

RESOLUTION NO. 19-91

Resolution Of The City Council Of The City Of Emeryville Adopting The 2019 Housing Affordability Table Pursuant To The Affordable Housing Program (Article 4 Of Chapter 5 Of The Planning Regulations)

WHEREAS, the City's Affordable Housing Program ("AHP") was adopted in 1990 and is now codified as Article 4 of Chapter 5 of Title 9 of the City of Emeryville Planning Regulations (the "AHP"), and

WHEREAS, prior to updates adopted in 2014, the AHP required that new residential and live-work developments of thirty or more units (rental or for-sale) have a set-aside of Below Market Rate (BMR) units; and

WHEREAS, the AHP now requires developers of new for-sale residential developments with ten or more units to set aside twenty percent of the units as affordable and restricted to moderate income households ("For-Sale Set Aside Units"); and

WHEREAS, the AHP also requires developers of rental housing to pay an impact fee of \$29,185 per unit or an in-lieu production requirement of eight percent of the units at the low income level and four percent at the very low income level ("Rental Set Aside Units"); and

WHEREAS, developers of For-Sale Set Aside Units and Rental Set Aside Units are required to enter into Affordability Agreements with the City of Emeryville to execute the requirements of the AHP, including the duration of the affordability covenants, the developer's marketing requirements, the initial sales prices or rent levels as applicable, the designation of the Set Aside Units, and the required resale restriction documents; and

WHEREAS, the initial sales prices or rent levels for each project subject to the AHP are determined in accordance with the definition of affordable housing cost found in state law at Section 50052.5 of the California Health and Safety Code (the "Code"); and


WHEREAS, to implement the affordable housing cost requirements of the AHP, the City has prepared the 2019 Housing Affordability Table in accordance with the requirements of Section 50052.5 of the Code; now, therefore, be it

RESOLVED, that the City Council of the City of Emeryville hereby adopts the 2019 Housing Affordability Table attached hereto as Exhibit A.

ADOPTED by the City Council of the City of Emeryville at a regular meeting held Tuesday, July 9, 2019 by the following vote:

AYES:	<u>5</u>	Mayor Medina, Vice Mayor Patz, and Council Members Bauters, Donahue, and Martinez
NOES:	<u>0</u>	
ABSTAIN:	<u>0</u>	
ABSENT:	<u>0</u>	

ATTEST:


CITY CLERK


MAYOR

APPROVED AS TO FORM:


CITY ATTORNEY

ATTACHMENTS

- Exhibit A: 2019 Housing Affordability Table

Exhibit A
CITY OF EMERYVILLE
HOUSING AFFORDABILITY TABLE: MAXIMUM SALES PRICES AND RENTS**
2019 Program Year (table updated on 5/15/19)

Pursuant to the City of Emeryville
Affordable Housing Program Ordinance

Requires Ownership projects of 10+ units to include 20% of project units at moderate income. Requires Rental Projects who opt for in lieu production to include 8% at the units to low income and 4% at very low income.

ASSUMPTIONS:

Interest Rate	4.50% Annual	
Monthly interest rate	0.38% Monthly	
Mortgage Term	360 months	
Downpayment	5%	PMI rate: 0.005094

Area Median Income (AMI)	1 person	2 person	3 person	4 person
	\$78,200	\$89,350	\$100,550	\$111,700

MODERATE INCOME HOUSEHOLDS: 120% Area Median Income

HOUSEHOLD SIZE	1 person	2 person	3 person	4 person
UNIT SIZE	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Annual Income	\$93,850	\$107,250	\$120,650	\$134,050
Amount Available for Housing=				
35% of 110% of AMI*	\$2,509	\$2,867	\$3,226	\$3,584
Mortgage	\$1,492	\$1,720	\$1,920	\$2,119
Prop.Tax	\$310.04	\$357	\$399	\$440
HOA Dues	\$400	\$435	\$475	\$500
Utilities	\$138	\$167	\$228	\$303
Homeowner's Insurance	\$43	\$43	\$43	\$43
PMI	\$125	\$144	\$161	\$178
MORTGAGE	\$294,537	\$339,423	\$378,899	\$418,283
AFFORDABLE SALES PRICE	\$310,039	\$357,287	\$398,841	\$440,298
GROSS AFFORDABLE RENT	\$2,151	\$2,457	\$2,765	\$3,072

NOTE: Gross affordable rent is equal to 30% of 110% of AMI and includes the total of monthly payments for a rental including a reasonable allowance for utilities and any service charges or fees required of tenants. Utility allowance and charges/fees must be deducted from rents shown above.

LOWER INCOME HOUSEHOLDS: 80% Area Median Income

HOUSEHOLD SIZE	1 person	2 person	3 person	4 person
UNIT SIZE	Studio	1 bedroom	2 Bedroom	3 Bedroom
Annual Income	\$69,000	\$78,850	\$88,700	\$98,550
Amount Available for Housing=				
30% of 70% of AMI*	\$1,368.50	\$1,564	\$1,760	\$1,955
Mortgage	\$609	\$711	\$784	\$858
Prop.Tax	\$127	\$148	\$163	\$178
HOA Dues	\$400	\$435	\$475	\$500
Utilities	\$138	\$167	\$228	\$303
Homeowner's Insurance	\$43	\$43	\$43	\$43
PMI	\$51	\$60	\$66	\$72
MORTGAGE	\$120,268	\$140,305	\$154,822	\$169,359
AFFORDABLE SALES PRICE	\$126,598	\$147,690	\$162,971	\$178,272
GROSS AFFORDABLE RENT	\$1,173	\$1,340	\$1,508	\$1,676

NOTE: Gross affordable sales price is based on 30% of 70% of AMI, however gross affordable rent is equal to 30% of 60% of AMI and includes the total of monthly payments for a rental including a reasonable allowance for utilities and any service charges or fees required of tenants. Utility allowance and charges/fees must be deducted from rents shown above.

VERY LOW INCOME HOUSEHOLDS: 50% Area Median Income

HOUSEHOLD SIZE	1 person	2 person	3 person	4 person
UNIT SIZE	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Annual Income	\$43,400	\$49,600	\$55,800	\$61,950
Amount Available for Housing = 30% of 50% of AMI*				
Mortgage	\$1,085	\$1,240	\$1,395	\$1,549
Prop.Tax	\$390	\$460	\$502	\$544
HOA Dues	\$81.00	\$96	\$104	\$113
Utilities	\$400	\$435	\$475	\$500
Homeowner's Insurance	\$138	\$167	\$228	\$303
PMI	\$43	\$43	\$43	\$43
MORTGAGE	\$76,945	\$90,851	\$99,103	\$107,317
AFFORDABLE SALES PRICE	\$80,995	\$95,633	\$104,319	\$112,965
GROSS AFFORDABLE RENT	\$978	\$1,117	\$1,257	\$1,396

NOTE: Gross affordable rent is equal to 30% of 50% of AMI and includes the total of monthly payments for a rental including a reasonable allowance for utilities and any service charges or fees required of tenants. Utility allowance and charges/fees must be deducted from rents shown above.

** The maximum sales prices and rents allowed pursuant to the City's Affordable Housing Program are based on the housing affordability definitions found in the California Health and Safety Code at Section 50052.5. These are to be considered maximum amounts and do not take into account market conditions that may limit actual sales and rent values.