Chapter 19.545 DENSITY BONUS

19.545.010 Purpose.

A. The purpose of this Chapter is to:

1. Establish procedures for implementing State Density Bonus requirements, as set forth in California Government Code Sections 65915 through 65918 and

2. Facilitate the development of affordable housing consistent with the goals, objectives, and policies of the Housing Element of the City's General Plan.

B. This Chapter establishes incentives available to developers to produce housing affordable to very-low, low and moderate-income households, transitional foster youth, disabled veterans, homeless persons, lower-income students, and senior citizens, consistent with State Density Bonus law.

19.545.020 Applicability.

A. The provisions of this Chapter shall apply to any residential development project, as defined in Article X – Definitions.

B. A residential development project that complies with the provisions of Chapter 19.535 (Inclusionary Housing), or any other applicable statute, regulation or law that requires development of affordable housing shall be eligible to receive incentives as set forth in this Chapter.

C. Any request for a density bonus for a residential development project located within a Compatibility Zone of the Riverside County Airport Land Use Compatibility Plan shall comply with the applicable compatibility criteria of the Compatibility Zone in which is it located.

19.545.030 General requirements.

A. *Maximum allowable density*.

1. The maximum number of units allowed by the applicable zone for the site shall be multiplied by the density bonus allowance as defined in this Chapter.

2. A residential development project shall not exceed the cumulative total number of units allowed by the underlying zone and the density bonus units.

B. *Fractional units*. Each component of any density calculation resulting in fractional units, including base density and bonus density, shall be separately rounded up to the next whole number.

C. *Discretionary approval.*

1. A request for a density bonus may be incorporated with a regular application to the Planning Division for ministerial or discretionary development approval required by this Title for the proposed residential development project.

2. The granting of a density bonus, in and of itself, shall not require a General Plan Amendment, Zoning Change, or other discretionary approval.

D. *Mixed category development*.

DRAFT

1. If a residential development project qualifies for a density bonus under more than one category, the applicant shall select the category under which the density bonus is granted.
2. Unless otherwise stated in this Chapter, density bonuses from more than one category may not be combined.

E. Any project for which a density bonus is granted under this Chapter is not eligible for an additional density bonus under Chapter 19.780 (Planned Residential Development Permit).

19.545.040 Residential Development Project - Eligibility.

A. *Eligible*. The City shall grant a density bonus when a residential development project meets at least one of the following criteria:

1. 5% of the total units are designated for very low-income households.
2. 10% of the total units are designated for low-income households.
3. 100% of the units, exclusive of a manager's unit, are designated for very low-, low-, and moderate-income households, with no more than 20% of the total units designated for moderate-income households.
4. 10% of the total units are designated for transitional foster youth, disabled veterans, or homeless persons with rents provided at the same affordability level as very low-income units.
5. 20% of the total units are designated for lower income students in housing dedicated for full-time students at accredited colleges.
6. Any senior citizen residential development project as defined in Civil Code Sections 51.3 and 51.12 that has at least 35 dwelling units or a mobile home park that limits residency based on age requirements for housing older persons in compliance with Civil Code Sections 798.76 or 799.5.
7. Any for-sale project with 10% of the total units designated for moderate-income households, provided that all units in the development are offered to the public for purchase.
8. A condominium conversion project where:
    a. 33% of the units converted are for low- or moderate-income households; or
    b. 15% of the units converted are for very low- or extremely low-income households.
9. The applicant donates at least one acre of land to the City for very low-income units, and the land has the appropriate General Plan designation, Zoning, permits and approvals, and access to public facilities needed for such housing.

B. *Ineligible*. Unless units are replaced in conformance with 19.545.040.C below, an applicant is ineligible for a density bonus or any other incentives, concessions, or waivers under this Chapter if the proposed residential development project involves the removal of rental units that:

1. Are currently subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income; or
2. Were:

DRAFT

a. Vacated or demolished In the five-year period preceding the application; and

b. Subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low income; or

3. Are currently subject to any form of rent or price control; or

4. Are currently occupied by low- or very low-income households; or

5. For conversion to condominiums, were previously granted a density bonus, concession, or incentive.

C. *Replacement units.* A proposed residential development project that involves the removal of affordable units as set forth in 19.545.040.B above may request a density bonus, concession, incentive, or waiver if the affordable units are replaced subject to the following:

1. *Occupied units*. For dwelling units that are occupied on the date of application:

a. The proposed residential development project shall provide at least the same number of units containing the same number of bedrooms; and

b. The units must be made available at affordable rent or affordable sales price to, and occupied by, persons and households in the same or lower income category as current household in occupancy.

2. *Vacant or demolished units*. For dwelling units that have been vacated or demolished within the five-year period preceding the application:

a. The proposed residential development project shall provide at least the same number of units containing the same number of bedrooms as existed at the highpoint of those units in the five-year period preceding the application; and

b. The units must be made available at affordable rent or affordable sales price to, and occupied by, persons and families in the same or lower income category as the last household in occupancy.

3. *Unknown household income*. If the income category of the last household in occupancy is not known, the units shall be replaced in the same proportion of lower-income renter households to all renter households within the City, as determined by the most recently available data from the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database.

4. Residential development projects that would result in the removal of affordable units pursuant to this section shall also comply with replacement requirements set forth in California Government Code §66300(d)(2) (also known as SB 330 The Housing Crisis Act) as long as that statute remains in effect.

19.545.050 Permitted Density Bonus.

A residential development project that complies with the eligibility requirements of Section 19.545.040 shall be granted a density bonus as follows:

A. *Bonus for very low-, low-, and moderate-income housing.*

DRAFT

1. The amount of density bonus granted shall be based on the following table, up to a maximum of 50%:

Unit Type	Minimum % of Units	Density Bonus Granted	Additional Bonus for each 1% Increase in Units
Very Low Income	5%	20%	2.5% bonus through 12% of units 3.75% from 11% - 15% of units
Low Income	10%	20%	1.5% bonus through 21% of units 3.75% from 20% - 24% of units
Moderate Income for-sale units only	10%	5%	1% bonus through 40% of units 3.75% from 41% - 44% of units

2. The applicant may propose a lesser percentage of density increase, including, but not limited to, no increase in density with no effect on eligibility for concessions, incentives, and waivers or reduction of development standards to be considered as part of the development application.

B. Bonus for 100% affordable residential development projects.

1. If no more than 20% of the units are designated for moderate-income households and the remaining 80% are designated for very low- and low-income households, exclusive of manager's unit(s), the project shall be eligible for an 80% density bonus.

2. A residential development project located within one-half mile of a major transit stop shall have no maximum density.

C. *Bonus for other housing categories.* A residential development project that complies with the eligibility requirements of Section 19.545.040 shall be entitled to density bonus as follows:

1. Units for transitional foster youth, disabled veterans, homeless persons, or seniors: 20% density bonus

2. Units for lower-income students: 35% density bonus.

a. Units for lower-income students shall be defined as one (1) rental bed and its pro rata share of associated common area facilities.

b. Units for lower-income students shall meet all of the following requirements:

i. All units will be used exclusively for full-time undergraduate, graduate, or professional students at an institution accredited by the Western Association of Schools and Colleges or the Accrediting Commission for Community and Junior Colleges.

ii. As a condition of receiving a certificate of occupancy, the developer/applicant shall enter into an operating agreement or master lease with one or more institutions of higher education for students from that institution(s) to occupy all units of the student residential development project.

DRAFT

iii. The development shall provide priority for the applicable affordable units for lower-income students experiencing homelessness that may be verified by an institution of higher education that has knowledge of a person's homeless status or a homeless service provider, as defined in paragraph (3) of subdivision (e) of Section 103577 of the Health and Safety Code.

iv. Rent for the affordable units for lower income students shall be calculated at thirty percent (30%) of sixty-five percent (65%) of the area median income for a single-room occupancy unit type.

3. 25% density bonus for condominium conversion, subject to the requirements of California Government Code Section 65915.5.

D. *Bonus for donating land for very low-income units*.

1. An applicant is eligible for a density bonus if all of the following conditions are met:

a. The donated land is:

i. At least one acre in size or of sufficient size to permit development of at least 40 units, which is greater.

ii. Has the appropriate general plan designation.

iii. Zoned with development standards for development of at least 30 dwellings per acre.

iv. Is or will be served by adequate public facilities and infrastructure.

v. Located within the boundary of the proposed development.

vi. Subject to the approval of the City, within one-fourth mile of the boundary of the proposed development.

vii. The donated land shall be fully entitled for the development of very low-income housing.

viii. The applicant shall donate and transfer the land to the City or to a housing developer approved by the City no later than the date of approval of the final subdivision map, parcel map, or residential development application.

ix. A proposed source of funding for the very low-income units shall be identified not later than the date of approval of the final subdivision map, parcel map, or residential development application.

2. An applicant for a residential development project that donates land to the City in compliance with the eligibility requirements of Section 19.545.040 shall be entitled to:

a. 15% density bonus if 10% of the total units in the development are set aside for very low-income households.

b. For each one percent increase in the percentage of units affordable to very low-income households, the density bonus shall be increased by one percent, up to a maximum of 35% density bonus.

DRAFT

c. Density bonus for land donation can be combined with the regular density bonus provided for the development of affordable units, up to a maximum 35% density bonus.

E. *Bonus for childcare facilities.*

1. When an applicant proposes to construct a residential development project that includes a childcare facility that will be located on the premises of, as part of, or adjacent to the project, the City shall grant either of the following:

   a. An additional density bonus that is an amount of square feet of residential space that is equal to the amount of square feet in the childcare facility; or

   b. An additional concession or incentive that contributes significantly to the economic feasibility of the construction of the childcare facility.

2. The City shall require as a condition of approving the childcare facility that the following occur:

   a. The childcare 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 density bonus units are required to remain affordable; and

   b. Of the children who attend the childcare facility, the children of very low-income households, lower-income households, or families of moderate income shall equal a percentage that is equal to or greater than the percentage of dwelling units that are required for very low-income households, lower-income households, or families of moderate income.

19.545.060 Concessions and incentives.

A. *General*. The applicant for a density bonus project may request specific concessions or incentives and the City shall grant the request unless the City makes a written finding, based on substantial evidence, of one or more of following:

1. The concession or incentive does not result in identifiable and actual cost reductions to provide for affordable housing costs or for rents for the targeted units to be set as specified in 19.545.040.

2. The concession or incentive would have a specific, adverse impact upon public health and safety or on any real property 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- and moderate-income households.

3. The concession or incentive would be contrary to State or Federal law.

B. *Number of concessions or incentives*. The applicant shall receive the following number of concessions or incentives:

DRAFT

Percentage of Affordable Units (Minimum)	Number of Concessions
5% Very Low 10% Low 10% Moderate (for-sale units only) 20% Lower Income Student	1
10% Very Low 17% Low 20% Moderate (for-sale units only)	2
15% Very Low 24% Low 30% Moderate (for-sale units only)	3
100% Very Low or Low (maximum 20% Moderate)*	4
* If the project is within one-half mile of a major transit stop, the applicant shall also be eligible to receive a height increase of up to three (3) additional stories, or thirty-three (33) feet.	

C. *Types of concessions or incentives.* Concession or incentive means any of the following:

1. A reduction in site development standards or a modification of Zoning Code requirements or architectural design requirements that results in identifiable and actual cost reductions including, but not limited to:
    a. Height limitation;
    b. Setback requirement; or
    c. Parking ratio.
2. Approval of mixed-use zoning in conjunction with the residential development project if commercial, office, industrial, or other land uses will reduce the cost of the residential development project, provided that such uses are compatible with:
    a. The proposed residential development project; and
    b. The existing or planned development in the area where the proposed residential development project will be located.
3. Other regulatory incentives or concessions proposed by the applicant or the City that result in identifiable and actual cost reductions.

D. *Parking incentives*.

1. A request for reduced parking pursuant to this section shall not count as concession or incentive.
2. The applicant may request further parking reductions as a concession or incentive.
3. Notwithstanding the requirements below, the applicant may provide additional parking in excess of the minimum required parking identified in this section.

DRAFT

4. *Parking ratios*. Upon the request of the applicant of a residential development project that satisfies the requirements of 19.545.040, the following onsite parking ratios shall apply:
    a. Zero to one bedroom: one parking space per unit;
    b. Two to three bedrooms: one and one-half parking spaces per unit; and
    c. Four or more bedrooms: two and one-half parking spaces per unit.
5. *Within ½ mile of a major transit stop*. If a development is within one half-mile of a major transit stop and the residents of the development have unobstructed access to the major transit stop from the development, then upon request of the applicant, parking ratios shall be further reduced as follows:
    a. Development includes at least 11% very low-income units or at least 20% low-income units: 0.5 spaces per unit.
    b. Development includes at least 40% moderate-income for-sale units: 0.5 spaces per bedroom.
6. *No required parking*. If a development is 100% affordable, then upon the request of the applicant, the City shall not impose a vehicular parking ratio if the development meets any of the following criteria:
    a. The development is within one-half mile of a major transit stop and the residents of the development have unobstructed access to the major transit stop from the development; or
    b. The development is for individuals who are 62 years of age or older and the development has either paratransit service or unobstructed access within one-half mile to fixed bus route service that operates at least eight times per day; or
    c. The development is either special needs housing or supportive housing and the development has either paratransit service or unobstructed access within one-half mile to fixed bus route service that operates at least eight times per day.
7. If the total number of parking spaces required for a development is other than a whole number, the number shall be rounded up to the next whole number.
8. A residential development project may provide onsite parking through tandem parking or uncovered parking, but not through on-street parking.
9. Notwithstanding the above, the City may impose higher minimum parking requirements pursuant to California Government Code §65915(p)(8).

19.545.070 Waiver or reduction of development standards.

If a development standard would physically preclude the construction of a residential development project at the density and with the concessions or incentives permitted in this Chapter, the applicant may propose to have those standards waived or reduced.

A. When an applicant makes a request for a waiver or reduction of development standards, the City shall grant the request unless any of the following findings are made:

DRAFT

1. The waiver or reduction of development standards would have a specific adverse impact upon public health or safety for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.
2. The waiver or reduction of development standards would have an adverse impact on any real property listed in the California Register of Historical Resources.
3. The waiver or reduction of development standards would be contrary to State or Federal law.

B. A proposal for the waiver or reduction of development standards pursuant to this section shall neither reduce nor increase the number of incentives or concessions to which the applicant is entitled.

19.545.080 Development standards for affordable units.

The units made available to lower-income households, very low-income households and moderate-income households pursuant to this Chapter shall be designed and constructed pursuant to the requirements of Chapter 19.535.050 (Inclusionary Housing – Development Standards).

19.545.090 Affordable Housing Agreement.

A. Residential development projects receiving a density bonus, concession, incentive, or waiver pursuant to this Chapter shall enter into an Affordable Housing Agreement with the City.

B. The terms of the Affordable Housing Agreement shall be subject to the requirements established by the City of Riverside Housing Authority at the time of project approval.

C. The Affordable Housing Agreement shall be entered into prior to issuance of the final certificate of occupancy for the residential development project.

D. The Affordable Housing Agreement shall remain in effect for the entire term of affordability of the affordable units created pursuant to this Chapter, or as required by applicable State law, whichever is greater.

DRAFT