

Inclusionary Housing Technical Advisory Committee Third Meeting



Office of the Controller
Office of Economic Analysis

March 3, 2026

Meeting Outline

1. For-Rent Apartments Economic Analysis
 - Revised Research & Underwriting Assumptions
 - Summary of Impact Fees
 - Revised Economic Analysis & Residual Land Values
2. For-Sale Condominiums Economic Analysis
 - Revised Research & Underwriting Assumptions
 - Summary of Impact Fees
 - Revised Economic Analysis & Residual Land Values:
3. Efficiency Factor Sensitivity
4. Appendices:
 - Annual Housing Production & Inclusionary Requirement
 - Inclusionary In-Lieu Fees Collected

For-Rent Apartments Economic Analysis



Office of the Controller
Office of Economic Analysis

Research & Underwriting Assumptions For-Rent Apartments

2026 Citywide Inclusionary Requirements for Rental Housing						
	2023 Ordinance (Post Reduction)		Pipeline Projects (Temporary Reduction)		Interim Projects (Temporary Reduction)	
	Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
10-24 Unit Projects						
55% AMI	15.00%	20.00%	12.00%	16.40%	15.00%	20.00%
25+ Unit Projects						
55% AMI	10.00%	18.00%	8.00%	9.40%	10.00%	11.50%
80% AMI	4.00%	6.00%	2.00%	4.00%	2.50%	5.00%
110% AMI	<u>4.00%</u>	<u>6.00%</u>	<u>2.00%</u>	<u>3.00%</u>	<u>2.50%</u>	<u>4.00%</u>
Total	18.00%	30.00%	12.00%	16.40%	15.00%	20.50%
Fee Percentage						
10-24 Unit Projects	20.00%		16.40%		20.00%	
25+ Unit Projects	30.00%		16.40%		20.50%	

Research & Underwriting Assumptions – For-Rent Apartments

<i>Apartments</i>	<i>Underwriting Assumptions - Base Programs</i>				
Case	A	B	C	D	E
Construction Type	Type V	Type III	Type I	Type I	Type V
Building Type	Lowrise	Midrise	Highrise	Highrise	Lowrise
1.) Building Stories	5 Stories	8 Stories	13 Stories	24 Stories	4 Stories
2.) Building Height	55 Feet	85 Feet	135 Feet	245 Feet	45 Feet
3.) Gross Square Feet	53,031	151,438	265,469	402,807	19,281
4.) Efficiency Factor	80.0%	80.0%	80.0%	78.0%	80.0%
5.) Apartment Unit Count	45	130	227	341	13
6.) Wtd. Average Market Rent	\$4,299 / \$5.22	\$4,664 / \$5.65	\$5,203 / \$6.31	\$5,053 / \$6.12	\$4,238 / \$5.04
7.) Wtd. Average BMR Rent	\$2,324 / \$2.80	\$2,165 / \$2.63	\$2,014 / \$2.43	\$2,037 / \$2.47	\$1,677 / \$2.13
8.) Hard Costs (Total / Unit) (a)	\$27.0M / \$600,200	\$79.7M / \$613,200	\$162.7M / \$716,800	\$263.1M / \$771,500	\$9.8M / \$754,600
9.) Soft Cost - Impact Fees (Total / Unit) (b)	\$0.8M / \$18,900	\$2.4M / \$18,400	\$4.2M / \$18,700	\$6.4M / \$18,800	\$0.4M / \$28,600
10.) Other Soft Costs (Total / Unit)	\$5.0M / \$110,800	\$13.7M / \$105,300	\$27.8M / \$122,300	\$43.8M / \$128,300	\$2.3M / \$176,500
11.) Total Costs (Total / Unit) (a)	\$32.8M / \$729,700	\$95.8M / \$736,700	\$194.7M / \$857,700	\$313.3M / \$918,700	\$12.1M / \$929,700
12.) Total Hard & Soft Costs / GSF (a)	\$619	\$632	\$733	\$778	\$647
13.) Untrended Annual NOI	\$1,501,500	\$4,568,900	\$8,886,600	\$12,837,256	\$482,592
14.) Untrended Return-on-Cost (c)	6.00%	6.00%	6.00%	6.00%	6.00%

(a) Figures exclude land cost.

(b) Reflects impact fee reduction of 33% per Fee Reduction Program.

(c) Reflects untrended return-on-cost target to derive residual land value.

Research & Underwriting Assumptions – For-Rent Apartments

<i>Apartments</i>	<i>Underwriting Assumptions - State Density Bonus Programs</i>				
Case	A	B	C	D	E
Construction Type	Type III	Type I	Type I	Type I	Type III
Building Type	Midrise	Highrise	Highrise	Highrise	Lowrise
1.) Building Stories	7 Stories	11 Stories	18 Stories	32 Stories	6 Stories
2.) Building Height	75 Feet	115 Feet	185 Feet	325 Feet	65 Feet
3.) Gross Square Feet	69,644	199,232	348,710	531,192	27,750
4.) Efficiency Factor	80.0%	80.0%	80.0%	78.0%	80.0%
5.) Apartment Unit Count	60	172	301	452	20
6.) Wtd. Average Market Rent	\$4,657 / \$5.64	\$5,223 / \$6.31	\$5,205 / \$6.31	\$5,057 / \$6.12	\$4,535 / \$5.40
7.) Wtd. Average BMR Rent	\$1,974 / \$2.54	\$2,036 / \$2.46	\$2,014 / \$2.43	\$2,037 / \$2.47	\$1,677 / \$2.13
8.) Hard Costs (Total / Unit) (a)	\$36.6M / \$610,700	\$122.8M / \$713,700	\$214.6M / \$712,800	\$347.8M / \$769,400	\$14.0M / \$700,500
9.) Soft Cost - Impact Fees (Total / Unit) (b)	\$1.9M / \$31,400	\$5.4M / \$31,700	\$9.6M / \$31,900	\$14.7M / \$32,400	\$0.9M / \$45,700
10.) Other Soft Costs (Total / Unit)	\$7.6M / \$127,300	\$21.2M / \$123,200	\$39.2M / \$130,300	\$61.9M / \$136,800	\$3.1M / \$153,300
11.) Total Costs (Total / Unit) (a)	\$45.4M / \$756,500	\$149.4M / \$868,500	\$263.4M / \$875,100	\$424.3M / \$938,800	\$13.4M / \$670,000
12.) Total Hard & Soft Costs / GSF (a)	\$652	\$750	\$755	\$799	\$648
13.) Untrended Annual NOI	\$2,176,300	\$6,865,700	\$12,021,900	\$17,400,845	\$753,142
14.) Untrended Return-on-Cost (c)	6.00%	6.00%	6.00%	6.00%	6.00%

(a) Figures exclude land cost.

(b) Reflects impact fee reduction of 33% per Fee Reduction Program.

(c) Reflects untrended return-on-cost target to derive residual land value.

For-Rent Apartment Impact Fees

<i>Apartments</i>	<i>Impact Fees - Base Program</i>									
Case	A		B		C		D		E	
Description	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit
1.) In-Lieu Inclusionary Housing Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.) Transportation Sustainability Fee	\$ 488,000	\$ 10,800	\$ 1,400,000	\$ 10,800	\$ 2,555,000	\$ 11,300	\$ 3,828,000	\$ 11,200	\$ 236,000	\$ 18,200
3.) School Impact Fee	\$ 242,000	\$ 5,400	\$ 697,000	\$ 5,400	\$ 1,219,000	\$ 5,400	\$ 1,874,000	\$ 5,500	\$ 72,000	\$ 5,500
4.) Child Care Impact Fee	\$ 75,000	\$ 1,700	\$ 219,000	\$ 1,700	\$ 383,000	\$ 1,700	\$ 592,000	\$ 1,700	\$ 21,000	\$ 1,700
5.) Wastewater Capacity Charge	\$ 30,000	\$ 700	\$ 48,000	\$ 400	\$ 48,000	\$ 200	\$ 96,000	\$ 300	\$ 30,000	\$ 2,300
6.) Water Capacity Charge	\$ 11,000	\$ 300	\$ 18,000	\$ 100	\$ 18,000	\$ 100	\$ 37,000	\$ 100	\$ 11,000	\$ 900
7.) Total	\$ 846,000	\$ 18,900	\$ 2,382,000	\$ 18,400	\$ 4,223,000	\$ 18,700	\$ 6,427,000	\$ 18,800	\$ 370,000	\$ 28,600

<i>Apartments</i>	<i>Impact Fees - State Density Bonus Program</i>									
Case	A		B		C		D		E	
Description	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit
1.) In-Lieu Inclusionary Housing Fee	\$ 773,000	\$ 12,900	\$ 2,254,000	\$ 13,100	\$ 3,915,000	\$ 13,000	\$ 6,033,000	\$ 13,300	\$ 400,000	\$ 20,000
2.) Transportation Sustainability Fee	\$ 648,000	\$ 10,800	\$ 1,896,000	\$ 11,000	\$ 3,427,000	\$ 11,400	\$ 5,174,000	\$ 11,400	\$ 326,000	\$ 16,300
3.) School Impact Fee	\$ 320,000	\$ 5,300	\$ 925,000	\$ 5,400	\$ 1,614,000	\$ 5,400	\$ 2,484,000	\$ 5,500	\$ 110,000	\$ 5,500
4.) Child Care Impact Fee	\$ 104,000	\$ 1,700	\$ 301,000	\$ 1,800	\$ 527,000	\$ 1,700	\$ 813,000	\$ 1,800	\$ 35,000	\$ 1,800
5.) Wastewater Capacity Charge	\$ 30,000	\$ 500	\$ 48,000	\$ 300	\$ 96,000	\$ 300	\$ 150,000	\$ 300	\$ 30,000	\$ 1,500
6.) Water Capacity Charge	\$ 11,000	\$ 200	\$ 18,000	\$ 100	\$ 37,000	\$ 100	\$ 57,000	\$ 100	\$ 11,000	\$ 600
7.) Total	\$1,886,000	\$ 31,400	\$ 5,442,000	\$ 31,700	\$ 9,616,000	\$ 31,900	\$14,711,000	\$ 32,400	\$ 912,000	\$ 45,700

Revised Economic Analysis - Apartments

For-Rent Apartments – Implied Residual Land Value per Unit

<i>Apartments</i>	Residual Land Value per Unit (g)				
Case	A	B	C	D	E
Building Type (Base Program)	Lowrise	Midrise	Highrise	Highrise	Lowrise
1.) Base - Current Projects (a)	(\$177,000)	(\$152,000)	(\$206,000)	(\$292,000)	(\$353,000)
2.) Base - Pipeline Projects (b)	(\$166,000)	(\$138,000)	(\$192,000)	(\$281,000)	(\$353,000)
3.) Base - Interim Projects (c)	(\$173,000)	(\$148,000)	(\$206,000)	(\$292,000)	(\$353,000)
4.) State Density Bonus - Interim Projects (d)	(\$155,000)	(\$204,000)	(\$210,000)	(\$298,000)	(\$280,000)
5.) Base - In-Lieu Fee (e)	(\$187,000)	(\$152,000)	(\$201,000)	(\$294,000)	(\$363,000)
6.) Hypothetical 100% Market Rate (f)	(\$131,000)	(\$96,000)	(\$144,000)	(\$236,000)	(\$308,000)

(a) Reflects Citywide onsite inclusionary requirement of 18% for Cases A-D and 12.0% for Case E.

(b) Reflects Citywide onsite inclusionary requirement for Pipeline Projects of 12.0% for all Cases.

(c) Reflects Citywide onsite inclusionary requirement for Interim Projects of 15.0% for all Cases.

(d) Reflects Citywide onsite inclusionary requirement for Interim Projects of 15.0% for all Cases and State Density Bonus of 32.5% for Cases A-D and 50.0% for Case E with inclusionary in-lieu fee applied to density bonus additional square footage.

(e) Reflects Citywide inclusionary in-lieu fee of 20.5% for Cases A-D and 20.0% for Case E.

(f) Reflects no onsite or offsite inclusionary housing requirements or in-lieu fees for illustrative purposes only.

(g) Residual land value per unit estimated based on 6.00% target going-in return-on-cost.

For-Sale Condominiums Economic Analysis



Office of the Controller
Office of Economic Analysis

Research & Underwriting Assumptions For-Sale Condominiums

2026 Citywide Inclusionary Requirements for Ownership Housing						
	2023 Ordinance (Post Reduction)		Pipeline Projects (Temporary Reduction)		Interim Projects (Temporary Reduction)	
	Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
10-24 Unit Projects						
80% AMI	15.00%	20.00%	12.00%	16.40%	15.00%	20.00%
25+ Unit Projects						
80% AMI	10.00%	18.00%	8.00%	9.40%	10.00%	11.50%
105% AMI	5.00%	8.00%	2.00%	4.00%	2.50%	5.00%
130% AMI	<u>5.00%</u>	<u>7.00%</u>	<u>2.00%</u>	<u>3.00%</u>	<u>2.50%</u>	<u>4.00%</u>
Total	20.00%	33.00%	12.00%	16.40%	15.00%	20.50%
Fee Percentage						
10-24 Unit Projects	20.00%		16.40%		20.00%	
25+ Unit Projects	33.00%		16.40%		20.50%	

Research & Underwriting Assumptions For-Sale Condominiums

<i>Condominiums</i>	<i>Underwriting Assumptions - Base Programs</i>				
Case	A	B	C	D	E
Construction Type	Type V	Type III	Type I	Type I	Type V
Building Type	Lowrise	Midrise	Highrise	Highrise	Low Rise
1.) Building Stories	5 Stories	8 Stories	13 Stories	24 Stories	4 Stories
2.) Building Height	55 Feet	85 Feet	135 Feet	245 Feet	45 Feet
3.) Gross Square Feet	55,875	159,000	280,250	423,484	19,281
4.) Efficiency Factor	80.0%	80.0%	80.0%	78.0%	80.0%
5.) Condominium Unit Count	37	107	188	281	13
6.) Wtd. Average Market Sales Price	\$1,063,000 / \$1,070	\$1,317,000 / \$1,318	\$1,344,000 / \$1,345	\$1,356,000 / \$1,354	\$901,000 / \$1,072
7.) Wtd. Average BMR Sales Price	\$517,000	\$497,000	\$495,000	\$456,000	\$374,000
8.) Hard Costs (Total / Unit) (a)	\$27.7M / \$748,200	\$81.5M / \$762,000	\$168.3M / \$895,300	\$270.3M / \$961,900	\$9.9M / \$760,300
9.) Soft Costs - Impact Fees (Total / Unit) (b)	\$0.7M / \$20,200	\$2.0M / \$19,100	\$3.7M / \$19,500	\$5.6M / \$19,900	\$0.3M / \$20,200
10.) Other Soft Costs (Total / Unit) (a)	\$5.8M / \$157,900	\$17.0M / \$159,300	\$34.4M / \$183,200	\$57.6M / \$205,000	\$2.3M / \$180,200
11.) Total Costs (Total / Unit) (a)	\$34.3M / \$926,300	\$100.6M / \$940,400	\$206.4M / \$1,097,900	\$333.5M / \$1,186,700	\$12.5M / \$960,600
12.) Total Hard & Soft Costs / GSF (a)	\$613	\$633	\$737	\$787	\$648
13.) Profit as % of Revenue (c)	20.00%	20.00%	20.00%	20.00%	20.00%

(a) Figures exclude land cost.

(b) Reflects impact fee reduction of 33% per Fee Reduction Program

(c) Reflects profit margin target to derive residual land value.

Research & Underwriting Assumptions For-Sale Condominiums

<i>Condominiums</i>	<i>Underwriting Assumptions - State Density Bonus Programs</i>				
Case	A	B	C	D	E
Construction Type	Type III	Type I	Type I	Type I	Type V
Building Type	Midrise	Highrise	Highrise	Highrise	Low Rise
1.) Building Stories	6 Stories	11 Stories	16 Stories	29 Stories	5 Stories
2.) Building Height	65 Feet	115 Feet	165 Feet	295 Feet	55 Feet
3.) Gross Square Feet	65,750	189,000	334,875	505,426	24,344
4.) Efficiency Factor	80.0%	80.0%	80.0%	78.0%	80.0%
5.) Condominium Unit Count	44	128	226	337	17
6.) Wtd. Average Market Sales Price	\$1,284,000 / \$1,304	\$1,340,000 / \$1,345	\$1,346,000 / \$1,345	\$1,352,000 / \$1,352	\$888,000 / \$1,074
7.) Wtd. Average BMR Sales Price	\$482,000	\$454,000	\$450,000	\$456,000	\$374,000
8.) Hard Costs (Total / Unit) (a)	\$33.7M / \$765,600	\$113.9M / \$889,900	\$201.6M / \$891,900	\$323.1M / \$958,600	\$12.5M / \$735,900
9.) Soft Costs - Impact Fees (Total / Unit) (b)	\$1.3M / \$29,900	\$3.8M / \$29,700	\$6.9M / \$30,600	\$10.5M / \$31,100	\$0.4M / \$22,300
10.) Other Soft Costs (Total / Unit) (a)	\$8.0M / \$181,400	\$23.5M / \$183,500	\$44.7M / \$197,900	\$73.6M / \$218,400	\$2.9M / \$168,700
11.) Total Costs (Total / Unit) (a)	\$43.0M / \$976,800	\$141.2M / \$1,103,100	\$253.2M / \$1,120,300	\$407.1M / \$1,208,100	\$15.8M / \$926,900
12.) Total Hard & Soft Costs / GSF (a)	\$654	\$747	\$756	\$806	\$647
13.) Profit as % of Revenue (c)	20.00%	20.00%	20.00%	20.00%	20.00%

(a) Figures exclude land cost.

(b) Reflects impact fee reduction of 33% per Fee Reduction Program

(c) Reflects profit margin target to derive residual land value.

For-Sale Condominium Impact Fees

<i>Condominiums</i>		<i>Impact Fees - Base Programs</i>									
Case	A		B		C		D		E		
Description	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	
1.) In-Lieu Inclusionary Housing Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2.) Transportation Sustainability Fee	\$ 374,000	\$ 10,100	\$ 1,055,000	\$ 9,900	\$ 1,966,000	\$ 10,500	\$ 2,981,000	\$ 10,600	\$ 128,000	\$ 9,800	
3.) School Impact Fee	\$ 241,000	\$ 6,500	\$ 696,000	\$ 6,500	\$ 1,223,000	\$ 6,500	\$ 1,873,000	\$ 6,700	\$ 72,000	\$ 5,500	
4.) Child Care Impact Fee	\$ 77,000	\$ 2,100	\$ 225,000	\$ 2,100	\$ 396,000	\$ 2,100	\$ 609,000	\$ 2,200	\$ 21,000	\$ 1,700	
5.) Wastewater Capacity Charge	\$ 30,000	\$ 800	\$ 48,000	\$ 400	\$ 48,000	\$ 300	\$ 96,000	\$ 300	\$ 30,000	\$ 2,300	
6.) Water Capacity Charge	\$ 11,000	\$ 300	\$ 18,000	\$ 200	\$ 18,000	\$ 100	\$ 37,000	\$ 100	\$ 11,000	\$ 900	
7.) Total	\$ 733,000	\$ 19,800	\$ 2,042,000	\$ 19,100	\$ 3,651,000	\$ 19,500	\$ 5,596,000	\$ 19,900	\$ 262,000	\$ 20,200	

<i>Condominiums</i>		<i>Underwriting Assumptions - Impact Fee Schedule</i>									
Case	A		B		C		D		E		
Description	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	\$ Amount	\$ / Unit	
1.) In-Lieu Inclusionary Housing Fee	\$ 448,000	\$ 10,200	\$ 1,343,000	\$ 10,500	\$ 2,431,000	\$ 10,800	\$ 3,656,000	\$ 10,800	\$ 57,000	\$ 3,300	
2.) Transportation Sustainability Fee	\$ 444,000	\$ 10,100	\$ 1,289,000	\$ 10,100	\$ 2,390,000	\$ 10,600	\$ 3,620,000	\$ 10,700	\$ 160,000	\$ 9,400	
3.) School Impact Fee	\$ 286,000	\$ 6,500	\$ 831,000	\$ 6,500	\$ 1,469,000	\$ 6,500	\$ 2,242,000	\$ 6,700	\$ 92,000	\$ 5,400	
4.) Child Care Impact Fee	\$ 94,000	\$ 2,100	\$ 274,000	\$ 2,100	\$ 485,000	\$ 2,100	\$ 743,000	\$ 2,200	\$ 29,000	\$ 1,700	
5.) Wastewater Capacity Charge	\$ 30,000	\$ 700	\$ 48,000	\$ 400	\$ 96,000	\$ 400	\$ 150,000	\$ 400	\$ 30,000	\$ 1,800	
6.) Water Capacity Charge	\$ 11,000	\$ 300	\$ 18,000	\$ 100	\$ 37,000	\$ 200	\$ 57,000	\$ 200	\$ 11,000	\$ 700	
7.) Total	\$ 1,313,000	\$ 29,900	\$ 3,803,000	\$ 29,700	\$ 6,908,000	\$ 30,600	\$ 10,468,000	\$ 31,000	\$ 379,000	\$ 22,300	

Revised Economic Analysis - Condominiums

For-Sale Condominiums – Implied Residual Land Value per Unit

<i>Condominiums</i>	Residual Land Value per Unit (g)				
Case	A	B	C	D	E
Building Type (Base Program)	Lowrise	Midrise	Highrise	Highrise	Lowrise
1.) Base - Current Projects (a)	(\$164,000)	(\$42,000)	(\$184,000)	(\$269,000)	(\$249,000)
2.) Base - Pipeline Projects (b)	(\$145,000)	(\$5,000)	(\$144,000)	(\$229,000)	(\$249,000)
3.) Base - Interim Projects (c)	(\$168,000)	(\$25,000)	(\$158,000)	(\$245,000)	(\$249,000)
4.) State Density Bonus - Interim Projects (d)	(\$62,000)	(\$154,000)	(\$164,000)	(\$254,000)	(\$220,000)
5.) Base - In-Lieu Fee (e)	(\$168,000)	(\$8,000)	(\$147,000)	(\$239,000)	(\$256,000)
6.) Hypothetical 100% Market Rate (f)	(\$100,000)	\$60,000	(\$80,000)	(\$170,000)	(\$201,000)

(a) Reflects existing Citywide onsite inclusionary requirement of 20.0% for Cases A-D and 12.0% for Case E.

(b) Reflects Citywide onsite inclusionary requirement for Pipeline Projects of 12.0% for all Cases.

(c) Reflects Citywide onsite inclusionary requirement for Interim Projects of 15.0% for all Cases.

(d) Reflects Citywide onsite inclusionary requirement for Interim Projects of 15.0% for all Cases and State Density Bonus of 20.0% for Cases A-D and 27.5% for Case E with inclusionary in-lieu fee applied to density bonus additional square footage.

(e) Reflects Citywide inclusionary in-lieu fee of 20.5% for Cases A-D and 20.0% for Case E.

(f) Reflects no onsite or offsite inclusionary housing requirements or in-lieu fees for illustrative purposes only.

(g) Residual land value per unit estimated based on 20.00% target profit margin (profit as % of revenue).

Efficiency Factor Sensitivity

<i>Apartments</i>	Residual Land Value per Unit (b)			
Efficiency Factor	<i>Base (a)</i>	<i>+ 1%</i>	<i>+ 2%</i>	<i>+ 3%</i>
1.) Case A	(\$173,000)	(\$166,000)	(\$159,000)	(\$151,000)
2.) Case B	(\$148,000)	(\$141,000)	(\$133,000)	(\$126,000)
3.) Case C	(\$206,000)	(\$197,000)	(\$188,000)	(\$180,000)
4.) Case D	(\$292,000)	(\$282,000)	(\$272,000)	(\$262,000)
5.) Case E	(\$353,000)	(\$345,000)	(\$337,000)	(\$329,000)

<i>Condominiums</i>	Residual Land Value per Unit (b)			
Efficiency Factor	<i>Base (a)</i>	<i>+ 1%</i>	<i>+ 2%</i>	<i>+ 3%</i>
1.) Case A	(\$168,000)	(\$159,000)	(\$150,000)	(\$142,000)
2.) Case B	(\$25,000)	(\$16,000)	(\$7,000)	\$2,000
3.) Case C	(\$158,000)	(\$148,000)	(\$137,000)	(\$127,000)
4.) Case D	(\$245,000)	(\$233,000)	(\$221,000)	(\$209,000)
5.) Case E	(\$249,000)	(\$241,000)	(\$233,000)	(\$225,000)

(a) Assumes Base efficiency factors of 80% for Cases A, B, C and E, and 78% for Case D.

(b) Sensitivity analyses increase Base efficiency factors by 1%, 2% and 3%.

(c) Sensitivity analyses were based upon the "Interim" affordable scenario.

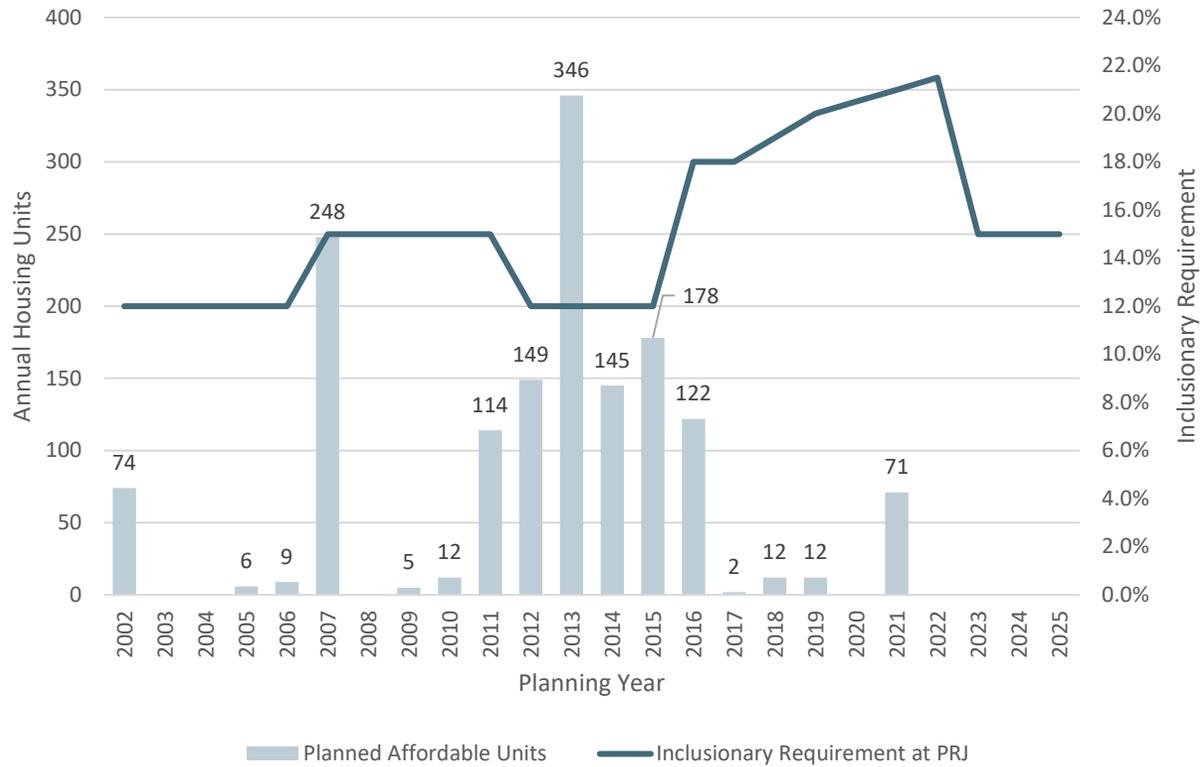
Appendix



Office of the Controller
Office of Economic Analysis

For-Rent Apartment Annual Housing Production & Inclusionary Requirement

For-Rent Apartment Annual Planned Units (a)

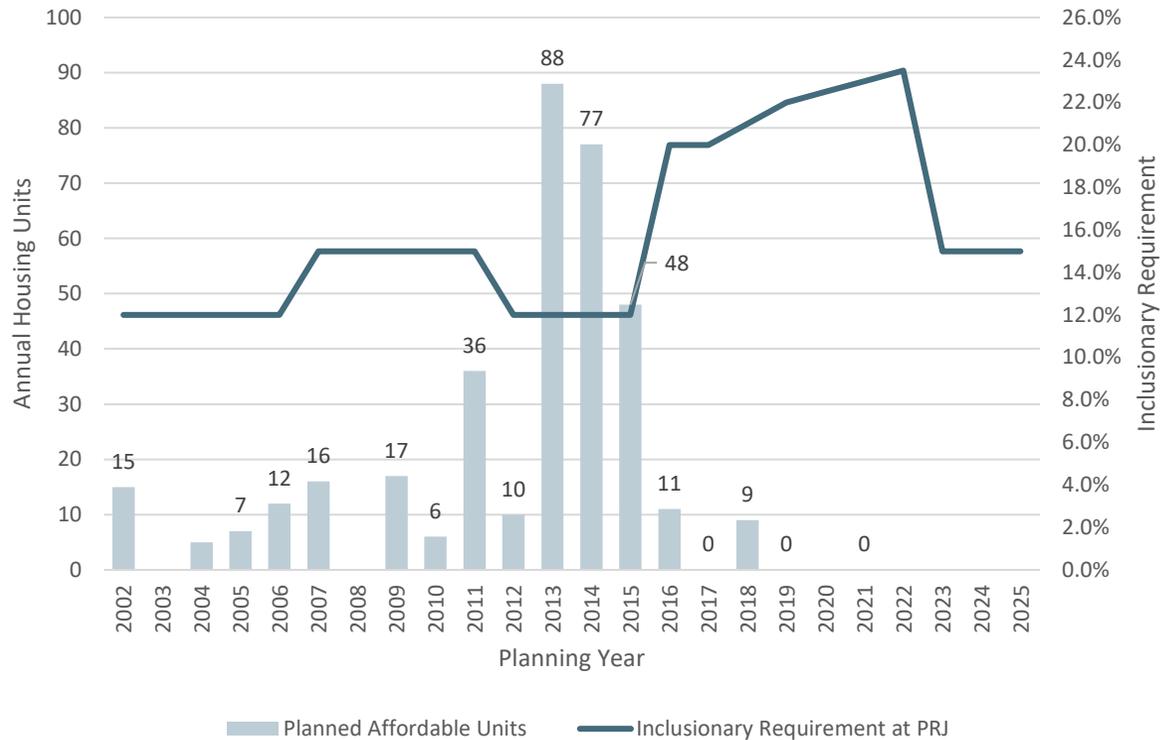


- (a) Planned Affordable Units includes all affordable units that were approved in the Planning Year and have since been constructed.
- (b) Refers to the weighted average inclusionary rate for projects constructed in each year.

Year	Inclusionary Requirement at PRJ	Constructed Inclusionary Rate (b)	Affordable Units		All Units	
			Planned	Constructed	Planned	Constructed
2002	12.0%	NA	74	NA	362	NA
2003	12.0%	NA	0	NA	0	NA
2004	12.0%	NA	0	NA	0	NA
2005	12.0%	NA	6	NA	47	NA
2006	12.0%	NA	9	NA	61	NA
2007	15.0%	NA	248	NA	1,720	NA
2008	15.0%	NA	0	NA	0	NA
2009	15.0%	NA	5	NA	37	NA
2010	15.0%	NA	12	NA	92	NA
2011	15.0%	NA	114	NA	871	NA
2012	12.0%	NA	149	NA	1,362	NA
2013	12.0%	NA	346	NA	2,191	NA
2014	12.0%	NA	145	NA	1,146	NA
2015	12.0%	NA	178	NA	1,181	NA
2016	18.0%	14%	122	134	444	933
2017	18.0%	18%	2	228	13	1,313
2018	19.0%	12%	12	320	14	2,571
2019	20.0%	12%	12	90	46	724
2020	20.5%	13%	0	48	0	393
2021	21.0%	15%	71	69	501	480
2022	21.5%	17%	NA	318	NA	1,815
2023	15.0%	18%	NA	89	NA	416
2024	15.0%	16%	NA	104	NA	653
2025	15.0%	17%	NA	92	NA	725
Total/Wtd. Avg	19%	15%	1,505	1,492	10,088	10,023

For-Sale Condominium Annual Housing Production & Inclusionary Requirement

For-Sale Condominiums Annual Planned Units (a)



- (a) Planned Affordable Units includes all affordable units that were approved in the Planning Year and have since been constructed.
- (b) Refers to the weighted average inclusionary rate for projects constructed in each year.

Year	Inclusionary Requirement		Constructed		All Units	
	at PRJ	Rate (b)	Planned	Constructed	Planned	Constructed
2002	12.0%	NA	15	NA	133	NA
2003	12.0%	NA	0	NA	0	NA
2004	12.0%	NA	5	NA	39	NA
2005	12.0%	NA	7	NA	56	NA
2006	12.0%	NA	12	NA	103	NA
2007	15.0%	NA	16	NA	120	NA
2008	15.0%	NA	0	NA	0	NA
2009	15.0%	NA	17	NA	100	NA
2010	15.0%	NA	6	NA	52	NA
2011	15.0%	NA	36	NA	298	NA
2012	12.0%	NA	10	NA	83	NA
2013	12.0%	NA	88	NA	659	NA
2014	12.0%	NA	77	NA	587	NA
2015	12.0%	NA	48	NA	284	NA
2016	20.0%	14%	11	35	91	250
2017	20.0%	12%	0	21	0	181
2018	21.0%	12%	9	56	53	458
2019	22.0%	14%	0	29	0	212
2020	22.5%	13%	0	29	0	226
2021	23.0%	13%	0	16	0	129
2022	23.5%	14%	NA	110	NA	769
2023	15.0%	16%	NA	27	NA	189
2024	15.0%	12%	NA	5	NA	45
2025	15.0%	15%	NA	29	NA	199
Total		13%	357	357	2,658	2,658

Inclusionary In-Lieu Fees Collected

Fiscal Year Ending	Inclusionary Requirement (b)	Total Market Rate Units	Total 100% Affordable Project Units	Total Inclusionary Fees
FY16-17	18.0%	526	278	\$38,730,000
FY17-18	18.0%	517	337	\$14,478,000
FY18-19	19.0%	369	396	\$31,409,000
FY19-20	20.0%	681	218	\$28,923,000
FY20-21	20.5%	98	479	\$4,870,000
FY21-22	21.0%	92	985	\$4,191,000
FY22-23	21.5%	20	498	\$1,268,000
FY23-24	15.0%	35	480	\$1,497,000
FY24-25 (a)	15.0%	21	673	\$957,000

(a) FY24-25 fees collected were offset by \$2.2M of fees paid in prior years returned for project which did not move forward resulting in net fees of -\$1.3M

(b) In-Lieu Fee equal to 30% for apartments and 33% for condominiums