

Appendix A

The following tables provide information on household income limits, as well as limits for monthly rents and estimated sales prices for inclusionary units. **This information is provided merely as a guide for determining cost limits on inclusionary units, and should not be taken as the exact rent or purchase prices for any jurisdiction.** Although the assumptions used here are generally accepted, some jurisdictions may use slightly different definitions. In addition, some jurisdictions will supply the developer with this information, thus removing the responsibility for calculating the monthly housing cost and/or purchase price limits.

Income limits for affordable housing related programs are released annually, usually in February, by the U.S. Department of Housing and Urban Development. Unfortunately, the 2004 updates were not released prior to the printing of this guide. When available, updated income information can be found at www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html. You may also contact the California Department of Housing and Community Development at (916) 445-4728.

In addition to income limits, some jurisdictions limit the purchase of for-sale inclusionary units to first-time homebuyers. A first-time buyer is generally defined as someone who has not owned a home in the past three years, is a displaced homemaker who owned a home with a previous spouse, is single with children and owned a home when previously married, or owned a unit that was not permanently affixed to a permanent foundation. If known, it is noted on each county's sheet whether the jurisdiction allows only first-time buyers to purchase inclusionary units.

The monthly housing cost limits and purchase price estimations given here are based on the following assumptions:

- ◆ Appropriate household size is defined as the number of bedrooms in a unit plus one, i.e. a one-bedroom unit is based on a 2-person household, a two-bedroom unit is based on a 3-person household, and so on.
- ◆ Maximum monthly affordable housing cost is defined as 30% of gross monthly household income, i.e. $\text{annual income} \div 12 \times .30$.
- ◆ Maximum monthly rental cost includes monthly rent payment plus an allowance for monthly utilities paid by tenant. Information on utility allowances can be obtained from the appropriate area Housing Authority. Contact information is included here for each county.
- ◆ Maximum monthly owner cost includes monthly mortgage principal and interest payment, taxes, and insurance. Estimated purchase prices are provided only as rough guides, as there are several variable factors that go into calculating sales prices. The assumptions used here are:
 - interest rate: 6.25%
 - loan term: 30 years
 - downpayment: 5%
 - taxes: 1.25%
 - insurance: .4%
 - mortgage insurance: .5%
 - income % to housing: 30%

2004 Nevada County

Household Income Limits

Household Size	1	2	3	4	5	6	7	8
Very Low Income (50% AMI)	\$22,250	\$25,450	\$28,600	\$31,800	\$34,350	\$36,900	\$39,450	\$42,000
Low Income (80% AMI)	\$35,600	\$40,700	\$45,800	\$50,900	\$54,950	\$59,000	\$63,100	\$67,150
Area Median Income (AMI)	\$44,500	\$50,900	\$57,250	\$63,600	\$68,700	\$73,800	\$78,850	\$83,950
Moderate Income (120% AMI)	\$53,400	\$61,050	\$68,650	\$76,300	\$82,400	\$88,500	\$94,600	\$100,700

Maximum Monthly Affordable Housing Cost and Estimated Purchase Price

Unit size	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Household Size	2	3	4	5
Very Low Income (50% AMI)	\$636	\$715	\$795	\$859
	\$83,496	\$93,830	\$104,329	\$112,695
Low Income (80% AMI)	\$1,018	\$1,145	\$1,273	\$1,374
	\$133,528	\$150,260	\$166,992	\$180,279
Moderate Income (120% AMI)	\$1,526	\$1,716	\$1,908	\$2,060
	\$200,291	\$225,225	\$250,323	\$270,336

Nevada County Housing Authority
950 Maidu Avenue
Nevada City, CA 95959
(530) 265-1388

**2004
Placer County
City of Roseville**

Household Income Limits

Household Size	1	2	3	4	5	6	7	8
Very Low Income (50% AMI)	\$22,450	\$25,650	\$28,850	\$32,050	\$34,600	\$37,200	\$39,750	\$42,300
Low Income (80% AMI)	\$35,900	\$41,000	\$46,150	\$51,300	\$55,400	\$59,500	\$63,600	\$67,700
Middle Income * (100% AMI) Area Median Income (AMI)	\$44,850	\$51,300	\$57,700	\$64,100	\$69,250	\$74,350	\$79,500	\$84,600

**Maximum Monthly Affordable Housing Cost
and Estimated Purchase Price**

Unit size	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Household Size	2	3	4	5
Very Low Income (50% AMI)	\$641	\$721	\$801	\$865
	\$84,152	\$94,650	\$105,149	\$113,515
Low Income (80% AMI)	\$1,025	\$1,154	\$1,283	\$1,385
	\$134,512	\$151,408	\$168,304	\$181,755
Middle Income * (100% AMI)	\$1,283	\$1,443	\$1,603	\$,731
	\$168,304	\$189,301	\$210,298	\$227,194

** The City of Roseville defines the term "middle-income" to be households who earn between 80% and 100% of the area median income.*

City of Roseville Housing Authority
405 Vernon Avenue, Suite One
Roseville, CA 95678
(916) 774-5270

**2004
Sacramento County**

City of Isleton
City of Folsom
City of Sacramento

Household Income Limits

Household Size	1	2	3	4	5	6	7	8
Very Low Income (50% AMI)	\$22,450	\$25,650	\$28,850	\$32,050	\$34,600	\$37,200	\$39,750	\$42,300
Low Income (80% AMI)	\$35,900	\$41,000	\$46,150	\$51,300	\$55,400	\$59,500	\$63,600	\$67,700
Area Median Income (AMI)	\$44,850	\$51,300	\$57,700	\$64,100	\$69,250	\$74,350	\$79,500	\$84,600

**Maximum Monthly Affordable Housing Cost
and Estimated Purchase Price**

Unit size	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Household Size	2	3	4	5
Very Low Income (50% AMI)	\$641	\$721	\$801	\$865
	\$84,152	\$94,650	\$105,149	\$113,515
Low Income (80% AMI)	\$1,025	\$1,154	\$1,283	\$1,385
	\$134,840	\$151,408	\$168,304	\$181,755

City of Folsom: Initial buyer must be a first-time homebuyer, but subsequent buyers are not required to be so. Priority is given to households who work and/or reside in Folsom.

City of Sacramento: Buyer must be a first-time homebuyer.

Sacramento County Housing Authority
Sacramento Housing & Redevelopment Agency
630 I Street
Sacramento, CA 95814
(916) 440-1351

2004
Solano County
 City of Rio Vista

Household Income Limits

Household Size	1	2	3	4	5	6	7	8
Very Low Income (50% AMI)	\$25,850	\$29,550	\$33,250	\$36,950	\$39,900	\$42,850	\$45,800	\$48,750
Low Income (80% AMI)	\$40,250	\$46,000	\$51,750	\$57,500	\$62,100	\$66,700	\$71,300	\$75,900
Area Median Income (AMI)	\$51,750	\$59,100	\$66,500	\$73,900	\$79,800	\$85,700	\$91,650	\$97,550

**Maximum Monthly Affordable Housing Cost
 and Estimated Purchase Price**

Unit size	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Household Size	2	3	4	5
Very Low Income (50% AMI)	\$739	\$831	\$924	\$998
	\$96,947	\$109,086	\$121,225	\$130,903
Low Income (80% AMI)	\$1,150	\$1,294	\$1,438	\$1,553
	\$150,916	\$169,780	\$188,645	\$203,736

Solano County Housing Authority
 601 West Texas Street
 Fairfield, CA 648-4507
 (707) 648-4507

2004 Sutter County

Household Income Limits

Household Size	1	2	3	4	5	6	7	8
Very Low Income (50% AMI)	\$17,200	\$19,650	\$22,100	\$24,550	\$26,500	\$28,500	\$30,450	\$32,400
Low Income (80% AMI)	\$27,500	\$31,400	\$35,350	\$39,300	\$42,400	\$45,550	\$48,700	\$51,850
Area Median Income (AMI)	\$34,350	\$39,300	\$44,200	\$49,100	\$53,050	\$56,950	\$60,900	\$64,800
Moderate Income (120% AMI)	\$41,250	\$47,100	\$53,000	\$58,900	\$63,600	\$68,300	\$73,050	\$77,750

Maximum Monthly Affordable Housing Cost and Estimated Purchase Price

Unit size*	1 bedroom	2 bedroom	3 bedroom
Household Size*	3	5	7
Very Low Income (50% AMI)	\$553	\$614	\$663
	\$72,505	\$80,543	\$86,941
Low Income (80% AMI)	\$884	\$983	\$1,060
	\$115,975	\$128,935	\$139,105
Moderate Income (120% AMI)	\$1,325	\$1,473	\$1,590
	\$173,881	\$193,238	\$208,657

* Sutter County uses a different assumption for calculating the monthly affordable housing costs for a unit based on the assumed household size. They assume the household size to be the number of bedrooms plus two persons, rather than the number of bedrooms plus one person.

Sutter County Housing Authority
(530) 671-0220

2004
Yolo County
 City of Davis
 City of West Sacramento
 City of Winters
 City of Woodland

Household Income Limits

Household Size	1	2	3	4	5	6	7	8
Very Low Income (50% AMI)	\$21,050	\$24,100	\$27,100	\$30,100	\$32,500	\$34,900	\$37,300	\$39,750
Low Income (80% AMI)	\$33,700	\$38,550	\$43,350	\$48,150	\$52,000	\$55,850	\$59,700	\$63,550
Area Median Income (AMI)	\$42,150	\$48,150	\$54,200	\$60,200	\$65,000	\$69,850	\$74,650	\$73,450
Moderate Income (120% AMI)	\$50,600	\$57,800	\$65,050	\$72,250	\$78,050	\$83,800	\$89,600	\$95,350

**Maximum Monthly Affordable Housing Cost
 and Estimated Purchase Price**

Unit size	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Household Size	2	3	4	5
Very Low Income (50% AMI)	\$603	\$678	\$753	\$813
	\$79,067	\$88,909	\$98,751	\$106,625
Low Income (80% AMI)	\$964	\$1,084	\$1,204	\$1,300
	\$126,474	\$142,222	\$157,969	\$170,600
Moderate Income (120% AMI)	\$1,445	\$1,626	\$1,806	\$1,951
	\$189,629	\$213,415	\$237,036	\$256,065

Yolo County Housing Authority
 1224 Lemen Ave
 Woodland, CA 95776
 (530) 662-5428

Appendix B

State Density Bonus Law California Government Code § 65915

State law requires a city or county to grant at least one density bonus and permit an additional housing incentive for developers who agree to construct housing affordable to lower-income households, unless the city makes a written finding that the density bonus or housing incentive is not required for the units to be affordable.

The density bonus requirements are triggered when the residential development sets aside:

- at least 20 percent of the total units as affordable to low-income households; or
- at least 10 percent of the total units as affordable to very low-income households; or
- at least 50 percent of the units for occupancy by “qualifying residents” (senior citizens).

Development concessions or incentives may include:

- a reduction in site development standards;
- a modification of zoning code requirements (including a reduction in setbacks, square footage requirements, or parking spaces; or architectural design requirements which exceed the minimum building standards);
- 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 such nonresidential uses are compatible with the project; or
- other regulatory incentives or concessions proposed by the developer or the city or county which result in identifiable cost reductions.

A project that receives a density bonus and concession or incentive must retain affordability of the units for at least 30 years.

Source: Curtain's Land Use and Planning Law

Appendix C

Example of an Inclusionary Housing Plan for a residential development subject to the inclusionary ordinance in the City of Sacramento.

INCLUSIONARY HOUSING PLAN

for the

PARKVIEW DEVELOPMENT

Introduction

Alleghany Properties, Inc. is the owner and developer ("Developer") of certain real property in the City of Sacramento on which it proposes to construct a mixed-use development ("Development Project") including 1,120 residential units ("Residential Project").

The Mixed Income Housing Policy adopted in the City of Sacramento Housing Element and required by the City's Mixed-Income Housing Ordinance ("Ordinance"), City of Sacramento City Code Chapter 17.190, requires that ten percent (10%) of the units in a Residential Project be affordable to very low income households and five percent (5%) to low income households (the "Inclusionary Requirement" and "Inclusionary Units").

Pursuant to the City Code section 17.190.110 (B), an Inclusionary Housing Plan must be approved prior to or concurrent with the approval of legislative entitlements for the Development Project. City Code section 17.190.110 (A) sets forth the number, unit mix, location, structure type, affordability and phasing of the Inclusionary Units in the Residential Project. This document constitutes that Plan, and, as supplemented and amended from time to time, is intended to begin implementation of the Inclusionary Requirement. All future approvals for the Development Project, including final maps, subsequent tentative maps, planned development permits, special permits, site development plans, and plan reviews shall be consistent with this Inclusionary Housing Plan.

The Inclusionary Requirement for the Residential Project will be set forth in more detail in the Inclusionary Housing Agreement(s) executed by Developer and the Sacramento Housing and Redevelopment Agency ("SHRA") and recorded against all the residential land in the Development Project. The Inclusionary Housing Agreement(s) will describe with particularity the site and building schematics and financial arrangements for the construction and financing of the Inclusionary Units, pursuant to Section 17.190.110 (C). Prior to recordation of the Inclusionary Housing Agreement(s), covenants shall be placed on parcels 17, 18, and 31. These covenants shall restrict any development on said parcels for thirty years to include affordable units as required in the Ordinance.

Number of Inclusionary Units

The Developer, or its successors and assignees, shall construct or cause to be constructed a number of dwelling units affordable to Low Income Households ("Low Income Units") equal to five percent (5%) and Very Low Income Households ("Very Low Income Units") equal to ten percent (10%),

as defined in the Sacramento City Code section 17.190.020, of the total number of housing units approved for the Residential Project. Based on current project proposals, the Inclusionary Requirement is fifty-six (56) Low Income Units and one hundred and twelve (112) Very Low Income Units. If the project approvals are amended to increase the number of residential units in the Residential Project, this Plan will be amended to reflect a number equal to five percent (5%) Low Income Units and ten percent (10%) Very Low Income Units of the increased total residential units in the amended entitlements. If the project approvals are amended to decrease the number of residential units in the Residential Project, this Plan will be amended to reflect a number equal to five percent (5%) of Low Income Units and ten percent (10%) Very Low Income Units of the decreased total residential units in the amended entitlements; provided, however, that after a building permit has issued for a structure or Master Parcel which contain Inclusionary Units, those Units will be constructed and maintained as Inclusionary Units pursuant to the terms of Chapter 17.190 of the City Code regardless of any subsequent reduction in the number of approved total residential units.

Tenure

The Inclusionary Housing Units shall consist of “for sale” and rental units.

Size and Bedroom Count

The Inclusionary Housing units shall include one, two- and three bedroom units to accommodate diverse family sizes. The Inclusionary Housing Agreement(s) will set forth the precise bedroom mix and unit size.

Location of Inclusionary Units

The Inclusionary Units shall be located throughout the Residential Project consistent with that indicated in Table 1 and as shown on Exhibit A. The Inclusionary Units will be dispersed throughout the multifamily buildings in the parcel or parcels as determined more specifically in the Inclusionary Housing Agreement.

TABLE 1					
Parcel Number	Number of Inclusionary Units	Proposed Land Use	Type of Unit	For Sale or Rent	
17	36	Multi-Family	Very Low Income	Rent	
18	5	SFR	Low Income	Sale	
19	2	SFR*	Very Low Income	Rent	
20	2	SFR*	Very Low Income	Rent	
25	1	SFR	Low Income	Sale	
26	1	SFR	Low Income	Sale	
31	75	Multi-Family	Very Low Income	Rent	
31	50	Multi-Family	Low Income	Rent	
Total Units		172			

* Affordable unit associated with "Granny Unit" portion of SFR

Affordability Requirements

The Inclusionary Units “For Sale” shall be restricted to occupancy by Low Income Households and Very Low Income Households. Low Income Households shall have gross incomes, at the time of initial occupancy, that do not exceed eighty percent (80%) of the Sacramento area median income, adjusted for family size. Very Low Income Households shall have gross incomes, at the time of initial occupancy, that do not exceed fifty percent (50%) of the Sacramento area median income, adjusted for family size.

Monthly Affordable Rents (including utility allowances) of the Inclusionary Units shall be restricted to Low Income Households and Very Low Income Households. A unit whose occupancy is restricted to a Low Income Household has a monthly rent that does not exceed one-twelfth of thirty percent (30%) of eighty percent (80%) of the Sacramento area median income, adjusted for family size. A unit whose occupancy is restricted to a Very Low Income Household has a monthly rent that does not exceed one-twelfth of thirty percent (30%) of fifty percent (50%) of the Sacramento area median income, adjusted for family size. Median income figures are those published annually by the United States Department of Housing and Urban Development.

The Sacramento Housing and Redevelopment Agency will provide the Developer a schedule of maximum Affordable Rents and Affordable Housing Prices (single family) annually. With respect to each Inclusionary Unit, the affordability requirements of this Section shall continue for no less than thirty (30) years from the recordation of the Inclusionary Housing Agreement. For-sale Inclusionary Units will be subject to the Sacramento Housing and Redevelopment Agency's resale and recapture provisions if sold before the end of the thirty (30) year regulatory period.

“Granny Units”, as specified in Table 1, will carry a regulatory agreement that will require rental to a very low income qualified family. The purchaser of a Market Rate Unit which has a "Granny Unit" shall be required to sign a declaration stating that if the "Granny Unit" is rented, it shall be rented at a monthly rental rate not to exceed the rate as described above.

Phasing of Development of the Inclusionary Units

The Inclusionary Units shall be developed concurrently with the development of the Development Project. The nature of the concurrency is defined by a series of linkages between approvals of the market rate units and the development of the Inclusionary Units.

MARKET RATE HOUSING / INCLUSIONARY HOUSING LINKAGES

Market Rate Activity	Inclusionary Approval Linkage
Approval of legislative entitlements and project-level applications submitted with legislative entitlements	Approval of Inclusionary Housing Plan
Approval of first final map for single family or multi-family market rate housing	City acceptance of improvement plans for infrastructure designed to accommodate development of, at a minimum, Master Parcels 17, 18 & 31.
Issuance of Special Permit for approval of each single family development or Issuance of Use Permit for Multi-family development.	Execution/recordation of Inclusionary Housing Agreement by Alleghany Properties, Inc.
Issuance of building permits in excess of 65% of single family residential units in each Master Parcel with Inclusionary Housing Units.	Issuance of building permits for Inclusionary Housing Units of each Master Parcel with Inclusionary Units.
Issuance of building permits for units in excess of 40% of total residential units in Master Parcels 28, 29, & 30.	Issuance of building permits for Multi-family complex on Master Parcel 31 or provision of Infrastructure to such Parcel and completion of external financing.

Amendment and administration of this Housing Plan

This Inclusionary Housing Plan shall be administered by the Planning Director with the advice of the Executive Director of SHRA. The Planning Director may make minor administrative amendments to the text of this Plan as provided in Sacramento City Code section 17.190.030.

Appendix D

Example of an Inclusionary Housing Agreement for a residential development subject to the inclusionary ordinance in the City of Sacramento. This agreement is the next step to the Inclusionary Housing Plan exhibited in Appendix C.

NO FEE DOCUMENT:

Entitled to free recording
per Government Code 6103.
When recorded, return to:
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
630 "I" Street
Sacramento, CA 95814
Portfolio Management

**INCLUSIONARY HOUSING AGREEMENT
Onsite Inclusionary Housing Units**

PROJECT NAME	Parkview Master Planned Development
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AGREEMENT PROVISIONS	
AGREEMENT TERMS	DEFINITIONS
"Developer"	Name Alleghany Properties, Inc.
	Legal Form A Delaware corporation
	Address 2150 River Plaza Dr., Ste. 155, Sacramento, CA 95833
"Residential Project"	The housing project that Developer wishes to develop and that is subject to the Ordinance defined below. The Residential Project is located on the following real property. The Residential Project is described in the following Residential Project Description.
	"Legal Description" More particularly described in the "Residential Project Legal Description" included in "Attachment A," which is attached and incorporated by this reference.
	"Residential Project Description" A mixed use development of single and multi-family housing, to be built on the above described property.
"Inclusionary Housing Units"	The affordable housing units required by the Ordinance to be built as a condition to the development of the Residential Project which consist of the following units in the following affordability levels.
	Number of "Low Income" units 57
	Number of "Very Low Income" units 115
"Inclusionary Housing Plan"	The "Inclusionary Housing Plan" required by the Ordinance. The Inclusionary Housing Plan specifies the number, unit mix, location, structure type, affordability, and phasing or linkages of the Inclusionary Housing Units, and contains all required City of Sacramento ("City") Planning Director findings. The Inclusionary Housing Plan is attached as "Attachment B," which is attached and incorporated by this reference.
	Dated March 7, 2002
"Linkage Requirements"	Phasing or linkage requirements that are stated in the Inclusionary Housing Plan.
	The Linkage Requirements are described in "Attachment C" hereto and set forth specific requirements for construction of the Inclusionary Housing Units as the Market Rate Units are built.
"Schedule"	The schedule and terms for development of the Residential Project, including phasing and linkage requirements, which are contained in "Attachment C," which is attached to and incorporated by this reference.

In consideration of their mutual obligations and promises, the Sacramento Housing and Redevelopment Agency (“Agency”), a joint powers authority, and Developer, make and enter into this Inclusionary Housing Agreement (“Inclusionary Housing Agreement”), this _____ day of June, 2002, with reference to the following:

The capitalized terms in this Inclusionary Housing Agreement shall have the meanings within it, including without limitation, the foregoing “Agreement Provisions”. The terms being defined are indicated by quotation marks. If an item in the Agreement Provisions table is marked “None, Not Applicable, N/A” or equivalent or is left blank, that defined term is not applicable to this Inclusionary Housing Agreement or the referenced item is not required or is not included in this Inclusionary Housing Agreement as the context may indicate. Furthermore, defined terms that are the same as defined terms in the Mixed Income Housing Ordinance, City of Sacramento City Code Chapter 17.190 (“Ordinance”) shall be interpreted in accordance with the meanings as ascribed to them in the Ordinance.

RECITALS

- A. Developer is the owner of certain real property in the City of Sacramento that is the subject of this Inclusionary Housing Agreement and the location of the Residential Project.
- B. The Residential Project is subject to the requirements of the Ordinance. Pursuant to the Ordinance, the Developer has submitted and the City Planning Director has approved the Inclusionary Housing Plan.
- C. Developer is making this Inclusionary Housing Agreement to fulfill Developer’s conditions for development of the Residential Project and in order to obtain rights to develop the Residential Project. To meet the requirements of the Ordinance and Inclusionary Housing Plan, this Inclusionary Housing Agreement must be signed prior to or concurrent with the approval of the first final map for the Residential Project, as a condition of such approval, and recorded against both the land in the Residential Project and, if applicable, the Inclusionary Housing Project.
- D. The Agency is charged with the responsibility for improving, increasing and maintaining the stock of affordable housing in the City and County of Sacramento. Pursuant to the Ordinance and the Inclusionary Housing Plan, the Developer is required to enter into this Inclusionary Housing Agreement as a condition to the development of the Residential Project and to assure the development of the Inclusionary Housing Units. Agency is making this Inclusionary Housing Agreement in reliance upon Developer’s promises to meet the requirements of the Ordinance and Inclusionary Housing Plan, by which the stock of affordable housing in the community will be increased.

NOW, THEREFORE, in consideration of their mutual obligations and promises, the parties acknowledge and agree:

1. The foregoing recitals are true and correct, and this Inclusionary Housing Agreement is consistent with the Ordinance and the Inclusionary Housing Plan.
2. Developer shall construct or cause to be constructed the Inclusionary Housing Units in accordance with the Schedule, including without limitation the Linkage Requirements.
3. The Developer, prior to developing or conveying the land for the Inclusionary Housing Units, shall record, on the respective parcels of the real property, a covenant and/or an individual regulatory agreement, in a form and content approved by the Agency, restricting the affordability of the Inclusionary Housing Units as stated in this Inclusionary Housing Agreement and as required by the Inclusionary Housing Plan and the Ordinance. Such covenants and/or individual regulatory agreements shall be recorded concurrently with the final maps for individual parcels of the property described in Attachment D.
4. Pursuant to the Ordinance and the Inclusionary Housing Plan, the Inclusionary Housing Units shall be built according to the Schedule for the Residential Project, including without limitation, at the times required by the Linkage Requirements.
 - a. Prior to the approval of the final master parcel map for the first Residential Project, this Inclusionary Housing Agreement shall have been duly signed and will thereafter be subsequently recorded with the first final subdivision map for each phase of the Residential Project
 - b. Developer shall not obtain building permits for, and shall not commence construction on, any parcel within the Residential Project that is not in compliance with the Linkage Requirements as set forth in "Attachment C" of this Inclusionary Housing Agreement.
5. Pursuant to the Ordinance and the Inclusionary Housing Plan, the Developer will be released from its inclusionary housing obligation under the Ordinance for each parcel within the Residential Project once Developer has recorded the applicable covenant or individual regulatory agreement described in Section 3 on such parcel and satisfied the terms of the Linkage Requirements for such parcel.
6. The Agency shall, within ten (10) business days after execution, notify the City of the execution of this Inclusionary Housing Agreement.
7. The Agency shall certify, upon the Developer's satisfaction of the terms of this Inclusionary Housing Agreement, that the Developer has fulfilled its inclusionary housing obligation under the Ordinance and Inclusionary Housing Plan.
8. This Inclusionary Housing Agreement shall be binding on Developer and its transferees, successors and assigns during their respective periods of ownership of the parcels within the Residential Project.

Executed in Sacramento, California.

**DEVELOPER: ALLEGHANY PROPERTIES,
INC., A DELAWARE CORPORATION**

**AGENCY: SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY**

By:

By:

David J. Bugatto, President and CEO

Anne M. Moore, Executive Director

Approved as to form:

Approved as to form:

Developer Counsel

Agency Counsel

ATTACHMENT A

RESIDENTIAL PROJECT LEGAL DESCRIPTION

LEGAL DESCRIPTION OF RESIDENTIAL PROJECT SUBJECT TO INCLUSIONARY HOUSING CONDITIONS:

ALL THE CERTAIN REAL PROPERTY SITUATED IN THE CITY OF SACRAMENTO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

MASTER PARCELS 1, 2, 9, 10, 11, 12, AND 13 AS SHOWN ON THE MASTER PARCEL MAP OF PARKVIEW, RECORDED ON _____ IN BOOK _____ OF MAPS, PAGE _____, IN THE OFFICIAL RECORDS OF THE RECORDER'S OFFICE FOR THE COUNTY OF SACRAMENTO.

ATTACHMENT B

INCLUSIONARY HOUSING PLAN

**INCLUSIONARY HOUSING PLAN
for the
PARKVIEW DEVELOPMENT**

ATTACHMENT C

SCHEDULE AND TERMS FOR THE DEVELOPMENT OF THE INCLUSIONARY HOUSING UNITS

Inclusionary Housing Linkage	Action by Market Rate Developer
Upon City acceptance of improvement plans for infrastructure in Duckhorn Blvd. designed to accommodate development of, at a minimum, Master Parcels 10, 9, and 11.	Developer is eligible for approval of first final map for single family or multi-family market rate housing.
Upon execution/recordation of the Inclusionary Housing Agreement by Alleghany Properties, Inc.	Developer may be issued Planning Directors Special Permit for approval of each single family development or issuance of Use Permit for multi-family development.
Upon approval of final map for residential development.	Developer may pull building permits for: <ul style="list-style-type: none"> • all single family lots in each Master Parcel with NO inclusionary housing requirement; • up to 65% of the single family residential units in each Master Parcel with Inclusionary Housing Units; and • up to 40% of the total residential units in Master Parcels 12 and 13.
Upon issuance of building permits for the Inclusionary Housing Units in a Master Parcel for a single family residential development with Inclusionary Units.	Developer may pull building permits for the remaining 35% of the single-family residential units in a Master Parcel with Inclusionary Units.
Upon issuance of building permits for Multi-Family complex on Master Parcel 31 OR provision of infrastructure in Duckhorn Blvd. to serve Master Parcel 11 and upon securing external financing for the construction of multi-family residential units on Master Parcel 11.	Developer may pull building permits for the remaining 60% of the total residential units in Master Parcels 12 and 13.

ATTACHMENT D

PROPERTY SUBJECT TO COVENANTS AND/OR INDIVIDUAL REGULATORY AGREEMENTS

Property Subject to Individual Regulatory Agreements:

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF SACRAMENTO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

Lots 18 and 54 of Village 1, as shown on the map of Parkview, recorded on _____ in Book _____ of Maps, Page _____ in the Official Records of the County of Sacramento.

Lots 21 and 32 of Village 2, as shown on the map of Parkview, recorded on _____ in Book _____ of Maps, Page _____ in the Official Records of the County of Sacramento.

Lot 25 of Village 7, as shown on the map of Parkview, recorded on _____ in Book _____ of Maps, Page _____ in the Official Records of the County of Sacramento.

Lot 23 of Village 8, as shown on the map of Parkview, recorded on _____ in Book _____ of Maps, Page _____ in the Official Records of the County of Sacramento.

Five individual lots within Master Parcel 9 to be determined upon approval of tentative subdivision map for Master Parcel 9.

Property Subject to Covenants:

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF SACRAMENTO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

Master Parcel 10, as shown on the map of Parkview, recorded on _____ in Book of Maps, Page _____ in the Official Records of the County of Sacramento.

Master Parcel 11, as shown on the map of Parkview, recorded on _____ in Book of Maps, Page _____ in the Official Records of the County of Sacramento.

Appendix E

Reprint of a handbook prepared by the City of Roseville for buyers of inclusionary units in the Reserves @ Galleria development.

Reserves @ Galleria

Condominium Development

Roseville California

**Affordable Purchase Housing
Handbook**

Low Income

June 6, 2003



INTRODUCTION

California state law requires the City of Roseville to prepare a “Housing Element” as part of the City’s General Plan. This Housing Element plan describes procedures needed to ensure housing for all economic segments of the community. Recognizing the need for affordable housing, the City has set a ten (10%) affordable housing goal for all new construction in Specific Plan areas or areas that have rezoned the density of residential property. Galleria Condo, L.P. is participating in this worthwhile goal and has entered into an Affordable Purchase Housing Development Agreement with the City of Roseville.

As a result of the 10% affordable housing goal, Galleria Condo, L.P. as the developer has agreed with the City to offer a specified number of condominiums within the Reserves @ Galleria as “affordable” to low income households. Because the sale of the condominium you are purchasing is designated to meet the affordable housing requirements set forth in the development agreement, there are certain stipulations associated with the purchase. The purpose of this handbook is to explain these conditions and show how the terms of the Affordable Purchase Housing Development Agreement (APHDA) affect you as purchaser(s). It will also identify the responsibilities of Galleria Condo, L.P. and the City in their joint effort to ensure the affordable housing goal is met and maintained during the term of the agreement. This handbook is only a guide. Borrowers will be required to comply with and should review the loan documents, including the promissory note (copy attached, see Attachment #1).

QUALIFICATIONS

There are limitations on the income of the purchaser of an affordable home. The purchaser’s total income cannot exceed the 80% median income for either a family of one (1) and two (2), or for a family of three plus (3+) in Sacramento’s Primary Metropolitan Statistical Area (PMSA) as determined by the United States Department of Housing and Urban Development (HUD) and as published in its most recent circular of the Federal Register. The rate is generally adjusted annually. At the date of this booklet, the following income limits were effective:

Low Income Designation Set Aside:

- | | |
|---|----------|
| ▪ One (1) and two (2) person households | \$47,850 |
| ▪ Three (3) + person households | \$55,500 |

The purchaser does not have to be a first time homebuyer. However, the goal of the affordable housing program is to make home purchase possible for those who do not have sufficient income to otherwise buy a home in Roseville’s housing market. Therefore, the City reserves the right to consider applications on a case-by-case basis in instances where:

- The down payment exceeds twenty percent (20%) of the purchase price.
- The purchaser is receiving a gift from an outside source.
- Assets exceed \$100,000
- The purchase requires a co-mortgagor in order to qualify the purchaser (co-mortgagor must be an immediate family member).

The purchaser must provide documentation to Galleria Condo, L.P. via their lender of the following:

- All sources of income
- Verification of assets,
- Gift letter or statement from co-mortgagors if applicable, and,
- Certification of Affordable Purchase Eligibility (provided by Galleria Condo, L.P.).

This documentation must be submitted at the time of the mortgage application. The City’s Economic & Community Services Department is responsible for review of the purchaser’s eligibility and will either approve or disapprove the purchaser for the affordable purchase program. This process takes approximately ten (10) days, but may take longer depending on the requirements of the application.

INITIAL PURCHASE

Galleria Condo, L.P. must sell the condominiums at a price affordable to a household earning the maximum income limit as specified in the “Qualifications” section of the handbook, and as adjusted from time to time by the City in compliance with HUD. Based on 80% of median gross annual income households of 2, 3, & 4 persons, the maximum “affordable purchase price” is estimated at \$139,700 for a 1-bedroom unit, \$159,000 for a 2-bedroom unit, and \$173,725 for a 3-bedroom unit, respectively. This assumes a down payment of not more than 5% of the affordable price of the home. The selling price may vary with incentives, current interest rates and special assessments associated with the Specific Plan area.

Each affordable home will be appraised by an independent appraiser (approved by the City) to determine its market value prior to sale. To allow Galleria Condo, L.P. to sell these homes at market price, the City of Roseville will carry a second mortgage on the property equal to the difference between the market value and the calculated affordable price as assistance to the purchaser. The note terms of the second are *2% simple interest (accruing for the 1st 15 years), no payments required during the 30-year term, as long as the home remains the primary residence of the affordable purchaser.*

1 BEDROOM EXAMPLE: (Example uses above referenced maximum amount and does not include any upgrades or closing costs)

Appraised base market value	\$166,000
Affordable price	\$139,700
Assistance Second Mortgage	\$26,300
2% simple interest – calculated annually (\$26,300 X 2%)	\$526
Maximum interest that would accrue for 15 year period (\$526 X 15)	\$7,890
Total <u>maximum</u> cost of principal & interest paid at the highest year #15	\$34,190

2 BEDROOM EXAMPLE: (Example uses above referenced maximum amount and does not include any upgrades or closing costs)

Appraised base market value	\$181,500
Affordable price	\$159,000
Assistance Second Mortgage	\$22,500
2% simple interest – calculated annually (\$22,500 X 2%)	\$450
Maximum interest that would accrue for 15 year period (\$450 X 15)	\$6,750
Total <u>maximum</u> cost of principal & interest paid at the highest year #15	\$29,250

3 BEDROOM EXAMPLE: (Example uses above referenced maximum amount and does not include any upgrades or closing costs)

Appraised base market value	\$194,000
Affordable price	\$173,725
Assistance Second Mortgage	\$20,275
2% simple interest – calculated annually (\$20,275 X 2%)	\$405
Maximum interest that would accrue for 15 year period (\$405 X 15)	\$6,082
Total <u>maximum</u> cost of principal & interest paid at the highest year #15	\$26,357

The second mortgage becomes due and payable either when the initial purchaser sells the property, the end of the 30 year term or if the affordable purchaser should:

- Rent the home;
- Change the use from single-family residential;
- Add someone to the title other than an immediate family member; or
- Refinance the home and that refinance is not approved by the City's Economic & Community Services Department OR the refinance exceeds the affordable purchaser's equity at time of refinance.

SUBSEQUENT SALES

There are continuing obligations for the purchaser of an affordable home. For a period of fifteen (15) years, the affordable purchaser must notify the City's Economic & Community Services Department, if the home is to be sold a minimum of sixty (60) days prior to offering the affordable home for sale. The notice must be in writing and must include the proposed selling price, verified by an independent appraiser approved by the City at the homeowner's expense. During the 60-day period, the City will attempt to find another qualified affordable purchaser for the home. If the City is unable to find an affordable purchaser for the affordable home within the 60 days, the homeowner may proceed with selling the unit to the general public.

At the time of sale, the Assistance Second mortgage will be repaid to the City of Roseville. In addition, the interest will be calculated based on the length of years the home was owned. If the net proceeds are not sufficient to pay City's Note plus enable the homeowner to recover the amount of the homeowner's down payment, principal payments, and any capital improvement investment, City will forgive up to 6% of the total Note plus accrued interest for each year of ownership. The forgiveness of this debt shall in no way exceed the total amount of the homeowner's down payment, principal payments, and capital improvement investments. In order to have these costs deducted, the Economic and Community Services Manager must approve proof of payment for the capital improvements. Examples of improvements would be landscaping, patios, wallpaper, (first time only), storm doors, drapes, etc. (See Attachment #2 for reference)

LOAN PAY OFF

Term: The Promissory Note shall be for a term of Thirty (30) years at which time all unpaid principal and interest remaining will be due and payable. Said maturity shall be on the same day of the year as the Date of the Note.

Interest: The Promissory Note shall bear interest on the unpaid principal balance from the Date signed (as stated above), and be computed as simple interest upon the unpaid balance of the principal amounts and at the annual rate of 2% for the first 15 years. Beginning at the first day of the sixteenth (16th) year all accrued interest shall be forgiven and the Note shall be retired upon the payment of the principal balance only.

MONITORING

The City of Roseville’s Economic & Community Services Department will review the affordable home purchase on an ongoing basis to ensure the home has remained affordable and that no condition (stated in the “Initial Purchase” section) which would require payment of the assistance second note has occurred. This review will include, at a minimum, the City annually contacting the affordable homeowner to verify their continued primary residency.

The City may change program policies, which may have an effect on the way the affordable housing program is operated. This may include the application fees charged. While it is not likely that any future changes (except, of course, changes in the ongoing monitoring of the program) will affect a completed transaction, in no event is there a guaranty that such limitations or changes will not occur. Some purchasers may find it necessary to fulfill additional requirements to complete the purchase of a home.

For further information regarding this program, contact:

**City of Roseville
Economic & Community Services
311 Vernon Street
Roseville, CA 95678
(916) 774-5270**

**Galleria Condo, L.P.
Affordable Purchase Housing Program
3935 Harney Street, #100
San Diego, CA 92110
(619) 325-6810**

On Sites Sales: (916) 780-9605

Attachments

**PROMISSORY NOTE
SECURED BY DEED OF TRUST**

Borrower:**Property Address:** , Roseville, CA 95747**Lender:** City of Roseville**Principal Amount:** \$**Date:** _____

The "Borrower(s)," (INSERT NAME) for value received, promises to pay to City of Roseville (Holder"), at 311 Vernon Street, Roseville, CA 95678, or any other place designated in a writing submitted by Holder to Borrower, the principal sum of _____ dollars (_____) plus interest on the unpaid principal balance according to the terms contained in this note.

Use of Funds: The loan is being made in order to assist me/us in purchasing the property at the address above.

Term: This Note shall be for a term of Thirty (30) years at which time all unpaid principal and interest remaining will be due and payable. Said maturity shall be on the same day of the year as the Date of this Note.

Interest: This Note shall bear interest on the unpaid principal balance from the Date (as stated above), and be computed as simple interest upon the unpaid balance of the principle amounts and at the annual rate of 2% for the first fifteen (15) years. Beginning at the first day of the sixteenth (16th) year all accrued interest shall be forgiven and the Note shall be retired upon the payment of the principal balance only.

Payments: No installment payments of principal or interest are required during the first thirty years after the making of this note at which time the note shall become all due and payable in lawful money of the United States.

Acceleration: The principal and accrued interest stated in this note shall become all due and payable upon any total or partial sale, transfer, conveyance, assignment or lease of the whole or any part of the real property described in the Deed of Trust.

Obligations of Persons Under This Note: If more than one person signs this Note, each person is fully and personally obligated to keep all the promises made in this Note, including the promise to pay the full amount owed. The Note holder may enforce its rights under this note against each person individually or against all of use together. This means that any one of us may be required to pay the entire amount owed under this Note.

Giving of Notice: Unless applicable law requires a different method, any notice that must be given to me/us under this Note will be given by mailing it by first class mail to me/us at the property address above or at a different address if I/we give the Note Holder a notice of a different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in the first paragraph or at a different address if I/we am/are given a notice of that different address

Recapture of Investment: Should the property be sold prior to the retirement of the note then the note shall become all due and payable from the net proceeds of the sale. If the net proceeds are not sufficient to pay CITY's Note plus enable the homeowner to recover the amount of the homeowner's downpayment, principal payments, and any capital improvement investment, CITY will forgive up to 6% of the total Note plus accrued interest for each year of ownership. The forgiveness of this debt shall in no way exceed the total amount of the homeowner's downpayment, principal payments, and capital improvement investments.

Subordination: This note shall be subordinate to the original senior loan, any refinancing or early pay-off or release of the note secured by the senior deed of trust shall cause this note to move into senior position.

Attorney's fees: Borrower(s) agrees to pay the following costs, expenses, and attorneys' fees paid or incurred by the Note Holder. If the Holder brings any action or proceeding in connection with the enforcement or collection of this Note, the Prevailing Party (as hereafter defined) in any such proceeding, action or appeal thereon, shall be entitled to reasonable attorney's fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, the party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim of defense. The attorney's fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred.

In addition to the foregoing award of attorneys' fees, the Note Holder shall be entitled to its attorney fees incurred in any post judgment proceedings to enforce any judgment in connection with this Note. This provision is separate and several and shall survive the merger of this provision into any judgment.

Owner Occupied Residence: We understand that as long as we owe money under the Note, we must live in the property as our principal residence. If we live elsewhere, the Note Holder will have the right to require payment of all principal and accrued interest (see "Acceleration" above).

BORROWER(S)

CAPITAL IMPROVEMENTS

DEFINITION: Capital Improvements are costs expended by a Qualified Purchaser relating to permanent improvements that add to the value or increase the useful life of property.

IMPROVEMENTS VS. REPAIRS: Capital Improvements are different than repairs or maintenance in that Capital Improvements are "permanent" in nature. For example, the cost of painting a room for the first time is an improvement, but the cost of repainting the room is a repair. Sealing a roof leak is usually a repair, but it may be an improvement if it means replacing a large part of the roof. Repainting, replastering, fixing leaks, and fixing homeowner damaged items are repairs and are not considered Capital Improvements.

In order for Capital Improvements to qualify for deduction, the following conditions must be met:

1. Appliances and other movable items shall remain with the home when it is sold.
2. Appliances and other movable items shall be listed in the resale contract to prove that they were left behind.
3. Proof of payment for Capital Improvements shall be submitted to the Economic & Community Services (ECS) Director, 311 Vernon Street, Roseville.
4. All Capital Improvements submitted for deduction shall be reviewed and approved by the ECS Director or his/her designee.
5. The Capital Improvement Cost Breakdown sheet shall be completed and signed.

The following is a checklist of Capital Improvements that can be deducted:

***Appliances, Major Household:** Clothes dryer, freezer, air conditioner, stove, washing machine, dishwasher, refrigerator (provided they are sold with the house and not removed).

***Bathrooms:** Bathtub sliding doors, faucets, medicine cabinets, mirrors, shower controls, toilets, towel racks.

***Building Improvements:** New siding, deck, fireplace, mantel, garage, gutters, drain-pipes, porch, screen and storm doors, new roof or extensive improvements, termite inspection, waterproofing, room additions.

***Communications:** Fire or burglar alarms, intercoms, permanent telephone outlets.

***Electricity and Lighting:** Floodlights, lighting fixtures, and wiring.

***Flooring:** Wall-to-wall carpeting, tile, linoleum, wood floors.

***Furniture and Fixtures:** Built-in bookcases, built-in cabinets, closet shelves, curtains and drapes (which are not removed when the house is sold).

***Grounds and Outdoor Additions:** Barbecue pit, birdbath, fences and gates, greenhouse, landscaping, mailbox, swimming pool, terrace and patios, trees and shrubs, underground sprinkler system.

***Kitchen:** Built-in dishwasher, garbage disposal, range hood, countertops.

***Laundry:** Laundry tub, laundry chute, ventilator.

***Mechanical Equipment:** Attic fan, central air conditioner, furnace, water heater, radiators.

***Paving:** Blacktop or gravel driveway, cement walks, steps.

***Plumbing and Sanitation:** Copper tubing, sump pump, water pipes, water supply system, septic system.

***Walls and Ceilings:** Insulation, wallpapering (first time only), wood paneling.

***Windows and Doors:** Screens, storm windows and doors, weather stripping.

CAPITAL IMPROVEMENT COST BREAKDOWN

Address of Residence to be sold: _____

Seller(s) (Print): _____

Date Purchased: ___/___/___ Approx. Sale Date: ___/___/___

I have lived in this Residence for _____ years.

CAPITAL IMPROVEMENTS COSTS	AMOUNT
Appliances	\$
Bathrooms	
Building Improvements	
Communications	
Electricity and Lighting	
Flooring	
Furniture and Fixtures	
Grounds and Outdoor Additions	
Kitchen	
Mechanical Equipment	
Paving	
Plumbing and Sanitation	
Walls and Ceilings	
Windows and Doors	
TOTAL	\$

I/We certify that all information provided herein is true and correct. I/We made no misrepresentations nor did I/We omit any pertinent information.

 (Seller) (Co-Seller)

Appendix F

Reprint of a fact sheet created by Mike Rawson of the California Affordable Housing Law Project entitled "Anti-Nimby Tools."

Historically, local governments have had broad discretion in the approval of residential development. However, local parochialism and prejudices often result in policies and practices that exclude the development of affordable housing, thereby exacerbating patterns of racial and economic segregation and creating a substantial imbalance of jobs and housing. In recent years, several laws have been adopted which place important limitations and obligations on local decision-makers in the area of affordable housing.

Housing Element Law (Gov. Code Sec. 65580 et seq.) Every city and county must adopt a housing element as part of its general plan. Most importantly, a housing element must identify sites appropriate for affordable housing and address governmental constraints to development. If the locality fails to adopt a housing element or adopts one that is inadequate, a court can order the locality to halt development until an adequate element is adopted or order approval of specific affordable housing developments.

In most cases, the identification of sites must include sites zoned for multifamily development by right. The court in *Hoffmaster v. City of San Diego* (55 Cal. App. 4th 1098 (1997)), said that to qualify, a site must be specifically identified and available for immediate development without restrictive zoning burdens. See our Housing Element Fact Sheet for additional detail.

"Anti-Nimby" Law (Gov. Code Sec. 65589.5). Even in communities with valid housing elements, local governments often deny approval of good developments. Misinformation and prejudice can generate fierce opposition to proposed projects. Recognizing this, state law prohibits a local agency from disapproving a low income housing development, or imposing conditions that make the development infeasible, unless it finds that one of six narrow conditions exist. Of the six, three are of most import: 1) the project would have an unavoidable impact on health and safety which cannot be mitigated; 2) the neighborhood

already has a disproportionately high number of low income families; or 3) the project is inconsistent with the general plan and the housing element is in compliance with state law. SB 948 (Alarcon) (Chapter 968, Statutes of 1999): (1) narrowed the definition of what constitutes an impact on health and safety; (2) applied the law to middle income housing; and (3) clarified the authority of courts to order localities to approve illegally denied projects. AB 369 (Dutra) (Chapter 237, Statutes of 2001) provided attorneys fees and costs against localities that violate the law. SB 619 (Ducheny) (Chapter 793, Statutes of 2003) expanded the law to mixed use developments.

Prohibition of Discrimination Against Affordable Housing (Gov. Code Sec. 65008). This statute forbids discrimination against affordable housing developments, developers or potential residents by local agencies when carrying out their planning and zoning powers. Agencies are prohibited not only from exercising bias based on race, sex, age or religion, but from discriminating against developments because the development is subsidized or occupancy will include low or moderate income persons. Local governments may not impose different requirements on affordable developments than those imposed on non-assisted projects. Just as with the other state and federal fair housing laws (see below), this law applies even if the discrimination is not intentional. It applies to any land use action that has a disproportionate impact on assisted developments or the potential minority or low income occupants. SB 619 (Ducheny) (Chapter 793, Statutes of 2003) specifically prohibited discrimination against multifamily housing.

California and Federal Fair Housing Laws. These laws prohibit discrimination by local government and individuals based on race, color, religion, sex, familial status, marital status, national origin, ancestry or mental or physical disability. The California Fair Employment and Housing Act (Gov. Code Sec. 12900 et seq.) expressly prohibits discrimination

through public or private land use practices and decisions that make housing opportunities unavailable. Similarly, the federal Fair Housing Act (42 U.S.C. Sec. 3601 et seq., or “Title VIII”) has been held to prohibit public and private land use practices and decisions that have a disparate impact on the protected groups. The federal Fair Housing Amendments Act of 1988 requires local governments considering housing projects for the disabled to make reasonable accommodations in rules, policies and practices if necessary to afford disabled persons equal opportunity for housing (42 U.S.C. Sec. 3604(f)(3)(B)).

Water/Sewer Service (Gov Code Sec. 65589.7). Local water and sewer districts must grant priority for service hookups to projects that help meet the community’s fair share housing need.

Density Bonus Law (Gov Code Sec. 65915-16). Local governments must grant projects with a prescribed minimum percentage of affordable units a 25% increase in density and at least one incentive. An incentive can include a reduction in development, parking or design standards, modification of zoning requirements or direct financial aid. See our Fact Sheet on Density Bonuses for additional detail on new laws.

Permit Streamlining Act (Gov Code Sec. 65920 et seq.) This law requires localities to publish a description of the information that project applicants must file and mandates a time-line for making a decision on the application. If the local government fails to act within the prescribed time limits, a development project is “deemed” approved. SB 948 (Alarcon) (Chapter 968, Statutes of 1999) reduced the time period for action on affordable housing applications from 180 days to 90 days.

Bonds/Attorney Fees in NIMBY Lawsuits. A court may require persons suing to halt affordable housing projects to post a bond (Code of Civil Procedure Sec. 529.2) and to pay attorney fees (Gov. Code Sec. 65914). SB 619 (Ducheny)(Chapter 793, Statutes of 2003) permits nonprofit project proponents to intervene and collect attorneys fees in such suits.

CEQA Exemption. In 2002, the Legislature replaced Pub Res Code Sec. 21080.14 (100 unit exemption for affordable

housing in urbanized areas, provided the site is less than 5 acres, not a wildlife habitat and is assessed for toxic contaminants, etc) and Section 21080.10 (45 unit exemption for farmworker housing) with a new “infill” exemption that also combines the former exemptions. SB 1925 (Sher) enacted Pub Res Code Sections 21159.22-25, and provided additional qualifications for those exemptions in Sections 21159.20 and 21159.21. Importantly, SB 1925 eliminated the discretion of localities to deny the exemption based on “unusual circumstances”.

Multi-Family Moratoria. In order to circumvent Anti-Nimby law, some communities have adopted moratoria on all multifamily housing. SB 1098 (Alarcon), (Chapter 939, Statutes of 2001) amended Gov Code Sec 65858 to prohibit the extension of a multifamily moratorium beyond 45 days unless the locality makes written findings that the development of multifamily housing would have a specific, adverse impact upon public health or safety.

Conditional Use Permits. Most commercial, industrial and single-family residential uses do not require a conditional use permit, but many communities require a conditional use permit for multifamily housing. SB 619 (Ducheny)(Chapter 793, Statutes of 2003) prohibits conditional use permits on multifamily housing developments that meet the CEQA affordable housing, farmworker or infill exemption, and on affordable multifamily housing with 100 or fewer units, a density of at least 12 units/acre, located on an infill site in an urbanized area, consistent with the zoning and general plan, and has a neg dec or mitigated neg dec.

Next Steps: SB 744 (Dunn), which is pending action in the Legislature, permits applicants to appeal to a state body a decision by a city or county to deny or condition an affordable housing developments in a way that makes it financially infeasible.

Appendix G

Jurisdiction	Resale Provisions (single-family units)
Davis	Currently, only the initial purchase of the inclusionary unit is subject to affordability requirements and units may be resold at market value. However, all future affordable units built will have permanent affordability requirements.
Folsom	<ul style="list-style-type: none"> • Units must be sold at a price affordable to the same income level of household that originally purchased home. • Subsequent owners are not required to be first-time buyers. • If owner doesn't sell unit within 60 days, may offer to sell to the City at the affordable housing price at the time of offer. If the City doesn't purchase within 90 days of owner's offer, the unit may be sold at the current market price. The seller must then pay all the profit to the City housing trust fund, less a percentage based on how long the seller occupied the house, up to 50%.
Isleton	<i>Information not known at time of printing.</i>
Nevada County	<i>Information not known at time of printing.</i>
Rio Vista	Process not yet determined.
Roseville	<ul style="list-style-type: none"> • Affordability restriction only applies to initial purchase. • During the first 15 years of ownership, the homeowner must notify the City of their intention to sell their property before they sell to a non-income qualified purchaser, in order for the City, working with homeowner, to identify another income qualified purchaser to use the same second mortgage used in the original purchase, to continue affordability of the unit. If no income qualified purchaser is found within 60-day period, the original second mortgage amount along with applicable interest is paid back to City, for use in another affordable housing activity (revolving loan fund).
Sacramento	<ul style="list-style-type: none"> • SHRA will have 90 days after notice of the owner's intent to sell to purchase the home or assist the seller in finding a new, income-eligible buyer. • The home is resold at the lesser of market value or an amount equal to a 2% increase per year of occupancy over the original sales price. The seller will also receive 1/30th of the appreciation per year of occupancy up to 100% of appreciation at the end of the affordability period.
Sutter County	No resale requirements.
West Sacramento	Currently provisions negotiated in inclusionary agreement. Subject to change in permanent ordinance.
Winters	Currently developing a resale process.

Jurisdiction	Resale Provisions (single-family units)
Woodland	<ul style="list-style-type: none"> • During the first 10 years of ownership, the homeowner must sell the unit to a qualified purchaser. After receiving notice of intent to sell, the City provides a list of interested buyers and assists the seller in locating a qualified purchaser. The subsequent purchaser assumes the original silent second, and the 10-year requirement is reset in order to maintain affordability. • If the seller and the City are unable to locate a qualified buyer, or if the 10-year requirement has expired, the unit may be sold at market value. Unit must be appraised to determine the market value and the seller's silent second repayment obligation. • The repayment amount of the silent second is tied to the change in value of the property. By example, if the silent second was 25% of the purchase price, then the repayment amount is 25% of the selling price. Silent second repayments will be used for other affordable housing activities. • The City also provides the seller with a disclosure form that ensures that the prospective purchaser is aware of all the restrictions on the unit.
Yolo County	Home must be sold to income-eligible buyer.