

## **State Density Bonus Law Supplemental Application**

([Chapter 17.704](#) of the Sacramento City Code)

This application form facilitates compliance with California Government Code sections 65915 through 65918, commonly referred to as **State Density Bonus Law**. Under this law, eligible developments may receive density bonuses, waivers or reductions, and incentives or concessions.

### **What developments are eligible?**

- Housing developments with five or more dwelling units, including mixed-use developments, that designate units for moderate and lower incomes or specified populations,
- Apartments converted to condominiums that provide affordable units, or
- Commercial developments with partnered housing.

### **What is a density bonus, waiver or reduction, and incentive or concession?**

- A density bonus is an increase in density above the otherwise maximum allowable density.
- A waiver or reduction is a modification of a development standard to accommodate a development with the increased density or incentives and concessions.
- An incentive or concession is a reduction of a requirement that results in identifiable and actual cost reductions to provide for affordable housing costs.
- As a condition of approval of any density bonus, incentive or concession, or waiver or reduction, the applicant must enter into an agreement to ensure compliance.

This application must be submitted with an application for a Planning permit(s) for the development under [Chapter 17.808](#) (i.e., administrative permit, site plan and design review, or conditional use permit) and will be reviewed concurrently with and in the same manner as the accompanying permit application.

This application is organized into the following sections:

- I. Eligibility Requirements
- II. Density Bonus for Housing Developments
- III. Incentives and Concessions for Housing Developments
- IV. Waivers and Reductions for Housing Developments
- V. Replacement Units
- VI. Density Bonus Agreement
- VII. Apartments Converted to Condominiums
- VIII. Commercial Development with Partnered Housing

## I. Eligibility Requirements

Select the proposed type of development project below. One type must be selected below to qualify.

**Housing Development.** Housing development or mixed-use development with five or more residential units on contiguous sites in one development application. This also includes:

- A subdivision or common interest development with residential units or unimproved residential lots,
- Conversion of an existing commercial building to a residential use, or
- Substantial rehabilitation of an existing multi-unit dwelling with two or more legally independent living quarters that results in a net increase of residential units.

If housing development is selected, please complete all applicable fields on pages 3-14 of this application.

(Government Code Section 65915(i))

**Apartment Conversion to Condominiums.** Converting apartments to condominiums with:

- $\geq 33\%$  of units for low or moderate income, or
- 15% for moderate income.

If this development is selected, please proceed to page 15 of this application. Pages 3-14 do not apply to condominium conversion projects.

(Government Code Section 65915.5)

**Commercial Development with Partnered Housing.** Commercial developed entered into an agreement for partnered housing to contribute affordable housing.

If only the commercial development is requesting incentives, please proceed to page 16 of this application. Pages 3-15 do not apply to commercial developments.

If the partnered housing is also requesting density bonus, incentive and concession, or waiver and reduction, check the box for the **Housing Development** above and complete the applicable fields on pages 3-15.

(Government Code Section 65915.7)

*Describe how the development project meets the eligibility criteria based on the category selected above. Additional information may be provided in an attached memorandum.*

## II. Density Bonus for Housing Developments

### Step 1. Select the housing development category.

Check below which category the housing development qualifies for a density bonus under Government Code Section 65915(b). If the housing development qualifies under more than one category, the applicant must select one category. Please contact the [Sacramento Housing and Redevelopment Agency](#) or the [Capitol Area Development Authority](#) for applicable rent and income limits.

**Very Low Income.**  $\geq 5\%$  of the units, including a shared housing building, are for rental or sale to lower income very low income households.

*(Government Code Section 65915(b)(1)(B))*

**Foster Youth, Veterans, or Homeless.**  $\geq 10\%$  of the units are for:

- Transitional foster youth ([Education Code Section 66025.9](#)), or
- Disabled veterans ([Government Code Section 18541](#)), or
- Homeless persons ([McKinney-Vento Homeless Assistance Act \(42 U.S.C. Sec. 11301 et.seq.\)](#)).

The units are subject to a recorded affordability restriction of 55 years for very low-income.

*(Government Code Section 65915(b)(1)(E))*

**$\geq 10\%$  Lower Income.**  $\geq 10\%$  of the units, including a shared housing building, are for rental or sale to lower income households.

*(Government Code Section 65915(b)(1)(A))*

**Lower Income Students.**  $\geq 20\%$  of the units are for lower income students in a student housing development that meets all the following requirements:

- All units are used exclusively for students,
- Rent is calculated at 30% of 65% of the AMI for single-room occupancy unit type,
- Priority is provided for lower income students experiencing homelessness, and
- The development is not on a site that would require replacement of units.

*(Government Code Section 65915(b)(1)(F))*

**100% Lower Income with  $\leq 20\%$  Moderate Income.** 100% of the total units, including density bonus units, but excluding manager's unit(s), are for lower income households ([Health and Safety Code Section 50079.5](#)), except 20% of units may be for moderate income households. This includes shared housing building developments.

*(Government Code Section 65915(b)(1)(G))*

**Moderate Income.**  $\geq 10\%$  of the units are sold to persons and families of moderate income ([Health and Safety Code Section 50093](#)), provided all units are offered to the public for purchase.

*(Government Code Section 65915(b)(1)(D))*

**Senior Citizen.** Check any of the following that apply:

- Senior citizen housing development (Civil Code Sections [51.3](#) and [51.12](#)), including shared housing buildings
- Mobilehome park that limits residency based on age requirements for housing for older persons (Civil Code Sections [798.76](#) and [799.5](#))
- Residential care facility for the elderly ([Health and Safety Code Section 1569.2](#))

*(Government Code Section 65915(b)(1)(C))*

**Step 2. Determine the base density.**

The applicant must prepare a base density study to determine the base density, or the greatest number of units already allowed under the General Plan, Specific Plan where applicable, and Sacramento City Code. The study must estimate the realistic development capacity of the site using a scaled site plan, floor plans, and elevations for a base project that complies with all applicable objective development standards. The base project must maintain the same average unit size and project details as the proposed project, except those modified by a waiver or concession (see pages 9-11) to accommodate the bonus units.

**Step 2.A. Identify the applicable standards below. This information must also be shown on the plans.**

Applicable Objective Standards for the Base Project	
Zoning District	
Overlay Zone	
Special Planning District	
Planned Unit Development	
General Plan Designation	
Specific Plan	
Minimum FAR ( <i>Mixed-Use Projects only</i> )	
Maximum FAR	
Minimum Density	
Maximum Height	
Bulk Control ( <i>R-1, R-1A, R-1B, and R-2 zones only</i> )	
Maximum Lot Coverage	
Front-yard Setback	
Interior-side Setback	
Street side-yard Setback	
Rear-yard Setback	
Open space	
Bicycle parking	
Long-Term spaces	
Short-Term spaces	
<i>Subdivisions Only:</i>	
Minimum lot size	
Maximum lot size	
Minimum lot width	
Maximum lot width	
Minimum lot depth	
Maximum lot depth	

**Step 2.B.** Identify the number, bedroom count, and square footage of each unit in the base project and the proposed project on the plans in the format of Table 1 shown below. *This table is provided as an example only and does not prescribe required sizes for each unit.*

Table 1: Sample Base Density Study Unit Summary							
Base Project				Proposed Project			
Unit Number	Bedrooms	Bathrooms	Square Footage	Unit Number	Bedrooms	Bathrooms	Square Footage
101	1	1	500	101	1	1	500
102	2	2	1000	102	2	2	1000
Average Unit Size		750		Average Unit Size		750	
Average 1 Bed / 1 Bath Unit Size		500		Average 1 Bed / 1 Bath Unit Size		500	
Average 2 Bed / 2 Bath Unit Size		1000		Average 2 Bed / 2 Bath Unit Size		1000	

**Step 2.C** What did the study determine the base density to be? \_\_\_\_\_ dwelling units/acre  
*Each calculation resulting in fractional units shall be rounded up to the next whole number.*

**Step 3. Calculate the density bonus.**

State Law offers various amounts of density bonus depending on the category of the housing development. Refer to Table 2 on page 6 to see which density bonus the project is eligible for and then provide the requested amounts below.

This project is seeking a \_\_\_\_\_ % density bonus by dedicating \_\_\_\_\_ % of the dwelling units for the population or income level(s) selected on page 3 .

**Step 4. Calculate any additional density bonuses.**

State Law offers additional density bonuses for projects that provide additional affordable units, a childcare facility, or donate land to the City. Refer to Tables 3 and pages 7 and 8 to see which density bonuses the project is eligible for and then provide the amount(s) below, if applicable.

*Additional Very Low- or Moderate-Income Units*

This project is seeking an additional \_\_\_\_\_ % density bonus by providing an additional \_\_\_\_\_ % of dwelling units for very low income OR

This project is seeking an additional \_\_\_\_\_ % density bonus by providing an additional \_\_\_\_\_ % of dwelling units for moderate income.

*Childcare Facility*

This project is seeking additional \_\_\_\_\_ square feet for residential space and includes a \_\_\_\_\_ square foot childcare facility. This additional square footage for residential space is requested instead of an additional incentive or concession.

*Land Donated to the City*

This project is seeking an additional \_\_\_\_\_ % density bonus by donating land to the City for the development of very low income housing. This additional density bonus, if combined with a density bonus in Step 3 above, does not exceed 35%.

**Table 2: Density Bonus Percentages**  
**Government Code Section 65915(f)**

Dedicated Units	Very Low Income	≥10% Lower Income	Lower Income Students	Moderate Income	100% Lower ≤20% Moderate	Foster Youth, Veterans, Homeless	Senior Citizen
5%	20%						20% of the number of dedicated units
6%	22.5%						
7%	25%						
8%	27.5%						
9%	30%						
10%	32.5%	20%		5%			20% of the number of dedicated units
11%	35%	21.5%		6%			
12%	38.75%	23%		7%			
13%	42.5%	24.5%		8%			
14%	46.25%	26%		9%			
15%	50%*	27.5%		10%			
16%		29%		11%			
17%		30.5%		12%			
18%		32%		13%			
19%		33.5%		14%			
20%		35%	35%	15%			
21%		38.75%	38.75%	16%			
22%		42.5%	42.5%	17%			
23%		46.25%	46.25%	18%			
24%		Table 3*	50%	19%			
25%				20%			
26%				21%			
27%				22%			
28%				23%			
29%				24%			
30%				25%			
31%				26%			
32%				27%			
33%				28%			
34%				29%			
35%				30%			
36%				31%			
37%				32%			
38%				33%			
39%				34%			
40%				35%			
41%				38.7%			
42%				42.5%			
43%				46.25%			
44%				50%*			
100%					80%**		

\*Eligible for an additional density bonus if additional very low or moderate income units are provided.

\*\*There is no maximum density if located within one-half mile of a major transit stop ([Public Resources Code Section 21155\(b\)](#)) or a very low vehicle travel area ([Government Code Section 65915\(o\)\(10\)](#)).

**Table 3: Additional Density Bonus for Additional Very Low and Moderate Income Units  
Government Code Section 65915(v)**

Additional Very Low Income Units	Additional Density Bonus
5%	20%
6%	23.75%
7%	27.5%
8%	31.25%
9%	35%
10%	38.75%
Additional Moderate Income Units	Additional Density Bonus
5%	20%
6%	22.5%
7%	25%
8%	27.5%
9%	30%
10%	32.5%
11%	35%
12%	38.75%
13%	42.5%
14%	46.25%
15%	50%

In addition to the density bonuses in Table 2 on page 6, housing developments that provide any of the following:

- $\geq 15\%$  of units for very low income households,
- $\geq 24\%$  of units for lower income households, or
- $\geq 44\%$  of units for moderate income households

may receive another density bonus if additional very low income and moderate income units are provided as shown in Table 3.

The additional density bonus shall be calculated using the number of units excluding any density bonus.

**Additional Density Bonus or Incentive/Concession for Childcare Facilities  
Government Code Section 65915(h)**

If the housing development provides a childcare facility located on the premises of, as part of, or adjacent to the project, the City will grant one of the following:

- An additional density bonus in an amount of square feet of residential space that is equal or greater than the amount of square feet in the childcare facility; OR
- An additional concession or incentive that contributes significantly to the economic feasibility of the construction of the childcare facility.

Childcare facility means “a child daycare facility other than a family daycare home, including, but not limited to, infant centers, preschools, extended daycare facilities, and schoolage childcare centers.”

The City will require as a condition of approval that the following occur:

- 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 per Government Code Section 65915(c).
- 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 or greater than the percentage of dwelling units that are required for very low income households, lower income households, or families of moderate income per Government Code Section 65915(b).

**Table 4: Density Bonus for Donating Land to the City**  
**Government Code Section 65915(g)**

Applications for a tentative map or residential development that donate land to the City and provide very low-income units, are eligible for a density bonus as shown in Table 3. This density bonus cannot be combined with another density bonus to exceed a 35% density bonus.

All of the following conditions must be met:

- The land shall be transferred no later than the date of approval of the final map or residential development application.
- 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% of the number of residential units of the proposed development.
- The land is at least one acre or sufficient size to permit development of at least 40 units, has the appropriate general plan designation, is appropriately zoned with development standards for development at a density of 30 dwelling units an acre, and is or will be served by adequate public facilities and infrastructure.
- The transferred land shall have all permits and approvals, other than building permits, necessary for the development no later than the date of approval of the final map.
- The transferred land and affordable units will be subject to a deed restriction recorded at the time of transfer.
- The land is transferred to the City or a housing developer approved by the local agency.
- The transferred land is within the boundary of the proposed development, or if agreed to by the City, within  $\frac{1}{4}$  mile of the boundary of the proposed development.
- The proposed funding source for the very low-income units shall be identified no later than the approval of the final map or residential development application.

Very Low Income Units	Density Bonus
10%	15%
11%	16%
12%	17%
13%	18%
14%	19%
15%	20%
16%	21%
17%	22%
18%	23%
19%	24%
20%	25%
21%	26%
22%	27%
23%	28%
24%	29%
25%	30%
26%	31%
27%	32%
28%	33%
29%	34%
30%	35%

### III. Incentives and Concessions for Housing Developments

Incentive or concession means any of the following:

- Reduction in site development standards or modification of zoning code requirements or design requirements that exceed the minimum building standards approved by the California Building Standards Commission, including, but not limited to a reduction in setback and square footage to provide for affordable housing costs or for rents for the targeted units.
- Approval of mixed-use zoning with the housing project if commercial, office, industrial, or other land uses will reduce the cost of the housing development and the land uses are compatible with the housing project and the existing or the planned development in the area.
- Other regulatory incentives or concessions proposed by the developer or the City that results in identifiable and actual cost reductions to provide for affordable housing costs or rents for the targeted units. (*Government Code Section 65915(k)*)

The grant of an incentive or concession does not require a General Plan amendment, zoning change, study, or discretionary approval. The city is not required to grant a concession or incentive that would otherwise apply to transient lodging (e.g. hotel, motel), except a residential hotel. A concession or incentive shall not result in a project with a commercial floor area ratio (FAR) greater than 2.5 times the site's current allowed base commercial FAR. See Table 5 for eligible incentives and concessions.

The City will not grant an incentive or concession if the City makes a written finding that the incentive or concession, based upon substantial evidence:

- Does not result in identifiable and actual cost reductions,
- 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 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, or
- Would be contrary to state or federal law. (*Government Code Section 65915(d)(1)*)

**Table 5: Eligible Number of Incentives and Concessions**

Dedicated Units	Very Low Income	Lower Income	Lower Income Students	100% Lower, 20% Moderate	Moderate Income
5%	1				
10%	2	1			1
15%	3	1			1
16%	4	1			1
17%		2			1
20%		2	1		2
21%		2	1		2
22%		2	1		2
23%		2	2		2
24%		3			2
30%					3
45%					4
100%				5*	

Projects with a childcare facility are eligible for an additional concession or incentive that contributes significantly to the economic feasibility of the construction of the childcare facility.

\* If located within one-half mile of a major transit stop ([Public Resources Code Section 21155\(b\)](#)) or a very [low vehicle travel area](#) ([Government Code Section 65915\(o\)\(10\)](#)), the applicant may also receive a height increase up to 33 feet.

### III. Incentives and Concessions for Housing Developments (cont.)

Complete all applicable fields below.

This project is seeking \_\_\_\_\_ incentives/concessions by providing \_\_\_\_\_% of units for \_\_\_\_\_

Does the project include a childcare facility?

YES  NO

If yes, is the project seeking an additional incentive/concession that contributes significantly to the economic feasibility of the construction of the childcare facility? *This cannot be combined with a request for an additional density bonus for a childcare facility as described on page 7 of this application.*

YES  NO  N/A

If the project provides 100% of units for lower income households, with up to 20% for moderate income households, is the project located within one-half mile of a major transit stop ([Public Resources Code Section 21155](#)), or in a [low vehicle travel area](#) (Government Code Section 65915(o)(10))?

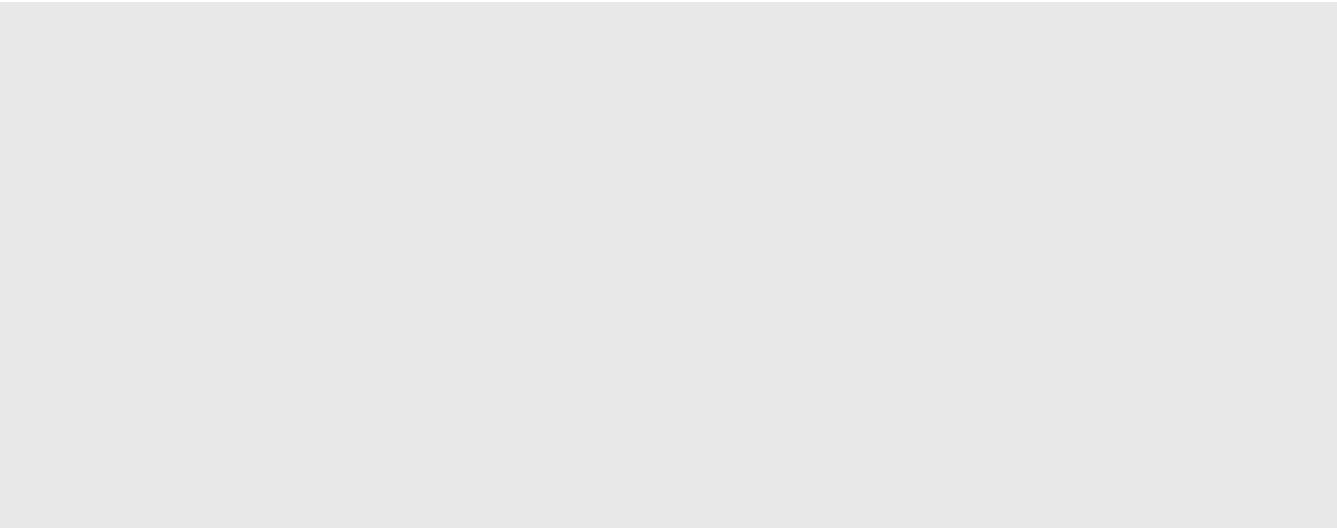
YES  NO  N/A

If yes, is the project requesting a height increase of 33 ft or less?

YES  NO  N/A

Requested Height Increase: \_\_\_\_\_ ft

List all concessions and incentives the project is seeking and describe how each would result in cost reductions for the project. Identify the standard(s), including the Sacramento City Code Section, General Plan policy, or Specific Plan policy, where applicable. Additional information may be provided in an attached memorandum.



Is the applicant requesting a meeting with the City to discuss any of the requested incentives or concessions?

YES  NO

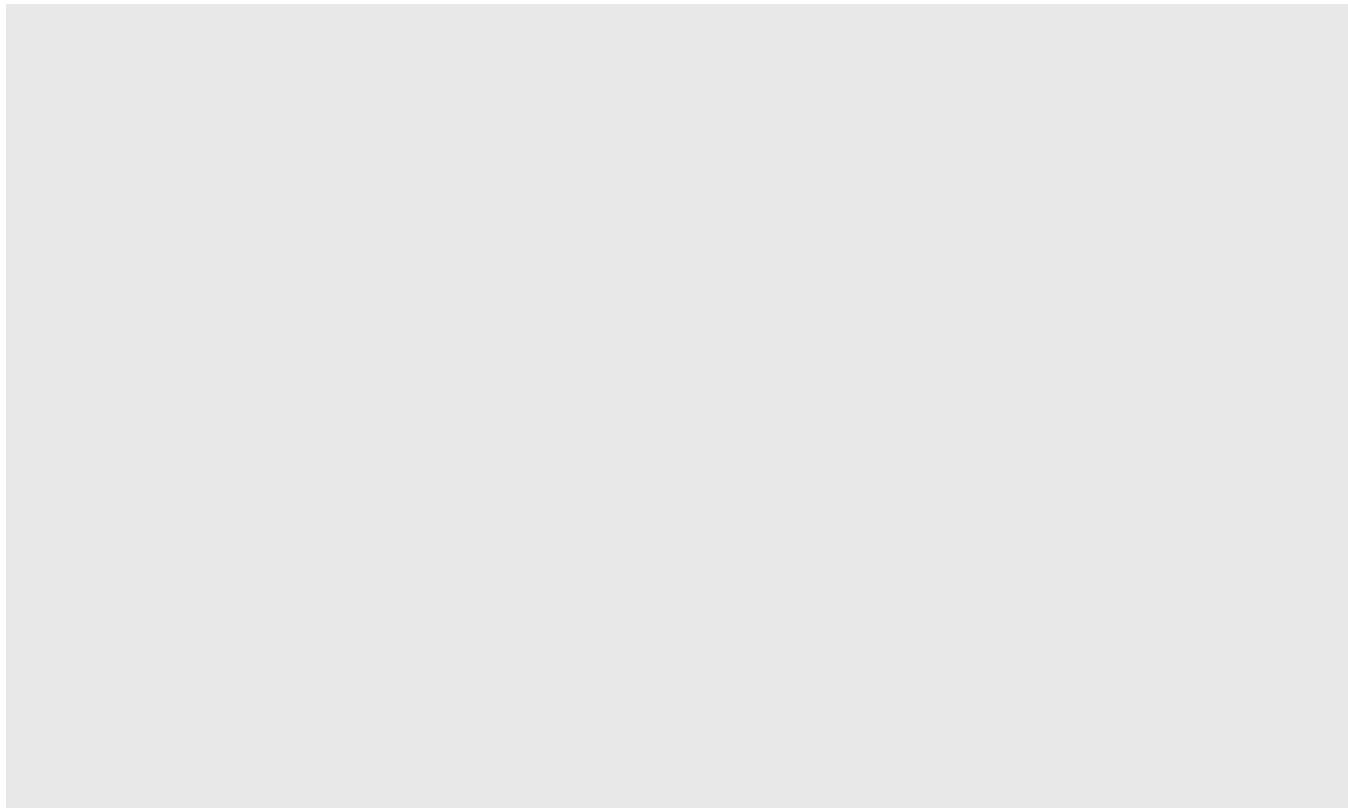
#### IV: Waivers and Reductions for Housing Developments

An applicant may submit a proposal for a waiver or reduction of development standards that will have the effect of physically precluding a housing development at the densities or with the concessions or incentives permitted under State density bonus law.

The waivers or reductions of development standards do not reduce or increase the number of incentives or concessions to which the applicant is entitled. However, housing developments with 100% affordable units located within  $\frac{1}{2}$  mile of a major transit stop or a very low vehicle miles traveled area can only modify development standards through incentives/concessions, unless the City agrees to additional waivers/reductions.

The City will not grant any waivers or reductions that would have an adverse impact on health and safety or on any property listed in the California Register of Historical Resources, or contrary to state or federal law. The city is not required to grant a waiver or reduction that would otherwise apply to transient lodging (e.g. hotel, motel, except a residential hotel. (*Government Code Section 65915(e)*))

List all waivers and reductions from development standards the project is seeking and describe how each standard physically precludes a housing development at the density allowed with any bonuses, incentives, and concessions. Identify the standard(s), including the City Code Section, General Plan Policy, or Specific Plan policy, where applicable. Additional information may be provided in an attached memorandum.



Is the applicant requesting a meeting with the City to discuss any of the requested waivers or reductions?  YES  NO

**V. Replacement Units**  
**Government Code Section 65915(c)**

An applicant is ineligible for a density bonus or incentives or concessions if the housing development is proposed on a property with rental units that were occupied or subject to rent restrictions in the last five years, unless the development replaces those units under specified conditions.

*Provide the requested information below.*

Is the housing development located on a site with rental dwelling units,  YES  NO  
including units vacated or demolished in the last five years?

Does the housing development remove any dwelling units?  YES  NO  N/A

Are the existing dwelling units any of the following (*check all that apply*):  YES  NO  N/A

- Subject to a recorded covenant, ordinance, or law that restricts the units to lower or very low income; or
- Subject to any form or rent or price control through a public entity's valid exercise of its police power; or
- Occupied by lower or very low-income households?

If you responded yes to any of the questions above, provide additional information about the number, size, and type of existing dwelling units, as well as if the units were occupied and the incomes of the individuals occupying the unit(s). Additional information may be provided in an attached memorandum.

Provide additional information about how the proposed housing development will provide at least the same number of units of equivalent size at the rent determined by Government Code Section 65915(c). Equivalent size means that the replacement units contain at least the same total number of bedrooms as the units being replaced. Additional information may be provided in an attached memorandum.

## VI. Density Bonus Housing Agreement

### Government Code Section 65915(c)

As a condition of approval of any density bonus, incentive or concession, or waiver or reduction of development standards, the applicant shall enter into an agreement with the City, the housing authority acting on behalf of the city, or the Capitol Area Development Authority that is binding upon the applicant all successors in interest to ensure compliance with state density-bonus law.

The agreement must be recorded on the parcel(s) designated for the construction of the units that will be reserved for sale or rent to, and affordable to, very-low, lower-, or moderate-income households, or qualifying senior citizen residents. The agreement must be executed and recorded before the final map is approved by the city or if a map is not being processed, before issuance of any building permits for the housing development.

The agreement shall include all the following provisions:

- The total number of units approved for the housing development and number of target units;
- A description of the household income group to be accommodated by the housing development as outlined in Government Code Section 65915(b), and the standards for determining the corresponding affordable rent or affordable sales price and housing cost;
- The location, unit sizes (square feet), and number of bedrooms of target units;
- Tenure-of-use restrictions for target units;
- A schedule for completion and occupancy of target units;
- A description of the specific density bonus and of the additional incentives or equivalent financial incentives being provided by the City;
- A description of remedies for breach of the agreement by either party, including a provision that tenants or qualified purchasers are third party beneficiaries under the agreement; and
- Any provisions appropriate to ensure implementation and compliance with Chapter 17.704.
- **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:
  - A requirement that affordable for-sale units shall, upon initial sale, be sold to eligible very-low- or lower-income households at an affordable sales price and affordable housing cost, or to qualifying senior citizen residents, as defined by this chapter;
  - A requirement that initial occupancy shall be by eligible very-low- or lower-income household owner-occupant, or qualifying senior citizen resident owner-occupants, as defined in this chapter; and
  - The terms for future sales and recapture of any equity in order to ensure continued affordability for the requisite time period.
- **Rental Housing Developments:** The agreement shall provide for the following conditions governing the use of target units during the use restriction period:
  - The rules and procedures for qualifying tenants, establishing affordable rent, filling vacancies, and maintaining target units for qualified tenants;
  - Provisions requiring owners to verify tenant incomes and maintain books and records to demonstrate compliance with this section; and

- Provisions requiring owners to submit an annual report to the city, which includes the name, address, and income of each household occupying target units, and which identifies the bedroom size and monthly rent or cost of each target unit.

**Housing Development Exempt from Monitoring Fees**  
**Government Code Section 65915.3**

The City will not charge a monitoring fee for a housing development that provides 100% of units to lower income households, with up to 20% of the units for moderate income households if all the following conditions are met:

- The applicant received a density bonus;
- The housing development is subject to a recorded regulatory agreement with the California Tax Credit Allocation Committee, the California Housing Finance Authority, or the Department of Housing and Community Development;
- Prior to issuance of a building permit, the applicant provides the City a fully executed Tax Credit Reservation Letter indicating the applicant accepted the award;
- The applicant provides the City a copy of a recorded regulatory agreement with the California Tax Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development regulations.

However, the City may still charge a monitoring fee if any of the following conditions are met:

- The applicant utilizes a local incentive program that results in the development of units with deeper affordability, including a higher number of affordable units than what is monitored for by the California Tax Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development.
- The applicant uses a local incentive program that results in the development of units that are affordable to and occupied by moderate income households.
- The applicant accepts a local funding source that results in the development of units that are affordable to and occupied by moderate income households.
- The applicant accepts funding from a regional, state, or federal agency other than the California Tax Credit Allocation Committee, the California Debt Limit Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development that requires local monitoring activities that would not otherwise be conducted by the California Tax Allocation Committee, the Department of Housing and Community Development, or the public agency issuing the funding.

## **VII. Apartments Converted to Condominiums**

### **Government Code Section 65915.5**

*Provide an attached memorandum describing how the proposed project complies with this section and identify any requested density bonuses or incentives. The memorandum should also indicate if the request is a preliminary proposal.*

For applications to convert apartments to a condominium with  $\geq 33\%$  of the total units of the proposed condominium project to persons and families of low or moderate income, or 15% of total units to lower income household, and pay for the reasonably necessary administrative costs incurred by the City, the City will either:

- Grant a 25% density bonus over the number of proposed apartments within the existing structure(s); or
- Provide other incentives of equivalent financial value.
  - This does not require the City to provide cash transfer payments or other monetary compensation but may include the reduction or waiver of requirements which the City might otherwise apply as conditions of conversion approval.

The City may place such reasonable conditions on the granting of a density bonus or other incentives of equivalent financial value as it finds appropriate, including, but not limited to, conditions which assure continued affordability of units to subsequent purchasers who are persons and families of low and moderate income or lower income households.

All condominium conversions are subject to [Chapter 17.716 of the Sacramento City Code](#).

A proposed project shall be ineligible if any of the following apply:

- The proposed apartments were already provided a density bonus or incentive under Government Code Section 65915.
- The condominium is proposed on any property with rental dwelling units, including units vacated or demolished in the last five years, have been subject to a recorded covenant restricting rent to low or very low income, subject to any rent or price control through public entity's police power, or occupied by lower or very low income households, unless those units are replaced.

An applicant may submit to the City a preliminary proposal prior to the submittal of any formal requests for subdivision map approvals. The City will within 90 days of receipt of a written proposal, notify the applicant in writing of the manner in which it will comply with this section.

Please contact [Sacramento Housing and Redevelopment Agency](#) and [Capitol Area Development Authority](#) for applicable rent and income limits.

## **VIII. Commercial Developments with an Agreement for Partnered Housing**

### **Government Code Section 65915.7**

*Provide an attached memorandum describing how the proposed project complies with this section, proof of the agreement, and identify any requested development bonuses.*

The City shall grant a commercial developer with an agreement for partnered affordable housing a development bonus, mutually agreed upon by the developer and the City, that may include, but is not limited to, any of the following:

- $\geq 20\%$  increase in maximum allowable intensity in the General Plan
- $\geq 20\%$  increase in maximum allowable floor area ratio
- $\geq 20\%$  increase in maximum height requirements
- Use of a limited-use/limited-application elevator for upper floor accessibility
- An exception to a zoning ordinance or other land use regulation

The affordable housing developer may also seek a density bonus, incentive or concession, or waiver or reduction under Government Code Section 65915.

A development bonus does not include a reduction or waiver of the requirements within an ordinance that requires the payment of a fee by a commercial developer for the promotion or provision of affordable housing.

All of the following requirements must be met to qualify:

- The agreement for partnered housing must be between the commercial developer and the housing developer, identify how the commercial developer will contribute affordable housing, and be approved by the City.
- The commercial developer must partner with a housing developer that provides  $\geq 30\%$  of the units for low-income, or  $\geq 15\%$  for very low-income households.
- Housing must be constructed on the site of the commercial development, or on the site that is within the boundaries of the City in close proximity to public amenities (including schools and employment centers) and located within  $\frac{1}{2}$  mile of a major transit stop.
- The housing development is not proposed on any property with rental dwelling units, including units vacated or demolished in the last five years, have been subject to a recorded covenant restricting rent to low or very low income, subject to any rent or price control through public entity's police power, or occupied by lower or very low income households, unless those units are replaced.
- The commercial developer may directly build the units, donate a portion of the site or property elsewhere to the affordable housing developer for use as a site for affordable housing or make a cash payment to the affordable housing developer that shall be used towards construction costs.

If the developer of the affordable units does not commence construction of those units in accordance with the agreement, the City may withhold certificates of occupancy for the commercial development under construction until the developer has completed construction of the affordable units.