Existing Regulations (Coastal) Section 313-111

111.1 RESIDENTIAL DENSITY BONUS

- 111.1.1 Purpose and Intent. This Density Bonus Ordinance is intended to provide incentives for the production of housing for very low, lower income, or senior households in accordance with Sections <u>65915</u> and <u>65917</u> of the California Government Code. In enacting this section, it is the intent of the County of Humboldt to facilitate the development of affordable housing and to implement the goals, objectives, and polices of the County's Housing Element.
- 111.1.2 **Definitions.** Whenever the following terms are used in this section, they shall have the meaning established by this subsection and as defined in Section C: Index of Definitions of Language and Legal Terms.
 - 111.1.2.1 Additional Incentives
 - 111.1.2.2 Affordable Rent
 - 111.1.2.3 Very Low Income
 - 111.1.2.4 Lower Income
 - 111.1.2.5 Affordable Sales Price
 - 111.1.2.6 Density Bonus
 - 111.1.2.7 Density Bonus Housing Agreement
 - 111.1.2.8 Density Bonus Unit
 - 111.1.2.9 Equivalent Financial Incentive
 - 111.1.2.10 Housing Cost
 - 111.1.2.11 Housing Development
 - 111.1.2.12 Lower Income Household
 - 111.1.2.13 Maximum Residential Density
 - 111.1.2.14 Non-Restricted Unit
 - 111.1.2.15 Qualifying Resident
 - 111.1.2.16 Senior Citizen Housing

111.1.2.17 Target Unit

111.1.2.18 Very Low Income Household

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111.1.3 Implementation.

- 111.1.3.1 The County shall grant either: a Density Bonus, or a Density Bonus with an Additional Incentive(s), or Equivalent Financial Incentive; as set forth in subsection 111.1.5 of this section, to an applicant or developer of a Housing Development, who agrees to provide the following:
 - 111.1.3.1.1 At least ten percent (10%) of the total units of the Housing Development as Target Units affordable to Lower Income Households; or
 - 111.1.3.1.2 At least five percent (5%) of the total units of the Housing Development as Target Units affordable to Very Low Income Households; or
 - 111.1.3.1.3 Senior citizen housing.
- 111.1.3.2 In determining the minimum number of Density Bonus Units to be granted pursuant to this section, the Maximum Residential Density for the site shall be multiplied by 0.25. When calculating the number of permitted Density Bonus Units, any fractions of units shall be rounded to the next larger integer.
- 111.1.3.3 In determining the number of Target Units to be provided pursuant to this section, the Maximum Residential Density shall be multiplied by 0.05 where Very Low Income Households are targeted, or by 0.10 where Lower Income Households are targeted. The Density Bonus Units shall not be included when determining the total number of Target Units in the Housing Development. When calculating the required number of Target Units, any resulting decimal fraction shall be rounded to the next larger integer.
- 111.1.3.4 In cases where a density increase of less than twenty-five percent (25%) is requested, no reduction will be allowed in the number of Target Units required. In cases where a density increase of more than twenty-five percent (25%) is requested,

the requested density increase, if granted, shall be considered an Additional Incentive, as outlined in subsection <u>111.1.5</u> of this section.

- 111.1.3.5 In cases where the developer agrees to construct more than ten percent (10%) of the total units for Lower Income Households, or more than five percent (5%) of the total units for Very Low Income Households, the developer is entitled to only one Density Bonus and an Additional Incentive(s) (or an Equivalent Financial Incentive) pursuant to subsection 111.1.5 of this section.
- 111.1.3.6 Similarly, a developer who agrees to construct Senior Citizen Housing with ten percent (10%) or five percent (5%) of the units reserved for Lower- or Very Low-Income Households, respectively, is only entitled to one Density Bonus and an Additional Incentive(s).
- 111.1.3.7 The County may, however, grant multiple Additional Incentives to facilitate the inclusion of more Target Units than are required by this section.

111.1.4 Development Standards.

- 111.1.4.1 Target Units should be constructed concurrently with Non-Restricted Units unless both the County and the developer/applicant agree within the Density Bonus Housing Agreement to an alternative schedule for development.
- 111.1.4.2 Target Units shall remain restricted and affordable to the designated group for a period of thirty (30) years (or a longer period of time if required by the construction or mortgage financing assistance program, mortgage insurance program; or rental subsidy program),
- 111.1.4.3 Circumstances may arise in which the public interest would be served by allowing some or all of the Target Units associated with one Housing Development to be produced and operated at an alternative development site. Where the developer and County form such an agreement, the resulting linked developments shall be considered a single Housing Development for purposes of this section. Under these circumstances, the developer shall be subject to the same requirements of this section for the Target Units to be provided on the alternative site.
- 111.1.4.4 Target Units should be built on-site wherever possible and, when practical, be dispersed within the Housing Development. Where feasible, the number of bedrooms of the Target Units should be equivalent to the bedroom mix of the non-Target units of the Housing Development; except that the Developer may include a higher proportion of Target Units with more bedrooms. The design and appearance of the Target Units shall be compatible with the design of the total Housing

Development. Housing Developments shall comply with all applicable development standards, except those which may be modified as provided by this section.

111.1.4.5 A Density Bonus Housing Agreement shall be made a condition of the discretionary planning permits for all Housing Developments pursuant to this chapter. The Agreement shall be recorded as a restriction on the parcel or parcels on which the Target Units will be constructed. The Agreement shall be consistent with subsection 313-111.1.7 of this section.

111.1.5 Development Incentives.

- 111.1.5.1 The County shall provide a Density Bonus and an Additional Incentive(s), for qualified Housing Developments, upon the written request of a developer, unless the County makes a written finding that the Additional Incentive(s) is not necessary to make the Housing Development economically feasible to accommodate a Density Bonus, or unless all the required findings for approving subdivisions cannot be made.
- 111.1.5.2 The development incentives granted shall contribute significantly to the economic feasibility of providing the Target Units. Applicants seeking a waiver or modification of development or zoning standards shall show that such waivers or modifications are necessary to make the Housing Development economically feasible in accordance with Government Code Section 65915(e). This requirement may be satisfied by reference to applicable sections of the County's general plan housing element.
- 111.1.5.3 The applicant shall receive the following number of incentives or concessions:
 - 111.1.5.3.1 One incentive or concession for projects that include at least 10 percent of the total units for lower income households, at least 5 percent for very low income households, or at least 10 percent for persons and families of moderate income in a condominium or planned development.
 - 111.1.5.3.2 Two incentives or concessions for projects that include at least 20 percent of the total units for lower income households, at least 10 percent for very low income households, or at least 20 percent for persons and families of moderate income in a condominium or planned development.
 - 111.1.5.3.3 Three incentives or concessions for projects that include at least 30 percent of the total units for lower income households, at least 15 percent for very low income households, or at least 30 percent for persons and families of moderate income in a condominium or planned development.

- 111.1.5.4 The Additional Incentives may include, but are not limited to, any of the following:
 - 111.1.5.4.1 A reduction of site development standards or a modification of zoning code or architectural design requirements which exceed the minimum building standards provided in Part 2.5 (commencing with Section 18901) of Division 13 of the California Health and Safety Code). These may include, but are not limited to, any of the following:
 - 111.1.5.4.1.1 Reduced minimum lot sizes and dimensions.
 - 111.1.5.4.1.2 Reduced minimum yard setbacks,.
 - 111.1.5.4.1.3 Increased maximum lot coverage.
 - 111.1.5.4.1.4 Increased maximum building height.
 - 111.1.5.4.1.5 Reduced on-site parking standard; including the number or size of spaces.
 - 111.1.5.4.1.6 Reduced minimum building separation requirements.
 - 111.1.5.4.1.7 Reduced street standards (e.g. reduced minimum street widths).
 - 111.1.5.3.2 Allow the Housing Development to include nonresidential uses and/or allow the Housing Development within a nonresidential zone.
 - 111.1.5.3.3 Other regulatory incentives or concessions proposed by the developer or the County which result in identifiable cost reductions or avoidance.
 - 111.1.5.3.4 A Density Bonus of more than twenty-five percent (25%).
 - 111.1.5.3.5 Waived, reduced, or deferred planning, plan check, construction permit, and/or development impact fees.
 - 111.1.5.3.6 Direct financial aid in the form of a loan or a grant to subsidize or provide low interest financing for on- or off-site improvements, land or construction costs.
- 111.1.5.3 The County may offer an Equivalent Financial Incentive instead of granting a Density Bonus and an Additional Incentive(s). The value of the Equivalent Financial Incentive shall equal at least the land cost per dwelling unit savings that would result from a Density Bonus and must contribute significantly to the economic feasibility of providing the Target Units pursuant to this section.

111.1.6 Procedures for Approval

- 111.1.6.1 When required by Government Code Section <u>65915</u>, the County shall grant a density bonus that allows the applicant to build up to 35% more units than a property's general plan density would ordinarily allow, if the County finds;
 - 111.1.6.1.1 The project is for any one of the types of residential projects described in Government Code Section <u>654915(b)</u>;
 - 111.1.6.1.2 The project complies with all standards set forth in Government Code Section <u>65915</u>;
 - 111.1.6.1.3 The project is a housing development consisting of five (5) or more units.
- 111.1.6.3 In accordance with Government Code Section <u>65915(g)</u>, the density bonus shall be calculated based on the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the LCP. The :otherwise maximum allowable residential density" shall mean the maximum density determined by applying all site-specific environmental development constraints applicable under the coastal zoning ordinance and land use plan certified by the Coastal Commission.
- 111.1.6.3 Any housing development approved pursuant to Government Code Section 65915 shall be consistent with all applicable certified local coastal program policies and development standards. In reviewing a proposed density increase, the County shall identify all feasible means of accommodating the density increase and consider the effects of such means on coastal resources. The County shall only grant a density increase if the County determines that the means of accommodating the density increase proposed by the applicant does not have an adverse effect on coastal resources. If, however, the County determines that the means for accommodating the density increase proposed by the applicant will have an adverse effect on coastal resources, the County shall not grant the density increase.
- 111.1.6.4 In addition to a density bonus, the County shall grant in a housing development that complies with the provisions of Section A, above, one of the incentives or concessions identified in Government Code Section <u>65915(h)</u>, unless the County finds that an incentive or concession is not required in order to provide for affordable housing costs or rents. In reviewing a proposed incentive or concession, the County shall consider all feasible alternative incentives and concessions and their effects on coastal resources. The County shall only grant an

incentive or concession if the County determines that the development incentive or concession requested by an applicant pursuant to this section will not have any adverse effects on coastal resources. The County may grant one (1) or more of those incentives or concessions that do not have an adverse effect on coastal resources. If all feasible incentives or concessions would have an adverse effect on coastal resources, the County shall not grant any incentive or concession. For the purpose of this section, "coastal resources" means any resource which is afforded protection under the policies of Chapter 3 of the Coastal Act, California Public Resources Code section 30200 et. seq., including, but not limited to public access, marine and other aquatic resources, environmentally sensitive habitat, and the visual quality of coastal areas.

111.1.7 Application Requirements and Review.

- 111.1.7.1 An application for a density bonus and additional incentive as allowed pursuant to this section shall be processed concurrently with any other application(s) required for the Housing Development. Final approval or disapproval of the application (with right of appeal to the Board of Supervisors) shall he made by the Planning Commission unless direct financial assistance is requested. If direct financial assistance is requested, the Planning Commission shall make a recommendation to the Board of Supervisors who will have the authority to make the final decision on the application.
- 111.1.7.2 An applicant/developer proposing a Housing Development pursuant to this section, may submit a preliminary application prior to the submittal of any formal request for approval of a Housing Development. Applicants are encouraged to schedule a pre-application conference with the Director or designated staff to discuss and identify potential application issues including prospective Additional Incentives pursuant to subsection 111.1.5 of this section.
- 111.1.7.3 The Director or designated staff shall inform the applicant/developer that the requested Additional Incentives shall be recommended for consideration with the proposed Housing Development, or that alternative or modified Additional Incentives pursuant to subsection 111.1.5 shall be recommended for consideration instead of the requested Incentives. If alternative or modified Incentives are recommended by the Director, the recommendation shall establish how the alternative or modified Incentives can be expected to have an equivalent affordability effect as the requested Incentives.

111.1.8 Density Bonus Housing Agreement.

- 111.1.8.1 Applicant/Developers requesting a Density Bonus, shall agree to enter into a Density Bonus Housing Agreement with the County. The terms of the draft agreement shall be reviewed and revised as appropriate by the Director or designated staff, who shall formulate a recommendation to the Planning Commission for final approval.
- 111.1.8.2 Following execution of the agreement by all parties, the completed Density Bonus Housing Agreement, or equivalent recording instrument, shall be recorded and the conditions therefrom filed and recorded on the parcel or parcels designated for the construction of Target Units. The approval and recordation shall take place prior to final map approval, or, where a map is not being processed, prior to issuance of building permits for such parcels or units. The Density Bonus Housing Agreement shall be binding to all future owners and successors in interest.
- 111.1.8.3 The Density Bonus Housing Agreement shall include at least the following:
 - 111.1.8.3.1 The total number of units approved for the Housing Development, including the number of Target Units.
 - 111.1.8.3.2 A description of the household income group to be accommodated by the Housing Development, as outlined in subsection 111.1.3 of this section, and the standards for determining the corresponding Affordable Rent or Affordable Sales Price and Housing Cost.
 - 111.1.8.3.3 The location, unit sizes (square feet) and number of bedrooms of Target Units.
 - 111.1.8.3.4 Tenure of use restrictions for Target Units of at least 10 or 30 years, in accordance with subsection 111.1.4 of this section.
 - 111.1.8.3.5 A schedule for completion and occupancy of Target Units.
 - 111.1.8.3.6 A description of the Additional Incentive(s) or Equivalent Financial Incentives being provided by the County.
 - 111.1.8.3.7 A description of remedies for breach of the agreement by either party (the County may identify tenants or qualified purchasers as third party beneficiaries under the agreement).
 - 111.1.8.3.8 Other provisions to ensure implementation and compliance with this section.

- 111.1.8.3.9 In the case of for-sale Housing Developments, the Density Bonus Housing Agreement shall provide for the following conditions governing the initial sale and use of Target Units during the applicable use restriction period:
 - 111.1.8.3.9.1 Target Units shall, upon initial sale, be sold to eligible Very Low or Lower Income Households at an Affordable Sales Price and Housing Cost, or to Qualified Residents (i.e. maintained as Senior citizen housing) as defined by this section.
 - 111.1.8.3.9.2 Target Units shall be initially owner-occupied by eligible Very Low or Lower Income Households; or by Qualified Residents in the case of Senior citizen housing.
 - 111.1.8.3.9.3 The initial purchaser of each Target Unit shall execute an instrument or agreement approved by the County restricting the sale of the Target Units in accordance with this ordinance during the applicable use restriction period. Such instrument or agreement shall be recorded against the parcel containing the Target Unit and shall contain such provisions as the County may require to ensure continued compliance with this ordinance and the State Density Bonus Law.
- 111.1.8.3.10 In the case of rental Housing Developments, the Density Bonus Housing Agreement shall provide for the following conditions governing the use of Target Units during the use restriction period:
 - 111.1.8.3.10.1 The rules and procedures for qualifying tenants, establishing Affordable Rent, filling vacancies, and maintaining Target Units for qualified tenants;
 - 111.1.8.3.10.2 Provisions requiring owners to verify tenant incomes and maintain books and records to demonstrate compliance with this section.
 - 111.1.8.3.10.3 Provisions requiring owners to submit an annual report to the County, which includes the name, address, and income of each person occupying Target Units, and which identifies the bedroom size and monthly rent or cost of each Target Unit.