57
27460 Country Glen Rd	2	\$409,000	09/27/2016	1,127	\$362.91
27450 Rondell St	2	\$423,500	09/27/2016	1,107	\$382.57
27437 Country Glen Rd	2	\$382,500	10/11/2016	1,088	\$351.56
28523 Conejo View Dr	2	\$370,000	10/18/2016	981	\$377.17
5291 Colodny Dr #13	2	\$390,000	10/20/2016	1,167	\$334.19
28820 Conejo View Dr	2	\$377,000	11/03/2016	930	\$405.38
28905 Oakpath Dr	2	\$365,000	11/09/2016	921	\$396.31
28947 Thousand Oaks Blvd #139	2	\$258,000	11/16/2016	811	\$318.13
29600 Windsong Ln	2	\$607,000	11/16/2016	1,923	\$315.65
5321 Colodny Dr #9	2	\$305,000	12/20/2016	954	\$319.71
28505 Conejo View Dr	2	\$382,500	12/29/2016	981	\$389.91
28549 Conejo View Dr	2	\$360,000	12/30/2016	930	\$387.10
4104 Yankee Dr	2	\$388,000	12/30/2016	1,127	\$344.28
5321 Colodny Dr #4	2	\$341,000	01/05/2017	869	\$392.41
3974 Tarrytown Ln	2	\$390,000	01/25/2017	1,127	\$346.05
5352 Lake Lindero Dr	2	\$385,000	02/09/2017	1,077	\$357.47
28568 Conejo View Dr	2	\$360,000	02/15/2017	930	\$387.10
28947 Thousand Oaks Blvd #210	2	\$228,000	02/22/2017	896	\$254.46
28152 Driver Ave #4	2	\$430,000	02/28/2017	1,429	\$300.91
28745 Conejo View Dr #124	2	\$378,000	03/09/2017	981	\$385.32
5257 Colodny Dr #1	2	\$378,000	03/21/2017	981	\$385.32
5720 Skyview Way #c	2	\$435,000	05/18/2017	1,227	\$354.52
28947 Thousand Oaks Blvd #106	2	\$315,500	06/06/2017	811	\$389.03
28915 Thousand Oaks Blvd # 291	2	\$299,000	For Sale	811	\$368.68
<b>2 Bedroom Totals</b>	<b>Low</b>	<b>\$ 228,000</b>	<b>Total (Pending) Sales</b>		<b>54</b>
	<b>High</b>	<b>\$ 607,000</b>	<b>Average Sq Ft</b>		<b>1,051</b>
	<b>Average</b>	<b>\$ 371,241</b>	<b>Average Price Per Sq Ft</b>		<b>\$ 355</b>
	<b>Median</b>	<b>\$ 371,000</b>	<b>Median Price Per Sq Ft</b>		<b>\$ 353</b>





**INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS**

City of Agoura Hills

**Condominium Comparable Sales in Agoura Hills** **Table A-2 continued**  
**Agoura Hills Residential In-Lieu Fee Study**

<b>Address</b>	<b>Beds</b>	<b>Price</b>	<b>Sale Date</b>	<b>Sq Ft</b>	<b>Price/ Sq Ft</b>
29753 Strawberry Hill Dr	3	\$560,000	01/06/2016	1,681	\$333.14
4049 Liberty Canyon Rd #83	3	\$406,000	01/08/2016	1,157	\$350.91
29701 Strawberry Hill Dr	3	\$558,000	01/25/2016	1,629	\$342.54
28951 Oakpath Dr	3	\$268,636	02/11/2016	1,149	\$233.80
28611 Conejo View Dr	3	\$410,000	02/23/2016	1,242	\$330.11
5319 Argos St	3	\$394,000	03/09/2016	1,242	\$317.23
5241 Colodny Dr #302	3	\$545,000	04/08/2016	1,740	\$313.22
5275 Colodny Dr #14	3	\$413,000	05/02/2016	1,359	\$303.90
5316 Lake Lindero Dr	3	\$369,000	05/10/2016	1,038	\$355.49
28765 Conejo View Dr	3	\$415,000	05/12/2016	1,242	\$334.14
28915 Thousand Oaks Blvd #2005	3	\$295,000	05/13/2016	1,070	\$275.70
30565 Canwood St	3	\$345,000	05/13/2016	999	\$345.35
5337 Argos St	3	\$390,000	05/19/2016	1,242	\$314.01
29733 Strawberry Hill Dr	3	\$559,000	05/26/2016	1,681	\$332.54
28545 Conejo View Dr #186	3	\$415,000	06/07/2016	1,242	\$334.14
29625 Canwood St	3	\$490,000	06/10/2016	1,773	\$276.37
28846 Conejo View Dr	3	\$391,000	06/20/2016	1,242	\$314.81
28548 Conejo View Dr	3	\$438,500	06/22/2016	1,242	\$353.06
5241 Colodny Dr #105	3	\$545,000	07/01/2016	1,740	\$313.22
28915 Thousand Oaks Blvd #1014	3	\$298,000	08/01/2016	1,070	\$278.50
27404 Rondell St	3	\$475,000	08/18/2016	1,318	\$360.39
5370 Lake Lindero Dr	3	\$385,000	09/01/2016	1,193	\$322.72
28824 Conejo View Dr	3	\$430,000	11/03/2016	1,149	\$374.24
29655 Strawberry Hill Dr	3	\$623,000	11/03/2016	2,070	\$300.97
28574 Conejo View Dr	3	\$387,200	11/16/2016	1,242	\$311.76
28528 Conejo View Dr	3	\$430,000	12/01/2016	1,242	\$346.22
4069 Liberty Canyon Rd #87	3	\$345,000	12/09/2016	1,318	\$261.76
29603 Strawberry Hill Dr	3	\$525,000	12/21/2016	1,749	\$300.17
5241 Colodny Dr #405	3	\$569,000	12/22/2016	1,800	\$316.11
29756 Strawberry Hill Dr	3	\$545,000	12/27/2016	1,681	\$324.21
28823 Conejo View Dr	3	\$385,000	12/29/2016	1,242	\$309.98
29746 Strawberry Hill Dr	3	\$552,000	02/06/2017	1,861	\$296.61
27466 Country Glen Rd	3	\$416,000	02/17/2017	1,273	\$326.79
28650 Conejo View Dr	3	\$365,000	03/01/2017	1,242	\$293.88
27582 Rondell St	3	\$430,000	03/01/2017	1,157	\$371.65
29631 Strawberry Hill Dr	3	\$552,000	03/17/2017	1,773	\$311.34
29734 Windsong Ln	3	\$593,000	03/22/2017	2,070	\$286.47
28915 Thousand Oaks Blvd #1001	3	\$330,000	04/06/2017	1,070	\$308.41
29671 Strawberry Hill Dr	3	\$607,500	04/24/2017	1,688	\$359.89
29703 Windsong Ln	3	\$565,000	05/04/2017	2,187	\$258.34
30553 Canwood St #108	3	\$140,000	05/04/2017	1,090	\$128.44
29605 Strawberry Hill Dr	3	\$400,000	05/10/2017	1,749	\$228.70
28915 Oakpath Dr	3	\$415,000	05/31/2017	1,149	\$361.18



**INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS**

City of Agoura Hills

**Condominium Comparable Sales in Agoura Hills  
Agoura Hills Residential In-Lieu Fee Study**

**Table A-2 continued**

<b>Address</b>	<b>Beds</b>	<b>Price</b>	<b>Sale Date</b>	<b>Sq Ft</b>	<b>Price/ Sq Ft</b>
29731 Strawberry Hill Dr	3	\$610,000	06/14/2017	1,629	\$374.46
29729 Strawberry Hill Dr	3	\$615,000	06/23/2017	1,629	\$377.53
30541 Canwood St	3	\$419,000	For Sale	1,038	\$403.66
<b>3 Bedroom Totals</b>	<b>Low</b>	<b>\$ 140,000</b>	<b>Total (Pending) Sales</b>		<b>46</b>
	<b>High</b>	<b>\$ 623,000</b>	<b>Average Sq Ft</b>		<b>1,422</b>
	<b>Average</b>	<b>\$ 448,127</b>	<b>Average Price Per Sq Ft</b>	<b>\$</b>	<b>317</b>
	<b>Median</b>	<b>\$ 417,500</b>	<b>Median Price Per Sq Ft</b>	<b>\$</b>	<b>317</b>
<b>Median, Sold Properties</b>		<b>\$381,250</b>		<b>1,099</b>	<b>\$342.23</b>
<b>Median, For Sale Properties</b>		<b>\$279,500</b>		<b>708</b>	<b>\$396.37</b>
<b>Median, All Properties</b>		<b>\$380,000</b>		<b>1,088</b>	<b>\$344.81</b>

Source: CoreLogic MetroScan, Zillow.com.

INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Detached Single-Family Home Comparable Sales in Agoura Hills** **Table A-3**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
30474 Passageway Pl	1	\$ 520,000	02/18/2016	1,614	\$ 322.18
5810 Colodny Dr	1	\$ 1,175,000	05/31/2016	924	\$ 1,271.65
30452 Passageway Pl	1	\$ 520,000	09/09/2016	1,614	\$ 322.18
30370 Passageway Pl	1	\$ 600,000	06/21/2017	1,614	\$ 371.75
<b>1 Bedroom Totals</b>	<b>Low</b>	<b>\$ 520,000</b>	<b>Total (Pending) Sales</b>		<b>4</b>
	<b>High</b>	<b>\$ 1,175,000</b>	<b>Average Sq Ft</b>		<b>1,442</b>
	<b>Average</b>	<b>\$ 703,750</b>	<b>Average Price Per Sq Ft</b>	<b>\$</b>	<b>572</b>
	<b>Median</b>	<b>\$ 560,000</b>	<b>Median Price Per Sq Ft</b>	<b>\$</b>	<b>347</b>

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
30725 Canwood St	2	530,000	01/26/2016	1,463	362.27
30410 Passageway Pl	2	545,000	09/09/2016	1,614	337.67
28825 Lake Vista Dr	2	1,995,000	For Sale	828	2,409.42
<b>2 Bedroom Totals</b>	<b>Low</b>	<b>\$ 530,000</b>	<b>Total (Pending) Sales</b>		<b>3</b>
	<b>High</b>	<b>\$ 1,995,000</b>	<b>Average Sq Ft</b>		<b>1,302</b>
	<b>Average</b>	<b>\$ 1,023,333</b>	<b>Average Price Per Sq Ft</b>	<b>\$</b>	<b>1,036</b>
	<b>Median</b>	<b>\$ 545,000</b>	<b>Median Price Per Sq Ft</b>	<b>\$</b>	<b>362</b>

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
5311 Francisca Way	3	\$ 647,000	01/07/2016	1,789	\$ 361.65
5320 Mark Ct	3	\$ 635,000	01/12/2016	2,017	\$ 314.82
30627 Rigger Rd	3	\$ 795,000	01/28/2016	1,979	\$ 401.72
30655 Lakefront Dr	3	\$ 590,000	02/02/2016	1,470	\$ 401.36
29358 Deep Shadow Dr	3	\$ 635,000	03/15/2016	1,391	\$ 456.51
5333 Francisca Way	3	\$ 635,000	03/18/2016	1,942	\$ 326.98
29022 Freshwater Dr	3	\$ 780,000	03/24/2016	2,418	\$ 322.58
27311 Oak Summit Rd	3	\$ 715,000	03/30/2016	1,677	\$ 426.36
29486 Trailway Ln	3	\$ 660,000	04/01/2016	1,286	\$ 513.22
30341 Goodspring Dr	3	\$ 675,000	04/06/2016	1,795	\$ 376.04
30748 Davey Jones Dr	3	\$ 567,000	04/07/2016	1,320	\$ 429.55
28318 Balkins Dr	3	\$ 1,395,000	04/08/2016	2,078	\$ 671.32
28790 Eagleton St	3	\$ 685,000	04/13/2016	1,527	\$ 448.59
6015 Rainbow Hill Rd	3	\$ 1,111,000	04/14/2016	3,442	\$ 322.78
3812 United Rd	3	\$ 731,000	04/15/2016	1,850	\$ 395.14
29011 Acanthus Ct	3	\$ 823,000	04/19/2016	3,045	\$ 270.28
6132 Lake Lindero Dr	3	\$ 1,275,000	04/26/2016	3,442	\$ 370.42
5831 Cape Horn Dr	3	\$ 631,500	04/27/2016	1,552	\$ 406.89
6081 Rustling Oaks Dr	3	\$ 1,015,000	04/29/2016	2,620	\$ 387.40
5412 Mark Ct	3	\$ 665,000	05/06/2016	2,017	\$ 329.70
5659 Meadow Vista Way	3	\$ 659,000	05/10/2016	1,292	\$ 510.06



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
5452 Alfonso Dr	3	\$ 930,000	05/13/2016	2,768	\$ 335.98
29022 Tackaberry Ct	3	\$ 800,000	05/23/2016	3,045	\$ 262.73
5338 Francisca Way	3	\$ 602,000	05/26/2016	2,017	\$ 298.46
28837 Garnet Hill Ct	3	\$ 1,140,000	06/07/2016	2,628	\$ 433.79
28830 Michelle Dr	3	\$ 1,105,500	06/08/2016	2,628	\$ 420.66
5328 Natasha Ct	3	\$ 630,000	06/14/2016	1,942	\$ 324.41
30737 Mainmast Dr	3	\$ 625,000	06/15/2016	1,482	\$ 421.73
5619 Colodny Dr	3	\$ 1,135,000	06/15/2016	2,560	\$ 443.36
5337 Francisca Way	3	\$ 601,500	06/17/2016	1,942	\$ 309.73
30448 Passageway Pl	3	\$ 630,000	06/21/2016	1,804	\$ 349.22
3855 United Rd	3	\$ 686,000	06/28/2016	1,677	\$ 409.06
5393 Lake Crest Dr	3	\$ 585,000	06/29/2016	1,345	\$ 434.94
30729 Lakefront Dr	3	\$ 715,000	06/30/2016	1,720	\$ 415.70
29051 Fountainwood St	3	\$ 913,000	07/06/2016	2,695	\$ 338.78
30046 Quail Run Dr	3	\$ 1,000,000	07/06/2016	2,895	\$ 345.42
5555 Medea Valley Dr	3	\$ 660,000	07/07/2016	1,355	\$ 487.08
5437 Micaela Dr	3	\$ 875,000	07/12/2016	2,766	\$ 316.34
29850 Quail Run Dr	3	\$ 875,000	07/13/2016	2,848	\$ 307.23
6305 Germania Ct	3	\$ 1,230,000	07/18/2016	3,170	\$ 388.01
5403 Isabella Ct	3	\$ 615,000	07/20/2016	2,017	\$ 304.91
5865 Dovetail Dr	3	\$ 632,500	07/21/2016	1,470	\$ 430.27
30719 Mainmast Dr	3	\$ 530,000	07/22/2016	1,552	\$ 341.49
5374 Chesebro Rd	3	\$ 1,135,000	07/25/2016	1,514	\$ 749.67
27918 Via Amistosa	3	\$ 757,000	08/09/2016	1,950	\$ 388.21
6231 Fairview Pl	3	\$ 1,500,000	08/15/2016	3,538	\$ 423.97
5684 Walnut Ridge Dr	3	\$ 890,000	08/25/2016	2,489	\$ 357.57
30522 Sandtrap Dr	3	\$ 660,000	08/26/2016	1,345	\$ 490.71
5344 Isabella Ct	3	\$ 639,000	08/29/2016	2,017	\$ 316.81
30029 Torrepines Pl	3	\$ 904,000	09/02/2016	2,468	\$ 366.29
29361 Hillrise Dr	3	\$ 771,000	09/12/2016	2,068	\$ 372.82
30101 Diana Ct	3	\$ 645,100	09/15/2016	2,017	\$ 319.83
30618 Vets Ct	3	\$ 985,000	09/16/2016	3,670	\$ 268.39
5428 Luis Dr	3	\$ 850,000	09/21/2016	2,349	\$ 361.86
29027 Woodcreek Ct	3	\$ 807,500	09/23/2016	2,418	\$ 333.95
29246 Trailway Ln	3	\$ 670,000	09/30/2016	1,559	\$ 429.76
28406 Lewis Pl	3	\$ 785,000	10/07/2016	2,174	\$ 361.09
5877 Cape Horn Dr	3	\$ 595,000	10/20/2016	1,225	\$ 485.71
4930 Calle Robleda	3	\$ 830,000	10/27/2016	2,679	\$ 309.82
28008 Balkins Dr	3	\$ 1,400,000	10/28/2016	2,708	\$ 516.99
29003 Rock Vista Dr	3	\$ 655,000	11/02/2016	1,355	\$ 483.39



**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
6017 Hackers Ln	3	\$ 655,000	11/10/2016	1,482	\$ 441.97
5853 Dovetail Dr	3	\$ 503,000	11/14/2016	1,419	\$ 354.47
28161 Laura La Plante Dr	3	\$ 675,000	11/15/2016	2,087	\$ 323.43
5329 Natasha Ct	3	\$ 645,000	12/06/2016	2,001	\$ 322.34
4943 Vejar Dr	3	\$ 705,000	12/09/2016	2,170	\$ 324.88
29142 Hillrise Dr	3	\$ 760,000	12/13/2016	2,068	\$ 367.50
30132 Elizabeth Ct	3	\$ 595,000	12/27/2016	2,017	\$ 294.99
30615 Lakefront Dr	3	\$ 753,000	12/28/2016	1,720	\$ 437.79
4911 Calle Robleda	3	\$ 682,500	12/30/2016	2,679	\$ 254.76
30624 Janlor Dr	3	\$ 725,000	01/11/2017	1,708	\$ 424.47
27815 Via Amistosa	3	\$ 750,000	01/27/2017	2,435	\$ 308.01
5615 Colodny Dr	3	\$ 314,000	01/31/2017	1,896	\$ 165.61
6201 Bee Ave	3	\$ 620,000	02/22/2017	1,527	\$ 406.02
5915 Lake Lindero Dr	3	\$ 633,000	02/22/2017	1,218	\$ 519.70
30114 Diana Ct	3	\$ 626,000	02/28/2017	2,012	\$ 311.13
5610 High Peak Pl	3	\$ 872,000	03/09/2017	2,489	\$ 350.34
4973 Kingsgate Ct	3	\$ 775,000	03/10/2017	2,385	\$ 324.95
30708 Passageway Pl	3	\$ 620,000	03/13/2017	1,419	\$ 436.93
5466 Micaela Dr	3	\$ 815,000	03/15/2017	2,430	\$ 335.39
30734 Lakefront Dr	3	\$ 385,000	03/31/2017	1,320	\$ 291.67
5863 Cape Horn Dr	3	\$ 623,000	04/03/2017	1,225	\$ 508.57
6222 Watertree Ct	3	\$ 925,000	04/14/2017	2,811	\$ 329.06
29547 Fountainwood St	3	\$ 1,235,000	04/17/2017	3,026	\$ 408.13
5805 Lake Lindero Dr	3	\$ 565,000	05/02/2017	1,218	\$ 463.88
4122 Gadshill Ln	3	\$ 743,000	05/02/2017	1,677	\$ 443.05
5660 Meadow Vista Way	3	\$ 650,000	05/05/2017	1,573	\$ 413.22
5636 Fairview Pl	3	\$ 1,438,000	05/11/2017	2,634	\$ 545.94
5305 Lewis Rd	3	\$ 605,000	05/16/2017	1,890	\$ 320.11
29350 Quail Run Dr	3	\$ 750,000	05/24/2017	2,068	\$ 362.67
29049 Acanthus Ct	3	\$ 1,134,500	05/26/2017	2,620	\$ 433.02
29417 Hillrise Dr	3	\$ 670,000	05/31/2017	1,284	\$ 521.81
30440 Sandtrap Dr	3	\$ 749,000	06/01/2017	1,773	\$ 422.45
3947 Patrick Henry Pl	3	\$ 739,000	06/05/2017	1,386	\$ 533.19
28736 Aries St	3	\$ 735,000	06/08/2017	1,527	\$ 481.34
5568 Meadow Vista Way	3	\$ 680,000	06/09/2017	1,545	\$ 440.13
5323 Mark Ct	3	\$ 647,000	06/20/2017	2,017	\$ 320.77
30745 Canwood St	3	\$ 709,000	For Sale	1,482	\$ 478.41
30725 Canwood St	3	\$ 725,000	For Sale	1,463	\$ 495.56
1917 Flathead Trl	3	\$ 1,499,995	For Sale	2,566	\$ 584.57
6361 Fenworth Ct	3	\$ 1,174,900	For Sale	2,704	\$ 434.50

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
30672 Lakefront Dr	3	\$ 749,950	For Sale	1,580	\$ 474.65
5734 Fairview Pl	3	\$ 1,600,000	For Sale	2,936	\$ 544.96
29120 Lakeshore Dr	3	\$ 1,499,000	For Sale	2,327	\$ 644.18
<b>3 Bedroom Totals</b>	<b>Low</b>	<b>\$ 314,000</b>	<b>Total (Pending) Sales</b>		<b>104</b>
	<b>High</b>	<b>\$ 1,600,000</b>	<b>Average Sq Ft</b>		<b>2,054</b>
	<b>Average</b>	<b>\$ 800,706</b>	<b>Average Price Per Sq Ft</b>		<b>\$ 399</b>
	<b>Median</b>	<b>\$ 720,000</b>	<b>Median Price Per Sq Ft</b>		<b>\$ 392</b>

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
5411 Sunvalley Ct	4	\$ 630,000	01/04/2016	1,660	\$ 379.52
29003 Woodcreek Ct	4	\$ 1,099,000	01/06/2016	3,702	\$ 296.87
30428 Caspian Ct	4	\$ 917,000	01/06/2016	4,166	\$ 220.12
5515 Foothill Dr	4	\$ 1,335,000	01/12/2016	3,474	\$ 384.28
5385 Lake Crest Dr	4	\$ 575,000	01/26/2016	1,713	\$ 335.67
29322 Deep Shadow Dr	4	\$ 705,000	02/01/2016	1,692	\$ 416.67
28253 Foothill Dr	4	\$ 985,000	02/05/2016	2,018	\$ 488.11
30552 Rainbow View Dr	4	\$ 720,000	02/19/2016	1,880	\$ 382.98
27430 Freetown Ln	4	\$ 815,000	02/26/2016	2,407	\$ 338.60
5477 Meadow Vista Way	4	\$ 680,000	03/01/2016	1,992	\$ 341.37
5823 Cape Horn Dr	4	\$ 645,000	03/02/2016	1,672	\$ 385.77
27306 Country Glen Rd	4	\$ 749,000	03/04/2016	2,170	\$ 345.16
28602 Acacia Glen St	4	\$ 960,000	03/07/2016	2,347	\$ 409.03
29438 Promontory Pl	4	\$ 677,500	03/08/2016	1,972	\$ 343.56
28819 Colina Vista St	4	\$ 749,000	03/22/2016	1,924	\$ 389.29
29401 Deerview Ct	4	\$ 1,300,000	03/23/2016	3,833	\$ 339.16
5518 Lake Lindero Dr	4	\$ 695,000	04/06/2016	2,297	\$ 302.57
29444 Quail Run Dr	4	\$ 686,000	04/12/2016	1,660	\$ 413.25
30641 Passageway Pl	4	\$ 797,000	04/21/2016	1,811	\$ 440.09
5600 Silver Valley Ave	4	\$ 1,200,500	04/25/2016	3,142	\$ 382.08
29311 Oakpath Dr	4	\$ 1,000,000	04/28/2016	3,239	\$ 308.74
5561 Adelina Ct	4	\$ 828,000	04/29/2016	2,785	\$ 297.31
29461 Quail Run Dr	4	\$ 760,000	05/05/2016	2,068	\$ 367.50
30439 Penrod Dr	4	\$ 850,000	05/06/2016	2,421	\$ 351.09
5357 Lewis Rd	4	\$ 910,000	05/17/2016	2,452	\$ 371.13
5934 Lake Lindero Dr	4	\$ 743,000	05/17/2016	1,801	\$ 412.55
5921 Wheelhouse Ln	4	\$ 660,000	05/20/2016	1,801	\$ 366.46
27334 Park Vista Rd	4	\$ 1,100,000	05/20/2016	2,807	\$ 391.88
5526 Fairgrange Dr	4	\$ 890,000	05/23/2016	2,492	\$ 357.14
6319 Imbler Ct	4	\$ 1,180,000	05/24/2016	3,163	\$ 373.06
5450 Forest Cove Ln	4	\$ 913,000	05/24/2016	2,688	\$ 339.66



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
29656 Kimberly Dr	4	\$ 1,250,000	05/25/2016	3,247	\$ 384.97
28707 Pisces St	4	\$ 730,000	05/27/2016	1,924	\$ 379.42
5424 Lake Crest Dr	4	\$ 870,000	05/27/2016	3,580	\$ 243.02
29104 Laro Dr	4	\$ 950,000	06/01/2016	3,163	\$ 300.35
29768 Woodbrook Dr	4	\$ 1,299,000	06/02/2016	3,281	\$ 395.92
5503 Rainbow Crest Dr	4	\$ 815,000	06/03/2016	2,332	\$ 349.49
28908 Allman St	4	\$ 757,000	06/10/2016	1,924	\$ 393.45
5854 Woodglen Dr	4	\$ 1,324,500	06/10/2016	3,359	\$ 394.31
4919 Lewis Rd	4	\$ 689,000	06/10/2016	1,789	\$ 385.13
27301 Park Vista Rd	4	\$ 1,150,000	06/14/2016	2,807	\$ 409.69
27410 Freetown Ln	4	\$ 790,000	06/14/2016	2,160	\$ 365.74
5308 Jon Dodson Dr	4	\$ 735,000	06/16/2016	2,091	\$ 351.51
5862 Woodglen Dr	4	\$ 1,155,000	06/16/2016	3,247	\$ 355.71
6087 Rustling Oaks Dr	4	\$ 1,150,000	06/20/2016	3,271	\$ 351.57
5527 Gladhollow Ct	4	\$ 495,000	06/21/2016	1,972	\$ 251.01
30040 Torrepines Pl	4	\$ 912,000	06/23/2016	2,799	\$ 325.83
29683 Quail Run Dr	4	\$ 957,000	06/24/2016	3,142	\$ 304.58
29776 Woodbrook Dr	4	\$ 1,200,000	06/30/2016	3,359	\$ 357.25
5672 Silver Valley Ave	4	\$ 865,000	07/01/2016	3,338	\$ 259.14
5745 Tenneyson Dr	4	\$ 1,300,000	07/05/2016	3,039	\$ 427.77
29412 Oakpath Dr	4	\$ 1,195,000	07/12/2016	3,428	\$ 348.60
4123 Patrick Henry Pl	4	\$ 830,000	07/13/2016	2,012	\$ 412.52
28723 Colina Vista St	4	\$ 854,000	07/15/2016	2,347	\$ 363.87
30656 Passageway Pl	4	\$ 739,000	07/15/2016	1,707	\$ 432.92
5885 Ridgebrook Dr	4	\$ 1,180,000	07/19/2016	3,247	\$ 363.41
28915 Bardell Dr	4	\$ 770,000	07/20/2016	1,924	\$ 400.21
5411 Cedarhaven Dr	4	\$ 713,000	07/22/2016	1,815	\$ 392.84
30018 Quail Run Dr	4	\$ 985,000	07/22/2016	3,166	\$ 311.12
5508 Jon Dodson Dr	4	\$ 775,000	07/22/2016	2,225	\$ 348.31
5706 Middle Crest Dr	4	\$ 945,000	07/22/2016	3,141	\$ 300.86
5565 Clee Ct	4	\$ 900,000	07/28/2016	2,610	\$ 344.83
5756 Green Meadow Dr	4	\$ 1,265,000	07/28/2016	3,247	\$ 389.59
29857 Quail Run Dr	4	\$ 920,000	07/29/2016	3,168	\$ 290.40
5533 Jon Dodson Dr	4	\$ 786,000	07/29/2016	1,905	\$ 412.60
28914 Dargan St	4	\$ 849,000	08/01/2016	2,347	\$ 361.74
28921 Eagleton St	4	\$ 720,000	08/11/2016	1,924	\$ 374.22
29250 Trailway Ln	4	\$ 737,500	08/26/2016	1,872	\$ 393.96
30033 Rolling Ridge Dr	4	\$ 1,085,000	08/30/2016	3,292	\$ 329.59
28340 Foothill Dr	4	\$ 1,599,000	09/07/2016	3,403	\$ 469.88
5615 Mainmast Pl	4	\$ 825,000	09/08/2016	2,071	\$ 398.36



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
6282 Pisces St	4	\$ 770,000	09/13/2016	2,347	\$ 328.08
28633 Quaint St	4	\$ 805,000	09/14/2016	2,347	\$ 342.99
28902 Bardell Dr	4	\$ 755,000	09/22/2016	1,924	\$ 392.41
5824 Middle Crest Dr	4	\$ 860,000	09/27/2016	2,406	\$ 357.44
28921 Dargan St	4	\$ 745,000	09/29/2016	1,924	\$ 387.21
6120 Chesebro Rd	4	\$ 1,580,500	10/05/2016	2,906	\$ 543.87
6241 Timberlane St	4	\$ 835,000	10/21/2016	2,347	\$ 355.77
6120 Heritage Dr	4	\$ 1,605,000	10/21/2016	3,833	\$ 418.73
5719 Willowtree Dr	4	\$ 1,225,000	10/25/2016	3,359	\$ 364.69
6210 Pisces St	4	\$ 715,000	10/26/2016	1,924	\$ 371.62
5603 Lake Lindero Dr	4	\$ 660,000	11/01/2016	2,209	\$ 298.78
30617 Sandtrap Dr	4	\$ 575,000	11/01/2016	2,177	\$ 264.12
5724 Willowtree Dr	4	\$ 1,310,000	11/01/2016	3,288	\$ 398.42
28940 Timberlane St	4	\$ 729,000	11/04/2016	1,722	\$ 423.34
6275 Pisces St	4	\$ 845,500	11/04/2016	2,347	\$ 360.25
5712 Willowtree Dr	4	\$ 1,025,000	11/07/2016	3,359	\$ 305.15
5846 Dovetail Dr	4	\$ 775,000	11/09/2016	1,707	\$ 454.01
30510 Sandtrap Dr	4	\$ 664,000	11/10/2016	1,650	\$ 402.42
28831 Timberlane St	4	\$ 625,000	11/17/2016	1,924	\$ 324.84
3928 United Rd	4	\$ 625,000	11/23/2016	1,550	\$ 403.23
28414 Tulare Ln	4	\$ 905,000	11/29/2016	2,560	\$ 353.52
5943 Fairview Pl	4	\$ 1,550,000	12/02/2016	3,483	\$ 445.02
28929 Canmore St	4	\$ 725,000	12/06/2016	1,924	\$ 376.82
5843 Hempstead Dr	4	\$ 750,000	12/16/2016	3,185	\$ 235.48
29927 Oakvista Ct	4	\$ 1,150,000	12/16/2016	3,141	\$ 366.13
6033 Calmfield Ave	4	\$ 650,000	12/21/2016	1,924	\$ 337.84
5577 Cedarhaven Dr	4	\$ 774,500	12/28/2016	2,760	\$ 280.62
29638 Kimberly Dr	4	\$ 1,420,000	01/05/2017	3,359	\$ 422.74
5712 Middle Crest Dr	4	\$ 945,000	01/10/2017	3,185	\$ 296.70
5503 Evita Ct	4	\$ 890,000	01/11/2017	2,785	\$ 319.57
6118 Shadycreek Dr	4	\$ 1,200,000	01/18/2017	3,163	\$ 379.39
30705 Lakefront Dr	4	\$ 675,000	01/20/2017	1,707	\$ 395.43
28376 Agoura Rd	4	\$ 650,000	01/20/2017	2,012	\$ 323.06
28226 Driver Ave	4	\$ 700,000	01/24/2017	2,400	\$ 291.67
30207 Belmont Ct	4	\$ 1,200,000	01/24/2017	3,039	\$ 394.87
29101 Fountainwood St	4	\$ 1,182,000	01/26/2017	3,163	\$ 373.70
6045 Dovetail Dr	4	\$ 660,000	01/31/2017	1,801	\$ 366.46
29006 Hollow Oak Ct	4	\$ 750,000	02/02/2017	3,163	\$ 237.12
29392 Hillrise Dr	4	\$ 768,000	02/09/2017	1,972	\$ 389.45
5600 Rainbow Crest Dr	4	\$ 815,000	02/14/2017	2,317	\$ 351.75





INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
6351 Fenworth Ct	4	\$ 1,298,500	02/15/2017	3,441	\$ 377.36
29333 Trailway Ln	4	\$ 795,000	02/16/2017	1,972	\$ 403.14
5672 Middle Crest Dr	4	\$ 998,000	02/17/2017	3,247	\$ 307.36
3963 Patrick Henry Pl	4	\$ 771,000	02/24/2017	1,850	\$ 416.76
5548 Adelina Ct	4	\$ 954,000	02/27/2017	2,785	\$ 342.55
5800 Calmfield Ave	4	\$ 825,000	03/02/2017	2,347	\$ 351.51
6353 Capricorn Ave	4	\$ 440,000	03/02/2017	1,924	\$ 228.69
5606 High Peak Pl	4	\$ 1,080,000	03/10/2017	3,162	\$ 341.56
29647 Quail Run Dr	4	\$ 1,069,000	03/10/2017	3,222	\$ 331.78
5873 Ridgebrook Dr	4	\$ 1,300,000	03/23/2017	3,247	\$ 400.37
5575 Clee Ct	4	\$ 970,000	03/24/2017	2,422	\$ 400.50
5450 Lake Lindero Dr	4	\$ 840,000	03/24/2017	2,315	\$ 362.85
5803 Hempstead Dr	4	\$ 1,150,000	03/24/2017	3,292	\$ 349.33
6348 Imbler Ct	4	\$ 976,500	03/28/2017	3,163	\$ 308.73
5757 Tenneyson Dr	4	\$ 1,298,000	03/30/2017	3,292	\$ 394.29
28771 Timberlane St	4	\$ 710,000	04/04/2017	1,924	\$ 369.02
29929 Eastvale Ct	4	\$ 1,350,000	04/06/2017	3,493	\$ 386.49
28766 Timberlane St	4	\$ 790,000	04/07/2017	1,722	\$ 458.77
5545 Foothill Dr	4	\$ 1,397,000	04/07/2017	3,744	\$ 373.13
5402 Jon Dodson Dr	4	\$ 743,000	04/11/2017	1,815	\$ 409.37
5751 Hempstead Dr	4	\$ 1,207,500	04/12/2017	3,301	\$ 365.80
29340 Queens Way	4	\$ 1,551,000	04/12/2017	4,122	\$ 376.27
5915 Dunegal Ct	4	\$ 1,186,000	04/14/2017	3,978	\$ 298.14
5877 Larboard Ln	4	\$ 790,000	04/18/2017	2,167	\$ 364.56
5725 Carell Ave	4	\$ 1,150,000	04/21/2017	3,333	\$ 345.03
5825 Middle Crest Dr	4	\$ 1,250,000	04/21/2017	3,159	\$ 395.69
27337 Provident Rd	4	\$ 693,000	04/21/2017	2,170	\$ 319.35
5836 Fairview Pl	4	\$ 1,050,000	04/24/2017	2,745	\$ 382.51
28765 Aries St	4	\$ 770,000	04/28/2017	2,347	\$ 328.08
30034 Rainbow Crest Dr	4	\$ 850,000	04/28/2017	2,770	\$ 306.86
29488 Bertrand Dr	4	\$ 1,574,000	05/01/2017	3,833	\$ 410.64
5835 Green Meadow Dr	4	\$ 1,131,000	05/11/2017	3,281	\$ 344.71
5610 Laurel Bluff Pl	4	\$ 1,000,000	05/12/2017	3,106	\$ 321.96
5700 Ridgebrook Dr	4	\$ 871,000	05/12/2017	3,359	\$ 259.30
5748 Middle Crest Dr	4	\$ 1,110,000	05/12/2017	2,406	\$ 461.35
6335 Capricorn Ave	4	\$ 935,000	05/17/2017	2,347	\$ 398.38
29336 Laro Dr	4	\$ 1,525,000	05/23/2017	3,833	\$ 397.86
3933 Patrick Henry Pl	4	\$ 799,000	05/23/2017	1,550	\$ 515.48
28713 Pisces St	4	\$ 840,000	05/25/2017	1,924	\$ 436.59
6328 Imbler Ct	4	\$ 1,145,000	06/07/2017	3,146	\$ 363.95



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
29644 Kimberly Dr	4	\$ 1,160,000	06/07/2017	3,455	\$ 335.75
28944 Timberlane St	4	\$ 789,000	06/09/2017	1,924	\$ 410.08
28930 Valley Heights Dr	4	\$ 659,000	06/14/2017	1,360	\$ 484.56
5703 Emerson Ct	4	\$ 1,285,000	06/14/2017	3,185	\$ 403.45
6329 Aquarius Ave	4	\$ 885,000	06/16/2017	2,347	\$ 377.08
5559 Modena Pl	4	\$ 660,000	06/16/2017	2,317	\$ 284.85
5614 Bridle Glen St	4	\$ 785,000	06/19/2017	1,972	\$ 398.07
28951 Fountainwood St	4	\$ 855,000	06/20/2017	2,347	\$ 364.29
29100 Old Mill Creek Ln	4	\$ 2,895,000	For Sale	6,500	\$ 445.38
5952 Lapworth Dr	4	\$ 2,499,000	For Sale	5,342	\$ 467.80
29167 Quail Run Dr	4	\$ 1,149,000	For Sale	2,725	\$ 421.65
5859 Hempstead Dr	4	\$ 1,289,000	For Sale	3,084	\$ 417.96
29305 Laro Dr	4	\$ 1,970,000	For Sale	4,122	\$ 477.92
6441 Chesebro Rd	4	\$ 1,699,000	For Sale	2,963	\$ 573.41
28331 Laura La Plante Dr	4	\$ 1,125,000	For Sale	2,860	\$ 393.36
29940 Triunfo Dr	4	\$ 1,599,000	For Sale	4,637	\$ 344.84
29007 Catherwood Ct	4	\$ 1,059,000	For Sale	2,620	\$ 404.20
29239 Laro Dr	4	\$ 1,599,999	For Sale	3,983	\$ 401.71
5857 Woodglen Dr	4	\$ 1,485,000	For Sale	3,185	\$ 466.25
3300 Cornell Rd	4	\$ 1,949,000	For Sale	3,561	\$ 547.32
29112 Oakpath Dr	4	\$ 1,050,000	For Sale	2,632	\$ 398.94
30612 Portside Pl	4	\$ 888,000	For Sale	2,330	\$ 381.12
30603 Rigger Rd	4	\$ 819,000	For Sale	2,315	\$ 353.78
5948 Lake Lindero Dr	4	\$ 719,000	For Sale	1,802	\$ 399.00
5855 Green Meadow Dr	4	\$ 1,299,000	For Sale	3,054	\$ 425.34
5859 Dovetail Dr	4	\$ 775,000	For Sale	1,707	\$ 454.01
3924 Patrick Henry Pl	4	\$ 799,999	For Sale	1,550	\$ 516.13
<b>4 Bedroom Totals</b>	<b>Low</b>	<b>\$ 440,000</b>	<b>Total (Pending) Sales</b>		<b>178</b>
	<b>High</b>	<b>\$ 2,895,000</b>	<b>Average Sq Ft</b>		<b>2,671</b>
	<b>Average</b>	<b>\$ 987,848</b>	<b>Average Price Per Sq Ft</b>	<b>\$</b>	<b>372</b>
	<b>Median</b>	<b>\$ 886,500</b>	<b>Median Price Per Sq Ft</b>	<b>\$</b>	<b>373</b>

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
6150 Chesebro Rd	5	1,798,000	01/13/2016	3,855	466.41
6130 Heritage Dr	5	1,550,000	01/15/2016	4,565	339.54
5640 Meadow Vista Way	5	755,000	03/22/2016	2,063	365.97
6078 Dovetail Dr	5	845,000	03/24/2016	2,710	311.81
30420 Caspian Ct	5	1,005,000	04/06/2016	3,890	258.35
29305 Castlehill Dr	5	1,625,000	05/27/2016	4,603	353.03
5635 Buffwood Pl	5	1,099,000	06/03/2016	3,706	296.55



**Detached Single-Family Home Comparable Sales in Agoura Hills**      **Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
29642 Quail Run Dr	5	885,000	07/07/2016	2,937	301.33
28907 Timberlane St	5	750,000	08/02/2016	1,888	397.25
5723 Toth Pl	5	1,310,000	08/03/2016	4,491	291.69
5558 Modena Pl	5	836,500	08/12/2016	2,516	332.47
29665 Kimberly Dr	5	1,231,500	08/31/2016	3,467	355.21
29391 Laro Dr	5	1,795,000	09/29/2016	4,935	363.73
4920 Princess Dr	5	840,000	10/12/2016	3,108	270.27
29315 Castlehill Dr	5	1,900,000	11/03/2016	4,767	398.57
5442 Jon Dodson Dr	5	859,000	11/15/2016	2,301	373.32
6005 Macadam Ct	5	1,879,000	11/15/2016	4,372	429.78
5720 Grey Rock Rd	5	1,695,000	11/15/2016	4,412	384.18
28441 Lewis Pl	5	1,100,000	11/18/2016	3,532	311.44
6044 Lake Nadine Pl	5	870,000	12/02/2016	2,445	355.83
6015 Macadam Ct	5	1,714,000	12/02/2016	4,661	367.73
29310 Laro Dr	5	1,825,000	12/02/2016	5,902	309.22
5901 Greenbriar Ct	5	1,385,000	12/05/2016	4,610	300.43
30627 Sandtrap Dr	5	620,000	12/08/2016	1,864	332.62
30654 Rigger Rd	5	785,500	12/21/2016	2,440	321.93
28445 Foothill Dr	5	1,350,000	12/23/2016	2,903	465.04
6178 Grey Rock Rd	5	1,537,500	01/06/2017	4,603	334.02
6401 Chesebro Rd	5	2,200,000	01/11/2017	4,469	492.28
5915 Kingham Ct	5	1,589,000	02/22/2017	4,935	321.99
29405 Weeping Willow Dr	5	1,585,000	02/22/2017	4,935	321.18
29615 Ridgeway Dr	5	1,511,000	03/28/2017	4,565	331.00
5920 Greenbriar Ct	5	1,685,000	04/18/2017	4,925	342.13
29505 Weeping Willow Dr	5	1,635,000	04/26/2017	4,935	331.31
6137 Rustling Oaks Dr	5	1,305,000	05/18/2017	3,242	402.53
5302 Cedarhaven Dr	5	895,000	06/09/2017	2,440	366.80
29606 Ridgeway Dr	5	424,000	06/12/2017	5,700	74.39
5915 Greenbriar Ct	5	1,759,000	06/14/2017	4,372	402.33
6042 Grey Rock Rd	5	1,888,000	06/19/2017	5,700	331.23
6139 Fairhaven Ct	5	1,775,000	06/22/2017	4,603	385.62
2386 Sierra Creek Rd	5	3,999,000	For Sale	5,184	771.41
28233 Balkins Dr	5	2,649,000	For Sale	5,265	503.13
4932 Hydepark Dr	5	1,190,000	For Sale	3,572	333.15
29429 Cresthaven	5	1,995,000	For Sale	4,935	404.26
29650 Kimberly Dr	5	1,499,000	For Sale	3,935	380.94
6129 Heritage Dr	5	1,769,000	For Sale	4,935	358.46
29383 Laro Dr	5	1,895,000	For Sale	4,603	411.69

**Detached Single-Family Home Comparable Sales in Agoura Hills Table A-3 continued**  
**Agoura Hills Residential In-Lieu Study**

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
30222 Belmont Ct	5	1,300,000	For Sale	3,359	387.02
29815 Vista Del Arroyo	5	1,599,999	For Sale	3,279	487.95
6226 Arcadia Ave	5	949,000	For Sale	2,347	404.35
28951 Fountainwood St	5	874,900	For Sale	2,350	372.30
5615 Buffwood Pl	5	974,900	For Sale	2,972	328.03
27304 Park Vista Rd	5	1,179,000	For Sale	3,244	363.44

<b>5 Bedroom Totals</b>	<b>Low</b>	<b>\$ 424,000</b>	<b>Total (Pending) Sales</b>	<b>52</b>
	<b>High</b>	<b>\$ 3,999,000</b>	<b>Average Sq Ft</b>	<b>3,891</b>
	<b>Average</b>	<b>\$ 1,422,496</b>	<b>Average Price Per Sq Ft</b>	<b>\$ 365</b>
	<b>Median</b>	<b>\$ 1,442,000</b>	<b>Median Price Per Sq Ft</b>	<b>\$ 357</b>

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
30631 Lakefront Dr	6	\$ 745,000	02/08/2017	2,522	\$ 295.40
29448 Bertrand Dr	6	\$ 1,867,500	03/17/2017	5,016	\$ 372.31
29105 Old Mill Creek Ln	6	\$ 6,495,000	For Sale	11,432	\$ 568.14
3816 Marks Rd	6	\$ 2,299,000	For Sale	6,143	\$ 374.25
29198 Old Mill Creek Ln	6	\$ 2,699,000	For Sale	7,034	\$ 383.71
29379 Wagon Rd	6	\$ 2,445,000	For Sale	4,214	\$ 580.21
28241 Foothill Dr	6	\$ 1,545,000	For Sale	4,140	\$ 373.19

<b>6 Bedroom Totals</b>	<b>Low</b>	<b>\$ 745,000</b>	<b>Total (Pending) Sales</b>	<b>7</b>
	<b>High</b>	<b>\$ 6,495,000</b>	<b>Average Sq Ft</b>	<b>5,786</b>
	<b>Average</b>	<b>\$ 2,585,071</b>	<b>Average Price Per Sq Ft</b>	<b>\$ 421</b>
	<b>Median</b>	<b>\$ 2,299,000</b>	<b>Median Price Per Sq Ft</b>	<b>\$ 374</b>

Site Address	Beds	Price	Sale Date	Sq Ft	Price/ Sq Ft
31341 Mulholland Hwy	7	3,595,000	For Sale	7,462	481.77

<b>7 Bedroom Totals</b>	<b>Low</b>	<b>\$ 3,595,000</b>	<b>Total (Pending) Sales</b>	<b>1</b>
	<b>High</b>	<b>\$ 3,595,000</b>	<b>Average Sq Ft</b>	<b>7,462</b>
	<b>Average</b>	<b>\$ 3,595,000</b>	<b>Average Price Per Sq Ft</b>	<b>\$ 482</b>
	<b>Median</b>	<b>\$ 3,595,000</b>	<b>Median Price Per Sq Ft</b>	<b>\$ 482</b>

<b>All Sales</b>	<b>Low</b>	<b>\$ 314,000</b>	<b>Total (Pending) Sales</b>	<b>349</b>
	<b>High</b>	<b>\$ 6,495,000</b>	<b>Median Sq Ft</b>	<b>2,435</b>
	<b>Average</b>	<b>\$ 1,033,398</b>	<b>Average Price Per Sq Ft</b>	<b>\$ 388</b>
	<b>Median</b>	<b>\$ 859,000</b>	<b>Median Price Per Sq Ft</b>	<b>\$ 372.31</b>

<b>85th Percentile</b>	<b>Price</b>	<b>\$ 1,699,000</b>	<b>Square Feet</b>	<b>4,565</b>
			<b>Price Per Square Feet</b>	<b>\$ 404.26</b>

Source: CoreLogic MetroScan, Zillow.com.



**INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS**

City of Agoura Hills

**Residential Land Comparable Sales**

**Table A-4**

**Agoura Hills Residential In-Lieu Fee Study**

APN	Address	City	Sale Date	Land Area (SF)	Sale Price	Price Per SF
580-0-030-405	Country Club Dr & Mahogan Ln	Simi Valley	1/8/2016	214,751	\$6,624,000	\$30.85
2061-033-015	29700 Agoura Rd	Agoura Hills	1/29/2016	72,745	\$1,540,000	\$21.17
632-0-070-065	1590 Patricia Ave	Simi Valley	3/11/2016	34,325	\$740,000	\$21.56
2076-004-021 2076-004-025	4830 N Calderon Rd	Woodland Hills	8/18/2016	80,386	\$1,400,000	\$17.42
2026-001-017 2026-001-135	Sherman Way	West Hills	5/2/2017	196,138	\$10,500,000	\$53.53

**MEDIAN \$ PER SF     \$21.56**

**MEDIAN \$ PER AC     \$939,086**

**Attachment B: Calculation of Breakdown of 15% Inclusionary Housing Set-Aside Requirement**

**Breakdown of 15% Inclusionary Housing Set-Aside Requirement** **Table B-1**  
**Agoura Hills Residential In-Lieu Fee Study**

Income Level	City RHNA Needs (2014-21 Cycle)	Share of Very Low, Low, and Moderate RHNA Needs	Share of 15% Inclusionary Set-Aside Requirement
Very Low	27.0%	27.0% / (27% + 17% + 17%) = 44.5%	44.5% x 15% = 6.7%
Low	16.6%	16.6% / (27% + 17% + 17%) = 27.3%	27.3% x 15% = 4.1%
Moderate	17.1%	17.1% / (27% + 17% + 17%) = 28.2%	28.2% x 15% = 4.2%
Above Moderate	39.4%	N/A	N/A
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>15%</b>

INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Attachment C: Calculations of Affordable Housing Development Funding Gaps

Calculations of Affordable Rental Apartment Development Funding Gaps  
Agoura Hills Residential In-Lieu Fee Study

Table C-1

Project Programming Summary		Very Low-Income Units		Low-Income Units		Moderate-Income Units	
Est. Density (d.u./acre) <sup>1</sup>		20.0		20.0		20.0	
Acres		0.44		0.27		0.28	
Avg. Unit Size <sup>2</sup>		899		899		899	
Total Units		9	44%	5	27%	6	28%
<b>I. Revenue</b>			\$ Per Unit SF		\$ Per Unit SF		\$ Per Unit SF
Wt. Avg. Monthly Rent <sup>3</sup>		\$644	0.72	\$782	0.87	\$1,470	1.64
Est. Annual Gross Rent Income		\$68,743	8.60	\$51,301	10.43	\$99,393	19.62
Other Income <sup>4</sup>	1.5% of est. gross rent revenue	\$1,031	0.13	\$770	0.16	\$1,491	0.29
Vacancy & Collection Loss <sup>4</sup>	5.0% of est. gross rent revenue	(\$3,489)	(0.44)	(\$2,804)	(0.53)	(\$5,044)	(1.00)
Operating Expenses & Reserves <sup>4</sup>	\$6,000 per unit	(\$53,377)	(6.67)	(\$32,817)	(6.67)	(\$33,806)	(6.67)
Net Operating Income (NOI)		\$12,908		\$16,650		\$62,034	
Available for Debt Service <sup>4</sup>	1.15 factor applied to NOI	\$11,225		\$14,478		\$53,942	
Max. Loan Amount <sup>4,5</sup>	5.70% interest rate 35 year amortization	\$170,013	\$19,111	\$219,296	\$40,094	\$817,031	\$145,011
Capitalized Project Value <sup>4</sup>	5.50% capitalization rate	\$234,698	\$29.35	\$302,731	\$55,349	\$1,127,887	\$200,184

INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Calculations of Affordable Rental Apartment Development Funding Gaps  
Agoura Hills Residential In-Lieu Fee Study

Table C-1 continued

ii. Costs		Very Low-Income Units		Low-Income Units		Moderate-Income Units		
			\$ Per Land SF		\$ Per Land SF		\$ Per Land SF	
<b>Hard Costs</b>								
Site Work <sup>1</sup>	\$550,000 per acre	\$244,646	12.63	\$150,412	12.63	\$154,942	12.63	
			\$ Per Unit SF/Space		\$ Per Unit SF/Space		\$ Per Unit SF/Space	
Residential Building <sup>2</sup>		\$1,052,994	131.66	\$647,396	131.66	\$666,896	131.66	
Subterranean Parking Garage <sup>3</sup>		\$543,364 <sup>4</sup>	24,431.25	\$334,068 <sup>4</sup>	24,431.25	\$344,131 <sup>4</sup>	24,431.25	
Hard Costs Contingency <sup>4</sup>	10.0% of other hard costs	\$184,100	23.02	\$113,188	23.02	\$116,597	23.02	
<b>Total Hard Costs</b>		<b>\$2,025,104</b>		<b>\$1,245,064</b>		<b>\$1,282,566</b>		
<b>Soft Costs</b>								
Legal Services <sup>4</sup>	1.5% of total hard costs	\$30,377	3.80	\$18,676	3.80	\$19,238	3.80	
Other Consulting Services <sup>4</sup>	2.0% of total hard costs	\$40,502	5.06	\$24,901	5.06	\$25,651	5.06	
Real Estate Taxes on Land <sup>5</sup>	1.1% of allocated land value	\$4,642	0.58	\$2,854	0.58	\$2,940	0.58	
Sales & Marketing <sup>4</sup>	\$500 per residential unit	\$4,448	0.56	\$2,735	0.56	\$2,817	0.56	
Soft Costs Contingency <sup>4</sup>	10.0% of other soft costs	\$7,997	1.00	\$4,917	1.00	\$5,065	1.00	
<b>Total Soft Costs</b>		<b>\$87,966</b>		<b>\$54,083</b>		<b>\$55,712</b>		
<b>SUBTOTAL COSTS</b>		<b>\$2,113,070</b>		<b>\$1,299,147</b>		<b>\$1,338,278</b>		
Developer Fee <sup>6</sup>	10.0% of all other costs	\$211,307	26.42	\$129,915	26.42	\$133,828	26.42	
<b>TOTAL CONSTRUCTION COSTS</b>		<b>\$2,324,377</b>	<b>290.63</b>	<b>\$1,429,061</b>	<b>290.63</b>	<b>\$1,472,105</b>	<b>290.63</b>	
<b>CONSTRUCTION FUNDING SURPLUS (DEFICIT)</b>		<b>(\$2,154,363)</b>	<b>(\$269.37)</b>	<b>(\$1,209,765)</b>	<b>(\$246.03)</b>	<b>(\$655,074)</b>	<b>(\$129.33)</b>	
Allocated Land Value	\$22 per square foot of land	\$417,715	52.23	\$256,818	52.23	\$264,553	52.23	
<b>TOTAL DEVELOPMENT COSTS</b>		<b>\$2,742,092</b>	<b>342.86</b>	<b>\$1,685,879</b>	<b>342.86</b>	<b>\$1,736,658</b>	<b>342.86</b>	
<b>DEVELOPMENT FUNDING SURPLUS (DEFICIT)</b>		<b>(\$2,538,405)</b>	<b>(\$285.336)</b>	<b>(\$1,423,148)</b>	<b>(\$260.196)</b>	<b>(\$757,800)</b>	<b>(\$134.498)</b>	<i>Per Unit</i>
<i>(Deficits reflect funding gap)</i>								
Capitalized Excess Cash Flow	5.0%	\$33,674		\$43,435		\$161,827		

<sup>1</sup> For this analysis, RSG assumed a density of 20 units per acre.

<sup>2</sup> Based on median unit size of rental comparables.

<sup>3</sup> Based on affordable rental prices. Average based on assumed unit mix of 50% 1-bedroom units and 50% 2-bedroom units, based on the unit mix of rental comparables.

<sup>4</sup> RSG assumptions based on experience estimating construction costs for residential developments.

<sup>5</sup> RSG assumed a 35-year loan amortization period, reflecting the current industry standard for affordable rental apartment developments in Southern California. RSG notes that the loan amortization period for some affordable rental apartment developments is as low as 30 years, but believes that 35 years is more common.

<sup>6</sup> Source: RSG estimates based on Marshall & Swift/Boeckh, LLC building valuation data. Cost estimates include construction costs for balconies and an elevator, architects' fees, contractor's overhead and profit, sales taxes, permit fees, insurance during construction, and interest on interim construction financing. Cost estimates assume good building quality Class D construction, installation of simple residential fire sprinklers, no fireplaces or porches, maximum story height of nine feet, and appliances of good quality.

<sup>7</sup> Source: RSG estimates based on Marshall & Swift/Boeckh, LLC building valuation data. Cost estimates include architects' fees, contractor's overhead and profit, sales taxes, permit fees, insurance during construction, and interest on interim construction financing. Per the City of Agoura Hill's municipal code, which requires that 2.5 spaces be provided for each one-bedroom and two-bedroom rental unit, and (b) each space be at least 206.4 square feet, it is assumed that 2.5 206.4-square-foot spaces are provided for each unit. Additionally, RSG assumed that the spaces would be provided in a subterranean parking garage, pursuant to the Specific Plan for Agoura Village, where there is potential for new rental developments.

<sup>8</sup> The property tax rate is based on the majority of tax rate areas within the City.



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Calculations of Affordable Ownership Condominium Development Funding Gaps  
Agoura Hills Residential In-Lieu Fee Study

Table C-2

Project Programming Summary		Very Low-Income Units		Low-Income Units		Moderate-Income Units	
Est. Density (d.u./acre) <sup>1</sup>		20.0		20.0		20.0	
Acres		0.44		0.27		0.26	
Avg. Unit Size <sup>2</sup>		1,088		1,088		1,088	
Total Units		9	44%	5	27%	6	28%
<b>I. Revenue</b>							
Wt. Avg. Base Sale Price <sup>3</sup>		\$30,301	\$ Per Unit SF	\$75,632	\$ Per Unit SF	\$208,014	\$ Per Unit SF
Est. Total Sales Revenue		\$269,564		\$413,672		\$1,172,005	
<b>II. Costs</b>							
<b>Hard Costs</b>							
Site Work <sup>4</sup>		\$244,646	\$ Per Land SF	\$150,412	\$ Per Land SF	\$154,942	\$ Per Land SF
Residential Building (inclusive of soft costs listed in footnote) <sup>5</sup>		\$1,264,968	\$ Per Unit SF	\$777,721	\$ Per Unit SF	\$801,147	\$ Per Unit SF
Subterranean Parking Garage (inclusive of soft costs listed in footnote) <sup>6</sup>		\$643,264	\$ Per Unit SF	\$334,068	\$ Per Unit SF	\$344,131	\$ Per Unit SF
Hard Costs Contingency <sup>4</sup>	10.0% of other hard costs	\$205,296		\$128,220		\$130,022	
Total Hard Costs		\$2,258,276		\$1,388,421		\$1,430,241	
<b>Soft Costs</b>							
Legal Services <sup>4</sup>	1.3% of total hard costs	\$33,874		\$20,826		\$21,454	
Other Consulting Services <sup>4</sup>	2.0% of total hard costs	\$45,168		\$27,768		\$28,605	
Real Estate Taxes on Land <sup>7</sup>	1.1% of allocated land value	\$4,642		\$2,854		\$2,940	
Sales & Marketing <sup>4</sup>	\$500 per residential unit	\$4,448		\$2,735		\$2,817	
Soft Costs Contingency <sup>4</sup>	10.0% of other soft costs	\$8,813		\$5,418		\$5,582	
Total Soft Costs		\$96,943		\$58,802		\$61,397	
<b>SUBTOTAL COSTS</b>		\$2,355,219		\$1,448,024		\$1,491,638	
Developer Fee <sup>4</sup>	10.0% of all other costs	\$235,522		\$144,802		\$149,164	
<b>TOTAL CONSTRUCTION COSTS</b>		\$2,590,741		\$1,592,826		\$1,640,803	
<b>CONSTRUCTION FUNDING SURPLUS (DEFICIT)</b>		(\$2,321,177)		(\$1,179,154)		(\$468,797)	
Allocated Land Value	\$22 per square foot of land	\$417,715		\$255,818		\$264,563	
<b>TOTAL DEVELOPMENT COSTS</b>		\$3,008,456		\$1,848,644		\$1,905,356	
<b>DEVELOPMENT FUNDING SURPLUS (DEFICIT)</b>		(\$2,738,892)		(\$1,435,972)		(\$733,391)	
<i>(Deficits reflect funding gap)</i>							

<sup>1</sup> For this analysis, RSG assumed a density of 20 units per acre.

<sup>2</sup> Based on median unit size of condominium comparables.

<sup>3</sup> Based on affordable housing price. Average based on assumed unit mix of 15% 1-bedroom units, 46% 2-bedroom units, and 39% 3-bedroom units, based on the unit mix of condominium comparables.

<sup>4</sup> RSG assumptions, based on experience estimating construction costs for residential developments.

<sup>5</sup> Source: RSG estimates based on Marshall & Swift/Boeckh, LLC building valuation data. Cost estimates include construction costs for balconies and an elevator, architects' fees, contractor's overhead and profit, sales taxes, permit fees, insurance during construction, and interest on interim construction financing. Cost estimates assume good building quality, Class D construction; installation of single residential fire sprinklers, no fireplaces or porches, maximum story height of nine feet, and appliances of good quality.

<sup>6</sup> Source: RSG estimates based on Marshall & Swift/Boeckh, LLC building valuation data. Cost estimates include architects' fees, contractor's overhead and profit, sales taxes, permit fees, insurance during construction, and interest on interim construction financing. Per the City of Agoura Hills' municipal code, which requires that 2.5 spaces be provided for each condominium or townhouse unit, and (b) each space be at least 206.4 square feet, it is assumed that 2.5 206.4-square-foot spaces are provided for each unit. Additionally, RSG assumed that the spaces would be provided in a subterranean parking garage, pursuant to the Specific Plan for Agoura Village, where there is potential for new rental developments.

<sup>7</sup> The property tax rate is based on the majority of tax rate areas within the City.



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Calculations of Affordable Ownership Single-Family Residential Development Funding Gaps  
Agoura Hills Residential In-Lieu Fee Study

Table C-3

Project Programming Summary		Very Low-Income Units		Low-Income Units		Moderate-Income Units	
Est. Density (d.u./acre) <sup>1</sup>		2.0		2.0		2.0	
Acres		0.50		0.50		0.50	
Avg. Unit Size <sup>2</sup>		2,435		2,435		2,435	
Total Units		1		1		1	
<b>I. Revenue</b>			\$ Per		\$ Per		\$ Per
			Unit SF		Unit SF		Unit SF
Wt. Avg. Base Sale Price <sup>3</sup>		\$38,075	15.84	\$90,340	37.10	\$242,694	99.67
Est. Total Sales Revenue		\$38,075		\$90,340		\$242,694	
<b>II. Costs</b>			\$ Per		\$ Per		\$ Per
<b>Hard Costs</b>			Land SF		Land SF		Land SF
Site Work <sup>4</sup>		\$275,000	12.83	\$275,000	12.83	\$275,000	12.83
			Unit SF/Space		Unit SF/Space		Unit SF/Space
Residential Building (inclusive of soft costs listed in footnote) <sup>5</sup>		\$364,381	149.64	\$364,381	149.64	\$364,381	149.64
Attached Garage (inclusive of soft costs listed in footnote) <sup>6</sup>		\$21,096	10,548.06	\$21,096	10,548.06	\$21,096	10,548.06
Hard Costs Contingency <sup>4</sup>	10.0% of other hard costs	\$66,048	27.12	\$66,048	27.12	\$66,048	27.12
Total Hard Costs		\$726,524		\$726,524		\$726,524	
<b>Soft Costs</b>			\$ Per		\$ Per		\$ Per
Legal Services <sup>4</sup>	1.5% of total hard costs	\$10,898	4.48	\$10,898	4.48	\$10,898	4.48
Other Consulting Services <sup>4</sup>	2.0% of total hard costs	\$14,530	5.97	\$14,530	5.97	\$14,530	5.97
Real Estate Taxes on Land <sup>7</sup>	1.1% of allocated land value	\$5,218	2.14	\$5,218	2.14	\$5,218	2.14
Sales & Marketing <sup>4</sup>	0.5% of total hard costs	\$3,633	1.49	\$3,633	1.49	\$3,633	1.49
Soft Costs Contingency <sup>4</sup>	10.0% of other soft costs	\$3,428	1.41	\$3,428	1.41	\$3,428	1.41
Total Soft Costs		\$37,707		\$37,707		\$37,707	
<b>SUBTOTAL COSTS</b>							
Developer Fee <sup>4</sup>	10.0% of all other costs	\$76,232		\$76,232		\$76,232	
TOTAL CONSTRUCTION COSTS		\$840,655	345.24	\$840,655	345.24	\$840,655	345.24
<b>CONSTRUCTION FUNDING SURPLUS (DEFICIT)</b>							
		(\$802,580)	(329.60)	(\$750,314)	(308.14)	(\$597,961)	(245.57)
Allocated Land Value	\$22 per square foot of land	\$469,543	192.83	\$469,543	192.83	\$469,543	192.83
TOTAL DEVELOPMENT COSTS		\$1,310,198	538.07	\$1,310,198	538.07	\$1,310,198	538.07
<b>DEVELOPMENT FUNDING SURPLUS (DEFICIT)</b>							
	(Deficits reflect funding gap)	(\$1,272,123)	(\$1,272,123) Per Unit	(\$1,219,858)	(\$1,219,858) Per Unit	(\$1,067,504)	(\$1,067,504) Per Unit

<sup>1</sup> For this analysis, RSG assumed a density of 2 units per acre.

<sup>2</sup> Based on median unit size of single-family residential comparables.

<sup>3</sup> Based on affordable housing price. Average based on assumed unit mix of 0.8% 1-bedroom units, 2.5% 2-bedroom units, 31.8% 3-bedroom units, 47.7% 4-bedroom units, and 17.2% 5-bedroom units based on the unit mix of single-family residential comparables.

<sup>4</sup> RSG assumptions, based on experience estimating construction costs for residential developments.

<sup>5</sup> Source: RSG estimates based on Marshall & Swift/Boeckh LLC building valuation data. Cost estimates include architects' fees, contractor's overhead and profit, sales taxes, permit fees, insurance during construction, and interest on interim construction financing. Cost estimates assume a good building quality, Class D construction, no elevators, no fireplaces, porches, or balconies, maximum story height of nine feet, and appliances of good quality.

<sup>6</sup> Source: RSG estimates based on Marshall & Swift/Boeckh LLC building valuation data. Cost estimates include architects' fees, contractor's overhead and profit, sales taxes, permit fees, insurance during construction, and interest on interim construction financing. Per the City of Agoura Hills municipal code, which requires that (a) two garage spaces be provided for each single-family residence, and (b) each space be at least 206.4 square feet, it is assumed that two 206.4-square-foot garage spaces are provided per unit.

<sup>7</sup> The property tax rate is based on the majority of tax rate areas within the City.



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Attachment D: Calculations of Affordable Ownership Housing Product Type Prices

Calculations of City of Agoura Hills 2017 Affordable Ownership Condominium Prices  
Agoura Hills Residential In-Lieu Fee Study

Table D-1

SUMMARY	Very Low Income						Low Income						Moderate Income					
	\$31,550 1 person	\$36,050 2 person	\$40,550 3 person	\$45,050 4 person	\$48,700 5 person	\$52,300 6 person	\$50,500 1 person	\$57,700 2 person	\$64,900 3 person	\$72,100 4 person	\$77,900 5 person	\$83,650 6 person	\$54,450 1 person	\$62,200 2 person	\$70,000 3 person	\$77,750 4 person	\$83,950 5 person	\$90,200 6 persons
Dwelling Unit Size	Studio	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms	Studio	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms	Studio	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms
Max. Monthly Housing Cost <sup>2</sup>	\$666.88	\$648.13	\$728.75	\$810.00	\$875.00	\$939.38	\$793.63	\$907.38	\$1,020.25	\$1,134.00	\$1,225.00	\$1,315.13	\$1,454.98	\$1,663.52	\$1,870.46	\$2,079.00	\$2,245.83	\$2,411.06
Less: Taxes <sup>3</sup>	8.34	16.87	25.93	34.27	39.82	44.46	39.82	53.72	67.61	79.65	88.91	97.25	132.44	159.30	187.08	213.02	232.47	250.99
Insurance <sup>4</sup>	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
HOA Fees <sup>4</sup>	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00
Utilities <sup>5</sup>	111.00	127.00	142.00	165.00	193.00	222.00	111.00	127.00	142.00	165.00	193.00	222.00	111.00	127.00	142.00	165.00	193.00	222.00
Available For Debt Service	\$47.54	\$104.45	\$160.82	\$210.73	\$242.18	\$272.92	\$242.80	\$326.66	\$410.84	\$489.35	\$543.09	\$595.88	\$811.54	\$977.22	\$1,141.37	\$1,300.98	\$1,420.37	\$1,538.07
Max. Loan Amount <sup>6</sup>	\$7,929	\$17,422	\$26,823	\$35,148	\$40,393	\$45,521	\$40,497	\$54,484	\$68,491	\$81,620	\$90,583	\$99,388	\$135,358	\$162,992	\$190,372	\$216,993	\$236,905	\$256,538
@ Interest Rate <sup>6</sup> , 6.00%																		
Affordable Housing Price <sup>7</sup>	\$8,391	\$18,436	\$28,384	\$37,194	\$42,744	\$48,170	\$42,854	\$57,655	\$72,478	\$88,370	\$95,855	\$105,172	\$143,236	\$172,479	\$201,452	\$229,622	\$250,894	\$271,469

<sup>1</sup> Source: California Department of Housing and Community Development

<sup>2</sup> For very low income units, calculated as one-twelfth of 30% of 50% of the median income applicable for the number of bedrooms as specified by the California Department of Housing and Community Development (HCD) pursuant to Health and Safety Code (HSC) 50052.5(b)(2). For low income units, calculated as one-twelfth of 30% of 70% of the median income applicable for the number of bedrooms as specified by HCD, pursuant to HSC 50052.5(b)(3). For low income units, calculated as one-twelfth of 35% of 110% of the median income applicable for the number of bedrooms as specified by HCD, pursuant to HSC 50052.5(b)(4).

<sup>3</sup> Calculated as one-twelfth of 1.111139% of the approximate affordable housing price to reflect the property tax rate in the majority of tax rate areas within the City.

<sup>4</sup> RSG assumptions, based on experience and research.

<sup>5</sup> Source: Housing Authority of the County of Los Angeles Utility Allowance Schedule for multi-family units. RSG included the following utilities in the amounts shown above: gas heating, gas cooking, gas water heating, basic electric water and trash.

<sup>6</sup> Assumed 30-year amortization.

<sup>7</sup> Assumed a 3.5% down payment and closing costs equal to 2% of the sale price.



INCLUSIONARY HOUSING IN-LIEU FEE ANALYSIS

City of Agoura Hills

Calculations of City of Agoura Hills 2017 Affordable Ownership SFR Prices  
Agoura Hills Residential In-Lieu Fee Study

Table D-2

SUMMARY	Very Low Income					Low Income					Moderate Income				
	\$36,050	\$40,550	\$45,050	\$48,700	\$52,300	\$57,700	\$64,900	\$72,100	\$77,900	\$83,650	\$92,200	\$70,000	\$77,750	\$83,950	\$90,200
	2 person	3 person	4 person	5 person	6 person	2 person	3 person	4 person	5 person	6 person	2 person	3 person	4 person	5 person	6 persons
Dwelling Unit Size	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms
Max. Monthly Housing Cost <sup>2</sup>	\$648.13	\$728.75	\$810.00	\$875.00	\$939.38	\$907.38	\$1,020.25	\$1,134.00	\$1,225.00	\$1,315.13	\$1,663.52	\$1,870.46	\$2,079.00	\$2,245.83	\$2,411.06
Less: Taxes <sup>3</sup>	14.82	24.08	31.49	36.12	41.68	50.94	64.83	76.87	85.21	94.47	157.45	184.31	210.24	228.76	248.21
Insurance <sup>4</sup>	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
HOA Fees/Maintenance Costs <sup>4</sup>	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00
Utilities <sup>5</sup>	96.00	111.00	136.00	166.00	196.00	96.00	111.00	136.00	166.00	196.00	96.00	111.00	136.00	166.00	196.00
Available For Debt Service	\$87.31	\$143.67	\$192.51	\$222.88	\$251.70	\$310.44	\$394.42	\$471.13	\$523.79	\$574.86	\$960.07	\$1,125.15	\$1,282.76	\$1,401.07	\$1,516.85
Max. Loan Amount <sup>7</sup>	\$14,562	\$23,963	\$32,109	\$37,174	\$41,981	\$51,778	\$65,786	\$78,580	\$87,364	\$95,848	\$160,132	\$187,666	\$213,954	\$233,687	\$252,998
@ Interest Rate <sup>6</sup> 6.00%															
Affordable Housing Price <sup>7</sup>	\$15,410	\$25,358	\$33,978	\$39,338	\$44,424	\$54,792	\$69,815	\$83,154	\$92,449	\$101,426	\$169,452	\$198,588	\$226,406	\$247,288	\$267,723

<sup>1</sup> Source: California Department of Housing and Community Development

<sup>2</sup> For very low income units, calculated as one-twelfth of 30% of 50% of the median income applicable for the number of bedrooms as specified by the California Department of Housing and Community Development (HCD), pursuant to Health and Safety Code (HSC) 50052.5(b)(2). For low income units, calculated as one-twelfth of 30% of 70% of the median income applicable for the number of bedrooms as specified by HCD, pursuant to HSC 50052.5(b)(3). For low income units, calculated as one-twelfth of 35% of 110% of the median income applicable for the number of bedrooms as specified by HCD, pursuant to HSC 50052.5(b)(4).

<sup>3</sup> Calculated as one-twelfth of 1.111139% of the approximate affordable housing price to reflect the property tax rate in the majority of tax rate areas within the City.

<sup>4</sup> RSG assumptions, based on experience and research.

<sup>5</sup> Source: Housing Authority of the County of Los Angeles Utility Allowance Schedule for single-family units. RSG included the following utilities in the amounts shown above: gas heating, gas cooking, gas water heating, basic electric, water, and trash.

<sup>6</sup> Assumed 30-year amortization.

<sup>7</sup> Assumed a 3.5% down payment and closing costs equal to 2% of the sale price.



**AGENDA**  
**REGULAR MEETING OF THE**  
**AGOURA HILLS PLANNING COMMISSION**  
Civic Center – Council Chambers  
30001 Ladyface Court, Agoura Hills, California 91301  
**Thursday, May 3, 2018**  
**6:30 P.M.**

The Planning Commission meeting was called to order at 6:30 p.m. by Chair Zacuto.

The Pledge of Allegiance was led by Commissioner Justice.

Present were: Chair Curtis Zacuto and Commissioners Kate Anderson, Michael Justice, and John O'Meara.

Absent were: Vice Chair John Asuncion.

Also Present were: Planning Director Doug Hooper, Assistant City Attorney Nick Ghirelli, Assistant Planning Director/Recording Secretary Allison Cook, Assistant City Manager Nathan Hamburger, Consultant Mike Kamino, RSG Consultant Tara Matthews.

**EXCUSED ABSENCE**

ACTION: The Planning Commission excused the absence of Vice Chair John Asuncion 4-0, by the following voice vote:

AYES: Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

NOES: None.

ABSENT: Vice Chair Asuncion.

**APPROVAL OF AGENDA**

ACTION: Commissioner Justice moved to approve the Agenda, as presented. Commissioner O'Meara seconded. The motion carried 4-0, with Vice Chair Asuncion absent, by the following voice vote:

AYES: Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

NOES: None.

ABSENT: Vice Chair Asuncion.

**PUBLIC COMMENTS**

There were no public speakers.

## **APPROVAL OF MINUTES**

### 1. Minutes – March 15, 2018 Planning Commission Meeting

**ACTION:** Commissioner Justice moved to approve Item No. 1, as presented. Commissioner O'Meara seconded. The motion carried 3-0, with Vice Chair Asuncion absent and Chair Zacuto abstaining, by the following voice vote:

**AYES:** Commissioners Anderson, Justice, and O'Meara.

**NOES:** None.

**ABSENT:** Vice Chair Asuncion.

**ABSTAIN:** Chair Zacuto.

## **NEW PUBLIC HEARING**

2. **REQUEST:** Request for the Planning Commission to adopt a Resolution relating to Zoning Ordinance Amendment Case No. ZOA-01250-2016, recommending the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing, and amending Zoning Ordinance Section 9133.

**APPLICANT:** City of Agoura Hills

**CASE NO.:** ZOA-01250-2016

**LOCATION:** City-wide

**ENVIRONMENTAL DETERMINATION:** Exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3) of the CEQA Guidelines.

**RECOMMENDATION:** Staff recommended the Planning Commission adopt a Resolution recommending that the City Council adopt an Ordinance revising regulations applicable to the provision of inclusionary housing.

Following presentation of the staff report, Chair Zacuto opened the Public Hearing at 7:03 p.m.

The following person(s) spoke:

Gary Collett, Westlake Village, representing California Commercial Investment Group and "The Ave"  
Brad Rosenheim, Agoura Hills

There being no further public speakers, Chair Zacuto closed the Public Hearing at 7:40 p.m.

The Planning Commission requested the following comments be included in the minutes:

**Commissioner Anderson:** *"First I want to thank staff for the tremendous report and the work that you have done in here. I am proud that we're one of a 170 communities in California that has an inclusionary housing ordinance. I am glad that we are updating our ordinance; it seems like it's about time that we did that and in a timely way. I support our efforts through this update to meet our RHNA obligations which are not small and then to address our speakers, thank you for coming out. Thank you for what you do here in Agoura Hills and thank you from the bottom of my heart for your passion for affordable housing. Lord knows we need it here in California and I just want to say I encourage you to bring your tremendous creativity, your tremendous passion, and your tremendous resources to bring in affordable housing here to Agoura Hills. You saw those RHNA obligations, they're not insubstantial, and we would love to see you help us meet those obligations. I'm proud that we are a City that wants to meet those obligations. I heard your objections to the in-lieu fees, those aren't before us tonight so I'm not going to address those and then I heard your request, as Chair Zacuto lifted up to make an exemption. As both of you know, because I know both of you have been before this Commission many many times, long before I have ever been here, we are not a Commission that likes variations, or variances, or in this case exceptions, and I see no reason to deviate from what our City Attorney has said is the standard law and until you are vested an ordinance takes effect and that is something that makes a whole lot of sense to me here. Brad, I see you shaking your head, I know it doesn't make sense to you, but it makes sense to me. As we said, we are not a, we respect our laws here and it takes a lot to get a variation or an exception and I'm not hearing reasons for it here and so with that, thanks to the fantastic clarifications I got earlier, I can make all of the findings and vote to, in favor, and can vote in favor of, this ordinance as it stands, to make the recommendation.*

**Commissioner O'Meara:** *"I, respectfully, disagree. There's been a lot of talk, especially when we're talking about Agoura Village and we're talking about our housing here or how we do not have housing for our teachers, our civil servants, our police, our fire, our new families and this will make it worse. There is absolutely no question this will make it worse and the reason it will make it worse is because none of those families will qualify for very low, low, or moderate income because their incomes are simply too high. These incomes are based on families so what we're doing here today is potentially recommending something that is going to make it much harder for our children to afford to live in the town we love, our teachers that teach here to afford to live in the town we love, our firemen, our police, and I think that is absolutely wrong. I think that, while I do understand the benefits of inclusionary housing and the importance of inclusionary housing, I think that this particular ordinance is a big shiny object which is out there that looks really, really, good and really, really, pretty and at the end of the day when we look at it, all it's going to do is make it harder for the people who we want to live here to*

*live here and the reason is because the developers are going to have to raise the price of the market units to make up for the price of the low market units. So, I mean, we even have statutes, we have specific plans that talk about how much we want to encourage our civil servants to live here and we say that out of one side of our mouth and then this comes before us, which does exactly the opposite. So, I completely disagree with it. That's not to say we don't need one, but I think we need one, I think what we have there now, with the numbers we have there now are just fine. The old numbers from 2006; the in-lieu fees that are currently there. They've been there for awhile and anybody who comes, who has an application pending, knows those have been there and to assume they would not be applied, I think is a presumption that they maybe shouldn't make, but I think those numbers are fine. I think that the report, with all due respect, is insufficient. It does not deal with the unintended consequences of this in-lieu fee in regard to the apartments and the houses. It does discuss the unintended consequences in the single family residences and determined that it would have a grossly negative effect on those so I think a report needs to come to us and to the City Council which addresses the unintended consequences. There are no findings as to what happens if this does stifle development. We heard that if this does stifle development, developers don't build, that puts the onus on the City to go out and on its own rezone, buy property, and find a place to put affordable housing. I don't think any of us want that. So, the better thing is to have our developers do it and this does not encourage our developers to do it, it makes them not do it. I think that Agoura Village, because there is a specific plan, which mandates certain types of parking, certain types of amenities, it is intended to be very, very high scale. I think Agoura Village, as a whole, should be excluded from this. And, the reason is, if you're going to go to a developer and say we're insisting on certain types of parking, certain types of fixtures, underground parking, all these happy stuff that we all want to see in Agoura Village, we can't then turn around and say okay, we want you to spend more money than you would otherwise spend because we want this special stuff, but now we're going to charge you an in-lieu fee also so, I think that Agoura Village should be excluded from this because it's inconsistent with the specific plan, in my opinion. Certainly, if that is not accepted, which my suspicion is, is that is not going to be unanimous, certainly, any application that is in the pipeline, whether it's an application already in and a fee paid, should be excluded from this. I don't think it's fair to allow a project that has been going on for years and then at the last minute move the bar and say, okay, changed our minds, you now owe us some exceptionally more amount of money. That is not fair, absolutely not fair, and it also creates distrust in our City on behalf of the developers and the citizens, who expect when they apply for something under a certain set of rules, will be, only have to follow those rules. I don't think it's fair to change the rules, I think it's ex post facto, to quote a legal term. So, that being said, oh, the other thing is I think that we should consider this issue of the hybrid where if a developer is able to meet a certain percentage, then the in-lieu fee should only be on the percentage that they cannot meet. I actually think that will encourage developers to actually build what they can, economically, feasibly build. And, if that's the goal was to have them actually build them, I think we should give them the shot to build as many as they possibly can. With that, I know we have differences of opinion, I appreciate the debate and discussion, and I turn it over to my fellow Commissioners."*



**Commissioner Justice:** *"I agree with Commissioner O'Meara. I don't want to repeat everything that he said, but I do want to add this. I think that when you talk to people who work in the construction industry or the building industry or the development industry, they will tell you that Agoura has a reputation for making it very, very hard to get projects started and to get projects finished. I think that this ordinance is going to make it even worse. I think it's going to have the effect of chasing out development and construction out of Agoura and those development dollars are limited to the extent they are not spent here, they will be spent somewhere else at the expense of Agoura. I agree that it is unfair, patently unfair to take any project that has been in an application stages for a number of years in which someone has been into this for seven figures already and to then to hit someone like that, with an additional seven figure or 4.2 was the figure I heard here in this meeting, I think is patently unfair and I think that some exemptions need to be carved out for pending applications. I think one of the things that we hear, not just in Agoura, but everywhere in this state, we're bombarded with data everyday about how government regulations and government red tape drives business away and, with all due respect, to everybody who answered my questions today, what I heard was that, well, that the City Council has options and that there's discretion and all of these uncertainties, all of these gray areas, I think, create a morass of regulation that is going to be so confusing that the impact of that will be to drive these people away and if we want our City to prosper, and if we want to have that low income housing, we need these people. We need better, tighter regulations. I look at this ordinance, particularly with the housing trust fund. I don't think it's very well written, I think it's very vague, I think it's really open to interpretation, I really think it needs to be redone. If it was my vote, I would not vote to approve this, I would recommend that the City Council not approve this, and if the City Council does approve it, at the very minimum, I would recommend that exemptions be carved out for existing applications."*

**Chair Zacuto:** *"Thank you, and that just leaves me and I think that there's been lots of great discussion tonight on this and I thank everyone coming out and voicing your thoughts and concerns about the changes to the inclusionary ordinance and the amendments to it which is also just reminder to everyone we already have the ordinance, it's not a new ordinance, it's just amendments to the ordinance. I think that I would like to recommend that the City Council get our minutes and hear everyone's thoughts about what they would like to see on it, unless you, unless I hear otherwise that if you want more direction, but I think that, one of the things that I was thinking about, which Commissioner O'Meara had suggested was that Agoura Village be exempt from it and I really disagree with that. I don't think Agoura Village should be exempt from it whatsoever, but I do think that perhaps Council should think about a hybrid. I was thinking about the in-lieu fees, about the current ones from 2008 and the proposed ones, and I know that they're really not before us tonight, but it's all part of this package later down the road and I do think that we should probably have some sort of bar recommending to Council to suggest that applications that are in the process, that they not be throwing out new regulations or new fees, that they were going through the process knowing there was a 2008 fees and I think that I would prefer that maybe Council take a closer look at that issue and also I think that, again, I don't think cutting out any part of*

*the City should be part of the recommendation since it's a citywide ordinance and it should be applied citywide and I think, with that, then I guess we would then move forward with a motion."*

**ACTION:** Following discussion, Commissioner Anderson moved to adopt **Resolution No. 18-1214**; A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF AGOURA HILLS, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL REVISE REGULATIONS APPLICABLE TO THE PROVISION OF INCLUSIONARY HOUSING IN THE CITY OF AGOURA HILLS MUNICIPAL CODE (CASE NO. ZOA-01250-2016), subject to the aforementioned comments by the Planning Commission on the resolution. Commissioner O'Meara seconded. The motion carried 4-0, with Vice Chair Asuncion absent, by the following voice vote:

**AYES:** Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

**NOES:** None.

**ABSENT:** Vice Chair Asuncion.

### **PLANNING COMMISSION/STAFF COMMENTS**

Commissioner O'Meara recommended the Planning Commission elect a Chair and Vice Chair at the next regular meeting and suggested maintaining the status quo with the current members (Chair Zacuto and Vice Chair Asuncion) finishing the term.

### **ADJOURNMENT**

Chair Zacuto announced the next Regular Meeting of the Planning Commission would be held at 6:30 p.m., Thursday, May 17, 2018, in the Council Chambers of the Civic Center. The Civic Center is located at 30001 Ladyface Court, Agoura Hills, California.

**ACTION:** At 8:01 p.m., Commissioner Justice moved to adjourn the meeting. Commissioner Anderson seconded. The motion carried 4-0, with Vice Chair Asuncion absent, by the following voice vote:

**AYES:** Chair Zacuto and Commissioners Anderson, Justice, and O'Meara.

**NOES:** None.

**ABSENT:** Vice Chair Asuncion.



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**Via Electronic Mail**

To: Nathan Hamburger, Assistant City Manager  
Allison Cook, Assistant Planning Director  
CITY OF AGOURA HILLS

From: Tara Matthews, Principal  
Dominique Clark, Associate  
RSG, Inc.

Date: March 8, 2018

**SUBJECT: AFFORDABLE HOUSING EXPENDITURE OPTIONS**

The City of Agoura Hills 2013-2021 Housing Element includes a goal to establish options for the expenditure of the Affordable Housing Trust Fund ("Trust Fund"). The purpose of the options is to ensure the strategic expenditure of the City's affordable housing resources. Additionally, the City, serving as the former Redevelopment Agency's Housing Successor, is responsible for administering the Low and Moderate Income Housing Asset Fund ("LMIHAF"). RSG, Inc. ("RSG") has prepared the following Affordable Housing Expenditure Options detailing program options for expending Trust Fund and LMIHAF monies.

**Available Resources**

Since the dissolution of the City's Redevelopment Agency in 2011, the City has two major sources of affordable housing funding:

1. Trust Fund monies generated from implementation of the Inclusionary Housing Ordinance in the form of in-lieu fees or donated land; and
2. LMIHAF monies generated from the repayment of a former Redevelopment Agency and City Loan; 20% of the loan repayment is required to be set aside for affordable housing purposes.

The City has approximately \$2.7 million currently available in the Trust Fund. Monies in this fund can be expended for the purpose of creating or preserving inclusionary units for households earning 120% of the Area Median Income ("AMI") or below. RSG has not included a projection

FISCAL HEALTH  
ECONOMIC DEVELOPMENT  
REAL ESTATE, HOUSING  
AND HEALTHY COMMUNITIES

of in-lieu fees as part of this analysis, as it is difficult to estimate future revenue from developers that choose to pay a fee rather than include inclusionary units in a development.

There are currently no monies in the LMIHAF, but approximately \$287,000 is expected to be in the fund by the end of the current fiscal year. Additionally, there is an outstanding Loan Agreement between the City and the former Redevelopment Agency that will be repaid to the City through the redevelopment dissolution process. The Dissolution Act requires that 20% of the loan payment be set aside in the LMIHAF for affordable housing purposes. Expenditure of LMIHAF is limited to households earning 80% of AMI or below, with a focus on creating rental units affordable to households earning 30% of AMI. The State Department of Finance has determined that the outstanding loan amount is approximately \$25.8 million. Thus, RSG estimates that approximately 5.2 million (20% of \$25.8 million) will be deposited into the LMIHAF. The loan repayment is subject to maximum annual payment amounts as detailed in the Dissolution Act, and it will take several years for the loan to be repaid and monies to accumulate in the LMIHAF.

Combined, Trust Fund and LMIHAF are anticipated to accumulate \$8.2 million over time. Only \$2.7 million is immediately available to expend and the remainder will accumulate over time. The City should be mindful of the expenditure requirements associated with each fund. In particular, the LMIHAF expenditures are targeted for extremely low-income persons and the cost to develop these units will likely be costly and monies from the Trust Fund may be needed to help generate the required units.

### **Program Options**

Options for affordable housing programs generally include, but are not limited to, new construction, substantial or minor rehabilitation, homebuyer assistance, rental subsidy, and purchase of affordable housing covenants and existing for-sale and rental units. The cost of affordable housing has increased with the statewide increase in housing cost and lack of new housing units on the market. These programs are typically heavily dependent on local, state, or federal financial assistance.

The following is an assessment of potential programs that the City could implement to fulfill its affordable housing goals. The assessment includes an approximate per unit subsidy amount for each option. The subsidy amount provided illustrates a range reflecting very low to moderate income units. The purpose of the assessment is to provide a cursory review of program options to assist the City in evaluating the potential impacts of its housing policy decisions.

Program Opportunity	Cost	Advantages	Disadvantages
<b>New Construction – Ownership<sup>1</sup>:</b> Encourage developers to include affordable ownership units by providing gap financing in the form of money.	Condominium: \$130,000 to \$310,000	<ul style="list-style-type: none"> <li>• Supports economic development</li> <li>• Creates more housing units</li> <li>• Encourages development of “Agoura Village”</li> <li>• 45-year affordability covenant</li> <li>• Assistance can be in the form of a loan</li> </ul>	<ul style="list-style-type: none"> <li>• Strict resale requirements requiring oversight</li> <li>• Large financial investment</li> <li>• Increased density</li> </ul>
<b>New Construction – Rental<sup>1</sup>:</b> Encourage developers to include affordable rental units in multi-family ownership developments (i.e., condominiums) or rental developments by providing gap financing in the form of money.	\$160,000 to \$300,000	<ul style="list-style-type: none"> <li>• Supports economic development</li> <li>• Creates more housing units</li> <li>• Encourages development of “Agoura Village”</li> <li>• Availability to leverage funds with other sources, such as tax credits</li> <li>• Typically, a greater demand for affordable rental units than ownership units</li> <li>• 55-year affordability covenant</li> </ul>	<ul style="list-style-type: none"> <li>• Concentrates affordable housing units if 100% affordable</li> <li>• Long process to assemble land and develop</li> <li>• Increased density</li> <li>• Grant funded – no loan repayment</li> <li>• Large financial investment</li> </ul>

<sup>1</sup> Cost estimates for new construction are based on the development funding gap associated with units affordable to moderate-, low- and very low-income households.

Program Opportunity	Cost	Advantages	Disadvantages
<b>Acquisition &amp; Rehabilitation<sup>2</sup>:</b> City could facilitate acquisition of condominium units, rehabilitate them, and place affordability covenants on a previously market-rate unit.	Rental Apartment: \$40,000 to \$180,000  Ownership Condominium: \$130,000 to \$180,000	<ul style="list-style-type: none"> <li>Improves existing housing stock that may otherwise lack investment</li> <li>Availability to leverage funds with other sources</li> <li>45 or 55-year affordability covenant</li> </ul>	<ul style="list-style-type: none"> <li>Long process to assemble land</li> <li>Grant funded – no loan repayment</li> <li>May require relocation</li> </ul>
<b>Acquisition &amp; Conversion<sup>2</sup>:</b> City could facilitate the acquisition of condominiums and convert them to affordable rental units.	Rental Apartment: \$40,000 to \$180,000  Ownership Condominium: \$60,000 to \$200,000	<ul style="list-style-type: none"> <li>Improves existing housing stock that may otherwise lack investment</li> <li>Add additional rental units to the market</li> <li>Could contract with a third party</li> <li>55-year affordability covenant</li> </ul>	<ul style="list-style-type: none"> <li>Grant funded – no loan repayment</li> <li>May require relocation</li> <li>HOA fee is added monthly expense</li> <li>CC&amp;R's may not allow for rentals</li> </ul>
<b>Purchase Affordability Covenants<sup>3</sup>:</b> Purchase affordability covenants from an existing market rate rental project. Payments calculated based on the capitalization of the affordability gap amount associated with the income category of the restricted units.	\$350,000 to \$540,000	<ul style="list-style-type: none"> <li>Ease of transaction</li> <li>May provide funding for property improvements</li> <li>Inexpensive option on a per-unit basis</li> <li>55-year affordability covenant</li> </ul>	<ul style="list-style-type: none"> <li>Difficult to incentivize property owners</li> <li>Grant funded – no loan repayment</li> </ul>

<sup>2</sup> Cost estimates for acquisition and rehabilitation and acquisition and conversion are based on the development funding gap associated with units affordable to moderate-, low- and very low-income households, as well as an assumption of \$20,000 in relocation costs.

<sup>3</sup> Cost estimates for purchasing affordability covenants are based on the present value of the difference between market and affordable rents for a two-bedroom unit in the Agoura Hills over a 30-year period.