

TRPA Residential Bonus Unit Program

Fact Sheet

TRPA has historically defined two income levels related to housing affordability -- “affordable,” and “moderate.” In 2018, the TRPA adopted a higher income level, known as Achievable, to which TRPA Bonus Units could be awarded. This new category is intended to provide assistance to the “missing middle,” households that make too much to qualify for traditional housing subsidy programs, but too little to afford the median priced home. This Fact Sheet shows Achievable Area Median Income (AMI) levels by County calculated using the methodology outlined in Chapter 90 of the TRPA Code of Ordinances and included at the end of this document. This Fact Sheet includes the following sections:

Section 1: 2021 Affordable, Moderate, an Achievable Income Limits by County

Section 2: Example Calculation of Achievable Income Level for Different Household Sizes

Section 3: Rental and Sale/Purchase Price Guidance

Section 4: Other Requirements and Frequently Asked Questions

Section 5: Definition of Achievable Housing from Chapter 90 including Calculation Methodology

Section 1: 2021 Affordable, Moderate, and Achievable Income Limits by County

Achievable income incentives apply to multi-family and single-family units that are or will be built within ½ mile from an existing transit stop, or a stop proposed with the housing project, within ½ mile of a Town Center, or within areas that allow multi-family housing¹. Achievable income levels are updated annually, based on changes to the median home price in each county. The table also shows affordable and moderate-income levels, which are the same as those calculated by the [California Department of Housing and Community Development \(HCD\)](#) and the [United States Department of Housing and Urban Development \(HUD\)](#).

El Dorado County

2021 Area Median Income (3-person household): \$82,000

2019 - 2021 Median Multi-Family Sale Price: \$389,750

2019 - 2021 Median Single-Family Sale Price: \$564,267

| Income Level | Annual Income | Bonus Unit Incentive Level |
|----------------------------|---------------|----------------------------|
| 80% of Area Median Income | \$65,600 | AFFORDABLE |
| 120% of Area Median Income | \$98,400 | MODERATE |
| 125% of Area Median Income | \$102,500 | MF ACHIEVABLE |
| 180% of Area Median Income | \$155,800 | SF ACHIEVABLE |

Source: California Department of Housing and Community Development (HCD), South Tahoe Association of Realtors Multiple Listing Service

¹ For the areas that are eligible to receive bonus units, please refer to the “Residential Bonus Unit Boundary” layer, shown in green, on the [TRPA Housing Resources Webmap](#).

Douglas County

2021 Area Median Income (3-person household): \$71,200

2019 - 2021 Median Multi-Family Sale Price: \$538,333

2019 - 2021 Median Single-Family Sale Price: \$1,213,083

| Income Level | Annual Income | Bonus Unit Incentive Level |
|----------------------------|----------------------|-----------------------------------|
| 80% of Area Median Income | \$56,960 | AFFORDABLE |
| 120% of Area Median Income | \$85,440 | MODERATE |
| 200% of Area Median Income | \$142,040 | MF ACHIEVABLE |
| 450% of Area Median Income | \$320,075 | SF ACHIEVABLE |

Source: U.S. Department of Housing and Development (HUD), Douglas County Multiple Listing Service

Placer County

2021 Area Median Income (3-person household): \$82,000

2019 - 2021 Median Multi-Family Sale Price: \$668,635

2019 - 2021 Median Single-Family Sale Price: \$897,037

| Income Level | Annual Income | Bonus Unit Incentive Level |
|----------------------------|----------------------|-----------------------------------|
| 80% of Area Median Income | \$65,600 | AFFORDABLE |
| 120% of Area Median Income | \$98,400 | MODERATE |
| 220% of Area Median Income | \$180,400 | MF ACHIEVABLE |
| 290% of Area Median Income | \$237,800 | SF ACHIEVABLE |

Source: California Department of Housing and Community Development (HCD), South Tahoe Association of Realtors Multiple Listing Service

Washoe County

2021 Area Median Income (3-person household): \$75,200

2019 - 2021 Median Multi-Family Sale Price: \$649,150

2019 - 2021 Median Single-Family Sale Price: \$1,575,833

| Income Level | Annual Income | Bonus Unit Incentive Level |
|----------------------------|----------------------|-----------------------------------|
| 80% of Area Median Income | \$60,160 | AFFORDABLE |
| 120% of Area Median Income | \$90,240 | MODERATE |
| 230% of Area Median Income | \$171,280 | MF ACHIEVABLE |
| 550% of Area Median Income | \$415,787 | SF ACHIEVABLE |

Source: U.S. Department of Housing and Development (HUD), Douglas County Multiple Listing Service

Section 2: Example Calculation of Achievable Income Level for Different Household Sizes

The tables in Section 1 show the income levels a three-person household living in a unit deed-restricted for “achievable housing” must meet in order to comply with the requirements of the Residential Bonus Unit Program. How do you calculate the required income levels for households of different sizes? Follow the steps below.

Step 1: Find the most recent Area Median Income (AMI) tables for your county. For **California** counties, you can find AMIs on the California Department of Housing and Community Development webpage, [State and Federal Income, Rent, and Loan/Value Limits](#) page, under the “Official State Income Limits” Section (here is the [direct link](#) to the table for 2021). For **Nevada** counties, you can find the income limits on the United States Department of Housing and Urban Development webpage, on the [Income Limits](#) page.

Step 2: Identify the “Median Income” from the table in Step 1 for the households of the size you are interested in. For example, the median incomes for different size households for El Dorado County can be found on page 7 on the table for 2021 income levels at the link above. The median-income of a 1-person household in El Dorado County is \$63,750.

Excerpt from page 7 of the Area Median Income Levels by County from the California Department of Housing and Community Development:

| Number of Persons in Household: | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|----------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|
| El Dorado County Area Median Income: \$91,100 | Extremely Low | 19050 | 21800 | 24500 | 27200 | 31040 | 35580 | 40120 | 44660 |
| | Very Low Income | 31750 | 36250 | 40800 | 45300 | 48950 | 52550 | 56200 | 59800 |
| | Low Income | 50750 | 58000 | 65250 | 72500 | 78300 | 84100 | 89900 | 95700 |
| | Median Income | 63750 | 72900 | 82000 | 91100 | 98400 | 105700 | 112950 | 120250 |
| | Moderate Income | 76500 | 87450 | 98350 | 109300 | 118050 | 126800 | 135550 | 144300 |

Step 3: Identify the “Achievable” percentage for your county from Section 1 of this Fact Sheet, above. Accessory Dwelling Units use the “single-family” achievable limit, whereas attached multi-family units use the “multi-family” achievable limit. For El Dorado County, the “achievable” income percentage for single-family in 2021 is 180% of Area Median Income.

Step 4: Multiply the “Achievable” percentage times the Area Median Household Income for the household size of interest. For the example above, you would multiple $180\% \times \$63,750 = \$114,750$. So, a 1-person household living in a deed-restricted achievable unit in El Dorado County cannot have an income exceeding \$114,750.

Section 3: Rental and Sale/Purchase Price Guidance

Rental Price Guidance

TRPA requires that deed restricted units be rented or sold to a household that meets the income category restrictions of the deed-restriction, rental prices of these units are left to the discretion of the property owner and the lessee. The rental price should be based on the area median income (AMI) and the requirements of applicable state and federal law, including the recommendation that a household not pay more than 30% of their monthly income in rent and utilities. Because homes may be occupied by households of varying sizes, federal guidance provides for rents to be set by number of bedrooms.

TRPA suggests using Fair Market Rents by number of bedrooms to develop rents, published by the Housing and Urban Development (HUD) and California Department of Housing and Community Development (HCD). Fair Market Rent is calculated by HUD annually using census estimates, and can be found [here](#). Other methodologies may also be appropriate.

Sale/Purchase Price Guidance

The values in the table below show what a household at a variety of income levels could afford using county income data. The methodology (listed at the end of this document) used assumes a three-person household and assumes that costs do not exceed 30% of a household's gross income. This information is intended to be used as *guidance*, as the individual circumstances of any particular sale vary. The sale price of a deed restricted unit is calculated by a real estate appraiser, not by TRPA.

El Dorado County

| Income Level | Annual Income | Suggested Home Purchase Price | Bonus Unit Category |
|--------------|---------------|-------------------------------|---------------------|
| 80% | \$65,600 | \$248,624 | AFFORDABLE |
| 100% | \$82,000 | \$310,780 | MODERATE |
| 120% | \$98,400 | \$372,936 | MODERATE |
| 125% | \$102,500 | \$388,475 | MF/SF ACHIEVABLE |

| | | | |
|------|-----------|-----------|------------------|
| 150% | \$123,000 | \$466,170 | MF/SF ACHIEVABLE |
| 180% | \$155,800 | \$590,482 | SF ACHIEVABLE |

Douglas County

| Income Level | Annual Income | Suggested Home Purchase Price | Bonus Unit Category |
|---------------------|----------------------|--------------------------------------|----------------------------|
| 80% | \$56,960 | \$215,878 | AFFORDABLE |
| 100% | \$71,200 | \$269,848 | MODERATE |
| 120% | \$85,440 | \$323,818 | MODERATE |
| 170% | \$121,040 | \$458,742 | MF/SF ACHIEVABLE |
| 200% | \$142,040 | \$538,333 | MF/SF ACHIEVABLE |
| 300% | \$213,600 | \$809,544 | MF/SF ACHIEVABLE |
| 400% | \$284,800 | \$1,079,392 | MF/SF ACHIEVABLE |
| 450% | \$320,075 | \$1,213,083 | SF ACHIEVABLE |

Placer County

| Income Level | Annual Income | Suggested Home Purchase Price | Bonus Unit Category |
|---------------------|----------------------|--------------------------------------|----------------------------|
| 80% | \$65,600 | \$248,624 | AFFORDABLE |
| 100% | \$82,000 | \$310,780 | MODERATE |
| 120% | \$98,400 | \$372,936 | MODERATE |
| 200% | \$164,000 | \$621,560 | MF/SF ACHIEVABLE |
| 220% | \$180,400 | \$683,716 | MF/SF ACHIEVABLE |
| 290% | \$237,800 | \$901,262 | SF ACHIEVABLE |

Washoe County

| Income Level | Annual Income | Suggested Home Purchase Price | Bonus Unit Category |
|---------------------|----------------------|--------------------------------------|----------------------------|
| 80% | \$60,160 | \$228,006 | AFFORDABLE |
| 100% | \$75,200 | \$285,008 | MODERATE |
| 120% | \$90,240 | \$342,010 | MODERATE |
| 195% | \$146,640 | \$555,766 | MF/SF ACHIEVABLE |
| 228% | \$171,280 | \$649,150 | MF/SF ACHIEVABLE |
| 300% | \$225,600 | \$855,024 | MF/SF ACHIEVABLE |
| 400% | \$300,800 | \$1,140,032 | MF/SF ACHIEVABLE |
| 480% | \$360,960 | \$1,368,038 | MF/SF ACHIEVABLE |
| 550% | \$415,787 | \$1,575,833 | SF ACHIEVABLE |

Section 4: Other Requirements and Frequently Asked Questions (FAQ)

The Bonus Unit Affordable, Moderate, and Achievable Incentive Program is further described in Chapter 53, Section 52.3.4 of the TRPA Code of Ordinances.

1. How does TRPA track and enforce units that have received bonus units under the Affordable, Moderate, and Achievable Bonus Unit Incentive Program?

- **A Deed Restriction** recorded against the property is required for any unit that receives TRPA bonus units. The purpose of the deed restriction is to clearly articulate the intent of the residential bonus unit program, limitations, and restrictions on the use of the property. The deed restriction will be provided by TRPA for the property owner to record against the property and is a condition of approval. View TRPA's standard deed-restriction under this program [here](#).
- **Annual Compliance Reports** are required for any units that have received TRPA bonus units. It is the responsibility of the property owner or their representative to submit the compliance report with specified income verification information to TRPA. View the compliance form [here](#).
- **A Real Estate Disclosure Form** is required to be filled out and submitted to TRPA when any units that have received residential bonus units transfer ownership. A list of parcel numbers that have received TRPA bonus units is available on LTInfo. View the real estate disclosure form [here](#).

2. What other eligibility criteria does my property need to meet in order to be eligible for a bonus unit?

A bonus unit is awarded at no cost to the applicant if the home or homes meet the following criteria:

- Tenants or the owner of the home meet the income-based eligibility standards for affordable, moderate, or achievable-income, as stated above in this document.
- The home must be located within ½ mile of an existing transit stop, or a stop proposed with the project.
- The home cannot be used as a vacation rental.
- The unit is deed restricted to one of the affordability levels listed above.

3. How much can I sell my deed restricted home for?

The sale price of deed restricted unit is calculated by a real estate appraiser based on the development’s individual value, not TRPA. TRPA provides *suggested* sales prices.

4. Can I rent out my deed restricted unit?

Yes, units that have received bonus units can be rented out long term but cannot be used as a short-term rental (vacation rental). The tenant(s) must meet the income requirements stated in the deed restriction, and an annual compliance report is still required to be submitted on the tenant(s) behalf. A vacation home is defined by TRPA Code of Ordinances as a residential unit rented for periods of 30 days or less.

5. Are rent amounts subject to TRPA enforcement?

No. The rental price is ultimately left to the discretion of the property owner (or their representative) and the purchaser or lessee and should be based on the income of the occupant and market demand. The occupant of the unit must be within the income level the unit is deed restricted at (i.e. achievable, moderate, or affordable).

6. I received a bonus unit in 2018. Am I subject to 2018 income limits, or can I comply with later years?

Income limits are a percentage of Area Median Income, which changes every year. Thus, the eligible incomes may also change year-to-year, and a deed-restricted home must be occupied by a household that meets the income levels of the current year.

TRPA publishes updated income limits annually. All previous years income limits will be archived on the [TRPA Housing Website](#) under “Tools and Resources.”

7. I was income eligible when I received a deed restriction on my property or purchased my deed restricted home, but no longer am (i.e. my income increased while living in the home). Is my deed restriction compliant?

Yes. TRPA has provisions in place to protect tenants or owners who have received an increase in income. An owner-occupant of a unit who has provided all required annual compliance reports and who has had an increase in income so that they are no longer eligible for the bonus unit may apply to TRPA and receive an exemption to the income requirement (TRPA Code of Ordinances Section 52.3.4). When the home is sold, any new owner-occupant will be required to comply with the income-limits in place at the time of sale.

8. Can my deed restricted unit be used as a vacation rental?

No. Units that are deed restricted at any income level are prohibited from being used as a second home or vacation home. A vacation home is defined by TRPA Code of Ordinances as a residential unit rented for periods of 30 days or less.

9. How do I get a Bonus Unit for my property?

If you are building a new multi-family project (i.e., multiple homes on the same parcel) or single-family home, use the [Multi-Family Dwelling Application](#) or [Single-Family Dwelling Application](#) to apply to TRPA. In the project description, note how many of the units will be deed-restricted affordable, moderate, or achievable. TRPA staff will work with you to assign Bonus Units and the associated deed-restrictions at the time of permit issuance. Note that Accessory Dwelling Units (ADUs, or Secondary Residences) are considered a single-family use.

If you would like to receive a Bonus Unit for an existing home, see #10, below.

10. If I meet the income and other eligibility criteria, can I receive a bonus unit for an existing home?

Yes. If you would like to deed-restrict an existing home for affordable, moderate, or achievable, and the home meets the criteria listed on the first page of this Fact Sheet, you may receive a Bonus Unit. Once you have received the Bonus Unit, you may bank or sell the existing Residential Unit of Use. To bank development rights, use the [Verification and Banking Information and Application](#). To receive a Bonus Unit in exchange for a deed-restriction, contact TRPA's front counter.

11. Are there other ways to receive a Bonus Unit, that don't involve deed-restricting the parcel to affordable, moderate, or achievable?

Yes. TRPA Code of Ordinances Section 51.1, Transfer of Development Rights, and Section 52.3.5, Residential Bonus Unit Substitution describe other methods of obtaining Bonus Units.

Section 5: Definition of Achievable Housing including Calculation Methodology

Single or multi-family residential development to be used exclusively as a residential dwelling by permanent residents with an income not in excess of the respective county's achievable area median income (AMI) percentage, using the following methodology:

1. Determine the county's median income where the housing development will be located using income limits for a family of three published annually by the US Department of Housing and Urban Development and, if applicable, the California Department of Housing and Community Development.
2. Determine the county's median single or multi-family housing price, as applicable, where the housing development will be located using median housing prices published annually by the TRPA.
3. Divide the median single or multi-family housing price, as applicable, (determine in Step 2) by 3.79² (buying power) to determine the annual income needed to afford an achievable housing unit.
4. Divide the annual income needed (calculated in Step 3) by the median income (determined in Step 1) to determine the achievable AMI percentage.

**Please note that the AMI percentages will be rounded to increments of 5%, so the percentages generated using the above methodology may differ slightly from those reported in the tables above. The percentages in the tables above are the ones that will be used in the distribution and tracking of bonus units.

² Source: Based on the Ownership Cost Assumptions Table from page 8 of the [Achievable Local Housing Policy Brief](#), Mountain Housing Council, February 20, 2018. Ownership cost assumptions include down payment, interest rate, and other loan cost assumptions, which equate to 3.79 times the annual income of a household. For example, to afford the median single-family home sale price of \$538,000, the household must earn \$141,953. $\$141,953 \times 3.79 = \$538,000$.