

City of Davis

full ordinance can be found at: www.ci.davis.ca.us/cmo/citycode, see Chapter 18.05

Applicable Developments	All residential development projects with 5 or more units.
Required Set-Aside	<p><i>For-Sale Projects:</i> At least 25% of all units must be affordable to very low-, low-, and moderate-income households:</p> <ul style="list-style-type: none"> • Must build 40% of the required inclusionary units on site (10% of total units); at least 50% of the on-site inclusionary units must be affordable to households earning up to 90% AMI • Must dedicate sufficient land to constitute 40% of the required inclusionary units (10% of total units) • Must reserve 20% of the required inclusionary units in the form of lots for self-help housing (5% of total units) <p><i>Rental Projects:</i> In projects with 20 or more units, at least 25% of all units must be affordable to low-income households and at least 10% to very low-income households. In projects with fewer than 20 units, at least 15% of units must be affordable to low-income households and at least 10% to very low-income households.</p> <ul style="list-style-type: none"> • All units must be built on-site <p>OR</p> <p>May develop a “project individualized program” for single- or multi-family projects which generates the same or more than the number of required inclusionary units. Program must be developed jointly by the developer and City staff and approved by the Planning Commission at a public hearing.</p>
Phasing	Inclusionary units must be developed concurrently with market-rate units, unless a land dedication has been approved to satisfy the project’s affordable housing requirements.
Unit Location and Design	<p><i>For-Sale Units:</i> Must provide 2- and 3-bedroom inclusionary units in a mix approved by the City.</p> <p><i>Rental Units:</i> Inclusionary units must include a mix of unit sizes dispersed throughout the entire development.</p>
Term of Affordability	<p><i>For-Sale Units:</i> Initial occupancy only.</p> <p><i>Rental Units:</i> In perpetuity.</p>
Affordability Enforcement	<p><i>For-Sale Units:</i> Deed Restriction.</p> <p><i>Rental Units:</i> Deed Restriction.</p>
Alternatives to On-Site Construction	Dedicate Existing Units. At the discretion of the Planning Commission, may dedicate existing units on a one-for-one basis for the required number of inclusionary units.
	Land Dedication. May dedicate land sufficient to meet the total required affordable units. Land must be improved, zoned-multi-family, and located within the project.
	In Lieu Fee. At the discretion of the Planning Commission, projects of 30 units or fewer may pay an in-lieu fee. The City will likely only accept in-lieu fees in much smaller projects, or in extreme instances when other alternatives are not feasible.
	Transfer of Credit. In projects where more than the required numbers of inclusionary units are built, a recipient may be designated for the excess units. Allowed at the discretion of the Planning Commission and only for projects that are also eligible to pay in lieu fees.

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Incentives	Density Bonus. One-for-one density bonus for inclusionary units built on-site or through alternative methods.
	Flexible Development Standards. May be allowed changes in requirements such as setbacks, lot coverage, parking, etc. Allowances are determined on a project-by-project basis.
Responsibility for Filling and Monitoring Units	<p><i>For-Sale Units:</i> Developer required to screen potential buyers in a manner approved by the City. Staff and applicant work together on the resident selection guidelines and possible preferences. This information is brought forth to the Planning Commission in a staff report, where the Commission can either request changes or approve the method and preferences. The method is also likely to be examined by the City Attorney for compliance with fair housing practices. All deed restrictions will be monitored by the City's Housing Coordinator, or a designated city employee.</p> <p><i>Rental Units:</i> Process is similar to method described above. Developer must also submit an annual report to the Housing Coordinator in the Administrative Services Department with details on affordable units.</p>
Fees	<ul style="list-style-type: none"> • For-sale unit fee of \$8,500 per affordable unit, in addition to 2:1 temporary interest rate buy down. Fee generally must be paid at the time of sale of the first or second market-rate unit. • A separate fee (\$900 deposit) is imposed for review of the affordable housing plan.
Process	<ol style="list-style-type: none"> 1. Submit affordable housing plan along with project application to the Planning & Building Department. The plan should include details of how the affordable requirements will be met, including the proposed site, amount and type of housing, income levels and estimated costs. 2. The Planning Department will work with the developer to perfect the details of the plan. Following this negotiation, the Planning Department will submit its recommendations to the Planning Commission, who will either approve the plan or request further work. 3. If other aspects of the project require City Council approval, the plan will then move forward to the City Council. 4. The affordable housing plan is processed concurrently with the project application and overall project approvals will delineate timing for the dedication of land or selling of affordable units.
Local Public Funding	<p><i>Buyer:</i> City "community equity mortgage" loan of approximately \$16,000, 2:1 mortgage interest buy down.</p> <p><i>Developer:</i> Generally, no funding assistance to for-profit developer.</p>
Contacts	<p>Danielle Foster Housing Coordinator Administrative Services Department (530) 757-5691 dfoster@ci.davis.ca.us</p>

At the time of printing, a task force was revisiting Davis' ordinance. It is likely that some of the requirements discussed above will be modified, therefore, you should check with the City to ensure you are aware of the most current requirements.