

Inclusionary Housing Ordinance

City of Antioch

City Council Study Session
September 16, 2025



COUNCIL STUDY SESSIONS TO DATE



■ May 27, 2025

■ August 26, 2025

- » Council requested staff return with specific questions

■ September 16, 2025

- » Specific policy questions were included in the staff report

DIRECTION ON POLICY POINTS



Question	Staff Recommendation	Additional Information
1. Should staff move forward with preparation of an IHO?	Yes	The Planning Commission will forward a recommendation after receiving public input to the City Council.
2. Should the IHO apply to rental projects, for-sale projects, or both?	Both project types – For Sale and Rental units	Most cities include both project types in their IHOs. The MTC TOC Policy requires an IHO apply to for-sale and rental projects.
3. What inclusionary requirement should the IHO include?	15% total inclusionary requirement and this should apply to rental and for-sale projects.	Cities range between 0% (no IHO) to up to 20% in Contra Costa County, generally. A rental percentage above 15% may trigger HCD review and requires an alternative means of compliance.

DIRECTION ON POLICY POINTS



Question	Staff Recommendation	Additional Information
<p>4. Should the IHO include specific income category breakdowns – for example 5% VLI, 5% LI, 5% MI – or should the developer be able to choose any affordability or combination of affordabilities?</p> <p>Other breakdowns could be 5% ELI*, and 10% VLI or 5% ELI, 5% VLI & 5% LI or 3% ELI, 7% VLI & 5% LI, etc.</p>	<p>Breakdown of specific income categories:</p> <p>5% ELI, 5% VLI, 5% LI</p> <p>Maintain compliance with the MTC TOC Policy.</p>	<p>Some cities in Contra Costa County include an income breakdown by category while others require a different inclusionary percentage for each income category (12.5% for VLI but 17% for MI).</p>
<p>5. Should rental housing and for-sale housing have different inclusionary requirements or the same inclusionary requirements?</p>	<p>All housing types maintain the same inclusionary requirements.</p>	<p>In a few cities in Contra Costa County, the percentages differ. In most cities with differences, there is a higher inclusionary percentage required for for-sale housing.</p>

* Extremely Low Income households make less than 30% AMI. The ELI category is not a separate category for the 6th Cycle Housing Element but is considered to make up 50% of the units in the VLI category.

DIRECTION ON POLICY POINTS



Question	Staff Recommendation	Additional Information
6. What should the threshold project size be to be included in the IHO?	5 units & projects less than 5 pay an in-lieu fee	MTC TOC Policy states that an ordinance may exempt projects with fewer than 11 units.
7. Should the units be affordable in perpetuity?	Yes	<p>Recorded Affordable Housing Agreements - includes a funding source – would be required.</p> <p>MTC TOC Policy requires affordability for at least 55 years for rental housing and/or at least 45 years for ownership housing.</p>
8. Should an in-lieu fee option be included as an alternative means? And should other alternative means be included?	An in-lieu fee option should be included.	Per AB 1505 an alternative means of compliance is required if the rental inclusionary requirement is above 15%.

DIRECTION ON POLICY POINTS



Question	Staff Recommendation	Additional Information
9. Should the ordinance encourage on-site construction? If so, then by what means?	Encourage on-site construction by requiring a higher inclusionary ordinance requirement when a developer pays the in-lieu fee.	
10. Should there be developer incentives, beyond State Density Bonus Law? If so, by what means?	Waivers and fee deferrals	Other Contra Costa cities have: fee waivers, smaller lot sizes, smaller unit sizes, different interior finishes for the affordable units, reduced parking requirements, density or FAR increase, provision to use ADUs as the affordable units.

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STATE HOUSING ALLOCATION



Income Affordability Level: \$159,800 Average Median Income (AMI)				
31-50% AMI	51-80% AMI	81-120% AMI	Over 120% AMI	
6 th Cycle Regional Housing Needs Allocation (RHNA)				
Very Low Income (VLI)	Low Income (LI)	Moderate Income (MI)	Above Moderate Income (AMI)	TOTAL
792	456	493	1,275	3,016
26.3%	15.1%	16.3%	42.3%	100%

WHAT IS “LOW INCOME” IN 2025?



Median Family Income in Contra Costa County: \$159,800

Household Size	Very Low Income: 50% AMI	Low Income: 80% AMI	Moderate Income: 120% AMI
1	\$55,950	\$87,550	\$134,250
2	\$63,950	\$100,050	\$153,400
3	\$71,950	\$112,550	\$172,600
4	\$79,900	\$125,050	\$191,750
5	\$86,300	\$135,100	\$207,100
6	\$92,700	\$145,100	\$222,450
7	\$99,100	\$155,100	\$237,750
8	\$105,500	\$165,100	\$253,100

WHAT IS “AFFORDABLE”?

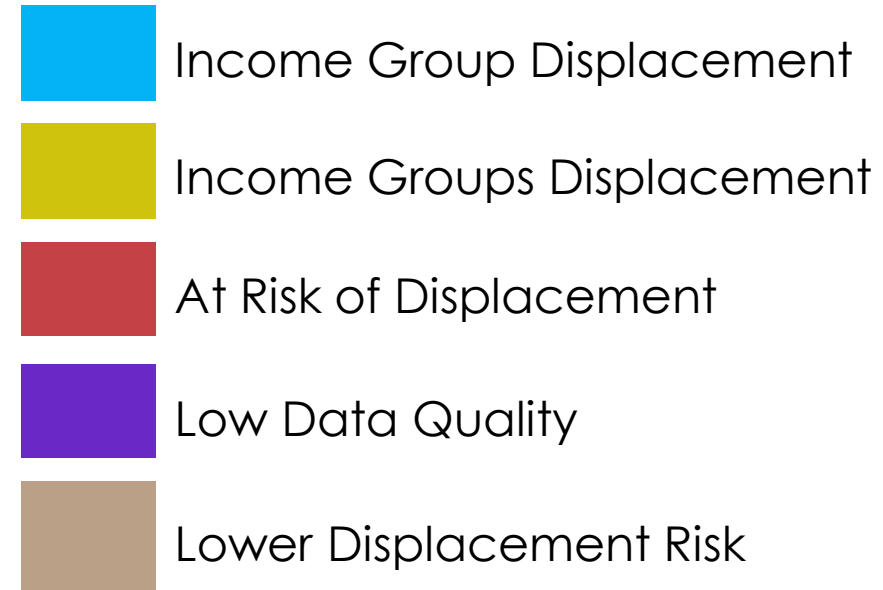
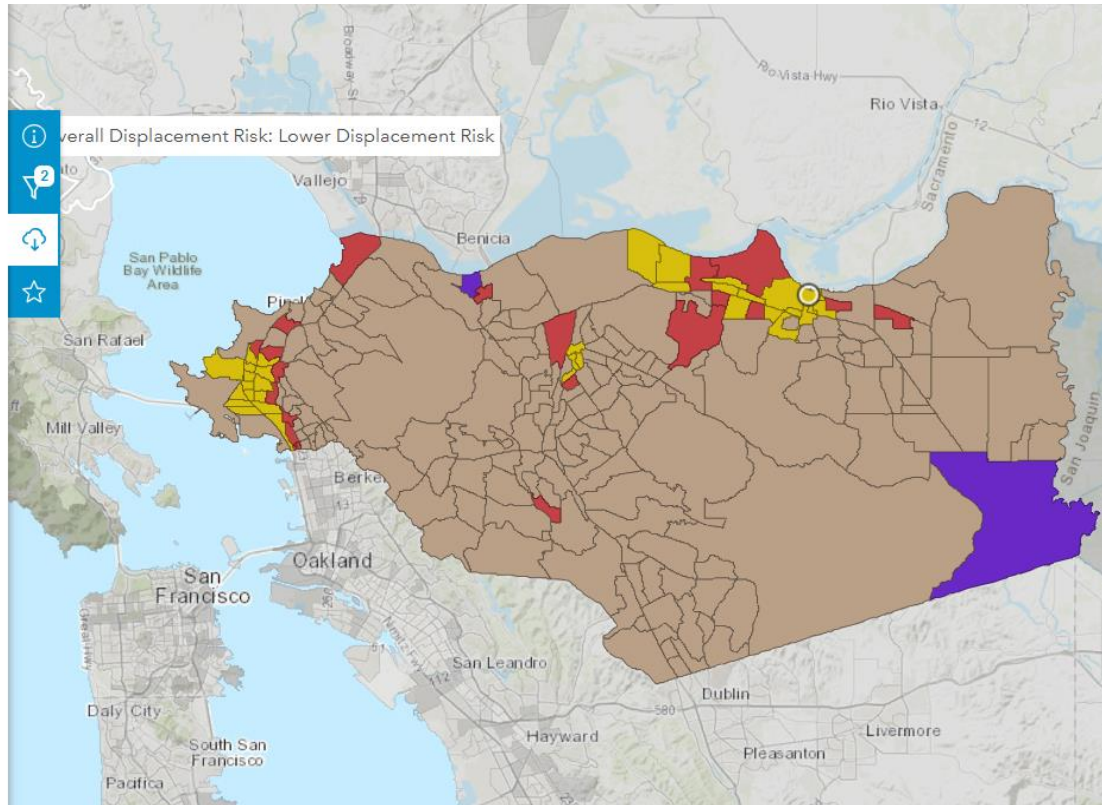


Contra Costa County Gross Rent Limits, June 1, 2024

Bedroom Count	Very Low Income: 50% AMI	Low Income: 80% AMI	Fair Market Rent
Studio	\$1,362	\$2,179	\$1,825
1	\$1,460	\$2,336	\$2,131
2	\$1,752	\$2,803	\$2,590
3	\$2,024	\$3,238	\$3,342
4	\$2,258	\$3,613	\$3,954
5	\$2,491	\$3,986	\$4,547

Local Housing Pressure

■ 63% households “rent burdened:” Spend more than 30% of income on rent





Summary: Existing IHOs In Contra Costa County

Jurisdiction	Rental Housing Requirements	For-Sale Housing Requirements	In-Lieu Fee Option	Alternative Compliance Options	Developer Incentives
Contra Costa County	15% total with specific allocations to income levels	15% total with specific allocations to income levels	Yes	Off-site development; land conveyance; combination	Density bonus; fee waivers; modifications to zoning standards
Pittsburg	6% ELI to 10% VLI	9% LI and 6% VLI; 20% LI	Per City approval	Off-site construction; payment of public subsidies	Smaller lot and unit sizes, different interior finishes for IH units; reduced parking requirements
Richmond	12.5% VLI to 17% MI	10% VLI to 17% MI	Yes	Land Donation	N/A
Walnut Creek	6% VLI to 10% LI	6% VLI to 10% MI	Yes	Off-site construction; land dedication	Reduced size and different interior finishes for IH units
Concord	6% total	15% total	Yes	Off-site development; non-profit partnerships	Density bonus; FAR increase
Pleasant Hill	5% VLI; 10% LI or 20% LI ADUs	5% VLI; 10% LI or 20% LI ADUs	Per City approval	Off-site development	N/A
El Cerrito	5 units to MI; 5% LI	12% MI	Yes	N/A	N/A
Lafayette	9% LI or MI; 6% VLI	15% MI (downtown single family); 9% LI or MI and 6% VLI (downtown multifamily)	Yes	Off-site development; provision of for-rent units rather than for-sale or fee	Reduced size and different interior finishes for IH units; provision of ADUs as IH units

FOR-SALE DEVELOPMENT SCENARIOS



**Feasibility
Threshold:
15% IRR**

	Large Lot SF Subdivision	Small Lot SF Subdivision	Townhome Development
Fully Market Rate Scenario			
No Inclusionary Housing	18.3%	21.0%	20.6%
15% Inclusionary Requirements			
15% Very Low-Income	-1.6%	26.5%	15.5%
15% Low-Income	-7.1%	19.9%	12.8%
15% Moderate Income	-14.3%	11.1%	19.9%
10% Inclusionary Requirements			
10% Very Low-Income	-2.6%	24.6%	16.3%
10% Low-Income	-5.3%	21.8%	12.6%
10% Moderate Income	-12.1%	13.4%	19.8%
5% Inclusionary Requirement			
5% Very Low-Income	-1.3%	24.5%	18.2%

FOR-RENT DEVELOPMENT SCENARIOS

**Feasibility
Threshold:
6% CoC Yield**

	Medium/High Density Apartments	High Density Apartments
Fully Market Rate Scenario		
No Inclusionary Housing	6.1%	6.6%
15% Inclusionary Requirements		
15% Very Low-Income	6.2%	6.3%
15% Low-Income	4.9%	6.4%
15% Moderate Income	5.2%	6.8%
10% Inclusionary Requirements		
10% Very Low-Income	6.1%	6.3%
10% Low-Income	4.8%	6.4%
10% Moderate Income	5.0%	6.6%
5% Inclusionary Requirement		
5% Very Low-Income	6.1%	6.3%

Project Tasks

2024 2025

JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

1 Project Administration

Kick-off Meeting
Revised Project Schedule

2 Inclusionary Housing Ordinance

Staffing Plan
Economic Feasibility & Options Report
Fee Study
Recommendations for IHO
Public Draft IHO and Final Draft IHO

3 Community Engagement

Project Website
Community Outreach Strategy
Stakeholder Interviews
Community Workshop
Planning Commission & City Council Study Sessions
Planning Commission Hearing
City Council Hearing

4 Environmental Analysis

CEQA Exemption

Work Period Public Review Period Draft Deliverable/Deliverable Stakeholder Interviews Planning Commission / City Council Study - Study Sessions or Hearings

