AGENDA
HOUSING, HOMELESSNESS AND PLANNING COMMITTEE
SPECIAL MEETING NOTICE
OCTOBER 14, 2026
PUBLIC MEETING 5:00 P.M.

MEMBERS

Victor M. Gordo, Mayor
Jason Lyon, District 7
Justin Jones, District 3
Rick Cole, District 2

STAFF

Jennifer Paige AICP, Acting Assistant City Manager
Jim Wong, Director of Housing
Isreal Del Toro, Acting Director, Planning & Community Development
Jason Mikaelian AICP, Deputy Director, Planning & Community Development
Dion O'Connell, Assistant City Attorney
Julia Garzon, Recording Secretary

MISSION STATEMENT

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Items on the agenda may not be called in order listed. Agendas and supporting documents are available on the Internet at https://www.cityofpasadena.net/commissions/housing-homelessness-and-planning-committee/

*Materials related to an item on this Agenda submitted to the Housing, Homelessness and Planning Committee **after** distribution of the agenda packet will be posted online and listed as: "Supplemental Agenda Material Received after the Posting of the agenda."*

PUBLIC COMMENT AT THE HOUSING, HOMELESSNESS AND PLANNING COMMITTEE MEETING FOR OCTOBER 14, 2026, AT 5:00 P.M. WILL BE ACCEPTED IN-PERSON AND BY VIDEOCONFERENCE/TELECONFERENCE.

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In order to facilitate public participation at meetings the City will accept public comment in the following manner:

1. Whether participating in-person or virtually at the meeting, members of the public may provide public comment by submitting a speaker card prior to the start of public comment on that item, at the following webpage:

   www.cityofpasadena.net/commissions/public-comment/

   If a public comment speaker wishes to speak on more than one agenda item, please indicate which items on the online form (multiple item speakers will be handled according to the process posted on the agenda and as specified in the City meeting policy). Public comments are limited to 3 minutes each, and the Chair and Committee may limit this time if reasonable under the circumstances.

   2. **In-person Meeting Participation**: Complete an online speaker card at the following website: **www.cityofpasadena.net/commissions/public-comment/**

   After submitting a public speaker card, members of the public may attend the meeting in-person by coming to the Pasadena City Council Chamber, Room S249 at City Hall at the date and start-time of the posted meeting.

   Virtual Meeting Participation: For virtual participants, you may attend by connecting to the meeting using a computer, other electronic device, or by telephone. Please review the agenda to identify the published start time for the meeting and connect to the meeting just prior to, or at the start of the meeting.

   To participate in public comment for an item and to be recognized to speak, it is required that the speaker login to the meeting using the same name or telephone

number used on the Speaker Card form. This will allow City staff to locate and promote the speaker into the meeting when it is time for their public comment. Participants' phone calls to the Committee meeting will be recorded as part of the Committee meeting. By staying on the line and making public comment during the Committee meeting by phone, you are agreeing to have your phone call recorded. Following is the connectivity information for virtual participation:

Computer or electronic devices, join the meeting at:
https://us02web.zoom.us/j/161482446

Telephone only dial-in: 1-669-900-6833, Meeting ID: 161 482 446

3. **Speaker Card Help Line**: If a public comment speaker needs assistance in completing a speaker card, please call the Planning Department at: (626) 744-4650. Help line will open **30 minutes** prior to the posted start time of the meeting.

4. Members of the public may submit correspondence of any length prior to the start of the meeting, at the following email address:

   commentshhpc@cityofpasadena.net

   Correspondence will be forwarded to the Committee prior to the start of the meeting, posted online, and made part of the legislative record for the item.

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CITY OF PASADENA
NOTICE OF SPECIAL MEETING
OF THE HOUSING, HOMELESSNESS AND PLANNING COMMITTEE

OCTOBER 14, 2026
PUBLIC MEETING: 5:00 P.M.
PASADENA CITY HALL, COUNCIL CHAMBER
100 NORTH GARFIELD AVENUE, ROOM S249

NOTICE IS HEREBY GIVEN that the regular meeting of the Housing, Homelessness and Planning Committee, will be held on Wednesday, October 14, 2026, at 5:00 p.m. in the Pasadena City Hall, Council Chamber, Room S249.

Victor M. Gordo, Chair
Public Safety Committee

I HEREBY CERTIFY that this notice, in its entirety, was posted on the Internet at https://www.cityofpasadena.net/commissions/housing-homelessness-and-planning-committee/ and on the Council Chamber Bulletin Board, Room S249 and the Bulletin Board in the rotunda area, City Hall, 100 North Garfield Avenue, and a copy was distributed to Central Library for posting this 8th day of October, 2026, by 5:30 p.m., and that copies hereof were faxed, emailed or delivered to each member of the City Council and to each local newspaper of general circulation, radio or television station requesting notice in writing, all of which recipients are identified on the distribution list set forth herein below.

Julia Garzon, Recording Secretary
Planning & Community Development

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SPECIAL MEETING AGENDA
HOUSING, HOMELESSNESS AND PLANNING COMMITTEE
OCTOBER 14, 2026
Public Meeting: 5:00 P.M.
Council Chamber, Pasadena City Hall
100 North Garfield Avenue, Room S249

PUBLIC MEETING – 5:00 P.M.
ROLL CALL

APPROVAL OF MINUTES

September 14, 2026 – Special Meeting

NEW BUSINESS

1. **INFORMATION ITEM: REVIEW OF CONCESSIONS AND WAIVERS UNDER STATE DENSITY BONUS LAW – PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT***

2. **UPDATE ON MAJOR HOUSING PROJECTS CURRENLTY UNDER REVIEW – PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT**

3. **REVIEW PROPOSED UPDATES TO THE ADMINISTRATIVE GUIDELINES AND ZONING CODE SECTION RELATED TO PREDEVELOPMENT PLAN REVIEWS (PPRs) – PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT***

4. **ESTABLISH A NEW DATE AND TIME FOR REGULAR HOUSING, HOMELESSNESS AND PLANNING COMMITTEE MEETINGS**

5. **DISCUSSION OF A SPECIAL MEETING DATE IN NOVEMBER DUE TO HOLIDAYS AND SCHEDULING OF ITEMS FOR REMAINDER OF THE CALENDAR YEAR**

FUTURE MEETING

October 28, 2026 – Special Meeting (IF NEEDED)

ADJOURN

*** INDICATES ATTACHMENT**

APPROVAL OF MINUTES

September 14, 2026 – Special Meeting

CITY OF PASADENA
HOUSING, HOMELESSNESS AND PLANNING COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER – S249
SEPTEMBER 14, 2026, SPECIAL MEETING

OPENING

Mayor Gordo called the special meeting of the Housing, Homelessness and Planning Committee to order at 5:06 p.m.

ROLL CALL:

Mayor Victor M. Gordo, Chair
Councilmember Justin Jones (arrived at 5:13pm)
Councilmember Rick Cole
Councilmember Jason Lyon (Absent)

Staff:

Jennifer Paige, AICP, Acting Assistant City Manager
Jim Wong, Director of Housing
Israel Del Toro, Acting Director of Planning & Community Development
Jason Mikaelian, Deputy Director of Planning & Community Development
Dion O'Connell, Assistant City Attorney
Julia Garzon, Recording Secretary

APPROVAL OF MINUTES

Meeting minutes for June 3rd and August 5th, 2026, were both approved unanimously. Moved by Councilmember Cole and seconded by Councilmember Lyon.

NEW BUSINESS

INFORMATION ITEM: REVIEW OF OTHER CITIES POLICIES RELATED TO HOMELESS ENCAMPMENTS (PLANNING & COMMUMITY DEVELOPMENT DEPARTMENT) – ITEM HEARD FIRST, OUT OF ORDER.

Jennifer Paige, Acting Assistant City Manager, provided a brief introduction to the item and then introduced Jason Mikaelian, Deputy Director of Planning & Community Development, who provided a comprehensive presentation.

Commander William Grisafe, Officer Aaron Julian Lopez, Firefighter Frederick Zee, and Director of Health Manuel Carmona were also available to respond to questions from the Committee.

The following individuals spoke regarding this item:

> Sonja Berndt, David Nunley, Shawn Morissey, Marissa Bell, Anthony Yniguez, Bert Newton, Mary Forrest, Joshua Grater, P.A. Brown, Erika Foy, Humaria, James Maddox, Donna Sider, John Barkume, Melissa Bell, and Stephen Leslie.

After discussion and questions to staff, Councilmember Cole moved that the Committee direct staff, in coordination with the Police Department, Prosecutor's Office, Health Department, and Housing Department, to explore opportunities to strengthen enforcement of existing laws and identify potential legislative changes, including the addition, modification, or repeal of laws, as part of a broader effort to address the issues.

Councilmember Lyon offered a friendly amendment to identify appropriate locations where individuals could be placed and provided with necessary services alongside this work.

Councilmember Jones noted that, if enforcement efforts are implemented citywide, consideration should be given to the varying issues and needs of different areas throughout the city.

Mayor Gordo requested that staff engage with the Metropolitan Transportation Authority (Metro) and Los Angeles County, as well as the City's State representatives, to include them in these discussions and collaborative efforts.

Councilmember Cole amended his motion to direct staff to return with recommendations regarding additional tools, policies, laws, and resources that could be utilized to address public safety and quality-of-life concerns within the community. The motion was seconded by Councilmember Lyon and passed unanimously.

Mayor Gordo handed the meeting over to Councilmember Lyon to Chair and excused himself at 7:10 p.m. for a prior city related commitment.

ACTION ITEM: APPROVE SUBMISSION OF THE PROGRAM YEAR 25 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR PROJECTS FUNDED FROM COMMUNITY DEVELOPMENT BLOCK GRANT, EMERGENCY SOLUTIONS GRANT, AND HOME INVESTMENT PARTNERSHIP ACT PROGRAMS (HOUSING DEPARTMENT)

Jim Wong, Housing Director, provided a brief introduction to the Consolidated Annual Performance and Evaluation Report (CAPER) and then introduced Randy Mabson, Program Coordinator III, who presented the item to the Committee.

Councilmember Jones staff questions regarding transitional housing. He asked about Hillsides and for the funding for transitional housing to be agendized for future discussion.

Councilmember Cole wanted further clarification on "persons assisted." Jennifer O'Riley-Jones answered his questions.

No public comment.

Councilmember Cole moved that they recommend to the City Council the filing of CAPER. The motion was seconded by Councilmember Jones and passed unanimously.

ACTION ITEM: ESTABLISH FREQUENCY AND MEETING DAY FOR FUTURE HHPC MEETINGS (CITY MANAGER'S OFFICE)

Acting Assistant City Manager Paige discussed the possibility of increasing the frequency of future meetings to twice a month.

No public comment.

Chair Lyon expressed support for holding HHPC meetings twice a month. Staff proposed the first and third Wednesdays of each month, which Chair Lyon supported. Councilmember Cole expressed a preference for the second and fourth Wednesdays. Councilmember Jones suggested that

staff distribute a poll to Committee members to determine the most suitable dates for future meetings. ACM Paige agreed to do so.

INFORMATION ITEM: MONTHLY WORK PROGRESS UPDATE ON YEAR-ROUND SHELTER (CITY MANAGER'S OFFICE)

Assistant City Manager Paige provided an update on the progress of the year-round shelter initiative. She reported that a biweekly team is currently working to develop the shelter details and explore potential options. As part of this process, staff will conduct site visits to several shelter models, including hotel conversions, standalone shelters, and tiny home villages. Committee members will also have the opportunity to visit sties if they are interested.

The following individuals spoke regarding this item: Sonja Berndt, Shawn Morrissey, and Erika Foy.

Councilmember Cole requested that staff work closely with local service providers to gain a better understanding of their operations, management practices, and approaches to coordinating shelter services.

INFORMATION ITEM: REVIEW OF CONCESSIONS AND WAIVERS UNDER STATE DENSITY BONUS LAW (PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT)

CONTINUED TO NEXT MEETING

ADJOURNMENT

On the order of the Chair, the meeting of the Housing, Homelessness and Planning Committee was adjourned at 7:35 p.m.

_____
Mayor Victor M. Gordo, Chair
Housing, Homelessness and Planning Committee

ATTEST:

_____
Julia Garzon
Recording Secretary

NEW BUSINESS

1. **INFORMATION ITEM: REVIEW OF CONCESSIONS AND WAIVERS UNDER STATE DENSITY BONUS LAW – PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT***

MEMORANDUM

TO: HOUSING, HOMELESSNESS, AND PLANNING COMMITTEE

FROM: ISRAEL DEL TORO, ACTING DIRECTOR OF PLANNING COMMUNITY DEVELOPMENT DEPARTMENT

DATE: OCTOBER 14, 2026

SUBJECT: REVIEW PROCESS FOR CONCESSIONS AND WAIVERS REQUESTED FOR DENSITY BONUS PROJECTS

BACKGROUND:

Changes to State Density Bonus Law (SDBL) over the past ten years have resulted in an increasing number of density bonus projects, both statewide and within Pasadena. This has resulted in a commensurate increase in requests for concessions and, to a lesser degree, waivers from development standards as permitted by SDBL. Staff is currently updating the Zoning Code to ensure compliance with state law and the City's adopted Housing Element, as well as clarifying the review process to ensure that projects utilizing concessions and waivers are processed efficiently.

State Density Bonus Law (SDBL)

Density Bonus

SDBL (Government Code Sections 65915 – 65918) has been in place since 1979 and applies to residential and mixed-use projects with five or more dwellings. It gives developers the right to increase density beyond what is permitted under local zoning in exchange for providing housing at below market rates for rent or sale (Attachment A). For example, if local zoning permitted a maximum of 100 units on a property, that would be considered the "base" units. Per SDBL, if an applicant proposes 20% of the base units to be reserved for low-income households, the project would be entitled to a 35% density bonus. Therefore, if 20 of the units were reserved for low-income households, the resulting project could have up to 135 units. The law is based on the principle that absent incentives, requirements, or subsidies, the private market will not produce units at affordability levels below market-rate.

Concessions and Waivers

As housing costs continue to rise, it has been found that density bonus is often not enough to make a project feasible. Therefore, through SDBL, an applicant may also request any of the following for qualified projects:

1. Concessions to development standards that provide cost reductions (e.g., building floor area or height);
2. Waivers of development standards that would physically preclude the development of a project at the density permitted and with the incentives granted (e.g., setbacks or building separation); and
3. Other allowances provided through SDBL (e.g., reduced parking).

SDBL enables a developer to request up to five concessions, depending on project scope, to offset the additional cost of providing affordable units. The applicant may request as many waivers as necessary to achieve the desired density. The ability to deny concessions and waivers is very limited, as explained later in this report.

Recent State Legislation

SDBL has been updated numerous times in recent years, most notably including:

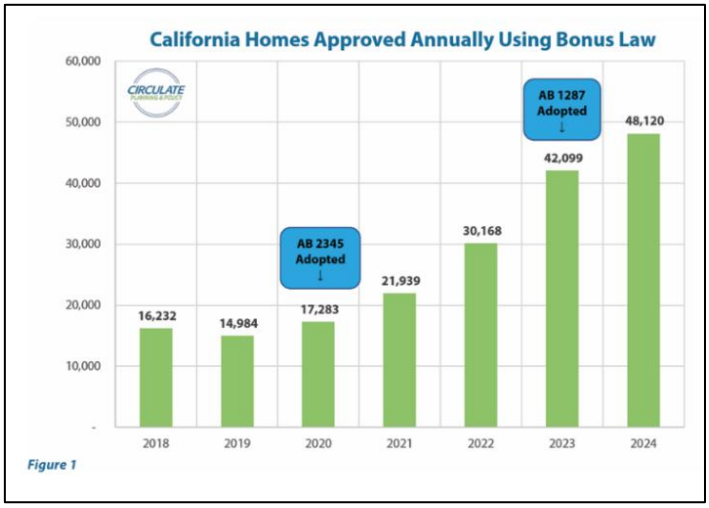
- Assembly Bill (AB) 1763 (2019): Allowed density bonus of 80% for projects that are 100% affordable. If located within ½-mile of a major transit stop, project would receive unlimited density, a height increase of three additional stories or 33 feet, and no parking requirement. Increased maximum number of concessions from three to four;
- AB 2345 (2020): Increased density bonus from 35% to 50% for projects that are not 100% affordable; adjusted qualifying affordability thresholds for concessions; and reduced parking standards;
- Senate Bill (SB) 290 (2021): Added student housing as an eligible category;
- AB 682 (2022): Added shared housing projects as an eligible category;
- AB 2334 (2022): Extends the benefits of AB 1763 for 100% affordable projects to very low-vehicle travel areas;
- AB 1287 (2023): Provided an additional “stackable” 50% bonus; increased maximum number of concessions to five;
- AB 2694 (2024): Added residential care facilities for the elderly as an eligible category;
- AB 2553 (2025): Expanded definition of major transit stop; and
- AB 87 (2025): Excluded visitor-serving uses in mixed-use developments from eligibility for incentives.

DISCUSSION:

SDBL Housing Trends

Over the past several years, SDBL has become by far the most widely used streamlining law aimed at housing production tracked by the California Department of Housing and Community Development (HCD). The amount of housing units approved

statewide through SDBL has soared from less than 15,000 in 2019 to over 48,000 in 2024. Since 2020, SDBL has been used statewide to approve more than 140,000 housing units and more than 69,000 deed-restricted affordable units.



https://www.circulatesd.org/win_win_bonus_mobile

For additional context, in 2024, 47% of all multifamily projects utilized SDBL and 78% of all units in 100% affordable projects were created through SDBL. The use of SDBL in 2024 resulted in the production of ten times more homes than all other tracked streamlining law combined. The incremental changes to SDBL resulted in large numbers of new housing approvals and support the idea that builders will include affordable units, as long as it is financially advantageous.

Trends in Pasadena are consistent with those seen statewide:

- Number of projects: Currently 23 major housing projects (i.e., a project with 70 or more units) are submitted for review or under construction:
  - 18 have bonus density units; and seven are 100% affordable housing projects.
- Number of units: 4,160 total units:
  - 1,066 or 25.6% are bonus density units.
- Affordable units: 1,525 or 36.7% will be reserved as affordable units.

Prior to 2020, concessions in Pasadena mostly focused on floor area, height and parking. However, changes in state law have reduced requests for height concessions and almost eliminated the need for parking concessions. Currently, the most common types of concessions and waivers are for floor area, setbacks, open space and height. Other requests include those related to ground floor uses, location of parking areas, bicycle parking, building modulation, and building separation.

Major Transit Stops and Very-Low Vehicle Travel Areas

As previously mentioned, Assembly Bill 1763 (and subsequent amendments) allow a 100% affordable residential project to receive unlimited density, a height increase of three additional stories or 33 feet, up to four regulatory concessions, and no parking requirement when the project is located within ½-mile of a major transit stop or within a very-low vehicle travel area. A major transit stop is defined in Public Resources Code (PRC) Section 21064.3 as a site containing any of the following:

1. An existing rail or bus rapid transit station;
2. A ferry terminal served by either a bus or rail transit service; or

3. The intersection of two or more major bus routes with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods.

Additionally, SDBL states that a major transit stop has the same meaning as defined in PRC Section 21155(b) and also includes stops that are included in the applicable regional transportation plan. For Pasadena, the applicable regional transportation plan is the Connect SoCal 2024 Regional Transportation Plan/Sustainable Communities Strategy developed by the Southern California Association of Governments (SCAG).

Very-low vehicle travel areas are census areas where existing residential development generates vehicle miles traveled per capita that is below 85% of either regional vehicle miles traveled per capita or city vehicle miles traveled per capita. For Pasadena, this includes portions of the Central District and South Fair Oaks Specific Plans and portions of Northwest Pasadena.

Local Regulations

City of Pasadena Housing Element

The City's current Housing Element of the General Plan was adopted on July 18, 2022, via Resolution #9935 (Attachment B). The Housing Element covers an eight-year planning period from 2021 to 2029 and includes an analysis of existing and projected housing needs, an analysis of constraints to meeting that need, and various programs and implementation objectives intended to further the development, improvement, and preservation of housing. Those related to SDBL include:

- Program #9 (Removal of Constraints): An implementation objective of Program #9 is to "eliminate the discretionary Affordable Housing Concessions Permit process that applies to the density bonus program."
- Program #10 (Regulatory Incentives): This program includes an objective that seeks to "update the density bonus ordinance to parallel state law and include any additional incentives unique to and desired by Pasadena – and reflective of its relationship to the inclusionary housing ordinance."

City of Pasadena Inclusionary Housing Ordinance (IHO)

The City of Pasadena first adopted its IHO in 2001. The current IHO (Attachment C) requires projects with 10 or more units to set aside 20% of those units as affordable to very low, low, and moderate-income households. Rental projects are required to provide a minimum of 5% very low-income units, 5% very low or low-income, and 10% very-low, low, or moderate income. For-sale projects are required to sell 20% of the total number of units in any combination of very low, low, or moderate income. Per state law, the City's IHO is calculated from the number of base units. The IHO also provides various alternative compliance options, including paying an in-lieu fee, providing units off-site, or dedicating land to the City. Applicants that wish to utilize SDBL must still comply with the City's IHO. If one has a stricter requirement than the other, the stricter of the two requirements apply.

City of Pasadena's Density Bonus Ordinance (DBO)
The City's Density Bonus Ordinance is found in Chapter 17.43 of the Pasadena Municipal Code (PMC), which outlines procedures to implement SDBL (Attachment D). The Ordinance has not been updated to reflect the most recent state bills and requires approval of a separate Affordable Housing Concession/Waiver Permit (AHC/WP). The City stopped requiring a separate AHC/WP in 2022 to be aligned with Housing Element Program #9 (and instead combines the concessions and waivers with the project's other entitlements as explained later in the report). In addition, per the Housing Crisis Act (SB 330), the City may not hold more than five public meetings to consider a proposed housing development, provided the project meets all applicable objective general plan and zoning standards. Therefore, the City no longer uses extra public meetings to approve an AHC/WP.

The City used to require an applicant to provide a pro-forma to confirm the cost reductions from the concessions were necessary for the project to be economically feasible. However, in *Schreiber v. City of Los Angeles (2021)*, the court ruled that local agencies cannot require the submittal of financial information to confirm economic feasibility. Cities are limited to requesting information only to confirm a project's eligibility for concessions or waivers, not whether the concessions are necessary.

Current Requirements and Process
When an application for a housing development project is received, the applicant submits project information including the proposed density calculations, number and affordability level of affordable units and the distance to any major transit stops. In addition, they indicate which concessions and/or waivers from the Zoning Code are being requested. Upon submittal and staff verification of a complete application, staff analyzes the entire project, to ensure compliance with local development standards and SDBL and to verify that the project is eligible for the requested density bonus and any requested concessions and/or waivers.

In Pasadena, residential projects requesting concessions and/or waivers typically require design review, which consists of three steps: 1) Preliminary Consultation; 2) Concept Design Review; and 3) Final Design Review. More recently, amendments to the Zoning Code also allow residential projects with 50% or more affordable units to move through a two-step Consolidated Design Review Process (where steps 2 and 3 are combined into one step). While state law does not prohibit a city from having a separate public meeting to grant a density bonus, concessions or waivers, the current approach in Pasadena is to combine the request with the project's other entitlements.

Regional Survey

Staff surveyed a number of cities in greater Los Angeles to understand how other jurisdictions review and process SDBL applications. Similar to Pasadena, the majority of the respondents ask applicants to provide a narrative describing their request for concessions and/or waivers and explanation of why the requested concessions or waivers are necessary for project viability. Most of the surveyed cities review SDBL projects at the staff level, generally as part of an overall discretionary application (such

as a Site Plan Review, Design Review or other entitlement), and decision-making bodies do not approve density bonus requests separately from the entitlement. The following is a summary of staff's findings:

City	Density Bonus/Concessions/Waivers Review Process
Alhambra	No separate application for density bonus, concessions and waivers. Reviewed at staff level.
Anaheim	Granted by staff. If also part of a discretionary application, the staff report will include a discussion of concessions and waivers, but the review authority is not asked to approve as a separate action.
Beverly Hills	Granted by the Planning Commission. Appeals go to City Council. Currently considering a staff level approval process.
Brea	Similar process to Anaheim.
Burbank	Reviewed concurrently with other entitlements. Review authority of other entitlements also grants the concessions and waivers with findings.
Culver City	Similar process to Anaheim.
El Monte	Similar process to Burbank. Director level approvals only appealable by the applicant.
Glendale	Concession requests are granted by staff. Waiver requests are granted by the Hearing Officer.
Monrovia	Similar process to Burbank.
Pomona	Similar process to Burbank.
Santa Clarita	Granted by staff. Appeals go to Hearing Officer and ultimately City Council.
Santa Monica	Similar process to Anaheim.
West Hollywood	Similar process to Burbank.

Denying Concessions and Waivers

Per SDBL, a density bonus must be granted provided it complies with state and federal law. In addition, the state and courts have established an extremely high burden for cities to deny concessions and waivers. A concession must be granted unless a written finding, based upon substantial evidence, is made for one of the following:

1. The concession or incentive does not result in identifiable and actual cost reductions, consistent with SDBL, to provide for affordable housing costs, or for rents for the targeted units;
2. The concession would have a specific, adverse impact on public health and safety or on 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-income and moderate-income households; or
3. The concession would be contrary to state or federal law.

For waivers, the review authority cannot apply any development standard that will have the effect of physically precluding the construction of a housing development at the eligible density. SDBL does not require a city to approve a waiver if one of the following is met:

1. The waiver would have a specific, adverse impact on public health and safety or on 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; or
2. The waiver would be contrary to state or federal law.

In addition, HCD has advised that an applicant cannot request concessions or waivers to exceed the density bonus limits outlined in SDBL or concessions to be exempt from local inclusionary requirements.

A specific adverse impact is defined as a specific quantifiable and unavoidable impact based on an objective, written public health or safety standard, policy or condition as they exist on the date the application was deemed complete. The argument to deny would need to be substantiated by detailed evidence. The burden of proof for the denial is also placed on the city.

Examples from Cities

There are very limited examples of cities denying or modifying concessions and waivers (or groups challenging projects with concessions and waivers). Cities are typically able to deter applicants from requesting concessions and waivers that are contrary to state or federal law. However, since cities cannot request financial information, staff found no examples of a city trying to deny a concession because it did not result in identifiable and actual cost reductions. In addition, staff only found one example of a city (Santa Monica) successfully denying a concession or waiver because it resulted in a specific, adverse impact on public health and safety. In all other cases, the concessions and waivers were ultimately approved after HCD or court intervention:

- San Diego (2022): 20-story, 204-unit mixed-use project adjacent to Balboa Park. Included concessions/waivers to reduce street setbacks and deviate from design standards. Approved by the Planning Commission and upheld by the City Council. Challenged by neighborhood group.
    - Petitioners argued the setback made the project inconsistent with the City's land use plans related to views and architectural design standards. They also said the project could be redesigned without the need for the concession and many of the waivers by removing an interior courtyard to make the building lower and narrower.
    - Court ruled that the project did not impact views because none were classified as "view corridors." In addition, the project did comply with some objectives of the City's land use plans, making it compliant. Finally, stripping project amenities such as a courtyard to avoid using concessions and waivers cannot be required for projects. Such amenities are considered part of the project description. City approvals were upheld.

- San Francisco (2022): 19-unit project. Included concessions/waivers to increase height. Approved by the Planning Commission and upheld by the Board of

Supervisors with a condition to reduce the height from six to five stories (by removing project amenities and shifting units to the ground floor).
    - HCD sent a “Notice of Violation” letter stating “the law provides a developer with broad discretion to design projects with additional amenities even if doing so would conflict with local development standards.” In addition, it stated that specific findings must be made to deny or modify a waiver, and they do not include whether a project could be theoretically redesigned with the same number of units.
    - Project was returned to the Planning Commission for further consideration and was approved.

- Jurupa Valley (2024): 67-unit detached project. Included 34 concessions/waivers including ones to have all units as two stories (where a majority needed to be one-story) and landscaping.
    - Staff recommended all waivers be approved except those related to height and landscaping be denied, as project could be redesigned without the need for those waivers. The Planning Commission denied the project.
    - HCD sent a “Notice of Violation” letter similar to the one sent in the San Francisco case.
    - Project was approved by the City Council.

- Los Angeles (2025): 50-unit, mixed-use project in Boyle Heights. Included concessions/waivers to increase floor area. Denied by the East Los Angeles Planning Commission because it could lead to gentrification that would be harmful to the public health of residents.
    - Court ruled the City “acted in bad faith… in connection with its disapproval of the project.” Ordered the Commission to reverse its decision.
    - Project was returned to the Commission and was approved.

- Glendale (2026): 682-unit mixed-use project at the Sears site. Included concessions/ waivers to deviate from unit mix, increase floor area, reduce open space and reduce setbacks. Denied by the City Council.
    - HCD sent a “Notice of Violation” letter stating that “none of the concerns raised by the City Council appeared to constitute a specific, adverse impact upon public health or safety that would justify the denial.”
    - Project was returned to the City Council for further consideration and was approved.

- Santa Monica (2026): 147-unit project along a primary truck route and high-volume transit corridor. Included 12 concessions/waivers including to reduce yard areas, reduce unit mix requirements, increase FAR, increase height and remove loading. Waiver to remove loading originally denied by staff in November 2025.
    - Staff denial letter included findings detailing adverse public safety impacts related to safety and circulation, driveway and pedestrian access conflicts, transit conflicts and sideswipe risks, last mile freight evidence of inevitable curbside impacts, physical constraints, inevitability of loading activity and lack of feasible mitigation.

- The applicant did not appeal the decision or file a complaint with HCD. Instead, the applicant submitted a revised application with a waiver to adjust the loading space dimensions.
- Revised application approved by staff in February 2026.

Demonstrating Impacts

As previously noted, concessions and waivers can be denied in limited situations. Below are examples of concessions or waivers that could potentially be denied if substantiated by detailed evidence:

- Safety-related requirements often placed on projects may include:
  - Minimum visibility requirements at street corners (to limit visual obstructions and reduce potential conflicts between vehicles and/or pedestrians);
  - Parking lot and pedestrian walkway lighting requirements (to reduce crime); and
  - Turning radius and ingress/egress requirements for off-street loading spaces (to maintain visibility).
- Impact to a designated historic resource may include:
  - Increase height for an addition to a designated historic resource, where it would change the roof form and massing of the overall structure, significantly compromising the integrity of the resource.
- Something contrary to state or federal law may include:
  - Concession or waiver to exempt certain ADA requirements.

COMMITTEE CONSIDERATION:

This report is informational in response to the HHPC work plan request for “Research on other jurisdictions approval or denial of waivers and concessions for Housing projects utilizing SDBL”.

CONCLUSION AND NEXT STEPS:

Staff is currently updating PMC Chapter 17.43 (Density Bonus, Waivers, and Incentives) to remove references to the Affordable Housing Concession Permit process and ensure compliance with state law and PMC Section 17.60.030 (Concurrent Permit Processing) to update that concessions and waivers are to be reviewed concurrently with the project’s other entitlements. This was presented to the Planning Commission on September 9, 2026 and is expected to be presented to the City Council by early 2027.

Attachments (4):

A. Government Code Sections 65915 – 65918
B. City of Pasadena Housing Element (2021-2029)
C. PMC Chapter 17.42 (Inclusionary Housing Requirements)
D. PMC Chapter 17.43 (Density Bonus, Waivers and Incentives)

STATE OF CALIFORNIA
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

State of California

GOVERNMENT CODE

Section 65915

65915. (a) (1) When an applicant seeks a density bonus for a housing development within, or for the donation of land for housing within, the jurisdiction of a city, county, or city and county, that local government shall comply with this section. A city, county, or city and county shall adopt an ordinance that specifies how compliance with this section will be implemented. Except as otherwise provided in subdivision (s), failure to adopt an ordinance shall not relieve a city, county, or city and county from complying with this section.

(2) A local government shall not condition the submission, review, or approval of an application pursuant to this chapter on the preparation of an additional report or study that is not otherwise required by state law, including this section. This subdivision does not prohibit a local government from requiring an applicant to provide reasonable documentation to establish eligibility for a requested density bonus, as described in subdivision (b), and parking ratios, as described in subdivision (p).

(3) In order to provide for the expeditious processing of a density bonus application, the local government shall do all of the following:

(A) Adopt procedures and timelines for processing a density bonus application.

(B) Provide a list of all documents and information required to be submitted with the density bonus application in order for the density bonus application to be deemed complete. This list shall be consistent with this chapter.

(C) Notify the applicant for a density bonus whether the application is complete in a manner consistent with the timelines specified in Section 65943.

(D) (i) If the local government notifies the applicant that the application is deemed complete pursuant to subparagraph (C), provide the applicant with a determination as to the following matters:

(I) The amount of density bonus, calculated pursuant to subdivision (f), for which the applicant is eligible.

(II) If the applicant requests a parking ratio pursuant to subdivision (p), the parking ratio for which the applicant is eligible.

(III) If the applicant requests incentives or concessions pursuant to subdivision (d) or waivers or reductions of development standards pursuant to subdivision (e), whether the applicant has provided adequate information for the local government to make a determination as to those incentives, concessions, waivers, or reductions of development standards.

(ii) Any determination required by this subparagraph shall be based on the development project at the time the application is deemed complete. The local government shall adjust the amount of density bonus and parking ratios awarded

pursuant to this section based on any changes to the project during the course of development.

(b) (1) A city, county, or city and county shall grant one density bonus, the amount of which shall be as specified in subdivision (f), and, if requested by the applicant and consistent with the applicable requirements of this section, incentives or concessions, as described in subdivision (d), waivers or reductions of development standards, as described in subdivision (e), and parking ratios, as described in subdivision (p), if an applicant for a housing development seeks and agrees to construct a housing development, excluding any units permitted by the density bonus awarded pursuant to this section, that will contain at least any one of the following:

(A) Ten percent of the total units of a housing development, including a shared housing building development, for rental or sale to lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(B) Five percent of the total units of a housing development, including a shared housing building development, for rental or sale to very low income households, as defined in Section 50105 of the Health and Safety Code.

(C) A senior citizen housing development, as defined in Sections 51.3 and 51.12 of the Civil Code, or a mobilehome park that limits residency based on age requirements for housing for older persons pursuant to Section 798.76 or 799.5 of the Civil Code. For purposes of this subparagraph, "development" includes a shared housing building development and a residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code.

(D) Ten percent of the total dwelling units of a housing development are sold to persons and families of moderate income, as defined in Section 50093 of the Health and Safety Code, provided that all units in the development are offered to the public for purchase.

(E) Ten percent of the total units of a housing development for transitional foster youth, as defined in Section 66025.9 of the Education Code, disabled veterans, as defined in Section 18541, or homeless persons, as defined in the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.). The units described in this subparagraph are subject to a recorded affordability restriction of 55 years and shall be provided at the same affordability level as very low income units.

(F) (i) Twenty percent of the total units for lower income students in a student housing development that meets the following requirements:

(I) All units in the student housing development shall be used exclusively for undergraduate, graduate, or professional students enrolled currently or in the past six months in at least six units at an institution of higher education accredited by the Western Association of Schools and Colleges or the Accrediting Commission for Community and Junior Colleges. In order to be eligible under this subclause, the developer shall, as a condition of receiving a certificate of occupancy, provide evidence to the city, county, or city and county that the developer has done any one of the following:

(ia) Entered into an operating agreement or master lease with one or more institutions of higher education for the institution or institutions to occupy all units of the student housing development with students from that institution or institutions. An operating agreement or master lease entered into pursuant to this subclause is not violated or breached if, in any subsequent year, there are insufficient students enrolled in an institution of higher education to fill all units in the student housing development.

(ib) Established a system for confirming its renters' status as students to ensure that all units of the student housing development are occupied with students from an institution of higher education.

(II) The applicable units in the student housing development for lower income students shall be used for and occupied by lower income students.

(III) The rent provided in the applicable units of the development for lower income students shall be calculated at 30 percent of 65 percent of the area median income for a single-room occupancy unit type.

(IV) The development shall provide priority for the applicable affordable units for lower income students experiencing homelessness. A homeless service provider, as defined in paragraph (3) of subdivision (e) of Section 103577 of the Health and Safety Code, or institution of higher education that has knowledge of a person's homeless status may verify a person's status as homeless for purposes of this subclause.

(V) The student housing development is not located on a site that pursuant to paragraph (3) of subdivision (c) would require replacement units for projects with greater than a 35-percent density bonus.

(ii) For purposes of calculating a density bonus granted pursuant to this subparagraph, the term "unit" as used in this section means one rental bed and its pro rata share of associated common area facilities. The units described in this subparagraph are subject to a recorded affordability restriction of 55 years, which shall not tie any rental bed reserved for lower income students to a specific bedroom. Notwithstanding any other law, an affordability restriction provision, state or county law or policy, or property management policy shall not prevent a lower income student from sharing a room or unit with a nonlower income student. Any attempted waiver of the requirements of this clause is void as against public policy.

(G) One hundred percent of all units in the development, including total units and density bonus units, but exclusive of a manager's unit or units, are for lower income households, as defined by Section 50079.5 of the Health and Safety Code, except that up to 20 percent of the units in the development, including total units and density bonus units, may be for moderate-income households, as defined in Section 50053 of the Health and Safety Code. For purposes of this subparagraph, "development" includes a shared housing building development.

(2) For purposes of calculating the amount of the density bonus pursuant to subdivision (f), an applicant who requests a density bonus pursuant to this subdivision shall elect whether the bonus shall be awarded on the basis of subparagraph (A), (B), (C), (D), (E), (F), or (G) of paragraph (1).

(c) (1) (A) An applicant shall agree to, and the city, county, or city and county shall ensure, the continued affordability of all very low and low-income rental units

that qualified the applicant for the award of the density bonus for 55 years or a longer period of time if required by the construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program.

(B) (i) Except as otherwise provided in clause (ii), rents for the lower income density bonus units shall be set at an affordable rent, as defined in Section 50053 of the Health and Safety Code.

(ii) For housing developments meeting the criteria of subparagraph (G) of paragraph (1) of subdivision (b), rents for all units in the development, including both base density and density bonus units, shall be as follows:

(I) The rent for at least 20 percent of the units in the development shall be set at an affordable rent, as defined in Section 50053 of the Health and Safety Code.

(II) The rent for the remaining units in the development shall be set at an amount consistent with the maximum rent levels for lower income households, as those rents and incomes are determined by the California Tax Credit Allocation Committee.

(2) (A) An applicant shall agree to ensure, and the city, county, or city and county shall ensure, that a for-sale unit that qualified the applicant for the award of the density bonus meets one of the following conditions:

(i) The unit is initially sold to and occupied by a person or family of very low, low, or moderate income, as required, and it is offered at an affordable housing cost, as that cost is defined in Section 50052.5 of the Health and Safety Code and is subject to an equity sharing agreement.

(ii) If the unit is not purchased by an income-qualified person or family within 180 days after the issuance of the certificate of occupancy, the unit is purchased by a qualified nonprofit housing corporation that meets all of the following requirements pursuant to a recorded contract that satisfies all of the requirements specified in paragraph (10) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code:

(I) The nonprofit corporation has a determination letter from the Internal Revenue Service affirming its tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code and is not a private foundation as that term is defined in Section 509 of the Internal Revenue Code.

(II) The nonprofit corporation is based in California.

(III) All of the board members of the nonprofit corporation have their primary residence in California.

(IV) The primary activity of the nonprofit corporation is the development and preservation of affordable home ownership housing in California that incorporates within their contracts for initial purchase a repurchase option that requires a subsequent purchaser of the property that desires to resell or convey the property to offer the qualified nonprofit corporation the right to repurchase the property prior to selling or conveying that property to any other purchaser pursuant to an equity sharing agreement or affordability restrictions on the sale and conveyance of the property that ensure that the property will be preserved for lower income housing for at least 45 years for owner-occupied housing units and will be sold or resold only to persons or families of very low, low, or moderate income, as defined in Section 50052.5 of the Health and Safety Code.

(B) For purposes of this paragraph, a "qualified nonprofit housing corporation" is a nonprofit housing corporation organized pursuant to Section 501(c)(3) of the Internal Revenue Code that has received a welfare exemption under Section 214.15 of the Revenue and Taxation Code for properties intended to be sold to low-income families who participate in a special no-interest loan program.

(C) The local government shall enforce an equity sharing agreement required pursuant to clause (i) or (ii) of subparagraph (A), unless it is in conflict with the requirements of another public funding source or law or may defer to the recapture provisions of the public funding source. The following apply to the equity sharing agreement:

(i) Upon resale, the seller of the unit shall retain the value of any improvements, the downpayment, and the seller's proportionate share of appreciation.

(ii) Except as provided in clause (v), the local government shall recapture any initial subsidy, as defined in clause (iii), and its proportionate share of appreciation, as defined in clause (iv), which amount shall be used within five years for any of the purposes described in subdivision (e) of Section 33334.2 of the Health and Safety Code that promote home ownership.

(iii) For purposes of this subdivision, the local government's initial subsidy shall be equal to the fair market value of the home at the time of initial sale minus the initial sale price to the moderate-income household, plus the amount of any downpayment assistance or mortgage assistance. If upon resale the market value is lower than the initial market value, then the value at the time of the resale shall be used as the initial market value.

(iv) For purposes of this subdivision, the local government's proportionate share of appreciation shall be equal to the ratio of the local government's initial subsidy to the fair market value of the home at the time of initial sale.

(v) If the unit is purchased or developed by a qualified nonprofit housing corporation pursuant to clause (ii) of subparagraph (A) the local government may enter into a contract with the qualified nonprofit housing corporation under which the qualified nonprofit housing corporation would recapture any initial subsidy and its proportionate share of appreciation if the qualified nonprofit housing corporation is required to use 100 percent of the proceeds to promote home ownership for lower income households as defined by Section 50079.5 of the Health and Safety Code within the jurisdiction of the local government.

(3) (A) Except as provided in subclause (V) of clause (i) of subparagraph (F) of paragraph (1) of subdivision (b), an applicant shall be ineligible for a density bonus or any other incentives or concessions under this section if the housing development is proposed on any property that includes a parcel or parcels on which rental dwelling units are located or, if the dwelling units have been vacated or demolished in the five-year period preceding the application, have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control through a public entity's valid exercise of its police power; or occupied by lower or very low

income households, unless the proposed housing development replaces those units, and either of the following applies:

(i) The proposed housing development, inclusive of the units replaced pursuant to this paragraph, contains affordable units at the percentages set forth in subdivision (b).

(ii) Each unit in the development, exclusive of a manager's unit or units, is affordable to, and occupied by, either a lower or very low income household.

(B) For the purposes of this paragraph, "replace" shall mean either of the following:

(i) If any dwelling units described in subparagraph (A) are occupied on the date of application, the proposed housing development shall provide at least the same number of units of equivalent size to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy. If the income category of the household in occupancy is not known, it shall be rebuttably presumed that lower income renter households occupied these units in the same proportion of lower income renter households to all renter households within the jurisdiction, as determined by the most recently available data from the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database. For unoccupied dwelling units described in subparagraph (A) in a development with occupied units, the proposed housing development shall provide units of equivalent size to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as the last household in occupancy. If the income category of the last household in occupancy is not known, it shall be rebuttably presumed that lower income renter households occupied these units in the same proportion of lower income renter households to all renter households within the jurisdiction, as determined by the most recently available data from the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database. All replacement calculations resulting in fractional units shall be rounded up to the next whole number. If the replacement units will be rental dwelling units, these units shall be subject to a recorded affordability restriction for at least 55 years. If the proposed development is for-sale units, the units replaced shall be subject to paragraph (2).

(ii) If all dwelling units described in subparagraph (A) have been vacated or demolished within the five-year period preceding the application, the proposed housing development shall provide at least the same number of units of equivalent size as existed at the highpoint of those units in the five-year period preceding the application to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those persons and families in occupancy at that time, if known. If the incomes of the persons and families in occupancy at the highpoint is not known, it shall be rebuttably presumed that low-income and very low income renter households occupied these units in the same proportion of low-income and very low income renter households to all renter households within the jurisdiction, as determined by the most recently available data from the United States Department of Housing and Urban Development's

Comprehensive Housing Affordability Strategy database. All replacement calculations resulting in fractional units shall be rounded up to the next whole number. If the replacement units will be rental dwelling units, these units shall be subject to a recorded affordability restriction for at least 55 years. If the proposed development is for-sale units, the units replaced shall be subject to paragraph (2).

(C) Notwithstanding subparagraph (B), for any dwelling unit described in subparagraph (A) that is or was, within the five-year period preceding the application, subject to a form of rent or price control through a local government's valid exercise of its police power and that is or was occupied by persons or families above lower income, the city, county, or city and county may do either of the following:

(i) Require that the replacement units be made available at affordable rent or affordable housing cost to, and occupied by, low-income persons or families. If the replacement units will be rental dwelling units, these units shall be subject to a recorded affordability restriction for at least 55 years. If the proposed development is for-sale units, the units replaced shall be subject to paragraph (2).

(ii) Require that the units be replaced in compliance with the jurisdiction's rent or price control ordinance, provided that each unit described in subparagraph (A) is replaced. Unless otherwise required by the jurisdiction's rent or price control ordinance, these units shall not be subject to a recorded affordability restriction.

(D) For purposes of this paragraph, "equivalent size" means that the replacement units contain at least the same total number of bedrooms as the units being replaced.

(E) Subparagraph (A) does not apply to an applicant seeking a density bonus for a proposed housing development if the applicant's application was submitted to, or processed by, a city, county, or city and county before January 1, 2015.

(d) (1) An applicant for a density bonus pursuant to subdivision (b) may submit to a city, county, or city and county a proposal for the specific incentives or concessions that the applicant requests pursuant to this section, and may request a meeting with the city, county, or city and county. The city, county, or city and county shall grant the concession or incentive requested by the applicant unless the city, county, or city and county makes a written finding, based upon substantial evidence, of any of the following:

(A) The concession or incentive does not result in identifiable and actual cost reductions, consistent with subdivision (k), to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

(B) The concession or incentive would have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon public health and safety 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.

(2) The applicant shall receive the following number of incentives or concessions:

(A) One incentive or concession for projects that include at least 10 percent of the total units for lower income households, at least 5 percent for very low income households, or at least 10 percent for persons and families of moderate income in a development in which the units are for sale.

(B) Two incentives or concessions for projects that include at least 17 percent of the total units for lower income households, at least 10 percent for very low income households, or at least 20 percent for persons and families of moderate income in a development in which the units are for sale.

(C) Three incentives or concessions for projects that include at least 24 percent of the total units for lower income households, at least 15 percent for very low income households, or at least 30 percent for persons and families of moderate income in a development in which the units are for sale.

(D) Five incentives or concessions for a project meeting the criteria of subparagraph (G) of paragraph (1) of subdivision (b). If the project is located within one-half mile of a major transit stop or is located in a very low vehicle travel area in a designated county, the applicant shall also receive a height increase of up to three additional stories, or 33 feet.

(E) One incentive or concession for projects that include at least 20 percent of the total units for lower income students in a student housing development. If a project includes at least 23 percent of the total units for lower income students in a student housing project, the applicant shall instead receive two incentives or concessions.

(F) Four incentives or concessions for projects that include at least 16 percent of the units for very low income households or at least 45 percent for persons and families of moderate income in a development in which the units are for sale.

(3) The applicant may initiate judicial proceedings if the city, county, or city and county refuses to grant a requested density bonus, incentive, or concession. If a court finds that the refusal to grant a requested density bonus, incentive, or concession is in violation of this section, the court shall award the plaintiff reasonable attorney's fees and costs of suit. This subdivision shall not be interpreted to require a local government to grant an incentive or concession that has a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon health or safety, and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact. This subdivision shall not be interpreted to require a local government to grant an incentive or concession that would have an adverse impact on any real property that is listed in the California Register of Historical Resources. The city, county, or city and county shall establish procedures for carrying out this section that shall include legislative body approval of the means of compliance with this section.

(4) The city, county, or city and county shall bear the burden of proof for the denial of a requested concession or incentive.

(e) (1) In no case may a city, county, or city and county apply any development standard that will have the effect of physically precluding the construction of a development meeting the criteria of subdivision (b) at the densities or with the concessions or incentives permitted by this section. Subject to paragraph (3), an

applicant may submit to a city, county, or city and county a proposal for the waiver or reduction of development standards that will have the effect of physically precluding the construction of a development meeting the criteria of subdivision (b) at the densities or with the concessions or incentives permitted under this section, and may request a meeting with the city, county, or city and county. If a court finds that the refusal to grant a waiver or reduction of development standards is in violation of this section, the court shall award the plaintiff reasonable attorney's fees and costs of suit. This subdivision shall not be interpreted to require a local government to waive or reduce development standards if the waiver or reduction would have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon health or safety, and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact. This subdivision shall not be interpreted to require a local government to waive or reduce development standards that would have an adverse impact on any real property that is listed in the California Register of Historical Resources, or to grant any waiver or reduction that would be contrary to state or federal law.

(2) A proposal for the waiver or reduction of development standards pursuant to this subdivision shall neither reduce nor increase the number of incentives or concessions to which the applicant is entitled pursuant to subdivision (d).

(3) A housing development that receives a waiver from any maximum controls on density pursuant to clause (ii) of subparagraph (D) of paragraph (3) of subdivision (f) shall only be eligible for a waiver or reduction of development standards as provided in subparagraph (D) of paragraph (2) of subdivision (d) and clause (ii) of subparagraph (D) of paragraph (3) of subdivision (f), unless the city, county, or city and county agrees to additional waivers or reductions of development standards.

(f) For the purposes of this chapter, "density bonus" means a density increase over the otherwise maximum allowable gross residential density, as of the date of application by the applicant to the city, county, or city and county, or, if elected by the applicant, a lesser percentage of density increase, including, but not limited to, no increase in density. The amount of density increase to which the applicant is entitled shall vary according to the amount by which the percentage of affordable housing units exceeds the percentage established in subdivision (b).

(1) For housing developments meeting the criteria of subparagraph (A) of paragraph (1) of subdivision (b), the density bonus shall be calculated as follows:

Percentage Low-Income Units	Percentage Density Bonus
10	20
11	21.5
12	23
13	24.5
14	26
15	27.5
16	29

17	30.5
18	32
19	33.5
20	35
21	38.75
22	42.5
23	46.25
24	50

(2) For housing developments meeting the criteria of subparagraph (B) of paragraph (1) of subdivision (b), the density bonus shall be calculated as follows:

Percentage Very Low Income Units	Percentage 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

(3) (A) For housing developments meeting the criteria of subparagraph (C) of paragraph (1) of subdivision (b), the density bonus shall be 20 percent of the number of senior housing units.

(B) For housing developments meeting the criteria of subparagraph (E) of paragraph (1) of subdivision (b), the density bonus shall be 20 percent of the number of the type of units giving rise to a density bonus under that subparagraph.

(C) For housing developments meeting the criteria of subparagraph (F) of paragraph (1) of subdivision (b), the density bonus shall be calculated as follows:

Percentage Very Low Income Units	Percentage Density Bonus
20	35
21	38.75
22	42.5
23	46.25
24	50

(D) For housing developments meeting the criteria of subparagraph (G) of paragraph (1) of subdivision (b), the following shall apply:

(i) Except as otherwise provided in clauses (ii) and (iii), the density bonus shall be 80 percent of the number of units for lower income households.

(ii) If the housing development is located within one-half mile of a major transit stop, the city, county, or city and county shall not impose any maximum controls on density.

(iii) If the housing development is located in a very low vehicle travel area within a designated county, the city, county, or city and county shall not impose any maximum controls on density.

(4) For housing developments meeting the criteria of subparagraph (D) of paragraph (1) of subdivision (b), the density bonus shall be calculated as follows:

Percentage Moderate-Income Units	Percentage Density Bonus
10	5
11	6
12	7
13	8
14	9
15	10
16	11
17	12
18	13
19	14
20	15
21	16
22	17
23	18
24	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	38.75
42	42.5
43	46.25
44	50

(5) All density calculations resulting in fractional units shall be rounded up to the next whole number. The granting of a density bonus shall not require, or be interpreted, in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval.

(g) (1) When an applicant for a tentative subdivision map, parcel map, or other residential development approval donates land to a city, county, or city and county in accordance with this subdivision, the applicant shall be entitled to a 15-percent increase above the otherwise maximum allowable residential density for the entire development, as follows:

Percentage Very Low Income	Percentage 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

(2) This increase shall be in addition to any increase in density mandated by subdivision (b), up to a maximum combined mandated density increase of 35 percent if an applicant seeks an increase pursuant to both this subdivision and subdivision (b). All density calculations resulting in fractional units shall be rounded up to the next whole number. Nothing in this subdivision shall be construed to enlarge or diminish the authority of a city, county, or city and county to require a developer to donate land as a condition of development. An applicant shall be eligible for the increased density bonus described in this subdivision if all of the following conditions are met:

(A) The applicant donates and transfers the land no later than the date of approval of the final subdivision map, parcel map, or residential development application.

(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 10 percent of the number of residential units of the proposed development.

(C) The transferred land is at least one acre in size or of sufficient size to permit development of at least 40 units, has the appropriate general plan designation, is appropriately zoned with appropriate development standards for development at the density described in paragraph (3) of subdivision (c) of Section 65583.2, and is or will be served by adequate public facilities and infrastructure.

(D) The transferred land shall 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, not later than the date of approval of the final subdivision map, parcel map, or residential development application, except that the local government may subject the proposed development to subsequent design review to the extent authorized by subdivision (i) of Section 65583.2 if the design is not reviewed by the local government before the time of transfer.

(E) The transferred land and the affordable units shall be subject to a deed restriction ensuring continued affordability of the units consistent with paragraphs (1) and (2) of subdivision (c), which shall be recorded on the property at the time of the transfer.

(F) The land is transferred to the local agency or to a housing developer approved by the local agency. The local agency may require the applicant to identify and transfer the land to the developer.

(G) The transferred land shall be within the boundary of the proposed development or, if the local agency agrees, within one-quarter mile of the boundary of the proposed development.

(H) A proposed source of funding for the very low income units shall be identified not later than the date of approval of the final subdivision map, parcel map, or residential development application.

(h) (1) When an applicant proposes to construct a housing development that conforms to the requirements of subdivision (b) and includes a childcare facility that will be located on the premises of, as part of, or adjacent to, the project, the city, county, or city and county shall grant 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 childcare facility.

(B) An additional concession or incentive that contributes significantly to the economic feasibility of the construction of the childcare facility.

(2) The city, county, or city and county shall require, as a condition of approving the housing development, that the following occur:

(A) 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 pursuant to subdivision (c).

(B) 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 to or greater than the percentage of dwelling units that are required for very low income households, lower income households, or families of moderate income pursuant to subdivision (b).

(3) Notwithstanding any requirement of this subdivision, a city, county, or city and county shall not be required to provide a density bonus or concession for a childcare facility if it finds, based upon substantial evidence, that the community has adequate childcare facilities.

(4) "Childcare facility," as used in this section, 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.

(i) "Housing development," as used in this section, means a development project for five or more residential units, including mixed-use developments. For the purposes of this section, "housing development" also includes a subdivision or common interest development, as defined in Section 4100 of the Civil Code, approved by a city, county, or city and county and consists of residential units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of Section 65863.4, where the result of the rehabilitation would be a net increase in available residential units. For the purpose of calculating a density bonus, the residential units shall be on contiguous sites that are the subject of one development application, but do not have to be based upon individual subdivision maps or parcels. The density bonus shall be permitted in geographic areas of the housing development other than the areas where the units for the lower income households are located.

(j) (1) The granting of a concession or incentive shall not require or be interpreted, in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, study, or other discretionary approval. For purposes of this subdivision, "study" does not include reasonable documentation to establish eligibility for the concession or incentive or to demonstrate that the incentive or concession meets the definition set forth in subdivision (k). This provision is declaratory of existing law.

(2) Except as provided in subdivisions (d) and (e), the granting of a density bonus shall not require or be interpreted to require the waiver of a local ordinance or provisions of a local ordinance unrelated to development standards.

(k) For the purposes of this chapter, concession or incentive means any of the following:

(1) A reduction in 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 Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code, including, but not limited to, a reduction in setback and square footage requirements and in the ratio of vehicular parking spaces that would otherwise be required that results in identifiable and actual cost reductions, to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

(2) Approval of mixed-use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the cost of the housing development and if the commercial, office, industrial, or other land uses are compatible with the housing project and the existing or planned development in the area where the proposed housing project will be located.

(3) Other regulatory incentives or concessions proposed by the developer or the city, county, or city and county that result in identifiable and actual cost reductions to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

(*l*) (1) (A) A concession or incentive shall not result in a proposed project with a commercial floor area ratio that is greater than two and a half times the premises' current allowed base zone commercial floor area ratio.

(B) This paragraph shall not apply to proposed projects that have submitted a preliminary application or an entitlement application prior to January 1, 2026.

(2) Subdivisions (e) and (k) do not require a city, county, or city and county to approve, to grant a concession or incentive requiring approval of, or to waive or reduce development standards otherwise applicable to, a hotel, motel, bed and breakfast inn, or other transient lodging, other than a residential hotel, as defined in Section 50519 of the Health and Safety Code, as part of a housing development subject to this section. For purposes of this paragraph, "other transient lodging" does not include a resident's use or marketing of their unit as short-term lodging, as defined in Section 17568.8 of the Business and Professions Code, subsequent to the issuance of a certificate of occupancy in a manner otherwise consistent with local law.

(3) Subdivision (k) does not limit or require the provision of direct financial incentives for the housing development, including the provision of publicly owned land, by the city, county, or city and county, or the waiver of fees or dedication requirements.

(m) This section does not supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code). Any density bonus, concessions, incentives, waivers or reductions of development standards, and parking ratios to which the applicant is entitled under this section shall be permitted in a manner that

is consistent with this section and Division 20 (commencing with Section 30000) of the Public Resources Code.

(n) If permitted by local ordinance, nothing in this section shall be construed to prohibit a city, county, or city and county from granting a density bonus greater than what is described in this section for a development that meets the requirements of this section or from granting a proportionately lower density bonus than what is required by this section for developments that do not meet the requirements of this section.

(o) For purposes of this section, the following definitions shall apply:

(1) "Designated county" includes the Counties of Alameda, Contra Costa, Los Angeles, Marin, Napa, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Mateo, Santa Barbara, Santa Clara, Solano, Sonoma, and Ventura, and the City and County of San Francisco.

(2) "Development standard" includes a site or construction condition, including, but not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, a minimum lot area per unit requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation that is adopted by the local government or that is enacted by the local government's electorate exercising its local initiative or referendum power, whether that power is derived from the California Constitution, statute, or the charter or ordinances of the local government.

(3) "Located within one-half mile of a major transit stop" means that any point on a proposed development, for which an applicant seeks a density bonus, other incentives or concessions, waivers or reductions of development standards, or a vehicular parking ratio pursuant to this section, is within one-half mile of any point on the property on which a major transit stop is located, including any parking lot owned by the transit authority or other local agency operating the major transit stop.

(4) "Lower income student" means a student who has a household income and asset level that does not exceed the level for Cal Grant A or Cal Grant B award recipients as set forth in subdivision (k) of Section 69432.7 of the Education Code. The eligibility of a student to occupy a unit for lower income students under this section shall be verified by an affidavit, award letter, or letter of eligibility provided by the institution of higher education in which the student is enrolled or by the Student Aid Commission that the student receives or is eligible for financial aid, including an institutional grant or fee waiver from the college or university, the Student Aid Commission, or the federal government.

(5) "Major transit stop" has the same meaning as defined in subdivision (b) of Section 21155 of the Public Resources Code.

(6) "Maximum allowable residential density" or "base density" means the greatest number of units allowed under the zoning ordinance, specific plan, or land use element of the general plan, or, if a range of density is permitted, means the greatest number of units allowed by the specific zoning range, specific plan, or land use element of the general plan applicable to the project. Density shall be determined using dwelling

units per acre. However, if the applicable zoning ordinance, specific plan, or land use element of the general plan does not provide a dwelling-units-per-acre standard for density, then the local agency shall calculate the number of units by:

(A) Estimating the realistic development capacity of the site based on the objective development standards applicable to the project, including, but not limited to, floor area ratio, site coverage, maximum building height and number of stories, building setbacks and stepbacks, public and private open-space requirements, minimum percentage or square footage of any nonresidential component, and parking requirements, unless not required for the base project. Parking requirements shall include considerations regarding number of spaces, location, design, type, and circulation. A developer may provide a base density study and the local agency shall accept it, provided that it includes all applicable objective development standards.

(B) Maintaining the same average unit size and other project details relevant to the base density study, excepting those that may be modified by waiver or concession to accommodate the bonus units, in the proposed project as in the study.

(7) (A) (i) "Shared housing building" means a residential or mixed-use structure, with five or more shared housing units and one or more common kitchens and dining areas designed for permanent residence of more than 30 days by its tenants. The kitchens and dining areas within the shared housing building shall be able to adequately accommodate all residents. If a local ordinance further restricts the attributes of a shared housing building beyond the requirements established in this section, the local definition shall apply to the extent that it does not conflict with the requirements of this section.

(ii) A "shared housing building" may include other dwelling units that are not shared housing units, provided that those dwelling units do not occupy more than 25 percent of the floor area of the shared housing building. A shared housing building may include 100 percent shared housing units.

(B) (i) "Shared housing unit" means one or more habitable rooms, not within another dwelling unit, that includes a bathroom, sink, refrigerator, and microwave, is used for permanent residence, that meets the "minimum room area" specified in Section R304 of the California Residential Code (Part 2.5 of Title 24 of the California Code of Regulations), and complies with the definition of "guestroom" in Section R202 of the California Residential Code. If a local ordinance further restricts the attributes of a shared housing building beyond the requirements established in this section, the local definition shall apply to the extent that it does not conflict with the requirements of this section.

(ii) "Shared housing unit" for purposes of a residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, includes a unit without an individual kitchen where a unit may be shared by unrelated persons, and a unit where a room that may be shared by unrelated persons meets the "minimum room area" requirements of clause (i).

(8) "Student housing development" means a development that contains bedrooms containing two or more bedspaces that have a shared or private bathroom, access to

a shared or private living room and laundry facilities, and access to a shared or private kitchen.

(9) (A) "Total units" or "total dwelling units" means a calculation of the number of units that:

(i) Excludes a unit added by a density bonus awarded pursuant to this section or any local law granting a greater density bonus.

(ii) Includes a unit designated to satisfy an inclusionary zoning requirement of a city, county, or city and county.

(B) For purposes of calculating a density bonus granted pursuant to this section for a shared housing building, "unit" means one shared housing unit and its pro rata share of associated common area facilities.

(10) "Very low vehicle travel area" means an urbanized area, as designated by the United States Census Bureau, where the existing residential development generates vehicle miles traveled per capita that is below 85 percent of either regional vehicle miles traveled per capita or city vehicle miles traveled per capita. For purposes of this paragraph, "area" may include a travel analysis zone, hexagon, or grid. For the purposes of determining "regional vehicle miles traveled per capita" pursuant to this paragraph, a "region" is the entirety of incorporated and unincorporated areas governed by a multicounty or single-county metropolitan planning organization, or the entirety of the incorporated and unincorporated areas of an individual county that is not part of a metropolitan planning organization.

(p) (1) Except as provided in paragraphs (2), (3), and (4), upon the request of the developer, a city, county, or city and county shall not require a vehicular parking ratio, inclusive of parking for persons with a disability and guests, of a development meeting the criteria of subdivisions (b) and (c), that exceeds the following ratios:

(A) Zero to one bedroom: one onsite parking space.

(B) Two to three bedrooms: one and one-half onsite parking spaces.

(C) Four and more bedrooms: two and one-half parking spaces.

(D) One bedspace in a student housing development: zero parking spaces.

(2) (A) Notwithstanding paragraph (1), if a development includes at least 20 percent low-income units for housing developments meeting the criteria of subparagraph (A) of paragraph (1) of subdivision (b) or at least 11 percent very low income units for housing developments meeting the criteria of subparagraph (B) of paragraph (1) of subdivision (b), is located within one-half mile of a major transit stop, and there is unobstructed access to the major transit stop from the development, then, upon the request of the developer, a city, county, or city and county shall not impose a vehicular parking ratio, inclusive of parking for persons with a disability and guests, that exceeds 0.5 spaces per unit. Notwithstanding paragraph (1), if a development includes at least 40 percent moderate-income units for housing developments meeting the criteria of subparagraph (D) of paragraph (1) of subdivision (b), is located within one-half mile of a major transit stop, as defined in subdivision (b) of Section 21155 of the Public Resources Code, and the residents of the development have unobstructed access to the major transit stop from the development then, upon the request of the developer, a city, county, or city and county shall not

impose a vehicular parking ratio, inclusive of parking for persons with a disability and guests, that exceeds 0.5 spaces per bedroom.

(B) For purposes of this subdivision, "unobstructed access to the major transit stop" means a resident is able to access the major transit stop without encountering natural or constructed impediments. For purposes of this subparagraph, "natural or constructed impediments" includes, but is not limited to, freeways, rivers, mountains, and bodies of water, but does not include residential structures, shopping centers, parking lots, or rails used for transit.

(3) Notwithstanding paragraph (1), if a development meets the criteria of subparagraph (G) of paragraph (1) of subdivision (b), then, upon the request of the developer, a city, county, or city and county shall not impose vehicular parking standards if the development meets any of the following criteria:

(A) The development is located within one-half mile of a major transit stop and there is unobstructed access to the major transit stop from the development.

(B) The development is a for-rent housing development for individuals who are 55 years of age or older that complies with Sections 51.2 and 51.3 of the Civil Code and the development has either paratransit service or unobstructed access, within one-half mile, to fixed bus route service that operates at least eight times per day.

(C) The development is either a special needs housing development, as defined in Section 51312 of the Health and Safety Code, or a supportive housing development, as defined in Section 50675.14 of the Health and Safety Code. A development that is a special needs housing development shall have either paratransit service or unobstructed access, within one-half mile, to fixed bus route service that operates at least eight times per day.

(4) 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 subdivision, a development may provide onsite parking through tandem parking or uncovered parking, but not through onstreet parking.

(5) This subdivision shall apply to a development that meets the requirements of subdivisions (b) and (c), but only at the request of the applicant. An applicant may request parking incentives or concessions beyond those provided in this subdivision pursuant to subdivision (d).

(6) This subdivision does not preclude a city, county, or city and county from reducing or eliminating a parking requirement for development projects of any type in any location.

(7) Notwithstanding paragraphs (2) and (3), if a city, county, city and county, or an independent consultant has conducted an areawide or jurisdictionwide parking study in the last seven years, then the city, county, or city and county may impose a higher vehicular parking ratio not to exceed the ratio described in paragraph (1), based upon substantial evidence found in the parking study, that includes, but is not limited to, an analysis of parking availability, differing levels of transit access, walkability access to transit services, the potential for shared parking, the effect of parking requirements on the cost of market-rate and subsidized developments, and the lower rates of car ownership for low-income and very low income individuals, including

seniors and special needs individuals. The city, county, or city and county shall pay the costs of any new study. The city, county, or city and county shall make findings, based on a parking study completed in conformity with this paragraph, supporting the need for the higher parking ratio.

(8) A request pursuant to this subdivision shall neither reduce nor increase the number of incentives or concessions to which the applicant is entitled pursuant to subdivision (d).

(q) Each component of any density calculation, including base density and bonus density, resulting in fractional units shall be separately rounded up to the next whole number. The Legislature finds and declares that this provision is declaratory of existing law.

(r) This chapter shall be interpreted liberally in favor of producing the maximum number of total housing units.

(s) Notwithstanding any other law, if a city, including a charter city, county, or city and county has adopted an ordinance or a housing program, or both an ordinance and a housing program, that incentivizes the development of affordable housing that allows for density bonuses that exceed the density bonuses required by the version of this section effective through December 31, 2020, that city, county, or city and county is not required to amend or otherwise update its ordinance or corresponding affordable housing incentive program to comply with the amendments made to this section by the act adding this subdivision, and is exempt from complying with the incentive and concession calculation amendments made to this section by the act adding this subdivision as set forth in subdivision (d), particularly subparagraphs (B) and (C) of paragraph (2) of that subdivision, and the amendments made to the density tables under subdivision (f).

(t) When an applicant proposes to construct a housing development that conforms to the requirements of subparagraph (A) or (B) of paragraph (1) of subdivision (b) that is a shared housing building, the city, county, or city and county shall not require any minimum unit size requirements or minimum bedroom requirements that are in conflict with paragraph (7) of subdivision (o).

(u) (1) The Legislature finds and declares that the intent behind the Density Bonus Law is to allow public entities to reduce or even eliminate subsidies for a particular project by allowing a developer to include more total units in a project than would otherwise be allowed by the local zoning ordinance in exchange for affordable units. It further reaffirms that the intent is to cover at least some of the financing gap of affordable housing with regulatory incentives, rather than additional public subsidy.

(2) It is therefore the intent of the Legislature to make modifications to the Density Bonus Law by the act adding this subdivision to further incentivize the construction of very low, low-, and moderate-income housing units. It is further the intent of the Legislature in making these modifications to the Density Bonus Law to ensure that any additional benefits conferred upon a developer are balanced with the receipt of a public benefit in the form of adequate levels of affordable housing. The Legislature further intends that these modifications will ensure that the Density Bonus Law creates incentives for the construction of more housing across all areas of the state.

(v) (1) Provided that the resulting housing development would not restrict more than 50 percent of the total units to moderate-income, lower income, or very low income households, a city, county, or city and county shall grant an additional density bonus calculated pursuant to paragraph (2) when an applicant proposes to construct a housing development that conforms to the requirements of paragraph (1) of subdivision (b), agrees to include additional rental or for-sale units affordable to very low income households or moderate-income households, and meets any of the following requirements:

(A) The housing development conforms to the requirements of subparagraph (A) of paragraph (1) of subdivision (b) and provides 24 percent of the total units to lower income households.

(B) The housing development conforms to the requirements of subparagraph (B) of paragraph (1) of subdivision (b) and provides 15 percent of the total units to very low income households.

(C) The housing development conforms to the requirements of subparagraph (D) of paragraph (1) of subdivision (b) and provides 44 percent of the total units to moderate-income households.

(2) A city, county, or city and county shall grant an additional density bonus for a housing development that meets the requirements of paragraph (1), calculated as follows:

Percentage Very Low Income Units	Percentage Density Bonus
5	20
6	23.75
7	27.5
8	31.25
9	35
10	38.75

Percentage Moderate-Income Units	Percentage 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

(3) The increase required by paragraphs (1) and (2) shall be in addition to any increase in density granted by subdivision (b).

(4) The additional density bonus required under this subdivision shall be calculated using the number of units excluding any density bonus awarded by this section.

(Amended by Stats. 2025, Ch. 486, Sec. 1.5. (AB 87) Effective January 1, 2026.)

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Section 65915.1

65915.1. For purposes of Section 65915, affordable housing impact fees, including inclusionary zoning fees and in-lieu fees, shall not be imposed on a housing development's affordable units.

(Added by Stats. 2021, Ch. 346, Sec. 1. (AB 571) Effective January 1, 2022.)

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Section 65915.2

65915.2. If permitted by local ordinance, nothing in Section 65915 shall be construed to prohibit a city, county, or city and county from requiring an affordability period longer than 55 years for any units that qualified the applicant for the award of the density bonus developed in compliance with a local ordinance that requires, as a condition of the development of residential units, that the development include a certain percentage of units that are affordable to, and occupied by, low-income, lower income, very low income, or extremely low income households and that will be financed without low-income housing tax credits.

(Added by Stats. 2021, Ch. 348, Sec. 1. (AB 634) Effective January 1, 2022.)

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Section 65915.3

65915.3. (a) As used in this section, the following terms have the following meanings:

(1) "Housing development" has the same meaning as defined in subdivision (i) of Section 65915.

(2) "Monitoring fee" means a fee charged by a city, county, or city and county on a recurring basis to oversee and ensure the continued affordability of a housing development pursuant to either of the following:

(A) Section 65915.

(B) Any applicable local inclusionary housing ordinance.

(b) Except as provided in subdivision (d), a city, county, or city and county shall not charge a monitoring fee on a housing development if all of the following conditions are met:

(1) The housing development meets the criteria of subparagraph (G) of paragraph (1) of subdivision (b) of Section 65915.

(2) The applicant received a density bonus pursuant to Section 65915 for the housing development.

(3) The housing development is subject to a recorded regulatory agreement with the California Tax Credit Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development that requires compliance with subparagraph (G) of paragraph (1) of subdivision (b) of Section 65915.

(4) Prior to receiving a building permit, the applicant provides to the local government a fully executed Tax Credit Reservation Letter indicating that the applicant accepted the award.

(5) The applicant provides to the local government a copy of a recorded regulatory agreement with the California Tax Credit Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development.

(6) The applicant agreed to provide to the local government the compliance monitoring document required pursuant to the California Tax Credit Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development regulations.

(c) Beginning on January 1, 2025, a housing development that is currently placed in service, is subject to a monitoring fee, and meets the requirements of subdivision (b) shall no longer be subject to that fee.

(d) Notwithstanding subdivisions (b) and (c), a city, county, or city and county may charge a monitoring fee on a housing development that meets the criteria of

subparagraph (G) of paragraph (1) of subdivision (b) of Section 65915 if any of the following conditions are met:

(1) 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 Credit Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development.

(2) The applicant uses a local incentive program that results in the development of units that are affordable to and occupied by moderate income households.

(3) The applicant accepts a local funding source that results in the development of units with different affordability, measured through higher or lower area median income or through higher or lower rents, than what is monitored for by the California Tax Credit Allocation Committee, the California Housing Finance Agency, or the Department of Housing and Community Development.

(4) 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 Credit Allocation Committee, the Department of Housing and Community Development, or the public agency issuing the funding.

(e) A city, county, or city and county that is not collecting a monitoring fee pursuant to this section shall not have any obligation to monitor a housing development for compliance with Section 65915.

(Amended by Stats. 2025, Ch. 67, Sec. 108. (AB 1170) Effective January 1, 2026.)

STATE OF CALIFORNIA
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GOVERNMENT CODE

Section 65915.5

65915.5. (a) When an applicant for approval to convert apartments to a condominium project agrees to provide at least 33 percent of the total units of the proposed condominium project to persons and families of low or moderate income as defined in Section 50093 of the Health and Safety Code, or 15 percent of the total units of the proposed condominium project to lower income households as defined in Section 50079.5 of the Health and Safety Code, and agrees to pay for the reasonably necessary administrative costs incurred by a city, county, or city and county pursuant to this section, the city, county, or city and county shall either (1) grant a density bonus or (2) provide other incentives of equivalent financial value. A city, county, or city and county 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.

(b) For purposes of this section, "density bonus" means an increase in units of 25 percent over the number of apartments, to be provided within the existing structure or structures proposed for conversion.

(c) For purposes of this section, "other incentives of equivalent financial value" shall not be construed to require a city, county, or city and county to provide cash transfer payments or other monetary compensation but may include the reduction or waiver of requirements which the city, county, or city and county might otherwise apply as conditions of conversion approval.

(d) An applicant for approval to convert apartments to a condominium project may submit to a city, county, or city and county a preliminary proposal pursuant to this section prior to the submittal of any formal requests for subdivision map approvals. The city, county, or city and county shall, 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. The city, county, or city and county shall establish procedures for carrying out this section, which shall include legislative body approval of the means of compliance with this section.

(e) Nothing in this section shall be construed to require a city, county, or city and county to approve a proposal to convert apartments to condominiums.

(f) An applicant shall be ineligible for a density bonus or other incentives under this section if the apartments proposed for conversion constitute a housing development for which a density bonus or other incentives were provided under Section 65915.

(g) An applicant shall be ineligible for a density bonus or any other incentives or concessions under this section if the condominium project is proposed on any property that includes a parcel or parcels on which rental dwelling units are or, if the dwelling units have been vacated or demolished in the five-year period preceding the application, have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control through a public entity's valid exercise of its police power; or occupied by lower or very low income households, unless the proposed condominium project replaces those units, as defined in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65915, and either of the following applies:

(1) The proposed condominium project, inclusive of the units replaced pursuant to subparagraph (B) of paragraph (3) of subdivision (c) of Section 65915, contains affordable units at the percentages set forth in subdivision (a).

(2) Each unit in the development, exclusive of a manager's unit or units, is affordable to, and occupied by, either a lower or very low income household.

(h) Subdivision (g) does not apply to an applicant seeking a density bonus for a proposed housing development if their application was submitted to, or processed by, a city, county, or city and county before January 1, 2015.

(Amended by Stats. 2014, Ch. 682, Sec. 2. (AB 2222) Effective January 1, 2015.)

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State of California

GOVERNMENT CODE

Section 65915.7

65915.7. (a) When an applicant for approval of a commercial development has entered into an agreement for partnered housing described in subdivision (c) to contribute affordable housing through a joint project or two separate projects encompassing affordable housing, the city, county, or city and county shall grant to the commercial developer a development bonus as prescribed in subdivision (b). Housing shall be constructed on the site of the commercial development or on a site that is all of the following:

(1) Within the boundaries of the local government.

(2) In close proximity to public amenities including schools and employment centers.

(3) Located within one-half mile of a major transit stop, as defined in subdivision (b) of Section 21155 of the Public Resources Code.

(b) The development bonus granted to the commercial developer shall mean incentives, mutually agreed upon by the developer and the jurisdiction, that may include, but are not limited to, any of the following:

(1) Up to a 20-percent increase in maximum allowable intensity in the General Plan.

(2) Up to a 20-percent increase in maximum allowable floor area ratio.

(3) Up to a 20-percent increase in maximum height requirements.

(4) Up to a 20-percent reduction in minimum parking requirements.

(5) Use of a limited-use/limited-application elevator for upper floor accessibility.

(6) An exception to a zoning ordinance or other land use regulation.

(c) For purposes of this section, the agreement for partnered housing shall be between the commercial developer and the housing developer, shall identify how the commercial developer will contribute affordable housing, and shall be approved by the city, county, or city and county.

(d) For purposes of this section, affordable housing may be contributed by the commercial developer in one of the following manners:

(1) The commercial developer may directly build the units.

(2) The commercial developer may donate a portion of the site or property elsewhere to the affordable housing developer for use as a site for affordable housing.

(3) The commercial developer may make a cash payment to the affordable housing developer that shall be used towards the costs of constructing the affordable housing project.

(e) For purposes of this section, subparagraph (A) of paragraph (3) of subdivision (c) of Section 65915 shall apply.

(f) Nothing in this section shall preclude any additional allowances or incentives offered to developers by local governments pursuant to law or regulation.

(g) If the developer of the affordable units does not commence with construction of those units in accordance with timelines ascribed by the agreement described in subdivision (c), the local government may withhold certificates of occupancy for the commercial development under construction until the developer has completed construction of the affordable units.

(h) In order to qualify for a development bonus under this section, a commercial developer shall partner with a housing developer that provides at least 30 percent of the total units for low-income households or at least 15 percent of the total units for very low-income households.

(i) Nothing in this section shall preclude an affordable housing developer from seeking a density bonus, concessions or incentives, waivers or reductions of development standards, or parking ratios under Section 65915.

(j) A development bonus pursuant to this section shall 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.

(k) A city or county shall submit to the Department of Housing and Community Development, as part of the annual report required by Section 65400, information describing a commercial development bonus approved pursuant to this section, including the terms of the agreements between the commercial developer and the affordable housing developer, and the developers and the local jurisdiction, and the number of affordable units constructed as part of the agreements.

(*l*) For purposes of this section, "partner" means formation of a partnership, limited liability company, corporation, or other entity recognized by the state in which the commercial development applicant and the affordable housing developer are each partners, members, shareholders or other participants, or a contract or agreement between a commercial development applicant and affordable housing developer for the development of both the commercial and the affordable housing properties.

(m) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.

(Added by Stats. 2022, Ch. 637, Sec. 1. (AB 1551) Effective January 1, 2023. Repealed as of January 1, 2028, by its own provisions.)

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Section 65916

65916. Where there is a direct financial contribution to a housing development pursuant to Section 65915 through participation in cost of infrastructure, write-down of land costs, or subsidizing the cost of construction, the city, county, or city and county shall assure continued availability for low- and moderate-income units for 30 years. When appropriate, the agreement provided for in Section 65915 shall specify the mechanisms and procedures necessary to carry out this section.

(Added by Stats. 1979, Ch. 1207.)

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GOVERNMENT CODE

Section 65917

65917. In enacting this chapter it is the intent of the Legislature that the density bonus or other incentives offered by the city, county, or city and county pursuant to this chapter shall contribute significantly to the economic feasibility of lower income housing in proposed housing developments. In the absence of an agreement by a developer in accordance with Section 65915, a locality shall not offer a density bonus or any other incentive that would undermine the intent of this chapter.

(Amended by Stats. 2001, Ch. 115, Sec. 14. Effective January 1, 2002.)

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State of California

GOVERNMENT CODE

Section 65917.2

65917.2. (a) As used in this section, the following terms shall have the following meanings:

(1) "Eligible housing development" means a development that satisfies all of the following criteria:

(A) The development is a multifamily housing development that contains five or more residential units, exclusive of any other floor area ratio bonus or incentive or concession awarded pursuant to this chapter.

(B) The development is located within one of the following:

(i) An urban infill site that is within a transit priority area.

(ii) One-half mile of a major transit stop.

(C) The site of the development is zoned to allow residential use or mixed-use with a minimum planned density of at least 20 dwelling units per acre and does not include any land zoned for low density residential use or for exclusive nonresidential use.

(D) The applicant and the development satisfy the replacement requirements specified in subdivision (c) of Section 65915.

(E) The development includes at least 20 percent of the units, excluding any additional units allowed under a floor area ratio bonus or other incentives or concessions provided pursuant to this chapter, with an affordable housing cost or affordable rent to, and occupied by, persons with a household income equal to or less than 50 percent of the area median income, as determined pursuant to Section 50093 of the Health and Safety Code, and subject to an affordability restriction for a minimum of 55 years.

(F) The development complies with the height requirements applicable to the underlying zone. A development shall not be eligible to use a floor area ratio bonus or other incentives or concessions provided pursuant to this chapter to relieve the development from a maximum height limitation.

(2) "Floor area ratio" means the ratio of gross building area of the eligible housing development, excluding structured parking areas, proposed for the project divided by the net lot area. For purposes of this paragraph, "gross building area" means the sum of all finished areas of all floors of a building included within the outside faces of its exterior walls.

(3) "Floor area ratio bonus" means an allowance for an eligible housing development to utilize a floor area ratio over the otherwise maximum allowable density permitted under the applicable zoning ordinance and land use elements of the

general plan of a city or county, calculated pursuant to paragraph (2) of subdivision (b).

(4) "Major transit stop" has the same meaning as defined in Section 21155 of the Public Resources Code.

(5) "Transit priority area" has the same meaning as defined in Section 21099 of the Public Resources Code.

(b) (1) A city council, including a charter city council or the board of supervisors of a city and county, or county board of supervisors may establish a procedure by ordinance to grant a developer of an eligible housing development, upon the request of the developer, a floor area ratio bonus, calculated as provided in paragraph (2), in lieu of a density bonus awarded on the basis of dwelling units per acre.

(2) In calculating the floor area ratio bonus pursuant to this section, the allowable gross residential floor area in square feet shall be the product of all of the following amounts:

(A) The allowable residential base density in dwelling units per acre.

(B) The site area in square feet, divided by 43,560.

(C) 2,250.

(c) The city council or county board of supervisors shall not impose any parking requirement on an eligible housing development in excess of 0.1 parking spaces per unit that is affordable to persons and families with a household income equal to or less than 120 percent of the area median income and 0.5 parking spaces per unit that is offered at market rate.

(d) A city or county that adopts a floor area ratio bonus ordinance pursuant to this section shall allow an applicant seeking to develop an eligible residential development to calculate impact fees based on square feet, instead of on a per unit basis.

(e) In the case of an eligible housing development that is zoned for mixed-use purposes, any floor area ratio requirement under a zoning ordinance or land use element of the general plan of the city or county applicable to the nonresidential portion of the eligible housing development shall continue to apply notwithstanding the award of a floor area ratio bonus in accordance with this section.

(f) An applicant for a floor area ratio bonus pursuant to this section may also submit to the city, county, or city and county a proposal for specific incentives or concessions pursuant to subdivision (d) of Section 65915.

(g) (1) This section shall not be interpreted to do either of the following:

(A) Supersede or preempt any other section within this chapter.

(B) Prohibit a city, county, or city and county from providing a floor area ratio bonus under terms that are different from those set forth in this section.

(2) The adoption of an ordinance pursuant to this section shall not be interpreted to relieve a city, county, or city and county from complying with Section 65915.

(Added by Stats. 2018, Ch. 915, Sec. 1. (AB 2372) Effective January 1, 2019.)

STATE OF CALIFORNIA
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GOVERNMENT CODE

Section 65917.5

65917.5. (a) As used in this section, the following terms shall have the following meanings:

(1) "Child care facility" means a facility installed, operated, and maintained under this section for the nonresidential care of children as defined under applicable state licensing requirements for the facility.

(2) "Density bonus" means a floor area ratio bonus over the otherwise maximum allowable density permitted under the applicable zoning ordinance and land use elements of the general plan of a city, including a charter city, city and county, or county of:

(A) A maximum of five square feet of floor area for each one square foot of floor area contained in the child care facility for existing structures.

(B) A maximum of 10 square feet of floor area for each one square foot of floor area contained in the child care facility for new structures.

For purposes of calculating the density bonus under this section, both indoor and outdoor square footage requirements for the child care facility as set forth in applicable state child care licensing requirements shall be included in the floor area of the child care facility.

(3) "Developer" means the owner or other person, including a lessee, having the right under the applicable zoning ordinance of a city council, including a charter city council, city and county board of supervisors, or county board of supervisors to make an application for development approvals for the development or redevelopment of a commercial or industrial project.

(4) "Floor area" means as to a commercial or industrial project, the floor area as calculated under the applicable zoning ordinance of a city council, including a charter city council, city and county board of supervisors, or county board of supervisors and as to a child care facility, the total area contained within the exterior walls of the facility and all outdoor areas devoted to the use of the facility in accordance with applicable state child care licensing requirements.

(b) A city council, including a charter city council, city and county board of supervisors, or county board of supervisors may establish a procedure by ordinance to grant a developer of a commercial or industrial project, containing at least 50,000 square feet of floor area, a density bonus when that developer has set aside at least 2,000 square feet of floor area and 3,000 outdoor square feet to be used for a child care facility. The granting of a bonus shall not preclude a city council, including a charter city council, city and county board of supervisors, or county board of supervisors from imposing necessary conditions on the project or on the additional

square footage. Projects constructed under this section shall conform to height, setback, lot coverage, architectural review, site plan review, fees, charges, and other health, safety, and zoning requirements generally applicable to construction in the zone in which the property is located. A consortium with more than one developer may be permitted to achieve the threshold amount for the available density bonus with each developer's density bonus equal to the percentage participation of the developer. This facility may be located on the project site or may be located offsite as agreed upon by the developer and local agency. If the child care facility is not located on the site of the project, the local agency shall determine whether the location of the child care facility is appropriate and whether it conforms with the intent of this section. The child care facility shall be of a size to comply with all state licensing requirements in order to accommodate at least 40 children.

(c) The developer may operate the child care facility itself or may contract with a licensed child care provider to operate the facility. In all cases, the developer shall show ongoing coordination with a local child care resource and referral network or local governmental child care coordinator in order to qualify for the density bonus.

(d) If the developer uses space allocated for child care facility purposes, in accordance with subdivision (b), for purposes other than for a child care facility, an assessment based on the square footage of the project may be levied and collected by the city council, including a charter city council, city and county board of supervisors, or county board of supervisors. The assessment shall be consistent with the market value of the space. If the developer fails to have the space allocated for the child care facility within three years, from the date upon which the first temporary certificate of occupancy is granted, an assessment based on the square footage of the project may be levied and collected by the city council, including a charter city council, city and county board of supervisors, or county board of supervisors in accordance with procedures to be developed by the legislative body of the city council, including a charter city council, city and county board of supervisors, or county board of supervisors. The assessment shall be consistent with the market value of the space. A penalty levied against a consortium of developers shall be charged to each developer in an amount equal to the developer's percentage square feet participation. Funds collected pursuant to this subdivision shall be deposited by the city council, including a charter city council, city and county board of supervisors, or county board of supervisors into a special account to be used for child care services or child care facilities.

(e) Once the child care facility has been established, prior to the closure, change in use, or reduction in the physical size of, the facility, the city, city council, including a charter city council, city and county board of supervisors, or county board of supervisors shall be required to make a finding that the need for child care is no longer present, or is not present to the same degree as it was at the time the facility was established.

(f) The requirements of Chapter 5 (commencing with Section 66000) and of the amendments made to Sections 53077, 54997, and 54998 by Chapter 1002 of the Statutes of 1987 shall not apply to actions taken in accordance with this section.

(g) This section shall not apply to a voter-approved ordinance adopted by referendum or initiative.

(Amended by Stats. 2008, Ch. 179, Sec. 112. Effective January 1, 2009.)

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GOVERNMENT CODE

Section 65918

65918. The provisions of this chapter shall apply to charter cities.

(Added by Stats. 1979, Ch. 1207.)

ATTACHMENT B

2021-2029-Pasadena-Housing-Element.pdf

Chapter 17.42 Inclusionary Housing Requirements[1]

17.42.010 Purpose of Chapter

This Chapter establishes standards and procedures to encourage the development of housing that is affordable to a range of households with varying income levels. The purpose of this Chapter is to encourage the development and availability of affordable housing by ensuring that the addition of affordable housing units to the City's housing stock is in proportion with the overall increase in new housing units.

17.42.020 Applicability and Exempt Projects

The requirements of this Chapter shall apply to all new residential projects, all subdivisions maps approved after the date of this Ordinance, and all single room occupancy projects, except as noted in Subsection B. The requirements of this Chapter shall apply to all developers and their agents, successors-in-interest, and assigns proposing a residential project. All inclusionary units required by this Chapter shall be sold or rented in compliance with this Chapter and the City's regulations for the implementation of this Chapter (see Subsection A).

A. **Additional regulations.** The Council shall by resolution establish regulations for the implementation of this Chapter. (These regulations were first adopted by the Council on September 10, 2001 and are entitled "City of Pasadena Inclusionary Housing Regulations.") All references to "Director" in said regulations shall mean the City Manager or the Assistant City Manager.

B. **Exempt projects.** The following are exempt from the requirements of this Chapter.

   1. **Project with discretionary approvals.** A residential project that has obtained:

      a. Discretionary approval (e.g., a Conditional Use Permit, Variance, or Design Review approval) in compliance with this Zoning Code before the effective date of this Chapter; and

      b. A Building Permit in compliance with the discretionary approval within 12 months of the effective date of this Chapter; and

      c. A Certificate of Occupancy in compliance with the same discretionary approval.

   2. **Exempt by State law.** A residential project that is exempt from this Chapter by State law, including a project for which the City enters into a development agreement.

   3. **Project with Redevelopment Agreement.** A residential project for which the Community Development Commission has executed a Redevelopment Agreement, provided that the Redevelopment Agreement is effective at the time the residential project would otherwise be required to comply with the requirements of this Chapter, and there is no uncured breach of the Redevelopment Agreement before issuance of a Certificate of Occupancy for the project.

(Ord. 7028 § 1, 2006; Ord. 7020 § 1, 2005)

[1]Editor's note(s)—The Title of Chapter 17.42 was amended by Ord. 7056 § 2.

17.42.030 Definitions

All of the terms used in this Chapter are defined in Article 8 (Glossary of Specialized Terms and Land Use Types) under the term "Affordable Housing Definitions."

17.42.040 Inclusionary Unit Requirements

A. **Minimum number of units required.** A minimum of 20 percent of the total number of dwelling units in a residential project shall be developed, offered to, and sold or rented to households of very low, low, and moderate-income, at an affordable housing cost, as follows.

1. **Units for sale.** If the project consists of units for sale, a minimum of 20 percent of the total number of units in the project shall be sold to very low, low, or moderate-income households.

2. **Rental units.** If the residential project consists of rental units, a minimum of five percent of the units shall be rented to very low-income households, five percent of the units shall be rented to very low or low-income households, and 10 percent of the units shall be rented to very low, low, or moderate-income households.

B. **Rounding of quantities in calculations.** In calculating the required number of inclusionary units, fractional units of 0.75 or above shall be rounded-up to a whole unit if the residential project consists of 10 to 20 units; and fractional units of 0.50 or above shall be rounded-up to a whole unit if the project consists of 21 or more units. Notwithstanding the foregoing, the minimum requirement for any project shall not be less than one unit for very low, low or moderate-income households and one unit for very low or low-income households.

(Ord. No. 7353, § 2 (Exh. 1), 11-4-2019)

17.42.050 Alternatives to Units within Project

As an alternative to developing required inclusionary units within an affected residential project in compliance with Section 17.42.040 (Inclusionary Unit Requirement), the requirements of this Chapter may be satisfied through one or more of the following alternatives, in compliance with the City's regulations for the implementation of this Chapter (see Section 17.42.020.A).

A. **In lieu fee.** The developer may choose to pay a fee in lieu of providing all or some of the inclusionary units, as follows.

1. **Amount of fee.** The amount of the fee shall be as required by the Council's Fee Resolution.

2. **Special adjustment for first 12 months.** For 12 months from the effective date of this Chapter, the fee shall be 40 percent of that required by the Council's Fee Resolution.

3. **Timing of payment.** One-half of the in-lieu fee required by this Subsection shall be paid (or a letter of credit posted) before issuance of a Building Permit for any part of the residential project. The remainder of the fee shall be paid before a Certificate of Occupancy is issued for any unit in the project.

4. **Housing Trust Fund.** Fees collected in compliance with this Section shall be deposited in the Inclusionary Housing Trust Fund.

B. **Off-site units.** Upon application by the developer and at the discretion of the City Manager or the Assistant City Manager, the developer may satisfy the inclusionary unit requirements for the project, in whole or in part, by constructing or substantially rehabilitating the required number of units on a site other than that of the affected residential project.

C. **Land donation.** Upon application by the developer and at the discretion of the City Manager or the Assistant City Manager, the developer may satisfy the project inclusionary unit requirements, in whole or in part, by dedicating land to the City for the construction of the inclusionary units.

D. **On-site inclusionary units required when very low, low, and/or moderate income households are displaced.** Any other provision of this chapter, notwithstanding, any project subject to this chapter which results in the displacement of very low, low, and/or moderate income household(s) shall be required to provide on-site inclusionary units as required by this chapter.

(7028 § 2, 2006; Ord. 7020 § 2, 2005)

17.42.060 Housing Plan and Housing Agreement Required

A. **Submittal and execution.** The developer shall comply with the following requirements at the times and in compliance with the standards and procedures in the City's regulations for the implementation of this Chapter (see Section 17.42.020.A).

1. **Housing Plan.** The developer shall submit an Inclusionary Housing Plan for approval by the City Manager or the Assistant City Manager, detailing how the provisions of this Chapter will be implemented for the proposed project.

2. **Housing Agreement.** The developer shall execute and cause to be recorded an Inclusionary Housing Agreement, unless the developer is complying with this Chapter as provided in Sections 17.42.050.A. (In lieu fee) or C. (Land donation).

B. **Discretionary approvals.** No discretionary approval shall be issued for a residential project subject to this Chapter until the developer has submitted an Inclusionary Housing Plan.

C. **Issuance of Building Permit.** No Building Permit shall be issued for a residential project subject to this Chapter unless the City Manager or the Assistant City Manager has approved the Inclusionary Housing Plan, and any required Inclusionary Housing Agreement has been recorded.

D. **Issuance of Certificate of Occupancy.** A Certificate of Occupancy shall not be issued for a residential project subject to this Chapter unless the approved Inclusionary Housing Plan has been fully implemented.

(Ord. 7020 §§ 3, 4, 2005)

17.42.070 Standards

A. **Location within project, relationship to non-inclusionary units.** All inclusionary units shall be:

1. Reasonably dispersed throughout the residential project;

2. Proportional, in number, bedroom size, and location, to the market rate units; and

3. Comparable with the market rate units in terms of the appearance, base design, materials, and finished quality.

B. **Timing of construction.** All inclusionary units in a residential project shall be constructed concurrent with, or before the construction of the market rate units. If the City approves a phased project, the required inclusionary units shall be provided within each phase of the residential project.

C. **Time limit for reserving units.** All required inclusionary units shall be reserved for low and moderate-income households at the applicable affordable housing cost for the following minimum time periods.

1. **Units for sale - 45 years.** A unit for sale shall be reserved for the target income level group at the applicable affordable housing cost for a minimum of 45 years.

2. **Rental units - Reserved in perpetuity.** A rental unit shall remain reserved for the target income level group at the applicable affordable housing cost in perpetuity.

D. **Recapture of financial interest.** Notwithstanding Subsection C. 1., above, inclusionary units for sale may be sold to an above-moderate-income purchaser in compliance with the City's regulations for the implementation of this Chapter (see Section 17.42.020.A); provided that the sale shall result in a recapture by the City, or its designee, of a financial interest in the unit equal to:

1. **Difference between price and value.** The difference between the initial affordable sales price and the appraised value at the time of the initial sale; and

2. **Proportionate share of appreciation.** A proportionate share of any appreciation.

E. **Preference and priority system.** The preference and priority system set forth in the City's Inclusionary Housing Regulations shall be used for determining eligibility among prospective beneficiaries for inclusionary units created through this Chapter.

(Ord. 7028 §§ 3, 4, 2006)

17.42.080 Enforcement

A. **Forfeiture of funds.** Any individual who sells or rents an inclusionary unit in violation of this Chapter shall be required to forfeit all money so obtained. Recovered funds shall be deposited into the Inclusionary Housing Trust Fund.

B. **Legal actions.** The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Chapter, including actions:

1. To disapprove, revoke, or suspend any permit, including a Building Permit, Certificate of Occupancy, or discretionary approval; and

2. For injunctive relief or damages.

C. **Recovery of costs.** In any action to enforce this Chapter, or an Inclusionary Housing Agreement recorded hereunder, the City shall be entitled to recover its reasonable attorney's fees and costs.

17.42.090 Takings Determination

A. **Determination of a taking of property without just compensation.**

1. **Initiated by request from developer.** Commencing upon the approval or disapproval of the Inclusionary Housing Plan by the City Manager or the Assistant City Manager, in compliance with the City's regulations for the implementation of this Chapter (see Section 17.42.020.A), and within 15 days thereafter, a developer may request a determination that the requirements of this Chapter, taken together with the inclusionary incentives as applied to the residential project, would legally constitute a taking of property of the residential project without just compensation under the California or Federal Constitutions.

2. **Burden on developer.** The developer has the burden of providing economic information and other evidence necessary to establish that application of the provisions of this Chapter to the project would constitute a taking of the property of the proposed project without just compensation.

3. **City Manager or the Assistant City Manager's determination subject to appeal.** City Manager or the Assistant City Manager shall make the determination, which may be appealed in compliance with Chapter 17.72 (Appeals) except that the Council shall serve as the applicable review authority.

B. **Presumption of facts.** In making the taking recommendation or determination, the review authority shall presume each of the following facts:

1. **Application of requirements.** Application of the inclusionary housing requirement to the residential project;

2. **Incentives.** Application of the inclusionary incentives;

3. **Product type.** Utilization of the most cost-efficient product type for the inclusionary units; and

4. **External funding.** External funding where reasonably likely to occur.

C. **Modifications to reduce obligations.** If it is determined that the application of the provisions of this Chapter would be a taking, the Inclusionary Housing Plan shall be modified to reduce the obligations in the inclusionary housing component to the extent, and only to the extent necessary, to avoid a taking. If it is determined no taking would occur though application of this Chapter to the residential project, the requirements of this Chapter remain applicable.

(Ord. 7020 § 5, 2005)

17.42.100 Inclusionary Housing Trust Fund

There is hereby established a separate fund of the City, to be known as the Inclusionary Housing Trust fund. All monies collected in compliance with Subsections 17.42.050 A. (In lieu fee), 17.42.080.D.(Recapture of financial interest), or 17.42.090 (Enforcement), above, shall be deposited in the Inclusionary Housing Trust Fund.

(Ord. 7056 § 2(c) (part), 2006)

17.42.110 Administrative Fees

The Council may by resolution establish reasonable fees and deposits for the administration of this Chapter.

(Ord. 7056 § 2(c) (part), 2006)

17.42.120 Appeal

Within 15 calendar days after the date of the City Manager or Assistant City Manager's decision, an appeal may be filed in compliance with Chapter 17.72 (Appeals and Calls for Review).

(Ord. 7056 § 2(c)(part), 2006; Ord. 7020 § 6, 2005)

Chapter 17.43 Density Bonus, Waivers and Incentives

17.43.010 Purpose of Chapter

This Chapter establishes procedures to implement the State's Density Bonus law as set forth in Government Code Section 65915. The incentives in this Section are used by the City as a means of meeting its commitment to encouraging the provision of affordable housing to all economic groups living within the City.

(Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.020 Applicability

The provisions of this Section apply only to multi-family residential and mixed-use development projects consisting of five or more dwelling units not including units granted as a density bonus.

(Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.030 Definitions

The following terms used in this Chapter are defined in Article 8 (Glossary of Specialized Terms and Land Use Types) under the term "Affordable Housing Definitions.

(Ord. 7160 § 28, 2009; Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.040 Density Bonus Allowance

A. **Density bonus requirement.** A request for a density bonus shall not require any discretionary approval by the City. A request for a density bonus pursuant to this Chapter shall only be granted if an applicant seeks and agrees to construct one of the following:

1. At least 5 percent of the units are dedicated to very low-income households;
2. At least 10 percent of the units are dedicated to low-income and very low-income households;
3. At least 10 percent of the units are dedicated to moderate-income households and are available to the general public for sale; or
4. At least 35 dwelling units are available exclusively to persons aged 55 and older and to those residing with them.

B. **Density bonus of up to 35 percent.** In calculating the number of units required for very low, low, and moderate-income households, the density bonus units shall not be included.

1. The density bonus for very low-income units shall be calculated as follows.

Table 4-3 - Increase in Allowable Density for Very Low-Income Units	
Percentage of Very Low-Income Units	Percentage Density Bonus
5	20
6	22.5

7	25
8	27.5
9	30
10	32.5
11	35

2. The density bonus for low-income units shall be calculated as follows.

Table 4-3.1 - Increase in Allowable Density for Low-Income Units	
Percent Low-Income Units	Percentage Density Bonus
10	20
11	21.5
12	23
13	24.5
14	26
15	27.5
16	29
17	30.5
18	32
19	33.5
20	35

3. The density bonus for moderate-income ownership units shall be calculated as follows.

Table 4-3.2 - Increase in Allowable Density for Moderate-Income ownership Units	
Percentage Moderate-Income Units	Percentage Density Bonus
10	5
11	6
12	7
13	8
14	9
15	10
16	11
17	12
18	13
19	14
20	15
21	16
22	17
23	18
24	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

4. The density bonus for a project for persons aged 55 and older, and those residing with them, shall be 20 percent.

C. **Density bonus of up to 50 percent in Central District.** Projects in Central District subdistricts CD-1, CD-2, CD-3, and CD-4 may be granted a density bonus of up to 50 percent above the maximum density, according to the following formula: for each additional percentage point of very low income units above 11 percent, a bonus of 2.5 percent may be granted, for each additional percentage point of low-income units above 20 percent, a bonus of 1.5 percent may be granted, and for each percentage point of moderate-income units above 40 percent, a bonus of one percent may be granted. A Conditional Use Permit (Section 17.61.050) shall be required for any density bonus exceeding 35 percent.

D. **Bonuses not combined.** The bonuses that are available under this section shall not be combined.

(Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.050 Concessions and Other Incentives

A. **Concessions and other incentives.** An applicant who utilizes the density bonus provisions of this chapter may request one or more concessions or other incentives as follows.

1. One concession or other incentive for projects that include at least 5 percent of the units for very low-income households, 10 percent of the units for low-income households, or 10 percent of the units for moderate-income households when the units are available for sale to the public.

2. Two concessions or other incentives for projects that include at least 10 percent of the units for very low-income households, 20 percent of the units for low-income households, or 20 percent of the units for moderate-income households when the units are available for sale to the public.

3. Three concessions or other incentives for projects that include at least 15 percent of the units for very low-income households, 30 percent of the units for low-income households, or 30 percent of the units for moderate-income households when the units are available for sale to the public.

4. Affordable Housing Concession Permit. An applicant may submit an application for an Affordable Housing Concession Permit, for approval of a request for the concessions and other incentives.

B. **Application requirements.** An applicant for an Affordable Housing Concession Permit shall be filed in compliance with Chapter 17.60 (Application Filing and Processing). The application shall be accompanied by the information identified in the Department handout for the Affordable Housing Concession application, including the specific economic information described in the handout.

C. **Procedure.** The procedure for an Affordable Housing Concession Permit shall be the same as for a Minor Variance (Section 17.61.080.C.3) Affordable Housing Concession Permits may be granted with approval by the Hearing Officer. The Hearing Officer may:

1. Approve the concession and/or other incentive described in application for the Affordable Housing Concession Permit.

2. Deny the concession and/or other incentive described in the application for the Affordable Housing Concession Permit.

3. Approve one or more concession and/or other incentives and deny one or more other concessions and/or incentives, if more than one concession or other incentives is described in the application for the Affordable Housing Concession Permit.

D. **Findings.** A concession or other incentive shall be approved upon making the following findings.

1. The concession or incentive is required in order for the designated units to be affordable.

2. The concession or incentive would not have a specific adverse impact on public health, public safety, or the physical environment, and would not have an adverse impact on a property that is listed in the California Register of Historical Resources, and for which there is no feasible method to satisfactorily mitigated or avoid the specific adverse impact, or adverse impact, without rendering the development unaffordable to low- and moderate-income households. A specific adverse impact is 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 the application was deemed complete.

(Ord. 7099 § 27, 2007; Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.055 Affordable Housing Concession Menu

A. **Eligibility.** An applicant who utilizes the density bonus provisions of this chapter and complies with the following shall not be subject to the application requirements, procedures, or findings set forth in Section 17.43.050 - Concessions and Other Incentives:

1. The project complies with the minimum number of inclusionary units set forth in Section 17.42.040(A) by providing the units on-site; and

2. The applicant does not request any concession or incentive except for those specified within the affordable housing concession menu in this section.

B. **Concession Menu.** An eligible applicant shall be entitled to utilize no more than two of the following concessions:

1. **Height.** Increase in maximum allowable height of each building by up to 12 feet beyond otherwise applicable standard over no more than 60% of the proposed footprint of the respective building. This concession shall not be applicable to any other development standards relating to building scale and massing, including but not limited to, encroachment plane and view corridor preservation standards.

    a. **Height averaging.** In areas where height averaging is allowed, the project may utilize either the height increase in this concession, or the applicable height averaging standards, but not both. The additional height allowed under this concession shall apply to the average height, and not the maximum height indicated in the height averaging standards.

2. **Floor area ratio.** Increase in maximum allowable floor area ratio by up to 0.5 beyond otherwise applicable standard. This increase shall apply to the floor area ratio itself, and not the resulting allowable gross floor area, as shown in the following examples:

a. **Examples.** For zones with a maximum floor area ratio of 1.5, this concession shall allow a floor area ratio of up to 2.0. For zones with a maximum floor area ratio of up to 2.25, this concession shall allow a floor area ratio of up to 2.75.

3. **Setbacks.** Reduction of side or rear setback requirements by up to 50% from otherwise applicable standards. This concession applies only to setbacks from property lines, and shall not be applicable to setbacks from required gardens or any development standards relating to building separation, including but not limited to light and air separation.

    a. **Exceptions.**

        1. This concession shall not apply to any setback that is adjacent to any RS Zoning District or a Historic Resource.

        2. Setback reductions pursuant to this concession shall not result in the removal of a protected tree, nor shall they exempt a project from meeting the requirements of Chapter 8.52 - City Trees and Tree Protection Ordinance.

4. **Loading.** Exemption from any of the requirements set forth in Section 17.46.260 - Number, Location, and Design of Off-Street Loading Spaces.

5. **Parking.** Reduction of the minimum number of off-street automobile parking space requirements by up to 50% below otherwise applicable standards, provided that the project site is located within the Central District Transit Oriented area (Figure 1), or any portion of the project site is located within a one-half mile radius of any Metro Gold Line Station, with the exception of the Sierra Madre Villa Station. The 50% reduction shall be in addition to any other applicable parking reduction, including but not limited to those included in Section 17.43.090 - Alternative Parking Standards and Section 17.50.340 - Transit-Oriented Development (TOD).

(Ord. No. 7419, § 4, 2-26-2024; Ord. No. 7353, § 3 (Exh. 2), 11-4-2019)

17.43.060 Waiver of Development Standards

A. **Waiver of Development Standards.** If compliance with a development standard would physically preclude construction of a residential or mixed-use project utilizing a density bonus, and concession or incentive, in compliance with this Chapter, the applicant may submit a proposal for waiver or reduction of the development standard. Projects that utilize a waiver of development standards shall not be permitted to utilize the Modulation alternative compliance process under an adopted Specific Plan.

B. **Application requirements.** An application for a Waiver of a Development Standards Permit shall be filed in compliance with Chapter 17.60 (Application Filing and Processing). The application shall be accompanied by the information identified in the Department handout for Waiver of Development Standards Permit application, including the specific economic information described in the handout.

C. **Procedure.** The procedure for a Waiver of Development Standards Permit shall be the same as for a Minor Variance (Section 17.61.080.C.3). A Waiver of Development Standards Permit may be granted with approval by the Hearing Officer. The Hearing Officer may:

    1. Approve the waiver and/or reduction of development standard; or

    2. Deny the waiver and/or reduction of development standard; or

    3. Approve one or more waivers and/or reductions and deny one or more other waivers and/or reductions, if more than one waiver or reduction is described in the application.

D. **Findings.** A Waiver of Development Standards Permit shall be approved upon making the following findings.

1. The waiver or reduction in a development standard is required for construction of the development project at the density to which the project is entitled and with all concessions or other incentives approved for the project.

2. The waiver or reduction in a development standard will not have a specific adverse impact on public health, public safety, or the physical environment, and will not have an adverse impact on a 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, or adverse impact, without rendering the development unaffordable to low- and moderate-income households.

3. The waiver or reduction in a development standard is necessary because applications of the development standards would physically preclude construction of a project utilizing a density bonus, concession or incentive.

(Ord. No. 7388, § 2(Exh. 1), 3-21-2022; Ord. 7169 § 14, 2009; Ord. 7160 § 29, 2009; Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.070 Floor Area Bonus and Concessions for Child Day-Care Center

A. **Floor area bonus or concession for inclusion of child day-care facility.** An application for a development project that complies with the density bonus requirement of this section and that also includes a child day-care center that will be located on the premises of, as part of, or adjacent to, the project may request one additional bonus or concession as follows.

1. Additional net floor area for housing units that is equal to or greater than the net floor area in the child day-care center.

2. A concession that contributes significantly to the economic feasibility of the construction of the child day-care center, in addition to a concession granted for designated dwelling units.

B. **Application requirements.** An application for a Child Day-Care Bonus or Concession Permit shall be filed in compliance with Chapter 17.60 (Application Filing and Processing). The application shall be accompanied by the information identified in the Department handout for a Child Day-Care Bonus or Concession Permit application, including the specific economic information described in the handout.

C. **Procedure.** The procedure for a Child Day-Care Bonus or Concession Permit shall same as for a Minor Variance (Section 17.61.080.C.3) Child Day-Care Bonus or Concession Permits may be granted with approval by the Hearing Officer. The Hearing Officer may:

1. Approve the bonus or concession described in the application for the Child Day-Care Bonus or Concession Permit, if the findings below are made.

2. Deny the bonus or incentive described in the application for the Child Day-Care Bonus or Concession Permit, if the necessary findings cannot be made.

D. **Findings.** A child day-care bonus or concession shall be approved upon making the following findings.

1. The bonus or concession would contribute significantly to the economic feasibility of the construction of the child day-care center.

2. The bonus or concession would not have a specific adverse impact on public health, public safety, or the physical environment, and would not have an adverse impact on a 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, or adverse impact, without rendering the development unaffordable to low- and moderate-income households. A specific adverse impact is 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 the application was deemed complete.

E. **Conditions of Approval.** The child day-care center shall comply with conditions of approval as follows.

1. The child day-care center shall remain in operation for a period of time that is equal to or longer than the period during which the designated dwelling units are required to be affordable.

2. Of the children who attend the child day-care center, the children of very low income households, lower income households, or families of moderate income shall equal a percentage that is equal to or greater than the percentage of dwelling units that are required for very low or low-income households or families of moderate income.

(Ord. 7160 § 30, 2009; Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.080 Bonus for Donation of Land

A. **Bonus for Donation of Land.** An applicant for a tentative subdivision map, parcel map, or other residential development approval who donates land to the City shall be entitled to a bonus in residential density for the entire development above the density allowable under this Title and the Land use Element of the General Plan.

B. **Requirements for Bonus.** A bonus for the donation of land shall meet the following requirements.

1. The applicant shall donate and transfer the land no later than the date of approval of the final tract or parcel map, or application for the construction of residential units.

2. The developable acreage and zoning classification of the land being transferred shall be sufficient to permit construction of units affordable to very low income households in an amount not less than 10 percent of the number of residential units of the proposed development.

3. The transferred land shall be at least one acre in size or of sufficient size to permit development of at least 40 units, has the appropriate general plan designation, is appropriately zoned for development as affordable housing, and is or will be served by adequate public facilities and infrastructure. The land shall have appropriate zoning and development standards to make the development of the affordable units feasible. No later than the date of approval of the final subdivision map, parcel map, or of the residential development, the transferred land shall have all of the permits and approvals, other than concept design review and building permits, necessary for development of the very low income housing units on the transferred land.

4. The transferred land and the affordable units shall be subject to a deed restriction ensuring continued affordability of the units, consistent with Section 17.43.100 (Enforcement of Affordability).

5. The land shall be transferred to the City of Pasadena or to a housing developer approved the City of Pasadena.

6. The transferred land shall be within the boundary of the proposed development or, with approval of the Director, within one-quarter mile of the boundary of the proposed development.

7. A bonus shall not be granted unless a source of funding for the very low income units has been identified not later than the date of approval of the final parcel or tract map, or application for the construction of residential units.

C. **Density bonus of up to 35 percent.** The density bonus for donation of land for very low-income units shall be calculated as follows.

Table 4-3.3 - Increase in Allowable Density for Donation of Land For Very Low-Income Units

Percent Very Low-Income Units	Percentage 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

D. **Bonuses may be combined.** A bonus for the donation of land may be combined with a bonus granted under Section 17.43.040.

(Ord. 7169 § 15, 2009; Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.090 Alternative Parking Standards

A. An applicant may request the following alternative parking requirements.

Number of Bedrooms	On-Site Parking Spaces
0 - 1	1
2 - 3	2
4 or more	2.5

B. If the total number of parking spaces required for the development is other than a whole number, the number shall be rounded up to the next whole number. A development may provide on-site parking through tandem parking or uncovered parking on the project site.

(Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.100 Enforcement of Affordability

A. **Low and very low income: covenant for 30 years.** A covenant or other document satisfactory to the City Attorney shall be recorded before issuance of a building permit, which shall ensure that the low and very low

income density bonus units are at all times rented or sold to, and remain affordable at, the applicable income level for at least 30 years. If a density bonus unit is also being used to satisfy the requirements of Chapter 17.42, the longer term of affordability shall apply.

B. **Moderate income: recapture of financial interest.** A covenant or other document satisfactory to the City Attorney shall be recorded before issuance of a building permit, which shall ensure that the moderate income density bonus units are initially occupied by persons or families at a moderate income level. Moderate income units may be offered for subsequent sale to an above-moderate income purchaser; provided that the sale shall result in a recapture by the City, or its designee, of a financial interest in the unit equal to:

   1. **Difference between price and value.** The difference between the initial moderate income level sales price and the appraised value at the time of the initial sale; and

   2. **Proportionate share of appreciation.** A proportionate share of any appreciation.

C. **Forfeiture of funds.** Any individual who rents a unit in violation of this Chapter shall be required to forfeit all rents above the applicable affordable rate; any individual who sells a unit in violation of this Chapter shall be required to forfeit all profits from the sale exceeding the difference between the sale price and the applicable affordable sales price. Recovered funds shall be deposited in to the Inclusionary Housing Trust Fund.

(Ord. 7056 § 3 (Exh. 1) (part), 2006)

17.43.110 Administrative Procedures

The City Manager or her/his designee may adopt administrative procedures for implementation of this Chapter.

(Ord. 7056 § 3 (Exh. 1) (part), 2006)

NEW BUSINESS

3. **REVIEW PROPOSED UPDATES TO THE ADMINISTRATIVE GUIDELINES AND ZONING CODE SECTION RELATED TO PREDEVELOPMENT PLAN REVIEW (PPRS) – PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT***

MEMORANDUM

TO: HOUSING, HOMELESSNESS, AND PLANNING COMMITTEE

FROM: ISRAEL DEL TORO, ACTING DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

DATE: OCTOBER 14, 2026

SUBJECT: REVIEW PROPOSED UPDATE TO THE ADMINISTRATIVE GUIDELINES AND ZONING CODE SECTION RELATED TO PREDEVELOPMENT PLAN REVIEWS (PPRs)

RECOMMENDATION:

Receive the report and provide direction on proposed update to the Administrative Guidelines and Zoning Code Section related to Predevelopment Plan Reviews (PPRs) (Attachments A and B).

BACKGROUND:

The main objective of PPRs is to achieve better projects through early consultation between City staff and applicants. PPRs are an opportunity for informal review and comments by City staff; they are not formal applications and do not result in approval or disapproval of a project. The PPR process is typically the first step an applicant follows when pursuing a development project. Once submitted to the City, an application is routed to different departments and divisions for review and comment. The case manager compiles the comments into one document, which is provided to the applicant. The applicant may elect to use the comments to submit a formal application.

On June 18, 2024, the City's Economic Development and Technology Committee approved updates to the PPR's Administrative Guidelines to streamline the development review process. This included making the PPR process optional for most multifamily projects, updating the definition of projects of communitywide significance, and revising the process to present projects of communitywide significance to the City Council.

Updated Definition – Projects of Communitywide Significance:

- Nonresidential: >75,000 square feet of gross floor area;
- Residential: >75 units, if a PPR is required by the Director; and
- Other projects as determined by the Director.

Updated Process – Projects of Communitywide Significance:

- PPR comments are forwarded to the City Council through the City Manager's Weekly Newsletter.
- A Councilmember or the Director may request the PPR be presented to the City Council as an informational item at a future City Council meeting.

On October 27, 2025, the City Council approved amendments to Zoning Code Section 17.60.040.C to formalize many of the changes made to the Administrative Guidelines.

PROPOSED AMENDMENTS:

Per Senate Bill (SB) 330 (2019), if a proposed housing development project complies with the applicable, objective general plan and zoning standards in effect at the time an application is deemed complete, the City shall not conduct more than five public meetings on the project. As noted above, the Administrative Guidelines currently allow a Councilmember or the Director to request a project of communitywide significance be presented to the City Council as an informational item, which would be considered one of the five meetings under SB 330.

In an effort to ensure that projects are processed efficiently and in accordance with State law, staff recommends the following:

- Administrative Guidelines – Remove language allowing a Councilmember or the Director to request that a project of communitywide significance be presented as an information item at a future City Council meeting.
- Zoning Code – Amend Zoning Code Section 17.60.040.C to align with the above.

Moving forward, staff proposes providing the Housing, Homelessness, and Planning Committee with an informational presentation, as needed, on recently submitted development projects (which would include projects of communitywide significance). Since this would be a general presentation on projects throughout the City, it would not count towards the five-meeting limit for an individual project.

NEXT STEPS:

If the Housing, Homeless, and Planning Committee supports the recommended changes, staff will present the Zoning Code updates to the Planning Commission for recommendation and City Council for final consideration. Separately, staff will finalize the Administrative Guidelines and have them signed by the Director.

Attachments (2):

Attachment A – PPR Administrative Guidelines (existing and proposed)
Attachment B – Zoning Code Section 17.60.040.C (existing and proposed)

ATTACHMENT A

PREDEVELOPMENT PLAN REVIEW (PPR) ADMINISTRATIVE GUIDELINES

~~JUNE 2024~~ OCTOBER 2026

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A. Purposes of Predevelopment Plan Reviews (PPRs):

1. Achieve better projects through early consultation between City staff and applicants proposing major, new construction projects;
2. Coordinate reviews of projects among City staff from different departments and divisions; and
3. Avoid significant investment in the design of a project without preliminary direction from City staff.

B. PPR Meetings:

1. Meetings are conducted as needed during regular business hours at a scheduled date, time and location.
2. Meeting types may include an “internal review meeting” with the case manager and City staff and/or a “formal PPR meeting” with the applicant, case manager and City staff.
3. Department heads are responsible for ensuring participation in the PPR process, which includes submitting written comments on applications and/or attending PPR meetings. Department heads should also inform the planning manager when there are changes to their staff members that review PPRs.

C. PPR Responsibilities:

1. Planning Manager, or his/her designee:
   - Assigning case managers for projects.
2. Case Manager:
   - Routing PPR material (applications and plans) to departments/divisions;
   - Assembling written comments from department and division representatives into a final report for applicants and ensuring that information from one department or division does not conflict with another; and
   - Scheduling PPR meetings and presenting proposed projects at PPR meetings.
3. City staff from different departments and divisions:

- Submitting written comments (before deadlines) to the case manager, which will be assembled by the case manager for applicant; and
- Attending PPR meetings, when requested.

D. PPR Process:

1. Applicant submits a PPR application.
2. Project is assigned a case manager, reviewed for completeness and distributed to City departments and divisions.
3. The case manager and City staff review the application and prepare written comments that are sent to case manager. Comments may include, but are not limited, to the following:
   - Submittal requirements for necessary entitlement applications
   - Submittal requirements for necessary applications and permits
   - Compliance with City ordinances, regulations and policies
   - Necessary technical studies
   - Fees
   - Public meetings
   - Timelines
4. The case manager coordinates a “internal review meeting,” if deemed necessary, for complex projects or those with major issues:
   - The case manager presents the project and City staff exchanges ideas, suggests improvements to the design and circulation of a project, coordinates requirements and regulations on a project and frames a “unified and coordinated position” on issues. Recommendations and questions from the group are incorporated in the final report for the applicant.
5. The case manager assembles all written comments into a final report, which is forwarded to the applicant:
   - The applicant shall review the comments carefully and incorporate responses as part of their formal application submittal.
   - The applicant is encouraged to contact City department and division representatives directly with any questions and coordinate with any neighborhood organizations that may be affected by the proposed project.
6. The applicant may request the case manager coordinate a “formal PPR meeting,” where the applicant, case manager and those City department and division representatives the applicant requested be in attendance.

E. Projects of Community-Wide Significance:

1. For projects of community-wide significance, the case manager shall provide a summary of the proposed project, which shall be forwarded to the City Council through the City Manager's Weekly Newsletter. This shall occur within 30 days of the comments being forwarded to the applicant.
2. A project will be categorized as a "project of community-wide significant" if it is:
   - Non-residential and non-residential portion of mixed-use projects – Greater than 75,000 square feet of gross floor area with one discretionary action.
   - Residential-only projects – Greater than 75 units, if required by the Planning and Community Development Director.
   - Any other project determined by the Planning and Community Development Director to be of major importance to the City. Factors that might lead to this determination include:
     - Non-conformity with the General Plan, Specific Plan(s) and/or Zoning Code; and
     - Adverse impacts on historic structures, traffic, trees, open space, utilities, and similar factors.

~~3. A Councilmember or the Planning and Community Development Director may request the project be presented at a City Council meeting as an informational item. A request by a Councilmember shall be made in writing within ten days of the date of the City Manager's Weekly Newsletter. During the presentation to the City Council, the applicant shall have an opportunity to comment on the proposed project and the final report.~~

The above guidelines were presented to the City Council Housing, Homelessness, and Planning ~~Economic Development~~ Committee and approved on October 14, 2026 ~~June 18, 2024~~.

Signed,

_____

ISRAEL DEL TORO ~~JENNIFER PAIGE, AICP~~
Acting Director of Planning and Community Development

_____

DATE

ATTACHMENT B

PASADENA ZONING CODE SECTION 17.60.040.C

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17.60.040 Application Preparation and Filing

C. Predevelopment plan review.

1. **Purpose.** The purposes of a predevelopment plan review are to:
   a. Achieve better projects through early consultation between City staff and applicants;
   b. Coordinate reviews of projects among City staff and City departments;
   c. Familiarize applicants for the projects with the regulations and procedures that apply to the projects;
   d. Avoid significant investment in the design of a project without preliminary - directions from City staff;
   e. Identify issues that may arise during review of the projects (e.g., conformance with any applicable design guidelines, conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of any applicable specific plan, environmental requirements and possible recommended mitigation measures, possible recommended conditions of approval, requirements for public improvements, and possible concerns from adjoining neighborhoods);
   f. Provide opportunities for discussion about the projects and an exchange of information on potential issues between City staff and the applicants for the projects; and
   g. Inform the Council of proposed development projects defined in the administrative guidelines to be of communitywide significance.
2. **Applicability.**
   a. **Mandatory review.** A predevelopment plan review shall be required based on the thresholds in Table 6-2 below:

TABLE 6-2 – THRESHOLDS FOR PREDEVELOPMENT PLAN REVIEW	
PROJECT TYPE	THRESHOLD
1. Affordable Housing Units on Religious Facility sites	When new construction is proposed in compliance with Section 17.50.230.F.
2. General Plan Land Use Diagram or Zoning Map Amendment	When new construction is proposed.

3. Hillside Development (HD) overlay districts	New residential structures on lots with an average slope greater than 15% and the project requires a Hillside Development Permit in compliance with Section 17.61.050.
4. Master Plans or Master Plan Amendments	When new construction is proposed.
5. Nonresidential construction	Greater than 25,000 square feet of new gross floor area (including the nonresidential gross floor area of mixed-use projects).
6. Street vacations	When new construction is proposed.
7. Subdivisions	a) HD overlay district: Any subdivision of land; or b) Other districts: Subdivision of land into five or more lots.
8. Other projects as determined by the Director to be of major importance to the City	Factors that might lead to this determination include: a) Greater than 75 residential units. b) Non-conformity with the General Plan, Specific Plan(s) and/or Zoning Code; and c) Adverse impacts on historic structures, traffic, trees, open space, utilities and similar factors.

b. **Optional review.** A predevelopment plan review shall be conducted if requested by an applicant for a multi-family project consisting of more than ten dwelling units or any other project that would require a discretionary land use entitlement.

3. **Procedures.**

a. **Scheduling.** A predevelopment plan review shall be conducted before deeming an application complete, in compliance with Section 17.60.060 (Initial Application Review), below. However, the Director may authorize subsequent phases of a predevelopment plan review to be conducted after the application is deemed complete.

b. **Applicable/responsible staff.** The City Manager, or designee, shall determine which City departments shall participate. The Director shall designate the staff person(s) to be responsible for conducting the predevelopment plan review.

c. **Disclaimer.** Neither the predevelopment plan review nor information or pertinent policies provided by the City Departments shall be construed as a City recommendation for approval or disapproval of the application/project.

d. **Written report.** A written report containing the results of the predevelopment plan review and the staff comments on the project shall be provided to the applicant.

e. **Meeting.** The staff person(s) responsible for conducting the predevelopment plan review may require, and an applicant may request, a meeting with the applicant and applicable/responsible City department staff to present and discuss the written report.

f. **Projects of Communitywide Significance.** A summary of the written report shall also be forwarded to the Council. ~~If the Director or a member of the Council requests the predevelopment plan review be presented to the Council, it shall only be for the purpose of informing the Council and the public of a proposed project, and not for the purpose of discussing the merits of the proposed project.~~

4. **Administrative guidelines.** The City Manager, or designee, shall issue administrative guidelines for implementation of the predevelopment plan review process.