
Density Bonus Ordinance Update

Zoning Code Text Amendment,
Chapter 20-31, Density Bonus
and other Developer Incentives

January 8, 2019

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Density Bonus Ordinance Update Project Description

Density Bonus Ordinance Update will:

- ✓ Implement State Law (Gov. Code §65915) as amended since 2012
- ✓ Establish Supplemental Density Bonus Program as directed by Housing Action Plan

Density Bonus Ordinance Update

State Law Compliance

State Density Bonus Law Since 2012

- ✓ *AB 2222 (2014) 55 year Term*
- ✓ *AB 744 (2015) Parking Reductions*
- ✓ *AB 1934 (2016) Commercial Use Added*
- ✓ *AB 2556 (2017) Replacement Unit Required*
- ✓ *AB 2501 (2017) Streamlined Processing*
- ✓ *AB 2442 (2017) Specialized Housing Expanded*
- ✓ *SB 1227 (2018) Student Housing Added*

Density Bonus Ordinance Update

State Law Compliance

Key Provisions

- Housing Development 5+ units eligible as of right.
- 35% bonus and 3 incentives/concessions
- Affordability term increased to 55 years
- Expanded Specialized housing types
- Expanded replacement housing protection
- Incentive/concession allowed if no specific, adverse impact
- “Pre-Approved” incentives/concessions
- Reduced parking requirements

Housing Development Qualify with:

- Lower Income Units
- Senior Housing
- Specialized Housing
- Residential Redevelopment/Condo Conversion
- Childcare

Commercial Projects Qualify with joint Housing Development and Childcare.

Bonus and Incentives/Concessions Prescribed by Affordability Type and Percentage

Low Income Unit Percentage	Density Bonus*	Incentives or Concessions
10%	20%	1
11%	21.5%	1
12%	23%	1
13%	24.5%	1
14%	26%	1
15%	27.5%	1
16%	29%	1
17%	30.5%	1

Very Low-Income Unit Percentage	Density Bonus*	Incentives or Concessions
5%	20%	1
6%	22.5%	1
7%	25%	1
8%	27.5%	1
9%	30%	1
10%	32.5%	2
11%	35%	2
12% - 14%	35%	2
15%	35%	3

Land Donation	
Percentage of Proposed Dwelling Units in the Housing Development to be Very Low-Income Units and Accommodated on the Donated Land	Percentage Density Bonus
10%	15%
11%	16%
12%	17%
13%	18%
14%	19%
15%	20%
16%	21%
17%	22%
18%	23%
19%	24%
20%	25%
21%	26%
22%	27%
23%	28%
24%	29%

Moderate Income Units Percentage	Density Bonus*	Incentives or Concessions
10%	5%	1
11%	6%	1
12%	7%	1
13%	8%	1
14%	9%	1
15%	10%	1
16%	11%	1
17%	12%	1
18%	13%	1
19%	14%	1
20%	15%	2
21%	16%	2
22%	17%	2
23%	18%	2
24%	19%	2
25%	20%	2

State Density Bonus Calculation

EXAMPLE: State Density Bonus Calculation

An applicant for a rental Housing Development is seeking to build 69 units on a 1.7-acre site that is eligible for a State density bonus:

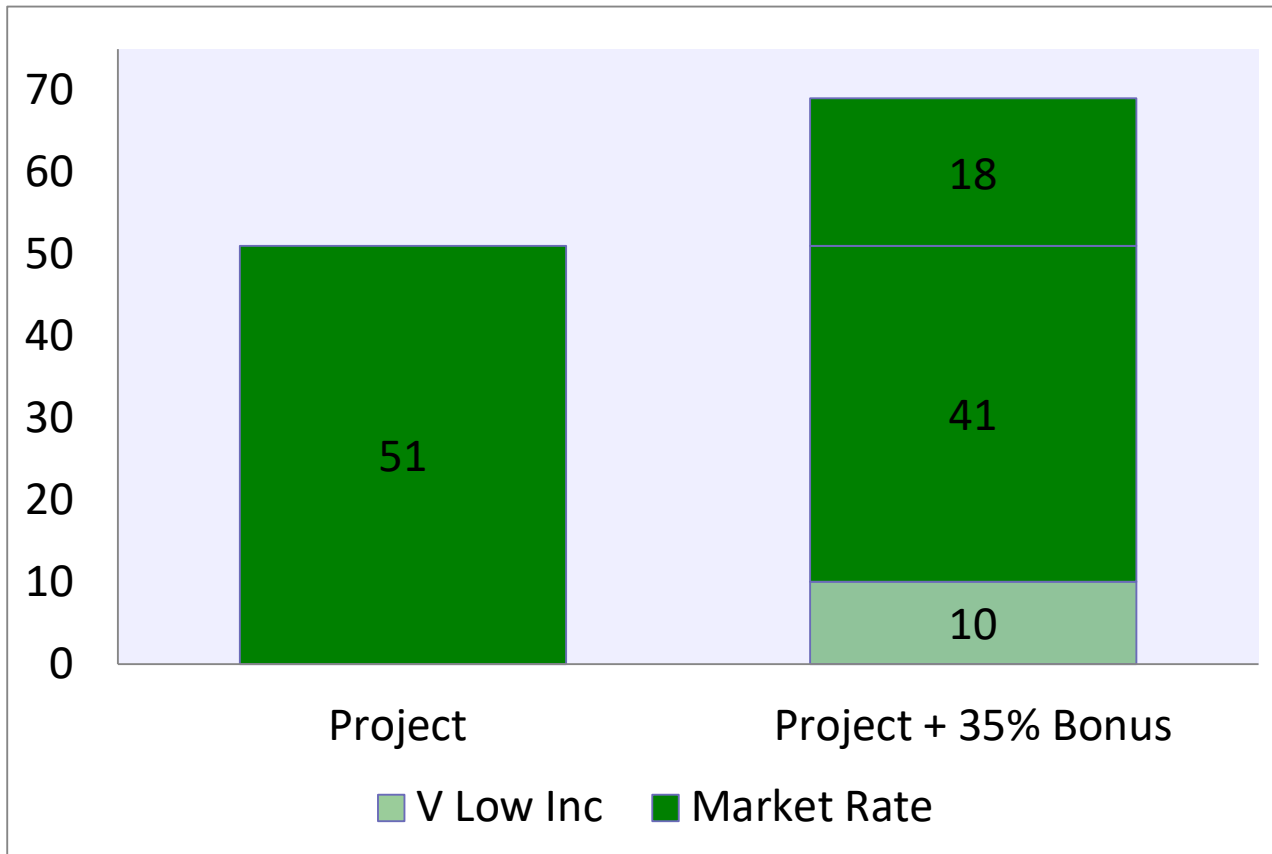
Project Profile:

Site Land Use Designation:	Medium-High Residential
Max Density per General Plan:	30 du/acre
Max Units per General Plan:	1.7 acres x 30 du/acre = 51 units (“Base Project”)
Density Desired:	69 units ÷ 1.7 acres = 40.59 du/acre
Density Bonus Desired:	$(40.59 \div 30) - 1 = 35\%$

Calculation of State Density Bonus of 35%:

Base Project, Total Units:	51 units
Market Rate Units:	41 units
Affordable Housing Units:	10 units at the low-income level
Percent Affordable:	$10 \div 51 = 20\%$
State Density Bonus:	20% at the low-income level results in a 35% density bonus
Density Bonus Units Earned:	$35\% \times 51 = 18$ bonus units
Updated Total Project Units:	51 units (41 market rate, 10 low-income) + 18 bonus units = 69 units

State Density Bonus

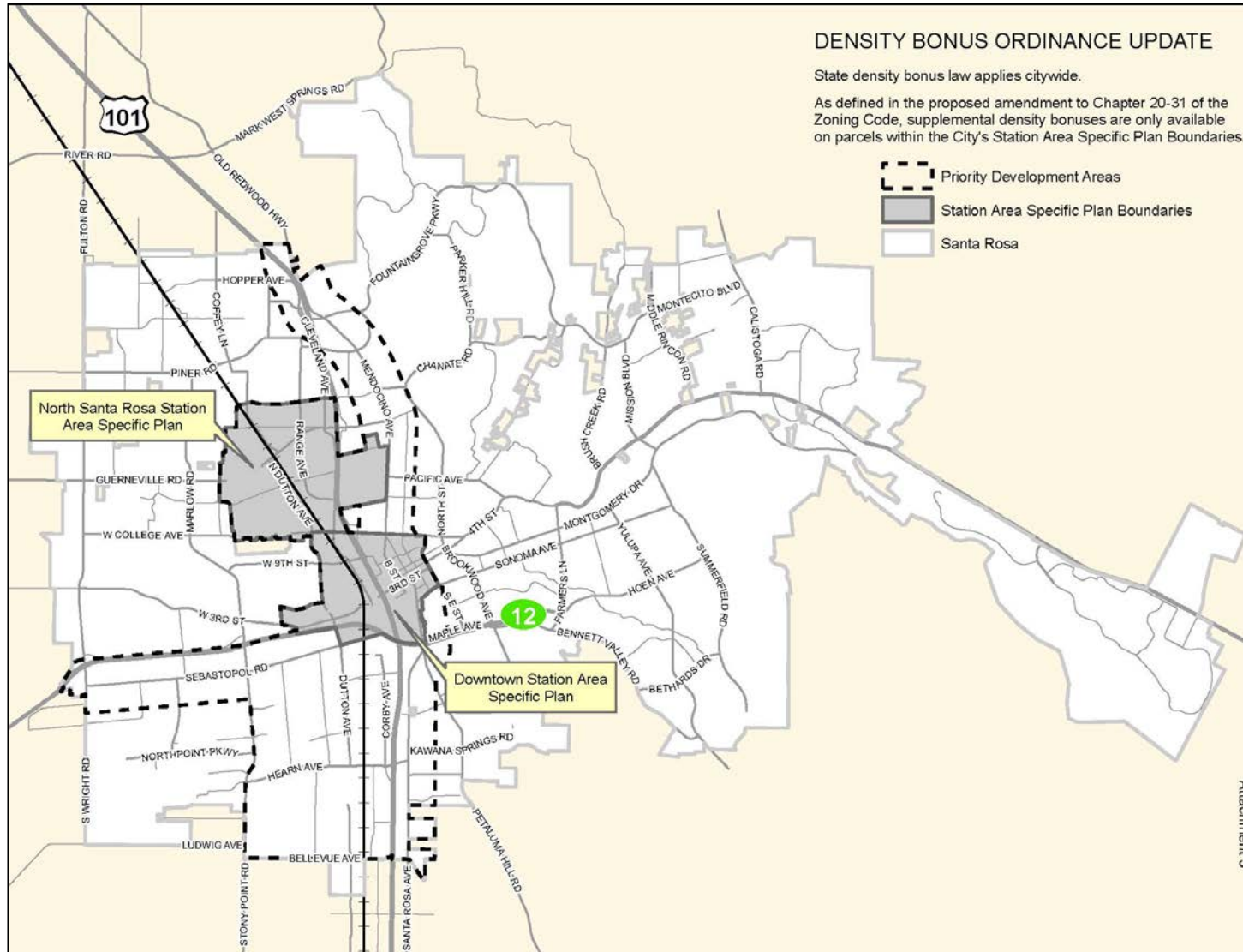


Density Bonus Ordinance Update Supplemental Density Program

Requirement

- Qualified Housing Development (5 or more units) and
- Within Station Area Plan boundaries and
- With Appropriate GP Land Use Designation and
- Secured 35% State bonus and
- Earn Eligibility Points with Additional Affordable Housing and Community Benefits

Density Bonus Ordinance Update Supplemental Density Program



Density Bonus Ordinance Update Supplemental Density Program

Appropriate General Plan Land Use

13 Units Per Acre (mid-point) or Greater

Medium-Low Residential
Medium Residential
Medium-High Residential
Retail/Medium Residential
Office
Office/Medium Residential

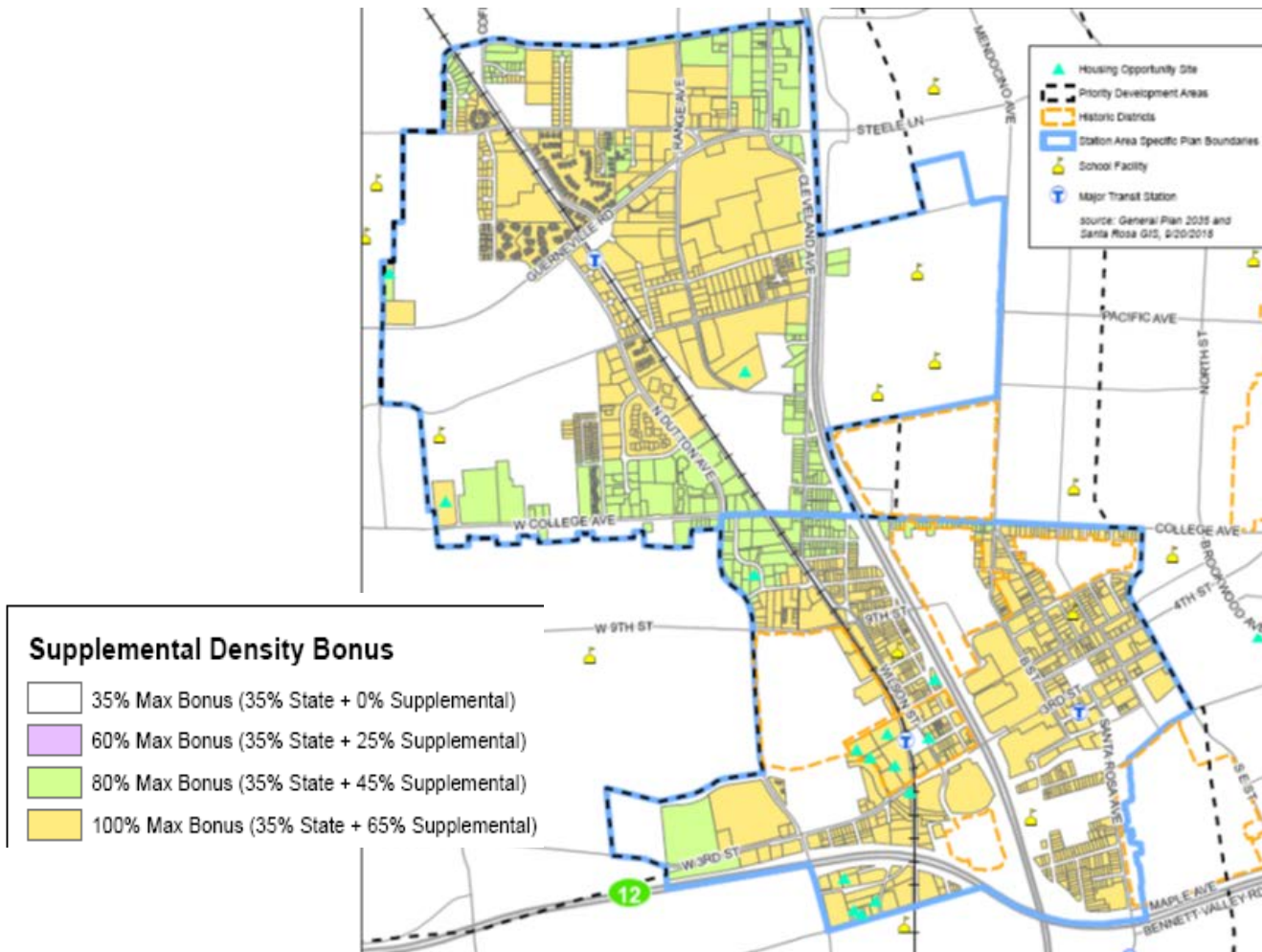
Office/High Residential
Business Park
Light Industrial/Med Residential
Transit Village Medium
Transit Village Mixed Use
Retail & Business Services

NOT inside a Historic Preservation District

EXCEPT Transit Village Medium, Transit Village Mixed Use,
and Retail & Business Services

Density Bonus Ordinance Update Supplemental Density Program

Current Eligible Parcels



Density Bonus Ordinance Update Supplemental Density Program

Supplemental Bonus Added To State Bonus

Table 3.10: Maximum Supplemental Density Bonus

	Maximum Supplemental Density Bonus for a Project in a Station Specific Plan, on Eligible Land Use Designations pursuant to this Section ¹ , and Located:					
	In an eligible Land Use only (A) ²	(A) and ½ Mile to Major Transit Stop (B) ³	(A) and ½ Mile to a School Facility (C) ³	All of (A), (B) and (C)	In Medium-Low Density Land Use and (B) and (C) ²	On a Housing Opportunity Site
Supplemental Bonus Amount	25% ²	45%	45%	65%	25%	65%
Total Bonus (with 35% State Density Bonus)	60% ²	80%	80%	100%	60%	100%
<p>Notes:</p> <p>(1) Pursuant to Subsection 20-31.070.C.2, within Historic Preservation Districts, only the Retail and Business Services, Transit Village Medium, and Transit Village Mixed Use Land Use Designations are eligible for a supplemental density bonus pursuant to this table.</p> <p>(2) Properties in the Medium-Low Density General Plan Land Use that are not located both within ½ Mile of a Major Transit Stop and School Facility are not eligible for a Supplemental Density Bonus.</p>						

Density Bonus Ordinance Update Supplemental Density Program

Needed Project Supplemental Density:

- Cannot Exceed Max Supplemental Density Tier
(25%, 35%, 65%)
- Earned by Eligibility Points Thru Additional:
 - Affordable Housing or
 - Affordable Housing* and Community Benefits
At least 60% of points earned by affordable housing.

Density Bonus Ordinance Update Supplemental Density Program

Eligibility Points

% of Max Supplemental Density Needed to
Reach Total Project Density (above 35%)

Advantages

- Affordability increases proportionately with Project Density above 35%.
- Developer selects mix of affordable housing types and community benefits.

Density Bonus Ordinance Update Supplemental Density Program

Affordable Housing Types

Table 3-11: Eligibility Points Schedule for Supplemental Density Bonuses

ELIGIBILITY POINTS AWARDED	RENTAL PROJECTS (1): PERCENT OF TOTAL UNITS IN BASE PROJECT REQUIRED BY INCOME:			SPECIALIZED VERY-LOW INCOME HOUSING (1)	FOR-SALE PROJECTS (1):
	VERY LOW INCOME	LOW INCOME	MODERATE INCOME		MODERATE INCOME
5	1.7%	2.6%	3.2%	2.5%	20.5%
10	1.8%	2.8%	3.4%	3.0%	21.0%
15	1.9%	3.0%	3.7%	3.5%	21.5%
20	2.0%	3.2%	3.9%	4.0%	22.0%
25	2.1%	3.3%	4.1%	4.5%	22.5%
30	2.2%	3.5%	4.3%	5.0%	23.0%
35	2.3%	3.7%	4.5%	5.5%	23.5%
40	2.4%	3.9%	4.7%	6.0%	24.0%
45	2.5%	4.0%	4.9%	6.5%	24.5%
50	2.6%	4.2%	5.2%	7.0%	25.0%
55	2.8%	4.4%	5.4%	7.5%	25.5%
60	2.9%	4.6%	5.6%	8.0%	26.0%
65	3.0%	4.7%	5.8%	8.5%	26.5%
70	3.1%	4.9%	6.0%	9.0%	27.0%
75	3.2%	5.1%	6.2%	9.5%	27.5%
80	3.3%	5.3%	6.5%	10.0%	28.0%
85	3.4%	5.4%	6.7%	10.5%	28.5%
90	3.5%	5.6%	6.9%	11.0%	29.0%
95	3.6%	5.8%	7.1%	11.5%	29.5%
100	3.7%	6.0%	7.3%	12.0%	30.0%

If the calculation for the required number of units at each income level results in a fractional number, the required number of units shall be rounded up to the next whole number.

Community Benefits

Table 3-12: Community Benefits and Eligibility Points

COMMUNITY BENEFIT	POINT CALCULATION	NOTES
Public Open Space, either option A or B:	A: For projects seeking 20 pts or less, 4 pts. per 1% of site area or 1,000 sf, whichever is greater. For projects seeking 21-30 pts: 3 pts. per 1% of site area or 1,500 sf, whichever is greater. For projects seeking 31-40 pts, 2.5 pts. per 1% of site area or 2,000 sf, whichever is greater. B: 10 pts per 1% of project construction valuation contributed to Park Impact Fee, up to 40 pts.	The landscape design must comply with applicable provisions of the Santa Rosa Design Guidelines and/or other applicable guidelines and be approved as part of design review for the project. The open space must be publicly accessible at all times. Provisions must be made for operation and maintenance in perpetuity
Historic or Landmark Preservation	10 pts per 1% of project construction valuation contributed toward rehabilitating or improving a landmark property up to 40 pts.	If the landmark property is not owned by the project applicant, a joint rehabilitation/improvement agreement must be submitted with the landmark property owner.
Infrastructure/Capital Improvement	10 pts per 1% of project construction valuation contributed to Capital Facilities/Utilities Impact Fee up to 40 pts.	
Family-sized rental units	5 pts. per each 8% of the project's Affordable Housing units with three or more bedrooms up to 40 pts.	Round up to the next whole number of units when calculating the share of family-sized units.
Innovative Community Benefit	The Council may approve an innovative community benefit and grant points on a schedule of 10 pts. per 1% of project construction valuation paid toward the proposed innovative benefit, up to 40 pts.	The benefit must be significant and substantially beyond normal requirements.

Density Bonus Ordinance Update Supplemental Density Program

Minor Conditional Use Permit

Special Findings:

- Affordable housing generates sufficient Eligibility Points
- Community benefits are not otherwise required and will provide tangible benefits
- Innovative Community Benefits, approved by Council,
 - ✓ Benefit will further General Plan and Specific Plan or Area Plan policies.
 - ✓ Benefit will be accessible to the public.
 - ✓ Benefit is significant and beyond what would otherwise be required

Standard conditions of approval:

- Ensure approved affordable units and community benefits

Density Bonus Ordinance Update Supplemental Density Program

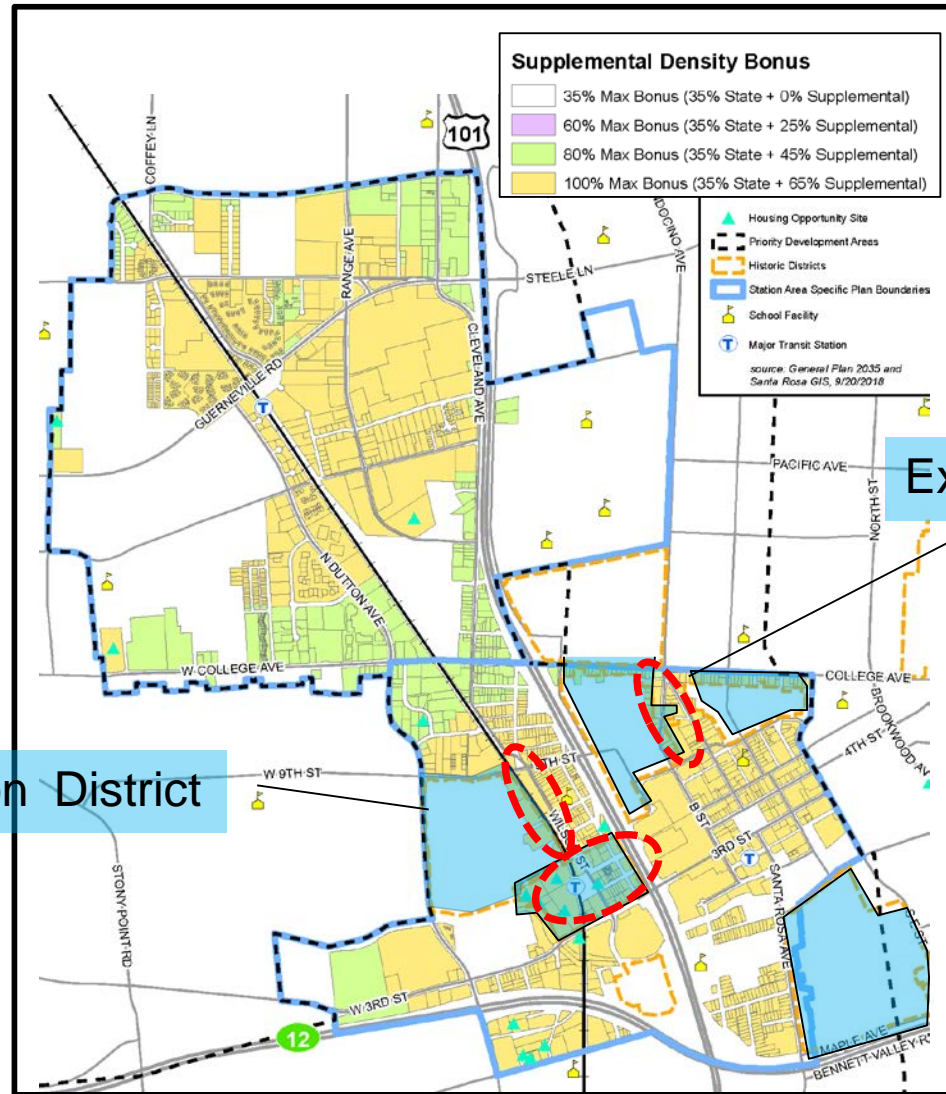
Preservation District Protection

Supplemental density bonus not allowed
EXCEPT on designated higher density sites:

- Transit Village Medium
- Transit Village Mixed Use
- Retail & Business Services

Use permit and Design Review required

Density Bonus Ordinance Update Supplemental Density Program



Preservation District

Exception

Density Bonus Ordinance Update Supplemental Density Program

Neighborhood Protection

25% (60% max) Cap on sites designated Medium Low Residential and located near transit and schools.

Applies to future land use amendments and density bonus program expansion.

Density Bonus Ordinance Update Supplemental Density Program

Table 3.10 - Maximum Supplemental Density Bonus

	Maximum Supplemental Density Bonus for a Project in a Station Specific Plan, on Eligible Land Use Designations pursuant to this Section ¹ , and Located:				
	½ Mile to Major Transit Stop (A) ²	½ Mile to a School Facility (B) ²	(A) and (B)	In Medium-Low Density General Plan Land Use and (A) and (B) ³	On a Housing Opportunity Site
Supplemental Bonus Amount	45%	45%	65%	25%	65%
Total Bonus Amount (with 35% State Density Bonus)	80%	80%	100%	60%	100%

Notes:

- (1) Pursuant to Subsection 20-31.070.C.2, within Historic Preservation Districts, only the Retail and Business Services, Transit Village Medium, and Transit Village Mixed Use Land Use Designations are eligible for a supplemental density bonus pursuant to this table.
- (2) Distances to a Major Transit Stop or a School Facility shall be measured as the shortest distance from the edge of the property boundaries of the project and facility
- (3) Properties in the Medium-Low Density General Plan Land Use that are not located both within ½ Mile of a Major Transit Stop and School Facility are not eligible for a Supplemental Density Bonus.

Density Bonus Ordinance Update Comments and Response

Comments

- Compatibility with adjacent development and neighborhoods
- The management of impacts to historic resources and landmarks.
- The ability to properly account for and mitigate potential impacts that may result from the project, such as traffic impacts

Density Bonus Ordinance Update Comments and Response

Response

- Use Permit and Design Review
- Restricted to Station Area Plan boundaries
- Restricted to Appropriate Land Use Designations
- Tiered Supplemental Bonus reflects capacity
- Density promoted proximate to transit and schools
- Point system sets benefits relative to density request
- Clear criteria for specific, adverse impacts
- Protected interior (residential) of Historic Districts
- Limited Concessions/Incentives to 3

Density Bonus Ordinance Update

Planning Commission Action

- On July 26, 2018, the Planning Commission held a public hearing and voted to continue the item to provide staff time to respond to comments and questions raised by the public and the Commission.
- On October 25th, the Commission voted 5-1-1 to recommend that the City Council adopt the Negative Declaration and approve the Ordinance.

Density Bonus Ordinance Update Notification

- Notice in Press Democrat
- Notice e-mailed to Community Advisory Board
- Posted at City Hall
- Website: <https://srcity.org/2555/Density-Bonus>

CEQA Negative Declaration

- Increased development intensity previously analyzed by previous Station Area Plan EIRs.
- General Plan EIR determined increased development intensity is environmentally superior.
- Local, project-level impacts will be addressed by housing development CEQA review.
- No significant effect associated with ordinance update.

The Planning Commission and the Planning and Economic Development Department recommend that the Council:

1. Adopt a Negative Declaration for the Density Bonus Ordinance Update; and
2. Introduce an ordinance amending Zoning Code Chapter 20-31, Density Bonus and Other Developer Incentives, to incorporate State density bonus law changes and to allow supplemental density bonus within the boundaries of the Station Area Specific Plans.

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