

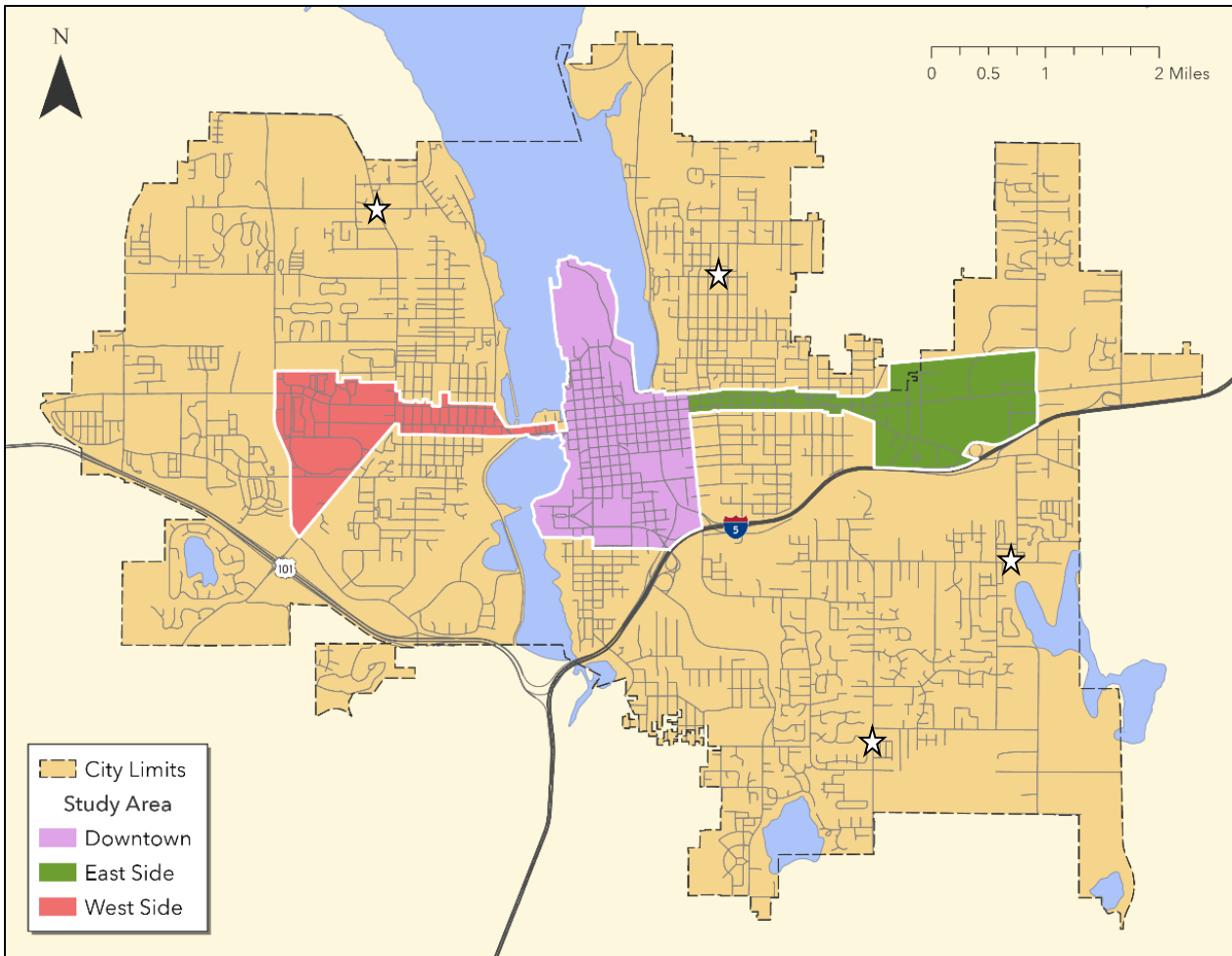
## **Draft Policy Recommendations**

- 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 20<sup>th</sup> Streets (Handy Pantry)
2. San Francisco and Bethel Streets
3. Fones Road and 18<sup>th</sup> Avenue
4. 3900 Boulevard Road