

- b. The subdivider has executed the standard City contract for real property acquisition and deposited the estimated acquisition costs into a City trust account, and the subdivider has formally requested and the Council has approved a resolution of intent to use its powers of condemnation to acquire the rights-of-way and/or easements.

10.06.030 Reservations

- A. **General.** Where a fire station, library, park, recreational facility, or other public use is shown on the General Plan or applicable specific plan, and the plan contains policies and standards for those uses, the City may require a subdivider to reserve sites for those uses as a condition of approval of a tentative map. (Section 66479)
- B. **Limitations.**
 - 1. The reserved area shall be of a size and shape as to permit:
 - a. The balance of the property to develop in an orderly and efficient manner; and
 - b. The reserved area to be efficiently used or divided if it is not acquired by a public agency.
 - 2. The amount of land reserved may not render development of the remaining land economically unfeasible.
- C. **Acquisition.** The public agency for whose benefit an area has been reserved shall at the time of final or parcel map approval enter into an agreement to acquire the area within two years, or longer by mutual agreement (Sections 66480, 66481).

10.06.040 Access to Public Resources

The City may not approve a tentative or final map if the proposed subdivision fronts upon a public bay, lake, reservoir, river, shoreline, stream, or waterway, unless the subdivision provides reasonable public areas from a public street to that portion of the bank or shoreline bordering or lying within the subdivision (Sections 66478.4, 66478.11, 66478.12).

10.06.050 Affordable Housing

- A. **Requirement – Residential Developments.** As a condition of approval for each tentative or vesting tentative map or land use entitlement having residential parcels or units, the developer is required to either provide a percentage of the units as affordable housing or satisfy this requirement by an alternative means, all as specified below. Under either option, the developer shall comply with the applicable implementation measures specified in subsections C through E of this section. The affordable housing costs for very-low-, low-, median- and moderate-income households shall be determined annually by City Council resolution. The housing costs shall be adjusted for family size and not exceed 30 percent of the household's gross income.

- I. Provide Affordable Housing.
 - a. General Plan Area. In the General Plan area, provide that at least 15 percent of the total dwelling units shall be affordable housing as follows (in this section, "General Plan area" means everywhere in the City, except the Downtown Specific Plan area and the Isabel Neighborhood Specific Plan area):
 - (1) For-Sale Units. The affordable housing units for for-sale residential developments must be sold to low- and moderate-income households. Of the total number of dwelling units (15 percent) set aside, at least seven and one-half percent shall be reserved for sale to low-income households with the balance set aside for moderate-income households. Whenever the inclusionary requirement results in an odd number of units, the majority of units shall be provided as low-income.
 - (2) Rental Units. The affordable housing units for rental residential developments must be reserved for rental to very-low- and low-income households. Of the total number of dwelling units (15 percent) set aside, at least seven and one-half percent shall be reserved for rental to very-low-income households with the balance set aside for low-income households. Whenever the inclusionary requirement results in an odd number of units, the majority of units shall be provided as very-low-income.
 - b. Downtown Specific Plan. In the Downtown Specific Plan area, provide that at least 10 percent of the dwelling units in each project shall be affordable housing that is either reserved for sale to low-income households or reserved for rental to low-income households.
 - c. Isabel Neighborhood Specific Plan Area. In the Isabel Neighborhood Specific Plan area, provide that at least 20 percent of the total dwelling units shall be affordable housing as follows:
 - (1) For-Sale Units. The affordable housing units for for-sale residential developments must be sold to median- and moderate-income households. Of the total number of dwelling units (20 percent) set aside, at least five percent shall be reserved for sale to median-income households with the balance set aside for moderate-income households. Whenever the inclusionary requirement results in a fraction of units, the units shall be combined and provided as median-income units. For example, a 110-unit for-sale residential development would be required to provide 15 percent, or 16.5 units, at the moderate-income level and five percent, or five and one-half units, at the median-income level. Therefore, 16 units shall be provided at the moderate-income level and six units shall be provided at the median-income level.
 - (2) Rental Units. The affordable housing units for rental residential developments must be designated or reserved for rental to very-low-income, and low-income, median-income, and moderate-income households. Of the total number of dwelling units (20 percent) set aside, at least six percent shall be reserved for rental to very-low-income households, at least seven percent shall be reserved for low-income households, and at least four percent shall be reserved for median-income households, with the balance set aside for moderate-income households. Whenever the inclusionary requirement results in a fraction of units, the units shall be combined and provided as very-low-income units. For example, a 110-unit rental residential development would be required to provide six percent, or six and six-tenths units, at the very-low income level; seven percent, or seven and seven-tenths

units, at the low-income level; four percent, or four and four-tenths units at the median-income level; and three percent, or three and three-tenths units, at the moderate-income level. The combined fractional units equate to two units that shall be provided as very-low-income units. Therefore, eight units shall be provided at the very-low income level, seven units shall be provided at the low-income level, four units shall be provided at the median-income level, and three units shall be provided at the moderate-income level.

2. Alternatives. With City Council approval, satisfy this requirement by one of the alternative means of compliance specified in subsection E of this section.
- B. Requirement – Commercial and Industrial.** The developer is required to pay the affordable housing fee established in compliance with Chapter 3.26 LMC.
- C. Implementation – Security.** The developer shall provide security to satisfy this affordable housing requirement before approval of a final map and/or improvement plan. The security shall be one or a combination of the following and appropriate to the intended method of compliance:
1. A deed restriction on specific parcels totaling 15 percent (or 10 percent in the Downtown Specific Plan area and 20 percent in the Isabel Neighborhood Specific Plan area) of the residential parcels on the map, and a bond to cover the cost of constructing homes on those parcels which are affordable;
 2. A bond to cover the housing in-lieu fee;
 3. A grant deed to the City dedicating land;
 4. A written agreement, with financial security, to provide secondary units or off-site construction; or
 5. Other appropriate security approved in writing by the City Attorney.
- D. Implementation – Constructing Affordable Units.** When the developer intends to construct the affordable housing units within the proposed development project, the developer shall comply with all of the following requirements:
1. Security. The developer shall provide security for the reserved units before a final map and/or improvement plans are approved, as specified in subsection C of this section. The reserved units shall be identified on a tentative map or other development plan approved by the City. In addition, the developer shall enter into a low-income housing agreement in a form provided by the City, to be recorded against the property before issuance of building permits or recordation of a final map, whichever occurs first.
 2. Monitoring. The low-income housing agreement shall include provisions that allow the City to regularly inspect and monitor project compliance after construction is completed. Monitoring costs incurred by the City shall be borne by the developer.
 3. Cost of Sale. The low-income housing agreement for for-sale residential projects shall include provisions that allow the City to charge the developer for administrative costs associated with selling the affordable housing units.
 4. Reserved Units.
 - a. General Plan Areas.
 - (1) For-Sale Units. The developer shall reserve 15 percent or more of the for-sale units as affordable units to be sold to low- and moderate-income households at a price that does not exceed the maximum affordable purchase price for a unit for those households. The maximum purchase price

for low- and moderate-income households shall be as adopted annually by City Council resolution.

- (a) At least seven and one-half percent of the reserved units shall be set aside for low-income households, with the balance set aside for moderate-income households.
- (b) Whenever the inclusionary requirement results in an odd number of units, the majority of units shall be provided as low-income.
- (c) The for-sale units shall be encumbered in a manner acceptable to the City, so that if a buyer resells the reserved unit within the restricted time period for a price in excess of the inflation-adjusted purchase price, then the excess profit will be returned to the City for use in affordable housing programs.

- (2) Rental Units. The developer shall reserve 15 percent or more of the rental units as affordable units to be rented to very-low- and low-income households at a cost that does not exceed maximum monthly rental rates for those households. The maximum monthly rental rates for very-low- and low-income households shall be adopted annually by City Council resolution.

- (a) At least seven and one-half percent of the reserved units shall be set aside for very-low-income households, with the balance set aside for low-income households.
- (b) Whenever the inclusionary requirement results in an odd number of units, the majority of units shall be provided as very-low-income.
- (c) The rental units shall be marketed and made available through an application process directed by the City and the development shall be managed by an experienced management company acceptable to the City.

b. Downtown Specific Plan Area.

- (1) For-Sale Units. The developer shall reserve 10 percent or more of the for-sale units to be sold to low-income households at a price that does not exceed the maximum affordable purchase price for the units.

The maximum purchase price for the for-sale units for low-income households shall be adopted annually by City Council resolution. For-sale units shall be encumbered in a manner acceptable to the City, so that if a buyer resells the reserved unit within the restricted time period for a price in excess of the inflation-adjusted purchase price, then the excess profit will be returned to the City for use in affordable housing programs.

- (2) Rental Units. The developer shall reserve 10 percent or more of the rental units to be rented to low-income households at a cost not to exceed the maximum monthly rental rates for those households. The maximum monthly rental rates for low-income households shall be adopted annually by City Council resolution. The rental units shall be marketed and made available through an application process directed by the City and the development shall be managed by an experienced management company acceptable to the City.

- c. Isabel Neighborhood Specific Plan Area.
 - (1) For-Sale Units. The developer shall reserve 20 percent or more of the for-sale units as affordable units to be sold to median- and moderate-income households at a price that does not exceed the maximum affordable purchase price for a unit for those households. The maximum purchase price for median- and moderate-income households shall be as adopted annually by City Council resolution.
 - (a) At least five percent of the reserved units shall be set aside for median-income households, with the balance set aside for moderate-income households.
 - (b) Whenever the inclusionary requirement results in a fraction of units, the units shall be combined and provided as median-income units as described in subsection A of this section.
 - (c) The for-sale units shall be encumbered in a manner acceptable to the City, so that if a buyer resells the reserved unit within the restricted time period for a price in excess of the inflation-adjusted purchase price, then the excess profit will be returned to the City for use in affordable housing programs.
 - (2) Rental Units. The developer shall reserve 20 percent or more of the rental units as affordable units to be rented to very-low-income, low-income, median-income, and moderate-income households at a cost that does not exceed maximum monthly rental rates for those households. The maximum monthly rental rates for very-low-income, low-income, median-income, and moderate-income households shall be adopted annually by City Council resolution.
 - (a) At least six percent of the reserved units shall be set aside for very-low-income households, at least seven percent shall be set aside for low-income households, and at least four percent shall be set aside for median-income households, with the balance set aside for moderate-income households.
 - (b) Whenever the inclusionary requirement results in a fraction of units, the units shall be combined and provided as very-low-income units as described in subsection A of this section.
 - (c) The rental units shall be marketed and made available through an application process directed by the City and the development shall be managed by an experienced management company acceptable to the City.
 - d. Reserved units shall not be charged additional costs or fees that are not charged to market-priced units.
 - e. Employees or family members of the developer or developer's property management agent may not be eligible to apply for the affordable units.
5. Fifty-Five-Year Restriction.
- a. The developer shall ensure the affordability of the reserved units by a 55-year or more deed restriction, for either rental or for-sale housing.
 - b. The City may negotiate a reduction in the reservation period specified in subsection D.5.a of this section, if some of the for-sale units are reserved for very-low-income households.

6. **Timing of Construction.** The developer shall construct the reserved units concurrently with other units, unless the conditions of approval provide otherwise, or unless both the City and developer agree in writing to an alternative schedule for development.
7. **Comparability of Units.**
 - a. The developer shall construct reserved units which are representative of the project as a whole, with comparable types of units, bedroom mix, exterior appearance, amenities, and interior fixtures and finishes.
 - b. From the street, the reserved units shall not be distinguishable from other units in the project.
 - c. The average number of bedrooms for all affordable units in a project shall equal the average number of bedrooms for all other units in the project, up to a limit of three bedrooms per unit.
 - d. The number of bathrooms per bedroom shall equal the proportion of bathrooms in the market-priced units.
 - e. Affordable units shall have air-conditioning, enclosed garages, and laundry facilities to the extent market-priced units have those amenities.
 - f. Notwithstanding these requirements for comparability of units, the affordable units shall meet or exceed the gross floor areas specified in Table 10.2 (Minimum Gross Floor Areas):

Table 10.2 Minimum Gross Floor Areas

| Number of Bedrooms | Units Reserved for Rent | Units Reserved for Sale |
|--------------------|-------------------------|-------------------------|
| Studio unit | 600 square feet | 600 square feet |
| One bedroom unit | 750 square feet | 750 square feet |
| Two bedroom unit | 1,000 square feet | 900 square feet |
| Three bedroom unit | 1,250 square feet | 1,000 square feet |
| Four bedroom unit | 1,500 square feet | 1,250 square feet |

8. **Mix of Product Types.** The mix of product types of reserved units shall reflect the overall mix of market-rate product types provided in the project (i.e., if the project provides a mix of single-family detached homes, townhomes, and/or multifamily units, the reserved units should reflect a comparable mix).
9. **Location.** The developer shall construct reserved units in locations dispersed throughout the project rather than concentrated in one portion or area of the project.

E. Implementation – Alternative Means of Compliance.

1. **Satisfy Housing Requirement.** The following alternatives must be economically equivalent to the affordable housing requirement and may satisfy part or all of the affordable housing requirement.
2. **City Council Approval Required.** Alternatives to constructing affordable units on site specified in subsections E. 4. a through E.4.d of this section require prior City Council approval.
3. **As Part of Application Submittal.** A request to use one of these alternatives shall be presented to the City Council as part of a tentative subdivision map or land use entitlement application that is submitted to the City.

4. Report Required. The request shall be accompanied by a report proposing the particular alternative requested, how the alternative will be economically equivalent to the requirement and further affordable housing opportunities in the City, and demonstrating why it is not feasible for the applicant to construct affordable units within the development project (through independent data, including financial information).
 - a. Accessory Dwelling Units.
 - (1) In a project of more than 50 dwelling units, up to 20 percent of the requirement for reserved units may be satisfied by including accessory dwelling units accessory to the market-priced units.
 - (2) Each accessory dwelling unit provides a credit of 20 percent of a required affordable unit, without regard to unit size or other minimum standards specified in subsection D.7 of this section (Comparability of Units).
 - (3) The accessory dwelling unit shall comply with the standards specified in Section 6.03.120 (Accessory Dwelling Units).
 - b. Off-Site Construction.
 - (1) A developer may satisfy the affordable housing requirement by constructing, or making provisions to construct, reserved housing units on a site other than the primary project site.
 - (2) The off-site units are subject to the standards specified in subsections D.1 through D.8 of this section.
 - (3) A developer may not satisfy the affordable housing requirement by applying credits from reserved units on previously constructed projects.
 - (4) Other existing units in projects already completed may not be substituted to satisfy the affordable housing requirement.
 - c. In-Lieu Fee.
 - (1) A developer may satisfy the affordable housing requirement by paying an in-lieu fee for each market-priced unit.
 - (2) The method of calculating the in-lieu fee is specified in LMC 3.26.050.
 - (3) Whenever the number of affordable units required to be constructed includes a fraction of a unit, the payment of a proportional in-lieu fee shall satisfy that partial unit requirement.
 - (4) For residential subdivisions or rental projects with 10 or fewer units, a developer may satisfy the affordable housing requirement by paying an in-lieu fee for each market-priced unit. This does not require City Council approval.
 - (5) The applicable fee rate shall be determined at the time of building permit application unless otherwise agreed to in the project's low income housing agreement.
 - d. Dedication of Land.
 - (1) A developer may satisfy the affordable housing requirement by dedicating to the City a parcel of land suitable for development of housing units equal to or exceeding the number of affordable units required to be provided in compliance with this section.
 - (2) The General Plan designation and zoning designation on the land proposed for dedication shall be consistent with the intended use of the property for

affordable housing at the appropriate density, and there shall be direct access to improved streets and utilities.

- F. **Enforcement.** Enforcement provisions regarding this section are specified in Chapter 9.20 (Enforcement) and Section 9.20.070 (Violations). (Ord. 2124 § 2 (Exh. B), 2021; Ord. 1988 § 1 (Exh. A), 2014; Ord. 1973 § 1, 2012; Ord. 1902 § 1 (Exh.A), 2010)

10.06.060 **Bicycle Paths – Transit Facilities**

- A. **Bicycle paths.** If a subdivision contains 200 or more parcels, the subdivider may be required to dedicate land to provide bicycle paths for the use and safety of the residents of the subdivision (Section 66475.1).
- B. **Transit facilities.**
1. The City may require a subdivider to dedicate land within the subdivision for local transit facilities (e.g., bus benches, shelters, turnouts, landing pads, and similar items) that directly benefit the residents of the subdivision.
 2. Only the payment of fees in lieu of the land dedication may be required in the subdivision of airspace in existing structures converted into community apartment projects, condominium projects, or stock cooperatives (Section 66475.2).