

The programs also prioritize needs for housing and infrastructure such as paving, curbs, gutters, sidewalks, and drainage facilities, and to develop a schedule to coordinate provision of improvements with available resources and the City's Capital Improvement Program (CIP) schedule, and the Community Housing Improvement Program (CHIP).

The Community Development Housing Division will cooperate and assist locally based citizen groups to develop a program to improve conditions and appearance primarily through clean-up/fix-up campaigns and initiate a program to promote community pride for targeted neighborhoods.

2.1.2 Monitoring of Neighborhood Conditions

The Planning and Building department shall continue to monitor neighborhood conditions for adherence to minimum standards of habitability, and appearance that lead to neighborhood deterioration by responding to service requests from concerned citizens.

Goal 3 - Ensure that an Adequate and Diverse Housing Supply is Available to Meet the City's Existing and Future Needs.

3.1 Affordable Housing Program - A continuing program established in 1981.

Five Year Objective: New construction of 590 units for lower-income households, of which 130 will be for sale units as also referenced under Program 4.1, and 470 units for moderate-income households.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

3.1.1 Balanced Communities

The Community Development department shall continue to achieve a balanced residential community through integration of low-income housing throughout the City, and the adequate dispersal of such housing to preclude establishment of specific low-income enclaves. Assure that programs create housing for large families and accommodate the needs of seniors and disabled persons.

3.1.2 Affordable Housing Requirement - Administered by Community Development

A minimum of ten percent of each residential development of 50 or more units must be restricted for occupancy by and affordable to low- and moderate-income households, with at least one half of those units (five percent of project total units) for low-income households.

In order to guarantee provision of these units, the City requires the developer to formulate, review with staff, and have adopted a specific program and agreement for the project delineating how and when the required affordable units will be provided, including but not limited to location of the affordable units, intended subsidies, income/rent restrictions, tenure of affordability, schedule for production of the affordable units, and methods to verify compliance. Formulation of project-level programs and agreements is handled in a tiered fashion, starting at the General Development Plan (GDP) stage, or similar level of review, and progressing in specificity and detail through the planning process. A final agreement is required prior to recordation of the final map or final project approval where land subdivision is not applicable.

This requirement shall further be administered in accordance with the following:

- A) A "residential development" shall be considered as the entire residential development proposal as set forth in the development application, whether or not the subdivision of land is involved, or the units are part of a mixed-use project. In the case of master planned communities, the "residential development" shall be that development encompassed by the Specific Plan, Precise Plan, or General Development Plan/Sectional Planning Area Plan(s).
- B) The location of affordable housing developments for lower-income households shall take into consideration proximity to existing or proposed mass transportation routes, and the availability of community services and facilities such as shopping, medical, child care, recreation areas, and schools.
- C) Developers shall ensure the timely development of affordable housing for lower-income households. Affordable housing opportunities should be provided in the earliest development phase possible taking into consideration the availability of facilities, growth management standards, the general development plan, financing, and merchant builder involvement.
- D) A master planned community should satisfy its lower-income affordable housing obligation through the construction of affordable housing units within the master planned community itself. Should the City determine that the unique conditions of a development provides an unreasonable hardship for the new construction of units within the project, the City, at the sole discretion of the City Council, may consider methods other than actual developer-built in-project unit production as a means to achieving affordable housing opportunity. These alternative methods will be considered only when the City, at its discretion, has determined that such

alternatives support specific Housing Element policies and goals, assists the City in complying with the California Government Code as it relates to the planning for and provision of affordable housing and will not be significantly detrimental to achieving balanced residential communities, and will provide at a minimum the equivalent number of required affordable units and comparable rent and occupancy restrictions. Such determination shall be based on findings that the, new construction of units within the project would present an unreasonable hardship in light of such factors as, but not limited to, project size, site constraints, market competition, difficulty in integrating due to significant price and product disparity, developer capability, and financial subsidies available. Also to be considered are whether the alternative options offer preferred product type, affordability in excess of the requirements of the City's Affordable Housing Program, does not result in an undue concentration of housing for lower income households, location advantages such as proximity to jobs, schools, transportation and services, diminished impact on other existing developments, and capacity of development entity to deliver the project.

Consideration of alternative methods shall be made according to the following order of priority:

- 1) Land Set-Asides: Where unit construction by the developer presents an unreasonable hardship, the City may consider the donation of a building site and if necessary a financial contribution adequate to provide, at a minimum, the required units as satisfying the developer's affordable housing obligation if it is determined that such contribution will be effectual in furthering the goals and policies of the Housing Element, is advantageous to the City in creating and preserving affordable housing to comply with the California Government Code as it relates to the planning for and provision of affordable housing, will not result in an undue concentration of affordable units for lower income households, and will not be significantly detrimental to the achieving a balance of housing opportunities for all economic groups provided within the residential development (required findings). The land and financial contribution, if necessary, must have a value no less than the net cost of providing the affordable units on-site and both sufficient in acreage and allowable density so as to make production of the required units feasible. Where the required affordable units are located within a master plan area, the first priority for the location of the site is within the same Sectional Planning Area, followed by other Sectional Planning Areas of the same General Development Plan.

If the developer can feasibly provide a land set-aside, the City will not approve any other alternative method of compliance with the Affordable Housing Program.

- 2) Off-site Location: Where provision of land within the project has been duly proven to present an unreasonable hardship, the City may consider developer construction, either individually or in partnership, of an affordable housing project at an off-site location if it is determined that such off-site project will meet those same findings listed above under land set-asides. The off-site project shall satisfy, at a minimum, the original requirements placed on the developer and provides a value no less than the net cost of providing the affordable units on-site. Alternatives to providing affordable housing within the project may include, but are not limited to, acquisition and rehabilitation of affordable units, conversion of existing market units to affordable units, construction of second dwelling units, construction of special needs housing projects or programs (shelters, transitional housing, etc.). Where the required affordable units are located within a master plan area, the first priority for the location of alternative affordable housing opportunities is within the same Sectional Planning Area, followed by other Sectional Planning Areas of the same General Development Plan.

If the developer can feasibly build or provide the affordable units at an off-site location, the City will not approve any other alternative method of compliance with the Affordable Housing Program.

- 3) In-Lieu Contributions: Where construction, the provision of land, and off-site projects have been duly proven to present an unreasonable hardship, then the City, at the sole discretion of the City Council, may consider the acceptance of in-lieu contributions to be placed in a trust fund and used to provide assistance to other identified affordable housing production or contributions to a special needs housing project or program. The level of contribution shall be evaluated to ensure its adequacy in relation to achieving assistance opportunities commensurate to the level of the original project requirement.

The City shall formulate and adopt, by March 2000, Implementation Guidelines for the Affordable Housing Program to maximize the production of affordable housing, ensure an adequately balanced community, and facilitate the evaluation of financial assistance. These guidelines will outline overall Program requirements including, but not limited to, location of the affordable units, intended subsidies, income/rent restrictions, tenure of affordability, schedule for production of the affordable units, and methods to verify compliance. The guidelines will also establish allowable development incentives and criteria for their application, and define conditions under which alternative methods of compliance with the Program may be considered.

E) Unit mix by bedroom count shall reflect the appropriate community need and shall be comparable to the unit mix by bedroom count of the market rate units in the residential development, but should provide a minimum of 20 percent of the units with three or more bedrooms to meet the needs of large families.

3.2 Protection of Coastal Housing

Five Year Objective: Case by case

Funding Source: CDBG, HOME, Redevelopment Low/Moderate- Housing Funds, and private sector programs.

Target Years: 1999-2004

3.2.1 Coastal Development Monitoring

The Community Development department shall comply with State Law and local ordinances regarding the monitoring and reporting of affordable housing units and the new construction of replacement affordable housing within the Coastal Zone.

3.2.2 Replacement Housing

Where conversion or demolition of housing units in the Coastal Zone occupied by low- or moderate-income households is proposed, such activity will be undertaken by the Community Development department in accordance with State Law and the City's adopted Coastal Plan.

3.3 Provide Incentives for Low Income Housing Construction

Five Year Objective: Adoption of a density bonus ordinance. Construction of 10 low-income density bonus units. Evaluate waiving or modifying certain development standards. Evaluate on a case by case basis acquisition of property and land write downs.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004