

[Title 17 LAND USE AND DEVELOPMENT](#)

Chapter 17.22 AFFORDABLE HOUSING

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17.22.010 Purpose.

The provisions of this chapter assist in implementing the Housing Element of the General Plan. These provisions include: offering density bonuses and other incentives to urban residential projects that incorporate housing that is affordable to very low, low and/or moderate income households; and requiring the payment of an in-lieu fee by nonresidential projects that create excessive demands for new housing, and by residential projects that do not incorporate housing for very low, low and/or moderate income households. (Ord. 98-132 § 1 (part), 1998)

17.22.020 Affordable housing requirements.

A. Residential Projects. All residential development projects proposing ten or more housing units shall include housing that is affordable to low, very low and/or moderate income households, in compliance with this section. Housing units provided in compliance with this section that meet the requirements of Section 17.22.030 shall be eligible for density bonuses and incentives in compliance with Section 17.22.030.

1. Number of Units Required. A proposed project shall include the following number of affordable housing units at the stated rental rates or sales prices, or shall provide off-site alternatives in compliance with subsection (A)(2) of this section.

a. Twenty (20) percent of the total number of units shall be rented or sold at prices affordable to households with an income of up to one hundred ten (110) percent of the county median income;

b. Fifteen (15) percent of the total number of units shall be rented or sold at prices

affordable to households with an income of up to ninety (90) percent of the county median income;

c. Ten percent of the total number of units shall be rented or sold at prices affordable to households with an income of up to seventy-five (75) percent of the county median income; or

d. Five percent of the total number of units shall be rented or sold at prices affordable to households with an income of up to fifty (50) percent of the county median income.

2. Off-Site Alternatives to Required On-Site Units. Where the director determines that on-site provision of affordable housing is not feasible, the review authority may approve one or more of the following alternatives (or other alternatives determined by the review authority to be equally effective). Any approved alternatives shall be carried out under a development agreement (Chapter 17.68) between the applicant and city for covering the entire project.

a. New Construction of Affordable Housing. An applicant may construct a number of new affordable units off-site equal to the number that would otherwise have been required on-site.

b. New Construction of Special Needs Housing. An applicant may construct new units off-site that are specifically designed to meet the needs of an identified special needs population. This housing may include emergency shelters, special care homes, employee housing, senior housing and hospices. Each unit created under this alternative shall satisfy the requirement for two affordable units as required by subsection (A)(1) of this section.

c. Conversion of Market Rate Housing. An applicant may convert market rate housing to affordable housing through a “buy down” mechanism, and establishing restrictive covenants or similar protection of the affordability of the converted units.

d. Rehabilitation of Existing Housing Stock. An applicant may rehabilitate structures that currently do not comply with Uniform Building Code and/or Uniform Housing Code standards for habitable structures and have been deemed uninhabitable by the city.

Housing appropriate for rehabilitation need not be price restricted, must be determined by the review authority to be affordable based on its age and/or condition.

e. Preservation of Existing Affordable Housing. An applicant may extend the lifetime of an existing restrictive covenant on affordable units that have been identified by the city as being “at risk” of conversion to market rate housing within a five-year period.

f. Payment of In-Lieu Fee. An applicant may pay an in-lieu fee as set by council resolution. The fee shall be deposited in a designated fund to be used for the preservation and development of affordable housing.

3. Timing of Fee Payment. Where a fee is required, the fee shall be paid prior to issuance of building permits.

B. Commercial Projects. A commercial, office or manufacturing/industrial development that introduces new workers into the community and thereby creates a need for more new housing than is available within a five mile radius of the site, shall either, as determined to be appropriate by the director:

1. Design the development as a mixed-use project, providing housing affordable to employees within the project site; or

2. Pay to the city the housing impact fee established by the council, which will be placed

into a housing trust fund administered as provided by the General Plan and council resolution. (Ord. 98-132 § 1 (part), 1998)

17.22.030 Residential density bonuses and incentives.

As required by Government Code Section 65915, this section offers incentives to developers for providing housing that is affordable to the types of households and qualifying residents identified in subsection (A)(2) of this section. The incentives include the ability to construct twenty-five (25) percent more residential units than normally allowed by the applicable zoning district and General Plan designation, and other incentives provided by this section. In offering these incentives, this section carries out the requirements of Government Code Sections 65302, 65913, and 65915, et seq.

A. Eligibility for Bonus and Incentives. In order to be eligible for a density bonus and other incentives as provided by this section, a proposed residential development project shall:

1. Consist of five or more rental units;
2. Shall be designed and constructed so that at least:
 - a. Twenty (20) percent of the total number of proposed units are for lower income households, as defined in Health and Safety Code Section 50079.5,
 - b. Ten percent of the total number of proposed units are for very low income households, as defined in Health and Safety Code Section 50105, or
 - c. Fifty (50) percent of the total number of proposed units are for qualifying residents (senior citizens) as defined by Civil Code Section 51.3 (senior citizens of any income level); and
3. Shall satisfy all other applicable provisions of this development code.

B. Type of Bonus and Incentives Allowed. A housing development that satisfies all applicable provisions of this section shall be entitled to the following density bonus and other incentives. If a density bonus and/or other incentives cannot be accommodated on a site due to strict compliance with the provisions of this development code, the commission is authorized to waive or modify development standards as necessary to accommodate all bonus units and other incentives to which the development is entitled.

1. Density Bonus. The density bonus allowed by this section shall consist of a twenty-five (25) percent increase in the number of dwelling units normally allowed by the zoning district applicable to the site as of the date of the project land use permit application. No single project shall be granted more than one density bonus in compliance with this section.

2. Other Incentives. A qualifying housing development shall be entitled to at least one of the concessions or incentives identified by Government Code Section 65915(b):

- a. A reduction in the site development standards of this development code, including, but not limited to setback, coverage and/or parking requirements;
- b. Approval of mixed-use zoning in conjunction with the housing project if nonresidential land uses will reduce the cost of the housing project, and the nonresidential land uses are compatible with the housing project and surrounding development; and
- c. Other regulatory incentives or concessions proposed by the developer or the city that will result in identifiable cost reductions.

The commission shall approve one or more of the above incentives, notwithstanding the other provisions of this chapter, unless it makes a written finding that the additional concession or incentive is not required in order for rents for the targeted units to be set in compliance with Government Code Section 65915(c).

C. Continued Availability. The land use permit application for the residential project shall include the procedures proposed by the developer to maintain the continued affordability of all lower income density bonus units as follows:

1. Projects with City Funding. Projects receiving a direct financial contribution or other financial incentives from the city, or a density bonus and at least one other concession or incentive as provided by subsection (B)(2) of this section, shall maintain the availability of all lower income density bonus units for a minimum of thirty (30) years, as required by Government Code Sections 65915(c) and 65916; or
2. Private Projects--Density Bonus Only. Privately financed projects that receive a density bonus as the only incentive from the city shall maintain the availability of lower income density bonus units for a minimum of ten years.

D. Location of Bonus Units. As required by Government Code Section 65915(g), the location of density bonus units within the qualifying housing development may be at the discretion of the developer, and need not be in the same area of the project where the units for the lower income households are located.

E. Processing of Bonus Request. Proposed bonus requests shall be included as part of the land use permit required for the residential project by Section 17.12.020 and shall be reviewed by the director, as follows:

1. Initial Review of Bonus Request. The director shall notify the developer within ninety (90) days of the filing of the project land use permit application of whether the project qualifies for the additional density.
2. Criteria to be Considered. Criteria to be considered in analyzing the requested bonus will include the availability and capacity of infrastructure (water, sewer, road capacity, school capacity, etc.) to accommodate the additional density.
3. Findings for Approval. In addition to the findings required for the approval of development plans by Section 17.62.060, the approval of the bonus by the commission shall also require the following special findings:
 - a. The project will not be a hazard or nuisance to the community at large or establish a use or development inconsistent with the goals and policies of the General Plan;
 - b. The number of dwellings approved by the land use permit can be accommodated by existing and planned infrastructure capacities;
 - c. Adequate evidence exists to indicate that the development of the property in compliance with the permit will result in the provision of affordable housing in a manner consistent with the purpose and intent of this section;
 - d. In the event that the city does not grant at least one financial concession or incentive as defined in Government Code Section 65915 in addition to the density bonus, that additional concessions or incentives are not necessary to ensure affordable housing costs as defined in Health and Safety Code Section 50052.5, or for rents for the targeted units to be set as specified in Government Code Section 65915(c); and
 - e. There are sufficient provisions to guarantee that the units will remain affordable in the future.
4. Appeal. Appeals of commission actions on the granting of density bonuses in

compliance with Chapter 17.74 will be heard by the council. (Ord. 98-132 § 1 (part), 1998)

17.22.040 Location of assisted housing units.

Projects that provide housing units for very low, low and moderate income households should be designed to locate the units as follows:

A. The number of assisted housing units in any project, except for those designed for the elderly or disabled, should not exceed forty (40) percent of the total number of units in the project;

B. Assisted housing should be located within reasonable proximity to public facilities, including convenient shopping, public schools, park and recreation facilities, transportation services, and employment centers; and

C. Assisted units, except those for the elderly, should be distributed throughout the project site, and not grouped together in a single area. (Ord. 98-132 § 1 (part), 1998)