



City of Woodland

Meeting Agenda - Final

Planning Commission

City of Woodland Planning
Commission
c/o Community
Development Department
300 First Street
Woodland, CA 95695

530-661-5820

Thursday, June 16, 2016

6:30 PM

Council Chambers

Please Note: The numerical order of items on this agenda is for convenience of reference; items may be taken out of order. No new items shall begin after 10:30 pm unless unanimous consent exists to continue.

A. Call to Order

B. Roll Call

C. Pledge of Allegiance

D. Staff and Commissioner Comments

This is an opportunity for the Planning Commission members and staff to make comments and announcements to express concerns, or to request Commission's consideration of any items a Commission member would like to have discussed at a future Commission meeting..

E. Subcommittee Reports

F. Communications from the Public

This is an opportunity for the public to speak to the Commission on any item other than those listed for public hearing on the agenda. Speakers are requested to use the microphone in front of the Commission and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Commission may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.

G. Approval of Minutes

[16-529](#)

SUBJECT: Planning Commission Minutes

RECOMMENDATION: Staff recommends that the Planning Commission adopt the minutes of the Planning Commission meetings of April 7, 2016, April 21, 2016 and May 5, 2016.

Attachments: [A - April 7, 2016 Meeting Minutes](#)

[B - April 21, 2016 Meeting Minutes](#)

[C - May 5, 2016 Meeting Minutes.pdf](#)

H. Public Hearing

I. Business Items

Items for Planning Commission discussion and/or action that do not require public hearing.

[16-563](#)

SUBJECT: Workshop on Affordable Housing Issues

Attachments: [CC SR 6.7.16.docx](#)

[B - Affordable Housing Ordinance 6A](#)

[C - Survey of Communitites](#)

J. Staff or Commissioner Comments

Continued as needed.

K. Adjournment

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.



Legislation Details (With Text)

File #: 16-529 **Version:** 1 **Name:**
Type: Minutes **Status:** Agenda Ready
File created: 5/19/2016 **In control:** Planning Commission
On agenda: 6/16/2016 **Final action:**
Title: SUBJECT: Planning Commission Minutes

RECOMMENDATION: Staff recommends that the Planning Commission adopt the minutes of the Planning Commission meetings of April 7, 2016, April 21, 2016 and May 5, 2016.

Sponsors:

Indexes:

Code sections:

Attachments: [A - April 7, 2016 Meeting Minutes](#)
[B - April 21, 2016 Meeting Minutes](#)
[C - May 5, 2016 Meeting Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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Planning Commission Minutes

TO: Members of the Woodland Planning Commission

DATE: June 16, 2016

SUBJECT: Planning Commission Minutes

RECOMMENDATION: Staff recommends that the Planning Commission adopt the minutes of the Planning Commission meetings of April 7, 2016, April 21, 2016 and May 5, 2016.

STAFF CONTACT: Debbie Flemmer, Administrative Clerk, Community Development Department

ATTACHMENTS:

Attachment A - April 7, 2016 Meeting Minutes
Attachment B - April 21, 2016 Meeting Minutes
Attachment C - May 5, 2016 Meeting Minutes



City of Woodland

Meeting Minutes - Draft

Planning Commission

City of Woodland Planning
Commission
c/o Community
Development Department
300 First Street
Woodland, CA 95695
530-661-5820

Thursday, April 7, 2016

6:30 PM

Council Chambers

Please Note: The numerical order of items on this agenda is for convenience of reference; items may be taken out of order. No new items shall begin after 10:30 pm unless unanimous consent exists to continue.

A. Call to Order

Meeting was called to order at 6:30 pm

Staff Present:

*Ken Hiatt, Director
Cindy Norris, Principal Planner
Cindy Gness - VP Raney Planning and Mgmt, Contract Planner
Brent Meyer, City Engineer
Kara Ueda, City Attorney
Erika Bumgardner, Senior Planner
Jeff Ballantine, Associate Planner*

B. Roll Call

*Present 6:
Chairman Kirby Wells, Vice Chairman Chris Holt, Commissioner Steve Harris,
Commissioner Marco Lizarraga, Commissioner John Murphy and Commissioner
Elodia Ortega-Lampkin*

*Absent 1:
Commissioner Fred Lopez*

C. Pledge of Allegiance

D. Staff and Commissioner Comments

E. Subcommittee Reports

F. Communications from the Public

H. Public Hearing

[16-429](#)

Prudler Tentative Subdivision Map Project (PLNG 14-00090): A

request to amend the General Plan and Spring Lake Specific Plan, rezone the project site, and approve a Tentative Subdivision Map (TSM #4856) and Development Agreement to allow the development of 183 detached single-family units in two phases and a 1.46 acre park, on an approximately 38-acre site in the City of Woodland.

The proposal will include recommendation for:

- Certification of the Environmental Impact Report (EIR) and adoption of the Mitigation Monitoring and Reporting Plan (MMRP);
- Adoption of Findings of Fact and Statement of Overriding Considerations;
- Amendment to the General Plan Circulation Element to reduce the segment of East Street, located south of the County Fair Mall to CR 24A, from four lanes to two lanes;
- Amendment to the General Plan Land Use Map to re-designate the site from General Commercial (GC) to Low Density Residential (LDR), 3-8 dwelling units/acre;
- Amendment to the Spring Lake Specific Plan (SLSP) to modify the East Street cross-section design to reduce the median width from 45 feet to 18 feet and to reduce the number of lanes from four to two for the road segment located south of the County Fair Mall to CR 24A;
- Rezone from General Commercial (C-2) to Single Family Planned Development (R-1) and adoption of Planned Development Standards (PD);
- Approval of Tentative Subdivision Map # 4856 to subdivide the 38-acre site into 183 residential lots and a 1.46 acre park site;
- Approval of a Conditional Use Permit for development criteria within the Planned Development Zone; and
- Approval of a Development Agreement.

Location: The subject property is located at the northeast corner of East Street and Sports Park Drive/County Road (CR) 24A.

Applicant/Owner: Yolo Residential Investors, LLC., 2625 Fair Oaks Boulevard #3, Sacramento CA 95864

Environmental Report: Environmental Impact Report (SCH #2014122036)

APN: 041-070-042-0000

Project Planner: Cindy Norris, Principal Planner
Cindy Gnos, Raney Planning & Management, Contract Planner

Report For: Planning Commission Hearing April 7, 2016

Staff Recommendation: Recommend City Council Approval subject to Conditions

Attachments: [1 PC Resolution for the Prudler TM Project](#)
[2 Exhibit A CC CEQA and Exhibit A1 & A2](#)
[2 Exhibit A1 - Findings of Fact and Statement of Overriding Considerations.doc](#)
[2 Exhibit A2 - Mitigation Monitoring and Reporting Plan.pdf](#)
[3 Exhibit B - CC GP Amend Resolution](#)
[3 Exhibit B1 - GP Circulation Element Amend](#)
[3 Exhibit B2 - GP Land Use](#)
[4 - Exhibit C - CC SPA Resolution.docx](#)
[4 Exhibit C1 - SL Plan Amendment Exhibit](#)
[5 Exhibit D CC Ordinance to Rezone & PD Standard Ordinance](#)
[5 Exhibit D1 - Rezone Exhibit](#)
[5 Exhibit D2 Planned Development Map and Standards.pdf](#)
[6 Exhibit E TM and CUP Resolution](#)
[6 Exhibit E 1 - Tentative Subdivision Map # 4856 \(4 sheets\).pdf](#)
[6 Exhibit E 2 - Lot Matrix.pdf](#)
[6 Exhibit E 3 - Landscape Plan and Tree Removal Plan 2006 \(2 sheets\).pdf](#)
[7 Exhibit F - CC DA Ordinance](#)
[7 Exhibit F-1 - Development Agreement.doc](#)
[8 Exhibit G to PC reso \(Exhibit C to DA\) - Conditions of Approval v 3.30.16.docx](#)
[9 Letter from Victor Rodriguez, Gen Mgr County Fair Fashion Mall 2.3.16](#)

A motion was made by Vice Chairman Holt and seconded by Commissioner Lizarraga to recommend to the City Council of the City of Woodland denial of the certification of the Environmental Impact Report and the proposed project request.

The motion was carried by the following vote, 5 -1:

Ayes: Vice Chariman Holt and Commissioners Harris, Lizarraga, Murphy and Ortega-Lampkin

Nos: Chairman Wells

I. Business Items

[16-408](#)

SUBJECT: Public Art Ordinance Framework - Artist Definition/Qualifications
DATE: April 7, 2016

RECOMMENDATION:

Staff recommends that the Planning Commission review and provide input concerning the draft definition and qualification criteria of a

qualified artist in context of a proposed public art ordinance framework.

The Planning Commission stated its general support of the draft definition and qualifications criteria of a qualified artist as presented by staff.

[16-424](#)

SUBJECT: Long Range Calendar

Recommendation for Action: Staff recommends that the Planning Commission receive the Long Range Calendar for informational purposes only.

Attachments: [A - PC Long Range Calendar Prepared 3/31/16](#)

Staff gave a brief presentation and informational report.

J. Staff or Commissioner Comments

K. Adjournment

Meeting was adjourned at 8:45 pm

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.



City of Woodland

Meeting Minutes - Draft

Planning Commission

City of Woodland Planning
Commission
c/o Community
Development Department
300 First Street
Woodland, CA 95695
530-661-5820

Thursday, April 21, 2016

6:30 PM

Council Chambers

A. Call to Order

Meeting was called to order at 6:35 pm

Staff Present:

Ken Hiatt, Director

Cindy Norris, Principal Planner

Erika Bumgardner, Senior Planner

Jeff Ballantine, Associate Planner

Kara Ueda, City Attorney

B. Roll Call

Present 6:

Chairman Kirby Wells, Vice Chairman Chris Holt, Commissioner Marco Lizarraga, Commissioner Fred Lopez and Commissioner John Murphy; Commissioner Elodia Ortega-Lampkin arriving late.

Absent 1:

Commissioner Steve Harris

C. Pledge of Allegiance

D. Staff and Commissioner Comments

E. Subcommittee Reports

F. Communications from the Public

Linda Phillips, a resident of Gary Way commented on residential parking impact created by Woodland Clinic, speeding, and debris and brush left behind their fence.

G. Approval of Minutes

H. Public Hearing

[16-447](#)

Verizon Cell Tower Conditional Use Permit: Request for a Conditional Use Permit to allow the construction and operation of a 90-foot tall telecommunications cellular tower and the installation of related

ground equipment on an approximate 1,450 square foot lease area at 1400 Pioneer Avenue (Pioneer High School). The tower will replace an existing 74-foot tall light standard at the school's football field; the field lighting will be replaced on the cell tower at its current positioning.

Location: 1400 Pioneer Avenue - Pioneer High School

Applicant/Owner: Verizon Wireless/Woodland Unified School District

Environmental Report: Categorical Exemption

APN 042-580-020

Project Planner: Jeff Ballantine, Associate Planner

Staff Recommendation: Approval with Conditions

Attachments: [1- Resolutions and Exhibit A COA](#)
 [1 Exhibit B Site plan & Elevations](#)
 [2 - Justification Statement](#)
 [3 - Radio Frequency](#)
 [4 - Alternative Site Analysis](#)
 [5 - Statement of Support - WJUSD](#)

*A motion was made by Commissioner Lizarraga and seconded by Commissioner Lopez to approve the request for a Conditional Use Permit to allow the construction and operation of a 90-foot tall telecommunications cellular tower and the installation of related ground equipment on an approximately 1,450 square foot lease area at 1400 Pioneer Avenue. The motion was carried by the following vote:
Ayes: Chairman Wells, Vice Chairman Holt and Commissioners Lizarraga, Lopez, Murphy and Ortega-Lampkin.*

[16-430](#)

Digital Freeway Sign Conditional Use Permit, Site Plan and Design Review, 2140 Freeway Drive - The project includes a request by applicant, P.C. Dixon I, LLC and Pacific Horizon Group, LLC, for a Conditional Use Permit, Site Plan and Design Review approval to allow for a 65-foot tall digital freeway sign at the southeast corner of 2140 Freeway Drive adjacent to (north of) Interstate 5, within the Commercial Highway, Entryway Overlay Zone (C-H/ EOZ).

Location: 2140 Freeway Drive, Woodland, CA (APN 027-851-011)

Applicants: P.C. Dixon I, LLC and Pacific Horizon Group, LLC (Ron Caceres)

Environmental Report: Mitigated Negative Declaration

Project Planner: Erika Bumgardner, AICP, Senior Planner

Staff Recommendation: Consider recommending to City Council approval of the proposed digital freeway sign with conditions.

Attachments: [1 - Resolution to Follow](#)
 [2 - Resolution to Follow](#)
 [3 - Project Site Plan and Elevations, Photosimulations](#)
 [4 - Permitted Digital Freeway Sign Locations Map](#)
 [5 - CEQA Mitigated Negative Declaration](#)
 [6 - CEQA Comment Letters](#)
 [7 - Digital Freeway Sign Application](#)
 [8 - Public Comment Letters](#)

A motion was made by Commissioner Lizarraga and seconded by Vice Chairman Holt to recommend to the City Council of the City of Woodland approval of the requested Digital Freeway Sign Conditional Use Permit, Site Plan and Design Review for 2140 Freeway Drive based on the following findings of approval:

- a) The proposed Conditional Use Permit, Site Plan and Design Review application allowing for the installation and operation of a digital freeway sign at the southeast corner of 2140 Freeway Drive conforms to the City of Woodland General Plan and applicable provisions of the Zoning Ordinance, in that the use shall be conditionally permitted in its proposed location along the Interstate 5 freeway corridor between County Road 102 and the City/County boundary to the east, and appropriate conditions have been made part of the approval;*
- b) The site for the intended use is adequate in size, shape, topography, accessibility, and other physical characteristics to accommodate the use and required provisions of the Zoning Ordinance and satisfies all minimum physical standards required under the City's Zoning Ordinance for similar type uses;*
- c) The proposed location of the digital freeway sign is appropriate and beneficial to the City, is the preferred location for a digital sign along the Interstate 5 freeway and will not detract from existing businesses or other signage within immediate proximity to the proposed location or obscure existing directional signage along this stretch of the Interstate 5 corridor;*
- d) The proposed dedication of a minimum of five percent (5%) of advertising time on the digital sign for City use, including a minimum of one "click" on each display face is consistent with the Digital Freeway Sign Ordinance Section 25-24-30(2)(B)(ix), "Development Standards, Community Messaging," and*
- e) The proposed removal of a minimum of 2,688 square feet of existing static billboard signage within the City along Main and East Streets is consistent with the Digital Freeway Sign Ordinance Section 25-24-30(2)(C).*

The motion was carried by the following vote; 5-1:

Ayes: Chairman Wells, Vice Chairman Holt and Commissioners Lizarraga, Murphy and Ortega-Lampkin

Nos: Commissioner Lopez

[16-432](#)

Digital Freeway Sign Conditional Use Permit, Site Plan and Design Review, 530 Quality Circle - The project includes a request by applicant, Scott Vanderbeek, for a Conditional Use Permit, Site Plan and Design Review approval to allow for a 45-foot tall digital freeway sign along the southern property line of 530 Quality Circle, just north of the Interstate 5 freeway corridor and just west of the new Woodland Motors Dealership within the Industrial, Entryway Overlay Zone

(I/EOZ).

Location: 530 Quality Circle, Woodland, CA (APN 027-851-024)

Applicants: Scott Vanderbeek

Environmental Report: Mitigated Negative Declaration

Project Planner: Erika Bumgardner, AICP, Senior Planner

Staff Recommendation: Consider recommending to City Council approval of the proposed digital freeway sign with conditions.

Attachments: [1 - Resolution to Follow](#)
 [2 - Resolution to Follow](#)
 [3 - Project Site Plan and Elevations, Photosimulations](#)
 [4 - Permitted Digital Freeway Sign Locations Map](#)
 [5 - CEQA Mitigated Negative Declaration](#)
 [6 - CEQA Comment Letters](#)
 [7 - Digital Freeway Sign Application](#)
 [8 - Public Comment Letters](#)

A motion was made by Vice Chairman Holt and seconded by Commissioner Lizarraga to recommend to City Council of the City of Woodland denial of requested Digital Freeway Sign Conditional Use Permit, Site Plan and Design Review for 530 Quality Circle based on the following findings of approval:

a) In consideration of the merits of two digital freeway sign applications and with the understanding that only one digital freeway sign is permitted along the Interstate 5 corridor between County Road 102 and the City/County boundary to the east, the Planning Commission recommends that the City Council support the sign that provides the greatest value to the community in terms of location, design, and overall benefit to the City;

b) The proposed digital freeway sign at 530 Quality Circle provides less value to the City in terms of overall benefit to the community because it does not result in the removal of existing static billboard signage within the city limits as spelled out in the Zoning Ordinance;

c) In light of the above, the proposed use is not desirable for the public convenience and would be detrimental to the general public welfare.

The motion was carried by the following vote, 5 -1:

Ayes: Chairman Wells, Vice Chairman Holt and Commissioners Lizarraga, Murphy and Ortega-Lampkin

Nos: Commissioner Lopez

I. Business Items

[16-453](#)

SUBJECT: Design Review for Lennar; The Grove at Spring Lake for the Cal West Subdivision

DATE: April 21, 2016

RECOMMENDATION:

Staff recommends that the Planning Commission:

1. Review and approve the proposed conceptual residential designs for Lennar; The Grove at Spring Lake subject to the conditions of approval.

Attachments: [1 - General Application](#)
[2 - Residential Design Booklet](#)
[3 - Revised Pre-Plot Plan.pdf](#)
[4 - Subdivision Map 5075 & COA](#)

*A motion was made by Commissioner Lizarraga and seconded by Commissioner Lopez to approve the proposed conceptual residential designs for Lennar; The Grove at Spring Lake, subject to the conditions of approval; ## with the addition of COA 25 & 26 ##. The motion was carried by the following vote:
Ayes: Chairman Wells, Vice Chairman Holt and Commissioners Lizarraga, Lopez Murphy and Ortega-Lampkin.*

J. Staff or Commissioner Comments

K. Adjournment

Meeting was adjourned at 8:45 pm

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.



City of Woodland

Meeting Minutes - Draft

Planning Commission

City of Woodland Planning
Commission
c/o Community
Development Department
300 First Street
Woodland, CA 95695
530-661-5820

Thursday, May 5, 2016

6:30 PM

Council Chambers

A. Call to Order

Meeting was called to order at 6:33 pm

Staff Present:

Cindy Norris, Principal Planner

Lynn Johnson, Senior Management Analyst

B. Roll Call

Present 6:

*Chairman Kirby Wells, Vice Chairman Chris Holt, Commissioner Steve Harris,
Commissioner Marco Lizarraga, Commissioner John Murphy and Commissioner
Elodia Ortega-Lampkin*

Absent 1:

Commissioner Fred Lopez

C. Pledge of Allegiance

D. Staff and Commissioner Comments

E. Subcommittee Reports

F. Communications from the Public

G. Approval of Minutes

[16-490](#)

SUBJECT: Planning Commission Minutes

RECOMMENDATION: Staff recommends that the Planning Commission adopt the minutes of the Planning Commission meeting of March 17, 2016.

Attachments: [A - March 17, 2016 Meeting Minutes](#)

A motion was made by Vice Chairman Holt and seconded by Commissioner Lizarraga to approve the Planning Commission meeting minutes of March 7, 2016. The motion was carried by the following vote:

Ayes: Chairman Wells, Vice Chairman Holt and Commissioners Harris, Lizarraga, and Ortega-Lampkin
Absent: Commissioner Murphy

H. Public Hearing

I. Business Items

[16-483](#)

SUBJECT: City of Woodland 2016/17-2019/20 Capital Improvement Program
DATE: May 5, 2016

RECOMMENDATION:

Staff recommends that the Planning Commission:

- Review of the proposed City of Woodland Capital Improvement Program (CIP) for 2016/17 - 2019/20
- Make a finding that the proposed CIP for 2016/17 - 2019/20 is in conformity with the General Plan.

Attachments: [1 - Summary of proposed CIP projects/General Plan Analysis](#)
 [2 - Funding summary of proposed CIP Projects](#)

A motion was made by Vice Chairman Holt and seconded by Commissioner Lizarraga, upon review, the Planning Commission finds the proposed CIP for 2016/17 - 2019/20 to be in conformity with the General Plan. The motion was carried by the following vote:

Ayes: Chairman Wells, Vice Chairman Holt and Commissioners Harris, Lizarraga, Murphy and Ortega-Lampkin

[16-457](#)

SUBJECT: Long Range Calendar

Recommendation for Action: Staff recommends that the Planning Commission receive the Long Range Calendar for informational purposes only.

Attachments: [A - Planning Commission Long Range Calendar prepared April 21, 2016](#)

Staff gave a brief presentation and informational report.

J. Staff or Commissioner Comments

K. Adjournment

Meeting was adjourned at 7:42 pm

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.



Legislation Details (With Text)

File #: 16-563 Version: 1 Name:
Type: Presentation Status: Agenda Ready
File created: 6/10/2016 In control: Planning Commission
On agenda: 6/16/2016 Final action:
Title: SUBJECT: Workshop on Affordable Housing Issues
Sponsors:
Indexes:
Code sections:
Attachments: [CC SR 6.7.16.pdf](#)
[B - Affordable Housing Ordinance 6A](#)
[C - Survey of Communitites](#)

Date	Ver.	Action By	Action	Result
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TO: Members of the Woodland Planning Commission

DATE: June 16, 2016

SUBJECT: Workshop on Affordable Housing Issues

The goal of the City Council workshop on June 7, 2016 was to examine affordable housing needs and to inform direction related to policy goals, application of program options to best achieve affordable housing objectives, and establishment of priorities for use of available affordable housing funds.

Meeting the housing needs of all segments of the community is a growing challenge facing every community in California. This is particularly true as it relates to housing serving low- to very-low income residents in light of the recent dissolution of redevelopment agency authority that provided, among other benefits, a dedicated and restricted funding stream to specifically implement affordable housing projects and programs.

Through the review of recent development projects both in Spring Lake and other parts of the City, it has become apparent that a review and evaluation of the City's affordable housing provisions is warranted. This workshop presented information on key issues and provided potential options for consideration to help City staff and the development community effectively carry out the City's policy goals related to affordable housing.

Staff will provide a presentation, and review with the Planning Commission the key results and next steps regarding the discussion on affordable housing.

ATTACHMENTS:

Attachment A - June 7, 2016 City Council Staff Report

Attachment B - Affordable Housing Ordinance 6A

Attachment C - Survey of Communities

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: June 7, 2016

SUBJECT: Workshop on Affordable Housing Issues

Recommendation for Action: Staff recommends that the City Council hold a workshop on the subject of affordable housing to inform and guide direction on steps needed to best achieve affordable housing policy goals.

Staff Contact

Cindy A. Norris, Principal Planner – (530) 661-5911, cindy.norris@cityofwoodland.org

Report in Brief

The goal of this evening's workshop is to examine affordable housing needs and to inform direction related to policy goals, application of program options to best achieve affordable housing objectives, and establishment of priorities for use of available affordable housing funds.

Meeting the housing needs of all segments of the community is a growing challenge facing every community in California. This is particularly true as it relates to housing serving low- to very-low income residents in light of the recent dissolution of redevelopment agency authority that provided, among other benefits, a dedicated and restricted funding stream to specifically implement affordable housing projects and programs.

Through the review of recent development projects both in Spring Lake and other parts of the City, it has become apparent that a review and evaluation of the City's affordable housing provisions is warranted. This workshop will present information on key issues and provide potential options for consideration to help City staff and the development community effectively carry out the City's policy goals related to affordable housing.

Background

The City's Housing Element has for many years contained policies that encourage the development of housing for all economic segments of the community, including affordable housing. The City approved an inclusionary housing ordinance (Woodland Municipal Code Ch. 6A) (the "Inclusionary Housing Ordinance") in the mid-1990s, which has traditionally been one of the key means of ensuring that affordable housing is built in Woodland. The City also adopted similar requirements for the Spring Lake development through the adoption of the Spring Lake Affordable Housing Plan ("SLAHP"). However, during the review of several recent development projects (Spring Lake Central, Cal West and Prudler) a number of concerns

regarding the effectiveness of the Inclusionary Housing Ordinance and the SLAHP have been raised by staff and the community.

Rather than implementing the Inclusionary Housing Ordinance and the SLAHP directly, the City has been meeting its affordable housing goals through adoption of development agreements, which include negotiated requirements on each individual development. The focus of this discussion will be to present the concerns and suggested options to achieve a more uniform approach that provides appropriate options that will serve a broad cross section of the community need, while providing more clarity to development project applicants subject to the City's affordable housing requirements.

The report will discuss the City's affordable housing programs, focusing on the City's inclusionary housing requirements and use of development agreements to provide alternative means of advancing development of affordable housing, outline the concerns identified with the City's existing programs, and then to provide a summary of possible options to address identified issues.

Affordable Housing Programs

Inclusionary Requirements – The Inclusionary Housing Ordinance and the Spring Lake Affordable Housing Plan

The inclusionary housing requirements contained in the Inclusionary Housing Ordinance and the SLAHP are a primary tool available to the city to require the production of dwelling units that are affordable to families of very low, low and moderate income. In both the Inclusionary Housing Ordinance and the SLAHP a developer of a single family for-sale project of greater than eight units is required to make at least 10 percent of the dwelling units affordable to low-income households. The City calculates the affordable purchase price for each affordable unit based on a City-adopted formula and the developer sells the home to a low income buyer for either the affordable purchase price or the appraised/market price, whichever is less. The ordinance requires that this home be held as income restricted for a minimum of 10 years.

Since the initial application of the inclusionary provisions, a number of concerns have surfaced:

- *The formula for calculating home price as provided in the ordinance is too simplistic and does not address realistic costs*

The formula used to determine the price of a home calculates the affordable purchase price based on the interest rate for a 30-year fixed rate mortgage and a family paying 30 percent of its gross monthly income on a principal mortgage. The formula does not take into consideration the other ongoing housing costs such as property taxes and homeowner's insurance. In a down market, the difference between the market price and a restricted income price can be nonexistent. Additionally, the costs not included in the calculation, which in many instances include added assessments and special taxes, can make the units unaffordable in terms of fixed monthly costs as a percentage of monthly income.

For example, for an affordable unit with three bedrooms, the affordable purchase price is calculated based on an annual income of \$59,300 for a low income household of four persons and assumes a 30-year fixed interest rate mortgage of 3.76 percent (HSH Financial Publishers, 5/20/16, price varies depending on interest rate). While the resulting price of \$336,550.10 would be less than the appraised/market price, but still very difficult for a low income buyer to afford, when other costs of homeownership, including property taxes, special assessments, insurance, maintenance and repair costs are factored in.

- *Limited availability of state and federal funds for first time homebuyer loan assistance* – In most instances buyers of the restricted affordable units will require first time homebuyer assistance to make a down payment both in order to qualify for a loan, and to ensure the buyer's monthly mortgage payment is affordable. During the period of 2006 – 2013, the City used HOME (federal), BEGIN and CalHome (state) grants to provide first time homebuyer loans for buyers of new affordable homes (inclusionary units). To a lesser extent the City also used local Redevelopment fund and CDBG grant funds to assist first time homebuyers.

However; these funding sources are, for the most part, no longer available. HOME first time homebuyer funds are limited and highly competitive. The State 2015 HOME funding competition included only \$1,300,000 in funds for first time homebuyer loan activities for the entire state. Moreover; the City's low poverty rate relative to other communities who compete for grants puts the City at a competitive disadvantage as communities with high poverty rates achieve maximum or nearly maximum scores for the poverty rate criteria. Grant opportunities are no longer available for BEGIN and CalHome as the state funds have been exhausted. Redevelopment agencies were dissolved by the state in February 2012 and a declining or stagnant CDBG funding atmosphere makes it difficult to allocate funds for loans when there are other critical community needs such as the rehabilitation of existing affordable housing units.

Without down payment assistance, most eligible homebuyers cannot afford the affordable units, as the cost is currently calculated. Since those funds are not available, it is difficult to find buyers for the affordable homes.

- *Serves a limited segment of the community, and does not produce a large number of units* Since 2006 the City has assisted approximately 70 families in the purchase of affordable units. Of these purchases, 55 required financing assistance from the City totaling \$3,039,000, with the average loan assistance of approximately \$55,000. During the same period the City provided gap assistance loans for three affordable rental projects (Terracina at Spring Lake, Rochdale Grange, and Mutual at Spring Lake) resulting in approximately 260 units for very low and low income families at a cost of \$50,256 per unit. Of the assisted owner-occupied affordable units, there have been some instances of units being sold to other qualified buyers. In those cases where units were not sold to low income buyers or were foreclosed upon, they drop out of the City's affordable housing

program and cease to be a community affordable housing resource. However, the rental projects assisted with City loans will continue to provide affordable housing for decades.

- *The units may end up being released as market rate units before 10-years*
Once a subdivision is approved, then a developer must have an Inclusionary Housing Agreement (IHA) approved which is a negotiated agreement between the developer and staff. Based on early negotiations with Spring Lake owners, IHA's have included a marketing "time out provision" which in effect provides that a unit which has been marketed as a restricted income unit could be released from those restrictions after 210 days, if a qualified buyer has not been found. Recent examples of affordable units being lost include the Parkview and Huntington Square projects. For Parkview, one affordable unit has been sold to a low income buyer, four units have gone market rate, and two units remain. Construction of the affordable units at Huntington Square occurred during the period of 2011 – 2014 and three units were sold to low income buyers and thirteen units went market rate. Brookstone by Lennar is currently being marketed and has 10 affordable units of which one was purchased by a low income household.

Staff feels that the possibility for loss of the initial unit should be removed from the individual agreements, or alternative requirements, such as paying the city the equity difference for the lost unit, should be imposed if a unit will be lost.

Development Agreements

Resolution No. 3542, adopted on May 15, 1990, established procedures for the consideration of Development Agreements in Woodland. These procedures essentially parallel the requirements of Section 65864 *et.seq.* of the Government Code. Development agreements allow the City to negotiate the vesting of certain development rights for the applicant in exchange for benefits to the City that might not otherwise be required of a developer. The City has negotiated Development Agreements with a number of developers that include requirements to provide units or funding for affordable housing. The City can use these negotiated agreements to require that developers provide support for affordable housing in different ways, outside the scope of the City's Inclusionary Housing Ordinance or the SLAHP, including the payment of "in-lieu" affordable housing fees.

Additional Concerns Identified by the Community

During the review of recent development projects, City staff has received comments from members of the community regarding the implementation of the City's affordable housing requirements. The concerns are outlined below.

- *Not requiring developers to do what the ordinance requires*
At recent meetings, some commenters have asserted that the City is not requiring developers to comply with the Inclusionary Housing Ordinance because the City has instead allowed developers to use alternative means of meeting affordable requirements, including the payment of in-lieu fees. City staff has negotiated alternative approaches with developers in part based on concerns over some of the issues with the City's existing requirements, as outlined above, and in part in an effort to ensure that the City can meet

the needs of more segments of the community. In-lieu fees can be used in a variety of ways to assist in the production of affordable housing, and offers the City more flexibility in meeting its goals. While some have asserted that it is easier for the developers to simply pay a fee rather than produce affordable units, City staff supports fees in appropriate instances, in part because they provide a definite source of assistance for affordable housing, while the City has lost a number of inclusionary units in recent years, as outlined above.

- *Are the fees that are charged high enough?*

This has been the subject of some concern. Staff had felt that the baseline of \$50,000 per affordable unit, as adjusted for density, was a reasonable amount. It does not provide the full cost of that unit, but provides a subsidy amount that may allow a market rate unit to be developed as affordable. Further, the \$50,000 was considered similar to the average subsidy provided by the city for each restricted MF unit since 2006. Further study of fees may be undertaken and /or negotiated utilizing development agreements.

Based on recent projects that have been approved, and discussed, approximately \$2,780,000 could be generated as follows:

- Cal West – The applicant has the option of either providing the affordable units and waiting to see if qualified buyers can be found, or paying a total of **\$570,000**. This amount is based on the calculation that the project has a requirement of 19 affordable units at a fee amount of \$30,000 per unit. The overall cost is then typically spread over all the units and charged at a per unit amount.
- Spring Lake Central - The fee shall be in the amount of Fifty Thousand Dollars (\$50,000) per required affordable R-4 unit, Forty Thousand Dollars (\$40,000) per required affordable R-5 unit, and Thirty Thousand Dollars (\$30,000) per required affordable R-8 unit. This Project requires Thirteen (13) R-4 low-income single-family units, Ten (10) R-5 low-income single-family units, and Eighteen (18) R-8 low-income single-family units to be built. In lieu of constructing the affordable housing units, OWNER agrees to pay Four Thousand Two Hundred Forty Dollars (\$4,240) *per unit, payable at building permit issuance for each single family unit*, for a total of One Million Five Hundred Ninety Thousand Dollars (**\$1,590,000**).
- Prudler - The project as proposed requires eight (8) R-5 affordable units (8 x \$40,000 per unit) and ten (10) R-8 affordable units (10 x \$30,000 per unit), for a total in lieu fee of **\$620,000, or \$3,388 per unit**.

Looking forward to possible future development projects over the next couple of years the following is possible:

- Oyang – A possible future development project which potentially could result in up to 36 affordable single family units with an estimated fee amount of **\$1,800,000**. (Resulting in a possible total in-lieu fee amount of \$4,580,000). In addition, a

possible 4.5 acre land dedication site to meet the multi-family requirement is being discussed with the developer.

In-lieu fees could be used to leverage tax credits and other external funding to complete the second phase of the Mutual Housing project as well as well construct a new affordable rental project on the land dedication site.

- *Concern over use of funds that may be accumulated and how they may be used*
The fees would be deposited into a Housing Trust Fund. Use of those fees may be evaluated further by the City Council and perhaps a priority list of needs and criteria may be determined by the Council or a subcommittee. There are multiple activities for which housing fund may be utilized including but not limited to first time homebuyer, multi-family rent restricted projects, existing homeowner rehabilitation, acquisition and rehabilitation of rental multi-family units, and special needs housing programs. Assessing community need will be an important component of determining priorities.

To address the issues over the last year staff has been negotiating on a case by case basis through the Development Agreement process. It is felt on all sides that it would be best to have a set policy that can be followed and that it should be broad enough to allow choices to suit different situations.

Recommended Policy Options:

It is through the strategic and combined use of local regulatory options that the city will be able to provide continued assistance to meet affordable housing needs to address a broad cross section within the community. The inclusionary housing ordinance is a key local tool that the City has available and it is essential to make sure that it works as well and provides a broad range of choices to meet community needs.

City staff believes that the current approach set forth in the Inclusionary Housing Ordinance is too rigid, and that there are a number of issues that hinder its effective implementation. Staff believes that the ordinance should be revised to address some of the issues outlined above, including the calculation of the affordable housing price. Additionally, staff believes that both the City and the development community would benefit if the ordinance provided more flexibility in providing for affordable housing. Many communities provide for a “menu” of options that developers can use to meet affordable housing requirements, including production of units, payment of fees, land dedication, and other approaches. This provides developers with flexibility, and provides the City with additional resources to produce affordable housing, including not just units, but also funds and land that can be dedicated for construction of affordable housing. The menu of options could include:

- Applicants provide the required on-site restricted housing
- Applicants provide payment to the city for units that may “time out”
- Accept in-lieu fees that are established by the City

- Accept Land Dedication site
- Allow development on another qualified site

Staff believes these options will help the City to develop more units and serve a broader cross-section of the community, especially in light of the limited funds that are currently available for affordable housing.

Policy Direction

After receiving a general overview from Staff and comments on the current and potential policy directions, staff requests the City Council provide feedback regarding policy direction(s) they would like considered:

- Request for additional information or specific items on a program concept or policy that the Council would like to discuss further
- Consideration of development of funding priorities and further program development

Conclusion

Staff recommends that the City Council hold a workshop to receive information concerning affordable housing for the City of Woodland and to provide direction regarding possible policy and program options, including;

1. Direct staff review the City's affordable housing ordinance and prepare amendments that would offer greater flexibility to respond to community needs and market conditions,
2. Direct staff to prepare a plan to be considered with the affordable housing ordinance amendments that prioritizes the use of affordable housing funding; and
3. Confirm the City's preference, until formal amendments can be made to the ordinance, for projects to pay an in-lieu fee for required affordable for-sale units instead of constructing the units.

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ATTACHMENTS:

Attachment A – Affordable Housing Ordinance 6A

Attachment B – Survey of Communities

CHAPTER 6A. - AFFORDABLE HOUSING.* **

Sections:

Article I. - Findings and Purpose.

Sec. 6A-1-10. - Findings.

The city council finds and determines that:

- (a) It is a goal of the city to achieve a balanced community with housing available for households with a range of income levels.
- (b) Increasingly, persons of very low, low and moderate income who work and/or live within the city are unable to locate housing at prices they can afford and are increasingly excluded from living within the city.
- (c) The high cost of newly constructed housing does not, to any appreciable extent, provide housing affordable to very low, low and moderate income families, and continued new development which does not include an affordable housing component or contribute toward lower cost housing will further aggravate the current housing problems by reducing the supply of developable land.
- (d) The housing shortage for persons of very low, low and moderate income is detrimental to the public health, safety and welfare of the residents of the city.
- (e) It is a public purpose of the city, and a public policy of the state as mandated by the requirements for a housing element within the city's general plan to make available an adequate supply of housing for persons of all economic segments of the community;
- (f) State and federal funds to assist in the construction of new affordable housing are limited, and the city has limited resources with which to leverage these state and federal funds.
- (g) In order to meet the city's share of regional housing needs for very low, low and moderate income families, the city's housing element requires that a portion of the dwelling units contained in new residential developments be affordable to very low, low and moderate income families.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-1-20. - Purpose.

The purpose of this chapter is to enhance the public welfare and assure that new residential developments contribute to the attainment of the city's housing goals by increasing the production of dwelling units affordable by families of very low, low and moderate income.

(Ord. No. 1393, § 3 (part).)

Article II. - Definitions.

Sec. 6A-2-10. - Definitions.

As used in this chapter:

"Affordable" means a unit provided at an affordable rent or affordable housing cost.

"Affordable housing cost" for a purchaser means the monthly amount that is affordable to a low or moderate income household. The method for calculating affordable housing costs is included in Section 6A-5-30 of this chapter.

"Affordable housing ordinance" means Chapter 6A, Affordable Housing, of the city of Woodland's city code.

"Affordable purchase price" means the maximum sale price a qualified purchaser may be required to pay for the affordable unit, as determined in accordance with the provisions of this chapter.

"Affordable rent" means the monthly rent that is affordable to a low or very low income household. Affordable rent shall be calculated using fifty percent of Yolo County area median income for very low income households and eighty percent for low income households, adjusted for household size. The method for calculating affordable rent is included in Section 6A-4-40 of this chapter.

"Area median income" has the definition set forth in Section 50093 of the California Health and Safety Code, as that section may be amended from time to time.

"City" means the city of Woodland.

"City manager" means the Woodland city manager or his or her designee.

"Community development director" means the director of the Woodland community development department or his or her designee.

"Density bonus" means an entitlement to build a number of dwelling units in excess of that number which would otherwise be permitted under the general plan and zoning code.

"Developer" means the owner of any real property upon which a residential project is to be constructed and/or the applicant for development of any such project.

"Dwelling unit" or "unit" means one room or a suite of two or more rooms designed for, intended for or used by one household as their principal residence, which family lives, sleeps and cooks therein, and which unit has at least one kitchen or kitchenette.

"For-sale units" means those dwelling units developed as part of a residential or mixed-use project which the developer intends will be offered for individual sale or which could be offered for individual sale, including but not limited to detached homes, duplex units, condominiums and cooperatives.

"General plan" means the general plan of the city, as it may be amended from time to time.

"Inclusionary housing agreement," "regulatory agreement" or "agreement" means the agreement between the developer or owner of a residential project and the city that contains specific plans for implementing the affordable housing requirements of this chapter for the specific project.

"Inclusionary unit" means a dwelling unit developed pursuant to an inclusionary housing agreement to satisfy the requirements of this chapter, including for-sale units available at an affordable housing cost, and multifamily rental units available at an affordable rent.

"In-lieu fees" means a fee paid to the city's affordable housing fund to facilitate the construction of housing units for very low and low income households. The method for calculating in-lieu fees is included in Section 6A-5-20 of this chapter.

"Low and very low income" means those income levels determined periodically by the U.S. Department of Housing and Urban Development based on the Yolo County area median income levels adjusted for family size. A low income household shall be a household earning over fifty and less than or equal to eighty percent of the area median income, adjusted for family size. A very low income household shall be a household earning less than or equal to fifty percent of the Yolo County area median income adjusted for family size.

"Market-rate unit" means a unit not restricted to an affordable housing cost or affordable rent.

"Moderate income" means the income level determined periodically by the U.S. Department of Housing and Urban Development based on the Yolo County area median income levels adjusted for family size. A moderate income household shall be a household earning over eighty and less than or equal to one hundred twenty percent of the Yolo County area median income adjusted for family size.

"Multifamily rental units" means those dwelling units developed as part of a residential project which the developer intends will be offered for rent or which are customarily offered for rent.

"Notice of intent to sell" means the notice provided by owners of for-sale units to the city of their intent to offer their unit for sale. The covenants recorded against the property on which the unit is located shall provide that the owner shall provide a notice of intent to sell in the manner prescribed in this chapter.

"One location" means all adjacent land owned or controlled by the same owner, the property lines of which are contiguous at any point, or the property lines of which are separated only by a public or private street, road or other public or private right-of-way.

"Owner" includes a person, persons, firm, partnership, association, joint venture, corporation, or any public or private entity or entities or the owner's agent or assignee.

"Qualified purchaser" means a person or household approved for ownership of an affordable dwelling unit by the community development director in accordance with the provisions of this chapter.

"Residential lot" means any parcel of land created with the intention that it will be used for the development of a dwelling unit.

"Residential project" or "project" means any project involving the construction of two or more dwelling units at one location and requiring the issuance of a building permit, including in the aggregate all dwelling units or residential lots for which discretionary approvals have been applied for from or granted by the city.

"Special needs housing" means housing for certain disadvantaged groups, including but not limited to, seniors, disabled and homeless persons or families.

"Zoning code" means the zoning code of the city, as it may be amended from time to time.

(Ord. No. 1393, § 3 (part).)

Article III. - General Provisions.

Sec. 6A-3-10. - Application of affordable housing ordinance.

The requirements contained in this chapter shall apply to all new residential projects located within all existing or new areas of the city, except as noted in this section.

- (a) Southeast Area Specific Plan. For residential projects located on parcels designated for residential use by the southeast area specific plan ("SEASP"), in the event of a conflict between the provisions of this chapter and the SEASP, the applicable provisions of the SEASP shall control. However, residential projects located on parcels within the SEASP that are rezoned for residential use shall be subject to all requirements and provisions of this chapter.
- (b) Spring Lake Specific Plan. The affordable housing ordinance shall regulate development of affordable housing in the Spring Lake specific plan ("SLSP") except to the extent that a specific provision or regulation in the SLSP conflicts with the affordable housing ordinance. In this event, the SLSP shall control. Where the SLSP is silent or ambiguous, the provisions of this chapter shall apply directly for the purpose of interpretation, as appropriate.

- (c) Publicly Subsidized Projects. For residential projects that receive local, state or federal subsidy with requirements and regulations differing from this chapter, the stricter provisions pertaining to affordability shall prevail.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-3-20. - General inclusionary housing requirements.

The affordable housing ordinance specifies requirements based on unit type as follows:

(a) For-Sale Units.

- (1) Ten percent of new for-sale units shall be affordable to low income households.
- (2) This requirement shall apply to all for-sale projects of at least eight units in size. Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.
- (3) The city council may determine the need to implement an additional requirement for ten percent of new for-sale units to be affordable to moderate income households, based on prevailing conditions in the housing market. Such a finding would require an amendment to this chapter as well as an amendment to the Spring Lake specific plan and Spring Lake affordable housing plan.

(b) Multifamily Rental Units.

- (1) Ten percent of all multifamily rental units shall be affordable to low income households and twenty percent shall be affordable to very low income households; or
- (2) Twenty-five percent of the units shall be affordable to very low income households.

These requirements shall apply to all multifamily rental projects of at least ten units. Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

- (3) For infill multifamily rental projects of less than forty units located within the redevelopment project area the city council may determine, that based on substantial evidence provided by the developer, standard application of the inclusionary requirement will make the project infeasible to develop. For projects in which such a determination is made, the following shall apply:
 - (A) The project shall receive at least two of the bonus incentives provided in Section 25-21-25 of the Zoning Ordinance (Bonus Incentive Projects) if the granting of such incentives will allow the developer to meet the standard level of affordability for very low and low income households required by this section.
 - (B) If, even with bonus incentives, the project is determined to be infeasible under the standard affordability requirements, the project shall be required to include a minimum of at least the percentages of units affordable to very low, low and moderate income households required by California Redevelopment Law, as it may be amended from time to time.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-3-30. - Inclusionary housing agreements.

- (a) The inclusionary housing agreement or regulatory agreement, is the means by which the city ensures that a residential project complies with the applicable affordable housing requirements. An

applicant shall enter into a written inclusionary housing agreement with the city that specifically sets out the manner in which affordable housing obligations will be met under the terms of this chapter.

- (b) The inclusionary housing agreement shall be executed by the applicant and the city. The applicant's proposed tentative map will be subject to the conditions of the inclusionary housing agreement. The inclusionary housing agreement shall be completed and signed prior to approval of the applicant's final map. The agreement shall contain all the applicable information identified in the agreement checklist provided in this section.
- (c) This agreement must include an acknowledgment that the applicant received a copy of the affordable housing ordinance. Moreover, the agreement must obligate the applicant to provide a copy of this agreement to anyone to whom the subject residential lots or units are transferred or sold.
- (d) The inclusionary housing agreement shall provide assurances satisfactory to the city attorney, community development director, housing specialist and city manager of the applicant's obligation and capacity to meet the affordable housing obligations under this chapter. The inclusionary housing agreement shall also include all applicable and necessary information and obligations including, but not limited to, those items listed in the agreement checklist below. A memorandum of the inclusionary housing agreement shall be recorded with the Yolo County recorder's office.

(1) Agreement Check List.

(A) The inclusionary housing agreement shall contain the following information:

- (i) Location, zoning designation and ownership of the residential project;
- (ii) The number of affordable dwelling units that the applicant is responsible to provide at each income level;
- (iii) The exact location of the affordable dwelling units (i.e., identify specific lots for affordable for-sale units and site or parcel for multifamily rental projects);
- (iv) The dwelling unit mix and square footage of the affordable dwelling units as compared to dwelling unit mix and square footage of the market-rate units;
- (v) Term of affordability for the affordable dwelling units;
- (vi) Scheduling and phasing of construction of affordable dwelling units;
- (vii) Identification of applicant-funded subsidy or financial assistance, if any, for affordable for-sale units;
- (viii) Affirmative marketing plan that ensures outreach to income-eligible households regarding the availability of affordable dwelling units. Such affirmative marketing shall at least include advertising in the local newspaper and sending notices to local government and nonprofit agencies that serve very low and low income persons and families. The city shall maintain an updated list of these agencies;
- (ix) Specify if any or all of the affordable dwelling units will be special needs housing for seniors, disabled, homeless persons or other special needs population and, if so, the unique features or services that are appropriate for that special needs population. The city will participate in securing funding for those projects that provide special needs housing units. The city's special needs housing demand will be addressed as guided by the housing element, and based on any new information regarding increased need or demand for special needs housing as it becomes available from the census or other sources;
- (x) Detailed description of for-sale affordable units, if different than market-rate units, including floor plan and list of amenities and features of the unit.

(B) In addition, the inclusionary housing agreement shall include the following terms:

- (i) Assurances, to the extent feasible, that the affordable dwelling units will be constructed concurrently with, or prior to, market-rate units in the residential project. In

phased developments, inclusionary units may be constructed and occupied in proportion to the number of units in each phase of the residential project. If, as approved by the city, the affordable housing obligation is proposed to be satisfied by land dedication or by a separate third party development agreement (such as an affordable housing developer) and it is not feasible to develop the affordable units prior to or concurrently with the market-rate units, the agreement must identify the specific residential lots on which the affordable units will be developed. Developers of for-sale residential projects who construct the required affordable units concurrent with their market-rate development shall receive an automatic one hundred percent waiver of all building plan check fees (not impact fees) for the affordable units (this excludes re-inspection fees);

- (ii) Affordable rental dwelling units shall be dispersed throughout the residential project and shall be indistinguishable from market-rate units within any project, including identical quality and amenities as the market-rate units;
 - (iii) Inclusionary housing agreements for rental residential projects shall include the requirement that the project will be subject to the city's affordable housing monitoring program to ensure ongoing compliance with the affordable housing obligations set forth in this chapter and the inclusionary housing agreement, including payment of an annual monitoring fee (the amount of the fee is to be determined by the city based on estimated cost to monitor the affordable housing units, and shall be stated in the city's "Affordable Housing Monitoring Program Policies and Guidelines"). The inclusionary housing agreement for a rental residential project shall also include the provisions required by Section 6A-4-60 of this chapter;
 - (iv) Mechanisms for reservation, protection and disclosure of affordable lots for projects. Description of language in disclosure documents for use by real estate agents, and visible and prominent signage at residential projects advertising the availability of affordable dwelling units.
- (C) If the applicant is proposing to meet the affordable housing obligation by land dedication, then the inclusionary housing agreement shall contain the following additional information:
- (i) Location and description of dedicated site and the residential lot(s) contained therein;
 - (ii) Description of physical suitability, economic feasibility, general plan designation and zoning, infrastructure, frontage improvements and utility connections available at the dedicated site sufficient to allow for the development of the affordable dwelling units;
 - (iii) Number of dwelling units that may be developed on the residential lots sufficient to meet the affordable housing obligation;
 - (iv) Number of dwelling units at each income level (i.e., very low, low or moderate income) to meet or exceed land dedication affordability requirements.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-3-40. - Outreach and marketing requirements.

- (a) Preferences. The city may choose to establish preference categories for the inclusionary units. Possible preferences could include the following:
- (1) Persons who have been displaced by a project in Woodland;
 - (2) Persons who work for the city or for the Woodland joint unified school district;
 - (3) Persons who live or work within the city; and
 - (4) All other income-eligible persons.

(b) Outreach and Marketing.

- (1) Affordable Housing Marketing Plan. Prior to marketing the inclusionary units, the developer shall submit an affordable housing marketing plan to the city for approval. The affordable housing marketing plan shall outline the developer's plan to identify qualified purchasers (in the case of for-sale projects) or renters (for rental projects) for affordable units throughout the marketing period of a residential project. Substantial evidence shall be submitted to the city that establishes, to the city's reasonable satisfaction that the developer complied with the submitted affordable housing marketing plan and affirmatively marketed the units throughout the relevant marketing period. The affordable housing marketing plan shall include, but not be limited to, the following:
 - (A) Advertise the availability of the affordable units by placing in newspapers of general circulation in Yolo County and the greater surrounding region no less than eight advertisements, of which no less than three shall be in the Daily Democrat and at least two shall be in a publication with a regional scope. At least one advertisement shall be in a language other than English, such as Spanish. The advertisements in the Daily Democrat shall be at least sixteen square inches. In the event these publications are defunct or space is not available, the community development director shall designate comparable alternative advertising. Advertising shall be required for each release of affordable housing units;
 - (B) No later than the date of issuance of a building permit for the units, provide written notice to a list of housing organizations and other agencies serving low and very low-income persons and families available from the city informing these organizations of the availability of the affordable units, and requesting that these organizations assist in publicizing the availability of the affordable units to their members and clients;
 - (C) Place a sign on the site of the residential project advertising the availability of the affordable units and providing contact information throughout the marketing period. This information can be integrated into the primary project sign or included on a separate stand-alone sign with comparable visibility. To the extent possible without obstructing necessary construction activity, the sign described shall be oriented, formatted and situated in such a manner that it is visible to the maximum number of pedestrians and drivers on the nearest public street;
 - (D) Advertise in such other mediums, such as the internet, as is reasonably necessary to affirmatively market the affordable units.
- (2) Because of the high demand for affordable for-sale units, a lottery system shall be used by the city or the developer to select potential buyers.
 - (A) Such a lottery or alternative selection process shall be conducted in a fair, unbiased, and non-discriminatory manner, if possible by a third party agreed upon by both the city and the developer. Employees of developers and their families shall not be given preferential treatment in the marketing of the affordable units or in the selection of qualified purchasers.
 - (B) To enter into the lottery, the developer must ensure that the affordable units will be completed within one hundred eighty days from the contract date. Extensions may be granted by the community development director for delays beyond the control of the developer such as weather.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Article IV. - Requirements for Rental Projects.

Sec. 6A-4-10. - Standards applicable to rental projects.

(a) Percentage of Affordable Units.

- (1) Pursuant to this chapter, Section 6A-3-20, any developer of a multifamily rental project of at least ten units shall make at least twenty percent of the units on-site affordable to and occupied by very low income households and ten percent of the units affordable to and occupied by low income households. In the alternative, the developer may make twenty-five percent of the units affordable to and occupied by very low income households.
- (2) As previously outlined, for infill multifamily rental projects of less than forty units located within the redevelopment project area the city council may determine, that based on substantial evidence provided by the developer, standard application of the inclusionary requirement will make the project infeasible to develop. For projects in which such a determination is made, the following shall apply:
 - (A) The project shall receive at least two of the bonus incentives provided in Section 25-21-25 of the Zoning Ordinance (Bonus Incentive Projects) if the granting of such incentives will allow the developer to meet the standard level of affordability for very low and low income households required by this section.
 - (B) If, even with bonus incentives, the project is determined to be infeasible under the standard affordability requirements, the project shall be required to include a minimum of at least the percentages of units affordable to very low, low and moderate income households required by California Redevelopment Law, as it may be amended from time to time.

(b) Term of Affordability. The affordable rental units constructed on-site shall be permanently affordable.

(c) Requirements for Construction.

- (1) The affordable units in any one multifamily rental residential project shall be identical to the market-rate units in quality, amenities, size, and number of bedrooms. The affordable units shall also be visibly indistinguishable from the market-rate units and not be segregated from the market-rate units. Clustering of affordable units is allowed only if required to facilitate the construction of the project. A developer may meet the residential project's affordability obligation by either designating specific individual units as affordable units or using a system of "floating units" where the affordable units may change. However, in either option, the residential project must always contain the required number of inclusionary units. The developer shall indicate the preferred option to the city as part of the implementation of the city's affordable housing monitoring program guidelines.
- (2) If a multifamily rental project has a variety of dwelling unit types with different sizes and number of bedrooms, the developer shall designate affordable units in substantially the same proportion as the market-rate units. For example, if a project has one hundred rental units in the following sizes: fifty two-bedroom, forty one-bedroom, and ten three-bedroom and twenty-five of the total number of units are affordable to very low income households (i.e., twenty-five percent), then fifty percent of the affordable units should be two-bedroom, forty percent one-bedroom and ten percent three-bedroom.
- (3) The mix of the affordable dwelling units may be disproportionate to the market-rate units if the housing needs assessment in the city's current housing element supports such a mix (e.g., if there is a greater identified need for three-bedroom affordable dwelling units than two-bedroom units, then there may be a disproportionately greater share of affordable three-bedroom units in the residential project). Nevertheless, the gross number of bedrooms in affordable units may not be proportionately less than the gross number of bedrooms in market-rate units in the residential project and the floor area of the bedrooms in affordable units may not be smaller than those in the market-rate units as demonstrated in the following example:

A multifamily rental residential project has forty one-bedroom, fifty two-bedroom, and ten three-bedroom dwelling units, which equals one hundred seventy total bedrooms in the project.

If applying the twenty-five percent very low income obligation, then forty-three (.25 x 170) of the total number of bedrooms in the project must be affordable to and occupied by very low income households. In addition, the total square footage of these forty-three affordable units must not be less than twenty-five percent of the total square footage of all the bedrooms in the project combined.

(d) Criteria for Size and Design of Special Needs Units.

- (1) For multifamily rental projects that include units that meet categories of special needs housing, the criteria for size and design of these units will be addressed by the city on a project-by-project basis as guided by the housing element, and based on any new information regarding increased need or demand for special needs housing as it becomes available from the census or other sources. The city will participate in securing funding for those projects that provide special needs housing units in a greater amount of special needs units than required by state or federal law.
- (2) Builders of multifamily rental projects shall comply with applicable state or federal laws regarding accessible design features for persons with disabilities.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-4-20. - Incentives available to rental projects.

Density Bonus. As a matter of right for qualified projects, a developer shall be entitled to a density bonus of up to twenty-five percent as permitted under California Government Code Section 65915 for on-site construction of affordable units. See City Code Section 25-21-25 (Bonus Incentive Projects) for more information on bonus incentives.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-4-30. - Land dedication for rental projects.

(a) Land Dedication Option.

- (1) A developer may be allowed to make an irrevocable offer of dedication to the city or its designee of sufficient land to satisfy the affordability requirement under this section, if either:
 - (A) The developer demonstrates to the city council that it is not feasible to develop the affordable dwelling units on-site as part of the rental residential project; or
 - (B) In the judgment of the community development director, the developer's proposed land dedication would accomplish the objectives of this chapter.
- (2) Dedicated sites for rental residential projects shall be a minimum of two acres unless the city agrees to a smaller site based on a special housing need. The dedicated site shall be economically feasible to develop, of sufficient size to build the required number of affordable units and physically suitable for development of the required affordable units prior to the dedication of the land. The dedicated site shall also have appropriate general plan designation and zoning to accommodate the required units, be fully improved with infrastructure, frontage improvements (i.e., curb, gutter, walk), paved street access, utility (i.e., water, gas, sewer and electric) service connections stubbed to the property lines, and other such off-site improvements as may be necessary for development of the required affordable units or as required by the city.
- (3) The city may approve, conditionally approve, or reject such offer of land dedication of any specific property. If the city rejects such an offer of land dedication, the developer shall be required to meet the affordable housing obligations by other means set forth in this chapter.

- (b) **Density Credit.** In determining the amount of land to dedicate to satisfy a developer's affordable housing obligation, the developer shall receive credit for the base density of the dedicated site (e.g., twenty units per acre if the dedicated parcel is zoned R-20).
- (c) **Development of Dedicated Land.** Within one year from the date of conveyance of the dedicated land to the city, the city shall determine, at its discretion, whether the dedicated land will be:
 - (1) Developed by the city to produce the required affordable dwelling units; or
 - (2) Conveyed to an affordable housing developer approved by the city to produce the required affordable dwelling units. The city council shall determine which affordable housing developer shall be conveyed the land required to produce the affordable dwelling units.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-4-40. - Procedure for determining affordable rent.

- (a) The method for calculating the affordable rent for an inclusionary unit is shown in this section. This method shall apply to both low and very low income inclusionary units. The community development department shall review these assumptions and procedures annually and make revisions as necessary.
- (b) The community development department will calculate the initial affordable rents for a residential project at the time that the units will be marketed and made available for rent. The developer is to provide information on the utilities that will be included in the rent and the utilities for which the tenants will be responsible (including the specific type of service).
- (c) The following procedure will be used for determining affordable rent:
 - (1) **Calculate Income Available for Housing.**
 - (A) **Determine the Family Size Appropriate to the Unit.** For purposes of this calculation, "family size appropriate to the unit" means adjusted for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, five persons in the case of a four-bedroom unit and six persons in the case of a five-bedroom unit.
 - (B) **Determine the household annual income maximum to use for the affordable rent calculation based on the appropriate household size using the current area median income figures for Yolo County as published by HUD.** For a very low income unit, the figure for fifty percent of area median income shall be used. For a low income unit, the figure of eighty percent of area median income shall be used.
 - (C) **Calculate the amount of monthly income available for housing costs by dividing the maximum household annual income by twelve and then multiplying the maximum household monthly income figure by thirty percent.** The resulting figure shall be the household monthly income available for housing costs.
 - (2) **Estimate Annual Housing Costs.** The household allowance for utilities will be estimated based on the utility costs as shown on the current "Allowance for Tenant-Furnished Utilities and Other Services" table prepared by the Yolo County housing authority, using the applicable unit size and unit type (townhouse, garden apartment or high rise). The costs used will be based on the specifications of the particular unit and the utilities provided by the property owner, for example gas or electric for heating, gas or electric for cooking, etc. Utility tables are updated by the Yolo County housing authority every year, and shall be provided by the community development department to developers of rental residential projects in accordance with the city's affordable housing monitoring program. The maximum rental rates of affordable units shall be adjusted as necessary based on changes to these utility tables. With the approval of the community development director, a property owner may provide a utility survey, verified by the city, in place of the Yolo County housing authority's utility tables.

- (3) Determine Affordable Rent. Affordable rent for an inclusionary unit is determined by subtracting applicable utility costs from the household monthly income available for housing costs. Current affordable rent levels are reviewed and, if necessary, updated by the community development department at least every year, and shall be provided to developers of rental residential projects in accordance with the city's affordable housing monitoring program requirements. The maximum rental rates of affordable units shall be adjusted as necessary based on changes to household utility allowances or Yolo County area median income levels.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-4-50. - Tenant eligibility requirements for affordable rental units.

- (a) Minimum Household Size. The minimum size of any household occupying an affordable rental unit shall be no less than one person per bedroom.
- (b) Maximum Income Limitation. Households renting affordable units shall have incomes that do not exceed fifty percent (very low income household) or eighty percent (low income household) of the current area median income for Yolo County as adjusted for household size.
- (c) Primary Residence. Eligible households must certify that the unit will be used as a primary residence. Subletting of affordable units is not allowed.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-4-60. - Monitoring and compliance requirements for rental projects.

- (a) Each owner of multifamily rental residential projects shall enter into an inclusionary housing agreement (regulatory agreement) with the city for each residential project that contains units with affordability restrictions. As a provision of this chapter as well as the regulatory agreement, the community development department will be responsible for tracking and monitoring all of the city's inclusionary housing units. This includes maintaining a database of all units as well as files with the required regulatory agreements recorded against each property.
- (b) Details on the city's affordable housing monitoring regulations and guidelines are outlined in the "affordable housing monitoring program policies and procedures" document, which is available from the community development department. Owners of multifamily rental residential projects that are subject to the requirements of this chapter are required to pay an annual monitoring fee (the amount of the fee is to be determined by the city based on estimated cost to monitor the affordable housing units).
- (c) For residential projects that receive a state or federal housing subsidy and are, thus, subject to applicable regulatory agreements and requirements pertaining to each subsidy, these regulatory agreements shall supercede the monitoring requirements outlined in this section.
 - (1) Multifamily Rental Residential Project Monitoring Requirements. The monitoring requirements of each regulatory agreement between the owner and the city shall include all the rental restrictions listed in this chapter and in addition shall require the following:
 - (A) Owner shall affirmatively market the rental units by sending advertisements describing the affordable units to local newspapers and to the list of local nonprofit and government housing organizations and agencies that serve very low and low income persons and families;
 - (B) Owner shall comply with all fair housing laws and not discriminate based on race, ancestry, gender, religion, color, age, national origin, marital status, familial status, sexual orientation, source of income and disability;

- (C) Owner shall not discriminate based on any government rental subsidy, including but not limited to HUD Section 8 assistance. Tenants may utilize Section 8 vouchers to assist in renting inclusionary units; however, the rent levels collected for inclusionary units occupied by tenants using Section 8 vouchers shall remain at the affordable level determined pursuant to Section 6A-4-40 of Chapter 6A of this code;
- (D) Agree to Rent Affordable Units to Qualified Income-Eligible Households for a Lease Term not to Exceed One Year. At the end of each lease term, the lease may be renewed for up to one year once the owner or manager has re-certified that the household income of the affordable unit remains eligible to the restricted income level of the unit. No household shall be required to terminate its tenancy from such affordable unit absent a showing of good cause. If a very low income household increases its income so that it no longer qualifies as a very low income household during its tenancy, it shall be permitted to remain in the affordable unit as long as its income does not exceed the low income limitation (i.e., eighty percent of AMI). At vacancy, such unit shall be rented to an eligible very low income household and the affordable rent level for a very low income household, unless the affordable unit requirement has been met by renting other vacant units at the appropriate affordable rent level.
- (d) Rental projects shall be monitored every year to review tenant incomes and rents. The community development department shall mail letters and forms to all property owners requesting information related to the affordable units, the rents charged, and the current tenants. The project owner is responsible for providing income certification forms (in a format either provided by or approved in advance by the city) to the applicable tenants and returning the completed forms to the city as required by the city's affordable housing monitoring program policies and procedures.
- (e) The community development department reviews the information submitted for each residential project to make sure that the project is in compliance with its regulatory agreement. Staff will notify the project owner of any discrepancies and establish the best practice for bringing the residential project into compliance with the applicable requirements of its regulatory agreement in the timeliest manner possible. For example, the project owner may be required to rent out available vacant units within the residential project as affordable units, or rent out other units as they become available as affordable units, in order to meet the affordable units requirement for the residential project.

(Ord. No. 1393, § 3 (part).)

Article V. - Requirements for For-Sale Projects.

Sec. 6A-5-10. - Standards applicable to for-sale projects.

- (a) Percentage of Affordable Units. Any developer of a for-sale residential project of at least eight units shall make at least ten percent of the dwelling units affordable to and occupied by low income households. Per Section 6A-3-20 of this chapter, the city council may determine the need to implement an additional requirement for ten percent of new for-sale units to be affordable to moderate income households, based on prevailing conditions in the housing market. As previously stated, such a finding would require an amendment to this chapter as well as an amendment to the Spring Lake specific plan and Spring Lake affordable housing plan.
- (b) Term of Affordability. For-sale units shall be affordable for the longest feasible time but not less than ten years. This affordability requirement of at least ten years for affordable for-sale units will be reset at each transfer of title upon re-sale to a qualified low income buyer, as outlined in Section 6A-5-50 of this chapter.
- (c) Requirements for Construction.

(1) Number of Bedrooms.

- (A) It is the goal that the affordable units "blend in" with the market rate units, which can be achieved through providing a variety of elevations and unit mixes within the residential project. Affordable for sale units may be smaller in square footage than the market rate units in a residential project that trigger the affordable housing obligation to a minimum unit living area of eight hundred fifty square feet. However, a mix of bedroom numbers and greater square footage among for sale homes shall be implemented whenever feasible in order to accommodate larger low-income households.

Except as provided for elsewhere in this section, there shall be an average of three bedrooms provided per affordable unit, and the developer can provide more but not less than the average target, unless it can be clearly demonstrated that a different average is required in order for the units to be sold in the affordable marketplace.

- (B) A developer of a for-sale residential project may request an exemption from the requirements of this subsection if, based upon substantial evidence and financial information, such a mixture would be infeasible to the satisfaction of the community development director.

- (2) Affordable units shall not be clustered but be dispersed throughout the residential project and be comparable in infrastructure (including sewer, water, and other utilities) and construction quality to the market-rate units. A cluster is considered to be four or more units adjacent to each other. Duplexes shall not be allowed as the only affordable units, unless all units in the development are duplexes. The developer shall submit, along with a map review fee, proposed locations for affordable units with the tentative map for approval by the city. If the developer desires to alter the approved locations of the affordable units, the requested alterations shall be submitted, along with a map review fee, with the final map. The map review fee shall be set by resolution of the city council, as amended from time to time.
- (3) Affordable units must be visibly indistinguishable from the exterior in comparison with surrounding market-rate units. Affordable for-sale units may have different interior finishes and features than market-rate units so long as the interior features are durable, of good quality, and consistent with contemporary standards for new housing.

(d) Criteria for Size and Design of Units to Meet Special Needs Housing.

- (1) For residential projects that include units that meet categories of special needs housing, the criteria for size and design of these units will be addressed by the city on a project-by-project basis as guided by the housing element, and based on any new information regarding increased need or demand for special needs housing as it becomes available from the census or other sources. The city will participate in securing funding for those projects that provide special needs housing units in a greater amount of special needs units than required by state or federal law.
- (2) Builders of for-sale projects shall comply with applicable state and federal laws regarding accessible design features for persons with disabilities. Homebuyers of affordable units shall be offered "universal design" or "visitability" features to be incorporated into the construction of the unit by the builder. Such modifications shall be paid for by the homebuyer, independent of and in addition to the amount calculated as the affordable purchase price of the unit. Information on "universal design" and "visitability" building features is available from the community development department upon request.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-5-20. - Possible alternatives to on-site construction of affordable for-sale units.

(a) Possible Sale or Dedication of Land to Affordable Housing Developers.

- (1) In a possible alternative to on-site construction of affordable units, the developer may propose to either sell or dedicate sufficient residential lots to a nonprofit developer to satisfy its affordable for-sale housing obligation if, to the city's satisfaction, it will enable the affordable housing developer to build the for-sale units and sell them at an affordable housing cost to low-income purchasers. Such an alternative proposal shall only be accepted if the community development director determines that the proposal furthers the purpose of this chapter.
 - (2) At the time of sale or dedication to the affordable housing developer, the residential lots shall be economically feasible to develop, of sufficient size to build the required number of affordable units, and physically suitable for development of the required affordable units. The residential lots shall also have appropriate general plan designation and zoning to accommodate the required number of dwelling units, be fully improved with infrastructure, frontage improvements (i.e., curb, gutter, walk), paved street access, utility (i.e., water, gas, sewer, and electric) service connections stubbed to the property lines, and other such off-site improvements as may be necessary for development of the required affordable units or as required by the city. To exercise this option, the developer shall have a maximum of ninety days from the date that the residential lots are finished with the above improvements to either sell or dedicate the lots to an affordable housing developer.
- (b) Land Dedication Option.
- (1) If a developer provides substantial evidence to prove that it is not feasible to develop the required affordable units on-site at a residential project, that developer may make an irrevocable offer of sufficient land within the city to satisfy the affordability requirements of this chapter. The dedicated site shall be economically feasible to develop, of sufficient size to build the required number of affordable units, and physically suitable for development of the required affordable units prior to dedication of the land.
 - (2) The dedicated site shall also have appropriate general plan designation and zoning to accommodate the required number of units, be fully improved with infrastructure, frontage improvements (i.e., curb, gutter, walk), paved street access, utility (i.e., water, gas, sewer, and electric) service connections stubbed to the property lines, and other such off-site improvements as may be necessary for development of the required affordable units or by the city. The city may approve, conditionally approve, or reject such offer of dedication of any specific property. If the city rejects such offer of land dedication, the developer or its designee shall be required to meet the affordable housing obligations by other means set forth in this chapter.
- (c) Development of Dedicated Land.
- (1) The dedication of land for affordable for-sale lots must result in the development of affordable for-sale units and not multifamily rental units.
 - (2) Within one year from the date of conveyance of the dedicated land to the city, the city shall determine, at its discretion, whether the dedicated land will be:
 - (A) Developed by the city to produce the required affordable units; or
 - (B) Conveyed to an affordable housing developer or other third party who shall enter into an agreement with the city to produce such affordable units.
- (d) In-Lieu Fees.
- (1) For for-sale residential projects of less than fifty units where the city council determines that it is not feasible or suitable for the for-sale residential project to have on-site affordable units, the city and developer may agree to a contribution of in-lieu fees to satisfy the developer's affordable housing obligation. Only the city may initiate this in-lieu fee option and only where it is demonstrated based on substantial evidence that there is no feasible alternative.
 - (2) At the time of tentative map approval, if applicable, the city will provide the developer with an estimate of the in-lieu fees for the residential project. This in-lieu fee calculation at the time of tentative map is only an estimate and is subject to revision and verification at the time of

construction, as the estimated sales price of units in the residential project at the tentative map stage may change by the time the project is actually built.

- (3) The in-lieu fee for each affordable unit for which the developer is responsible under this provision shall be sufficient to make up the gap between: (i) the affordable purchase price for a low-income household, and (ii) the market value as determined by an appraisal (i.e., the "affordability gap"), plus a fee for administration of the city's inclusionary housing program. The appraisal shall be completed no earlier than six months prior to the calculation of the in-lieu fee. The administration fee shall be assessed per unit of the residential project, and shall be based on an appropriate percentage of the "affordability gap" for affordable units. The in-lieu fee for a residential project shall be determined using the following methodology:
 - (A) The market value as determined by an appraisal - (minus) the affordable purchase price of a low-income household for the residential project. This amount determines the "affordability gap."
 - (B) Calculate the inclusionary unit amount for the residential project at ten percent of the total (fractions of a whole unit shall be rounded up).
 - (C) Multiply the "affordability gap" by the number of inclusionary units required for the residential project.
- (4) The product of this calculation plus the administration fee per unit equals the in-lieu fee to be charged for the residential project.
- (5) An example of an in-lieu fee calculation for a twenty-unit for-sale single-family residential project is as follows:

Market value as determined by an appraisal	=	\$250,000
Affordable purchase price for low-income household	=	\$150,000
Affordability Gap	=	\$100,000
Inclusionary unit requirement	=	2 units (10% of 20 units)
\$100,000 Affordability Gap × (times) 2 units	=	\$200,000
\$200,000 + administrative fee	=	in-lieu fee for the residential project

- (6) If the city determines that the developer may contribute in-lieu fees, the developer must pay such fees as a lump sum prior to the issuance of the first building permit for the residential project. No building permit or certificate of occupancy shall be issued by the city until the developer provides written proof of the payment of all in-lieu fees.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-5-30. - Procedure for sale of affordable units.

- (a) Initial Estimate of Affordable Purchase Prices. Prior to entering into an inclusionary housing agreement, at the request of the developer of a for-sale residential project, the community development department will assist developers in estimating the calculations of maximum affordable purchase prices based on the assumptions provided in this section. These estimations shall only be for the purpose of projecting the feasibility of the project and shall not be binding, as prevailing conditions in the housing market and fluctuations in interest rates may affect the final calculation of affordable purchase prices. The timing and procedure for final calculation of affordable purchase prices shall occur pursuant to the provisions of this section.
- (b) Method for Sale of Affordable Units. The method for the sale of affordable units is shown in this subsection. The community development department shall review these assumptions and procedures annually and make revisions as necessary:
 - (1) Units Appraised at Fair Market Value. At the time that the unit will be marketed and made available for sale, the fair market value of the unit will be determined. This determination will be made by a qualified appraiser who will be selected by the community development director and paid for by the developer.
 - (2) Calculation of Affordable Maximum First Mortgage. The sale of affordable units will be implemented by a "silent second" mortgage program by the city. After the fair market value of the unit has been determined, the city will calculate the affordable maximum first mortgage amount for a qualified low income purchaser of the unit. The following procedure will be used for determining the affordable maximum first mortgage amount:
 - (A) Determine the family size appropriate to the unit. For purposes of this calculation, "adjusted for family size appropriate to the unit" means adjusted for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, five persons in the case of a four-bedroom unit and six persons in the case of a five-bedroom unit.
 - (B) Determine the household income available for the affordable maximum first mortgage calculation for a low income household based on the appropriate household size using the current HUD area median income figures for Yolo County. The calculation of available household income should be based on eighty percent of area median income for the appropriate household size.
 - (C) Calculate the amount of income available for housing costs by multiplying the income figure by thirty percent. For the purpose of determining the affordable purchase price, the cost of utilities, property taxes, insurance, primary mortgage insurance, maintenance and repair costs, and like expenses are not required to be included in the calculation. Homeowners' association dues may be included in the calculation of affordable purchase price if the community development department determines that such costs would place a substantial burden on the low income homeowners' ability to purchase a home and make monthly mortgage payments.
 - (3) Limitation of Down Payment Requirement. For purposes of this calculation, required down payments for low income purchasers shall be limited to no more than five percent of the purchase price. The developer or seller may not require a buyer to make a larger down payment but a buyer may elect to make a larger down payment in order to reduce the amount of the first mortgage. This limit to the down payment requirement is intended to provide greater flexibility for low income homebuyers who might find it difficult to provide a higher down payment amount.
 - (4) Calculation of "Silent Second" and Regulatory Agreement Equity Share. The "silent second" shall be in the amount of one thousand dollars. A note and deed of trust, or other appropriate document, securing the silent second will be recorded and assigned to the city at the time of sale of each affordable unit. The promissory note and deed of trust, or other designated document, will remain a lien against the property, subordinate to the first mortgage. This note will have a thirty-year due date which can be extended by the community development director. The regulatory agreement recorded against the property shall include an equity share baseline

in the amount of the difference between ninety-five percent of the purchase price (or purchase price minus down payment amount) and the amount of the affordable maximum first mortgage. The equity share shall be triggered and calculated at the sale of the affordable unit to a non-qualified purchaser or at a non-affordable price.

- (c) Payoff of the Silent Second and Regulatory Agreement Equity Share. The silent second may not be prepaid during its first ten years, as long as the low-income purchaser occupies the unit as their primary residence during this period. The amount due to the city under the equity share provision of the regulatory agreement at the eventual payoff of the silent second or the sale of the affordable unit to a non-qualified purchaser or at a non-affordable price shall be the amount which bears the equal ratio to the fair market value at the time the silent second is paid off as the initial value that the equity share baseline had in relation to the original fair market sales price. For example, if the original sales price was two hundred thousand dollars and the original equity share baseline was fifty thousand dollars, the ratio would be twenty-five percent. If the fair market value at the time of payoff were four hundred thousand dollars, the amount due the city would be one hundred thousand dollars, or twenty-five percent of four hundred thousand dollars. In another case, if the property rose in value to two hundred fifty thousand dollars, the twenty-five percent ratio would dictate the payoff amount to the city to be sixty-two thousand five hundred dollars.
- (d) Affordable Housing Fund. Funds received by the city through payoffs of equity share provisions of regulatory agreements will be deposited into the city's affordable housing fund. These funds may be used at the discretion of the community development director to make additional affordable housing loans to income-qualified purchasers to facilitate the purchase of homes, to subsidize affordable multifamily projects, or for any other use to promote the development of affordable housing within the city of Woodland. Up to ten percent of each year's income from the affordable housing fund may be used for administration and ongoing monitoring of loans made from the fund.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-5-40. - Homebuyer eligibility requirements for affordable units.

- (a) Maximum Income Limitation. Low-income households purchasing affordable units shall have incomes that do not exceed eighty percent of the current area median income for Yolo County as adjusted for household size. In the event that the developer or owner is unable to locate a qualified low-income household purchaser within ninety days, the city shall market for sixty days to households with incomes up to one hundred percent of the area median income for Yolo County as adjusted for household size. If no qualified purchaser has been identified, the city shall then market for sixty days to households with incomes up to one hundred twenty percent of the area median income for Yolo County as adjusted for household size.
- (b) Primary Residence Certification. Purchasers must certify that the home will be used as a primary residence.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-5-50. - Resale requirements for affordable units.

- (a) Conditions of Owner-Occupancy Hardship.
 - (1) For so long as the qualified purchaser (owner) owns the unit, the unit will be occupied solely by the owner and the owner's immediate family as the owner's principal place of residency. Notwithstanding the foregoing, however, the community development director may authorize the owner to rent-out the affordable unit, for a cumulative period not to exceed one year, if the owner establishes to the community development director's reasonable satisfaction that the owner-occupancy requirement would cause hardship to the owner because of:
 - (A) Divorce or separation of the owner(s);

- (B) The extended absence from the affordable unit by the owner because of the serious illness or disability of the owner or a member of the owner's household or immediate family;
 - (C) Absolute necessity for immediate relocation of the owner from the greater Sacramento area for purposes for the owners' employment; or
 - (D) The owner's loss of employment.
- (2) The purpose of the foregoing limited exceptions to the owner-occupancy requirement is to allow the owner to recover from a temporary inability to occupy the affordable unit or to provide for the orderly disposition of the unit in cases of hardship, and is not intended to permit long-term rental of the unit. For these reasons, the term "hardship" shall be narrowly construed and a condition of hardship shall be considered to exist for the minimum possible time.
- (b) Procedure for Resale of the Affordable Dwelling Unit. In order to maintain the affordability of the for-sale affordable units the city shall impose the following resale conditions. No for-sale affordable units shall be offered for resale or resold other than in the manner provided herein until the owner or purchaser has owned the house for ten years or longer:
 - (1) Prior to advertising the availability of the for-sale affordable unit or otherwise offering the unit for sale, the owner shall provide the city with a notice of owner's intent to sell the unit. The notice shall indicate the location of the unit and the number of bedrooms contained in the unit. The notice shall provide the city a period of thirty calendar days after receipt of such notice (resale marketing period) to either:
 - (A) Provide the owner with an active and current list of interested and qualified purchasers; or
 - (B) Determine that no interested and qualified purchaser is available.
 - (2) Following the receipt of such notice, the city shall either complete or require the owner to have completed an appraisal report to determine the fair market value of the unit. This appraised value will be used by the city to determine the seller's equity share provision obligation, equaling the amount which bears the same ratio to the fair market value at the time the note is paid off as the initial value that the equity share baseline had in relation to the original fair market sales price. The city will also use the appraisal of the affordable unit to determine the amount of subsidy in the form of the assumed and possibly increased equity share provision that will be required by the subsequent qualified purchaser of the affordable unit.
 - (3) Upon receipt of the notice of owner's intent to sell, the city shall also provide the owner with a disclosure form that must be completed by a prospective qualified purchaser and returned to the city. The primary purposes of the disclosure form shall be to:
 - (A) Provide the city with information that the city will need to confirm that the prospective purchaser of the unit is a qualified purchaser; and
 - (B) Ensure that the prospective purchaser of the unit is aware of the owner-occupancy and resale restrictions applicable to the affordable unit.
 - (4) Within three days after executing any contract or agreement for sale of the affordable unit, the owner shall deliver to the city a copy of the contract or agreement, together with the completed and fully executed disclosure form and evidence supporting the prospective purchaser's gross income as shown on the disclosure form. The proposed sale shall be deemed approved unless the city, within ten days after receipt of such information, provides notice to the owner either that:
 - (A) The proposed sale does not comply with the provisions of this chapter; or
 - (B) Additional information is required.

If the proposed sale is disapproved or if the city determines that additional information is required, the notification shall be accompanied by a statement of the reason(s) for that decision.
- (c) Resale to a Qualified Purchaser.

- (1) Each qualified purchaser shall be required to purchase the affordable unit with cash, a mortgage secured by a first deed of trust on the affordable unit, or a combination of the two.
- (2) At close of escrow the owner shall assign, and the qualified purchaser shall assume, the note, or other applicable document securing the city's silent second subsidy on the property. The ten-year occupancy requirement and restrictions on re-sale applied to the original qualified purchaser of the affordable unit shall be reset to the date the note or applicable document is assumed by the subsequent qualified purchaser. The subsequent qualified purchaser shall enter into a regulatory agreement with the city which shall be recorded against the property.
- (3) The city may provide an additional subsidy (if available) to increase the amount of the equity share provision of the regulatory agreement in order to allow the qualified purchaser to purchase the unit (i.e., increase the percentage of the purchase price which is represented by the equity share baseline).
- (4) The city shall subordinate its lien to any commercial lender providing a loan to enable the qualified purchaser to purchase the affordable unit, providing the amount of such loan does not exceed the purchase price for the affordable unit plus the qualified purchaser's actual share of closing costs and other related expenses.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-5-60. - Limited exceptions to resale requirements.

(a) Inability to Identify a Qualified Purchaser.

- (1) In the event the owner or the city is unable to identify a qualified purchaser who is able to purchase the unit within the resale marketing period in compliance with the sales timelines of this chapter and the regulatory agreement, the city shall have the right to purchase the unit at the affordable purchase price. If the city decides not to purchase the unit, the owner may, with the prior written consent of the city, sell the unit to a non-qualified purchaser without regard to the purchaser's income. The owner's request to the city to sell to a non-qualified purchaser shall be accompanied by evidence establishing that the owner has actively and in good faith attempted to identify a qualified purchaser for the unit throughout the resale marketing period using affirmative marketing measures. "Affirmative marketing" means that the owner shall have continuously listed the property on the multiple listing service and shall have acted in good faith in responding to inquiries and offers from qualified purchasers.
- (2) In the event of an approved resale to a non-qualified purchaser due to the seller's and the city's inability to identify a qualified purchaser within the ten-year occupancy requirement, the seller shall be required to pay off the equity share provision of the regulatory agreement to the city at the close of escrow. The amount due to the city shall be the amount which bears the equal ratio to the fair market value at the time the equity share provision is paid off as the initial value that the equity share baseline had in relation to the original fair market sales price.

(b) Resale Necessitated by Hardship.

- (1) The owner may sell the unit to a non-qualified purchaser during the ten-year affordability period and pay off the equity share provision of the regulatory agreement to the city in full if the community development director reasonably determines that the sale of the unit to a non-qualified purchaser is necessary due to circumstances of hardship, or "excluded transfers," which may include:
 - (A) Financial hardship causing risk of default of the owner's first mortgage;
 - (B) A transfer resulting from the death of the owner;
 - (C) A transfer to the owner and his or her spouse as joint tenants;

- (D) A transfer resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incident to such decree.
 - (2) No excluded transfer shall be effective unless the city has received a written request to approve the excluded transfer not less than thirty days prior to the proposed date of transfer. Any such request shall be accompanied by documentation supporting the basis for the excluded transfer.
 - (3) In the event of an approved resale to a non-qualified purchaser necessitated by the seller's circumstance of hardship within the ten-year occupancy requirement, the seller shall be required to pay off the equity share provision of the regulatory agreement to the city at the close of escrow. As previously stated, the amount due to the city shall be the amount which bears the equal ratio to the fair market value at the time the equity share provision is paid off as the initial value that the equity share baseline had in relation to the original fair market sales price.
 - (4) The city may record a default notice on any affordable unit. In the event of default, the city, in its discretion, may purchase the unit. In the event the city purchases an affordable unit pursuant to this subsection or subsection (a)(1), the city shall take reasonable steps necessary to maintain the affordability of the unit and identify a qualified purchaser. The city shall not maintain ownership and rent the affordable unit.
- (c) Resale after Close of Ten-Year Occupancy Requirement.
- (1) The resale restrictions for affordable units shall be removed after a qualified purchaser has occupied the unit as their primary residence for at least ten years. However, the silent second note will remain with the property secured by the deed of trust or other applicable document until either: (A) the unit is sold; or (B) the silent second becomes amortized and payable after thirty years per the provisions of this chapter, unless extended by the community development director.
 - (2) In the event that the affordable unit is resold at fair market value, the equity share provision of the regulatory agreement is due in full at the close of escrow. Again, the amount due to the city shall be the amount which bears the equal ratio to the fair market value at the time the equity share provision is paid off as the initial value that the equity share baseline had in relation to the original fair market sales price.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-5-70. - Monitoring and compliance requirements for for-sale units.

Single-Family Residential Project Monitoring Requirements. Affordable for-sale units will be monitored to make sure that the owners are complying with the occupancy requirement and are not subleasing the property. Certified or return-receipt mailings will be sent to the owners of affordable for-sale units at least once every two years with a form requesting the required certifications. In addition, the mailing should restate the restrictions regarding sale or refinancing of the property.

(Ord. No. 1393, § 3 (part).)

Article VI. - Administration.

Sec. 6A-6-10. - Administration of inclusionary housing program.

The community development department shall be responsible for the implementation of this chapter. Guidelines implementing this chapter shall be maintained by the community development department. Revisions to the guidelines necessary to comply with local, state and federal law may be approved by the

community development director. Any other substantive revisions to the administration of the plan shall be made with the approval of the city council affordable housing subcommittee.

(Ord. No. 1393, § 3 (part); Ord. No. 1487, § 3 (part).)

Sec. 6A-6-20. - Administrative review of adverse determinations.

- (a) Any applicant or other person who contends that his or her interests have been adversely affected by a determination in regard to this chapter or the guidelines prepared by the community development department for the implementation of this chapter may appeal such determination to city council by filing a written appeal with the city clerk within ten calendar days after the determination or requirement is made. Said appeal shall be accompanied by a filing fee as prescribed by city council resolution. At its next regular meeting after the filing of such appeal, the city council shall set a date for a public hearing on the matter and shall mail notice of the hearing at least ten calendar days prior to said hearing.
- (b) The city council may reverse or modify any such determination if it finds that the action under appeal does not conform to the provisions of this chapter or to the guidelines prepared by the community development department for the implementation of this chapter.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-6-30. - Judicial review.

Nothing in this chapter shall in any way preclude or limit any aggrieved party from seeking judicial review after such person has exhausted the administrative remedies provided by this chapter. However, it shall be conclusively presumed that a litigant has not exhausted his or her administrative remedies as to any issue which is not raised in the administrative proceedings authorized in this chapter.

(Ord. No. 1393, § 3 (part).)

Sec. 6A-6-40. - Penalties and enforcement.

- (a) Any person violating any provision or failing to comply with any of the requirements of this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable for each offense by a fine, or by imprisonment in the county jail, or by both fine and imprisonment. Such person shall be deemed to be guilty of a separate offense for each and every day during any portion of which any violation of this chapter is commenced, continued or permitted and shall be punished as provided in this chapter.
- (b) In lieu of or in addition to the penalties prescribed above, the city may institute such other legal proceedings as it deems necessary and proper for the enforcement of the terms of this chapter, including but not limited to actions for specific performance, injunctive relief, or such other legal or equitable remedies as may be available under state or federal law.

(Ord. No. 1393, § 3 (part).)

Inclusionary Housing - City Comparison Table

June 2016

City	Inclusionary Requirements	In-Lieu Fee	Other Alternatives to On-Site Construction	# of Years Units are Required to be Affordable?	Miscellaneous Notes	Reference
Woodland	For sale (projects with at least 8 units) - 10% of units shall be affordable to low income households Mutlifamily rental units (projects with at least 10 units) - 10% affordable to low income and 20% affordable to very low income, or 25% affordabl to very low income	In-lieu fee: for projects with less than 50 units where city council detemines it is not feasible or suitable to require on-site affordable units, the city and developer can agree to a contribution of in-lieu fees instead.	Developer can propose to sell or dedicate sufficient residential lots to a nonprofit developer to satisfy its obligation or to dedicate appropriate off-site land, subject to approval by Community Development Director.	Rental - units shall be permanently affordable.		Chapter 6 A of Municipal Code
Elk Grove	No % requirement, just a fee requirement.	In-lieu fee calculated based on square feet. For interior remodels, calculated based on square feet of new land use minus square feet of existing land use. 3,858 per single family unit, \$2,314 per multi-family unit. \$0.64 - 1.87 per building square foot depending on commercial use (retail, manufacturing, warehouse, hotel).	N/A	N/A	Nexus study prepared by David Rosen Provisions for establishment and use of affordable housing fund (16.89.030) Most of the funds are used as gap financing to help private/non-profit developers create affordable units. Technically they are loans with very small payments and no interest. 1,600 affordable units have been developed in the past 13 years, and they have leveraged \$64 million over this period.	Chapter 16.88, and 16.89
Roseville	10% of units	Not allowed to provide an in-lieu fee.	Must provide units either on-site or within same Specific Plan area.			Housing Element
Davis	For market rate single-family detached units on lots bigger than 5,000 sq/ft - 25% shall be affordable. For market rate single-family detached units on lots smaller than 5,000 sq/ft - 15% shall be affordable. For market rate single-family attached units - 10% shall be affordable. Ownership Units shall be priced to accommodate income ranges from 80%-100% of area median income. Separate requirements for inclusionary % requirement for rental housing developments (Section 18.050.060).	\$75,000 per required affordable housing unit (fee schedule). In-lieu fees are subject to city council review based on project size, net density, projected housing costs, and other local objectives (such as smart growth). For projects totalling 201 units or more: In-Lieu fees for no more than 50% of the affordable hosuing obligation (if approved) For small developments of 15 or fewer units, they shall either meet a construction subsidy or a comination of onsite construction and in-lieu fees.	Acquisition and recordation of permanent affordability restrictions on existing housing units within the city, can count towards requirement subject to city council discretion. Land dedication shall be of an irrevocable offer of sufficient land that will accommodate the affordable housing requirement (no less than 2 acres) and have complete public works infustructure already present	Units shall be maintained perpetuity as affordable units	Residential developments consisting of fewer than 5 units are exempt from affordable housing requirments. Residential components of a vertical mixed use development are exempt from these requirments. "Affordable Housing" is calculated as 35% of gross monthly income. <u>On Site Construction</u> -City can award a density bonus -Developer must provide mix of two- and three-bedromm units w/ a minimum of 50% units as three-bedroom -Community development director shall determine maximum sale price for these units annually	Chapter 18, Article 18.05
West Sacramento	Rental Units 10% of all rental units in a residential project shall be made affordable to very low income and low income households. 5% shall be affordable to very low income households and 5% shall be affordable to lower income households. For-Sale units: 10% shall be affordable to low income households.	Housing Trust Fund Program Developers can satisfy all or part of the requirement with a \$5,640 per unit in-lieu fee. These funds are used for gap financing loans, infrastructure improvements and studies.	Acquisition, Rehabilitation, and Conversion of exisiting market rate units to inclusionary units. Off-site onstruction Preservation of At-Risk Units: City manager must determine that the units subject to be acquired are currently affordable units and bare the risk of converting to market rate units within the next 5 years	Rental units - 55 yrs For-sale units - 45 yrs	The city shall permit substitution of rental units for for-sale units (to meet all or a portion of the inclusionary obligation)	Chapter 15.40

City	Inclusionary Requirements	In-Lieu Fee	Other Alternatives to On-Site Construction	# of Years Units are Required to be Affordable?	Miscellaneous Notes	Reference
Sacramento	Residential project that does not exceed 100 gross acres in size = owner shall pay housing impact fee on all newly constructed market rate dwelling units	In-lieu fee for commercial based on square footage and ranges \$0.60 to \$2.47 per square foot based on type of use (https://www.cityofsacramento.org/layouts/Corporate/FC_Search/GetAttachment.aspx?fileName=21000123137982006-02-07Housing_Trust_Fund_Fees.pdf).	Land dedication (must be approved by the Sacramento Housing and Redevelopment Agency). Land dedications must have all site improvements completed. Construction of affordable housing units (must be more than 400 feet away from another multi-unit affordable housing dwelling complex).	Development projects with at least 10% affordable units must remain affordable for at least 30 years	Maximum number of affordable dwelling units in any multi-unit dwelling developments shall not exceed 150 Exemptions from affordable housing obligation include: mobilehome parks, development project adopted prior to October 3, 2000,	Section 17.712.030
	Residential project that does exceed 100 gross acres in size = owner pays the housing impact fee as well as must obtain a city council approval that the development will comply with the the variety of income types listed in the housing element policy.					
	**Housing impact fee is subject to city council discussion, and all fees collected shall be placed in low income housing fund					
	Development projects in which at least 10% of units are affordable					
Folsom	For-sale development projects and rental projects (receiving funding assistance from the city) with 10 or more units shall have 10% inclusionary housing units. This 10 % shall be 3% very low income units and 7% low income units When 4 or fewer inclusionary units are required, the inclusionary units shall be: 1 inclusionary unit - one low income unit 2 inclusionary units - one low income unit and one very low income unit 3 inclusionary units - two low income units and one very low income unit 4 inclusionary units - three low income units and one very low income unit	In-Lieu Fee: must satisfy all of the inclusionary housing requirements: multiply one percent of the lowest priced for-sale residential unit in the proposed subdivision by the total number of for-sale residential units in the proposed subdivision. For custom lot subdivisions where only lots will be sold, multiply one-half percent of the estimated cost of the least expensive homes anticipated for the proposed subdivision by the total number of for-sale lots in the proposed subdivision.	Land Dedication: must be at least the same number of units and infrastructure as what the developer needed to provide onsite. Off-site Construction: must be within the city limits of Folsom Acquisition, Rehabilitation, and Conversion of Market Rate Units: Must be at or above affordable rent rates and then converted into affordable for-sale housing units. Conversion of Market Rate Units: developer may convert existing market rate units in Folsom which do not require rehabilitation and are at or above existing affordable rents to affordable for-sale housing developments Open interpretation Alternatives: Developer can propose a different strategy but it must be approved by the city	Rental units - 30 yrs	Inclusionary Housing Unit Size - should accommodate a variety of family sizes and include a mixture of studio, one-, two-, or three-bedroom units Projects less than 40 residential units are exempt from unit size requirements.	Chapter 17.104
Rancho Cordova	No set requirement for an inclusionary % or an in-lieu fee. They do it on a case-by-case basis through the Development Agreement process since they have not prepared a nexus study yet. They use Elk Grove's nexus study as a starting point. They are potentially looking at having a nexus study done to include requirements for non-residential projects and to the requirement for residential projects more explicit.					