



Status of Bay Area Jurisdictions That Have Commissioned Affordable Housing Impact Fee Nexus Studies

1. Albany

The Albany City Council held a public hearing on April 3, 2017, to discuss the findings of a residential and non-residential affordable housing nexus study which purport to justify fees of \$38.60 to \$44 per sq. ft. on new housing for affordable units. The report was prepared as part of a coordinated work program for twelve jurisdictions in Alameda and Santa Clara Counties. Silicon Valley Community Foundation with Baird + Driskell Community Planners organized and facilitated this multi-jurisdiction effort. Silicon Valley Community Foundation, which engaged KMA to prepare the analyses, serves as the main contracting entity with each participating jurisdiction, and has provided funding support for coordination and administration of the effort.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee
Single-family detached	\$77,200 per unit or \$38.60 per sq. ft.	15 percent of units in market-rate projects with five or more units must be set aside as affordable units. The applicant may request to pay an in-lieu fee but City Council must approve it. Fee on rental developments suspended after Palmer decision.	NA
Townhome	\$66,00 per unit or \$44 per sq. ft.	See note above.	NA
Condo	\$51,150 per unit or \$34.10 per sq. ft.	See note above.	NA
Multi-family rental	\$58,800 per unit or \$39.20 per sq. ft.	See note above.	NA
Office	\$144.90 per sq. ft.	None	NA
Retail	\$250.30 per sq. ft.	None	NA
Hotel	\$117.70 per sq. ft.	None	NA
Light Industrial	\$113.30 per sq. ft.	None	NA

3/31/2017

2. American Canyon

American Canyon expanded its affordable housing impact fee in February 2016 to include commercial and rental residential projects. For-sale residential developers must still either construct 10 percent of the units on-site as affordable or pay impact fee if it is determined that building affordable units on site is not feasible. The new fee, however, is lower than the old rate which was the equivalent of \$3.19 to \$3.82 per square foot.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$27,380.00 per unit or \$13.69 per sq. ft.	10% mandatory inclusionary unless applicant shows building units on site is infeasible.	22%
Condos/Townhomes	\$8,505.00 per unit or \$5.67 per sq. ft.	Same as above.	53%
Rental multifamily	\$35,460 per unit or \$23.64 per sq. ft.	\$5,250 per unit or \$3.50 per sq. ft.	15%
Retail	\$16.60 per sq. ft.	75 cents per sq. ft.	5%
Hotel	\$31.95 per sq. ft.	75 cents per sq. ft.	2%
Food/Wine Production	\$18.58 per sq. ft.	50 cents per sq. ft.	2.7%
Warehouse	\$5.36 per sq. ft.	50 cents per sq. ft.	9%

3/22/2016

3. Belmont

Belmont adopted in January 2017 a new affordable housing fee program following its participation in a coalition with San Mateo County and other cities called "21 Elements." Starting on March 11, 2017, new residential for-sale projects of 25 or more units must set aside at least 15 percent of the units on-site for moderate income households. Smaller for-sale projects may build the units or pay an impact fee set at \$20 per sq. ft. Rental developments will pay the fee. All commercial developments will pay a fee, as well, but at rates far lower than the maximum justified numbers in the nexus study.

Type	Maximum Justified Fee	Current Fee (effective 3/1/2017)	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$88,000 per unit or \$44 per sq. ft.	Projects with 25 or more units must provide 15 percent on-site affordable to moderate income. Projects with fewer than 25 units may build units on-site or pay impact fee: \$40,000 per unit or \$20 per sq. ft.	45.5%
Condos/Townhomes	\$103,500 per unit or \$69 per sq. ft.	Projects with 25 or more units must provide 15 percent on-site affordable to moderate income. Projects with fewer than 25 units may build units on-site or pay impact fee: \$30,000 per unit or \$20 per sq. ft.	29%
Rental multifamily	\$103,500 per unit or \$69 per sq. ft.	\$30,000 per unit or \$20 per sq. ft.	29%
Hotel	\$151	\$4	3%
Retail	\$259	\$5	2%
Office (and all uses not hotel or retail)	\$247	\$12	5%

1/18/2017

4. Berkeley

The city commissioned a residential rental development nexus study in 2010 in response to the *Palmer* decision. It updated its non-residential nexus analysis in 2012 and increased fees 12.5 percent in June 2014. In July 2016, the city upped its inclusionary percentage on market-rate projects from 10 percent to 20 percent of units and increased its rental unit fee to \$34,000.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$96,294 or \$48 per sq. ft.	20 percent inclusionary or \$34,000 per unit.	35%
Condos/Townhomes	\$96,294 or \$64 per sq. ft.	20 percent inclusionary or \$34,000 per unit.	35%
Rental multi-family	\$84,391 per unit or \$56 per sq. ft.	\$34,000 per unit or \$37.78 per sq. ft. Fee applies to all units.	40%
Office	\$11.11 per sq. ft.	\$4.50 per sq. ft.	40.5%
Retail/restaurant	\$12.19 per sq. ft.	\$4.50 per sq. ft.	36.9%
Mfg/industrial	\$7.03 per sq. ft.	\$2.25 per sq. ft.	32%
Hotel	\$13.91 per sq. ft.	\$4.50 per sq. ft.	32.4%
Warehouse/storage	\$4.37 per sq. ft.	\$2.25 per sq. ft. for warehouse and \$4.37 for storage	51.5%
R&D	\$5.38 per sq. ft.	\$4.50 per sq. ft.	83.6%

7/27/2016

- * The Berkeley City Council discounted the fee by \$8,000 in 2012, which applied to rental projects that were deemed “substantially complete” and on file” as of Oct. 16, 2014, and are approved by the city’s Zoning Adjustment Board on or before Oct. 16, 2016.

5. Burlingame

In January 2017, the Burlingame City Council held a public hearing to discuss findings in new residential and commercial nexus analyses commissioned in partnership with San Mateo County and its other cities as part of the 21 Elements initiative. The councilmembers took no formal action but asked numerous questions and requested staff return with more information. The city currently has no affordable housing fees or other requirements.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$104,00 per unit or \$52 per sq. ft.	None	
Condos/Townhomes	\$84,000 per unit or \$56 per sq. ft.	None	
Rental multi-family	\$127,500 per unit or \$85 per sq. ft.	None	
Office/Medical/R&D	\$245 per sq. ft.	None	
Retail/restaurant	\$283 per sq. ft.	None	
Hotel	\$163 per sq. ft.	None	

1/19/2017

6. Calistoga

The Calistoga City Council on Dec. 2, 2014, increased its affordable impact fees on non-residential development to \$1,500 per hotel room, \$2.25 per sq. ft. for office, \$1.65 per sq. ft. for industrial, \$3.25 per sq. ft. for retail and \$3.25 per sq. ft. for restaurant. Although the town conducted a nexus fee study for residential development in 2013, the town postponed a vote until after staff completes its analysis associated with the housing element update.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$47,212 per unit	20 percent inclusionary. In-lieu fee negotiated.	NA
Condos/Townhomes	\$47,212 per unit	20 percent inclusionary. In-lieu fee negotiated.	NA
Rental multifamily	Not included in study.	Not enforced.	NA
Office/Industrial/R&D	\$80.22 to \$198.30 per sq. ft.	\$0.80 to \$1 per sq. ft.	0.5%
Retail	\$80.22 to \$198.30 per sq. ft.	\$0.80 per sq. ft.	0.4%
Tourist accommodations	\$80.22 to \$198.30 per sq. ft.	\$1.40 per sq. ft.	0.5%
Restaurant	\$80.22 to \$198.30 per sq. ft.	\$0.80 per sq. ft.	0.4%

12/22/2014

7. Concord

In November 2016, the city converted its existing per unit in-lieu fee to one based on square footage. Through this action, the city also moved toward the restoration over three years of its previous in-lieu fee levels, which were reduced in 2010 from \$17,660 per unit to \$5,043 per unit in recognition of the economic downtown. Additionally, the impact fee for rental developments will start at \$3 per sq. ft. starting July 2018 and it will not ramp up until at least 600 new residential units are under construction downtown. The city made no changes to its inclusionary requirements, which remain at 10 percent for moderate income or 6 percent for low income on market-rate developments. (Future units on the former Concord Naval Weapons base will not be subject to these requirements and fees as the affordability requirement is being negotiated in a separate process.)

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$41,200 per unit or \$20.60 per sq. ft.	\$16,000 per unit or \$8 per sq. ft.	39%
Condos/Townhomes	\$45,600 per unit or \$30.40 per sq. ft.	\$12,000 per unit or \$8 per sq. ft.	26%
Rental multifamily	\$59,950 per unit or \$39.70 per sq. ft.	\$0. (Rate will go to \$3 per sq. ft. at such time that at least 600 new units have been constructed downtown)	0%
Non-residential	Not studied.	No fee	NA

1/13/2017

8. Cupertino

In May 2015, Cupertino significantly increased its affordable housing impact fees levied against all residential and commercial development based on the results of an updated nexus study. As of July 6, 2015, rates on residential development increased from \$3 per sq. ft. to a range of \$15 per sq. ft. to \$20 per sq. ft. depending on the type of unit. Rental fees increased to \$20 per sq. ft. and commercial fees increased to a range of \$10 per sq. ft. to \$20 per sq. ft., depending on the nature of the use.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$118,100 to \$84,200 per unit or \$30.60 to \$30.10 per sq. ft.	\$33,000 to \$30,000 per unit, or \$16.50 to \$15 per sq. ft.	50%
Condos/Townhomes	\$65,900 to \$52,600 per unit or \$35.10 to \$33.80 per sq. ft.	\$30,000 per unit or \$20 per sq. ft.	59%
Rental multifamily	\$53,100 to \$42,300 per unit or \$42.50 per sq. ft. to \$33.80 per sq. ft.	\$30,000 per unit or \$20 per sq. ft.	47%
Office/Industrial/R&D/WH	\$129.05 per sq. ft.	\$20 per sq. ft.	15.5%
Hotel	\$49.15 per sq. ft.	\$15 per sq. ft.	30%
Retail/Restaurant	\$222.32 per sq. ft.	\$10 per sq. ft.	4.5%

7/27/2015

9. Daly City

In response to the Palmer decision, the Daly City Council in April 2014 updated its 2007 inclusionary housing ordinance and replaced it with in-lieu fees for rental units. For-sale developers must provide 20 percent affordable units and may propose to pay in-lieu fees.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$42,540 per unit or \$21.27 per sq. ft.	\$28,000 per unit or \$14 per sq. ft.	66%
Townhomes	\$36,000 per unit or \$24 per sq. ft.	\$27,000 per unit or \$18 per sq. ft.	75%
Condos	\$44,145 per unit or \$29.43 per sq. ft.	\$33,000 per unit or \$22 per sq. ft.	75%
Rental	\$51,165 per unit or \$34.11 per sq. ft.	\$37,500 per unit or \$25 per sq. ft.	73%
Non-residential	None	None	

9/10/2015

10. East Palo Alto

In July 2014, the city replaced its inclusionary zoning ordinance with a direct affordable housing impact fee imposed on all new market rate units. The new fee reflects the maximum justified rates identified in the 2014 affordable housing nexus study. Housing advocates elsewhere use East Palo Alto's fee program as a model. The city in 2016 adopted an affordable housing impact fee for some commercial development.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$47,900 per market rate unit or \$23.95 per sq. ft.	Same as maximum justified fee. Developer may request to build the affordable units at a 20 percent inclusionary level.	100%
Townhomes	\$24,300 per market rate unit or \$23 per sq. ft.	Same as maximum justified fee. Developer may request to build the affordable units at a 20 percent inclusionary level.	100%
Stacked flat condos	\$22.70 per sq. ft. per market rate unit inside the Ravenswood Business District and \$44.72 outside the district.	Same as maximum justified fee. Developer may request to build the affordable units at a 20 percent inclusionary level.	100%
Rental multifamily	\$19,700 per market rate unit or \$22.70 per sq. ft.	Same as maximum justified fee. Developer may request to build the affordable units at a 20 percent inclusionary level.	100%
Office, R&D, Medical Office	\$204 per sq. ft.	\$10 per sq. ft.	5%
Hotel	\$132 per sq. ft.	No fee	NA
Retail, restaurant & services	\$226 per sq. ft.	No fee	NA

2/14/2017

- Ownership rate adjusted annually based on the percentage change in the three-year trailing Freddie Mac San Francisco-Oakland-San Jose MSA Housing Price Index. Rental rate adjusted annually based on the percentage change in median rents by bedroom count.

11. Emeryville

Based on nexus studies, the city in 2014 adopted a new affordable housing impact fee for rental multi-family and non-residential projects. City officials intentionally minimized the non-residential fee based its ability to attract new commercial development. In September 2015, the City Council signaled its intent to increase its affordable housing requirements from an equivalent of \$20,000 per unit to \$28,000 per unit.

9/10/2015

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	Not included in 2014 study.	20 percent must-build inclusionary required and no in-lieu fee program.	NA
Townhomes/Condos	Not included in 2014 study.	20 percent must-build inclusionary required and no in-lieu fee program.	NA
Rental multifamily	\$35,600 per unit or \$41.88 per sq. ft.	\$20,000 per market-rate unit or developer may build 15 percent affordable on-site.	56.2%
Office	\$142.60 per sq. ft.	\$2 per sq. ft.	1.4%
Retail/restaurant	\$244.90 per sq. ft.	\$2 per sq. ft.	0.8%
Hotel	\$31,255 per room.	\$700 per room.	2.2%
R&D/biotech	\$66.80 per sq. ft.	\$2 per sq. ft.	3%

9/10/2015

12. Foster City

The Foster City Council in August 2015 deferred indefinitely a staff recommendation to adopt affordable housing impact fees based on the results of a master "grand nexus study" commissioned for San Mateo County and its cities. The nexus study consultant recommended fees of \$18 per sq. ft. for condos and \$32 per sq. ft. for apartments, or rates of 40 percent of the maximum justified fees. Foster City staff recommended fee levels of 90 percent. Led by Councilmember Herb Perez, the council rebuffed staff and consultant recommendations and instead pushed out any consideration of housing impact fees until possibly 2016. Additionally, council directed that before any consideration of adoption of impact fees staff must prepare a detailed affordable housing plan.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Condos	\$72,380 per unit or \$45 per sq. ft.	20 percent inclusionary	
Apartments	\$69,377 per unit or \$80 per sq. ft.	None	
Hotel/Resort	\$151 per sq. ft.	None	
Retail	\$262 per sq. ft.	None	
Office/Medical	\$227 per sq. ft.	None	

9/10/2015

13. Fremont

Following the adoption of new rates in March 2015, market-rate residential fees rose in July 2015 from \$19.50 per sq. ft. to \$22.50 per sq. ft. for single-family units on lots of 6,000 sq. ft. or greater. All other units remain \$19.50 per sq. ft. The city set the rental fee at \$17.50 per sq. ft. In an effort to encourage developers to build the affordable units rather than pay a fee, the city is offering incentives for developers who construct the subsidized housing on-site. BIA submitted a review of the KMA nexus study by Development Financial Advisors, and also submitted a legal analysis of post-Palmer nexus studies prepared by attorney Geoff Robinson of Perkins Coie. The city released a non-residential nexus study in March 2017 and was expected to determine whether or not to charge a commercial linkage fee.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$66,000 per unit or \$26.40 per sq. ft.	\$45,000 per unit or \$22.50 per sq. ft.	68%
Multi-family	\$46,750 per unit or \$30.50 per sq. ft.	\$29,250 per unit or \$19.50 per sq. ft.	74%
Rental multifamily	\$27,800 per unit or \$32.70 per sq. ft.	\$26,250 per unit or \$17.50 per sq. ft.	53.5%
Office	\$184	None	NA
Retail	\$279	None	NA
Hotel	\$133	None	NA
Light industrial, R&D, manufacturing	\$132	None	NA
Warehouse	\$48	None	NA

3/1/2017

14. Hayward

The Hayward City Council converted its inclusionary housing ordinance to a direct affordable housing impact fee on Jan. 27, 2015. Although the city's residential nexus study released in September 2014 purported to justify a large fee increase, city officials opted to set fees at levels roughly equivalent to those charged under the prior program. No non-residential nexus study has been conducted and there are no non-residential affordable housing impact fees.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$81,900 per unit or \$40.98 per sq. ft.	\$4 per sq. ft. on developments of 20 or more units.	9.8%
Townhomes/condos	\$82,800 per unit or \$44.73 per sq. ft.	\$3.24 per sq. ft. on developments of 20 or more units.	9.8%
Rental multifamily	\$47,300 per unit or \$47.89 per sq. ft.	\$3.24 per sq. ft. on developments of 20 or more units.	7.4%
Non-residential	Not studied.	None.	NA

1/28/2015

15. Livermore

Livermore restored its affordable housing ordinance effective in February 2014 after offering recessionary regulatory relief for several years. Developers of market-rate units are once again required to provide 15 percent of the project as affordable homes on-site unless the city approves an alternative. Rental developments in specific neighborhoods are required to pay an affordable housing impact fee. The city also charges a nominal fee on non-residential development.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$40,100 per unit or \$20.05 per sq. ft.	\$39,900 per unit or \$19.95 per sq. ft.	99.5%
Townhomes/condos	\$30,075 per unit or \$20.05 per sq. ft.	\$29,925 per unit or \$19.95 per sq. ft.	99.5%
Rental multifamily (Downtown only)	\$32,685 per unit or \$21.79 per sq. ft.	\$29,925 per unit or \$19.95 per sq. ft.	99.5%
Retail Commercial	NA	\$1.19 per sq. ft.	NA
Discount/Service Retail	NA	\$0.90 per sq. ft.	NA
Office	NA	\$0.77 per sq. ft.	NA
Hotel	NA	\$586 per room	NA
Manufacturing	NA	\$0.37 per sq. ft.	NA
Warehouse & Storage	NA	\$0.11 per sq. ft.	NA
Business Commercial	NA	\$0.76 per sq. ft.	NA
Industrial High Intensity	NA	\$0.38 per sq. ft.	NA
Industrial Low Intensity	NA	\$0.23 per sq. ft.	NA

1/31/2017

* Adjusted based on 15 percent of the difference between the average market-rate sales price of a 2,000 sq. ft. house and the market-rate development costs (excluding construction.)

16. Los Altos

The Los Altos City Council is scheduled at its Sept. 15, 2015, meeting to authorize \$25,000 for the Affordable Housing Multi-City Nexus Study from the General Fund; and authorize the City Manager to execute a Memorandum of Understanding between the City and the Silicon Valley Community Foundation regarding a multi-city nexus study. The fee study will explore levying commercial linkage and residential impact fees to help fund affordable housing. Although the study would be a cooperative effort, cities would be free to adopt or not adopt fees as they see fit.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	Pending		
Townhomes/condos	Pending		
Rental multifamily	Pending		
Office	Pending		
Retail and restaurant	Pending		
Industrial/manufacturing	Pending		
Hotel	Pending		
Warehousing/storage	Pending		
R&D	Pending		

9/10/2015

17. Marin County

Marin County requires all for-market residential developers to set aside 20 percent of the project's units -- or make an equivalent number of lots available for construction -- as affordable to moderate income households. In addition, developers of units 2,000 sq. ft. or larger must pay an additional impact fee on the incremental additional square footage. Most commercial developments must pay a direct affordable housing impact fee. In October 2016, the Marin County Board of Supervisors adopted a new fee for rental residential projects and added nursing homes/skilled nursing facilities to the commercial fee schedule.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	NA	20 percent inclusionary for developments of two or more units with an in-lieu fee for fractional units. Builders of a single house that is 2,000 sq. ft. and larger pay a direct impact fee of \$5 per sq. ft. for square footage between 2001-2999 and \$10 per sq. ft. for square footage of 3,000 sq. ft. and larger	
Townhomes/condos	NA	20 percent inclusionary with an in-lieu fee for fractional units	
Rental multifamily	\$23,625 per unit or \$15.75 per sq. ft.	\$22,500 per unit or \$15 per sq. ft. (Smaller units pay less: \$5 per sq. ft. for units 500 sq. ft. or smaller; \$10 per sq. ft. for units between 501-1,000 sq. ft.)	95%
Office		\$7.19 per sq. ft.	
Retail and restaurant		\$5.40 per sq. ft.	
Industrial/manufacturing		\$3.74 per sq. ft.	
Hotel		\$1,745 per room	
Warehousing/storage		\$1.94 per sq. ft.	
R&D		\$7.19 per sq. ft.	
Nursing homes/skilled nursing facilities	\$184 to \$217 per sq. ft.	\$18 to \$21 per sq. ft.	9.7%

1/19/2017

18. Menlo Park

The City Council held a study session on July 19, 2016, to discuss draft affordable housing nexus studies on residential and non-residential development. In mid-2014, the City Council voted to participate with San Mateo County and a dozen of its cities in a master affordable housing nexus study that can be adapted for local use as justification for an impact fee on new housing development. The city already imposes an affordable housing impact fee on non-residential development based on a nexus study completed in 2000.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$197,963 per unit or \$66 per sq. ft.	10 percent inclusionary for projects of less than 20 units. 15 percent inclusionary for projects of 20 units or more. In-lieu fee is 3 percent of actual sales price of each unit.	Pending
Single-family attached	\$112,387 per unit or \$66 per sq. ft.	Same as above.	Pending
Condominium	\$81,203 per unit or \$45 per sq. ft.	Same as above.	Pending
Rental multifamily	\$72,766 per unit or \$79 per sq. ft.	Suspended after 2009 <i>Palmer</i> decision.	Pending
Office	\$255 per sq. ft.	\$16.15 per sq. ft.	6%
Retail, restaurant, services	\$265 per sq. ft.	\$8.76 per sq. ft.	3%
Hotel	\$154 per sq. ft.	\$8.76 per sq. ft.	5.7%
R&D	\$255 per sq. ft.	\$16.15 per sq. ft.	6%

7/28/2016

* Adjusted annually based on five year moving average of the percentage change in the CPI.

19. Mountain View

The city commissioned residential and non-residential nexus studies and held two public hearings in late 2014. On Dec. 9, 2015, the City Council hiked fees on its new rental residential development from \$10.26 per sq. ft. to \$17 per sq. ft., but left the for-sale housing fee at 3 percent. The city also increased office and industrial fees to \$25 per square foot but left its retail/hotel/entertainment rates at current levels.

Type	Maximum Justified Fee*	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	7.7% to 12.5% of sales price per unit	3% of sales price.	39%
Townhomes/condos	7.7% to 12.5% of sales price per unit	3% of sales price.	39%
Rental multifamily	Varies by size: \$31,881 per unit or 15 percent of value for studio; \$60,804 per unit or 11.9 percent of value for three-bedroom. (Median is \$46,342 per unit.)	\$17 per sq. ft. (\$25,500 per 1,500-sq. ft. unit)	55%
Office/Industrial	\$59.31 per sq. ft.	\$25 per sq. ft.	42.2%
Commercial/retail/entertainment	\$243.61 per sq. ft.	\$1.30 per sq. ft. for first 25,000 sq. ft. and \$1.30 per sq. ft. for remainder. Adjusted annually based on CPI.	1.1%
Hotel	\$44.69 per sq. ft.	\$1.30 per sq. ft. for first 25,000 sq. ft. and \$1.30 per sq. ft. for remainder. Adjusted annually based on CPI.	5.8%

1/12/2015

- Maximum justified fees for residential were determined in a September 2011 nexus study. Non-residential rates were identified in a November 2012 analysis. Commercial fees were previously derived from a 2001 nexus study.

20. Napa (city)

The Napa City Council voted in May 2016 to boost affordable housing impact fees effective Aug. 8, 2016, and again on Jan. 1, 2017. Office, hotel, retail and industrial developers will also pay higher rates. Back in June 2015, at a public hearing at which BIA Bay Area testified, the council had deferred action on proposed increases. Councilmembers supported holding stakeholder meetings and exploring a broader source of affordable housing funding. The city had converted in late 2012 from a percentage inclusionary requirement that included in-lieu fees to a direct affordable housing impact fee imposed on all new residential and commercial development. At a Bay Area Planning Directors Association presentation in May 2014, a city official expressed regret for the change, saying that the impact fee does not cover the costs to construct affordable units. Napa updated its non-residential fees in 2012 after completing a nexus study.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$28,000 per unit or \$14 per sq. ft.	Aug. 8, 2016: \$6,960 per unit or \$3.48 per sq. ft. Jan. 1, 2017: \$9,500 per unit or \$4.75 per sq. ft.	25% and 34%
Townhomes/condos	\$16,500 per unit or \$11 per sq. ft.	Aug. 8, 2016: \$6,960 per unit or \$3.48 per sq. ft. Jan. 1, 2017: \$9,500 per unit or \$4.75 per sq. ft.	42% and 57.5%
Rental multifamily	\$18,000 per unit or \$12 per sq. ft.	Aug. 8, 2016: \$5,850 per unit or \$3.90 per sq. ft. Jan. 1, 2017: \$6,075 per unit or \$4.05 per sq. ft.	32.5% and 34%
Office/Tech/R&D	\$84.07 per sq. ft.	Aug. 8, 2016: \$2.28 per sq. ft. Jan. 1, 2017: \$3.55 per sq. ft.	2.7 and 4.2%
Hotel	\$146.34 per sq. ft.	Aug. 8, 2016: \$3.70 per sq. ft. Jan. 1, 2017: \$6 per sq. ft.	2.5% and 4.1%
Retail/Entertainment	\$188.15 per sq. ft.	Aug. 8, 2016: \$2.18 per sq. ft. Jan. 1, 2017: \$3.55 per sq. ft.	1.1% and 1.8%
Industrial/wine product/warehousing	\$63.84 per sq. ft.	Aug. 8, 2016: \$2 per sq. ft. Jan. 1, 2017: \$3.50 per sq. ft.	3% and 5.5%

5/24/2016

21. Napa County

The county adopted in early 2010 affordable housing fees based on residential and non-residential nexus studies. In 2013, the county and its cities convened a Joint City/County Affordable Housing Task Force and issued a report in which the agencies called for a broad-based funding source including impact fees on commercial development along with the establishment of fees on residential development in communities that don't already have them. The county Board of Supervisors in December 2014 significantly increased its nonresidential fees after completing an updated nexus study but the rates remain a very small percentage of the maximum fees identified in the analysis.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$21.67 per sq. ft.	Varies based on unit size: \$9 per sq. ft. to \$12.25 per sq. ft. Applies to all units.	56.5%
Townhomes/condos	\$25.21 per sq. ft.	Varies based on unit size: \$9 per sq. ft. to \$12.25 per sq. ft. Applies to all units.	48.6%
Rental multifamily	\$24.08 per sq. ft.	\$5.50 per sq. ft. Applies to all units.	22.8%
Office	\$93.94 per sq. ft.	\$5.25 per sq. ft.	5.6%
Hotel	\$143.83 per sq. ft.	\$9 per sq. ft.	6.3%
Retail/Restaurant	\$208.63 per sq. ft.	\$7.50 per sq. ft.	3.6%
Industrial/Manufacturing	\$59.27 per sq. ft.	\$4.50 per sq. ft.	7.6%
Warehouse/Storage	\$13.92 per sq. ft.	\$3.60 per sq. ft.	26%

2/25/2015

22. Newark

In early 2014, the city replaced its 15 percent inclusionary ordinance and in-lieu fee program with a direct affordable housing impact fee on new residential development. The new fee structure went into place on June 9, 2014. (In October 2014, the City Council considered waiving the fee for a new residential development planned for a Motel 6 site where the city experienced significant crime problems. The roughly \$30,000-per-unit fee would render the housing project financially infeasible but the city staff viewed the development's value as more significant than the loss of the fees.)

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached, large lot	\$59,600 per unit or \$23.80 per sq. ft.	\$20 per sq. ft. for first 1,000 sq. ft. and \$8 per sq. ft. for building area beyond 1,000 sq. ft. Applies to all units. Ordinance allows council to waive the fee if they determine sufficient benefit exists without the fee.	53.7%
Single family detached, small lot	\$52,600 per unit or \$26.40 per sq. ft.	Same as above.	53.7%
Townhomes	\$42,900 per unit or \$28.60 per sq. ft.	Same as above.	52.3%
Condos	\$45,900 per unit or \$35.30 per sq. ft.	Same as above.	52.3%
Rental multifamily	\$30,300 per unit or \$35.60 per sq. ft.	Same as above.	56.1%
Commercial	\$9.47 per sq. ft.	\$3.56 per sq. ft. Adjusted annually for inflation.	37.6%
Industrial	\$1.76 per sq. ft.	\$0.66 per sq. ft. Adjusted annually for inflation.	37.5%

12/22/2014

- Based on the formula, this results in the following fees: \$32,000 for 2,500 sq. ft. single-family unit on large lot; \$28,000 for 2,000 sq. ft. single family unit on small lot; \$24,000 per townhome; \$22,400 per condo; and \$17,000 per apartment.

23. Oakland

The Oakland City Council in May 2016 finalized a new affordable housing impact fee program with initial rates going into effect on Sept. 1, 2016. The rates vary depending on the project location. The city did agree to phase in the fees across three years in two of the three fee zones and five years in East Oakland. The fees will increase annually starting July 2017 and ultimately range from \$13,000 to \$24,000 per unit. Rather than pay the fee, the developer may build the units on-site in the following percentages: 10 percent moderate or low-income units or 5 percent very-low income households. The city in 2001 adopted a fee for office, warehouse, retail and hotel projects. In 2007, Oakland conducted an economic impact analysis on a proposed inclusionary housing ordinance but rejected it after consultants concluded that such a program would make most development financially infeasible.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$81,729 per unit or \$40.85 per sq. ft.	\$6,000 per unit or \$3 per sq. ft. (This applies to Zone 1. Other zones are less expensive.)	7.3%
Townhomes/condos	\$48,976 per unit or \$32.65 per sq. ft.	\$6,500 per unit or \$4.33 per sq. ft. (This applies to Zone 1. Other zones are less expensive.)	13.3%
Rental multifamily	\$50,804 per unit or \$33.87 per sq. ft.	\$5,500 per unit or \$3.67 per sq. ft. (This applies to Zone 1. Other zones are less expensive.)	10.8%
Class A Office	\$35.11 per sq. ft.	\$5.44 per sq. ft. or provide equivalent number of affordable units according to formula spelled out in the ordinance.	15.5%
Warehouse/distribution	\$12.85 per sq. ft.	Same as above.	42.3%
Retail	\$32.39 per sq. ft.	None	NA
Hotel	\$12.91 per sq. ft.	None	NA

1/31/2017

*Adjusted annually for inflation.

24. Palo Alto

After a political shake-up put three new members on the City Council, the newly elected majority revamped the previously adopted affordable housing impact fee program in early 2017. The result is a staggering \$75 per sq. ft. fee on new single-family market rate housing and a \$50 per sq. ft. fee on new condos and townhomes. New rental developers will pay \$20 per sq. ft. Commercial developers will pay fees ranging from \$20.37 to \$35 per sq. ft., depending on use.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$222,000 per unit or \$111 per sq. ft.	\$150,000 per unit or \$75 per sq. ft.	67.6%
Condominiums	\$113,235 per unit or \$74.49 per sq. ft.	\$75,000 per unit or \$50 per sq. ft.	55.6%
Townhomes	\$135,000 per unit or \$90.02 per sq. ft.	\$75,000 per unit or \$50 per sq. ft.	55.6%
Multi-family rental	\$157,350 per unit or \$104.90 per sq. ft.	\$30,000 per unit or \$20 per sq. ft.	19%
Office/R&D	\$264 per sq. ft.	\$35 per sq. ft.	13.3%
Retail	\$264 per sq. ft.	\$20.37 per sq. ft.	8%
Hotel	\$177 per sq. ft.	\$20.37 per sq. ft.	11.5%

4/11/2017

25. Pleasanton

In 2013, the city opted to maintain its existing affordable housing fee program even though its new nexus-based affordable housing fee analysis for for-sale housing showed much higher supportable fees. No non-residential nexus study conducted. But the city in late 2015 hired EPS to update its nexus study and staff projected that a draft report was planned by winter 2016 with a final report ready for the City Council to review by winter or spring in 2017.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	Varies by size. A 1,500 sq. ft. house is \$20,291 per unit or \$13.53 per sq. ft. A 4,000 sq. ft. house is \$34,392 per unit or \$8.60 per square foot. A 2,500 sq. ft. house is \$9.37 per sq. ft. or \$23,422 per unit.	20 percent inclusionary with in-lieu fee of \$10,880 per unit for single family house larger than 1,500 sq. ft. and \$2,696 per unit for less than 1,500 square feet. Fee applies to all units.	53.6%
Townhomes/condos	Same as above.	15 percent inclusionary with in-lieu fee of \$2,696 per unit. Fee applies to all units.	13.3%
Rental multifamily	Not studied.	15 percent inclusionary with in-lieu fee of \$2,696 per unit. Fee applies to all units.	NA
Non-residential	Not studied.	NA	NA

3/13/2017

26. Redwood City

In December 2015, Redwood City established new affordable housing impact fees on residential development of five or more units and non-residential developments of more than 5,000 square feet. Unlike other communities that have adopted affordable housing impact fees, however, Redwood City will reduce impact fees by 25 percent for developers that pay wages at levels identified in an area standard wage policy. Developers may build affordable units in lieu of fees contingent upon approval of an affordable housing plan. Fees go into effect on Feb. 5, 2016.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$76,000 per unit or \$38 per sq. ft.	\$50,000 per unit or \$25 per sq. ft.	66%
Townhouse	\$63,000 per unit or \$42 per sq. ft.	\$37,500 per unit or \$25 per sq. ft.	47%
Condominium	\$69,000 per unit or \$46 per unit	\$30,000 per unit or \$20 per sq. ft.	43%
Apartments	\$100,500 per unit or \$67 per unit	\$30,000 per unit or \$20 per sq. ft.	30%
Hotel	\$142 per sq. ft.	\$5 per sq. ft.	3.5%
Retail, Restaurants, Services	\$249 per sq. ft.	\$5 per sq. ft.	2%
Office, Medical Office, R&D	\$222 per sq. ft.	\$20 per sq. ft.	9%

12/10/2015

27. Richmond

Richmond hired Keyser Marston Associates in early 2016 for \$33,000 to prepare an affordable housing nexus study in anticipation that the city would eventually impose an affordable housing impact fee on new development. The study has not yet been released for public review. On May 28, 2014, over BIA's strong objections, MTC Commissioners approved spending federal transportation dollars (STP and CMAQ funds in federal jargon) on the study, the purpose of which is to justify imposing a fee on new housing and commercial development to fund affordable housing. BIA testified at the hearing that in its view the expenditure is legally dubious based on federal transportation guidance for STP and CMAQ funds that limit expenditures to programs and projects.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Residential	Pending	Residential projects of 10 or more units must provide as affordable a percentage of the project within a menu of options including 17 percent for moderate income families, 15 percent for low-income families, 10 percent for very-low income households or 25 percent for senior projects. Developers may also pay an in-lieu fee equal to 7 percent of construction costs for non-inclusionary units.	NA
Commercial	NA	None	NA

1/31/2017

28. San Bruno

San Bruno in December 2016 adopted a new affordable housing program which includes impact fees on all new residential and nonresidential development. Residential and commercial developments must pay an impact fee or provide affordable units on or off-site. The new rules went into effect Feb. 11, 2017. The city's prior program required for-sale developments of 10 or more units to set aside 15 percent as affordable. It had no commercial linkage fee. The policy overhaul was the result of the city's participation with San Mateo County and other cities in the "Grand Nexus Study."

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$58,804 per unit or \$29.40 per sq. ft.	\$54,000 per unit or \$27 per sq. ft.	92%
Townhomes/condos	\$76,500 per unit or \$51 per sq. ft.	\$37,500 per unit or \$25 per sq. ft.	49%
Rental multifamily	\$85,000 per unit or \$56 per sq. ft.	\$37,500 per unit or \$25 per sq. ft.	45%
Hotel	\$132 per sq. ft.	\$12.50 per sq. ft. (net new gross floor area)	9.5%
Retail, restaurant and services	\$235 per sq. ft.	\$6.25 per sq. ft. (net new gross floor area)	3%
Office, medical office, R&D	\$196 per sq. ft.	\$12.50 per sq. ft. (net new gross floor area)	6%

1/5/2017

29. San Carlos

The city in 2010 adopted a new affordable housing program that required for-sale residential developers to set aside as affordable 15 percent of a project's units or pay an in-lieu fee. Rental projects paid a direct impact fee. In late 2016, the city commissioned a commercial linkage fee study and subsequently adopted impact fees on non-residential development set to go into effect on March 15, 2017.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$117,809 per unit or \$58.90 per sq. ft.	Based on the number of units in the project. For example, a 100-unit project with 2,500-sq.-ft. homes pays \$28.27 per sq. ft. or \$70,675 per unit. Applies to all units. The developer may also request to build the affordable units rather than pay the fee. The affordable units must total 10 percent affordable to moderate income and 5 percent to low income.	60%
Townhomes/condos	\$63,290 per unit or \$60.52 per sq. ft.	Same as above.	67%
Rental multifamily	\$43,101 per unit or \$45.28 per sq. ft.	Same as above.	62.4%
Hotel	\$152 per sq. ft.	\$10 per sq. ft.	6.6%
Retail/Restaurant/Service	\$264 per sq. ft.	\$5 per sq. ft.	2%
Office/Medical/R&D	\$229 per sq. ft.	\$20 per sq. ft.	8.7%

1/19/2017

30. San Francisco

Based on a 2007 residential nexus study, the city's fee vary depending on the number of bedrooms. Developers may build some of the affordable units on-site as an alternative to paying the fee. Voters in June 2016 voted to more than double San Francisco's affordable housing requirement for new projects to 25 percent, up from 12 percent. The ballot measure included a provision that allows the city controller to recommend lower percentages if deemed to be economically infeasible. Based on a 2007 residential nexus study, the city's fee vary depending on the number of bedrooms. Developers may build some of the affordable units on-site as an alternative to paying the fee.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (est.)
Single-family detached	Precise per unit or per sq. ft. fee not specified in 2007 nexus analysis. Consultant simply concludes that the results of the study support city's inclusionary percentages and in-lieu fee.	Based on number of bedrooms: A studio units costs \$34,300 while a three-bedroom unit costs \$74,600. Fee applies to all market-rate units. Developer may apply for an alternative to the fee: Provide 12 percent of their units on-site or 20 percent of their units off-site as affordable to low- to moderate-income households. (These percentages are higher in certain parts of the Eastern Neighborhoods Plan Area.)	NA
Townhomes & condos	Same as above.	Same as above.	NA
Rental multifamily	Same as above.	Same as above.	NA
Office		\$24.61 per sq. ft.	
Retail		\$22.96 per sq. ft.	
Hotel		\$18.42 per sq. ft.	
Industrial		\$19.34 per sq. ft.	

1/4/2017

- Adjusted annually based on the Engineering News Record Construction Index.

31. San Jose

The City Council in November 2014 adopted a new affordable housing impact fee of \$17 per sq. ft. on residential rental development based on a nexus study. The ordinance includes an annual 2.4 percent escalator and exempted certain projects in the pipeline. For-sale residential developers with 10 or more units within specific defined areas are subject to the city's inclusionary zoning rules which require 20 percent of units set aside as affordable or a payment of an in-lieu fee. With respect to a non-residential affordable housing impact fee, staff indicated in a Feb. 28, 2013, report that such a fee could be a disincentive to commercial development. No non-residential nexus study has been conducted. The city adopted in July 2016 guidelines for implementing the inclusionary housing ordinance and the affordable housing impact fee.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (est.)
Single-family detached	Not studied	20 percent inclusionary or in-lieu fee payment of \$17 per square foot of net living area	NA
Townhomes & condos	Not studied.	20 percent inclusionary or in-lieu fee payment of \$17 per square foot of net living area	NA
Rental multifamily	\$28,000 per unit or \$28.28 per sq. ft.	\$25,500 per unit or \$17 per sq. ft.	60%
Non-residential	Not studied.	None	NA

1/19/2017

32. San Leandro

San Leandro has joined other Alameda County jurisdictions in a joint affordable housing nexus fee study through the Silicon Valley Community Foundation. Under the proposal, San Leandro will contribute \$32,000 toward the Keyser Marston Associates nexus analysis – required to adopt an affordable housing impact fee – which would be managed by the Silicon Valley Community Foundation. The collaborative approach models a similar initiative under way among San Mateo County and its cities.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Residential	Pending	None	Pending
Nonresidential	Pending	None	Pending

3/12/2016

33. San Mateo (city)

San Mateo has joined with the county and its other cities to conduct a master residential affordable housing nexus study, which could be used to justify new fees on all new housing. Currently, San Mateo requires developers of projects with 11 or more units to provide 15 percent of those units as affordable.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	Pending	Projects with 11 or more units must provide 15 percent of the units as affordable. In-lieu fees permitted only for fractional units and developments of fewer than 11.	Pending
Townhomes/condos	Pending	Same as above.	Pending
Rental multifamily	Pending	Same as above.	Pending
Non-residential	Not studied.	None.	NA

12/22/2014

34. San Mateo County and its Remaining Cities

San Mateo has joined with San Mateo County and its other cities to conduct a master residential affordable housing nexus study, which could be used to justify new fees. A draft "model city" nexus study was released in April 2015, where the consultants recommended setting fees at 40 percent of the maximum justified fee. Foster City is the lead agency on the 21 Elements housing nexus analysis, which is being done by Peninger Consulting and Strategic Economics Inc. Initially conceived as a housing element collaborative, a coalition comprised of San Mateo County and the majority of its cities have commissioned a master affordable housing "Grand Nexus Study" described as a "defensible analysis that will be customized on a city-by-city basis to establish individual policy." Foster City is taking the lead and its staff recently noted that a consultant is preparing prototypes tailored to each participating city that will help assess housing impacts for different product types. The draft report is expected to be released in the first quarter of 2015. The other cities include: Atherton, Belmont, Brisbane, Burlingame, Colma, Daly City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, the City of San Mateo and Woodside. (East Palo Alto and San Carlos have already completed residential nexus studies.)

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Condominiums	\$72,380 per unit or \$45 per sq. ft.	None	Pending
Apartments	\$69,380 per unit or \$80 per sq. ft.	None	Pending
Non-residential	Not studied	None	

9/10/2015

35. San Ramon

The city released in June 2016 a draft residential nexus analysis as part of a suite of nexus studies on a host of existing and contemplated new impact fees on residential development. The city currently requires 15 percent of market-rate units to be affordable on-site plus developers pay a \$0.50 per sq. ft. fee. The city is also considering expanding the requirement to include rental development and increase the fee to \$2.00 per sq. ft.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$15.70 per sq. ft.	Mandatory 15 percent onsite affordable plus \$0.50 per sq. ft.	3.2%
Townhome	\$22.30 per sq. ft.	Mandatory 15 percent onsite affordable plus \$0.50 per sq. ft.	2.2%
Condo	\$26.90 per sq. ft.	Mandatory 15 percent onsite affordable plus \$0.50 per sq. ft.	1.8%
Apartment	\$33.10 per sq. ft.	None	NA
Office/R&D/Medical	\$104.99 per sq. ft.	None	NA
Retail, Restaurant and Entertainment	\$178.71 per sq. ft.	None	NA
Hotel	\$84.46 per sq. ft.	None	NA
Light Industrial	\$66.21 per sq. ft.	None	NA

6/28/2016

36. Santa Clara (city)

The city of Santa Clara in January 2017 held a developer stakeholder study session and two general public sessions to review the findings and recommendations of its preliminary draft affordable housing nexus study. The analysis is one of 12 coordinated studies commissioned by Santa Clara and Alameda counties and a number of its cities in cooperation with the Silicon Valley Community Foundation.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$71,800 per unit or \$36 per sq. ft.	No fee. Mandatory 10 percent inclusionary.	NA
Townhomes/condos	\$51,700 to \$66,800 per unit or \$39.30 to \$41.40 per sq. ft.	No fee. Mandatory 10 percent inclusionary.	NA
Rental multifamily	\$43,400 per unit or \$48.30 per sq. ft.	Suspended following Palmer decision.	NA
Office	\$142.70 per sq. ft.	No fee	NA
High Tech Office	\$158.80 per sq. ft.	No fee	NA
Retail	\$268 per sq. ft.	No fee	NA
Hotel	\$128.70 per sq. ft.	No fee	NA
Light Industrial	\$149.60 per sq. ft.	No fee	NA
Warehouse	\$47.80 per sq. ft.	No fee	NA

1/4/2017

37. Santa Rosa

In 2012, the city commissioned an affordable housing nexus study on new residential development and subsequently adopted new fees. It has not studied commercial development impacts and has no fees.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	Varies by unit price: \$8,930 for \$200,000 house or 4.5 percent, and going up to \$31,550 for \$1.2 million house or 2.6 percent.	2.5 percent of the sales price. Applies to all units.	55%
Townhomes/condos	Same as above.	Same as above.	55%
Rental multifamily	Varies by number of bedrooms: \$7,583 per unit for studio up to \$12,741 per unit for a three-bedroom. Mid-point fee is \$10,162 or \$6.77 per sq. ft. for 1,500-sq. ft. unit.	Varies by size: The fee for a 1,500-square-foot apartment, for example, is \$7,666 or \$5.11 per sq. ft.	75%
Non-residential	Not studied.	None	NA

1/12/2015

- Adjusted annually based on Engineering Record Construction Index.

38. Sonoma (city)

As part of the city's housing element update, the Planning Commission in January 2015 recommended Sonoma consider charging an affordable housing impact fee on all new development, which would require a nexus study. The city currently requires residential developers of projects with five or more units to provide 20 percent of the housing as affordable. Applicants with smaller projects may pay an in-lieu fee. The City Council is slated to take up the housing element and related policies in March 2015.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Residential	Pending	20 percent affordable for projects of at least 5 units. Smaller projects may negotiate an in-lieu fee.	Pending
Non-residential	Pending	No fee.	Pending

2/24/2015

39. Sonoma County

Based on the results of 2012 affordable housing nexus studies on for-sale and rental projects, the county Board of Supervisors adopted new fees that went into effect on Jan. 2, 2013. The revised rates reflected the maximum justified fee for single-family detached housing but did not match the consultant's highest supportable charge for multifamily ownership or rental development. The city also charges nominal commercial linkage or what it calls "workforce housing" fees on new commercial development.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (estimated)
Single-family detached	Varies by size. \$14,360 per unit or \$7.18 per sq. ft. for 2,000 sq. ft. home.	\$13,676 per unit or \$6.84 per sq. ft.	95%
Townhomes/condos	Varies by size. \$12,000 per unit or \$8 per sq. ft. for 1,500 sq. ft. unit	Varies by size. \$7,364 per unit or \$4.90 per sq. ft. for 1,500 sq. ft. unit.	58%
Rental multifamily	Varies by size: \$7,583 per studio up to \$12,741 per unit for a three-bedroom.	Varies by size. \$7,364 per unit or \$4.90 per sq. ft. for 1,500 sq. ft. unit.	58%
Office	\$31 per sq. ft.	\$2.52 per sq. ft.	8%
Retail and restaurant	\$36 per sq. ft.	\$4.37 per sq. ft.	12%
Industrial and manufacturing	\$22 per sq. ft.	\$2.61 per sq. ft.	12%
Hotel	\$32 per sq. ft.	\$2.52 per sq. ft.	8%
Warehouse/Storage	\$26 per sq. ft.	\$2.61 per sq. ft.	10%
R&D	\$4 per sq. ft.	\$2.61 per sq. ft.	65%

2/25/2015

- Adjusted annually for inflation.

40. Sunnyvale

Sunnyvale finalized its proposed \$17 per square foot affordable housing impact fee on rental housing in late July following a series of public hearings. On the non-residential side, the City Council also formalized a fee ordinance in late July. Fees go into effect on Sept. 14, 2015. Market-rate developers are already required to meet the city's 12.5 percent inclusionary zoning rules.

Type	Maximum Justified Fee	Current Fee*	Percentage of Maximum Justified Fee (est.)
Single-family detached	Not part of 2013 study.	12.5 percent inclusionary on-site or payment of an in-lieu fee of 7 percent of the total contract sales price of all the project units.	NA
Townhomes/condos	Not part of 2013 study.	Same as above.	NA
Rental multifamily	\$147,000 per unit or \$98 per sq. ft.	\$25,500 per unit or \$17 per sq. ft.	17.3%
Office	\$113.99	\$15.00 (\$7.50 for first 25,000 sq. ft.)	13%
Retail/restaurants	\$295.23	\$7.50	2.5%
Industrial and manufacturing	\$113.99	\$15.00 (\$7.50 for first 25,000 sq. ft.)	13%
Hotel	\$76.22	\$7.50	10%
Warehouse	\$113.99	\$15.00 (\$7.50 for first 25,000 sq. ft.)	13%
R&D	\$113.99	\$15.00 (\$7.50 for first 25,000 sq. ft.)	13%

7/27/2015

- Fee ordinance adopted July 27, 2015. Fee goes into effect on Sept. 14, 2015.

41. Union City

In late February 2017, the Union City City Council discussed an affordable housing nexus study that purports to support fees on new residential development ranging from \$25.50 per sq. ft. to \$42.50 per sq. ft., depending on housing type. The council was to decide whether or not to convert from an inclusionary in-lieu structure to an affordable impact fee that would also include rental developments. Staff was proposing a rate of \$20 to \$22 per sq. ft. for market-rate and \$12 per sq. ft. for rental developments. However, despite a companion commercial nexus study that supports fees as high as \$250 per sq. ft. on new retail projects, staff is not recommending the city establish an affordable housing impact fee on new business construction on the grounds that it would impede economic development.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$55,600 per unit or \$27.80 per sq. ft.	15 percent inclusionary or in-lieu equivalent of \$27 per sq. ft.	97%
Townhomes & condos	\$51,900 per unit \$34.60 per sq. ft.	15 percent inclusionary or in-lieu equivalent of \$27 per sq. ft.	78%
Rental multi-family	\$63,750 per unit or \$42.50 per sq. ft.	15 percent inclusionary or in-lieu equivalent of \$27 per sq. ft.	78%
Office	\$144.90 per sq. ft.	No fee	
Retail & Restaurant	\$250.30 per sq. ft.	No fee	
Hotel	\$117.70 per sq. ft.	No fee	
Industrial & Manufacturing	\$113.30 per sq. ft.	No fee	
Warehouse & Storage	\$40.90 per sq. ft.	No fee	
R&D	NA	No fee	

3/1/2017

42. Walnut Creek

In a workshop held in January 2017, the Walnut Creek City Council considered a number of proposed policy and rate changes including an increase in the city's market-rate residential in-lieu fee from \$15 per sq. ft. to \$22 per sq. ft. New rental projects would pay a direct impact fee of \$22 per sq. ft. More significantly, staff is proposing the city hike the mandatory affordable inclusionary percentages: moderate income would increase from 10 percent to 20 percent; low income would rise from 7 percent to 13 percent; and very low would go from 6 percent to 10 percent. Commercial development could see a fee hike from \$5 per sq. ft. to \$10 per sq. ft.

Type	Maximum Justified Fee	Current Fee	Percentage of Maximum Justified Fee (estimated)
Single-family detached	\$94,000 per unit or \$47 per sq. ft. (\$750,000 sale price)	\$30,000 per unit or \$15 per sq. ft.	32%
Townhomes & condos	\$70,500 per unit or \$47 per sq. ft. (\$750,000 sale price)	\$22,500 per unit or \$15 per sq. ft.	32%
Rental multifamily	\$134,070 per unit or \$89.38 per unit	\$22,500 per unit or \$15 per sq. ft.	16.8%
Office	\$197 per sq. ft.	\$5 per sq. ft.	2.5%
Retail	\$243 per sq. ft.	\$5 per sq. ft.	2.1%
Eating & drinking	\$694 per sq. ft.	\$5 per sq. ft.	0.7%
Hotel	\$213 per sq. ft.	\$5 per sq. ft.	2.3%
Light industrial & service commercial	\$167 per sq. ft.	\$5 per sq. ft.	3%
Recreation & entertainment	\$113 per sq. ft.	\$5 per sq. ft.	4.4%
Auto dealership	\$131 per sq. ft.	\$5 per sq. ft.	3.8%

1/13/2017

NOTE: Unless otherwise noted, per unit cost estimates for single-family are based on 2,000 sq. ft. home. Per unit estimates for multi-family are based on 1,500 sq. ft. homes.

Source: BIA|Bay Area staff research. For questions, contact BIA|Bay Area East Bay Governmental Affairs Executive Director Lisa Vorderbrueggen at lvorderbrueggen@biabayarea.org or 925-348-1956.