



CITY OF DAVIS
SUMMARY OF AFFORDABLE HOUSING REQUIREMENTS
AS OF MAY 2018

RENTAL UNITS

Project Type	Requirements
Standard Requirements	
5-19 units	25% of which: <ul style="list-style-type: none"> ▶ 15% = low income ▶ 10% = very low income
20 units or greater	35% of which: <ul style="list-style-type: none"> ▶ 25% = low income ▶ 10% = very low income
Project individualized program	All rental project types may meet the affordable housing requirement with a project individualized plan as specified in Section 18.05.060 (a) (4). Such plans, however, must generate an amount of affordability equal to or greater than the percent specified above and meet the same income targets.
In-lieu fee	\$75,000 per unit, but dependent on City Council discretion
Alternative Requirements	
Alternative rental affordable housing proposal ¹	Recommended 15% of which: <ul style="list-style-type: none"> ▶ 5% = low income ▶ 5% = very low income ▶ 5% = extremely low income ▶ But dependent on the nine factors listed below

¹ On February 6, 2018, the City Council temporarily amended its rental affordable housing requirements. Meant to serve as a bridge until the City can complete a comprehensive update, the change added Municipal Code Section 18.05.060 (b). Set to sunset on December 31, 2018, the new section temporarily adds an alternative affordable housing requirement option of 15% by the unit or by the bed. The section also temporarily allows the City Council to consider the following factors in determining whether to approve an alternative rental affordable housing proposal:

1. Meets a specific housing need as identified in the City's housing element or general plan policies
2. Incorporates design components that will encourage greater affordability
3. Furthers other land use goals of the City
4. Includes unusually high infrastructure costs or other cost burdens
5. Includes a public subsidy or other public financing from a source other than the City
6. Encourages greater integration of the affordable units into the market rate units
7. Provides a deeper level of affordability such as the extremely low income level
8. Deserves special consideration because application was submitted prior to the adoption of AB 1505 on January 1, 2018
9. Targets an affordability income mix of 5% low, 5% very low, and 5% extremely low

OWNERSHIP UNITS

Project Type	Requirements
Single-family detached units on lots larger than 5,000 square feet	25% of which: ▶ 100% = moderate income
Single-family detached units on lots smaller than 5,000 square feet	15% of which: ▶ 100% = moderate income
Single-family attached units	10% of which: ▶ 100% = moderate income
Project individualized program	All ownership project types may meet the affordable housing requirement with a project individualized plan as specified in Section 18.05.050 (a) (3). Such plans, however, must generate an amount of affordability equal to or greater than the percent specified above and meet the same income targets.
In-lieu fee	\$75,000 per unit, but dependent on City Council discretion

EXEMPTIONS

Project Type	Requirements
Less than 5 units	0%
Condominiums ²	0%
Residential components of a vertical mixed use development ³	0%

² Defined as residential ownership units in a condominium development that is predominately composed of stacked air space units not having separate ownership parcels

³ Defined as mixed-use structures that vertically integrate residential dwelling units above the ground floor with unrelated non-residential uses on the ground floor, including office, restaurant, retail, and other nonresidential uses. Vertical mixed-use does not include structures that vertically integrate uses ancillary to residential units, such as resident parking, laundry rooms, community rooms, or common space on the ground floor with the residential uses above.

INCOME DEFINITIONS

Income Level ⁴	Definition
Moderate	Defined as households with incomes ranging from 80% of Yolo County area median income to 120% of Yolo County area median income, with the average affordability targeted at households with incomes at 100% of Yolo County area median income
Low	Defined as households with incomes no more than 80% of Yolo County area median income
Very Low	Defined as households with incomes no more than 50% of Yolo County area median income
Extremely Low	Defined as households with incomes no more than 30% of Yolo County area median income

⁴ Please note area median income may change annually. In general, projects receiving federal funding must use income limits published annually by the U.S. Department of Housing and Urban Development, while all other funding sources, including private financing, must use income limits published annually by the California Department of Housing and Community Development.