



*Housing*

# 905 North Capitol Avenue Multifamily Housing Incentive Tax and Fee Waiver

City Council Meeting  
March 18, 2025  
Item 8.2

**Erik L. Soliván**  
Housing Director

**Banu San**  
Deputy Director

# Multifamily Housing Incentive Program (MHIP)

## 🏠 City Council Approved MHIP on December 10, 2024

- 50% reduction in the Building and Structure Construction Tax and the Commercial-Residential-Mobile Home-Park Building Tax.
- Reduction of IHO in-lieu fee to \$0 for approved multifamily housing developments that include at least 5% of units onsite at up to 100% of the Area Median Income, for developments listed in the MHIP memorandum, which was previously granted only for downtown high-rise developments.

# 905 North Capitol Avenue



- ◆ Developed by The Hanover Company
- ◆ 7-Story located at 905 North Capitol Avenue
- ◆ 328 market-rate rental units
- ◆ 17 restricted affordable units at 100% of the Area Median Income
- ◆ 3,000 square feet of office space

# Proposed Tax and Fee Waiver

<b>Inclusionary Housing Ordinance In-Lieu Fee</b>	<b>\$4,043,883</b>
<b>50% Reduction of Commercial-Residential-Mobile Home-Park and Building and Structure Construction Taxes on the Residential Portion of the Building</b>	<b>\$861,139</b>
<b>Total Tax and Fee Waiver</b>	<b>\$4,905,022</b>



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