

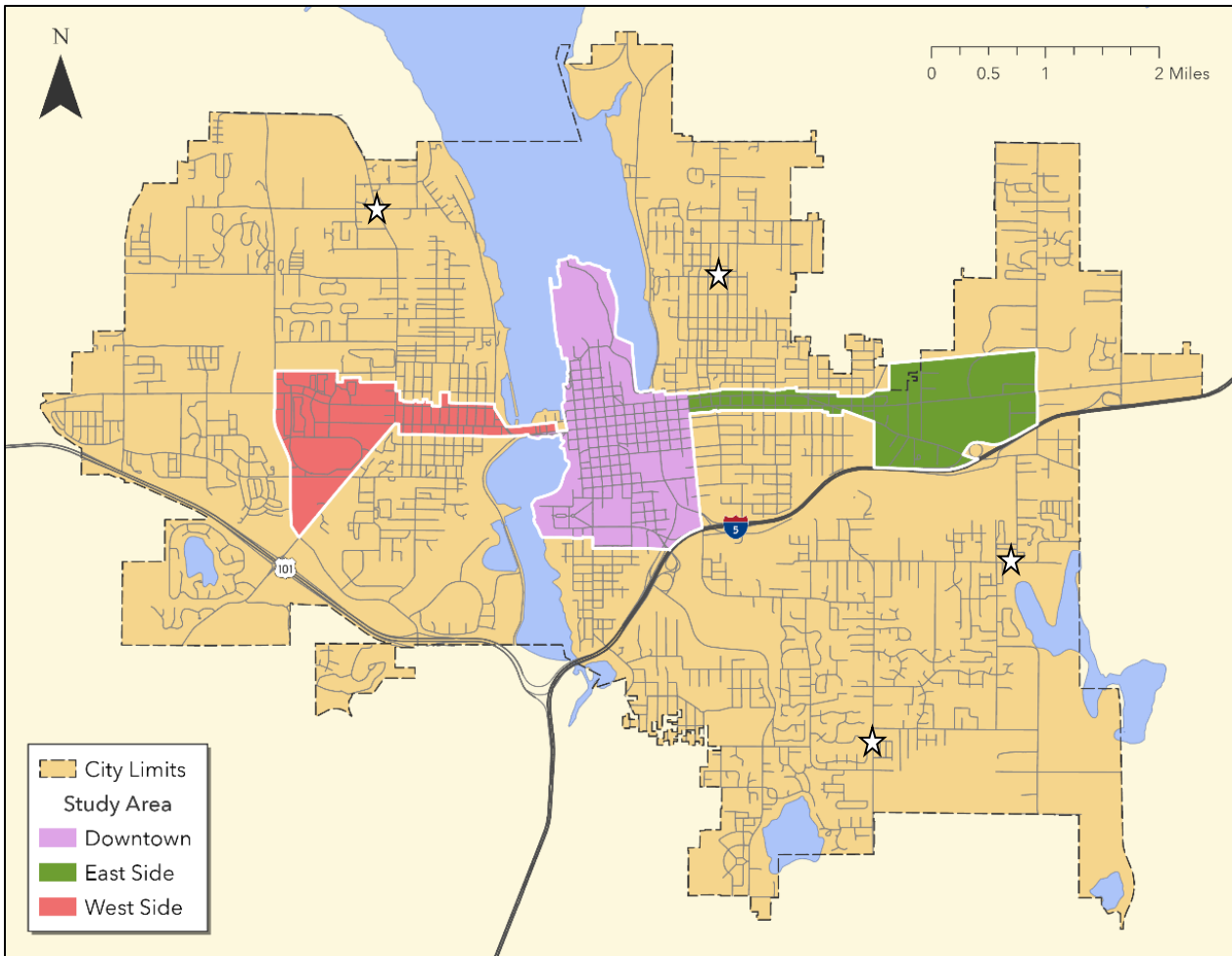
Draft Policy Recommendations

- Expand the MFTE boundary to the Eastside and Westside including a pilot of four neighborhood centers outside of the main corridors. (see attached map)
- Change 12-year program to require 100% of the units be at or below 80% of AMI. This would be applicable in all three geographic areas (DT, Westside and Eastside). This change will align the required AMI with other City affordable housing incentives.
- Require a 5-year extended contract past the 12-year exemption limiting rent increase to no more than 7% a year to address displacement concerns.
- Include a 5% fee in lieu to the 8-year program in the downtown. The fee revenue would be dedicated to affordable housing.
- Extend the existing 8-year program to the Eastside and include a 5% fee in lieu. The fee revenue would be dedicated to affordable housing.
- Extend the existing 8-year program to the Westside and include a 25% fee. The fee revenue would be dedicated to affordable housing.
- Explore Tenant Opportunity to Purchase requirements for all 8-year projects.
- Include 20-year program to all geographic areas, including pilot neighborhood centers.
 - Exemption applies if 25% of the units are sold as "permanently affordable" to households earning 80% area median income (AMI) or less. The other units may be rented or sold at market rates. The development must be sponsored by a non-profit or governmental entity, and is subject to a 99-year resale restriction to ensure permanent affordability.
- Improve program communications including public engagement, website and marketing materials, and overall community impact including revenue projections and affordable units created.
- Increase the application fee from \$100 to \$1,000 plus an \$75 per unit up to \$5,000.
- Re-evaluate the program again in 5 years.

Performance Measures

- Establish clear performance measures highlighting the impact of the program on the community as it pertains to the housing crisis and increased tax revenue.
- Track exemptions allowing the program to be monitored and re-evaluated for future improvements. Moving the program from being a passive one to more adaptive and reflective.
- Report out to council (or committee) yearly on exemption use.

Proposed Expanded MFTE Boundary



Neighborhood Centers

1. Division and 20th Streets (Handy Pantry)
2. San Francisco and Bethel Streets
3. Fones Road and 18th Avenue
4. 3900 Boulevard Road