



September 5, 2017

Grand Jury
Attn: Foreperson Jim Mellander
P.O. Box 431
Martinez, CA 94553
(also by email to ctadmin@contracosta.courts.ca.gov)

Re: **Grand Jury Report No. 1707, "Homelessness in the Cities" by the 2016-2017 Contra Costa Grand Jury**

Dear Mr. Mellander:

On behalf of the San Pablo City Council, this letter responds to Grand Jury Report No. 1707, "Homelessness in the Cities" by the 2016-2017 Contra Costa Grand Jury. With regard to FINDINGS, the City of San Pablo responds as follows:

- F1. CORE teams are most likely to be the first point of entry for the homeless into the County's Coordinated Entry System.
RESPONSE: The City of San Pablo agrees with this finding.
- F2. CORE teams can successfully identify a homeless individual in need of physical or mental health services.
RESPONSE: The City of San Pablo agrees with this finding.
- F3. CORE teams have the resources to identify if there are vacant shelter beds available in the County.
RESPONSE: The City of San Pablo neither agrees nor disagrees with this finding, as the City does not currently have CORE teams.
- F4. CORE teams are equipped and have the authorization to transport homeless individuals to a medical facility or to a homeless shelter.
RESPONSE: The City of San Pablo neither agrees nor disagrees with this finding, as the City is unaware of this service.
- F5. CORE teams build trust between the homeless and police departments.

RESPONSE: The City of San Pablo agrees with this finding.

- F9. The cities of Antioch, Concord, Pittsburg, and Walnut Creek, which are the CDBG Entitlement Cities, are the only cities in Contra Costa County that have an approved written homeless plan to end or reduce homelessness in their respective jurisdictions.

RESPONSE: The City of San Pablo neither agrees nor disagrees with the finding, as the City is unaware of the accuracy of this conclusion.

- F10. The City appears to be in compliance with the California Housing Accountability Act.

RESPONSE: The City agrees with this finding.

With regard to RECOMMENDATIONS, the City of San Pablo responds as follows:

- R1. The City should consider establishing CORE teams either by partnering with one or more cities in the region or by funding its own team.

RESPONSE: The recommendation requires further analysis to determine feasibility and cost-effectiveness. This will be evaluated in conjunction with an update to the San Pablo City Council Priority Workplan scheduled to take place before December 31, 2017.

- R2. The City should consider providing incentives for developers to construct housing for the extremely low income, very low income, and homeless populations.

RESPONSE: This recommendation has been implemented because the City provides incentives in the Zoning Ordinance for developers to construct housing for low income, very low income, and homeless populations. The ordinance provides for density bonuses and incentives for the construction of affordable housing. Emergency Shelters and Single Room Occupancy facilities are permitted by right in certain commercial zones. Supportive Housing and Transitional Housing are permitted by right in certain multi-family residential zones. Relevant sections of the Zoning Ordinance are provided.

The City has not received any applications during this reporting period for density bonus/incentive affordable housing, Emergency Shelters, Single Room Occupancy facilities, or Supportive or Transitional housing. The City will continue to communicate these zoning incentives to potential providers and developers.

The adopted Housing Element also supports incentives for construction of housing for low income, very low income, and homeless populations. Relevant sections of the Housing Element, adopted April 6, 2015, are provided as Attachment 1.

R3. The City should consider using Successor Agency funds, CDBG and other federal housing funds, impact fees, and city general funds to assist in funding housing for the extremely low income, very low income and homeless populations.

RESPONSE: The recommendation requires further analysis to determine feasibility and cost-effectiveness. This will be evaluated in conjunction with an update to the San Pablo City Council Priority Workplan scheduled to take place before December 31, 2017.

R4. The City should consider adopting a five-year comprehensive homeless plan, as soon as possible with a target date of January 1, 2019, to reduce the homeless population in the City.

RESPONSE: The recommendation requires further analysis to determine feasibility and cost-effectiveness. This will be evaluated in conjunction with an update to the San Pablo City Council Priority Workplan scheduled to take place before December 31, 2017.

We hope the City of San Pablo's responses to the findings and recommendations outlined in Grand Jury Report No. 1707 are helpful to the Grand Jury's purposes.

Sincerely,


Cecilia Valdez
Mayor

Attachment 1: Relevant sections of the Housing Element adopted April 6, 2015

ATTACHMENT 1

HOUSING ELEMENT

Housing Goal H-3 Affordability and the Adequate Provision of Housing Provide a diversity of housing types to meet the needs of all economic segments and family types in San Pablo.

Policy H-3.1 **Affordable Housing.** Continue to encourage and assist with the development of affordable housing units for lower income households and strive for the provision of housing that is affordable to, and meets the needs of, current and future residents of San Pablo.

Program H-3.1.1 **Provide Density Bonuses and Incentives for Affordable and Special Needs Housing.** Continue to offer density bonuses and other incentives to affordable housing and other qualified housing development, consistent with State law. In addition to the density bonus, the City offers at least 1-3 incentives to increase the financial feasibility of developing affordable housing, based on the percentage of affordable units in a development, consistent with State law. It should be noted that developers granted a density bonus enter into an Affordable Housing Contract with the City to ensure the continued affordability of the units. Affordable rent units are subject to annual rent adjustments based upon changes in the elderly tenant's monthly income.

Incentives for affordable housing include, but are not limited to:

- a. A reduction in the site development standards or a modification of zoning code requirements, such as minimum setbacks, parking standards, increased maximum building height, reduced street standards and for indoor and outdoor activity areas, etc.
- b. Deferred development fees;
- c. Priority processing; and,
- d. Other incentives identified by the project sponsor or the City that will reduce development costs while achieving the overall intent of the City's zoning standards.

Responsible Agencies:	Development Services Department; Planning Commission; City Council
Time Frame:	2015 — See Program H-3.2.1 (update of the Zoning Ordinance)
Objective:	Incentives for affordable housing to be built
Funding:	General Fund

Policy H-3.3 Housing Variety, Choice and Innovation. Continue to encourage the provision of a variety of housing choices and types in the community, including innovative forms of housing.

Program H-3.3.1 Promote Second Units. Continue to promote the development of second units as an affordable housing alternative in single-family areas, with reduced setback requirements. To promote the development of secondary dwelling units, the City will provide information in annual e-mailings to residents.

Responsible Agency:	Development Services Department
Time Frame:	2015-2023 (coordinate with Program H-1.3.1 when advertising the program)
Objective:	20 new secondary dwelling units by 2023 (about 2/year; 10 extremely low income, 5 very low income and 5 low income)
Funding:	General Fund

Program H-3.3.2 Promote the Development of Single Room Occupancy And Efficiency Units. Promote the development of Single Room Occupancy units (SRO) or efficiency units for extremely low, very low and low income households by establishing a definition and appropriate zoning standards, offering priority permit processing and exploring funding sources to assist in the development of SRO's. SRO's would be established as a use for San Pablo Avenue, with no parking required for SRO's if they are located on San Pablo Avenue. There are currently two SRO hotels in San Pablo. SRO's can provide a valuable form of affordable private housing for lower income individuals, seniors, and persons with disabilities. An SRO unit usually is small, between 200 to 350 square feet and can serve as an entry point into the housing market for formerly homeless people.

Responsible Agencies:	Development Services Department; Planning Commission; City Council
Time Frame:	2017
Objective:	10 new SRO extremely low-income units by 2023
Funding:	General Fund

Housing Goal H-4 Housing Accessibility and the Provision of Special Needs Housing Ensure housing accessibility for all segments of the community.

Policy H-4.2 **Special Needs Housing.** Continue to promote housing developments that meet the special needs of senior citizens, disabled, homeless, large families and female-headed households.

Program H-4.2.1 **Create Emergency Shelter Zoning.** Facilitate the development of emergency homeless shelters by amending the Zoning Ordinance to permit their use in the high-density residential (R-3 and R-4) zones, commercial mixed use and industrial zones by right, consistent with State law. The Zoning Ordinance will also be amended to clarify that development and management standards for emergency shelters will not exceed those that apply to other residential or commercial uses within the same zone.

Responsible Agency:	Development Services Department; City Attorney; Planning Commission; City Council
Time Frame:	2015
Objective:	Update as part of the Zoning Ordinance Update (see Program H- 3.2.1)
Funding:	General Fund

Program H-4.2.2 **Create Transitional and Supportive Housing Zoning.** Facilitate the development of transitional and supportive housing by amending the Zoning Ordinance so that transitional and supportive housing are treated the same as other residential uses in the same zone.

Responsible Agency:	Development Services Department; City Attorney; Planning Commission; City Council
Time Frame:	2015
Objective:	Update as part of the Zoning Ordinance Update (see Program H- 3.2.1)
Funding:	General Fund

ZONING ORDINANCE

17.60.020 Density bonus and other incentives.

A. Purpose. This section is intended to provide incentives for the production of child care and housing facilities for very low-, low-, and moderate-income and senior households. In enacting this section, it is the intent of the city of San Pablo to facilitate the development of affordable housing and to implement the goals, objectives, and policies of the city's general plan and housing element. This section is enacted under the authority of Government Code Sections [65915](#) through [65917](#).

B. Eligibility of Density Bonus.

1. General. The city of San Pablo shall either grant a density bonus and concessions or incentives as set forth in subsection C of this section, Types of Density Bonus and Other Incentives Allowed.

2. Density Bonus—Minimum Requirements (Target Units). The city shall grant a density bonus to an applicant for a residential project who seeks a density bonus and agrees to construct at least one of the following:

- a. Ten percent of the total units as target units affordable to low-income households.
- b. Five percent of the total units as target units affordable to very low-income households.
- c. A senior citizen housing development.
- d. Ten percent of the total units of a newly constructed condominium project or planned development as target units affordable to moderate-income households. (Government Code Section [65915](#)(b).)

C. Types of Density Bonus and Other Incentives Allowed.

1. Density Bonus—Calculation of Bonus Units. In determining the number of density bonus units to be granted, the maximum residential density for the site shall be multiplied by 0.20, unless a lesser number is selected by the developer. When calculating the number of permitted

density bonus units, any calculations resulting in fractional units shall be rounded to the next larger integer.

- a. For each one percent increase above ten percent in the percentage of units affordable to low-income households, the density bonus is increased by one and one-half percent up to a maximum of thirty-five percent.
 - b. For each one percent increase above five percent in the percentage of units affordable to very low-income households, the density bonus is increased by two and one-half percent up to a maximum of thirty-five percent.
 - c. For each one percent increase above ten percent of the percentage of units affordable to moderate-income households, the density bonus is increased by one percent up to a maximum of thirty-five percent.
 - d. The density bonus units shall not be included when determining the number of target units required to qualify for a density bonus. When calculating the required number of target units, any calculations resulting in fractional units shall be rounded to the next larger integer. (Government Code Section [65915](#)(g)(1).)
2. The developer may request a lesser density bonus than the project is entitled to, but no reduction will be permitted in the number of required target units as stated above. Regardless of the number of target units, no residential project is entitled to a density bonus of more than thirty-five percent.
 3. Density Bonus Summary. The following table summarizes the density bonus information:

Table 17.60-B—Density Bonus Summary Table

Target Group	Minimum Percent Target Units	Bonus Granted	Additional Bonus for Each 1% Increase in Target Units	% Target Units Required for Maximum 35% Bonus
Very Low Income	5%	20%	2.5%	1%
Low Income	10%	20%	1.5%	20%
Moderate Income (condo or planned development only)	10%	5%	1%	40%
Senior Citizen Housing Development	100%	20%	—	—

4. Incentives. An incentive may be requested only if an application is also made for a density bonus, except for child care facilities under subsection H of this section, Additional Density Bonus and Incentives or Concessions for Development of Child Care Facilities.

D. Number of Other Incentives or Concessions. In addition to the eligible density bonus percentage described above, an applicant may request the following incentives or concessions in connection with his or her application for a density bonus:

1. One incentive or concession for residential projects that include at least ten percent of the total units for lower-income households, at least five percent for very low-income households, or at least ten percent for persons or families of moderate income in a condominium or planned development.
2. Two incentives or concessions for residential projects that include at least twenty percent of the total units for lower-income households, at least ten percent for very low-income households, or at least twenty percent for persons or families of moderate income in a condominium or planned development.
3. Three incentives or concessions for residential projects that include at least thirty percent of the total units for lower-income households, at least fifteen percent for very low-income

households, or at least thirty percent for persons or families of moderate income in a condominium or planned development.

4. Each residential project is entitled to only one density bonus, which may be selected based on the percentage of either low-income target units, or the project's status as a senior citizen housing development. Density bonuses from more than one category may not be combined.

5. In accordance with state law, neither the granting of a concession or incentive shall be interpreted, in and of itself, to require general plan amendment, zoning change, or other discretionary approval.

E. Incentives—Summary. Table 17.60-C summarizes the incentives:

**Table 17.60-C—Incentives/Concessions
Summary Table**

Target Group	Target Units		
	Very Low Income	5%	10%
Low Income	10%	20%	30%
Moderate Income (Condo or PD only)	10%	20%	30%
Maximum Incentive(s)/Concession(s)	1	2	3

Note: A concession or incentive may be requested only if an application is also made for a density bonus, except for child care facilities pursuant to subsection H of this section, Additional Density Bonus and Incentives or Concessions for Development of Child Care Facilities.

F. Available Incentives and Concessions. The following incentives and concessions are available for compliance with this section.

1. A reduction in the site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission as provided in Section [18907](#) of the Health and Safety Code, and which result in identifiable, financially sufficient, and actual cost reductions, including but not limited to:

- a. A reduction in setback and square footage requirements. (Reduction of two percent is considered one incentive.)
- b. Reduced minimum lot setbacks. (Reduction of two feet is considered one incentive.)
- c. Ratio of vehicle parking spaces that would otherwise be required and that results in identifiable, financially sufficient, and actual cost reductions.
- d. Reduced minimum outdoor and/or private outdoor living area. (Reduction of two percent is considered one incentive.)
- e. Increased maximum building height and/or stories. (An additional story is considered three incentives.)
- f. Reduced minimum building separation.
- g. Increased maximum lot coverage. (Increase of two percent is considered one incentive.)
- h. Reduced street standards, such as reduced minimum street widths, subject to fire district approval (Government Code Section [65915](#)(1)(1)).
- i. Other regulatory incentives or concessions proposed by the developer which result in identifiable, financially sufficient, and actual cost reduction.

2. Approval of mixed-use zoning in conjunction with residential projects if nonresidential land uses will reduce the cost of the residential project and if the city finds that the proposed nonresidential uses are compatible with the residential project and with existing or planned development in the area where the proposed residential project will be located (Government Code Section [65915](#)(1)(2)).

3. Deferred development impact fees (e.g., parkland in-lieu, or traffic impact fees).

4. Priority processing of a residential project that provides income-restricted units.

G. Density Bonus for Donation of Land. An applicant for a tentative subdivision map, parcel map, or other residential project who donates land to the city, in accordance with Government Code Section [65915](#)(h), shall receive a fifteen percent base density bonus plus a one percent supplemental increase over that base for every one percent increase in land donated above the minimum ten percent. The maximum density bonus allowed including supplemental increases is thirty-five percent.

1. An applicant shall only be eligible to receive the density bonus described in this subsection if all the conditions listed in Government Code Section [65915](#)(h)(1) through (6) are met.
2. Nothing in this subsection shall be construed to enlarge or diminish the authority of the city to require a developer to donate land as a condition of development.
3. A residential project shall be eligible for the density bonus described in this section if the city makes all of the following findings:
 - a. The developer will donate and transfer the land no later than the date of approval of the final subdivision map, parcel map, or development application for the residential project.
 - b. The developable acreage and zoning classification of the land being transferred are sufficient to permit construction of units affordable to very low-income households in an amount not less than ten percent of the number of residential units of the proposed development, or will permit construction of a greater percentage of units if proposed by the developer.
 - c. The transferred land is at least one acre in size or of sufficient size to permit development of at least forty units, has the appropriate general plan designation, is appropriately zoned for development as very low-income housing, and is now or at the time of construction will be served by adequate public facilities and infrastructure. No later than the date of approval of the final subdivision map, parcel map, or development application for the residential project, the transferred land will have all of the permits and approvals, other than building permits, necessary for the development of the very low-income housing units on the transferred land.

- d. The transferred land and the very low-income units constructed on the land will be subject to a deed restriction ensuring continued affordability of the units consistent with this division, which restriction will be recorded on the property at the time of dedication.
- e. The land will be transferred to the city-designated housing authority, or to a housing developer approved by the city. The city reserves the right to require the developer to identify a developer of the very low-income units and to require that the land be transferred to that developer.
- f. The transferred land is within the boundary of the proposed residential project. The transferred land may be located within one-quarter mile of the boundary of the proposed residential project development if the local agency agrees.

H. Additional Density Bonus and Incentives or Concessions for Development of Child Care Facilities.

1. Residential projects meeting the requirements of subsection B of this section, Eligibility for Density Bonus, and including a child care facility that will be located on the premises of, as part of, or adjacent to, the residential projects shall receive either of the following:
 - a. An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the amount of square feet in the child care facility.
 - b. An additional incentive or concession that contributes significantly to the economic feasibility of the construction of the child care facility (Government Code Section [65915](#)(i)(1)).
2. Of the children who attend the child care facility, the percentage of children of very low-income households, low-income households, or moderate-income households shall be equal to or greater than the percentage of dwelling units that are proposed to be affordable to very low-income households, low-income households, or moderate-income households.
3. Notwithstanding any requirement of this subsection, the city is not required to provide a density bonus or incentive for a child care facility if it finds, based upon substantial evidence, that the community already has adequate child care facilities (Government Code Section [65915](#)(i)(2)).

I. Additional Density Bonus and Incentives or Concessions for Condominium Conversions.

1. The city shall grant either a density bonus or other incentives of equivalent financial value if the applicant for a conversion of existing rental apartments to condominiums agrees to provide thirty-three percent of the total units of the proposed condominium project as target units affordable to low- or moderate-income households, or to provide fifteen percent of the total units in the condominium conversion project as target units affordable to low-income households. All such target units shall remain affordable for the period specified in subsection (N) of this section, Continued Availability.
2. For purposes of this section, a “density bonus” means an increase in units of twenty-five percent over the number of apartments to be provided within the existing structure or structures proposed for conversion.
3. No condominium conversion shall be eligible for a density bonus if the apartments proposed for conversion constitute a residential project for which a density bonus or other incentives were previously provided pursuant to this article or the applicable sections of state planning law.

J. General Provisions Related to Density Bonuses and Incentives or Concessions.

1. All density calculations resulting in fractional units shall be rounded up to the next whole number.
2. The density bonus units shall not be included when determining the number of target units required to qualify for a density bonus. When calculating the required number of target units, any calculations resulting in fractional units shall be rounded to the next larger integer. The density bonus shall apply to residential projects of five or more dwelling units.
3. The developer may request a lesser density bonus than the project is entitled to, but no reduction will be permitted in the number of required target units. Regardless of the number of target units, no housing development maybe entitled to a density bonus of more than thirty-five percent.
4. The granting of a density bonus shall not be interpreted, in and of itself, to require a general plan amendment, zoning change, or other discretionary approval.

K. Affordability and Development Standards.

1. **Timing of Construction.** Target units shall be constructed concurrently with nonrestricted units or pursuant to a schedule included in the density bonus housing agreement.
2. **Continued Affordability—Rent.** Target units offered for rent for low-income and very low-income households shall be made available for rent at an affordable rent and shall remain restricted and affordable to the designated income group for a minimum period of thirty years. A longer period of time may be specified if required by any construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program applicable to the housing development.
3. **Continued Affordability—For Sale.** Target units offered for sale to very low-, low-, or moderate-income households in condominiums and planned developments shall be sold at an affordable ownership cost. The maximum resale price shall be the lower of: (a) fair market value or (b) the seller's initial purchase price, increased by the lesser of (i) the rate of increase of area median income during the seller's ownership or (ii) the rate at which the consumer price index increased during the seller's ownership. The seller of the unit shall retain the market value at the time of sale of any capital improvements made by the seller, the down payment, and the seller's proportionate share of appreciation. Because this subsection limits the seller's appreciation, the seller's proportionate share of appreciation is one hundred percent (Government Code Section [65915\(c\)](#)).
4. **Initial Occupant of Moderate-Income Unit in Condominium Project or Planned Unit Development.** The initial occupant of the moderate-income units that are directly related to the receipt of the density bonus units in a condominium project or a planned unit development must be persons or families of moderate income. (See definitions.) Upon resale, the seller of the unit shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation. The city shall recapture its proportionate share of appreciation, equal to the percentage by which the initial sale price to the moderate-income household was less than the fair market value of the home at the time of sale (Government Code Section [65915\(c\)\(2\)](#)).

L. Parking.

1. Upon the request of the applicant, the city may not require a vehicular parking ratio, inclusive of handicapped and guest parking, of a development meeting the criteria of this section that exceeds the following ratios:

Table 17.60-D—Parking

Bedrooms	Number of Parking Spaces
0—1	1
2—3	2
4 or more	2.5

2. 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. For purposes of this section, a development may provide “on-site parking” through tandem parking or uncovered parking, but not through on-street parking (Government Code Section [65915\(p\)](#)).

3. The city shall not apply any development standard that would have the effect of precluding the construction of a residential project meeting the requirements of subsection B of this section, Eligibility of Density Bonus, incentives at the densities or with the incentives permitted by this chapter. An applicant may submit to the city a proposal for the waiver or reduction of development standards. Nothing in this subsection, however, shall be interpreted to require the city to waive or reduce development standards if the waiver or reduction would have a specific adverse effect, as defined in paragraph (2) of subdivision (d) of Government Code Section [65589.5](#), upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which the city determines there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. Furthermore, the applicant shall be required to prove that the waiver or modification is necessary to make the target units economically feasible.

M. Location of Bonus Units. The following provisions apply to the location of bonus units:

1. As required by state law (California Government Code Section [65915\(j\)](#)), the location of density bonus units within the residential project may be at the discretion of the developer. However, the inclusionary units shall be reasonably dispersed throughout the development and shall contain on average the same number of bedrooms as the noninclusionary units in the development, and shall be compatible with the design or use of the remaining units in terms of appearance, materials, and quality finish.
2. Target units shall be built on site, unless off-site construction is approved at the city's discretion, and shall be dispersed within the residential project. The number of bedrooms of the target units shall be equivalent to the bedroom mix of the nontarget 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 residential project. Residential projects shall comply with all applicable development standards, except those which may be modified as provided by this chapter.
3. Target units shall be constructed concurrently with nonrestricted units or pursuant to a schedule included in the density bonus housing agreement.

N. Continued Availability. The following provisions apply to continued availability of affordable units:

1. If a residential project providing low- or very low-income target units receives only a density bonus, the target must remain restricted to low- or very low-income households for a minimum of thirty years from the date of issuance of the certificate of occupancy.
2. If a residential project providing low- or very low-income target units receives both a density bonus and an additional incentive, the target units must remain restricted to low- or very low-income households for a minimum of fifty years from the date of issuance of the certificate of occupancy.
3. In the case of a residential project providing moderate-income target units, the initial occupant of the target unit must be a person of a family of moderate income. Upon resale, the seller of the target units shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation, which shall be used within three years for any of the purposes described in subdivision (e) of Section [33334.2](#) of the California Health and Safety Code that promote homeownership. The city's "proportionate share" shall be equal to the

percentage by the initial sale price to the moderate-income household that was less than the fair market value of the home at the time of the initial sale.

O. **Application Requirements and Review.** An application for a density bonus, incentive, waiver, modification, or revised parking standard under this section shall be submitted with the first application for approval of a residential project and processed concurrently with all other applications required for the residential project. The application shall be submitted on a form prescribed by the city and shall include at least the following information:

1. Site plan showing total number of units, number and location of target units, and number and location of proposed density bonus units.
2. Level of affordability of target units and proposals for ensuring affordability. (See subsection K of this section, Affordability and Development Standards.)
3. Description of any requested incentives, waivers, modifications of development standards, or modified parking standards.
 - a. For all incentives, the application shall include substantial evidence that the requested incentives result in identifiable, financially sufficient, and actual cost reductions (Government Code Section [65915\(1\)\(3\)](#)).
 - b. For waivers or modifications of development standards, the application shall provide substantial evidence to show that the waiver or modification is necessary to make the housing units economically feasible and that the development standards will have the effect of precluding the construction of a housing development meeting the criteria of subsection B of this section, Eligibility of Density Bonus, at the densities or with the incentives permitted by this subsection (Government Code Section [65915\(e\)](#) and (f)).
 - c. The applicant shall submit a development pro forma in a form prescribed by the city or the city's economic consultant. The applicant shall pay the cost of peer review of the development pro forma.

P. **Approval Body.** An application for a density bonus, incentive, waiver, modification, or revised parking standard under this section shall be considered by and acted upon by the approval body with authority to approve the residential project. Any decision regarding a density bonus, incentive, waiver,

modification, or revised parking standard may be appealed to the city council. Neither the granting of an incentive, waiver, or modification nor the granting of a density bonus shall be interpreted, in and of itself, to require a general plan amendment, zoning change, variance, or other discretionary approval (Government Code Section [65915](#)(g)(1) and (2)).

Q. Findings for Approval. Before approving an application for a density bonus, incentive, waiver, or modification, the approval body shall make the following findings:

1. If the density bonus is based all or in part on donation of land, the findings included in subsection G of this section, Density Bonus for Donation of Land.
2. If the density bonus, incentive, or concession is based all or in part on the inclusion of a child care facility, the findings included in subsection H of this section, Additional Density Bonus and Incentives or Concessions for Development of Child Care Facilities.
3. If the incentive or concession includes mixed-use development, the finding included in subsection F of this section, Available Incentives and Concessions.
4. If a waiver or modification is requested, the developer has shown by substantial evidence that the waiver or modification is necessary to make the housing units economically feasible (Government Code Section [65915](#)(f)).

R. Findings Required for Denial of Incentive. If a request for an incentive is otherwise consistent with this section, the approval body may deny an incentive if it makes a written finding, based upon substantial evidence, of either of the following:

1. The incentive is not required to provide for affordable rents or affordable ownership costs.
2. The incentive would have a specific adverse impact upon: (a) public health or safety; (b) the physical environment; or (c) any real property that is 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- and moderate-income households. For the purpose of this subsection, “specific adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application was deemed complete (Government Code Sections [65589.5](#) and [65915](#)(d)(1)).

S. Findings Required for Denial of Waiver or Modification. If a request for a waiver or modification is otherwise consistent with this section, the approval body may deny the waiver or modification only if it makes a written finding, based upon substantial evidence, of either of the following:

1. The waiver or modification would have a specific adverse impact upon health, safety, or the physical environment, and 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.
2. The waiver or modification would have an adverse impact on any real property that is listed in the California Register of Historical Resources.

T. Findings Required for Denial of Bonus or Incentive for Child Care Facility. If a density bonus or concession is based on the provision of child care facilities, the approval body may deny the bonus or concession if it finds, based on substantial evidence, that the city already has adequate child care facilities (Government Code Section [65915\(i\)\(3\)](#)).

U. Density Bonus Housing Agreement Required. An applicant requesting a density bonus shall agree to enter into a density bonus housing agreement with the city. The agreement shall be made a condition of each discretionary planning permit for the residential project under this subsection. (Government Code Section [65917](#).)

V. Recordation. The density bonus housing agreement shall be recorded as a restriction on any parcel on which the target units or density bonus units will be constructed. It shall be recorded before or concurrently with final or parcel map approval, or, where the housing development does not include a map, before issuance of a building permit for any structure in the housing development. The density bonus housing agreement shall run with the land and bind all successors in interest.

W. Contents. The density bonus housing agreement shall include but not be limited to the following:

1. The total number of units approved for the housing development, the number, location, and level of affordability of target units, and the number of density bonus units.
2. Standards for determining affordable rent or affordable ownership cost for the target units.
3. The location, unit size in square feet, and number of bedrooms of target units.

4. Provisions to ensure affordability in accordance with subsection K of this section, Affordability and Development Standards, and density bonus incentives.
5. A schedule for completion and occupancy of target units in relation to construction of nonrestricted units.
6. A description of any incentives, waivers, or reductions being provided by the city.
7. A description of remedies for breach of the agreement by either party. The city may identify tenants or qualified purchasers as third-party beneficiaries under the agreement.
8. Procedures for qualifying tenants and prospective purchasers of target units.
9. Other provisions to ensure implementation and compliance with this subsection.

X. For-Sale Housing Provisions. In the case of for-sale residential projects, the density bonus housing agreement shall include the following conditions governing the sale and use of target units during the applicable use restriction period:

1. Target units shall be owner-occupied by eligible very low-, low-, or moderate-income households, or by qualified residents in the case of senior citizen housing developments.
2. The purchaser of each target unit shall execute an instrument approved by the city and to be recorded against the parcel including such provisions as the city may require to ensure continued compliance with this subsection.

Y. Rental Housing Provisions. In the case of rental residential projects, the density bonus housing agreement shall provide for the following:

1. Procedures for establishing affordable rent, filling vacancies, and maintaining target units for eligible tenants.
2. Provisions requiring verification of household incomes.
3. Provisions requiring maintenance of records to demonstrate compliance with this subsection.

Z. Child Care Facility or Land Dedication Provisions. A density bonus housing agreement for a child care facility or land dedication shall ensure continued compliance with all conditions included in subsections I and Z of this section. (Ord. 2015-002 § 3 (Exh. 1)(part), 2015)

17.60.080 Emergency shelters.

A. Purpose. The purpose of this section is to facilitate and encourage the provision of emergency shelter for homeless persons and households by allowing permanent year-round emergency shelters without a conditional use permit or other discretionary action in the residential mixed-use (RMU) and regional commercial (CR) districts, subject only to the same development standards that apply to the other permitted uses in these zones, except for the requirements below unique to emergency shelters, as authorized by Government Code Section [65583](#)(a)(4).

B. Additional Requirements for Emergency Shelters. In addition to the standards for the underlying zoning districts, the following requirements apply to emergency shelters:

1. The maximum number of beds or persons to be served nightly by an emergency shelter shall be thirty-five.
2. Off-street parking shall be based upon demonstrated need; provided, that parking for an emergency shelter shall not be more than that required for other residential or commercial uses permitted in the residential mixed-use (RMU) or regional commercial (CR) district as applicable.
3. Appropriately sized and located exterior and interior on-site waiting and intake areas shall be provided.
4. Appropriate exterior lighting shall be provided.
5. On-site management shall be provided.

6. Security shall be provided during the hours that the emergency shelter is in operation.
7. The maximum length of stay by a homeless person in an emergency shelter shall be six months.
8. An emergency shelter shall not be located within five hundred feet of another emergency shelter.
9. No individual or household shall be denied emergency shelter because of an inability to pay. (Ord. 2015-002 § 3 (Exh. 1)(part), 2015)

17.60.090 Single-room occupancy (SRO).

A. Purpose. The purpose of this section is to facilitate and encourage the provision of affordable shelter for low-income persons with special housing needs by allowing SRO housing without a conditional use permit or other discretionary action in the residential mixed-use (RMU) and regional commercial (CR) districts, subject only to the same development standards that apply to the other permitted uses in these zones, except with additional requirements listed below.

B. Additional Requirements for SROs. In addition to the standards for the underlying zoning districts, the following requirements apply to SROs:

1. Occupancy. An SRO unit shall be occupied by a single person. Occupancy of SRO units may be restricted to seniors or be available to persons of all ages.
2. Special Development. Units in an SRO housing development shall consist of a single room and may have a private or shared bathroom. A shared common kitchen and activity area may also be provided.
3. Management Standard. On-site management shall be provided. (Ord. 2015-002 § 3 (Exh. 1)(part), 2015)