

City of Folsom

full ordinance can be found at: www.ordlink.com/codes/folsom/index.htm, see Chapter 17.104

Applicable Developments	All residential development projects consisting of 10 or more units.
Required Set-Aside	<i>For-Sale and Rental Projects:</i> 10% of all units shall be affordable to very low-income households and 5% shall be affordable to low-income households. (Resulting fractions of units are rounded down.)
Phasing	If inclusionary units are not to be built concurrently with market-rate units, must have a phasing plan approved by the City.
Unit Location and Design	Inclusionary units should include a mix of unit sizes. Projects of 40 units or less are exempt from this requirement. Inclusionary units shall be visually compatible with and have similar external building materials and finishes as the market-rate units in the immediate neighborhood.
Term of Affordability	<i>Rental Units:</i> Shall remain affordable for no less than 30 years. <i>For-Sale Units:</i> Shall remain affordable for a term of 20 years.
Affordability Enforcement	Executed agreements that are recorded as a covenant.
Alternatives to On-Site Construction	If the City finds the construction of on-site units to be infeasible, inclusionary requirements may be fulfilled through one or a combination of the alternatives below. The developer may also propose other alternatives.
	Land Dedication. May dedicate land within the City sufficient to build at least the number of required inclusionary units and with infrastructure to support the units. The land must be dedicated at no cost to the City, an affordable housing developer, or special needs developer acceptable to the City.
	Off-Site Construction. May develop required units at an off-site location within the City.
	Acquisition, Rehabilitation, and Conversion of Market-Rate Units. May acquire and rehab existing market-rate units in the City that are at or above affordable rents, and convert those units to affordable units. Or may convert existing market-rate units which do not require rehabilitation and are at or above existing affordable rents to affordable units by way of deed restrictions, recorded covenants or other mechanisms to ensure units remain affordable.
	Inclusionary Housing Credits. May use inclusionary housing credits from another development project. <i>See Incentives section.</i>
Incentives	Accessory Dwellings. May construct accessory dwellings on-site of the development project accordingly: <ul style="list-style-type: none"> • for exclusively single-family projects of more than 40 units, may construct up to 50% of the required inclusionary units as accessory dwellings • for exclusively single-family projects of 40 units or less, may construct all of the required inclusionary units as accessory dwellings <p>The lots on which the accessory dwellings are constructed must be deed restricted to provide that the units, if rented, be restricted to very low- or low-income households.</p>
	Fee Waivers/Deferrals. City may grant waivers, reductions or deferrals of development fees, administrative, and financing fees for inclusionary units.

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Incentives Cont.	Modification of Development Standards. May allow modified public works development standards such as road widths and parking, or planning standards such as minimum lot size, alternative housing types, lot coverage, locational and other requirements for approval of duplexes, half-plexes and accessory dwellings.
	Density Bonus. Density bonus based on State Density Bonus Law. See Folsom Municipal Code Chapter 17.102 for specifics.
	Inclusionary Housing Credits. May request to provide more affordable units or donate more land than the required 15%, and credit the additional land or units against future projects subject to the inclusionary requirements. Credits may be transferred or sold to any other person or entity subject to certain conditions.
	Mixed Use. Residential developments that would fully or partially fulfill the inclusionary housing requirement of a development project may be implemented in conjunction with commercial or office use in the central business (C-2), general commercial (C-3), and business and professional office (BP) zoning districts as consistent with applicable provisions of the Folsom Municipal Code. <i>Currently, this option is only available in the Historic District.</i>
Responsibility for Filling and Monitoring Units	<p><i>Rental Units:</i> Developers are responsible for leasing units to qualified tenants and will be monitored by City annually to ensure rents remain affordable and units are filled by qualified tenants.</p> <p><i>For-Sale Units:</i> Developers are responsible for selling units to qualified buyers and will be monitored by City to ensure all requirements are being upheld.</p>
Fees	No fees unique to inclusionary housing requirements.
Process	<ol style="list-style-type: none"> 1. As part of the application for the first legislative entitlement, must submit a draft inclusionary housing plan to the Planning Director. The plan must describe the location of the inclusionary units within the project, unit sizes, construction phasing of inclusionary units, and any incentives requested. If an alternative to constructing inclusionary units on-site is desired, must also include detailed information on the proposed parcel, site, or existing market rate units. 2. The Planning Director will review the plan and provide recommendations to the final decision making body (Planning Commission or City Council) for approval, conditional approval or rejection of the proposed plan. No legislative entitlements will be granted without an approved plan. 3. After the plan is approved, an inclusionary housing agreement consistent with the plan must be executed by the owner, the developer, and the Planning Director, approved by the City Attorney, and recorded against the property. A tentative subdivision map or parcel map may be approved prior to execution of an inclusionary housing agreement if (1) an inclusionary housing plan including a phasing plan has been approved; (2) a tentative map or parcel map contains conditions enforcing the requirements of the inclusionary housing plan; and (3) the legislative entitlements contain provisions conditioning approval of planned development permits, plan review, or building permits on execution and recordation of an inclusionary housing agreement.
Local Public Funding	Redevelopment Tax Increment Funds, CDBG, Housing Trust Fund
Contacts	<p>Community Development Department (Planning Division) – project approval (916) 355-7214</p> <p>Neighborhood Services Department (Redevelopment Division) – public funding and monitoring (916) 355-7352</p>