



CONSENT CALENDAR

Agenda Item # 3

AGENDA REPORT SUMMARY

Meeting Date: September 10, 2019

Subject: Ordinance No. 2019-458: Density Bonus Regulations

Prepared by: Jon Biggs, Community Development Director

Approved by: Chris Jordan, City Manager

Attachment(s):

1. Ordinance No. 2019-458

Initiated by:

City Council

Previous Council Consideration:

July 9, 2019

Fiscal Impact:

A significant fiscal impact is not anticipated for the preparation and adoption of the proposed amendment to the Density Bonus Regulations.

Environmental Review:

This Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended.

Policy Questions for Consideration:

Shall the City Council adopt Ordinance 2019-458, which amends the Density Bonus Regulations to limit use of an on-menu incentives to a single instance?

Summary:

A City's Density Bonus regulations establish procedures that implement the State's Density Bonus requirements, which are intended to increase the production of affordable housing, as well as housing for designated populations, such as seniors, disabled veterans, and foster youth. The draft code amendment is intended to limit use of the on-menu incentives to only once.

Staff Recommendation:

Adopt Ordinance No. 2019-458 amending Section 14.28.040.F of the Los Altos Municipal Code regarding the use of on-menu incentive standards.

Reviewed By:

City Manager

CJ

City Attorney

CD

Finance Director

SE



Subject: Ordinance No. 2019-458: Density Bonus Regulations

Purpose

The draft amendment is intended to limit use of an on-menu incentive to one instance.

Background

On August 27, 2019, the City Council considered the adoption of an ordinance amending Subsection 14.28.040 F. of the Los Altos Municipal Code to limit use of the on-menu incentives to only once per project. The Council provided further direction to staff on the wording of the amendment and the attached ordinance includes the revised language which is reflected (highlighted and underlined) below:

14.28.040 F. Incentive standards.

A development eligible for incentives as provided in Subsection (C) (Development Eligibility, Bonus Densities, and Incentive Counts) may receive incentives or concessions as provided in Subsections (F)(1) (On-Menu Incentives) or (F)(2) (Off-Menu Incentives).

1. On-Menu Incentives.

The City Council has determined that the On-Menu Incentives listed below would not have a specific, adverse impact. Each type of On-Menu Incentive listed below shall only be applied once to a particular project. If an applicant requests to apply one type of On-Menu Incentive more than once to a particular project, then it shall be treated as an Off-Menu Incentive request.

The City Council introduced and waived further reading of Ordinance 2019-458, and its adoption is ready for consideration.

Discussion/Analysis

Ordinance 2019-458 will go into effect 31 days after adoption.

Options

- 1) Adopt the Proposed Amendment to the Density Bonus Ordinance

Advantages: Limits the use of concessions/incentives to a single instance

Disadvantages: May result in more exceptions to site development standards

- 2) Deny the Proposed Amendment to the Density Bonus Ordinance



Subject: Ordinance No. 2019-458: Density Bonus Regulations

Advantages: Maintains current ordinance

Disadvantages: Would allow application of concessions/incentives more than once per project

Staff recommends Option 1.

ORDINANCE NO. 2019-458

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS
ALTOS AMENDING SUB SECTION 14.28.040 F., INCENTIVE
STANDARDS, OF THE LOS ALTOS MUNICIPAL CODE**

WHEREAS, it is a priority of the Los Altos City Council to further the housing goals identified in the Housing Element of the Los Altos General Plan; and

WHEREAS, the City of Los Altos has a unique arrangement of land uses that require development standards that achieve projects that are in keeping with the character of the community and provide for compatibility of adjacent uses; and

WHEREAS, the State of California has adopted a Density Bonus Law (California Government Code §§ 65915-65918) that regulates the provision of density bonuses for housing projects across the state; and

WHEREAS, the Density Bonus Law requires cities to adopt local ordinances implementing the state law; and

WHEREAS, staff has thus prepared a revised Density Bonus ordinance for the City of Los Altos, which is intended to amend existing Los Altos Municipal Code Subsection 14.28.040 F., Incentive Standards; and

WHEREAS, the amended Density Bonus regulations provide for additional affordable housing opportunities and include standards intended to achieve compatibility between density bonus projects and adjacent land uses; and

WHEREAS, the purpose of the Density Bonus regulations is to establish procedures for implementing State Density Bonus requirements, as set forth in California Government Code Sections 65915 to 65918, and to increase the production of affordable housing, consistent with City policies; and

WHEREAS, on May 16, 2019 the Planning and Transportation Commission reviewed the proposed ordinance and voted X-X, to recommend that the City Council approve the adoption of an amendment to Subsection 14.28.040 F, Incentive Standards, finding that this revision is in the best interest for the protection or promotion of the public health, safety, comfort, convenience, prosperity, or welfare and is in conformance with the adopted general plan of the City; and

WHEREAS, this Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended, as it can be seen with certainty that its adoption has no possibility of having a significant effect on the environment.

NOW THEREFORE, the City Council of the City of Los Altos does hereby ordain as follows:

Ordinance No. 2019-458

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SECTION 1. FINDINGS. After considering the record before it, including but not limited to the agenda report, presentation of staff, public comment, and discussion, the City Council hereby finds that adoption of this Ordinance is in the best interest for protection or promotion of the public health, safety, comfort, convenience, prosperity, and welfare, per Los Altos Municipal Code §14.86.080.

SECTION 2. AMENDMENT OF CODE. Title 14 (Zoning) of the Los Altos Municipal Code shall be revised to reflect that the current Sub-Section 14.28.040 F., Incentive Standards, is amended as reflected below, and adopted:

F. Incentive standards.

A development eligible for incentives as provided in Subsection (C) (Development Eligibility, Bonus Densities, and Incentive Counts) may receive incentives or concessions as provided in Subsections (F)(1) (On-Menu Incentives) or (F)(2) (Off-Menu Incentives).

1. On-Menu Incentives.

The City Council has determined that the On-Menu Incentives listed below would not have a specific, adverse impact. Each type of On-Menu Incentive listed below shall only be applied once to a particular project. If an applicant requests to apply one type of On-Menu Incentive more than once to a particular project, then it shall be treated as an Off-Menu Incentive request.

- a. Lot Coverage. Up to 20 percent increase in lot coverage limits.
- b. Lot Width. Up to 20 percent decrease from a lot width requirement.
- c. Floor Area Ratio. In zone districts with a floor area ratio maximum, an increase in the maximum floor area equal to the floor area of the affordable housing units for the housing development project, up to a 35% increase in the floor area maximum.
- d. Height. Up to an eleven foot (11') increase in the allowable height.
- e. Yard/Setback. Up to 20 percent decrease in the required width or depth of any individual yard or setback except along any property line that abuts a single-family R1 zoned property.
- f. Open Space. Up to 20 percent decrease from an open space requirement, provided that (i) the landscaping for the Housing Development Project is sufficient to qualify for the number of landscape points equivalent to 10 percent more than otherwise required by Chapter 12.40 (Uniform Code for the Abatement of Dangerous Buildings) and Landscape Ordinance Guidelines "O,"

and (ii) any such reduction is first applied to open space on any project floor or floors above grade.

2. Off-Menu Incentives. An applicant may request an incentive not included in Subsection (F)(1) (On-Menu Incentives), so long as such incentive meets the definition under state law. The review authority will determine whether any such requested Off-Menu Incentive may have a specific, adverse impact.
3. Denial of Requested Incentive.

The reviewing authority may deny a request for an incentive only if it makes a written finding, based on substantial evidence, of any of the following:

- a. The concession or incentive does not result in identifiable and actual cost reductions, consistent with the definition of “concession” or “incentive”, to provide for affordable housing costs, as defined in Health & Safety Section 50052.5, or for rents for the targeted units to be set as specified in Subsection (I).
- b. The concession or incentive would have a specific, adverse impact 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 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
- c. The concession or incentive would be contrary to state or federal law.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this code is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this code.

SECTION 4. PUBLICATION. This ordinance shall be published as provided in Government Code section 36933.

SECTION 5. EFFECTIVE DATE. This ordinance shall be effective upon the commencement of the thirty-first day following the adoption date.

The foregoing ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on _____, 2019 and was thereafter, at a regular meeting held on _____, 2019 passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ordinance No. 2019-458

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Lynette Lee Eng, MAYOR

Attest:

Jon Maginot, CMC, CITY CLERK