

ORDINANCE NO. 344

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIDDEN HILLS
AMENDING TITLE 5 OF THE HIDDEN HILLS MUNICIPAL CODE TO IMPLEMENT
2008-2013 HOUSING ELEMENT PROGRAMS, GOALS, AND POLICIES AND
ADOPTING A NEGATIVE DECLARATION

Section 1. On June 11, 2013, the City Council held a duly noticed public hearing to amend the City's Zoning Code to allow for the development of affordable housing in the City's CR Zone, implement the state density bonus law and address various special needs housing, including emergency shelters, transitional housing, supportive housing, community care facilities, and single-room occupancy units. The City Council received public testimony and thereafter introduced this Ordinance.

Section 2. This Ordinance is consistent with the objectives, principles, and standards of the General Plan. The 2008-2013 Housing Element ("Housing Element") contains several policies that call for the provision of housing opportunities for all segments of the community, including various economic segments and special needs groups. Policy 5 of Goal II provides for the development of additional very-low, low- and moderate income housing. Policy 7 of Goal II provides for the accommodation of the housing needs of special population groups in the community including the homeless, agricultural workers, and persons at risk of homelessness. Last, several of these policies call for the City's Zoning Code and its development regulations to be updated to implement the goals and policies of the Housing Element. Accordingly, the City Council finds that this Ordinance conforms with the City's General Plan, including the Housing Element.

Section 3. Section 5-2A-3 (Definitions) of Article A (General Zoning Provisions; Definitions) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) of the Hidden Hills Municipal Code is hereby amended by adding the following in alphabetical order:

"EMERGENCY SHELTER: Housing with minimal supportive services for homeless persons that limits occupancy by homeless persons to six months or less and that does not deny emergency shelter due to a person's inability to pay.

FAMILY: Two or more persons living together as a single housekeeping unit in a single dwelling unit. Family also means the persons living together in a licensed residential facility, as that term is defined in California Health & Safety Code Section 1502(a) (1), serving six or fewer persons, excluding the licensee, the members of the licensee's family, and persons employed as facility staff who reside at the facility."

FARM WORKER HOUSING: Farm worker housing means any living quarters or accommodations of any type, including mobile homes, which meet the requirements of the California Building Code and State Housing Law (California Health and Safety Code Sec. 17910 et seq.),

provided by any person for individuals or families employed principally in farming or other agricultural activities on or off the property on which the farm worker housing facility is to be located.

LICENSED RESIDENTIAL FACILITIES: State licensed facilities maintained and operated to provide non-medical residential care, day treatment, or foster agency services for six or fewer adults, children, or adults and children and which are required by State law to be treated as a single housekeeping unit for zoning purposes.

SINGLE HOUSEKEEPING UNIT: the functional equivalent of a traditional family, whose members are an interactive group of persons jointly occupying a single dwelling unit, including the joint use of and responsibility for common areas, and sharing household activities and responsibilities such as meals, chores, household maintenance, and expenses, and where, if the unit is rented, all adult residents have chosen to jointly occupy the entire premises of the dwelling unit, under a single written lease with joint use and responsibility for the premises, and the makeup of the household occupying the unit is determined by the residents of the unit rather than the landlord or property manager.

SUPPORTIVE HOUSING: Housing occupied by a specified target population defined in Section 50675.14 of the California Health and Safety Code that has no limit on length of stay, and that is linked to onsite or offsite services that assist the resident in retaining the housing, improving his or her health status, maximizing his or her ability to live, and – when possible – work in the community. Supportive housing is a residential use subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone.

TRANSITIONAL HOUSING: Temporary rental housing intended for occupancy by homeless individuals or families transitioning to permanent housing that is operated under program requirements that terminate assistance to residents and recirculate the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months from the initial occupancy date of the recipient. Transitional housing often includes a supportive services component, such as job skills training or rehabilitation counseling to allow individuals to gain the necessary life skills to support independent living. Transitional housing is a residential use subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone.”

Section 4. New subsections 5, 6 and 7 are hereby added to Section 5-2C-1.A (Permitted Buildings) of Article C (RA-S Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) to read as follows:

“5. Transitional or Supportive Housing structured as a single-family residence.¹

6. Licensed residential facilities subject to the same development standards applicable to a single-family residence.

7. Farm Worker Housing serving six or fewer employees.”

Section 5. Section 5-2C-1:G (Conditional Uses) of Article C (RA-S Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) shall be amended in its entirety to read as follows:

“G. Conditional Uses: The following uses; provided, that in each instance, a conditional use permit has been obtained and continues in full force and effect:

1. Public schools, parks, libraries, fire station, gate houses, post offices and civic centers.

2. Public utility uses and facilities, including water storage facilities, water pumping plants, sewage pumping plants, gas distributing lines, electric distribution lines, electric transformer stations, electric transmission lines, telephone repeater stations, telegraph cables and telephone lines.

3. The stationing of a temporary guard in a mobile home or trailer for the protection of a building under construction and the materials used therefor until final inspection but not to exceed a total of six (6) continuous months.”

Section 6. New subsections 5, 6 and 7 are hereby added to Section 5-2E-1.A (Permitted Buildings) of Article E (R-1 Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) to read as follows:

“5. Transitional or Supportive Housing structured as a single-family residence.¹

6. Licensed residential facilities subject to the same development standards applicable to a single-family residence.

¹ Transitional or supportive housing is permitted in residential zones subject to the same standards as similar residential uses; therefore, if such housing is configured as a single-family residence, it is regulated as such and is subject to all regulations applied to residences in the residential zone where it is located.

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7. Farm Worker Housing serving six or fewer employees.”

Section 7. Section 5-2E-1:F (Conditional Uses) of Article E (R-1 Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) shall be amended in its entirety to read as follows:

“F. Conditional Uses: The following uses; provided, that in each instance, a conditional use permit has been obtained and continues in full force and effect:

1. Public schools, parks, libraries, fire station, gate houses, post offices and civic centers.
2. Public utility uses and facilities, including water storage facilities, water pumping plants, sewage pumping plants, gas distributing lines, electric distribution lines, electric transformer stations, electric transmission lines, telephone repeater stations, telegraph cables and telephone lines.
3. The stationing of a temporary guard in a mobile home or trailer for the protection of a building under construction and the materials used therefor until final inspection but not to exceed a total of six (6) continuous months.”

Section 8. Section 5-2F-1 (Permitted Uses) of Article F (CR Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) is hereby amended to read as follows:

“5-2F-1: PERMITTED USES. The following uses are permitted in the CR zone, provided, that all businesses, services and uses shall be conducted entirely within an enclosed structure, except for off-street parking and loading.

- A. Professional, executive, administrative and sales office, not including medical or dental offices or clinics.
- B. Emergency shelters subject to the requirements of Section 5-2F-8.
- C. Housing pursuant to the Affordable Housing Overlay Zone provisions set forth in Section 5-2F-9.”

Section 9. A new Section 5-2F-8 entitled “Emergency Shelters” is hereby added to Article F (CR Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) to read as follows:

“5-2F-8: EMERGENCY SHELTERS. Emergency shelters shall be allowed as a by-right permitted use in the CR Zone provided that the following operational and development standards are met.

A. Application. An application to establish and operate an emergency shelter shall be submitted to the City and shall be accompanied by a Management and Operations Plan. The City Manager shall approve the application if the application (i) meets the development standards set forth in 5-2F-8.B; and (ii) the Management and Operations Plan incorporates the following provisions: hours of operation, staffing levels and training procedures, maximum length of stay, size and location of exterior and interior onsite waiting and intake areas, admittance and discharge procedures, provisions for on-site or off-site supportive services, house rules regarding use of alcohol and drugs, on-site and off-site security procedures, and protocols for communications with local law enforcement agencies and surrounding property owners.

B. Development Standards. Emergency shelters shall conform to the following standards:

1. The maximum number of occupants to be served at any given time shall not exceed six (6).
2. A minimum distance of 300 feet shall be maintained from any other emergency shelter.
3. The maximum stay at the emergency shelter facility shall not exceed one-hundred and eighty (180) days in a 365-day period.
4. A minimum of one (1) employee, in addition to security personnel, shall be on duty and remain on-site during operational hours.
5. Security personnel shall be provided during operational hours and when people are waiting outside the facility.
6. Exterior lighting shall be provided for the entire outdoor area of the site and shall be stationary, directed away from adjacent properties and public rights of way, and be of an intensity compatible with the neighborhood.
7. A minimum of 1 parking space for every four (4) beds, plus one space for each employee /volunteer on duty shall be maintained. Bicycle rack parking shall also be provided at the facility.

8. The operator of the facility shall provide, at the City’s request, an annual report of the use of the facility and determination of compliance with the City’s standards for the use.”

Section 10. A new Section 5-2F-9 entitled “Affordable Housing Overlay” is hereby added to Article F (CR Zone) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) to read as follows:

5-2F-9: AFFORDABLE HOUSING OVERLAY.

A. There is hereby created an Affordable Housing Overlay (“AHO”) zoning designation in the Commercial Restricted (“CR”) Zone.

B. Purpose and Applicability. This Affordable Housing Overlay (“AHO”) is intended to identify sites within the City’s CR Zone where lower-income multiple-family dwellings may be established and maintained in compliance with this Section. The overlay zone implements General Plan Housing Element Implementation Program 5(d) by zoning suitable sites within the CR Zone that can accommodate at least 16 units per site with a minimum density of 20 units per acre for lower-income residential use. The purpose of this overlay zone is to accommodate the City’s Regional Housing Need Allocation (RHNA) for lower-income households. The overlay zone shall be designated on the City’s Official Zoning Map and shall comprise the parcels designated therein, or less as required to provide sites sufficient to accommodate the Adjusted RHNA.

C. Definitions.

“Adjusted Regional Housing Need Allocation” or “Adjusted RHNA” means the unmet RHNA after crediting units by income category constructed during the planning period.

“Lower-income” means gross household income not exceeding eighty percent of the “area (Los Angeles County) median income” published annually by the California Department of Housing and Community Development.

“Lower-income multiple-family dwelling” means two-family dwellings and multiple dwellings, as those terms are defined in this Code, where all dwelling units are affordable to lower-income households. This definition includes owner-occupied and rental dwelling units.

“Regional Housing Need Allocation” or “RHNA” means the projected housing need by income category adopted by the Southern California Association of Governments in accordance with Government Code Section 65584, and as set forth in the City’s General Plan Housing Element.

D. Permitted Uses.

1. Lower-income multiple-family dwellings are permitted in the AHO subject to the development standards set forth in this Section.

2. Any land use other than Lower-income multiple-family dwellings that is permitted in the underlying zoning district under Section 5-2F-1 shall be permitted within the AHO with approval of a site plan review as set forth in Section 5-2F-6, except that a site plan shall not be required for the following:

a. Continuation, modification or change of an existing use in an existing structure, provided that said modification or change of use does not require a discretionary planning permit (e.g., conditional use permit, or variance); and

b. Reconstruction of damaged buildings in accordance with the provisions of this Code.

3. Prior to approval of the site plan or any other discretionary planning permit for any development other than a Lower-income multiple-family dwelling within the AHO, the City shall find that the development will not reduce enough to eliminate or eliminate the capacity of sites within this overlay zone necessary to accommodate the adjusted RHNA for Lower-income households.

E. Lower-income multiple-family dwelling developments in the AHO shall:

1. Have a minimum density of twenty (20) units per acre.

2. Have a minimum of sixteen (16) units.

3. Be comprised entirely of Lower-income multiple-family dwelling units affordable to Lower-income households as set forth in subsection F below. Notwithstanding, a mixed-use development consisting of lower-income multiple family dwelling units and commercial development may be allowed, provided that the residential portion of the project complies with the requirements of this Section, in addition to all other applicable requirements of this Code, and the commercial portion of the project complies with all applicable requirements for commercial developments in this Code.

4. Comply with the development and land use standards of this Article.

5. Receive approval from the Planning Agency of an architectural and site plan for design review purposes only.

F. Affordability.

1. Rental units. Prior to issuance of any building permit for a lower-income multiple-family dwelling in the AHO, the property owner shall enter into and record in the office of the Los Angeles County Recorder an affordable housing agreement with the City of Hidden Hills, in a form approved by the City, guaranteeing the affordability of the rental units for a period of not less than thirty years. The agreement shall include procedures for verifying and maintaining compliance with income eligibility requirements.

2. For-sale or owner-occupied units. Prior to issuance of any building permit for a lower-income multiple-family dwelling in the AHO, the property owner shall enter into and record in the office of the Los Angeles County Recorder a covenant in a form approved by the City restricting future sale prices to levels affordable to lower-income households and including procedures for verifying and maintaining compliance with income eligibility requirements. All purchasers of these units shall supply proof of income eligibility to the City Engineer or designee for verification prior to sale and resale. This requirement shall be included in the recorded covenant.

Section 11. A new Article K (Density Bonus Program) is hereby added to Chapter 2 (Zoning) of Title 5 (Land Use and Development) to read as follows:

“ARTICLE K. DENSITY BONUS PROGRAM

SECTION:

- 5-2K-1: Purpose and Intent
- 5-2K-2: Definitions
- 5-2K-3: Implementation
- 5-2K-4: Types of Incentives Allowed
- 5-2K-5: Requirements for Density Bonus Projects
- 5-2K-6: Special Parking Requirements
- 5-2K-7: Processing of Density Bonus Requests
- 5-2K-8: Density Bonus Housing Agreement
- 5-2K-9: Change in Density Bonus Laws

5-2K-1: PURPOSE AND INTENT: The purpose of this Article is to provide incentives for the production of housing for very low-income, low-income, moderate-income, and senior households in accordance with Government Code Sections 65915 through 65918. In enacting this Article, it is the

intent of the city to facilitate the development of affordable housing and to implement the goals, objectives and policies of the housing element of the city's general plan.

5-2K-2: DEFINITIONS: Whenever the following terms are used in this Article, they shall have the meanings established by this section.

A. "Affordable rent" means monthly housing expenses, including a reasonable allowance for utilities, for rental target units reserved for very low-, low-, or moderate-income households, not exceeding the following calculations:

1. Very Low-Income. Unless otherwise provided by law, the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit, divided by 12.

2. Low-Income. Unless otherwise provided by law, the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate for the unit, divided by 12.

3. Moderate-Income. Unless otherwise provided by law, the product of 30 percent times 110 percent of the area median income adjusted for family size appropriate for the unit, divided by 12.

B. "Affordable sales price" means a sales price at which very low-, low-, or moderate-income households can qualify for the purchase of target units, calculated in accordance with Health and Safety Code Section 50052.5 and the regulations adopted by the California Department of Housing and Community Development pursuant to that section.

C. "Concession" shall have the same meaning as the term "incentive" defined herein.

D. "Density bonus" means a density increase of up to those percentages specified in this Article above the otherwise allowable maximum residential density.

E. "Density bonus housing agreement" means a legally binding agreement between a developer of a housing development and the city, which ensures that the requirements of this Article and state density bonus law are satisfied. The agreement shall establish, among other things, the number of target units, their size, location, terms and conditions of affordability and production schedule.

F. "Density bonus units" means those residential units granted pursuant to the provisions of this Article that exceed the maximum residential density for the development site.

G. “Housing cost” means the sum of actual or projected monthly payments for all of the following associated with for-sale target units: principal and interest on a mortgage loan, including any loan insurance fees, property taxes and assessments, fire and casualty insurance, property maintenance and repairs, homeowner association fees and a reasonable allowance for utilities.

H. “Housing development” means a construction project consisting of five or more residential units or lots, including single-family and multi-family, and otherwise defined in accordance with Government Code Section 65915(i).

I. “Incentive” means a regulatory incentive or concession as defined in Government Code Section 65915(k) that may include, but not be limited to, the reduction of site development standards or a modification of zoning code requirements, approval of mixed-use zoning in conjunction with the housing development, or any other regulatory incentive which would result in identifiable cost avoidance or reductions, that are offered in addition to a density bonus.

J. “Low-income household” means a household whose income does not exceed the low-income limits applicable to Los Angeles County, as published and periodically updated by the State Department of Housing and Community Development pursuant to Health and Safety Code Section 50079.5.

K. “Maximum residential density” means the maximum number of residential units permitted by the city’s general plan land use element and development code, applicable to the subject property at the time an application for the construction of a housing development is deemed complete by the city, excluding the additional density bonus units permitted by this Article. If a range of density is permitted by either the land use element or the development code, “maximum residential density” shall mean the maximum allowable density within the range of density. If the land use element and the development code conflict, the density set forth in the land use element shall govern.

L. “Moderate-income household” means a household whose income does not exceed the moderate-income limits applicable to Los Angeles County, as published and periodically updated by the State Department of Housing and Community Development pursuant to Health and Safety Code Section 50093.

M. “Nonrestricted units” means all units within a housing development excluding the target units.

N. “Senior citizen housing” or “senior housing development” means a senior citizen housing development, as defined in Sections 51.3 and 51.12 of the Civil Code, or 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.

O. “Target unit” means a dwelling unit within a housing development which will be reserved for sale or rent to, and affordable to, very low-, low-, or moderate-income households.

P. “Very low-income household” means a household whose income does not exceed the very low-income limits applicable to Los Angeles County, as published and periodically updated by the State Department of Housing and Community Development pursuant to Health and Safety Code Section 50105.

5-2K-3: IMPLEMENTATION:

A. The city shall grant a density bonus and incentives pursuant to subsections (B) and (C) of this section, to an applicant who agrees to provide the following target units:

1. Low-Income Units. Designate at least 10 percent of the total units of a housing development, or such other percentage provided by law, as target units affordable to low-income households;

2. Very Low-Income Units. Designate at least five percent of the total units of a housing development, or such other percentage provided by law, as target units affordable to very low-income households;

3. Moderate-Income Condominium Units. Designate at least 10 percent of the total units of a condominium project, as defined in Civil Code Section 1351(f), or planned development, as defined in Civil Code Section 1351(k), or such other percentage provided by law, as target units affordable to moderate-income households; or

4. Any senior housing development.

B. In determining the number of density bonus units to be granted pursuant to this section, the maximum allowable residential density for the site shall be computed as follows:

1. Low-Income Household. The maximum allowable residential density for the site shall be increased by 20 percent; provided, however, that for each one percent increase above 10 percent in the percentage of units made affordable to low-income households, the density bonus shall be increased by one and one-half percent up to a maximum of 35 percent;

2. Very Low-Income Household. The maximum allowable residential density for the site shall be increased by 20 percent; provided, however, that for each one percent increase above five percent in the percentage of units made affordable to very low-income households, the density bonus shall be increased by two and one-half percent up to a maximum of 35 percent;

3. Moderate-Income Condominium. The maximum allowable residential density for the site shall be increased by five percent; provided, however, that for each one percent increase above 10 percent of the percentage of units made affordable to moderate-income households, the density bonus shall be increased by one percent up to a maximum of 35 percent;

4. Senior Housing Development. The maximum allowable residential density for the site shall be increased by 20 percent;

5. Certain Donations of Land. When an applicant for a tentative subdivision map, parcel map, or other residential development approval donates land to the city that satisfies the requirements of Government Code Section 65915(g), and complies with all procedural requirements of that subsection, including recordation of a deed restriction, then the maximum allowable residential density for the site shall be increased by 15 percent; provided, however, that for each one percent increase above the minimum percentage of land required to be donated pursuant to Government Code Section 65915(g), the density bonus shall be increased by one percent up to a maximum of 35 percent. This increase shall be in addition to any increase required by subsections (B)(1) through (B)(4) of this section, up to a maximum combined density increase of 35 percent, if an applicant seeks both the increase required by this subsection (B)(5) and by subsections (B)(1) through (B)(4) of this section.

All density calculations resulting in fractional units shall be rounded up to the next whole number. The density bonus shall not be included when determining the percentage of target units. When calculating the required number of target units, any resulting fraction of units shall be deleted.

C. Number of Incentives. The applicant shall receive the following number of incentives or concessions:

1. One incentive shall be provided to a developer who agrees to construct at least 10 percent of the total units for low-income households, five percent of the total units for very low-income households, or 10 percent of units in a condominium for moderate-income households.

2. Two incentives shall be provided to a developer who agrees to construct at least 20 percent of the total units for low-income households, 10 percent of the total units for very low-income households, or 20 percent of units in a condominium for moderate-income households.

3. Three incentives shall be provided to a developer who agrees to construct at least 30 percent of the total units for low-income households, 15 percent of the total units for very low-income households, or 30 percent of units in a condominium for moderate-income households. In cases where a density increase of more than the amount specified in subsection (B) of this section is requested, the density increase, if granted, shall be considered an additional incentive.

4. In cases where the developer agrees to construct a housing development that qualifies for a density bonus pursuant to subsection (A) of this section, and that includes a childcare facility as defined in Government Code Section 65915(h)(4), the developer shall be entitled to either an additional density bonus that is an amount of square feet of residential space equal to or greater than the amount of square feet in the childcare facility, or an additional incentive described in CMC 18.125.040, that contributes significantly to the economic feasibility of the construction of the childcare facility. Any such childcare facility shall comply with the following:

a. The childcare facility shall remain in operation for a period of time that is as long or longer than the period of time during which the density bonus units are required to remain affordable.

b. Of the children who attend the childcare facility, the children of very low-income households, low-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 this Article.

c. Notwithstanding the foregoing, the city shall not be required to provide a density bonus or incentive for a childcare facility when it is found, based upon substantial evidence, that the community has adequate childcare facilities.

5-2K-4: TYPES OF INCENTIVES ALLOWED.

A. Incentives. If requested by the applicant, a qualifying project shall be entitled to the following incentives, the number of which shall be determined pursuant to 5-2K-3, unless the city makes the written findings required by Government Code Section 65915(d)(1):

1. Types of Incentives. Incentives may include, but are not limited to, any of the following:

a. A reduction in site development standards or a modification of the requirements of this zoning code which exceed the minimum building standards provided in Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code. These may include, but are not limited to, one or more of the following:

i. Reduced minimum lot sizes and/or dimensions;

ii. Reduced minimum setbacks;

- iii. Increased maximum lot coverage;
- iv. Increased maximum building height;
- v. Reduced on-site parking standards; or
- vi. Other site or construction conditions applicable to a residential development;

b. Mixed use zoning to allow the housing development to include nonresidential uses and/or allow the housing development within a nonresidential zone. Approval of mixed use activities in conjunction with the housing development if other land uses will reduce the cost of the housing development, and the other land uses are compatible with the housing development and the existing or planned development in the area, and are consistent with the general plan;

c. Another regulatory incentive or concession proposed by the applicant and agreed to by the city that results in identifiable, financially sufficient, and actual cost reductions. Permissible incentives include, but are not limited to, direct financial aid (e.g., community development block grant (CDBG) funding) in the form of a loan or a grant to subsidize or provide low interest financing for on- or off-site improvements, land or construction costs;

2. Requirements.

a. Economic Feasibility. Any development incentive granted shall contribute to the economic feasibility of providing the target units.

b. Waivers or Modifications. In addition to any density bonus or incentives provided, an applicant may seek a waiver or modification of development standards that would physically preclude the construction of a housing development at the densities or with the incentives permitted by this Article. The applicant may request a meeting with city staff to discuss the applicant's proposal for reduced development standards. The city may not apply any development standard that would physically preclude the construction of a housing development at the densities or with the incentives permitted by this Article.

5-2K-5: REQUIREMENTS FOR DENSITY BONUS PROJECTS.

A. The entry into and execution of the density bonus housing agreement shall be a condition of a discretionary planning permit (e.g., tract maps, parcel maps, site plans, etc.) or a ministerial building permit for a housing development proposed pursuant to this Article. The

agreement shall be recorded at the applicant's cost as a restriction running with the land on the parcel or parcels on which the target units will be constructed.

B. Target units shall remain restricted and be offered at affordable rents to the designated group for a period of 30 years (or a longer period of time if required by the construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program), or otherwise as provided by law.

C. In determining the maximum affordable rent or affordable sales price of target units, the following household and unit size assumptions shall be used, unless the housing development is subject to different assumptions imposed by other governmental regulations:

SRO (residential hotel) unit	1 person
Studio	1 person
1 bedroom	2 persons
2 bedroom	3 persons
3 bedroom	4 persons
4 bedroom	6 persons

D. An applicant shall agree that the initial occupants of the moderate-income units in the condominium project are persons and families of moderate income, as defined in Health and Safety Code Section 50093.

E. Upon resale of a target unit built for moderate-income households pursuant to this Article, the seller and the city shall share in the equity as follows:

1. The seller of the unit shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation.

2. The city shall recapture any initial subsidy and its proportionate share of appreciation, which shall then be used within five years for any of the purposes described in Health and Safety Code Section 33334.2(e) that promote homeownership.

3. For purposes of this subsection, the city's "proportionate share of appreciation" shall be equal to the ratio of the city's initial subsidy to the fair market value of the home at the time of initial sale.

4. For purposes of this subsection, the city'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 down payment assistance or mortgage assistance. If upon resale the market value is lower than the initial market value, then the value at the time of resale shall be used as the initial market value.

F. All for-sale target units shall be occupied by their purchasers; no renting or subleasing shall be permitted.

G. The owner of a rental development shall submit, annually and within 30 days of occupancy of a target rental unit, a certificate of compliance, which shall include the name, address, and income of each tenant occupying the target unit.

H. The owner of a rental development shall maintain and keep on file annual sworn and notarized income statements and current tax returns for all tenants occupying the target rental units.

I. The owner of a rental development shall provide to the city any additional information required by the city to ensure the long-term affordability of the target units by eligible households.

J. The city shall have the right to inspect the owner's project-related records at any reasonable time and shall be entitled to audit the owner's records once a year.

K. The city may establish fees associated with the setting up and monitoring of target units.

5-2K-6: SPECIAL PARKING REQUIREMENTS. Upon request of the developer of a housing development qualifying for a density bonus pursuant to this Article, the city shall permit vehicular parking ratios, inclusive of handicapped and guest parking, in accordance with the following standards: (i) Zero to one bedrooms: one on-site parking space; (ii) Two to three bedrooms: two on-site parking spaces; and (iii) Four or more bedrooms: two and one-half parking spaces. If the total number of parking spaces required for a housing development is other than a whole number, the number shall be rounded up to the next whole number. For purposes of this subsection, a housing development may provide "on-site parking" through tandem parking or uncovered parking, but not through on-street parking.

5-2K-7: PROCESSING OF DENSITY BONUS REQUESTS. An application for a density bonus pursuant to this Article shall be processed as part of the application for a site plan or as part of a tract or parcel map (whichever may be required). An application for a housing development shall not

be determined “complete” for purposes of Government Code Section 65920 et seq. unless and until the city council has given preliminary approval of the form and content of a density bonus housing agreement, which complies with the provisions of this Article. The process for obtaining preliminary approval of the density bonus shall be as follows:

A. Filing. An applicant proposing a housing development pursuant to this Article shall submit an application for a density bonus as part of the submittal of any formal request for approval of a housing development. The application, whether a preapplication or a formal application, shall include:

1. A brief description of the proposed housing development, including the total number of units, target units, and density bonus units proposed;
2. The zoning and general plan designations and assessor’s parcel number(s) of the project site;
3. A vicinity map and preliminary site plan, drawn to scale, including building footprints, driveways and parking layout; and
4. The number and nature of the incentives requested pursuant to this Article.

B. Review of Density Bonus Request.

1. Within 90 days of receipt of the application for a density bonus and a housing development, the city shall provide to an applicant a letter which identifies project issues of concern and the procedures for compliance with this Article.

2. If additional incentives are requested, the city engineer shall inform the applicant that the requested additional incentives shall or shall not be recommended for consideration with the proposed housing development, or that alternative or modified incentives shall be recommended for consideration in lieu of the requested incentives. If the city engineer recommends alternative or modified incentives, the recommendation shall establish how the alternative or modified incentives can be expected to have an equivalent affordability effect as the requested incentives.

C. Approval. The city shall approve a density bonus and requested incentives in conjunction with a discretionary planning permit or ministerial building permit for a housing development, if the application complies with the provisions of this Article. The execution and recordation of the density bonus housing agreement shall be a condition of approval of the discretionary planning permit or ministerial building permit.

5-2K-8: DENSITY BONUS HOUSING AGREEMENT.

A. The terms of the draft density bonus housing agreement (the “agreement”) shall be reviewed and revised as appropriate by the city engineer and the city attorney, who shall formulate a recommendation to the city council for final approval.

B. Following execution of the agreement by the applicant and the city, the completed agreement, or memorandum thereof, shall be recorded. The conditions contained in the agreement shall be filed and recorded on the parcel or parcels designated for the construction of target units as a condition of final map approval, or, where a map is not being processed, prior to issuance of building permits for such parcels or units. The agreement shall be binding upon all future owners and successors in interest for this property, which is the subject of the housing development application.

C. At a minimum, the agreement shall include the following:

1. The total number of units proposed within the housing development, including the number of target units;

2. A description of the household income group to be accommodated by the housing development, and the standards for determining the corresponding affordable rent or affordable sales price and housing cost;

3. The location, unit sizes (square feet) and number of bedrooms of target units;

4. Tenure of use restrictions for target units of at least 30 years;

5. A schedule for completion and occupancy of target units;

6. A description of any additional incentive being provided by the city;

7. A description of remedies for breach of the agreement by either party (the city may identify tenants or qualified purchasers as third party beneficiaries under the agreement); and

8. Other provisions to ensure implementation and compliance with this Article.

D. In the case of for-sale housing developments, the agreement shall provide for the following conditions governing the initial sale and use of target units during the applicable use restriction period:

1. Target units shall, upon initial sale, be sold to and occupied by eligible very low-, low-, or, in the case of a condominium, moderate-income households at an affordable sales price and housing cost, or to qualified senior citizen residents (i.e., maintained as senior citizen housing).

2. The initial purchaser of each target unit shall execute a lien, an instrument or agreement, approved by the city attorney, restricting the sale of the target unit in accordance with this Article during the applicable use restriction period. Such lien, instrument or agreement shall be recorded against the parcel containing the target unit and shall contain provisions as the city may require to ensure continued compliance with this Article and state density bonus law.

E. In the case of rental housing developments, the agreement shall provide for the following conditions governing the use of target units during the use restriction period:

1. The rules and procedures for qualifying tenants, establishing affordable rent, filling vacancies and the proper management and maintenance of target units for qualified tenants;

2. Provisions requiring owners to verify tenant incomes and maintain books and records to demonstrate compliance with this Article; and

3. Provisions requiring owners to submit an annual report to the city, which includes the name, address and income of each person occupying target units, and which identifies the bedroom size and monthly rent or cost of each target unit.

5-2K-9: CHANGE IN DENSITY BONUS LAWS. It is the intent of the city council that the provisions of this Article shall be interpreted so as to fulfill the requirements of Government Code Section 65915 et seq., notwithstanding changes in state laws revising percentages, numerical thresholds and/or other standards applicable to the granting of density bonuses or related incentives that may occur after the effective date of the ordinance codified in this Article. Accordingly, it is the further intent of the city council that any such changed percentages, numerical thresholds or other standards shall be deemed to supersede and govern any conflicting percentages, numerical thresholds or other standards contained in this Article, to the maximum extent permitted by law.”

Section 12. Section 5-2B-2 (Zones Established) of Article B (Zoning Districts and Maps) of Chapter 2 (Zoning) of Title 5 (Land Use and Development) is hereby amended in its entirety to read as follows:

“5-2B-2: ZONES ESTABLISHED: For the purposes of this Chapter, six (6) land use zones are established as follows:

RA-S	Residential Agriculture Suburban
RA-S-2	Residential Agriculture Suburban-2
R-1	Residential
C-R	Restricted Commercial
C-U	Community Uses
AH-O	Affordable Housing Overlay”

Section 13. Pursuant to the California Environmental Quality Act (Public Resources Code Sections 21000, et seq. (“CEQA”)), and the State CEQA Guidelines (California Code of Regulations, Article 14, Sections 15000, et seq.), the City Council finds that City staff prepared an Initial Study of the potential environmental effects of this Ordinance. Based upon the findings contained in that Initial Study, staff determined that there was no substantial evidence that the proposed Ordinance would have a significant effect on the environment and a Negative Declaration was prepared. Thereafter, staff provided public notice of the public comment period and of the intent to adopt the Negative Declaration as required by law. The public comment period commenced on May 17, 2013 and expired on June 7, 2013. Copies of the documents have been available for public review and inspection at City Hall located at 6165 Spring Valley Road, Hidden Hills, California 91302. The City Council has independently reviewed the Initial Study, the Negative Declaration, and all comments received regarding the Negative Declaration, and based on the whole record before it, finds that the Negative Declaration was prepared in compliance with CEQA and the CEQA Guidelines, that there is no substantial evidence that the Project will have a significant effect on the environment, and the Negative Declaration reflects the independent judgment and analysis of the City Council. Based on the findings set forth in this Section, the City Council hereby approves and adopts the Negative Declaration prepared for the proposed Ordinance.

Section 14. If any sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining provisions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each sentence, clause or phrase thereof irrespective of the fact that any one or more sentences, clauses or phrases be declared unconstitutional or otherwise invalid.

PASSED, APPROVED AND ADOPTED THIS 24th day of June, 2013.



Steve Freedland, Mayor

ATTEST:


 Cherie L. Paglia, City Manager/City Clerk