Acknowledgment: This tool is based on an assessment developed by Grounded Solutions Network (formerly Cornerstone Partnership) and is intended for jurisdictions reviewing their inclusionary housing policies. **The document was edited by Community Planning Collaborative as a resource for the Zoning for Affordability workgroup.**

Program Assessment for Inclusionary Housing Policies

The questions below are intended to guide a periodic evaluation of an inclusionary zoning, density bonus or other affordable housing requirements policy. These questions could form the basis of a consultant study or a written staff report. They could also be used to plan a convening at which the jurisdiction collected feedback from advocates, developers, applicants and other stakeholders.

Reporting

1. Does the program regularly produce a public report summarizing outcomes including:
    a. How many affordable units have been created and if they are onsite or offsite?
    b. How much money has been collected in fees? How has that money been spent?
    c. If the program is producing BMR homeownership units, do those units remain affordable to the same income groups over time?
    d. How do the results so far compare with what was expected when the ordinance was created/updated?

Equity

1. Is the jurisdiction tracking the racial and income demographics of applicants and residents?
2. Does the pool of applicants reflect the full racial diversity of the broader local housing market?
3. Do the demographics of the residents of inclusionary units reflect the diversity of the applicant pool? Are there racial differences in selection rates?
4. How well does the income mix of affordable units match the affordable housing needs of local residents? Are those needs different for different racial groups?

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5. Does the program directly engage members of the communities that the program is designed to serve to understand their needs and priorities?
6. Does the program serve Very Low Income and/or Extremely Low Income residents?
7. How well do unit sizes for BMR units match with the needs of the local income eligible population? Are those needs different for different racial groups? Is the program producing too many studios?

In Lieu Fees

1. What percent of projects are selecting the fee option versus on site?
2. Is the current fee enough so that the jurisdiction can fund at least one affordable unit for each unit that would otherwise have been provided onsite?
3. Is the fee more or less expensive than onsite units for the typical project?
4. Has the jurisdiction been able to spend the fees within a reasonable timeframe from collection?
5. Are projects in some areas more likely to pay the fee than build units onsite?
6. How does the geographic location of units that receive in lieu fee funding compare to the location of the projects paying the fee?
7. Does the ordinance provide a mechanism for regularly updating fee levels to reflect inflation?

Marketing/Fair Housing

1. Does the program require each project to complete an Affirmative Marketing Plan?
2. If the program requires a preference for applicants who live or work in the area, has there been a disparate impact analysis or similar study to determine if this presents a barrier to fair housing?
3. Are the BMR rents and sales prices sufficiently below comparable market rate rents/prices that there is strong interest from potential residents?
4. Have units in recent projects been leased up/sold within a reasonably short period of time? Is there any particular type of unit that has been particularly difficult to fill?

Homeownership Units

1. Does the program have a fair and appropriate resale pricing formula that is likely to preserve affordability while allowing reasonable wealth building?
2. Does the pricing formula expose homeowners to undue interest rate risk? (i.e. Do resale prices on existing units decline whenever interest rates rise?)
3. Does the program have a mechanism for ensuring that buyers understand the resale restrictions and other program requirements?
4. Does the jurisdiction or a contractor provide support to BMR homeowners when they want to sell?
5. Does the program contact BMR homeowners at least once annually?

Program Management/Stewardship

1. Is there an agency or department with clear responsibility for monitoring BMR units?
2. Does the jurisdiction collect monitoring fees from property managers/BMR homeowners?

3. Are there aspects of the program design that create unnecessary burdens on staff?

Other

1. What are the biggest challenges facing the program today?
2. What changes to the program are currently being discussed? Are any of these changes in the process of being implemented?

Resources:

- InclusionaryHousing.org
- Advancing Racial Equity in Inclusionary Housing Programs – Grounded Solutions Network
- Inclusionary Housing: Creating and Maintaining Equitable Communities – Lincoln Institute for Land Policy
- Models for Providing ELI Housing – Center for Community Change
- Stewardship Standards for Homeownership Programs – Grounded Solutions Network