

Chapter 20-31
DENSITY BONUS AND OTHER DEVELOPER INCENTIVES

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20-31.010 Purpose.

This Chapter is intended to provide incentives for the production of Affordable Housing, Specialized Housing, Senior Housing and the development of Child Care Facilities. In enacting this Chapter, it is the intent of the City of Santa Rosa to implement the goals, objectives, and policies of the general plan and applicable specific plans, implement the Santa Rosa Housing Action Plan to address housing needs in the community, and ensure consistency between local regulations and California Government Code Section 65915 (State Density Bonus Law).

State Density Bonus Law shall apply city-wide to eligible projects as defined in this Chapter and in State law. In addition, a Supplemental Density Bonus is available for eligible projects located within the North Station Specific Plan and Downtown Station Specific Plan as outlined in this Chapter.

In the event that any provision in this Chapter conflicts with State law, State law shall control.

20-31.020 Definitions.

The following terms used in this Chapter shall be defined as follows:

Affordable Housing. A housing unit which is available for rent or sale to households with income levels at the extremely low-, very low-, low-, or moderate-income level as those terms are defined in this Section.

Affordable Rent. Monthly rent charged to extremely low-, very low-, low-, and moderate-income households for housing units as calculated in accordance with Section 50053.b of the California Health and Safety Code.

Base Project. The number of housing units included in the Housing Development prior to the inclusion of any units granted through a Density Bonus.

Bedroom. A habitable space within a dwelling unit in which people sleep, which can also include

permanent provisions for living, eating, and either sanitation or kitchen facilities but not both. A bedroom shall include two methods of ingress and egress, and be a minimum of 70 square feet, with no linear dimension smaller than 7 feet.

Child Care Facility. A facility that provides non-medical care and supervision of minor children for periods of less than 24 hours and is licensed by the California State Department of Social Services, further subject to the definition in California Government Code Section 65915(h)(4).

Common Interest Development. Defined in California Civil Code Section 4100 to mean (a) a community apartment project; (b) a condominium project; (c) a planned development; or (d) a stock cooperative.

Density Bonus. See Division 7 (Glossary)

Density Bonus Housing Agreement. A legally binding agreement between an Applicant and the Housing Authority of the City of Santa Rosa (Housing Authority) to ensure that continued affordability of the affordable housing units required by this Chapter persists and the units are maintained in accordance with this Chapter.

Density Bonus Units. Those additional residential units granted pursuant to the provisions of this Chapter.

Development Costs. “Development costs” means the aggregate of all costs incurred in connection with a Housing Development which are approved by the City as reasonable and necessary, including, but not limited to, those costs listed in California Health and Safety Code Section 50065.

Development Standard. A site or construction condition, including, but not limited to, height limits, required setbacks, maximum floor area ratio, onsite open-space requirement, or required parking that applies to a residential development pursuant to any ordinance, General Plan, Specific Plan, charter, or other local condition, law, policy, resolution, or regulation.

Downtown Station Area Specific Plan. See Zoning Ordinance Section 20-28.060 (Station Area (-SA) combining district).

Eligibility Points. The number of Eligibility Points that is calculated pursuant to Section 20-31.070 (Supplemental Density Bonus) must be earned by an applicant for a Housing Development to establish eligibility for a Supplemental Density Bonus. Eligibility Points are earned through the provision of affordable housing units, or through the provision of affordable housing together with approved community benefits as provided in this Chapter.

Equivalent Size. Equivalent size for the purposes of enforcing affordable housing replacement unit provisions outlined in this Chapter shall mean that replacement units must contain at least the same total number of bedrooms as the units being replaced.

Family-Size Units. A dwelling unit with three or more bedrooms.

Housing Authority of the City of Santa Rosa. An appointed body of the City authorized to engage in or assist in the development or operation of affordable housing.

Housing Development. A development project of five or more residential units, including mixed-use developments. For the purposes of this Chapter, “Housing Development” also includes projects defined in California Government Code Section 65915(i), including a subdivision or Common Interest Development, as defined in Section 4100 of the California Civil Code, approved by a City and consists of residential units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of California Government Code Section 65863.4, where the result of the rehabilitation would be a net increase in available residential units.

Incentives or Concessions. Regulatory Incentives or Concessions which include, but are not limited to, the reduction of site development standards or Zoning Code requirements, approval of mixed-use zoning in conjunction with the Housing Development, or any other regulatory Incentives or Concessions proposed by the Applicant or the City that result in identifiable and actual cost reductions to provide for affordable housing costs, as defined in Section 50052.5 of the California Health and Safety Code, or for affordable rents as outlined in this Chapter.

Income (Household), Extremely Low. A household whose gross income does not exceed 30 percent of the area median income for the Santa Rosa Metropolitan Area, adjusted for family size, as published and periodically updated by the U.S. Department of Housing and Urban Development and the State Department of Housing and Community Development pursuant to Section 50079.5 of the California Health and Safety Code.

Income (Household), Very Low. A household whose gross income does not exceed 50 percent of the area median income for the Santa Rosa Metropolitan Area, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Section 50105 of the California Health and Safety Code.

Income (Household), Low. A household whose gross income does not exceed 80 percent of the area median income for the Santa Rosa Metropolitan Area, adjusted for family size, as published and periodically updated by the U.S. Department of Housing and Urban Development and the State Department of Housing and Community Development pursuant to Section 50079.5 of the California Health and Safety Code.

Income (Household), Lower. A household whose gross income falls under the categories or extremely low-, very low-, or low-income as those terms are defined in this Section.

Income (Household), Moderate. A household whose gross income does not exceed 120 percent of the area median income for the Santa Rosa Metropolitan Area, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Sections 50079.5 and 50052.5 of the California Health and Safety Code.

Initial Subsidy. The fair market value of the home at the time of initial sale minus the initial sale price to the moderate-income household, plus the amount of any down payment assistance or mortgage assistance. If upon resale the market value is lower than the initial market value, then the value at the time of the resale shall be used as the initial market value. (e.g., X (fair market value of the home to be purchased) - Y (the price the moderate-income family paid for the home) + Z (amount of any down payment assistance) = Initial Subsidy).

Lower Income Student. Students who have a household income and asset level that does not exceed the level for Cal Grant A or Cal Grant B award recipients as set forth in paragraph (1) of subdivision (k) of Section 69432.7 of the Education Code. The eligibility of a student for this income level shall be verified by an affidavit, award letter, or letter of eligibility provided by the institution(s) of higher education involved in the proposed density bonus Housing Development, or by the California Student Aid Commission that the student receives or is eligible for financial aid, including an institutional grant or fee waiver, from the college or university, the California Student Aid Commission, or the federal government.

Major Transit Stop. An existing rail transit station or the intersection of two or more bus routes with a frequency of service interval of eight (8) minutes or less during the morning and afternoon peak commute periods. Includes Major Transit Stops that are included in the applicable regional transportation plan, as well as corridors served in parallel by two or more distinct bus routes each with service intervals of 15 minutes or less.

Major Transit Stop, located within one-half mile. Means any point on a proposed development, for which an applicant seeks a density bonus, other incentives or concessions, waivers or reductions of development standards, or a vehicular parking ratio pursuant to this section, that is within one-half mile of any point on the property on which a major transit stop is located, including any parking lot owned by the transit authority or other local agency operating the major transit stop.

Maximum Allowable Density. The maximum number of dwelling units per acre as allowed under the General Plan Land Use Designation. Where a Housing Development is permitted in a Land Use Designation that does not provide a residential density allowance, the bonus shall be calculated in reference to the residential density allowance designated in the Zoning Code. For a Housing Development located in a General Plan Land Use Designation and Zoning District without a defined residential density limit, the Maximum Allowed Density shall be imputed by the Housing Development plan, submitted by the Applicant and subject to approval by the Director, which demonstrates the maximum number of dwelling units, without the inclusion of Density Bonus Units or associated Incentives, Concessions, waivers, and reductions, that can be developed on the site in substantial conformance with General Plan policies, and applicable Development Standards and Design Guidelines.

North Santa Rosa Station Area Specific Plan. See Zoning Ordinance Section 20-28.060 (Station Area (-SA) combining district).

Proportionate Share of Appreciation. The ratio of the local government's initial subsidy as defined above to the fair market value of the home at the time of initial sale. (e.g., X (initial subsidy) $\div Y$ (fair market value) = Proportionate Share of Appreciation).

Replacement Unit. Housing units that are constructed to replace rental dwelling units that are subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower-income; subject to any other form of rent or price control through a valid exercise of police power; or occupied by lower-income households. Replacement unit requirements also apply to dwelling units subject to these affordability restrictions that have been vacated or demolished in the five-year period preceding the application. Units subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate-income do not require replacement units to be eligible for a density bonus.

Residential Density. Notwithstanding Section 20-12.020.C (Calculations), the residential density associated with a Housing Development is the ratio of the number of dwelling units on a lot to the gross lot area in acres, rounded up to the nearest whole number.

School Facility. A school facility as used in this chapter includes public institutions operated by local, state, and federal governments; chartered schools; magnet schools; private schools; parochial or religious schools. School facilities associated with virtual or online schools; after-school learning and tutoring centers or similar facilities; and private home schools are not considered school facilities for the purposes of this Chapter.

Senior Citizen Housing Development. A residential development restricted for senior citizen residents developed, substantially rehabilitated, or renovated, that has at least 35 dwelling units in compliance with the requirements of Section 51.3 and 51.12 of the California Civil Code, or a mobile home park that limits residency based on age requirements for housing for older persons pursuant to Section 798.76 or 799.5 of the California Civil Code.

Significant, Adverse Impact. A significant, quantifiable, direct, and unavoidable impact to public health and safety, or the physical environment, or on any real property that is listed or eligible for listing, in the California Register of Historical Resources, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete, and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to lower-income and moderate-income households. Inconsistency with the Zoning Ordinance or General Plan Land Use Designation shall not constitute a specific, adverse impact upon the public health or safety. In Santa Rosa, specific, adverse impacts include but are not limited to:

- Development within a Preservation District wherein a proposed development Concession or Incentive would irreparably alter a historic resource, either individual or a district, in a manner that is inconsistent with the *Secretary of The Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings*.
- Development on land which does not currently have adequate water or wastewater facilities to service the development, or the provision of such services is infeasible at the level of residential density proposed in the development.

Specialized Housing. A Housing Development for transitional foster youth, as defined in Section 66025.9 of the California Education Code, disabled veterans, as defined in Section 18541, or homeless persons, as defined in the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.).

Unobstructed Access. Unobstructed access means a resident of a Housing Development has pedestrian access to a Major Transit Stop or a fixed bus route without encountering natural or constructed impediments including freeways, rivers, mountains, and bodies of water, but does not include residential structures, shopping centers, parking lots, or rails used for transit.

20-31.030 Application for Density Bonus and Incentives or Concessions.

At the time the Applicant of a proposed Housing Development, seeking a density bonus and Concessions or Incentives under this Chapter, files a Density Bonus application with the Department the Applicant is required to submit a Density Bonus Worksheet and the following information:

- A. State density bonus applications. For a project seeking a density bonus pursuant to State law, the following information is required:
 1. Signed and completed Density Bonus Application form.
 2. Signed and completed Density Bonus Application Submittal checklist.
 3. The location, acreage, residential density, and the maximum number of base units allowed under the Zoning and the Land Use Designation under the General Plan without the density bonus.
 4. The total number of the following:
 - a. Market rate units in the Base Project;
 - b. Affordable Housing units and their targeted income level or other provisions (e.g. land donation), which will demonstrate eligibility for a State density bonus under this Chapter; and
 - c. Density bonus units to be received, if any (see Section 20-31.040.B (Processing of density bonus application))
 5. The requested Concessions or Incentives that will result in identifiable and actual cost reductions to provide for affordable housing costs. This requirement at the time of application does not prevent the applicant from substituting a different Incentive or Concession from what is initially proposed at a later phase of the application.
 6. A clear statement of how the requested Concessions or Incentives result in identifiable and actual cost reductions to provide for affordable housing costs. The information should be sufficiently detailed to enable City staff to examine the conclusions reached by the Applicant.
 7. Projects in Areas with No Maximum Density. The General Plan and Zoning Code include Land Use Designations and corresponding Zoning Districts with no applicable residential density limit. To derive the “maximum allowable density” in these areas, applicants must complete the Maximum Allowable Density Worksheet available in the Planning Division.

B. Supplemental Density Bonus applications.

1. A Housing Development requesting a Supplemental Density Bonus shall apply for a Minor Conditional Use Permit pursuant to Chapter 20-52 and subject to the additional findings required by Section 20-31.070(J).
 - a. All Supplemental Density Bonus provisions and requirements shall be in addition to the State density bonus provisions outlined in this Chapter.
 - b. All Supplemental Density Bonus Housing Development projects shall provide affordable housing and other community benefits sufficient to earn the requisite number of Eligibility Points pursuant to Section 20-31.070 (Supplemental density bonus).
 - c. Supplemental Density Bonuses granted to a Housing Development subject to a Development Plan and Policy Statement shall comply with the requirements of this section, but shall not require a Minor Conditional Use Permit and shall be considered as part of the Development Plan and Policy Statement approval process pursuant to Chapter 20-26 (PD zoning district standards).
2. Application Requirements. In addition to the State Density Bonus application requirements as outlined in Subsection (A), the Supplemental Density Bonus application shall clearly identify the total number of the following:
 - a. Housing units in the Base Project.
 - b. Affordable Housing units and the targeted income level provided as a share of the units in the Base Project to qualify for a State density bonus, or identification of other qualifying criteria for the State density bonus.
 - c. Affordable Housing units and the targeted income levels provided as a share of the units in the Base Project in addition to those provided in Subsection (A), to generate at least 60% of the required Eligibility Points for the requested Supplemental Density Bonus as outlined in Section 20-31.070 (Supplemental density bonus).
 - d. Any additional Affordable Housing units and the targeted income levels provided as a share of the units in Base Project, or specified community Benefits pursuant to Section 20-31.070 (Supplemental density bonus) to generate the remaining 40% of the required Eligibility Points for the requested Supplemental Density Bonus as outlined in Section 20-31.070 (Supplemental density bonus).
3. Housing Developments requesting a Supplemental Density Bonus that generate the requisite number of Eligibility Points shall receive a total of three (3) Incentives or Concessions inclusive of Incentives and Concessions received under State Density Bonus provisions. No Housing Development requesting a Supplemental Density Bonus shall receive more than three Incentives or Concessions. Applications for a Supplemental Density Bonus shall identify any additional Concessions or Incentives that will result in identifiable and actual cost reductions to provide for affordable housing costs associated with the Supplemental Density Bonus, if not already identified in the State density bonus

application.

- a. Requested Incentives or Concessions to qualify for a State Density Bonus can be utilized to offset the cost of affordable housing associated with establishing eligibility for a Supplemental Density Bonus.
- b. Projects that qualify for a State density bonus but are not entitled to Incentives or Concessions, such as land donations and senior citizen projects, shall be eligible for three (3) Incentives or Concessions if eligible for a Supplemental Density Bonus.
- c. Cost Reduction Statement. A clear statement of how requested Concessions or Incentives result in identifiable and actual cost reductions to provide for affordable housing costs, if not already defined in the application for a State density bonus. The information should be sufficiently detailed to enable City staff to examine the conclusions reached by the Applicant.

20-31.040 Processing of Density Bonus Application.

- A. Concurrent Processing. Once deemed complete, the Density Bonus application shall be processed, and determinations made concurrent with the planning entitlement(s) for the Housing Development.
- B. Applicants are entitled to accept a lesser percentage of density bonus, including, but not limited to, no increase in density than they are otherwise eligible to receive pursuant to this Chapter and California Government Code Section 65915. The amount of density increase, if any, that is accepted by the applicant shall not reduce or otherwise impact eligibility for requested Incentives and Concessions, waivers or reductions associated with an eligible project.
- C. Review Authority. A request for a density bonus will be reviewed by the Zoning Administrator, or the same review authority as the Housing Development's other entitlements, if applicable. The reviewing authority shall not grant the density bonus and requested Incentive(s) or Concession(s) unless the findings in Section 20-31.090(B) (Available Incentives and Concessions) are made.
- D. Priority Processing. A Housing Development including at least 20 percent of total units affordable to lower income households, with the affordability maintained through an agreement with the Housing Authority or another governmental agency, shall be entitled to priority processing. Priority processing shall mean a timeline for review of the Housing Development and all associated applications as mutually agreed to by the City and the Applicant.
- E. Application for Density Bonus Housing Agreement. Once the proposed Housing Development has received its approval for a State or Supplemental Density Bonus, as described above, the Applicant shall file an application, including the payment of any processing fees with the Housing Authority, for approval and finalization of the Density Bonus Housing Agreement in compliance with the requirements set forth in Section 20-31.100 (General Provisions for Density Bonuses and Incentives or Concessions).

20-31.050 Eligibility Criteria for Density Bonus.

- A. The City shall consider a density bonus and provide Incentives or Concessions, as described in Section 20-31.090 (Available Incentives and Concessions), when an Applicant for a Housing Development seeks and agrees to construct a Housing Development that will contain at least one of the following:
1. Low-Income Projects. Ten percent of the total units of a Housing Development strictly for low-income households as defined herein;
 2. Very Low-Income Projects. Five percent of the total units of a Housing Development strictly for very low-income households as defined herein;
 3. Senior Housing Projects. A Senior Citizen Housing Development, as defined herein;
 4. For-Sale Projects. Ten percent of the total dwelling units in a Common Interest Development for persons and families of moderate-income households as defined herein, provided that all units in the development are offered to the public for purchase.
 5. Specialized Housing Projects. Ten percent of the total units of a Housing Development for Specialized Housing. The units described in this subparagraph shall be subject to a recorded affordability restriction of 55 years and shall be provided at the same affordability level as very low-income units.
 6. Commercial Projects. When an applicant of an approved commercial project has entered into an agreement for partnered housing to contribute affordable housing through a joint project or two separate projects encompassing affordable housing, the City shall grant to the Applicant development intensity bonuses relative the maximum allowances defined in the General Plan, or Zoning Ordinance if the General Plan does not provide a maximum allowance, as prescribed in California Government Code Section 65915.7 that may include:
 - a. Up to a 20% increase in maximum allowable intensity in the General Plan.
 - b. Up to a 20% increase in maximum allowable floor area ratio.
 - c. Up to a 20% increase in maximum height requirements.
 - d. Up to a 20% reduction in minimum parking requirements.
 - e. Use of a limited-use elevator for upper floor accessibility.
 - f. An exception to a Zoning Code or other land use regulation.
 7. Redevelopment of Existing Dwelling Units. A Housing Development shall be ineligible for a density bonus, and any associated Incentives or Concessions, if the Housing Development involves the redevelopment of existing dwelling units, or dwelling units that have been vacated or demolished in the five-year period preceding the application, that have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to lower-income households or that have been occupied by lower or very low income households, unless the project provides replacement units, and either of the following applies:

- a. The proposed Housing Development, inclusive of the replacement units, contains Affordable Housing units at the percentages required to establish eligibility for a density bonus as set forth in Section 20-31.040 (Processing Density Bonus Applications); or
 - b. Each unit in the Housing Development, exclusive of a manager's unit or units, is affordable to, and occupied by a lower-income household.
- 8. Student Housing Development. A student housing development that sets aside twenty percent of the total units for lower income students subject to the following requirements:
 - a. All units in the Student Housing Development will be used exclusively for undergraduate, graduate, or professional students enrolled full time at an institution of higher education accredited by the Western Association of Schools and Colleges or the Accrediting Commission for Community and Junior Colleges. In order to be eligible under this subclause, the Applicant for the Housing Development shall, as a condition of receiving a Certificate of Occupancy, provide evidence to the City that the Applicant has entered into an Operating Agreement or Master Lease with one or more institutions of higher education for the institution(s) to occupy all units of the Student Housing Development with students from that institution(s). An Operating Agreement or Master Lease entered into pursuant to this subclause is not violated or breached if, in any subsequent year, there are not sufficient students enrolled in the institution(s) to fill all units in the Student Housing Development.
 - b. The applicable 20-percent of units in the Housing Development will be used for Lower Income Students.
 - c. The applicable 20-percent of units shall be subject to a recorded affordability restriction of 55 years.
 - d. The rent provided in the applicable units for Lower Income Students shall be calculated at 30 percent of 65 percent of the Area Median Income for a single-room occupancy unit type.
 - e. The Housing Development will provide priority for the applicable affordable units for Lower Income Students experiencing homelessness. A Homeless Service Provider, as defined in paragraph (3) of subdivision (d) of Section 103577 of the Health and Safety Code, or institution of higher education that has knowledge of a person's homeless status may verify a person's status as homeless.
 - f. For purposes of calculating a density bonus granted pursuant to this subparagraph, the term "unit" as used in this section means one rental bed and its pro rata share of associated common area facilities.
- B. Rental Projects and Replacement Units. If the proposed development is rental units, the replacement units shall be subject to the provisions of California Government Code Section 65915(c):

1. Fractional Units. All replacement calculations resulting in fractional units or number shall be rounded up to the next whole number.
 2. Rental Affordability Term. If the replacement units will be rental dwelling units, these units shall be subject to a recorded affordability restriction of at least 55 years. If the proposed development is for-sale units, the units replaced shall be subject to Section 20-31.110 (Density Bonus Agreement and Terms).
- C. For-Sale Projects and Replacement Units. If the Housing Development is for-sale units, the units replaced shall be subject to all the following:
1. The initial occupant of all for-sale units that qualified the applicant for the award of the density bonus shall be persons and families of very low, low, or moderate income, as defined herein for density bonus eligibility.
 2. The units are offered at an affordable housing cost at the appropriate income level as defined in Section 20-31.020 (Definitions).
 3. The applicant and City shall establish an equity sharing agreement, unless it is in conflict with the requirements of another public funding source or law as outlined in Section 20-31.110 (Density Bonus Agreement and Terms).
- D. Subsections (B), (C), and (D) do not apply to an applicant seeking a density bonus for a proposed Housing Development if its application was submitted or processed before January 1, 2015.

20-31.060 State Density Bonus.

The City will allow a Housing Development a maximum density bonus and Concessions or Incentives meeting all the applicable eligibility requirements of this Chapter. In the event that the minimum requirements for granting a density bonus or the number of applicable Concessions or Incentives as set forth in California Government Code Section 65915 are amended after the adoption of this Chapter by the City, then the lowest minimum requirements shall apply.

- A. Very low-income households. If an Applicant elects to construct units for very low-income households, including Specialized Housing as defined in Section 20-31.050.A.5 (Eligibility Criteria for Density Bonus), the development shall be entitled to the density bonus corresponding to the very low income unit set aside percentage listed in Table 3.1 Density Bonus.
- B. Density bonus for low-income households. If an Applicant elects to construct units for low income households, the Housing Development shall be entitled to the density bonus corresponding to the low-income unit set aside percentage listed in Table 3.1 Density Bonus.
- C. Moderate income units in a Common Interest Development. If an Applicant elects to construct units for moderate-income households, the development shall be entitled to the density bonus corresponding to the moderate income unit set aside percentage listed in Table 3.1 Density Bonus.
- D. Senior housing. If an Applicant elects to construct a Senior Citizen Housing Development, the density bonus shall be 20 percent of the total number of allowed

housing units without the density bonus.

- E. Density bonus for land donation. When an applicant for a Housing Development donates at least one acre of land or enough land to develop 40 dwelling units, then the applicant shall be entitled to a density bonus on the entire Housing Development site as follows:
1. Nothing in this Subsection shall be construed to enlarge or diminish the authority of the City to require an Applicant to donate land as a condition of development.
 2. The density bonus for land dedication shall be in addition to any density bonus earned pursuant to this Section up to a maximum combined increase of 50 percent.
 3. An applicant with a land donation shall be eligible for the density bonus if all the following conditions are met:
 - a. The applicant donates and transfers the land to the City no later than the date of approval by the City of the planning entitlement application for the proposed Housing Development seeking the density bonus.
 - b. The developable acreage and zoning classification of the land being transferred are sufficient to permit construction of units affordable to very low-income households in an amount not less than 10 percent of the number of residential units of the proposed Housing Development seeking the density bonus. The minimum unit size for the units to be accommodated on the donated land shall be consistent with the minimum required for an efficiency unit as defined in California Health and Safety Code Section 17958.1.
 - c. The land proposed to be donated to the City:
 - (1) Has the appropriate General Plan Land Use Designation and is appropriately zoned for development at the density described in paragraph (3) of Subsection (c) of California Government Code Section 65583.2; and
 - (2) Is or will be served by adequate public facilities and infrastructures; and
 - (3) Is donated no later than the date of approval of the final subdivision map, parcel map or Housing Development application seeking a density bonus and has all the permits and approvals, other than building permits, necessary for the development of the very low-income housing units on the transferred land; and
 - (4) Is transferred to the City or an Applicant for a Housing Development approved by the City; and
 - (5) Shall be within the boundary of the proposed development or within one-quarter mile of the boundary of the proposed development; and
 - (6) Must have a proposed source of funding for the very low-income units prior to the approval of the final subdivision map, parcel map or Housing Development application seeking the density bonus.
 - d. The transferred land and the affordable housing units shall be subject to a deed restriction, which shall be recorded on the property upon dedication, ensuring continued affordability of units for at least 55 years from the date of occupancy.
 - e. The density bonus available for land donation to an eligible project shall correspond to the very low-income unit set aside percentage listed in Table 3.1 Density Bonus.
- F. Condominium conversions. Density bonus for condominium conversion, shall be considered

and approved in accordance with Section 65915.5 of the California Government Code for specifications.

- G. Student Housing. For Housing Development that meets the Student Housing eligibility criteria in Section 20-31.050.A.8 and sets aside at least 20 percent of the units for lower income students, the Density Bonus shall be 35 percent in accordance with Table 3.1 Density Bonus.

PERCENTAGE SET-ASIDE FOR EACH QUALIFIED HOUSING DEVELOPMENT TYPE*							
Base Project Set Aside **	Very Low Income	Low Income	Mod Income ***	Land Donation	Senior ****	Foster Youth, Disabled Vets, Homeless	Student Housing
5%	20%	-	-	-	20%	-	-
6%	22.5%	-	-	-	20%	-	-
7%	25%	-	-	-	20%	-	-
8%	27.5%	-	-	-	20%	-	-
9%	30%	-	-	-	20%	-	-
10%	32.5%	20%	5%	15%	20%	20%	-
11%	35%	21.5%	6%	16%	20%	20%	-
12%	35%	23%	7%	17%	20%	20%	-
13%	35%	24.5%	8%	18%	20%	20%	-
14%	35%	26%	9%	19%	20%	20%	-
15%	35%	27.5%	10%	20%	20%	20%	-
16%	35%	27.5%	11%	21%	20%	20%	-
17%	35%	30.5%	12%	22%	20%	20%	-
18%	35%	32%	13%	23%	20%	20%	-
19%	35%	33.5%	14%	24%	20%	20%	-
20%	35%	35%	15%	25%	20%	20%	35%
21%	35%	35%	16%	26%	20%	20%	35%
22%	35%	35%	17%	27%	20%	20%	35%
23%	35%	35%	18%	28%	20%	20%	35%
24%	35%	35%	19%	29%	20%	20%	35%
25%	35%	35%	20%	30%	20%	20%	35%
26%	35%	35%	21%	31%	20%	20%	35%
27%	35%	35%	22%	32%	20%	20%	35%
28%	35%	35%	23%	33%	20%	20%	35%
29%	35%	35%	24%	34%	20%	20%	35%
30%	35%	35%	25%	35%	20%	20%	35%
31%	35%	35%	26%	35%	20%	20%	35%
32%	35%	35%	27%	35%	20%	20%	35%
33%	35%	35%	28%	35%	20%	20%	35%
34%	35%	35%	29%	35%	20%	20%	35%
35%	35%	35%	30%	35%	20%	20%	35%
36%	35%	35%	31%	35%	20%	20%	35%
37%	35%	35%	32%	35%	20%	20%	35%
38%	35%	35%	33%	35%	20%	20%	35%
39%	35%	35%	34%	35%	20%	20%	35%
40%	35%	35%	35%	35%	20%	20%	35%
100% *****	80%	80%	80%	35%	20%	20%	35%

Table 3.1: Density Bonus

* All density bonus calculations resulting in fractions are rounded up to the next whole number.

**Affordable unit percentage is calculated excluding units added by a density bonus.

***Moderate income density bonus applies to for sale units, not to rental units.

****No affordable units are required for senior units.

***** Applies when no less than 80% of the total units (other than manager's units) are allocated lower income units and

no more than 20% are moderate income units.

20-31.070 Supplemental Density Bonus.

This Section outlines the eligibility requirements for Supplemental Density Bonuses in excess of the State density bonus (i.e. California Government Code Section 65915). An eligible project may qualify for a Supplemental Density Bonus of up to but not greater than 100 percent above the maximum residential density permitted in the applicable Land Use Designation pursuant to the provisions in this Section.

- A. Duration of Supplemental Density Bonus. Five years after the effective date of this Section, or January 15, 2024, whichever is sooner, the Department shall schedule a review by the City Council to consider the impacts of the supplemental density bonus provisions contained in this Chapter and examine the cumulative effects of said provisions on the city's housing supply and its capacity to accommodate additional housing. At that time, the Council will determine whether or not to continue with the supplemental density bonus program.
- B. Relationship to State Density Bonus. Affordable housing provided to establish eligibility for a Supplemental Density Bonus shall be calculated on the "Base Project", not including State Density Bonus Units granted pursuant to this Chapter and California Government Code Section 65915. The affordable housing units used to generate Eligibility Points toward a supplemental bonus shall be in addition to affordable housing provided to establish eligibility for a State density bonus.
- C. Eligible Locations. A project that receives the maximum State Density Bonus is eligible for a Supplemental Density Bonus above the maximum State Density Bonus if it is:
 - 1. located within the Downtown Station Area Specific Plan or North Santa Rosa Station Area Specific Plan, and
 - 2. the project site is designated one of the following General Plan Land Use Designations:
 - (1) Medium-Low Density Residential (see note below)
 - (2) Medium Residential (see note below)
 - (3) Medium-High Residential (see note below)
 - (4) Retail/Medium Residential (see note below)
 - (5) Office (see note below)
 - (6) Office/Medium residential (see note below)
 - (7) Business Park (see note below)
 - (8) Light Industrial/Medium Residential (see note below)
 - (9) Transit Village Medium
 - (10) Transit Village Mixed Use
 - (11) Retail & Business Services

Note: Housing Projects on sites with these Land Use Designations are not eligible for a supplemental bonus if the site is inside a Historic Preservation District. This restriction does not apply to the Transit Village Medium, Transit Village Mixed Use,

and Retail & Business Services Land Use Designations.

- D. Supplemental Bonus Amount. Table 3.10 lists the maximum Supplemental Density Bonus available to an eligible project in the applicable Land Use Designations, depending on the proximity of the property to a Major Transit Stop or School Facility, or if the property is a designated General Plan Housing Opportunity Site.

Table 3.3: 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	10% ²	30%	30%	50%	10%	50%
Total Bonus (with State Density Bonus)	60% ²	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) 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.

(3) 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.

- E. Eligibility Points. The requirements to establish eligibility for a Supplemental Density Bonus are based on Eligibility Points, which are calculated using the following formula:

$$\left(\frac{\text{Percent Bonus Requested above 50\%}}{\text{Max Supplemental Bonus (see Table 3.10)}} \right) \times 100$$

= Eligibility Points (rounded to the next multiple of 5)

- F. Affordable Housing. At least 60 percent of the project's Eligibility Point requirement shall be fulfilled by providing affordable housing units on-site, based on a percentage of Base Project units, in compliance with Table 3-11.
- G. Rental Projects. Rental projects shall meet the affordable housing requirement by providing affordable housing units on-site at a mix of income levels as prescribed in Table 3-11.
- H. 100% Affordable Projects. Rental projects in which all proposed units will be affordable to

very low- or low-income households are eligible for a 100% density bonus in accordance with Section 20-31.060.

- I. Specialized Housing. Instead of providing Affordable Housing units across the three identified income levels in Table 3-11, rental projects can earn some or all their required Eligibility Points by including Specialized Housing units at the very low-income level pursuant to the schedule in Table 3-11.
- J. For-Sale Projects. For-sale projects can earn Eligibility Points by including a percentage of housing units at the moderate-income level pursuant to the schedule in Table 3-11.

Table 3-4: 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): MODERATE INCOME
	VERY LOW	LOW	MODERATE		
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.					

- K. Community Benefits. No more than 40 percent of the Eligibility Points required for a project may be earned through the provision of community benefits in accordance with Table 3-5.

Table 3-5: Community Benefits and Eligibility Points

Community Benefit	Eligibility Point Calculation	Notes
Public Open Space, either option A or B:	<p>A: For projects seeking 20 pts or less, 4 pts. per 1% of site area or 1,000 sf, whichever is greater.</p> <p>For projects seeking 21-30 pts: 3 pts. per 1% of site area or 1,500 sf, whichever is greater.</p> <p>For projects seeking 31-40 pts, 2.5 pts. per 1% of site area or 2,000 sf, whichever is greater.</p> <p>B: 10 pts per 1% of project construction valuation contributed to Park Impact Fee, up to 40 pts.</p>	<p>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</p>
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.

L. Findings. To approve a Minor Conditional Use Permit for a Supplemental Density Bonus, as prescribed in this Chapter, the following findings must be made in addition to the findings required by Chapter 20-52:

1. For projects in all eligible Land Use Designations:
 - a. The proposed project will generate a sufficient number of Eligibility Points by providing at least 60% of all required Eligibility Points through affordable housing pursuant to Table 3-11, and that the remaining 40% are provided through additional affordable housing pursuant to Table 3-11 or through community benefits pursuant to Table 3-12 as outlined in this Section.
 - b. The proposed community benefits for the project are significant and clearly beyond what would otherwise be required for the project under applicable code provisions, conditions of approval, and/or environmental review mitigation measures.
 - c. That the proposed community benefits for the project are acceptable and appropriate for the project, and will provide tangible benefits to the community.
2. For projects requesting approval of an innovative community benefit, the review authority shall evaluate the innovative benefit against the following findings and provide

a recommendation to the Council for consideration:

- a. The proposed innovative community benefit is consistent with, or otherwise furthers the policies of the General Plan and any applicable Specific Plan or Area Plan.
- b. The proposed innovative community benefit will be accessible to the public.
- c. The proposed innovative community benefit is significant and clearly beyond what would otherwise be required for the project under applicable code provisions, conditions of approval, and/or environmental review mitigation measures.

M. Standard Conditions of Approval. The following conditions of approval shall apply to all Supplemental Density Bonus projects:

1. No community benefit for which a bonus has been granted may be eliminated or reduced in size without the approval of the review authority. To grant such approval, the review authority must find that there is a corresponding reduction in intensity, height, and/or density, a substitution of an equivalent community benefit, or a combination of the two.
2. Before a Certificate of Occupancy is issued for a project, the applicant shall certify to the Director that the Eligibility Points upon which the project's residential density bonus was based have been achieved.

20-31.080 Child Care Facility Density Bonus.

- A. A Housing Development meeting the requirements of Sections 20-31.050 and 20-31.060 and including a Child Care Facility that will be located on the same site, shall receive either of the following:
 1. An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the amount of square feet in the Child Care Facility, such that the bonus square footage shall not exceed:
 - a. Existing Structures: a maximum of five square feet of floor area for each one square foot of floor area contained in the Child Care Facility for projects involving existing structures;
 - b. New Structures: a maximum of 10 square feet of floor area for each one square foot of floor area contained in the Child Care Facility for projects involving new structures.
 2. An additional Incentive or Concession that contributes significantly to the economic feasibility of the construction of the Child Care Facility.
- B. For purposes of calculating the density bonus under this Section, both indoor and outdoor square footage requirements for the Child Care Facility as set forth in applicable State child care licensing requirements shall be included in the floor area of the Child Care Facility.
- C. When a Housing Development is providing a Child Care Facility consistent with the Code codified in this Chapter, then pursuant to California Government Code Section 65915(h)(2), the project conditions of approval shall require that:
 1. The Child Care Facility shall remain in operation for a period of time that is as long as or longer than the period of time during which the Affordable Housing units are required to remain affordable; and

2. Of the children who attend the Child Care Facility, the percentage of children of lower- or moderate-income households shall be equal to or greater than the percentage of Affordable Housing Units that are required to establish eligibility for a density bonus pursuant to Section 20-31.050 (Eligibility Criteria for Density Bonus).
- D. The City shall not be required to provide a density bonus or Incentive or Concession for a Child Care Facility if it makes a written finding, based upon substantial evidence, that the community has adequate child care facilities.

20-31.090 Available Incentives and Concessions.

In addition to a density bonus set forth in Section 20-31.060 (State Density Bonus) an Applicant may request a number of Incentives or Concessions corresponding to the minimum affordable housing set aside percentage listed in the following table. Furthermore, an Applicant for a 100% lower income housing development qualifying for four incentives and concessions and located within ½ mile of a major transit stop shall also receive a height increase of up to three additional stories or 33 feet.

Table 3.6: Incentives or Concessions Allowed Based on Affordable Housing Set Aside

Incentives or Concessions	Minimum Very Low Income Percentage	Minimum Low Income Percentage	Minimum Moderate Income Percentage
1	5%	10%	10%
2	10%	20%	20%
3	15%	30%	30%
4	100% Low/Very Low/Mod (20% Moderate Allowed)*		

- A. An Incentive or Concession may mean:
1. A reduction in the site development standards or a modification of Zoning Code requirements.
 2. Approval of mixed-use development in conjunction with the proposed Housing Development if the nonresidential land uses will reduce the cost of the proposed Housing Development, and the nonresidential land uses are compatible with the proposed Housing Development and surrounding development.
 3. Other regulatory Incentives or Concessions proposed by the applicant or that the City determines will result in identifiable, financially sufficient, and actual cost reductions.
- B. The City shall grant Incentive(s) or Concession(s) requested by the applicant unless the City can make a written finding, based upon the substantial evidence, of any of the following:
1. The Concession or Incentive does not result in identifiable and actual cost reductions, as defined in California Government Code Section 65915, to provide for affordable housing costs or for rents for the targeted units as specified in Section 20-31.060 (State Density Bonus).
 2. The Concession or Incentive would have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of California Government Code Section 65589.5 or

Section 20-31.020 (Definitions), upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households.

3. The Incentive or Concession would be contrary to State or Federal law.
- C. To streamline the approval of density bonus projects, the following Concessions or Incentives shall be considered pre-approved by the City. No supporting evidence is required to establish that pre-approved Concessions result in identifiable and actual cost reductions, as defined in California Government Code Section 65915, to provide for affordable housing costs or for rents for the targeted units as specified in Section 20-31.060 (State Density Bonus). The City may deny a pre-approved Concession or Incentive pursuant to the provisions of Subsection (B). A pre-approved Concession or Incentive may be requested only once; additional requests for the same Incentive or Concessions, or a request for a greater Incentive or Concession than those stated below, may require supporting evidence that the Incentive over and above those stated below would result in identifiable and actual cost reductions to offset the cost of affordable housing in the project.
 1. Setback Reduction. A setback reduction of up to 25%, but not to be less than 20% below the average of the developed lots on the same block face.
 2. Auto Parking. Up to 50% reduction where State Density Bonus Law reduced parking ratios are not already applied. This Incentive or Concession does not apply on rights-of-way with narrow travel lane widths where on-street parking could impair emergency access at the determination of the Director in consultation with emergency services providers.
 3. Lot Coverage. Increase in allowable lot coverage by up to 10% of lot area.
 4. Building Height. Increase of the larger of up to 12 feet or 10% beyond current maximum permitted. If this pre-approved Concession is utilized, all floors above two stories in the development, not only additional stories that result from a density bonus, shall be stepped back a minimum of 6 feet from the story below.

20-31.100 General Provisions for Density Bonuses and Incentives/Concessions.

- A. Relationship to Housing Allocation Plan. An Affordable Housing unit provided in order to be eligible under this Chapter shall also be considered an Allocated Unit as defined in Section 21-02.060 (Relationship to density bonus provisions) of the City's Housing Allocation Plan.
- B. Density Bonus Calculation. All density bonus calculations resulting in fractional units shall be rounded up to the next whole number.
- C. Relationship to Existing Plans and Regulations. The granting of a density bonus shall not be interpreted, in and of itself, to require a General Plan amendment, zoning change, or other discretionary approval.
- D. Residential Density Calculation. Where a Housing Development is permitted in a Land Use Designation that does not provide a residential density allowance, the bonus shall be calculated in reference to the residential density allowance designated in the Zoning Code.

For projects located within General Plan Land Use Designations and Zoning Districts where no applicable maximum residential density is defined, the density bonus shall be calculated based on the maximum number of units that are proposed within a “Base Project” that substantially conforms to General Plan policies and all applicable development standards established for the underlying Zoning District.

E. Multiple Density Bonus Designations.

1. If a portion of the lot or lots associated with the Housing Development site qualify for two (2) or more maximum density bonus designations, the applicable density bonus shall apply to each portion of the lot(s), except that the larger density bonus may be applied to the entire lot(s) subject to the following two conditions:
 - a. At least fifty percent (50%) of the lot area is covered by a larger density bonus; and
 - b. The entire lot could be included in the larger density bonus by shifting the density bonus boundary by less than fifty feet (50') measured perpendicularly from the existing boundary at any point.
2. If Subsection D does not apply, the maximum permissible residential density for the lot shall be calculated based on the residential densities that apply to each portion of the lot. However, the resulting dwelling units may be located anywhere on the lot, subject to applicable height limits, setbacks, and any other dimensional requirements for each portion of the lot taking into consideration any and all development Incentives, Concessions, waivers, or reductions that may apply.

F. State parking reduction. Per California Government Code Section 65915(p)1, upon request by the Applicant, the City shall not require a Housing Development eligible for a density bonus to provide more than the parking ratios listed in the following table.

Table 3-7: Density Bonus Housing Development Maximum Parking Ratios

Proximity to Transit	Affordability and Project Type	Number of Spaces ²
With paratransit or within ½ mile of a fixed bus route	100% rental housing affordable to lower or very low income households ³	0.5 space per dwelling unit
	Senior citizen housing development	0.5 space per dwelling unit
	Special needs housing development	No parking required
	Supportive housing development ⁶	No parking required
Within ½ mile of a major transit stop	Other 100% rental housing affordable to lower or very low income households	0.5 space per dwelling unit
	At least 11% very low income housing set-aside	0.5 space per bedroom
	At least 20% lower income housing set-aside	0.5 space per bedroom
	Extremely low income dwelling units	No parking required for the extremely low income dwelling units only ⁶
All Other Projects		0-1 bedroom: 1 space per unit
		2-3 bedrooms: 2 spaces per unit
		4 or more bedrooms: 2.5 spaces per unit
/1 Inclusive of parking for guests and persons with a disability		

1. The reduced parking requirements established in this Subsection shall apply only at the request of the Applicant. An applicant may request parking Incentives or Concessions beyond those provided in this Subsection as outlined in Section 20-31.090 (Available Incentives and Concessions). A request for reduced parking requirements pursuant to this Subsection shall neither reduce nor increase the number of Incentives or Concessions to which the applicant is entitled.
2. If the City or an independent consultant has conducted a citywide parking study in the last seven years, the City may impose a lower vehicular parking requirement than described in this Subsection based upon substantial evidence in the parking study, that includes, but is not limited to, an analysis of parking availability, differing levels of transit access, walkability access to transit services, the potential for shared parking, the effect of parking requirements on the cost of market-rate and subsidized developments, and the lower rates of car ownership for low-income and very low-income individuals, including seniors and special needs individuals. The City shall pay the costs of any new study and make the findings consistent with this Subsection to support a reduced parking requirement.
3. If the total number of parking spaces required for the proposed Housing Development is other than a whole number, the number shall be rounded up to the next whole number. For purposes of this Subsection, a development may provide onsite parking through tandem parking or uncovered parking, but not through on-street parking.

G. Waiver or Reduction of Development Standard. The City shall not apply any development

standard that would have the effect of precluding the construction of a proposed Housing Development meeting the requirements of Section 20.31.060 at the densities or with the Incentives permitted by this Chapter. An applicant may submit with its application to the City a proposal for the waiver or reduction of development standards. A waiver or reduction of development standards, the application of which would physically preclude the development, shall not reduce nor increase the number of Incentives or Concessions being requested. Nothing in this Subsection, however, shall be interpreted to require the City to waive or reduce development standards if the waiver or reduction would have a specific adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5 of the California Government Code, upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which the City determines there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. Furthermore, the applicant shall be required to provide reasonable documentation demonstrating the project cannot be built if the development standard is not waived or reduced.

- H. Location and design of affordable housing. To encourage the integration of market rate and affordable housing units in mixed-income developments, the location and design of affordable housing units are subject to the following limitations:
1. Be constructed at the same time as the market units are constructed;
 2. Affordable housing units shall be dispersed throughout the development such that:
 - a. No more than 50% of the proposed affordable housing units are consolidated into one structure in developments with several multi-unit structures, and
 - b. No more than 20% of affordable housing units in a single multi-unit structure may be consolidated into a distinct section (e.g. in one distinct location within the structure); and
 - c. No more than 20% of the affordable housing units may be consolidated a distinct and identifiable area within single-family residential subdivisions.Applicants may utilize an available Concession or Incentive for relief from the dispersion requirements of this Subsection if supporting evidence is provided to the Director that demonstrates that the provisions of this Subsection reduce the financing feasibility of the project.;
 3. The affordable housing units shall be of a similar unit type/size to the overall Housing Development; and
 4. The affordable housing units shall be consistent in terms of their exterior design such as their appearance, materials and quality of exterior finish.

20-31.110 Density Bonus Agreement and Terms.

- A. A Density Bonus Housing Agreement must be executed prior to recording any final map for the underlying property or prior to the issuance of any building permit for the Housing Development, whichever comes first. The Density Bonus Housing Agreement shall be binding on all future owners and successors of interests of the Housing Development.
- B. The Density Bonus Housing Agreement shall:
1. Identify the type, size and location of each affordable housing unit required hereunder;
 2. Identify the term of the agreement, which would define the term of affordability of the

required units;

3. Require that the affordable housing units be constructed and completed by the Applicant as specified in this Chapter and in accordance with State law;
4. Require that each affordable housing unit be kept available only to members of the identified income group and rented for no more than the specified affordable rent during the term of the agreement.
5. Identify the means by which such continued availability shall be secured and enforced and the procedures under which the affordable housing units shall be leased and shall contain such other terms and provisions, the Housing Authority may require. The agreement, in its form and manner of execution, shall be in a form able to be recorded with the Sonoma County Recorder.
6. The Density Bonus Housing Agreement shall be reviewed and approved by the Executive Director of the Housing Authority and the affordability of the required units shall be monitored for compliance by the Housing Authority staff. The Housing Authority is hereby expressly authorized to act as the City's agent to enter into the Density Bonus Housing Agreement and any necessary subsequent amendments for the purpose of enforcing the terms of the agreement consistent with this Chapter.

C. Required terms for the continued availability of Affordable Housing units.

1. Low and very low-income households. An applicant for a Housing Development providing low and very low-income units in accordance with this Chapter must continue to restrict those units to low or very low-income households for a minimum of 55 years or longer term under another Regulatory Agreement from the date of initial occupancy.
2. Moderate Income Households. In the case of a Housing Development providing moderate income units, the initial occupant of the unit must be a person or family of moderate income.
 - a. Upon resale, the seller of the unit shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation. The local government shall recapture any initial subsidy and its proportionate share of appreciation; which shall be used within five years for any of the purposes described in subdivision (e) of Section 33334.2 of the California Health and Safety Code that promote home ownership. Any recaptured funds shall be deposited into the Housing Authority Trust Account to be used in accordance with Subsection (e) of Section 33334.2 of the California Health and Safety Code."