

Teichert Inc.
West Jackson Master Plan
Affordable Housing Strategy
October 2024
Final Version March 20, 2025

1.0 Proposed Project / Master Plan Description

Teichert Land Co. is the owner (“Developer”) of a portion of that real property in the County of Sacramento (“County”) referred to as the West Jackson Highway Master Plan (“WJHMP”). Teichert Properties proposes to develop approximately 3,016 acres of the 5,913acre West Jackson Master Plan area (Developer’s proposal referred to as the “Development Project”). This proposed Development Project is in the unincorporated area of Sacramento County, as shown on **Exhibit 1**. The map of the West Jackson Master Plan and the possible properties to be developed by the Developer is included in **Exhibit 2**. All properties within the Development Project that are owned by Developer are shown on **Exhibit 3**.

The WJHMP is located adjacent to the eastern limits of the City of Sacramento and the southern boundary of Mather Airport, in unincorporated Sacramento County. The WJHMP boundaries are generally Jackson Highway (State Highway 16), Kiefer Boulevard, and Goethe Road to the north; portions of Elder Creek Road and Florin Road to the south; the City of Sacramento to the west; and Excelsior Road to the east. The WJHMP consists of a broad mix of residential, commercial, employment, industrial and open space land uses on properties that either formerly or currently support surface mining and construction materials land uses. The residential portion of the Development Project consists of the following unit mix:

1.1 Teichert-Owned Overall Unit-Summary

Housing Type	AC ±	EST. DU
Single Family (VLDR, LDR, MDR)	1,271.5	6,516
Multi-Family (HDR, MU*)	79.9	1,838
TOTAL	1,351.4	8,354

* For Mixed Use (MU), dwelling unit count is based on 60% of gross acreage.

2.0 Affordable Housing Policy

On February 25, 2014, the Sacramento County Board of Supervisors (Board) repealed Chapter 22.35 of Title 22 of the Sacramento County Code known as the County's Affordable Housing Ordinance ("Repealed Ordinance") and adopted a revised Ordinance ("Ordinance"). The Ordinance requires new residential developments contain housing opportunities to households of low, very low and extremely low-income levels.

To ensure compliance with the Ordinance, the Executive Director of Sacramento Housing and Redevelopment Agency ("SHRA") in consultation with the County Director of Community Development prepared the Affordable Housing Program Guidelines ("Guidelines"). The Guidelines were approved by the Board on June 9, 2015 to aid applicants, landowners, developers, homebuyers, and others in understanding and complying with the Ordinance. Section 22.35.030 of the Ordinance allows a development project to meet its affordable housing obligation by either paying an affordable housing fee, entering into a development agreement or other form of agreement with the County, which provides for a fee credit for land dedication, construction of affordable housing units, or other mechanism which leads to the production of affordable housing in an amount at least equivalent to the affordability fee established by Section 22.35.050(A) of the Ordinance.

Pursuant to Section 22.35.030 (A)(3) of the Guidelines, larger development projects (750 units or more) must prepare and submit an Affordable Housing Strategy ("Strategy"). Section 22.35.030(A)(3) of the Guidelines sets forth the required information to be included in this Strategy and all future approvals shall be consistent with this Strategy as part of the Development Agreement ("DA").

Since adoption of the Guidelines, the County has approved the Mather South and Newbridge projects which are both along the Jackson Highway corridor and incorporated their own affordable housing strategies. In the creation of this Strategy, it is the intent that the Development Project be treated similarly to Mather South and Newbridge for purposes of determining affordable housing requirements.

In September 2017, Newbridge employed an affordable housing ratio of 199 of 2415 total units (or 8.2%)

In February 2019, Mather South employed an affordable housing ratio of 241 of 3,522 total units (or 6.8%).

The Development Project will be required to achieve an affordable housing ratio of 7.5% which reflects a middle ground between the aforementioned projects.

3.0 Calculation of the Affordability Fee and Unit Obligation

Pursuant to the County of Sacramento's Affordable Housing Ordinance, new developments are required to either pay an affordability fee, or to fulfill the intention of the ordinance through some other method such as land dedication, construction of units, or purchase of fee credits. The calculation of the affordability fee for the proposed development and the corresponding affordable unit requirement are shown below.

Calculation of Affordability Fee			
Total Project Units	Average Square Feet	Fee per Square Foot	Affordability Fee
8354 (West Jackson) (a)	2,150 ¹ (b)	\$3.75 ² (c)	\$67,354,125 (a x b x c)
¹ Average square feet used to calculate the affordability fee per the Guidelines.			
² Fee as of March 28, 2024 is \$3.75. Fee is adjusted annually.			

Calculation of the Required Number of Affordable Housing Units

Number of Housing Units: 8,354

Required Ratio: 7.5%

Required Affordable Housing units: 627

4.0 Project Phasing / Development Thresholds:

The Development Project will be divided into three (3) "Development Thresholds" that are each equal to one third of the total units planned for the Development Project. Each Development Threshold will have an affordable housing obligation that is satisfied by fulfilling one of the Fulfillment Options specified in Section 5.0.

4.1 OVERALL MASTER PLAN OBLIGATION

Overall Units included in Master Plan	8354 units
Overall Affordable housing fee	\$67,354,125*
	or
Overall Affordable Unit obligation	627 affordable* units
	or
Overall Land Dedication Obligation	Land dedication for 627 units. The required acreage for the dedicated land will be based on approved masterplan densities

4.2 INDIVIDUAL THRESHOLD OBLIGATION

Units to be developed in each threshold	2785 units
Affordable housing fee in each threshold	\$22,451,375*
	or
Affordable Unit obligation per threshold	209 affordable* units
	or
Land Dedication Obligation per threshold	Land dedication for 209 units. The required acreage for the dedicated land will be based on approved masterplan densities

*Fee is calculated at time of construction – adjusted annually. May be more or less than what is represented above.

5.0 Fulfillment Procedure

The procedure for fulfilling the requirement is established below. By operation of this procedure, the concurrency requirements contained in the Guidelines will be satisfied.

Step 1: at Time of First Final Map for a Development Threshold, Developer Designates Land for Affordable Units and Elects to Pay Up to 50% of the Fee

Prior to or concurrent with the first small lot final map for a Development Threshold, the parcel (or parcels) for the number of Affordable Units required for that Development Threshold must be created (such site being the “Affordable Housing Site”). The Affordable Housing Site(s) shall be sufficient acreage so that the number of Affordable Units required for the Development Threshold can be constructed thereon as permitted by the applicable masterplan land use designation.

This requirement may be satisfied by creating multiple lots for Affordable Housing Sites as long as the sites, collectively, have sufficient acreage for the required number of Affordable Units.

The required number of Affordable Units for a Development Threshold shall be determined as follows:

- a) Developer may, in its sole discretion, elect to pay up to 50% of the Obligation for the Development Threshold through the Affordable Housing Fee
- b) The number of Affordable Units for the Development Threshold shall be equal to

- 209 units *multiplied by* (1 *minus* the percentage of the Obligation the Developer elects to satisfy through payment of the Affordable Housing fee)
- c) Round any fractional unit calculated in (b) up to the nearest whole unit
 - d) Adjust by application of any Affordable Housing Unit Credits (discussed further below)

For example, if the Developer satisfies 15% of the Obligation for the Development Phase through payment of the Affordable Housing Fee, the number of affordable units required shall be calculated as follows:

$$209 \times (1-15\%) = 177.65$$

Then round up to 178 required units

In the event the Developer elects to pay the Affordable Housing Fee, the fee shall be allocated pro-rata to each single-family unit within the Development Threshold. Payment of the fee shall be made on a per-unit basis at the time a building permit for the unit is issued.

The final map creating the Affordable Housing Site(s) shall impose the following restrictions, covenants, and/or requirements upon such Affordable Housing Sites:

- a) The final map shall impose an Affordable Housing Regulatory Agreement which will be released when construction of the obligated affordable housing begins. The Affordable Housing Regulatory Agreement will be based on this Strategy and when released will be replaced by a site-specific agreement ensuring that the Affordable Units developed on the Site will remain affordable for 55 years.
- b) The final map shall encumber the Affordable Site(s) with an irrevocable offer of dedication or similar mechanism whereby SHRA may take ownership of the Affordable Site(s) only in the event that (1) the Developer has not caused the requirements in Step 2a described below to be satisfied and (2) the County has issued building permits for 75% of the residential units that comprise a Development Threshold (the "IOD").

Step 2A: Timely Begin Construction of Affordable Units for the Development Threshold

No later than the time that 75% of the building permits for all residential units within a Development Threshold have been issued by the County, the Developer or any other entity must have satisfied all requirements for the County to issue building permits for the Affordable Units within such Development Threshold. Construction of the Affordable Units must proceed in accordance with any timing requirements established by the applicable building permit(s).

If applicable, the monitoring fee provisions in section 5.1 of this Strategy must be adhered if the Affordable Units are constructed pursuant to this Step 2A.

If the requirements in this Step 2A have not been satisfied by the time that 75% of the building permits for all residential units within a Development Threshold have been issued by the County, then proceed to Step 2B, otherwise proceed to Step 3.

Step 2B: Transfer Affordable Site to SHRA

If Step 2B is triggered by operation of Step 2A, then SHRA shall be allowed to take ownership of the Affordable Site(s) pursuant to the IOD. The Developer shall cooperate with SHRA to complete the transfer of the Affordable Site(s) to SHRA pursuant to the provisions of the IOD. Prior to any transfer to SHRA, Developer must satisfy the requirements contained in section 5.2 of this Strategy with respect to the Affordable Site. Any delay or failure by SHRA to take ownership of the Affordable Site(s) for a Development Threshold shall not preclude the Developer from obtaining all remaining building permits for residential uses within a Development Threshold.

Step 3: Remaining Residential Units in Development Threshold are Built

The County shall issue all remaining building permits for the remaining residential units within a Development Threshold. Once 100% of the building permits for residential units within a Development Threshold have been issued, the Developer shall be required to complete Step 1 for the next Development Threshold before any additional building permits for residential units for the Project may be issued.

Option to Switch Affordable Site

At the election of the Developer, at any time after the Affordable Site is designated pursuant to Step 1, the Affordable Site may be switched to any of the sites specified on Exhibit 2. The Developer may propose switching the Affordable Site to a site not specified on Exhibit 2, and such a switch will be permitted with the approval of the County and SHRA.

If Developer elects to switch the location of the Affordable Site pursuant to this option, it must satisfy all of the procedural and mapping requirements specified in Step 1.

Affordable Housing Unit Credits

The Developer may obtain Affordable Housing Unit Credits by either:

1. Causing the construction of more affordable units on any Affordable Site established in Step 1 than are required to be constructed on such Affordable Site. "Causing the construction of" means that either the Developer or then current owner of an Affordable Site has begun construction of Affordable Units on an Affordable Site. For each Affordable Unit constructed in excess of those required for the Affordable Site, the Developer shall earn one (1) Affordable Housing Unit Credit.
2. Purchasing credits from any entity that owns rights to Affordable Housing Unit Credits as such credits are determined to exist by the County.

Any Affordable Housing Unit Credits owned by the Developer may be applied to the Affordable Unit Obligation for a Development Threshold. In the event Developer applies such Affordable Housing Unit Credits, the number of Affordable Units required for the applicable Development Threshold shall be reduced by the number of Affordable Housing Unit Credits applied by the Developer. The Developer shall then proceed with Step 1 utilizing the required number of Affordable Units for the Development Threshold as adjusted by application of any credits.

Developer may sell any Affordable Housing Unit Credits it owns to any other developer, the County, or SHRA.

5.1 Monitoring Fee Requirements for New Construction of Affordable Housing

If the applicant/developer is producing multifamily affordable housing units not assisted by SHRA through a mortgage revenue bond issuance and/or a gap financing loan, the applicant/developer must pay a fee equal to the number of Affordable Units multiplied by the Average Public Subsidy/Unit and SHRA's approved annual monitoring fee discounted over the 55-year regulatory period. This fee will be calculated and included in the regulatory agreement. Note that if the affordable units are assisted with SHRA financing, this fee will be waived. The formula for calculating the fee and an example using the current fee schedule is below.

SHRA Fee Calculation Example Step One

Affordable Housing Unit Obligation	Average Public Subsidy x .15%	Term	Monitoring Fee
762 (a)	88496 x .15 (b)	55 years (c)	\$5,563,301 (a x b x c)

SHRA Fee Calculation Example Step Two

Net Present Value	Discount Rate	Total Monitoring Fee	Monitoring Fee per Threshold
\$5,563,301 (a)	5.5% (b)	\$305,981 (a x b=c)	\$101,993 (c/3)

5.2 LAND SUITABILITY

The sites depicted on **Exhibit 2** are all sites that have been pre-approved by the County as qualifying Affordable Sites.

The Developer's dedication of land pursuant to this Strategy is at least equal to the land dedication requirement for the Project. As such, the fee credit for land dedication is in an amount at least equivalent to the affordability fee established by Section 22.35.050(A) of the Guidelines as required by Section 22.35.030(A)(3)(a) of the Ordinance. An appraiser's opinion of value will not be required for the purposes of land dedication pursuant to this Strategy. The Developer's proposed dedication of land for each

Development Threshold has been determined to be in an amount at least equivalent to the calculated affordability fee payment and is, therefore, found to be acceptable to SHRA to meet the Development Project's affordable housing obligation.

Step 2B Requirements:

Prior to acceptance by SHRA pursuant to Step 2B, the Developer shall satisfy the following requirements with respect to the Affordable Site so that it is ready to develop at the time of dedication to SHRA.

1. The Affordable Site shall be clear of all surface and subsurface structures.
2. Developer shall complete a Phase I Environmental Site Assessment and if any hazardous substances are known to exist on the Affordable Site, Developer shall remediate such hazardous substances to a level consistent with the Department of Toxic Substances Control's ("DTSC") clean-up levels for residential land uses, and shall obtain "site closure" from DTSC, the RWQCB, or any other Federal, State or local agency having jurisdiction regarding hazardous substances standards or remediation.
3. The Affordable Site shall be graded to ensure there is no on-site ponding.
4. The infrastructure necessary to serve the site shall be stubbed to the site boundary. Infrastructure improvements include, extension of roadways, water and sewer lines, storm drainage and flood control systems, and dry utilities. Infrastructure to the site boundary shall be constructed or provided at the sole cost and expense of Developer. All necessary infrastructure improvements shall be installed in accordance with improvement plans approved by the County and other agencies having jurisdiction over such improvements.
5. The Developer shall not cause the Affordable Site to have to pay new assessments charged in connection to a community facilities district (CFD) formed by the approval of Developer.
6. If the Affordable Site abuts a major arterial, it must accommodate at least two access driveways in compliance with County street standards.
7. The Affordable Site shall not be located within the 100-year flood plain upon dedication to SHRA.
8. An updated Phase I Environmental Assessment, a soils and geotechnical report, and a preliminary title report shall be submitted to SHRA six months prior to land dedication.

Suitability Requirements:

Each of the pre-approved sites specified on Exhibit 2 have been determined to satisfy the following suitability requirements. Any other site that the Developer desires to designate as an Affordable Site will need to satisfy these suitability requirements.

Per the guidelines, the land proposed for dedication shall be located within a one quarter mile of at least three of the following amenities. The amenities are identified below.

- A planned public elementary, middle, or high school;
- A planned public park or recreational facility;
- A planned transit stop;
- A planned grocery store;
- A planned public library.

The list below and the corresponding map included as Exhibit 2 show the sites conditionally approved by SHRA for dedication and/or development with the amenities highlighted. Sites not included on this list may be considered at a future date after analysis and approval by SHRA.

Pre-approved Affordable Sites (numbers correspond with Exhibit 2)	Land Use Designation	Net Acreage	Amenities Transit Schools Grocery Store Parks (must be with ¼ mile of at least three of these)
1	HDR	10.7	Transit, Park, School
2	HDR	10.0	Transit, Park, Grocery Store
3	HDR	12.6	Transit, Park, Grocery Store
4	MU	7.0	Park, School, Grocery Store
5	MU	29.6	Transit, Park, School, Grocery Store
6	MU	10.0	Park, School, Grocery Store

Developer shall provide a Right of Entry to SHRA to conduct site inspections and soil testing following the execution of this Strategy and until the land is dedicated.

Developer Acknowledgement

Once the Strategy has been approved by the Board and executed by SHRA and Developer, no further changes can be made to this Strategy.

Developer

I attest that I have prepared this Affordable Housing Strategy to comply with the affordable housing requirements of Section 22.35 of the County Code and that all information provided is accurate and complete to the best of my knowledge.

StoneBridge Properties, LLC
~~West Jackson (Teichert)~~

By: *Randall W. Datta*
Its: Authorized Agent

6/24/2025
Date

Sacramento Housing & Redevelopment Agency

SHRA acknowledges receipt of this Strategy which was approved by the Sacramento County Board of Supervisors on June 11, 2025 and will work with the developer on implementation.

Christine Weichert
By: Christine Weichert
Its: Director

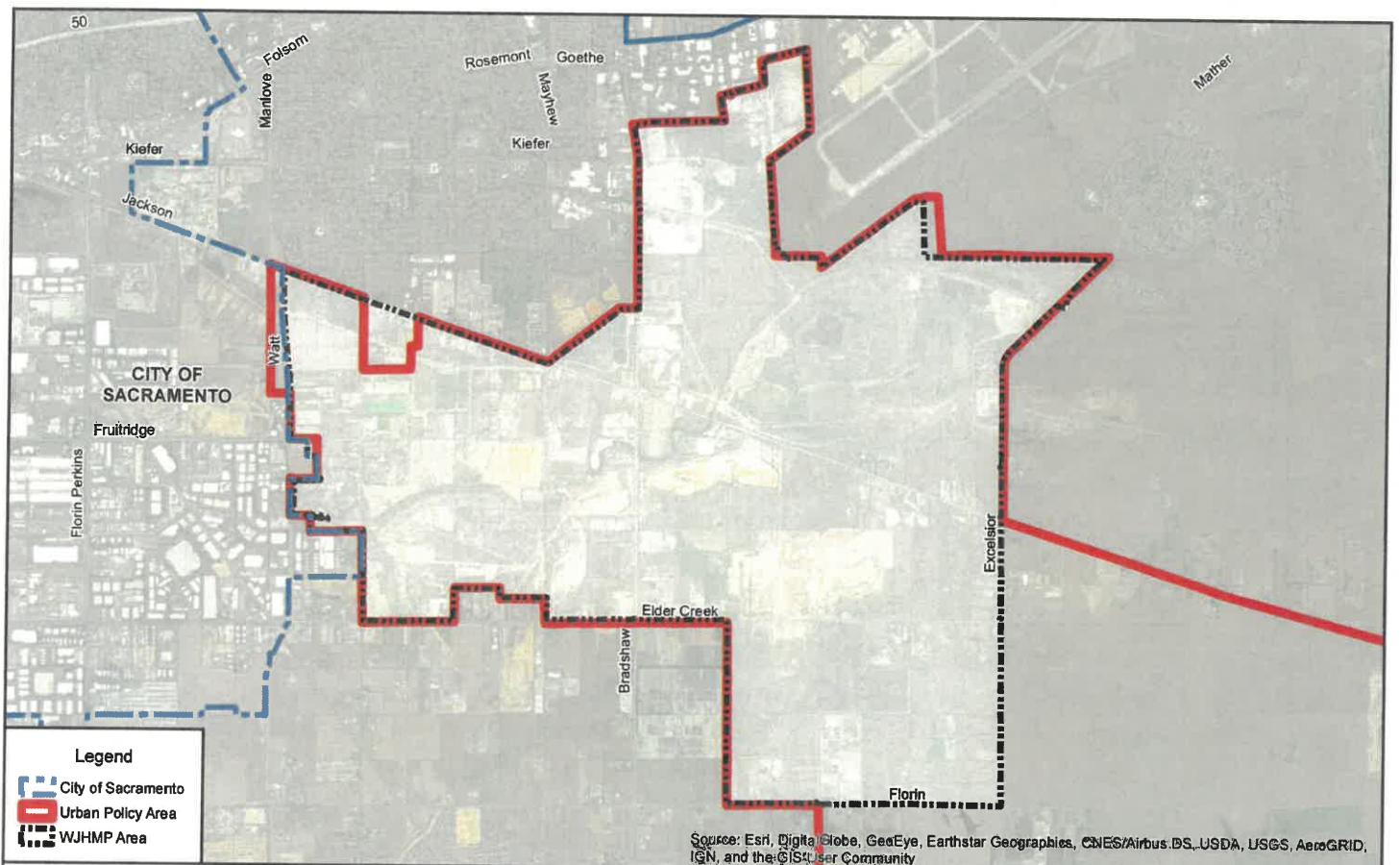


EXHIBIT 1

EXISTING URBAN POLICY AREA SACRAMENTO COUNTY, CA AUGUST 2023



NOTE: Source data provided by the County of Sacramento.



TEICHERT-OWNED AFFORDABLE HOUSING SITES
OVERALL PLAN & SITE UNIT SUMMARY
WEST JACKSON HIGHWAY MASTER PLAN
 SACRAMENTO COUNTY, CALIFORNIA
 MAY 2024

LEGEND

 ANTICIPATED TRANSIT STOPS

MASTER PLAN OVERALL UNIT SUMMARY

HOUSING TYPE	AC±	EST. DU
SINGLE FAMILY (VLD, LDR, & MDR):	2,129.3	10,824
MULTI-FAMILY (HDR, MU*):	233.7	5,660
TOTAL:	2,363.0 AC.	16,484 DU

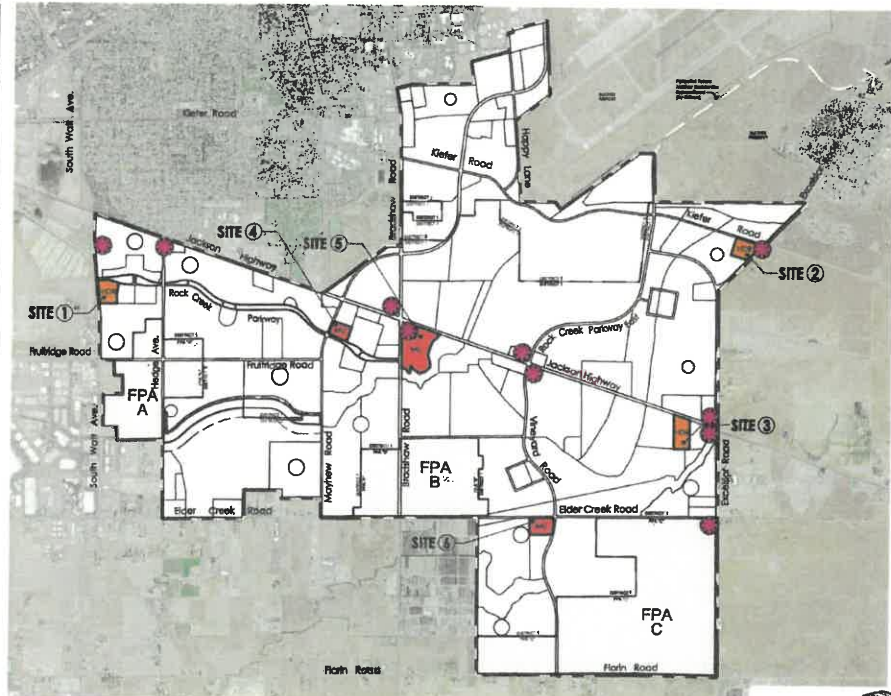
TEICHERT-OWNED OVERALL UNIT SUMMARY

HOUSING TYPE	AC±	EST. DU
SINGLE FAMILY (VLD, LDR, & MDR):	1,271.5	6,516
MULTI-FAMILY (HDR, MU*):	79.9	1,838
TOTAL:	1,351.4 AC.	8,354 DU

TEICHERT-OWNED AFFORDABLE HOUSING UNIT SUMMARY

SITE NO.	AC±	EST. DU
1 - HDR	10.7	321
2 - HDR	10.0	300
3 - HDR	12.6	378
4 - MU*	7.0	126
5 - MU*	29.6	533
6 - MU*	10.0	180
TOTAL	79.9 AC.	1,838 DU

* MIXED USE (MU) UNIT DENSITY IS ASSUMED AT 30 DU/AC. DWELLING UNIT NUMBER IS CALCULATED USING 60% OF MIXED USE ACREAGE.



SOURCE: WEST JACKSON HIGHWAY MASTER PLAN - LAND USE PLAN, DATED JUNE 2023.

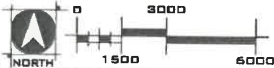
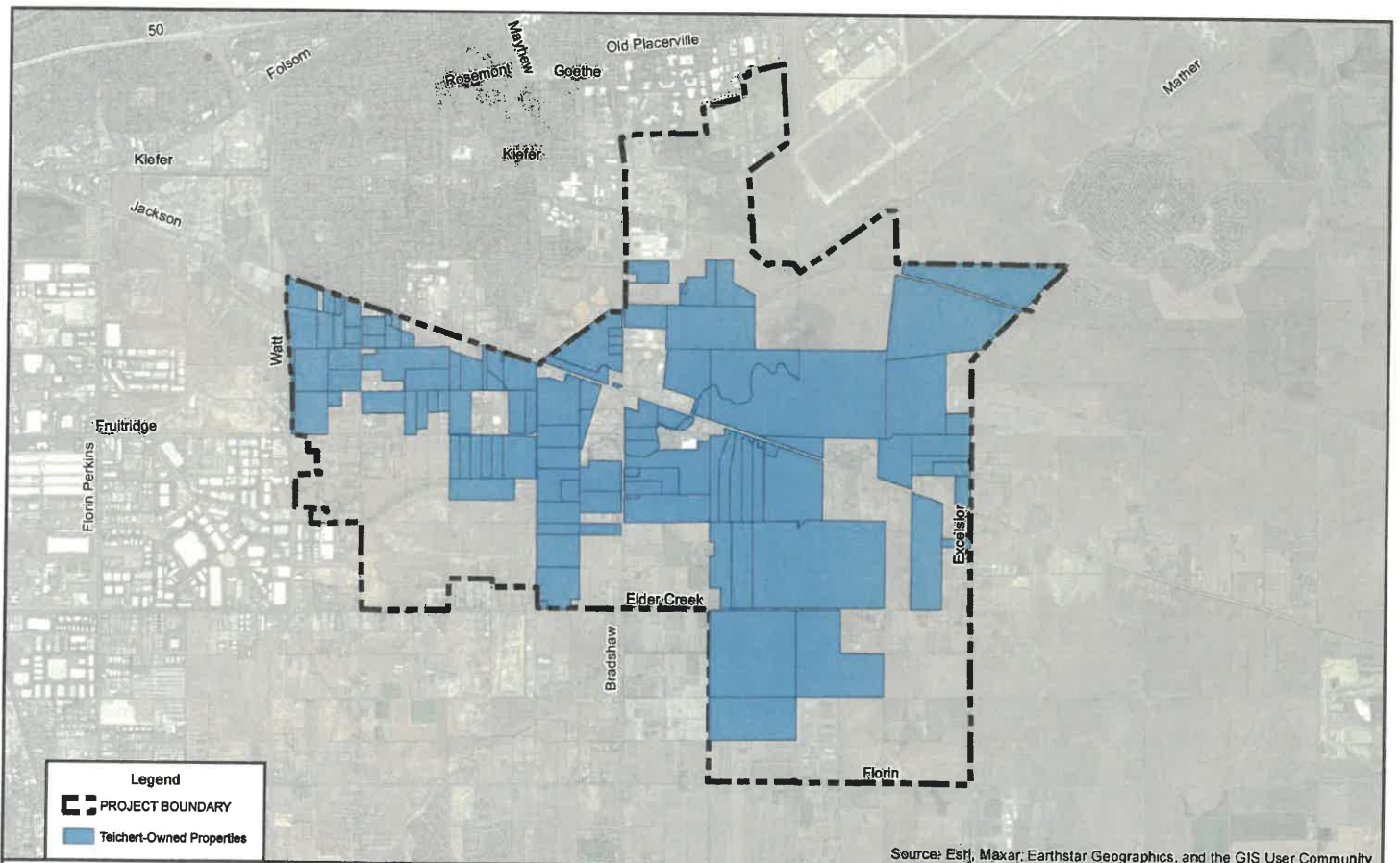


EXHIBIT 2

WOOD RODGERS
 BUILDING RELATIONSHIPS ONE PROJECT AT A TIME
 3301 G St. Ste. 100-B
 Sacramento, CA 95816
 Tel 916.341.7780
 Fax 916.341.7787

SHEET 2 OF 2

TEICHERT-OWNED AFFORDABLE HOUSING SITES - WEST JACKSON HIGHWAY MASTER PLAN



Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

EXHIBIT 3



1 inch = 4,000 feet

TEICHERT-OWNED PROPERTIES SACRAMENTO COUNTY, CA DECEMBER 2024

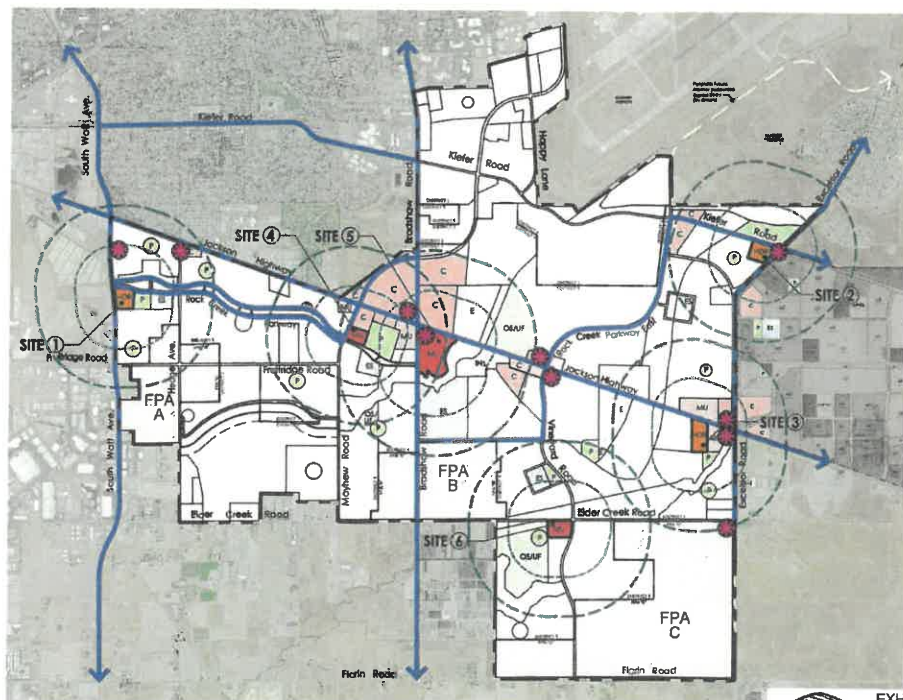


SACRAMENTO COUNTY, CALIFORNIA
MAY 2024

ANTICIPATED TRANSIT STOPS
FUTURE TRANSIT ROUTES

NO.	Amenity Description
1 - HDR	<ul style="list-style-type: none"> Existing or planned grocery store Existing or planned transit stop Existing or planned public park or recreational facility
2 - HDR	<ul style="list-style-type: none"> Existing or planned public elementary, middle, or high school Existing or planned public library Existing or planned transit stop Existing or planned public park or recreational facility Existing or planned public elementary, middle, or high school Existing or planned grocery store Existing or planned public park or recreational facility (J1)
3 - HDR	<ul style="list-style-type: none"> Existing or planned public elementary, middle, or high school (J1) Existing or planned public library Existing or planned transit stop Existing or planned mixed use development Existing or planned public park or recreational facility Existing or planned grocery store (J1) Existing or planned public park or recreational facility (J1)
4 - MU	<ul style="list-style-type: none"> Existing or planned grocery store Existing or planned transit stop Existing or planned mixed use development Existing or planned public park or recreational facility Existing or planned public elementary, middle, or high school
5 - MU	<ul style="list-style-type: none"> Existing or planned grocery store Existing or planned mixed use development Existing or planned public park or recreational facility Existing or planned public elementary, middle, or high school
6 - MU	<ul style="list-style-type: none"> Existing or planned grocery store Existing or planned mixed use development Existing or planned public park or recreational facility Existing or planned public elementary, middle, or high school

ID#	Amenity Description
1-NR	<ul style="list-style-type: none"> • Existing or planned public park or recreational facility • Existing or planned trail/stp • Existing or planned public elementary, middle, or high school
2-NR	<ul style="list-style-type: none"> • Existing or planned public park or recreational facility • Existing or planned trail/stp • Existing or planned grocery store (J) • Existing or planned public park or recreational facility (J)
3-NR	<ul style="list-style-type: none"> • Existing or planned grocery store • Existing or planned mixed use development • Existing or planned public park or recreational facility
4-MU	<ul style="list-style-type: none"> • Existing or planned grocery store (J) • Existing or planned grocery store • Existing or planned mixed use development • Existing or planned public park or recreational facility • Existing or planned public elementary, middle, or high school
5-MU	<ul style="list-style-type: none"> • Existing or planned grocery store • Existing or planned trail/stp • Existing or planned mixed use development • Existing or planned public park or recreational facility
6-MU	<ul style="list-style-type: none"> • Existing or planned public park or recreational facility • Existing or planned public elementary, middle, or high school • Existing or planned public park or recreational facility • Existing or planned mixed use development • Existing or planned public elementary, middle, or high school



SOURCE: WEST JACKSON HIGHWAY MASTER PLAN • LAND USE PLAN, DATED JUNE 2023.

* MIXED USE (MU) UNIT DENSITY IS ASSUMED AT 30 DU/AC.
DWELLING UNIT NUMBER IS CALCULATED USING 60% OF
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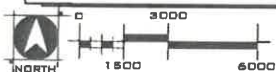


EXHIBIT 4

WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 C St, Bldg. 100-B
Sacramento, CA 95816

Tel 916.341.7760
Fax 916.341.7767

SHEET 1 OF

TECHERT-OWNED AFFORDABLE HOUSING SITES - WEST JACKSON HIGHWAY MASTER PLAN