

AFFORDABLE HOUSING PRODUCTION PROGRAM  
ADMINISTRATIVE GUIDELINES  
CITY OF SANTA MONICA

(Pursuant to Chapter 9.64 of the Municipal Code)

Prepared by

The City of Santa Monica Housing Division

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## **ATTACHMENTS**

- 1-A Municipal Code Section 9.64 – Affordable Housing Production Program
- 1-B AHPP Options Comparison Table
- 2-A Fee Adjustment Methodology
- 2-B Current Base Fees for Apartment and Condominium Projects
- 3-A Affordable Residences Table - Condominium Projects w/4+ Residences in Multifamily Zones
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# 1. Introduction

These Administrative Guidelines provide guidance on the implementation of the City's Affordable Housing Production Program, Chapter 9.64 of the Santa Monica Municipal Code ("AHPP") (see Attachment 1-A for a complete copy of the AHPP). The AHPP was originally adopted by the City Council on July 21, 1998. It has been amended on several occasions since then. The AHPP gives developers of multi-family housing a variety of **options** for satisfying the City's affordable housing requirements. The precise options vary depending on the housing type and location of the housing being produced.

All new multi-family housing developments of two or more residences, including multi-family housing that is part of commercial or other developments, must comply with Chapter 9.64 unless specifically exempted by the terms of Chapter 9.64. See Attachment 1-B for a comparison table on the various options for complying with Chapter 9.64. The AHPP implements Proposition R. Approved by Santa Monica voters in November, 1990, Proposition R requires that not less than 30 percent of all newly constructed multi-family residential housing in the City each year be permanently affordable to, and occupied by, low- and moderate-income households.

Section 2 of these Guidelines describes the **Fee Methodology**. Section 3 provides information about the number of affordable residences required and the development incentives associated with the **On-Site Option**. The remaining sections expand upon the AHPP and provide additional requirements regarding the **Off-Site Option** (Section 4), the **Land Dedication Option** (Section 5), **For-Sale Affordable Residences** (Section 6), the **Tenant and Purchaser Eligibility Procedures** (Section 7) and **Adjustments or Waivers** (Section 8).

Questions about how a particular multifamily project applicant shall satisfy the affordable housing obligation (pay a fee, build residences onsite or offsite, or provide land dedications) should be directed to either the City Planning Division at (310) 458-8341, or

to the Planning Counter in Room 111 in City Hall. Questions about current maximum rents and sales price calculation, or Tenant Eligibility and Selection Procedures should be directed to staff in the Housing Division at (310) 458-8702.

## **2. Fee Methodology**

One way to satisfy the affordable housing obligation is through payment of the Affordable Housing Unit Base Fee (§ 9.64.070). The amount of the Affordable Housing Unit Base Fee ("Base Fee") is based upon the floor area of the project. The floor area of the project, as defined in the Municipal Code § 9.04.02.030.315, is multiplied by the Base Fee in order to determine the total fee owed by each project. The proceeds from this Base Fee are deposited into a special City Trust Fund and used to facilitate the development of housing affordable to very low-income, low-income and moderate-income households. The Fee Option is not available for ownership projects of four or more residences in the City's multi-family residential zones.

### **A. Establishment and Periodic Adjustment of Base Fee**

The Base Fee is set by a Resolution of the City Council (See Municipal Code 9.64.070 (b)) and is subject to annual adjustment based on changes in land cost and construction cost. The methodology for making these annual adjustments was established by the City Council in June 2006. More specifically, construction cost inflation is established based on the Engineering News Record's (ENR) Construction Cost Index, which is updated monthly and is readily available via the Internet. The methodology uses annual change in median condominium purchase prices as a proxy measure for land cost changes. The relative balance between land cost inflation (based on changes in median condo prices) and construction cost inflation (based on a construction cost index) is determined based on current development cost data for recently completed or construction-in-progress multi-family affordable developments assisted by the City. A detailed explanation of the annual adjustment methodology is provided in Attachment 2-A.

There are different base fees for condominiums and apartment projects. Attachment 2- B contains the current Base Fee amounts for apartment and condominium projects.

### **B. Affordable Housing Unit Development Cost**

The Affordable Housing Unit Development Cost is set by a Resolution of the City Council (See Municipal Code 9.64.070(C)) and is subject to annual adjustment based on changes in land cost and construction cost. The methodology for making these annual adjustments was established by the City Council in June 2006 and is the same methodology used in adjusting the Affordable Housing Unit Base Fee described in Section (3)(A). The Affordable Housing Unit Development Cost is the average cost to the City to develop a residence of housing affordable to low- and moderate-income households. The Affordable Housing Production Program provides that when developers of market rate multi-family housing are providing affordable residences on- or off-site, and the calculation of the number of affordable residences required results in a fractional residence, these developers are eligible to pay a fee equal to the cost of producing that fractional residence based on the Affordable Housing Unit Development Cost if that fraction is less than 0.75. See Attachment 2-A.

Example (6-residence condominium project)

$6 \times .20 = 1.2$  affordable housing residences

1 residence would be constructed on-site

Fee payment of  $0.2 \times \$327,927 = \$65,585.40$

### **3. On-Site Affordable Residence Option**

Another way to satisfy the affordable housing requirements of Chapter §9.64 is by constructing affordable residences on the same site as the proposed new multi-family project (See § 9.64.050). Ownership projects or 4 or more residences in multifamily zones must provide affordable residences either onsite or offsite (See § 9.64.040). All housing developments that provide onsite affordable residences in accordance with the AHPP are entitled to a bonus over the maximum allowable number of residences on the site (i.e., density bonus) or a development bonus (commercial/industrial zones) and incentives (See Section 9.64.050[I] and Section 9.22). This includes all residences for sale or rent such as:

- Substantial remodel and conversion of commercial buildings to residential residences
- Substantial remodel of residential buildings
- Condos and apartments

Attachment 3-A provides a table indicating the minimum number of affordable residences required in an ownership project in a multifamily zone and the fractional portion of a residence that may be paid as a fee. Attachment 3-B provides information on density bonus and other development incentives allowed when providing onsite affordable residences. Attachments 3-C and 3-D provide information on the most current income eligibility and rent limits. Attachment 3-E provides an example of an “Agreement Imposing Restrictions on Real Property” between the City and a developer regarding a project containing affordable housing residences.

### **4. Off-Site Affordable Residence Option**

This section of the Guidelines specifies certain additional requirements concerning the location of the Off-Site Affordable Residences, site control, and concurrent development of the market-rate project and the off-site residences.

### **A. One-Quarter Mile Radius Maximum**

Except as provided below, the alternative site for the Off-Site Affordable Residences shall be located within a one-quarter mile radius of the parcel on which the market rate residences are proposed, and within the boundaries of the City. (SMMC § 9.64.060(C)) The outer limit of this one-quarter mile radius area shall be determined by the Planning and Community Development Department. The Department's method for so doing shall be similar to the method used for determining the area within which written notice of a pending development permit is given. Specifically, on a map of City parcels, the project applicant shall submit as part of the project application a set of one-quarter mile radii from the corners of the parcel on which the market rate residences will be constructed. Any multi-family parcel or commercial parcel on which multi-family housing is a permitted use, located, in whole or in any part, within these intersecting one-quarter mile radii is an eligible parcel for development of Off-Site Affordable Residences.

### **B. Exceptions to the One-Quarter Mile Radius Maximum**

The maximum one-quarter mile radius requirement may be waived by majority vote of the City Planning Commission (whose decision shall be appealable to the City Council), based upon substantial evidence demonstrating that the location of Off-Site Affordable Residences more than one-quarter mile from the site of the market rate residences, but still within the City limits, better accomplishes the goals of the City's zoning and planning regulations, including maximizing affordable housing production and dispersing affordable housing throughout the City. (SMMC § 9.64.060(F))

The project applicant shall have the burden of demonstrating why a location for the Off-Site Affordable Residences of more than one-quarter mile from the market rate residences better accomplishes the City's affordable housing objectives. In making its determination, the Planning Commission shall consider the recommendations of the Planning Director and the Housing Manager on the petition. An application for an exception to the one-quarter mile radius shall be submitted as part of the planning



application for any other discretionary approvals on the project that are within the purview of the Planning Commission.

By way of example, but not by limitation, factors that may justify the special exception include:

- *No Available Sites.* There are no multi-family or suitably zoned non-residential parcels within the strict boundaries of the one-quarter mile radius that can accommodate the required number of Affordable Off-Site Residences.
- *Dispersal of Affordable Residences.* The alternative location makes it possible to locate Off-Site Affordable Residences throughout the City.
- *More Affordable Residences.* The size, price or other characteristics of the alternative site results in a project that yields more affordable residences than the project would yield if it were located within the strict limits of the one-quarter mile radius.
- *Deeper Level of Affordability.* The size, price or other characteristics of the alternative location makes it possible to offer the Off-Site Affordable Residences to households at a lower household income level than would be possible within the strict limits of the one-quarter mile radius.

In no event, however, shall the Off-Site Affordable Residences be located outside a radius of one mile from the market rate residences. No more than five project exceptions to the one-quarter mile radius shall be approved in any one City fiscal year.

### **C. Evidence of Site Control**

In order to exercise the Off-Site Affordable Residence Option, the applicant must provide evidence that the site is owned in fee or that an option to purchase, subject to City project approval, has been secured. (SMMC § 9.64.060(B)) Evidence of such site control (e.g.,

copies of purchase or option agreements) shall be provided to the City as part of the project application package.

#### **D. Simultaneous Development of Off-Site Affordable Residences**

All affordable housing residences in a multi-family project or a phase of a multi-family project shall be constructed concurrently with the construction of market rate residences in the multi-family project or phase of that project. No building permit for the market rate residences shall be issued until a building permit has been issued for the Off-Site Affordable Residences, and no final City construction permit sign-off or occupancy permit shall be granted for the market rate residences until final construction permit sign-off or occupancy permit has been granted for the Off-Site Affordable Residences. Off-Site Affordable Residences shall be offered for rent or sale, as applicable, prior to or concurrently with rental or sale of the market rate residences.

### **5. Land Acquisition Option**

This section of the Guidelines specifies additional requirements for exercising the Land Acquisition Option.

#### **A. Eligible Land Parcels**

Only land parcels meeting the following minimum characteristics shall be eligible under the Land Acquisition Option:

1. Zoning

Land parcels eligible for conveyance to the City, or an eligible non-profit affordable housing developer, shall be located in a City multi-family housing, commercial or industrial district in which multi-family housing is a permitted use.

## 2. Minimum Land Value

For sites dedicated to the City, or an eligible non-profit affordable housing developer, the fair market value of the parcel(s) shall be at least equal to the amount of the Affordable Housing Production Fee that would otherwise apply were the market rate project applicant to elect that option under Chapter 9.64 instead of the Land Acquisition Option. The fair market value of the parcels proposed under this Option shall be supported by an estimate of value prepared by a qualified real estate appraiser, subject to the City's reasonable review of the appraisal. For situations involving option payments, rather than conveyance of land in fee, see below. For below market rate sales, or option transfers, see below.

## 3. Site Characteristics

The parcel shall satisfy the following minimum criteria:

- 6,000 square feet
- Can be developed with at least 4 dwelling units
- Free of characteristics that would make it difficult or impossible to develop **in a timely manner** (*i.e.*, irregular shape, excessive sloping, soil or other contamination, adjacent to incompatible land use)

A Phase I environmental evaluation report shall be required before any parcel can be considered for conveyance.

## 4. One-Quarter Mile Radius Maximum

Except as provided below, the land parcel(s) proposed to be conveyed to the City, or an eligible non-profit affordable housing developer, shall be located within a one-quarter mile radius of the parcel on which the market rate residences are proposed and within the City limits. (SMMC § 9.64.080) The outer limits of this one-quarter mile radius area shall be determined by the Planning and Community Development Department. The Department's method for so doing shall be similar to the method used for determining the area within which written notice of a pending development permit is given. Specifically, on a map of City parcels, the project applicant shall

draw a set of one-quarter mile radii from the corners of the parcel on which the market rate residences will be constructed. Any multi-family parcels located, in whole or in any part, within these intersecting one-quarter mile radii is an eligible parcel for the Land Acquisition option.

#### 5. Exceptions to the One-Quarter Mile Radius Maximum

The maximum one-quarter mile radius requirement may be waived by majority vote of the City Planning Commission (whose decision shall be appealable to the City Council), based upon substantial evidence demonstrating that the location of land more than one-quarter mile from the site of the market rate residences better accomplishes the goals of the City's zoning and planning regulations, including maximizing affordable housing production and dispersing affordable housing throughout the City. (SMMC § 9.64.080)

The project applicant shall have the burden of demonstrating why a proposed site more than one-quarter mile from the market rate residences (but still within the City limits) better accomplishes the City's affordable housing objectives. In making its determination, the Planning Commission shall consider the recommendations of the Planning Director, the Housing Manager, and the Housing Commission. An application for an exception to the one-quarter mile radius shall be processed simultaneously with any other discretionary approvals on the project that are within the purview of the Planning Commission.

By way of example, but not by limitation, factors that may justify the special exception include:

- *No Available Sites.* There are no multi-family parcels within the strict boundaries of the one-quarter mile radius that are suitable for multi-family development.
- *Dispersal of Affordable Residences.* The alternative location makes it possible to locate affordable housing throughout the City.

- *More Affordable Residences.* The size, price or other characteristics of the alternative site could result in an affordable housing project that yields more affordable residences than would otherwise be required under the On-Site Affordable Residences option or the Off-Site Affordable Residences option in Ordinance 1918.
  
- *Deeper Level of Affordability.* The size, price or other characteristics of the alternative location makes it possible to offer affordable residences to households at a lower household income level than would be possible within the strict limits of the one-quarter mile radius.

In no event, however, shall the Land Acquisition Option apply to a site located outside a radius of one mile from the market rate residences. No more than five project exceptions to the one-quarter mile radius maximum shall be approved in any one City fiscal year.

**B. Evidence of Site Control**

In order to exercise the Land Acquisition Option, the market rate multi-family project applicant shall provide evidence, subject to reasonable City approval, that the site to be conveyed to the City, or an eligible non-profit affordable housing developer, is owned in fee by the applicant, or that an option to purchase has been secured. Evidence of such site control, including a current title report, and a copy of the option or lease agreement, if applicable, shall be included as part of the application for the market rate project.

**C. Conveyance of the Site**

An eligible site, or option to purchase an eligible site, shall be conveyed to the City, or an eligible non-profit affordable housing developer, as follows:

1. Fee Title Transfer

The site shall be sold or dedicated to the City or to a qualified non-profit housing developer free of any encumbrances, contractual, physical or financial, that would

prevent it from being developed in a timely way by the City, or a qualified non-profit housing developer, for affordable multi-family housing.

If the site is dedicated to the City, or to an eligible non-profit affordable housing developer at no cost, the City shall provide reasonable cooperation as may be requested to help the applicant secure any state or federal tax credit for which such a dedication may be eligible.

If the site is sold to the City, or to an eligible non-profit affordable housing developer at below market rate, the difference between the fair market value and the below market sale price must be at least equal to the amount of the Affordable Housing Production Fee otherwise due, if that option had been selected by the project applicant.

## 2. Option to Purchase

If the market rate project applicant secures an option for another site to fulfill the Land Acquisition Option, the option must have a minimum term of six months and clearly state that the option may be transferred to a third party, such as the City or a qualified non-profit housing developer, under the same terms and conditions, including the agreed upon purchase price. A copy of the option agreement and a current title report shall be included with the application for the market rate project. Any costs incurred by applicant to maintain the option from the date of project application through successful transfer of the option to the City or to a qualified non-profit developer shall be the responsibility of the applicant. If the sum of the applicant's out-of-pocket option-related expenses, from date of project application through conveyance of the option, is *less* than the amount of the Affordable Housing Production Fee Option, these costs will be treated as a credit against the Affordable Housing Production Fee that would otherwise be due the City under that Chapter 9.64 option. The applicant shall pay any difference to the City as a reduced Affordable Housing Production Fee. The applicant shall provide the City a full accounting of all option payments and out-of-pocket option-related costs

eligible for offset against the Affordable Housing Production Fee amount, which accounting shall be subject to reasonable City review and approval.

The land offered for option must have the following minimum site characteristics:

- 6,000 square feet
- Can be developed with at least 4 dwelling units
- Free of characteristics that would make it difficult or impossible to develop (*i.e.*, irregular shape, excessive sloping, soil or other contamination, adjacent to incompatible land use)

A Phase I environmental evaluation report shall be required before any parcel can be considered for option.

The City shall exercise reasonable discretion in considering the option. The land option must be consistent with all City funding requirements, including the Consolidated Rental Housing Trust Fund Guidelines.

#### **D. Simultaneous Conveyance of Land or Option**

Conveyance of land or an option to purchase land to the City or an eligible non-profit affordable housing developer, pursuant to Chapter 9.64, shall be completed prior to the City's final sign-off on construction permits for the market rate residences, or issuance of a certificate of occupancy, whichever occurs first.

#### **E. Eligible Non-Profit Affordable Housing Developer**

Dedication of land, below market rate sale of land or transfer of an option to purchase may be made either to the City or an "eligible non-profit affordable housing developer." For purposes of the Land Acquisition Option of Chapter 9.64, an eligible not-profit affordable housing developer is a private, non-profit corporation with: (1) a current exemption under Section 501(c)(3) of the U.S. Internal Revenue Code; (2) a certificate of good standing from the Secretary of State in which the organization is incorporated; (3) has the development of housing affordable to low-income households as one of its

principle missions; and (4) has been approved by the City Housing Manager, based on reasonable review of the organization’s record of performance developing multi-family housing affordable to low-income households. The non-profit affordable housing developer intended as the recipient of land pursuant the Land Acquisition Option must be identified as part of the project application.

## **6. For-Sale Affordable Residence Requirements**

In the event that the affordable residences required under either the On-Site Affordable Residence Option or the Off-Site Affordable Residence Option are intended to be for-sale residences, rather than rentals, the following rules shall apply.

### **A. Establishment of the Initial Sales Price**

The developer shall establish the initial sales price for the affordable residence so that the Total Monthly Housing Costs for the purchaser do not exceed the following formula: Area Median Income x 110% x Bedroom Adjustment x 35% / 12. Total Housing Cost includes mortgage principal and interest, property taxes, property insurance, homeowners’ association dues and mortgage insurance, if applicable

Area Median Income is defined in SMMC Section 9.64.020(K) and determined periodically by the United States Department of Housing and Urban Development for the Los Angeles area.

The Bedroom Adjustment Factors are:

0 Bedroom	0.7	3 Bedrooms	1.0
1 Bedroom	0.8	4 Bedrooms	1.08
2 Bedrooms	0.9		



The conventional financing shall conform to all of the following terms:

Loan Term:	30 Years
Interest Rate:	Fixed
Minimum Down payment:	5%
Maximum Front End Debt-to-Income Ratio <sup>1</sup> :	38%
Maximum Back End Debt-to-Income Ratio <sup>2</sup> :	41%

The buyer must be income-qualified pursuant to Santa Monica Municipal Code Chapter 9.64 and this Agreement.

The actual price of the affordable residence will be a combination of the bank loan amount a buyer qualifies for plus the down payment provided by the buyer (consistent with the total monthly housing costs and the financing terms listed above). The lending criteria used by the private lender must be reasonable and customary and shall be subject to review and approval by the City Housing Division prior to completion of the purchase transaction. Moreover, any purchase price for an affordable residence underwritten with a back-end ratio of more than 41 percent (the maximum generally required by the secondary mortgage market) will also require review and reasonable approval by the City prior to completion of the purchase transaction.

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<sup>1</sup> Front End Ratio: ratio of total monthly housing costs (including mortgage principal and interest, property taxes, property insurance, homeowners' association dues and mortgage insurance, if applicable) to total gross household income.

<sup>2</sup> Back End Ratio: ratio of total monthly housing costs (including mortgage principal and interest, property taxes, property insurance, homeowners' association dues and mortgage insurance, if applicable) plus other monthly payments on long-term household debt to gross household income.

## **B. Re-Sale of an Affordable Residence to a Subsequent Purchaser**

### **1. First Right of Refusal to the City**

Throughout the 55-year period of the Agreement Imposing Restrictions on Real Property, the City shall have the first opportunity to purchase affordable for-sale residences created pursuant to the On-Site Affordable Residence Option or the Off-Site Affordable Residence Option (“Option to Purchase”). Owners wishing to sell their residences shall notify the City in writing at least 60 days before the residence is offered for sale to another qualifying party. The seller shall ensure that the residence is clean, in good repair and is available to be shown to prospective buyers. Any Option-related time periods in favor of the City shall be tolled until these conditions are met to the City’s reasonable satisfaction.

The City shall have 60 days to notify the seller of its intent to exercise the Option to Purchase, either by City purchase, by its designee (*e.g.*, a non-profit affordable housing developer), or by referral of a qualified moderate-income buyer. (See below for the method for calculating the subsequent purchase price.)

In the event that the City does not exercise the Option to Purchase, or an offer to purchase by the City or a qualified buyer is not accepted by the seller, the Option shall terminate and the owner may sell the residence to any income qualifying buyer at a price consistent with Section 6(B)(2) of these Guidelines. Seller shall only accept an offer by an income qualified buyer at a price consistent with Section 6(B)(2) of these Guidelines. Closing costs shall be divided between seller and buyer as is customary for like real estate transactions in Santa Monica at the time that escrow is opened.

### **2. Maximum Subsequent Selling Price**

The resale price restriction will provide that the price for resale of the affordable residence shall be calculated using the same formula and factors set forth in Section 6(A).

### 3. Continuous Use as a Primary Residence

Each purchaser of an affordable residence shall certify, prior to the close of escrow, in a form acceptable to the City that the residence is being purchased and shall be maintained as the purchaser's primary residence. Failure of the purchaser to maintain eligibility for a homeowner's exemption from property tax shall be construed as evidence that the residence is not the primary residence of the purchaser.

### **C. Subordination**

At the request of the qualifying household's lender, the City may subordinate the foregoing income eligibility and resale price restrictions to a first Deed of Trust at the time of purchase, provided that the Deed of Trust does not exceed the purchase price of the residence.

### **D. Default and Foreclosure**

A Request for Notice of Default shall be recorded along with the Agreement Imposing Restrictions on Real Property. The Agreement will provide that any Notice of Default will constitute an owner's Notice of Intent to Sell, and that the City may exercise its Option to Purchase. In the event that the City does not exercise its Option and the residence is foreclosed upon, proceeds of the foreclosure sale shall be used first to satisfy the lender's lien(s), and any surplus proceeds, up to the amount that the owner would have received had there been no foreclosure, shall be paid to the owner. The remaining balance of any surplus shall be paid to the City for deposit into the Citywide Affordable Housing Trust Fund.

### **E. Distribution of Insurance and Condemnation Proceeds**

In the event that the residence is destroyed and insurance proceeds are distributed to the low-income household owner instead of being used to rebuild, or in the event of liquidation of the homeowners' association and distribution of the assets of the association to the members, including the owner, any surplus remaining after payment of encumbrances shall be distributed as set forth above with respect to default and foreclosure.

## **7. Tenant and Purchaser Eligibility Procedures**

Per Chapter 9.64, multi-family project applicants who have opted to satisfy the affordable housing obligation through the on-site or off-site option are required to fill vacant affordable residences by selecting income-eligible tenants from a City-developed list of income-qualified households, except if there are no qualified households on the City-developed list or if the project applicant is developing ownership projects of four or more residences in the City's multi-family residential zones. Under these exceptions, the project applicant may choose themselves to select income-qualified households which shall be subject to eligibility certification by the City.

This section establishes priorities for eligibility to occupy On-Site Affordable Residences, describes categories of persons ineligible to occupy On-Site Affordable Residences, and outlines the procedures whereby the City Housing Division shall establish, maintain, and update the list of eligible tenants.

### **A. Priority Households**

In establishing the list of households eligible to occupy affordable residences, the Housing Division shall adhere to the following priorities:

#### **1) First Priority (1A)**

Persons who have been permanently displaced or face permanent displacement from their housing residences in Santa Monica as a result of any of the following:

- a) Ellis Act, owner-occupancy, or removal permit eviction
- b) Earthquake, fire, flood, or other natural disaster
- c) Funding reductions in Santa Monica housing voucher assistance programs

- d) Governmental Action, such as Code enforcement
- e) Closure of a mobile home park

**2) First Priority (1B)**

- a) Emergency Housing Voucher (EHV) issued by Santa Monica Housing Authority

**3) First Priority (1C)**

- a) Historically Displaced Households Pilot-approved applicants

**4) Second Priority**

Persons who are:

- a) Residents of Santa Monica
- b) Working in Santa Monica at least 25 hours per week

**B. Persons Ineligible to Occupy an Affordable Residence**

Section 9.64 of the Municipal Code (see § 9.64.110(B)) specifically disqualifies the following categories of persons from occupying Affordable Residences:

- All employees and officials of the City or its agencies, authorities, or commissions who have, by virtue of their position, policy-making authority or influence over the implementation of the Affordable Housing Production Program, as well as the immediate relatives of employees of such City employees and officials.
- The immediate relatives of the applicant or owner, including a spouse, child, parent, grandparent, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister-in-law, and brother-in-law.

Other parties disqualified from occupying affordable residences include:

- Tenants for whom the affordable residence will not be their sole residence.

- Employees of the owner or the owner's agents, including but not limited to employees of the property management company, except as required by law. An example of an exception would be a 100 percent affordable building that is required by law to provide onsite management, and must therefore use an affordable residence.
  
- Employees of any corporation or other entities where the owner has more than a 10 percent equity, participation, revenue, or ownership interest.
  
- Immediate relatives, including a spouse, child, parent, grandparent, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister-in-law, and brother-in-law, of any other individual or entity with a financial interest in the property.
  
- Households where all adults are full-time students unless all members of the household meet all of the following criteria:
  - Twenty-four years of age or older,
  - Have lived separate from their parents for at least one year,
  - Are not claimed as a dependent pursuant to IRS regulations on any tax return for the most recent tax year, and
  - The head of household provides written certification of all outside financial assistance.
  
- and at least one member of the household meets one of the following criteria:
  - A veteran or active duty member of the U.S. military,
  - Have one or more legal dependents other than a spouse,
  - Live with a recognized disability,
  - Be a graduate or professional student,
  - Be married, or
  - Have been an orphan or ward of the court through age 18.

**C. Establishment, Maintenance, and Update of Income-Qualified Tenants and Purchasers List**

The Santa Monica Housing Division shall be responsible for preparing and maintaining an Eligibility List for this program and shall follow these Guidelines for preparing, maintaining, and updating the Eligibility List. Subject to the requirements below, the establishment, maintenance and update of the Eligibility List shall be generally modeled after the Housing Authority Administrative Plan with the Housing Division retaining the authority to adjust these protocols as appropriate for this local program.

**1) Public Noticing Procedures**

To create the Eligibility List, the Housing Division shall publish notices in newspapers circulated widely in Santa Monica, including newspapers that reach minority communities, at a minimum. At least one notice shall be published in a Spanish-language newspaper of general circulation. Examples of appropriate newspapers include the Santa Monica Daily Press, L.A. Times, La Opinion, and The Sentinel. The notices should briefly explain what affordable housing is, state the applicable income requirements, indicate how to apply for the Eligibility List, state when the application period opens and closes, indicate priorities for eligible occupants, and provide a telephone number for questions.

Applications may require name, address, telephone number, household size, income, date of birth, information relevant to program priorities, and applicant's signature.

**2) Creating the Eligibility List**

The Housing Division shall create an Eligibility List using the information provided on the applications received, including name, household size, income, age, residency, place of employment (if applicable), priority status, and

any other relevant information. Additionally, the Eligibility List will include households on any existing waiting list who indicated their intent to be included in the Eligibility List after being contacted by the Housing Division. Households will be drawn from the Eligibility List as affordable residences become available or in anticipation of affordable residences becoming available in the near future and shall be income qualified for use in referrals for available affordable residences.

### **3) Eligibility List and Referral Process**

Each time affordable residences become available for occupancy, the owner and the Housing Division shall follow these procedures:

- a) At least 90 days prior to issuance of a Certificate of Occupancy by the City for newly developed residences, or within 5 business days of notice of tenant vacation in existing developments, owners shall notify the City of the number and type (affordability level, number of bedrooms, ownership or rental) of residences available.
- b) Within 20 business days of notice by the owner, the City shall provide the owner with a Referral Form, for each household drawn from the Eligibility List, and provide at least five names for each residence available. Additional names may be provided to the owner upon request, subject to availability.
- c) Owners shall directly contact the persons on the Referral Forms provided by the City. Owners shall give applicants at least 5 business days to submit a completed application. Owners who are not able to fill vacant residences from the Referral Forms provided may request additional names from the City. Additional names will be provided within 5 business days, subject to availability.



- d) Owners shall conduct all further screening and selection of applicants. All applicable State Fair Housing laws must be observed.
- e) Candidates on the City's Eligibility List may be referred up to a maximum of five times, except in cases involving a reasonable accommodation. After the fifth referral, candidate names will be removed from the Eligibility List.

#### **4) Updating the Eligibility List**

- a) Periodic Update: The Eligibility List shall be periodically updated at least every two years. Letters shall be sent to all households on the Eligibility List requesting verification of all information, including name, address, place of residency, place of employment (if applicable), and continued interest in staying on the list. Eligibility List households shall be given two weeks to respond. At the end of the two week period, the names of households who have failed to respond shall be taken off the Eligibility List. The Eligibility List shall also be updated to incorporate any changes in status (place of residency, eligibility for priority status, etc.) for each applicant.
- b) Emergency Additions to Eligibility List: At any time, even if the Eligibility List is closed, persons displaced from Santa Monica housing as set forth in Section 7(A)(1) of these Guidelines (*i.e.*, "first-priority" households) will result in the automatic addition of that household to the Eligibility List with the applicable priority.
- c) The City will provide a Referral Form to the owner for each household selected from the Eligibility List. The owner shall complete the Referral Form indicating whether a residence was offered to the household and whether the residence was accepted or refused. A sample Referral Form is provided in Attachment 4-B. If a residence was not offered because of a poor credit history or for any other reason, the owner will note this as well.

The City will incorporate this information into the Eligibility List, but not disclose such information to other owners.

- d) Households on the City's Eligibility List will be referred only for those residences for which they qualify. For example, moderate income households will only be referred for vacancies in moderate income residences. Households on the City's Eligibility List must report any changes to address, household size, Santa Monica residency, employment in Santa Monica, and/or, income to the Housing Division within 10 days of the change.

#### **5) Persons Dependent Upon Income from Other Sources**

Households on the City's Eligibility List must report income from all sources. Any households on the City's Eligibility List receiving support, including tuition payments, rent payments, and/or, regular gifts, and/or any household who appears as a dependent upon the tax return of another individual must so disclose. In these cases, the income of the other party will be considered along with the income of the applicant/tenant household in determining eligibility.

#### **6) Automatic Removal from Eligibility List**

Applicant names will be removed immediately from the Eligibility List for:

- a) Failure to appear for a scheduled qualification interview or prior to the interview time contact the Housing Division to arrange an alternate time or date, or
- b) More than two refusals of offered residences, or
- c) Misrepresentative statements on eligibility documentation, in qualification interview(s), or Informal Review, or
- d) Failure to disclose dependent status or receipt of substantial support, or

- e) Acceptance of an affordable residence stemming from a Referral.

Households whose names are removed from the Eligibility List will also have their names removed from the Referral Form upon which their names appear. Households whose names are removed from the Eligibility List shall be notified by mail at the address which they have supplied to the City. The reason for removal will be specified as part of the notification.

## **7) Appeal Process**

- a) Right to Appeal

The decision by the City to remove a name from the Eligibility List or from a Referral Form may be appealed. All appeals must be in writing and delivered to the Housing Division in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the Housing Division's notification of removal from the Eligibility List.

- b) Scheduling an Informal Review

Upon receipt of an appeal in writing, the Housing Division shall conduct an Informal Review. The Housing Division will schedule an Informal Review to take place within 10 days of receipt of the appeal. Once the Informal Review date is set, the appellant may reschedule only upon showing "good cause," which is defined as an unavoidable conflict seriously affecting the health, safety or welfare of the Appellant or his/her family.

- c) Failure of Appellant to Appear for Informal Review

If the appellant does not appear at a scheduled Informal Review and has not rescheduled the Informal Review in advance, the appellant must contact the Housing Division within two working days. The Housing Division shall reschedule the Informal Review only if the appellant's absence was caused by medical emergency or incarceration. In this event, the Informal Review may be rescheduled only once.

d) Conduct of the Informal Review

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person. The Appellant must be provided an opportunity to present written or oral objections to the decision to remove them from the Eligibility List and both the Appellant and the Housing Division have a right to present any information pertinent to the issue of the Informal Review.

e) Notification of the Informal Review Decision

The Housing Division must notify the Appellant within 14 days of the decision regarding the Informal Review, including an explanation of the decision and the associated findings. This decision shall be final and not subject to further administrative review.

**D. Tenant Income Increases, Initial Ineligibility and Advance Notice to City**

This subsection of the Guidelines provides protocols for changes in tenant income during occupancy, property owner and tenant responsibilities when tenant was not income eligible at the time of initial occupancy, and advance notice to the City regarding rent increases.

**1) Tenant Income Increases**

The published Maximum Allowable Income applies to the household from the day the tenant moves in through the first year of occupancy or the first annual recertification, whichever comes first. If after the first year of occupancy in an affordable apartment, or during the first annual recertification, the household income is found to exceed the maximum allowable income limit for the apartment, the tenant(s) may remain in the apartment as long as the household income does not exceed 140 percent of the income limit for the residence.

However, if the tenant's income exceeds 140 percent of the income limit for the apartment, the following shall apply:

- a) If there is a vacant affordable apartment in the same building for which the household qualifies, the household will be offered that apartment, providing the move does not violate any other provisions of the law, including minimum occupancy requirements. If the relevant “Agreement Imposing Restrictions on Real Property” allows it, the property owner may also switch the affordability levels of the two apartments to prevent the household from having to move their belongings. The rent will then be adjusted to reflect the higher level of affordability.

If the household refuses to move to the higher affordability level apartment for which they qualify, or refuses to pay the higher rent, they will be provided with a one-year notice to vacate the apartment.

If, before the term of the notice has passed, the tenant recertifies the household income and they again qualify for the apartment, the one year notice to vacate will be rescinded.

- b) If the previous section does not apply, and there is a vacant market-rate apartment of equal accommodations in the same building, the owner may designate the market-rate apartment as the affordable apartment. The rent in the formerly affordable apartment may then be raised to the market-rate for the apartment. However, this option cannot be chosen if the relevant “Agreement Imposing Restrictions on Real Property” specifically enumerates which apartments in the building are designated as the affordable apartments.
- c) If neither of the two previous sections apply, the household will be provided with a one-year notice to vacate the apartment.
  - i) If, before the term of the notice has passed, a market-rate apartment becomes vacant in the same building, the tenant under notice to

move will have first right of refusal to lease the market-rate apartment.

- ii) If, before the term of the notice has passed, the tenant recertifies the household income and they again qualify for the apartment, the one-year notice to vacate will be rescinded.

## **2) Initial Tenant Ineligibility**

If during compliance monitoring by the City, or the property owner, it is determined that the tenant's income exceeded the income limit for the residence at the time the tenant initially moved into the residence, the tenant shall be given a 90-day notice to vacate the residence. Notwithstanding the above, if the tenant would qualify for an affordable apartment targeted to a higher affordability level and such a vacant residence is available within the subject property, then the tenant may be allowed to move to that vacant residence, subject to Section 7(D)(3) below.

## **3) Property Owner to Pay for Relocation**

When it is determined that a tenant's income exceeded the income limit for an affordable residence at initial occupancy, then it shall be the property owner's responsibility to pay the costs directly associated with relocating the tenant to another residence within Santa Monica or adjacent area, unless the tenant misrepresented pertinent information to obtain the residence. Such costs would include packing/unpacking, moving/movers and utility connection fees, but would not include the differential in rent between the affordable (AHPP) residence and new residence.

## **4) Notice to City of Rent Increases**

A property owner must provide a 30-day advanced written notice to the City before issuing a rent increase notice to a tenant. The information provided in the property owner's notice to the City shall include the residence identification, tenant name, affordability level of the residence (i.e., extremely low-, very low-, low- or moderate-income) current rent, amenities included in rent (e.g., parking, water, trash),

proposed rent, and proposed rent start date. The City will have 30-days upon which to review the proposed rent increase and notify the property owner of any objections before the property owner may issue a rent increase notice to a tenant. In the absence of any other, more stringent, rent increase limitations on the property, the rent of an affordable apartment shall not be increased by more than five percent in any twelve month period, up to the published maximum allowable rent.

## **8. Adjustments or Waivers**

The AHPP authorizes a project applicant to request an adjustment or waiver of the AHPP based on a showing that applying the requirements of this Chapter would effectuate an unconstitutional taking of property or otherwise have an unconstitutional application to the property.

To receive an adjustment or waiver, the applicant must submit an application to the Director of Housing and Economic Development, or his/her designee, at the time the applicant files a multi-family project application. The applicant bears the burden of presenting substantial evidence to support the request and set forth in detail the factual and legal basis for the claim, including all supporting technical documentation.

In making a determination on an application to adjust or waive the requirements of this Chapter, the Director of Housing and Economic Development, or City Council on appeal, may assume each of the following when applicable:

- (1) The applicant is subject to the affordable housing requirement of this Chapter;
- (2) The applicant will benefit from the inclusionary incentives set forth in this Chapter and the City's Municipal Code;

(3) The applicant will be obligated to provide the most economical affordable housing residences feasible in terms of construction, design, location and tenure.

The Director of Housing and Economic Development must make a written decision within ninety days after a complete application is filed. The Director's decision may be appealed to the City Council if such appeal is filed within fourteen consecutive calendar days from the date of the decision.

If the Director of Housing and Economic Development, or City Council responding to an appeal of the Director's decision, determines that applying the requirements of this Chapter would effectuate an unconstitutional taking of property or otherwise have an unconstitutional application to the property, the affordable housing requirements shall be adjusted or waived to reduce the obligations under this Chapter to the extent necessary to avoid an unconstitutional result. If an adjustment or waiver is granted, any change in the use within the project shall invalidate the adjustment or waiver. If the Director, or City Council on appeal, determines that no violation of the United States or California Constitutions would occur through the application of this Chapter, the requirements of this Chapter shall remain fully applicable.



## **ATTACHMENTS**

- 1-A Municipal Code Chapter 9.64 (Subject to Amendments)
- 1-B AHPP Options Comparison Table
- 2-A Fee Adjustment Methodology
- 2-B Current Base Fees for Apartment and Condominium Projects (Adjusted Annually)
- 3-A Affordable Residences Table - Condominium Projects w/4+ Residences in Multifamily Zones
- 3-B Development Incentives Table
- 3-C Very Low, Low and Moderate Income Levels (Adjusted Annually)
- 3-D Maximum Rents (Adjusted Annually)
- 3-E Sample of Deed Restrictions
- 4-A Sample Application for Affordable Housing Waiting List
- 4-B Referral Status Form

## ATTACHMENT 1-A

### Municipal Code Chapter 9.64

#### **Chapter 9.64 AFFORDABLE HOUSING PRODUCTION PROGRAM**

##### **9.64.010 Findings and Purpose**

The City's affordable housing production program requires developers of market rate multi-family developments to contribute to affordable housing production and thereby help the City meet its affordable housing need. As detailed in the findings supporting the ordinance codified in this Chapter, the requirements of this Chapter are based on a number of factors including, but not limited to, the City's long-standing commitment to economic diversity; the serious need for affordable housing as reflected in local, state, and federal housing regulations and policies; the demand for affordable housing created by market rate development; the depletion of potential affordable housing sites by market-rate development; and the impact that the lack of affordable housing production has on the health, safety, and welfare of the City's residents including its impacts on traffic, transit and related air quality impacts, and the demands placed on the regional transportation infrastructure. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

##### **9.64.20 Definitions**

The following words or phrases as used in this Chapter shall have the following meanings:

- A. **30% Income Household** means a household whose gross income does not exceed the 30% income limits applicable to the Los Angeles-Long Beach Primary Metropolitan Statistical Area, adjusted for household size, as published and periodically updated by HUD.
- B. **50% Income Household** means a household whose gross income does not exceed 50% of the area median income, adjusted for household size, as published and periodically updated by HUD. 50% income households include 30% income households.
- C. **80% Income Household** means a household whose gross income does not exceed 80% of the area median income, adjusted for household size, as published and periodically updated by HUD. 80% income households include 50% income households.
- D. **Adjusted for Household Size** means 70% adjustment for a household of one person, 80% adjustment for a household of two persons, 90% adjustment for a household of three persons, 100% adjustment for a household of four persons, 108% adjustment for a household of five persons, 116% adjustment for a household of six persons, 124% adjustment for a household of seven persons, 132% adjustment for a household size of eight persons. For households of more than eight persons, adjustments shall be made in accordance with applicable HUD regulations.
- E. **Adjusted for Household Size Appropriate for the Unit** means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three

persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

**F. Affordable Housing Fee** means a fee paid to the City by a multi-family project applicant pursuant to Section [9.64.070](#) of this Chapter to assist the City in the production of housing affordable to 30% income households, 50% income households, 80% income households, and moderate-income households.

**G. Affordable Housing Unit** means a housing unit developed by a multi-family project applicant pursuant to Section [9.64.050](#) or [9.64.060](#) of this Chapter which will be affordable to 30% income households, 50% income households, 80% income households, or moderate-income households.

**H. Affordable Housing Unit Development Cost** means the City's average cost to develop a unit of housing affordable to 30% income households, 50% income households, 80% income households or moderate income households.

**I. Affordable Ownership Housing Cost.** Affordable ownership housing cost means: For moderate income households whose gross incomes exceed the maximum income limits for 80% income households, affordable housing cost shall not be less than 28 percent of the gross income of the household, nor exceed the product of 35 percent times 110 percent of the area median income adjusted for household size appropriate for the unit.

**J. Affordable Rent.** Affordable rent means:

1. For 30% income households, the product of 30 percent times 30 percent of the area median income adjusted for household size appropriate for the unit.
2. For 50% income households, the product of 30 percent times 50 percent of the area median income adjusted for household size appropriate for the unit.
3. For 80% income households whose gross incomes exceed the maximum incomes for 50% income households, the product of 30 percent times 60 percent of the area median income adjusted for household size appropriate for the unit.
4. For moderate income households, the product of 30 percent times 110 percent of the area median income adjusted for household size appropriate for the unit.

For purposes herein, affordable rent shall be adjusted as necessary to be consistent with pertinent Federal or State statutes and regulations governing Federal or State assisted housing.

**K. Area Median Income or AMI.** Area median income or AMI means the median family income published from time to time by HUD for the Los Angeles-Long Beach Metropolitan Statistical Area.

**L. Dwelling Unit.** One or more rooms, designed, occupied or intended for occupancy as separate living quarters, with full cooking, sleeping and bathroom facilities for the exclusive use of a single household. Dwelling unit shall also include single-room occupancy units as defined in Santa Monica Municipal Code Section [9.52.020](#) or any successor thereto.

**M. Floor Area.** Floor area as defined in Santa Monica Municipal Code Section [9.52.020](#) or any successor thereto.

N. **Gross Income.** Gross income has the same meaning as provided in Title 25, Section 6914 of the California [Code of Regulations](#), as amended from time to time, in accordance with law.

O.**HCD.** The California Department of Housing and Community Development or its successor.

P. **Housing Cost.** Housing cost has the same meaning as provided in Title 25, Section 6920 of the California [Code of Regulations](#), as amended from time to time in accordance with law.

Q.**HUD.** The United States Department of Housing and Urban Development or its successor.

R. **Income Eligibility.** Income eligibility is based upon the gross income of the household, including the income of all wage earners, elderly or disabled family members, and all other sources of household income.

S. **Market Rate Unit.** A dwelling unit as to which the rental rate or sales price is not restricted by this Chapter.

T. **Moderate Income Household** means a household whose gross income exceeds the maximum income for an 80% income household and whose gross income does not exceed the lesser of: (i) 120% of the area median income, adjusted for household size, as published and periodically updated by HCD or (ii) twice the income limit for 50% income households, adjusted for household size, as published and periodically updated by HUD.

U. **Multi-family Project.** A multi-family residential development, including but not limited to apartments, condominiums, townhouses or the multi-family residential component of a mixed use project, for which City permits and approvals are sought.

V. **Multi-family Project Applicant.** Any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities which seeks City development permits or approvals to develop a multi-family project.

W. **Multi-family Residential District.** Any district designated in the Santa Monica Zoning Ordinance as a multi-family residential district.

X. **Parcel.** Parcel as defined in Santa Monica Municipal Code Section [9.52.020](#) or any successor thereto.

Y. **Rent.** Rent has the same meaning as provided in Title 25, Section 6918 of the California [Code of Regulations](#), as amended from time to time in accordance with law.

Z. **Vacant Parcel.** A parcel in a multi-family residential district that has no residential structure located on it as of August 20, 1998 or which had a residential structure located on it on that date which was subsequently demolished pursuant to a demolition order of the City. No demolition of structures shall be permitted except in accordance with Santa Monica Municipal Code Chapter [9.25](#) et seq. or any successor thereto. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

**9.64.30 Applicability of Chapter**

A. The obligations established by this Chapter shall apply to each multi-family project involving the construction of two or more multi-family units, which project has not received its ministerial or discretionary planning approvals including, without limitation: variances, conditional use permits, administrative approvals, development review permits, and development agreement ordinances which have not yet become effective (collectively, "Approvals") on or before July 26, 2013. No building permit shall be issued for any multi-family project unless such construction has been approved in accordance with the standards and procedures provided for by this Chapter. Notwithstanding the above, a multi-family rental housing project that will be developed by a nonprofit housing provider receiving financial assistance through one of the City's housing trust fund programs shall not be subject to the requirements of this Chapter so long as the project is an affordable housing project meeting the requirements of Santa Monica Municipal Code Section [9.52.020](#) or any successor thereto and the project's affordability obligations will be secured by a regulatory agreement, memorandum of agreement, or recorded covenant with the City for a minimum period of fifty-five years.

B. Multi-family projects which have received Approvals prior to the effective date of this ordinance shall be subject to the provisions of Santa Monica Municipal Code Section [9.64.010](#) et seq., as they existed on the date of their approvals, except that pricing requirements for affordable housing units shall be published by the City on an annual basis instead of adoption by resolution of the City Council.

C. A designated landmark building or contributing structure to an adopted Historic District that is retained and preserved on-site as part of a multi-family project shall not be considered or included in assessing any of the requirements under this Chapter. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

**9.64.40 Affordable Housing Obligation**

A. Except as provided in Section [9.23.030](#)(A), all multi-family project applicants shall comply with the requirements of this Chapter in the following manner:

1. Multi-family project applicants for multi-family ownership projects of four or more units in multi-family residential districts shall choose one of the two following options:
  - a. Providing affordable housing units on-site in accordance with Section [9.64.050](#);
  - b. Providing affordable housing units off-site in accordance with Section [9.64.060](#).

2. In addition to the options established in subsections (1)(a) and (b), all other multi-family project applicants may also choose one of the following options:

- a. Paying an affordable housing fee in accordance with Section [9.64.070](#);
- b. Acquiring land for affordable housing in accordance with Section [9.64.080](#).

B. A multi-family project application will not be determined complete until the applicant has submitted a written proposal which demonstrates the manner in which the requirements of this Chapter will be met. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

### **9.64.50 On-Site Option**

The following requirements must be met to satisfy the on-site provisions of this Chapter:

A. For ownership projects of at least four units but not more than fifteen units in multi-family residential districts, the multi-family project applicant agrees to construct at least: (1) twenty percent of the total units as ownership units for moderate-income households, or as an alternative; (2) twenty percent of the total units as rental units for 80% income households if these rental units are provided by the applicant in accordance with [Civil Code](#) Sections 1954.52(b) and 1954.53(a)(2); (3) ten percent of the total units as rental units for 50% income households if these rental units are provided by the applicant in accordance with [Civil Code](#) Sections 1954.52(b) and 1954.53(a)(2); or (4) five percent of the total units as rental units for 30% income households if these rental units are provided by the applicant in accordance with [Civil Code](#) Sections 1954.52(b) and 1954.53(a)(2).

B. For ownership projects of sixteen units or more in multi-family residential districts, the multi-family project applicant agrees to construct at least: (1) twenty-five percent of the total units as ownership units for moderate-income households, or as an alternative; (2) twenty-five percent of the total units as rental units for 80% income households if these rental units are provided by the applicant in accordance with [Civil Code](#) Sections 1954.52(b) and 1954.53(a)(2); fifteen percent of the total units as rental units for 50% income households if these rental units are provided by the applicant in accordance with [Civil Code](#) Sections 1954.52(b) and 1954.53(a)(2); or (4) ten percent of the total units as rental units for 30% income households if these rental units are provided by the applicant in accordance with [Civil Code](#) Sections 1954.52(b) and 1954.53(a)(2).

CF For all other multi-family applicants, the multi-family project applicant agrees to construct at least:

1. Five percent of the total units of the project for 30% income households;
2. Ten percent of the total units of the project for 50% income households;

3. Twenty percent of the total units of the project for 80% income households; or
4. One hundred percent of the total units of a project for moderate income households.

D. Except as provided in Section [9.23.030\(A\)](#), any fractional affordable housing unit that results from the formulas of this Section that is 0.75 or more shall be treated as a whole affordable housing unit (i.e., any resulting fraction shall be rounded up to the next larger integer) and that unit shall also be built pursuant to the provisions of this Section. Any fractional affordable housing unit that is less than 0.75 can be satisfied by the payment of an affordable housing fee for that fractional unit only pursuant to Section [9.64.070\(A\)\(4\)](#) or by constructing all the mandatory on-site affordable units with three or more bedrooms. The City shall make available a list of income levels for 30% income households, 50% income households, 80% income households, and moderate income households, adjusted for household size, the corresponding maximum affordable rents adjusted by household size appropriate for the unit, and the minimum number of units required for 30% income households, 50% income households, or 80% income households required for typical sizes of multi-family projects, which list shall be updated periodically.

E. The multi-family project applicant may reduce either the size or interior amenities of the affordable housing units as long as there are not significant identifiable differences between affordable housing units and market rate units visible from the exterior of the dwelling units; provided, that all dwelling units conform to the requirements of the applicable Building and Housing Codes. However, except as provided in Section [9.23.030\(A\)](#), each affordable housing unit provided shall have at least two bedrooms unless:

1. The proposed project comprises at least ninety-five percent one bedroom units, excluding the manager's unit, in which case the affordable housing units may be one bedroom;
2. The proposed project comprises at least ninety-five percent zero bedroom units, excluding the manager's unit, in which case the affordable housing units may be zero bedroom units;
3. The proposed project comprises zero and one bedroom units, excluding the manager's unit, in which case the affordable housing units must be at least one bedroom units; or
4. The multi-family project applicant has elected not to pay the affordable housing fee pursuant to Section [9.64.070\(A\)\(4\)](#), in which case the affordable housing units must be at least three bedroom units. The design of the affordable housing units shall

be reasonably consistent with the market rate units in the project. An affordable housing unit shall have a minimum total floor area, depending upon the number of bedrooms provided, no less than the following:

<b>0 bedrooms</b>	<b>500 square feet</b>	<b>1 occupant</b>
<b>1 bedroom</b>	<b>600 square feet</b>	<b>1 occupant</b>
<b>2 bedrooms</b>	<b>850 square feet</b>	<b>2 occupants</b>
<b>3 bedrooms</b>	<b>1,080 square feet</b>	<b>3 occupants</b>
<b>4 bedrooms</b>	<b>1,200 square feet</b>	<b>5 occupants</b>

Affordable housing units in multi-family projects of one hundred units or more must be evenly disbursed throughout the multi-family project to prevent undue concentrations of affordable housing units.

F. All affordable housing units in a multi-family project or a phase of a multi-family project shall be constructed concurrently with the construction of market rate units in the multi-family project or phase of that project.

G. On-site affordable housing units must be rental units in rental projects. In ownership projects, these affordable housing units may be either rental units or ownership units.

H. Each multi-family project applicant, or his or her successor, shall submit an annual report to the City identifying which units are affordable units, the monthly rent (or total housing cost if an ownership unit), vacancy information for each affordable unit for the prior year, verification of income of the household occupying each affordable unit throughout the prior year, and such other information as may be required by City staff.

I. A multi-family project applicant in a residential district who meets the requirements of this Section shall be entitled to the density bonuses and incentives provided by Section [9.22.020](#) or any successor thereto and Section [9.22.030](#) or any successor thereto and the waiver/modification of development standards provided by Section [9.22.040](#) or any successor thereto. A multi-family project applicant in a commercial or industrial district shall be entitled to the development bonuses and incentives provided in the Land Use and Circulation Element and implementing ordinances.

J. All residential developments providing affordable housing on-site pursuant to the provisions of this Section shall receive priority building department plan check processing by which housing developments shall have plan check review in advance of other pending developments to the extent authorized by law.



K. The City Council may by resolution establish compliance monitoring fees which reflect the reasonable regulatory cost to the City of ensuring compliance with this Section when affordable housing units are being initially rented or sold, when the required annual reports are submitted to the City, and when the units are being re-sold or re-leased. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

**9.64.60 Off-Site Option**

The following requirements must be met to satisfy the off-site option of this Chapter:

A. The multi-family project applicant for ownership projects of four or more units in multi-family residential districts shall agree to construct twenty-five percent more affordable housing units than number of affordable housing units required by Section [9.64.050\(A\)](#) and (B).

B. For all other multi-family project applicants, the applicant shall agree to construct the same number of affordable housing units as specified in Section [9.64.050\(C\)](#).

C. The multi-family project applicant shall identify an alternate site suitable for residential housing which the project applicant either owns or has site control over (e.g., purchase agreement, option to purchase, lease) subject to City review to ensure that the proposed development is consistent with the City's housing objectives and projects.

D. The off-site units shall be located within a one-quarter mile radius of the market rate units.

E. The off-site units shall satisfy the requirements of subsections (D) through (J) of Section [9.64.050](#).

F. The off-site units shall not count towards the satisfaction of any affordable housing obligation that development of the alternative site with market rate units would otherwise be subject to pursuant to this Chapter.

G. Exceptions to the location of the off-site units specified in this Section may be granted by the Planning Commission on a case-by-case basis upon a showing by the multi-family project applicant, based upon substantial evidence, that the location of off-site units in a location different from that specified in this Section better accomplishes the goals of this Chapter, including maximizing affordable housing production and dispersing affordable housing throughout the City.

H. The City Council may by resolution establish compliance monitoring fees which reflect the reasonable regulatory cost to the City of ensuring compliance with this Section when affordable housing units are initially being rented or sold, when the required annual reports are submitted to the City, and when the units are being re-sold or re-leased. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

**9.64.70 Affordable Housing Fee**

A multi-family project applicant eligible to meet the affordable housing obligations established by this Chapter by paying an affordable housing fee shall pay the fee in accordance with the following requirements:

A. An affordable housing fee may be paid in accordance with the following formulas:

1. Affordable housing unit base fee x floor area of multi-family project;
2. Multi-family projects with fractional affordable housing units of less than 0.75 based on the formula established in Section 9.64.050:

**(City's affordable housing unit development cost) x (fractional percentage)**

B. For purposes of this Section, the affordable housing unit base fee shall be established by resolution of the City Council. Commencing on July 1, 2006 and on July 1st of each fiscal year thereafter, the affordable housing unit base fee shall be adjusted based on changes in construction costs and land costs. The amount of the affordable housing fee that the multi-family project applicant must pay shall be based on the affordable housing unit base fee resolution in effect at the time that the affordable housing fee is paid to the City.

C. For purposes of this Section, the City's affordable housing unit development cost shall be established by resolution of the City Council. Commencing on July 1, 2007 and on July 1st of each fiscal year thereafter, the City's affordable housing unit development cost shall be adjusted based on changes in construction costs and land costs. The affordable housing fee that the multi-family project applicant must pay shall be based on the affordable housing unit development cost resolution in effect at the time of payment to the City.

D. The amount of the affordable housing unit base fee may vary by product type (apartment or condominium) and shall reflect, among other factors, the relationship between new market rate multi-family development and the need for affordable housing.

E. The affordable housing fee shall be paid in full to the City prior to the City granting any approval for the occupancy of the project, but no earlier than the time of building permit issuance.

F. The City shall deposit any payment made pursuant to this Section in a reserve account separate from the General Fund to be used only for development of affordable housing, administrative costs related to the production of this housing, and monitoring and evaluation of this affordable housing production program. Any monies collected and interest accrued pursuant to this Chapter shall be committed within five years after the payment of such fees or the approval of the multi-family project, whichever occurs later. Funds that have not been appropriated within this five-year period shall be refunded on a pro rata share to those multi-family project applicants who have paid fees during the period. Expenditures and commitments of funds shall be reported to the City Council annually as part of the City budget process.

G. An affordable housing fee payment pursuant to this Section shall not be considered provision of affordable housing units for purposes of determining whether the multi-family project qualifies for a density bonus pursuant to [Government Code](#) Section 65915. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

**9.64.80 Land Acquisition**

A. A multi-family project applicant may meet the affordable housing obligations established by this Chapter by making an irrevocable offer:

1. Dedicating land to the City or a non-profit housing provider;
2. Selling of land to the City or a non-profit housing provider at below marketvalue;  
or
3. Optioning of land on behalf of the City or a non-profit housing provider.

Each of these options must be for a value at least equivalent to the affordable housing obligation otherwise required pursuant to this Section.

B. The multi-family project applicant must identify the land at the time that the development application is filed with the City. Any land offered pursuant to this Section must be located within one-quarter mile radius of the market rate units unless the multi-family project applicant demonstrates that locating the land outside of this radius better accomplishes the goals of this Chapter, including maximizing affordable housing production and dispersing affordable housing throughout the City. The City may approve, conditionally approve or reject such offers subject to administrative guidelines to be prepared by the City Manager or designee. If the City rejects such offer, the multi-family project applicant shall be required to meet the affordable housing obligation by other means set forth in this Chapter. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

### **9.64.090 Fee Waivers**

The Condominium and Cooperative Tax described in Section [6.76.010](#) of the Santa Monica Municipal Code or any successor thereto and the Park and Recreation Facilities Tax established in Chapter [6.80](#) of Article 6 of the Santa Monica Municipal Code or any successor thereto, the Transportation Impact Fee required by Chapter [9.66](#), or any successor thereto, the Open Space Fee required by Chapter [9.67](#), or any successor thereto, and the Childcare Linkage Fee required by Chapter [9.65](#), or any successor thereto, shall be waived for required affordable housing units and for 30%, 50%, 80% and moderate-income dwelling units developed by the City or its designee using affordable housing fee. However, any multi-family project applicant who elects to pay an affordable housing fee shall not be eligible for any fee waiver under this Section. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

### **9.64.100 Pricing Requirements for Affordable Housing Units**

The City shall publish, on an annual basis, the 30%, 50%, 80%, and moderate income household levels, and affordable rents for affordable housing units, adjusted for household size appropriate for the unit. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

### **9.64.110 Eligibility Requirements**

A. Only 30%, 50%, 80% and moderate-income households shall be eligible to occupy or own and occupy affordable housing units. The City shall develop a list of income-qualified households. Multi-family project applicants shall be required to select households from the City-developed list of income-qualified households, except applicants of ownership projects of four or more units in the City's multi-family residential zones may themselves select income-qualified households which shall be subject to eligibility certification by the City.

B. The following individuals, by virtue of their position or relationship, are ineligible to occupy an affordable housing unit:

1. All employees and officials of the City of Santa Monica or its agencies, authorities, or commissions who have, by the authority of their position, policy-making authority or influence over the implementation of this Chapter and the immediate relatives and employees of such City employees and officials;
2. The immediate relatives of the applicant or owner, including spouse, children, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister-in-law, and brother-in-law. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

### **9.64.120 Relation to Units Required by Rent Control Board**

30%, 50%, 80% and moderate-income dwelling units developed as part of a market rate project, pursuant to replacement requirements of the Santa Monica Rent Control Board,

shall count towards the satisfaction of this Chapter if they otherwise meet applicable requirements for this Chapter including, but not limited to, the income eligibility requirements, deed restriction requirements, and pricing requirements. New inclusionary units required by the Rent Control Board which meet the standards of this Chapter shall count towards the satisfaction of this Chapter. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

#### **9.64.130 Deed Restrictions**

Prior to issuance of a building permit for a project meeting the requirements of this Chapter by providing affordable units on-site or off-site, the multi-family project applicant shall submit deed restrictions or other legal instruments setting forth the obligation of the applicant under this Chapter for City review and approval. Such restrictions shall be effective for at least fifty-five years. In addition to the administrative guidelines specifically required by other provisions of this Chapter, the City Manager or designee shall be the designated authority to enter into recorded agreements with multi-family project applicants. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

#### **9.64.140 Enforcement**

No building permit or occupancy permit shall be issued, nor any development approval granted, for a project which is not exempt and does not meet the requirement of this Chapter. All affordable housing units shall be rented or owned in accordance with this Chapter. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

#### **9.64.150 Annual Report**

The City Manager or designee, shall submit a report to the City Council on an annual basis which shall contain information concerning the implementation of this Chapter. This report shall also detail the projects that have received planning approval during the previous year and the manner in which the provisions of this Chapter were satisfied. This report shall further assess whether the provisions of Proposition R have been met and whether changes to this Chapter or its implementation procedures are warranted. In the event the provisions of Proposition R have not been met, the City Council shall take such action as is necessary to ensure that the provisions will be met in the future. This action may include, but not be limited to, amending the provisions of this Chapter or its implementation. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

#### **9.64.160 Principles and Guidelines**

The City Manager or designee, shall develop guidelines to implement this chapter, which guidelines shall be subject to approval of the City Council. The guidelines shall include, but not be limited to, the methodology for the establishment and periodic adjustment of the base fee and the affordable housing unit development cost; for-sale affordable unit requirements, tenant and purchaser eligibility procedures; and additional requirements for exercise of the off-site option and land acquisition option. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

#### **9.64.170 Adjustments or Waivers**

A. A multi-family project applicant may request that the requirements of this Chapter be adjusted or waived based on a showing that applying the requirements of this Chapter would effectuate an unconstitutional taking of property or otherwise have an unconstitutional application to the property.

B. To receive an adjustment or waiver, the applicant must submit an application to the City Manager or designee, at the time the applicant files a multi-family project application. The applicant shall bear the burden of presenting substantial evidence to support the request and set forth in detail the factual and legal basis for the claim, including all supporting technical documentation.

C. In making a determination on an application to adjust or waive the requirements of this Chapter, the City Manager or designee, or City Council on appeal, may assume each of the following when applicable:

1. The applicant is subject to the affordable housing requirement of this Chapter;
2. The applicant will benefit from the inclusionary incentives set forth in this Chapter and the City's Municipal Code;
3. The applicant will be obligated to provide the most economical affordable housing units feasible in terms of construction, design, location and tenure.

D. The City Manager or designee shall render a written decision within ninety days after a complete application is filed. The City Manager's or designee's decision may be appealed to the City Council if such appeal is filed within fourteen consecutive calendar days from the date that the decision is made in the manner provided in Chapter [9.37](#) Common Procedures of this Code or any successor thereto.

E. If the City Manager or designee, or City Council on appeal, upon legal advice provided by or at the behest of the City Attorney, determines that applying the requirements of this Chapter would effectuate an unconstitutional taking of property or otherwise have an unconstitutional application to the property, the affordable housing requirements shall be adjusted or waived to reduce the obligations under this Chapter to the extent necessary to avoid an unconstitutional result. If an adjustment or waiver is granted, any change in the use within the project shall invalidate the adjustment or waiver. If the City Manager or designee, or City Council on appeal, determines that no violation of the United States or California Constitutions would occur through application of this Chapter, the requirements of this Chapter remain fully applicable. (Added by Ord. No. 2486CCS §§ 1, 2, adopted June 23, 2015)

## ATTACHMENT 1-B

### AHPP Options Comparison Table

Project Type: Project Size: Zoning:	Rental 2+ Apartments Any	Ownership 2-3 Units Multifamily	Ownership 4-15 Units Multifamily	Ownership 16+ Units Multifamily	Ownership 2+ Units Not Multifamily
<b>Developer Chooses One Option Below:</b>					
1. Construct Units Onsite:					
Moderate Income Units <sup>1</sup>	100%	100%	20%	25%	100%
80% Income Household Rental	20%	20%	20%	25%	20%
50% Income Household Rental	10%	10%	10%	15%	10%
30% Income Household Rental	5%	5%	5%	10%	5%
2. Construct Units Offsite:	Same as Onsite Options	Same as Onsite Options	Onsite Options +25%	Onsite Options +25%	Same as Onsite Options
3. Pay Affordable Housing Fee:	\$31.25/Sq.Ft.	\$36.51/Sq.Ft.	Not Applicable	Not Applicable	\$36.51/Sq.Ft.
4. Acquire and Donate Land	See SMMC 9.64.080	See SMMC 9.64.080	Not Applicable	Not Applicable	See SMMC 9.64.080

Note 1: Moderate-Income residences in this row are the same as the Project Type in terms of owner versus renter.

## ATTACHMENT 2-A

### Fee Adjustment Methodology

**Table 1 – Affordable Housing Unit Base Fee**

Table 1 Affordable Housing Unit Base Fee Annual Inflation Adjustment Calculations for FY 2015-16					
<i>Land Cost Inflation</i>					
ZIP Code	Median Price Change 2013-2014	# Condos Sold	Calculation Weights	Weighted Avg.	
90401	18.3%	14	3.2%	0.6%	
90402	22.7%	26	5.9%	1.3%	
90403	7.5%	162	37.1%	2.8%	
90404	11.6%	115	26.3%	3.1%	
90405	14.9%	120	27.5%	4.1%	
		437	100.0%	<b>11.9%</b>	

Source: Dataquick Information Services (subscription required; data are available from HR&A Advisors, Inc.)

**Construction Cost Inflation**

Engineering News Record's Construction Cost Index – Los Angeles

March 2014 Index Value	10731.68
March 2015 Index Value	10995.27
Percentage Change 2013-2014	<b>2.5%</b>

Source: Engineering News Record (subscription required; data are available from HR&A Advisors, Inc.)

**Derivation of Land Cost and Construction Cost Calculation Weights**

Most Recent CCSM Family Rental Projects	Hard Construction		
	Land Cost	Cost	Sum
2802 Pico	\$ 3,625,000	\$ 12,630,138	\$ 16,255,138
430 Pico	\$ 4,500,000	\$ 11,361,066	\$ 15,861,066
	\$ 8,125,000	\$ 23,991,204	\$ 32,116,204
	25.3%	74.7%	100.00%

Source: Housing Division, City of Santa Monica

**Inflation Factor Derivation**

	Inflation Value	Weight	Wtd. Avg.
Land Value Inflation	11.9%	25.3%	3.0%
Construction Cost Inflation	2.5%	74.7%	1.9%
			<b>4.9%</b>

**Adjusted Fees**

	FY 2014-15 Fees	Inflation Factor	Updated Fees	\$ Change
Condos	\$34.80	4.9%	\$36.51	\$1.71
Apartments	\$29.79	4.9%	\$31.25	\$1.46

**For Information Only:**

Consumer Price Index Change, LA-Riv-Or Co., All Urban Consumers, 1982-84 = 100	
Mar. 2014 Index Value	242.491
Mar. 2015 Index Value	243.738
Percentage Change Mar. 2014-Mar. 2015	0.5%

Source: US Bureau of Labor Statistics (available at <http://www.bls.gov/cpi>)

Prepared by: HR&A Advisors, Inc.

HR&A ADVISORS, INC.



## ATTACHMENT 2-A

### Fee Adjustment Methodology

**Table 2 – Affordable Housing Unit Development Cost**

Table 1 Affordable Housing Unit Base Fee Annual Inflation Adjustment Calculations for FY 2015-16					
<i>Land Cost Inflation</i>					
ZIP Code	Median Price Change 2013-2014	# Condos Sold	Calculation Weights	Weighted Avg.	
90401	18.3%	14	3.2%	0.6%	
90402	22.7%	26	5.9%	1.3%	
90403	7.5%	162	37.1%	2.8%	
90404	11.6%	115	26.3%	3.1%	
90405	14.9%	120	27.5%	4.1%	
		437	100.0%	<b>11.9%</b>	

Source: Dataquick Information Services (subscription required; data are available from HR&A Advisors, Inc.)

**Construction Cost Inflation**

Engineering News Record's Construction Cost Index – Los Angeles	
March 2014 Index Value	10731.68
March 2015 Index Value	10995.27
Percentage Change 2013-2014	<b>2.5%</b>

Source: Engineering News Record (subscription required; data are available from HR&A Advisors, Inc.)

**Derivation of Land Cost and Construction Cost Calculation Weights**

Most Recent CCSM Family Rental Projects	Land Cost	Hard Construction Cost	Sum
2802 Pico	\$ 3,625,000	\$ 12,630,138	\$ 16,255,138
430 Pico	\$ 4,500,000	\$ 11,361,066	\$ 15,861,066
	\$ 8,125,000	\$ 23,991,204	\$ 32,116,204
	25.3%	74.7%	100.00%

Source: Housing Division, City of Santa Monica

**Inflation Factor Derivation**

	Inflation Value	Weight	Wtd. Avg.
Land Value Inflation	11.9%	25.3%	3.0%
Construction Cost Inflation	2.5%	74.7%	1.9%
			<b>4.9%</b>

**Adjusted Fees**

	FY 2014-15 Fees	Inflation Factor	Updated Fees	\$ Change
Condos	\$34.80	4.9%	\$36.51	\$1.71
Apartments	\$29.79	4.9%	\$31.25	\$1.46

*For Information Only:*

Consumer Price Index Change, LA-Riv-Or Co., All Urban Consumers, 1982-84 = 100	
Mar. 2014 Index Value	242.491
Mar. 2015 Index Value	243.738
Percentage Change Mar. 2014-Mar. 2015	0.5%

Source: US Bureau of Labor Statistics (available at: <http://www.bls.gov/cpi>)

Prepared by: HR&A Advisors, Inc.

HR&A ADVISORS, INC.

## **ATTACHMENT 2-B**

### **Current Base Fees for Apartment and Condominium Projects**

#### **FEE FOR APARTMENT PROJECTS**

Current Fee: \$31.25 (Effective November 1, 2015)

#### **FEE FOR CONDOMINIUM PROJECTS**

Current Fee: \$36.25 (Effective November 1, 2015)

#### **TIMING OF FEE PAYMENT**

Base Fee is due prior to completion of project, but not before building permit issuance, and the amount of fee due is based on fee amount in effect at time of payment.

## ATTACHMENT 3-A

### Affordable Housing Table for 4+ Ownership Residences in Multi-Family Zones

	Number of residences in project before density bonus	Number of affordable residences to be provided**	FRACTIONS***	
			Fraction eligible for fee payment	Fractional cost of developing a residence
<b>ON-SITE OPTION*</b> [# RESIDENCES X 20%]	2	On-site or off-site residences are not mandatory.		
	3	May pay affordable housing fee.		
	4	1.00	0.00	\$0.00
	5	1.00	0.00	\$0.00
	6	1.00	0.20	\$65,585.40
	7	1.00	0.40	\$131,170.80
	8	1.00	0.60	\$196,756.20
	9	2.00	0.00	\$0.00
	10	2.00	0.00	\$0.00
	11	2.00	0.20	\$65,585.40
	12	2.00	0.40	\$131,170.80
	13	2.00	0.60	\$196,756.20
	14	3.00	0.00	\$0.00
	15	3.00	0.00	\$0.00
		16+	[# residences x 25%]	[fraction < 0.75]
<b>OFF-SITE OPTION*</b> [# RESIDENCES X 25%]	2	On-site or off-site residences required are not mandatory		
	3	May pay affordable housing fee.		
	4	1.00	0.00	\$0.00
	5	1.00	0.25	\$81,981.75
	6	1.00	0.50	\$163,963.50
	7	2.00	0.00	\$0.00
	8	2.00	0.00	\$0.00
	9	2.00	0.25	\$81,981.75
	10	2.00	0.50	\$163,963.50
	11	3.00	0.00	\$0.00
	12	3.00	0.00	\$0.00
	13	3.00	0.25	\$81,981.75
	14	3.00	0.50	\$163,963.50
	15	4.00	0.00	\$0.00
		etc.	etc.	[fraction < 0.75]

\***Ownership residences** must be available for very low, low, or moderate income households

\***Rental residences** must be available for very low or low income households

\*\*For fractions of 0.75 or more - round up to next whole number

\*\*\*For fractions less than 0.75 - there are 2 options:

- 1) Pay the fractional cost of developing the unit based on affordable housing unit development cost (\$327,927 per residence)
- 2) Construct all mandatory affordable residences with 3+ bedrooms

## ATTACHMENT 3-B

### Development Incentives

#### Density Bonus Table for Housing Developments in Residential Zones

Minimum % of project that must be affordable to be eligible for bonus

Minimum Guaranteed Density Bonus (no combining of categories allowed)

% OF UNITS THAT ARE AFFORDABLE	DENSITY BONUS*			ADDITIONAL BONUS**
	VERY LOW INCOME	LOW INCOME	MODERATE INCOME	LAND DONATION
<b>FOR RESIDENTIAL ZONES</b>				
5%	20.0%			
6%	22.5%			
7%	25.0%			
8%	27.5%			
9%	30.0%			
10%	32.5%	20.0%	5.0%	15.0%
11%	35.0%	21.5%	6.0%	16.0%
12%	35.0%	23.0%	7.0%	17.0%
13%	35.0%	24.5%	8.0%	18.0%
14%	35.0%	26.0%	9.0%	19.0%
15%	35.0%	27.5%	10.0%	20.0%
16%	35.0%	29.0%	11.0%	21.0%
17%	35.0%	30.5%	12.0%	22.0%
18%	35.0%	32.0%	13.0%	23.0%
19%	35.0%	33.5%	14.0%	24.0%
20%	35.0%	35.0%	15.0%	25.0%
21%	35.0%	35.0%	16.0%	26.0%
22%	35.0%	35.0%	17.0%	27.0%
23%	35.0%	35.0%	18.0%	28.0%
24%	35.0%	35.0%	19.0%	29.0%
25%	35.0%	35.0%	20.0%	30.0%
26%	35.0%	35.0%	21.0%	31.0%
27%	35.0%	35.0%	22.0%	32.0%
28%	35.0%	35.0%	23.0%	33.0%
29%	35.0%	35.0%	24.0%	34.0%
30%	35.0%	35.0%	25.0%	35.0%
31%	35.0%	35.0%	26.0%	35.0%
32%	35.0%	35.0%	27.0%	35.0%
33%	35.0%	35.0%	28.0%	35.0%
34%	35.0%	35.0%	29.0%	35.0%
35%	35.0%	35.0%	30.0%	35.0%
36%	35.0%	35.0%	31.0%	35.0%
37%	35.0%	35.0%	32.0%	35.0%
38%	35.0%	35.0%	33.0%	35.0%
39%	35.0%	35.0%	34.0%	35.0%
40%	35.0%	35.0%	35.0%	35.0%

\* See Santa Monica Municipal Code Section 9.22 for more information.

**ATTACHMENT 3-C**

**Extremely-Low, Very-Low, Low- and Moderate Income Levels**

**2015 Income Limits**

<b>MAXIMUM ALLOWABLE INCOME (ANNUAL)</b>				
<b>Household Size</b>	<b>Extremely Low (30%)</b>	<b>Very Low (50%)</b>	<b>Low (80%)</b>	<b>Moderate (120%)</b>
1	\$17,950	\$29,900	\$47,850	\$54,450
2	\$20,500	\$34,200	\$54,650	\$62,200
3	\$23,050	\$38,450	\$61,500	\$70,000
4	\$25,600	\$42,700	\$68,300	\$77,750
5	\$28,410	\$46,150	\$73,800	\$83,950
6	\$32,570	\$49,550	\$79,250	\$90,200
7	\$36,730	\$52,950	\$84,700	\$96,400
8	\$40,890	\$56,400	\$90,200	\$102,650

## ATTACHMENT 3-D

### Maximum Allowable Rents

## 2015 Maximum Allowable Rent Limits

<b>MAXIMUM ALLOWABLE RENTS</b> (Based on <u>30%</u> Affordability Standard)				
<b>Residence Type</b>	<b>Extremely Low (30%)</b>	<b>Very Low (50%)</b>	<b>Low (80%)</b>	<b>Moderate (120%)</b>
0-Bdrm	\$340	\$567	\$680	\$1,247
1-Bdrm	\$389	\$648	\$778	\$1,426
2-Bdrm	\$437	\$729	\$875	\$1,604
3-Bdrm	\$486	\$810	\$972	\$1,782
4-Bdrm	\$525	\$875	\$1,050	\$1,925

Rents: Median Income for 4-person household x Income Level x Bedroom Adjustment x Affordability Standard (30%) / 12. (Ref: CA H&SC 50053, H&SC 50052.5(h), SMMC 9.64.020(D))

\* Rents limits reflect a hold-harmless approach and are therefore held at their highpoint reached in 2011.

## ATTACHMENT 3-E

### Sample Deed Restriction

#### AGREEMENT IMPOSING RESTRICTIONS ON RENTS & OCCUPANCY OF REAL PROPERTY

THIS AGREEMENT IMPOSING RESTRICTIONS ON RENTS & OCCUPANCY OF REAL PROPERTY, entered into this [ ] day of [month, 20--], by and between the CITY OF SANTA MONICA, a Municipal Corporation (hereinafter the "City"), and [name of applicant], a [California Limited Liability Company] (hereinafter the "Developer"), is made with reference to the following:

#### R E C I T A L S:

A. Developer is the owner of certain real property located at [address] in the City of Santa Monica, in the County of Los Angeles, California (hereinafter referred to as the "Subject Property"). The Subject Property is more particularly described in Exhibit "A" which is attached hereto and incorporated herein by this reference.

B. Developer wishes to construct a [project description include # stories, building square footage, form of ownership apt/condo] a (hereinafter referred to as the "Project"). The City has approved [type of application #AA, DR, VAR etc.] for the Project. The City approved the [type of application] subject to the conditions of this Agreement, which are imposed for the benefit of the City, the public and surrounding landowners and without which the [type of application] would not be approved.

C. The Project is subject to the requirements of the City's Affordable Housing Production Program, Santa Monica Municipal Code Chapter 9.64, and the Administrative Guidelines for Chapter 9.64, as they may be amended from time to time (all collectively, referenced herein as "Affordability Restrictions"). The Developer has agreed to satisfy the Affordability Restrictions by fully complying with this Agreement.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

#### 1. RECITALS.

The Recitals stated above, are hereby incorporated by reference into this Agreement and adopted by the parties to this Agreement as true and correct.

#### 2. DEFINITIONS.

2.1 "Affordable Units" means dwelling units within the Project that are

available to and occupied by Fifty Percent Income Households and Eighty Percent Income Households at Affordable Rent.

**2.2 “Affordable Rent” means:**

(a) For thirty percent income households, the product of thirty percent times thirty percent of the area median income adjusted for household size appropriate for the unit.

(b) For fifty percent income households, the product of thirty percent times fifty percent of the area median income adjusted for household size appropriate for the unit.

(c) For eighty percent income households whose gross incomes exceed the maximum incomes for fifty percent income households, the product of thirty percent times sixty percent of the area median income adjusted for household size appropriate for the unit.

**2.3 “Area Median Income or AMI”** means the median family income published from time to time by the United States Department of Housing and Urban Development ("HUD") for the Los Angeles-Long Beach Metropolitan Statistical Area.

**2.4 “Eighty Percent Income Household”** means a household whose gross income does not exceed the eighty percent income limits applicable to the Los Angeles-Long Beach Primary Metropolitan Statistical Area, adjusted for household size, as published and periodically updated by HUD. Eighty Percent Income Households include Fifty Percent Income Households.

**2.5 “Fifty Percent Income Household”** means a household whose gross income does not exceed the fifty percent income limits applicable to the Los Angeles-Long Beach Primary Metropolitan Statistical Area, adjusted for household size, as published and periodically updated by HUD. Fifty percent income households include Thirty Percent Income Households.

**2.6 “Life of the Project”** shall mean a period commencing on the date of Certificate of Occupancy is issued for the Project and ending on the date which is fifty-five (55) years from Certificate of Occupancy for the Project; provided, however, that if the Project is damaged or destroyed and cannot be rebuilt in accordance with the development standards permitted in this Agreement, then the Life of the Project shall be deemed to have ended as of the date of such damage or destruction.

**2.7 “Rent”** has the same meaning as provided in title 25, section 6918 of the California Code of Regulations, as amended from time to time in accordance with law.

**2.8 “Thirty Percent Income Household”** means a household whose gross income does not exceed the thirty percent income limits applicable to the Los Angeles-Long Beach Primary Metropolitan Statistical Area, adjusted for household size, as published and periodically updated by HUD.



### 3. CONTRACT WITH CITY.

Developer hereby acknowledges that in issuing the **[type of application]** for the Project, the City is reducing or modifying development standards otherwise applicable to the Project such as increasing unit density, reducing parking and other property development standards, and/or waiving fees. In exchange for such forms of assistance from the City, which are of financial benefit to the Developer, Developer has entered into this contract with this City and agreed to the other conditions of the **[type of permit see above]**, including the requirement included in this Agreement to provide and maintain **[#]** Affordable Units on the Subject Property for occupancy by qualified households who meet the requirements specified in this Agreement. The parties agree and acknowledge that this is a contract providing forms of assistance to the Developer within the meaning of Civil Code Section 1954.52 (b) and Government Code Section 65915 *et seq.*

### 4. DEVELOPER TO PROVIDE AND MAINTAIN [Total # deed restricted units] Example: TEN (10) AFFORDABLE UNITS.

(a) Upon issuance of a Certificate of Occupancy for the Project, Developer shall provide and maintain **[#]** Affordable Units on the Subject Property, as follows:

**[# and type of unit] Example: Ten (10) one-bedroom** Affordable Units shall be available to and occupied by **[insert affordability level] Example: Fifty Percent Income Households** at Affordable Rent.

Developer shall submit plans to the City's Building Official, identifying the unit numbers and exact locations of all of the Affordable Units. The submittal of these plans with the required identification of Affordable Units shall be a condition precedent to Developer's obtaining a building permit for the Project.

(b) The Affordable Units shall be rental units and the maximum rent shall be calculated pursuant to the formula set forth in Section 5 of this Agreement.

(c) The City shall issue a Certificate of Occupancy for the Project ("Certificate") expressly contingent upon compliance with the terms of this Agreement. A valid Certificate shall be required at all times to continue to use or occupy the Project. A breach of this Agreement shall be grounds for revoking the Certificate. The City shall provide reasonable notice and an opportunity to cure any breach of this Agreement prior to revoking the Certificate.

### 5. TERMS FOR THE RENTAL OF THE AFFORDABLE UNITS.

The maximum Affordable Rent for the **[#]** Affordable Units on the Subject Property shall be as follows:

(a) If the household is receiving a rental housing subsidy, the maximum allowable rent shall be the lesser of the Affordable Rent calculated under subparagraph (b) of this Section 5 or the payment standard authorized by the Santa Monica Housing Authority.

(b) If the household is not receiving federal rental assistance as defined above, the maximum allowable rent for the unit shall be calculated as follows:

For Fifty Percent Income Households

Area Median Income x 50% x Bedroom Adjustment Factor x 30% = Maximum Affordable Rent (Annual).

For Eighty Percent Income Households

Area Median Income x 60% x Bedroom Adjustment Factor x 30% = Maximum Affordable Rent (Annual).

The Maximum Allowable Rent figures must be divided by twelve to determine the maximum allowable monthly rent.

The formula for the calculation of rents as of the date of this Agreement is as follows:

(c) Area Median Income - As periodically published by HUD, currently \$64,800 (for a family of four).

(d) Bedroom Adjustment Factors

0 Bedroom	.7	3 Bedrooms	1.00
1 Bedroom	.8	4 Bedrooms	1.08
2 Bedroom	.90		

(e) Affordable Rents **2015, to be updated annually**<sup>3</sup>

	Studio	1-BR	2-BR	3BR
Fifty Percent Income Household	\$567	\$648	\$729	\$810
Eighty Percent Income Household	\$680	\$778	\$875	\$972

(f) In the event the standards for establishing the monthly rental rate of the Affordable Units set forth in Section 5 cease to exist, the parties shall substitute a similar

<sup>3</sup> These numbers include the utility allowance adopted by the City's Housing Authority for 2015, and is adjusted annually thereafter.

standard established by HUD or its successor governmental agency. If the parties are unable to agree upon a substitute standard, the parties shall refer the choice of the substitute standard to binding arbitration in accordance with the rules of the American Arbitration Association.

(g) Minimum Occupancy Requirements

0 bedroom	1 occupant
1 bedroom	1 occupants
2 bedroom	2 occupants
3 bedrooms	3 occupants
4 bedrooms	5 occupants

6. HOUSEHOLD ADJUSTMENT FACTORS.

The Household Adjustment Factors are as follows:

1 person	0.7
2 persons	0.8
3 persons	0.9
4 persons	1.0
5 persons	1.08
6 persons	1.16
7 persons	1.24
8 persons	1.32

During the duration of this agreement, developer agrees to make reasonable efforts to rent vacant Affordable Units within sixty days.

7. TENANT SELECTION.

Developer shall select households from the City-developed list of income qualified households. Only households selected from the City-developed list of income qualified households shall occupy any of the Affordable Units.

8. CITY APPROVAL OF DOCUMENTS.

The Conditions, Covenants and Restrictions (CC&R's), if any, for the Subject Property shall include reference to all applicable obligations and duties of the parties created by this Agreement. The City Attorney of the City of Santa Monica shall approve as to form the CC&R's prior to recordation of the final subdivision or parcel map for the Subject Property.

Developer shall rent the Affordable Units pursuant to the terms and conditions of

a lease or rental agreement approved by the City. At least ninety days prior to the expected completion date, Developer shall submit to the City Housing Division for review a copy of the lease agreement to be used. In addition to any other provision required by the City to ensure compliance with Chapter 9.64 and the Administrative Guidelines for Chapter 9.64, as they may be amended from time to time, said lease or rental agreement shall contain a provision prohibiting subleasing of the Affordable Units or revising the composition of the household without Developer's permission. Developer shall not approve any change that renders the Affordable Units in noncompliance with the household income requirements of this Agreement. The addition to the household of minor children, a spouse, or registered domestic partner shall not be deemed a change in the household requiring Developer's prior approval pursuant to this Section.

Developer shall lease the Affordable Units concurrently with all other units in the Project so as to avoid prolonged vacancy of the Affordable Units during lease-up of the Project.

#### 9. ATTORNEYS' FEES AND COSTS.

In the event of any controversy, claim or dispute between the parties hereto, arising out of or relating to this Agreement or breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorneys' fees and costs.

#### 10. APPOINTMENT OF OTHER AGENCIES.

The City may designate, appoint or contract with any other public agency to perform City's obligations under this Agreement.

#### 11. SEVERABILITY.

In the event any limitation, condition, restriction, covenant or provision contained in this Agreement is held to be invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall, nevertheless, be and remain in full force and effect.

#### 12. NOTICES.

All notices required under this Agreement shall be sent by certified mail, return receipt requested, to the following addresses:

TO THE CITY OF SANTA MONICA: City of Santa Monica  
Planning and Community Development  
Department  
1685 Main Street, Room 212  
Santa Monica, California 90401

Attention: Director, Planning and  
Community Development Department

TO THE DEVELOPER: **[enter developer name/address]**

Any party may change the address to which notices are to be sent by notifying the other parties of the new address, in the manner set forth above.

13. HOLD HARMLESS.

As between the City and the Developer, the Developer is deemed to assume responsibility and liability for, and the Developer shall indemnify and hold harmless the City and its City Council, boards and commissions, officers, agents, servants or employees from and against any and all claims, loss, damage, charge or expense, whether direct or indirect, to which the City or its City Council, boards and commissions, officers, agents, servants or employees may be put or subjected, by reason of any damage, loss or injury of any kind or nature whatever to persons or property caused by or resulting from or in connection with any act or action, or any neglect, omission or failure to act when under a duty to act, on the part of the Developer or any of Developer's officers, agents, servants, employees or subcontractors in his or their performance hereunder.

14. BURDEN TO RUN WITH PROPERTY.

The covenants and conditions herein contained shall apply to and bind the heirs, successors and assigns of all the parties hereto and shall run with and burden the Subject Property for the benefit of the City, the public and surrounding landowners, until terminated in accordance with the provisions hereof. Developer shall expressly make the conditions and covenants contained in this Agreement a part of any deed or other instrument conveying any interest in the Subject Property.

15. SALE OR CONVERSION OF PROPERTY.

In the event of sale or conversion of the subject property, any Conditions, Covenants and Restrictions (CC&R's) for the property, shall incorporate by reference all obligations and duties of the parties created by this Agreement. Reporting obligations set forth in Section 24 below, shall be set forth in the CC&R's if any, for the project.

16. PROHIBITION AGAINST DISCRIMINATION.

Developer agrees not to discriminate against any actual or potential occupant of the subject property on the basis of sex, race, color, religion, ancestry, national origin, sexual orientation, age, pregnancy, marital status, handicap, HIV, family composition, source of income, the use of a rental subsidy voucher, or the potential or actual occupancy of minor children. Developer further agrees to take affirmative action to ensure that no such person is discriminated against for any of the aforementioned reasons.

17. STANDING TO ENFORCE AGREEMENT.

Violation of this Agreement may be enjoined, abated or remedied by appropriate legal proceeding in a court of competent jurisdiction by any aggrieved party, including but not limited to, the parties hereto, or their respective successors, heirs and assigns.

The right to specific performance of this Agreement shall be an appropriate remedy for a breach of this Agreement because of the uniqueness of the Property and the inherent difficulty in calculating adequate damages.

18. INTEGRATED AGREEMENT.

This Agreement constitutes the entire agreement between the parties and no modification hereof shall be binding unless reduced to writing and signed by the parties hereto.

19. APPLICABLE LAW.

All questions pertaining to the validity and interpretation of this Agreement shall be determined in accordance with the laws of California applicable to contracts made to and to be performed within the State.

20. CITY AUTHORITY TO ENFORCE LAW

The obligation of the Owner pursuant to this Agreement are in addition to, and in no way limit, the authority of the City to enforce all laws and regulation applicable to the Subject Property. Nothing in this Agreement shall limit the authority of the City to take appropriate action to enforce the terms of any permit issued by the City relating to the Subject Property.

21. DURATION OF AGREEMENT.

This Agreement shall terminate and become null and void fifty-five (55) years from issuance of the Certificate of Occupancy.

22. AMENDMENT OF AGREEMENT.

This Agreement, and any Section, subsection, or covenant contained herein, may be terminated or amended only upon the written consent of all parties hereto.

23. RECORDING OF AGREEMENT.

The parties hereto shall cause this Agreement to be recorded in the Official

Records of the County of Los Angeles.

24. YEARLY REPORT.

Developer shall issue a written report to City on an annual basis commencing one year from the date of issuance of the Certificate of Occupancy and continuing thereafter throughout the term of the Agreement. The report shall state the rent level then being charged for the Affordable Units, whether the occupants are assisted by a rental housing subsidy program, the number of occupants in the household, whether there have been any changes in the composition of the household, whether any vacancies have occurred during the reporting year, any changes in income of the residents of the affordable units, and such other information as may be required by City staff.

25. COMPLIANCE MONITORING.

Pursuant to City of Santa Monica Resolution 10635 (CCS) and Santa Monica Municipal Code Sections 9.64.050 and 9.64.060, Developer shall pay the reasonable regulatory costs of ensuring compliance with this Agreement through a Compliance Monitoring Fee, adopted and approved on November 22, 2011 and administratively revised on an annual basis.

\\

26. AUTHORITY TO EXECUTE.

The undersigned declare they have full authority to execute this Agreement on behalf of Developer, and bind Developer to all the terms and conditions contained herein.

**[Note: document text needs to be part of signature page; set hard page breaks when necessary]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ATTEST:

“CITY”

CITY OF SANTA MONICA  
a Municipal Corporation

\_\_\_\_\_  
Denise Anderson-Warren  
City Clerk  
APPROVED AS TO FORM:  
SANTA MONICA CITY ATTORNEY

By:      Rick Cole  
City Manager

\_\_\_\_\_  
MARSHA JONES MOUTRIE  
City Attorney

“DEVELOPER”

**[Name]**, LLC  
a California limited liability company

By \_\_\_\_\_  
**[name, and title, i.e. Manager, trustee, owner etc]**

Prepared by: Planner Name  
Reference Number: XXDED-XXX



EXHIBIT A

LOT -----, BLOCK -----, TRACT ----- IN THE CITY OF SANTA MONICA,  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN  
BOOK XX PAGE XXX, IN THE OFFICE OF THE COUNTY RECORDER OF SAID  
COUNTY.

(Insert Complete Legal Description)

APN \_\_\_\_\_

Commonly Known As: [Street Address]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

### ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ } ss:

COUNTY OF \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public,  
(insert name and title of the officer)

personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of \_\_\_\_\_ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**ATTACHMENT 4-A** (Updated for 2016 AHPP Guidelines Update)

**Sample Application for Affordable Housing Eligibility List**

**PRELIMINARY APPLICATION**

**PLEASE COMPLETE THIS FORM AND RETURN TO:**

Affordable Housing Programs  
 Santa Monica Housing Authority  
 1901 Main Street  
 1st Floor  
 Santa Monica, CA 90405

**FIRST LAST  
 STREET APT  
 SANTA MONICA CA 90401**

Office Use Only									
Received/ Revised	Unit Size	Preference							
_____	_____	T	P1	P2	P3	P4	P5	P6	P7
_____	_____	T	P1	P2	P3	P4	P5	P6	P7
_____	_____	T	P1	P2	P3	P4	P5	P6	P7

Legal address if different from mailing address

\_\_\_\_\_

Note: If your legal or mailing address changes, you must notify this office to maintain your waiting list status.

Evidence of legal address claimed at time of application must accompany this form when returned. Acceptable evidence includes copy of driver's license or other official document listing head of household, spouse or co-head at claimed legal address. Preliminary Applications returned without evidence of legal address cannot be accepted.

**Part 1: Head of Household**

<b>Social Security Number</b>	_____	<b>Ethnicity (Check One Box)</b>	<input type="checkbox"/> Hispanic/Latino
<b>Date of Birth</b>	____/____/____		<input type="checkbox"/> Not Hispanic/Latino
<b>Sex</b>	<input type="checkbox"/> Female <input type="checkbox"/> Male	<b>OR</b>	
<b>Home Telephone</b>	____-____-____	<b>Race (Check All That Apply)</b>	<input type="checkbox"/> White
<b>Other Telephone</b>	____-____-____		<input type="checkbox"/> Black/African American
<b>Other Telephone Type</b>	<input type="checkbox"/> Work <input type="checkbox"/> Other Specify: _____		<input type="checkbox"/> American Indian/ Alaska Native
<b>E-mail Address</b>	_____		<input type="checkbox"/> Asian
<input type="checkbox"/> I would like to receive correspondence via e-mail.			<input type="checkbox"/> Native Hawaiian/Other Pacific Islander
<b>Do you qualify for a reasonable accommodation due to a disability?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No		<small>Racial and ethnic data for statistical purposes only.</small>

**Part 2: Household Information**

List information for adults first, then children under age 18. Use "F" or "M" to indicate sex. If a household member qualifies for a reasonable accommodation due to a disability select "Y", if not, select "N." List relationship of each person to the Head of Household. Attach additional sheet if family has more than ten members.

<u>First Name</u>	<u>MI</u>	<u>Last Name</u>	<u>Social Security #</u>	<u>Date of Birth</u>	<u>Sex</u>	<u>Disabled</u>	<u>Relationship</u>
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____
_____	_____	_____	_____	____/____/____	_____	<input type="checkbox"/> Y <input type="checkbox"/> N	_____

Please Continue to Part 3



**PRELIMINARY APPLICATION**

**Part 3: Family Income and Assets**

List total gross income (before taxes) and payments received by each family member age 18 and older for wages, military pay, pensions, social security, SSI, welfare, child support, unemployment, business, profession or any other source. Include payments made to family members 18 or older on behalf of other family members under age 18.

<u>First Name</u>	<u>Gross Income</u>	<u>How Often</u>	<u>If Income is from Wages</u> <u>List Address of Employer</u>
_____	\$ _____	<input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	_____
_____	\$ _____	<input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	_____
_____	\$ _____	<input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	_____
_____	\$ _____	<input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	_____
_____	\$ _____	<input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	_____

List total cash value and total income received for assets owned by all family members.

<u>Type of Asset</u>	<u>Cash Value of Asset</u>	<u>Income Received from Asset</u>
Checking Accounts	\$ _____	\$ _____
Savings Accounts	\$ _____	\$ _____
Stocks, Bonds, CDs, Investment	\$ _____	\$ _____
Real Estate	\$ _____	\$ _____
Other	\$ _____	\$ _____

**Part 4: Eligibility and Preferences**

Your response to the following statements will help determine your eligibility for rental assistance and if you are entitled to a preference when placed on the program's waiting list. Select each item that applies to your current status.

- Have you been displaced by government action, a natural disaster, the Ellis Act, or owner/relative occupancy eviction?
- Do you live, work full-time, or are you homeless in the City of Santa Monica?
- Are you or a family member a US veteran or currently serving in the US military?
- Are you a single applicant (1 person household) who is elderly or disabled?
- Are you interested in home ownership?
- Do you own a home?

**Part 5: U.S. Citizenship Notification and Certification**

Housing may be contingent upon the submission and verification of evidence of citizenship or eligible immigration status prior to the time housing is made available. Based on the evidence submitted at that time, assistance may be prorated, denied or terminated following appeals and informal hearing processes.

I certify that the information on this form is true and complete to the best of my knowledge and belief. I understand that I can be fined up to \$10,000, or imprisoned up to five years if I furnish false or incomplete information.

X \_\_\_\_\_ Date \_\_\_\_\_  
FIRST LAST

Privacy Act Notice: For your protection, the data collected on this form will only be released in accordance with the Privacy Act of 1974.





# Housing Division Waiting List Referral Form

City of **Santa Monica**® **ATTACHMENT 4-B** (Updated for 2016 AHPP Guidelines Update)

<b>Property Address</b>	
<b>Owner/Manager Name</b>	
<b>Phone #/Email</b>	
<b>Residence #</b>	

	<b>Name and Phone Number</b>
--	------------------------------

<b>Referral #1:</b>	
---------------------	--

<b>Was #1 Offered the Residence?</b>	Yes	No	Comments:
--------------------------------------	-----	----	-----------

<b>Did #1 Accept the Residence?</b>	Yes	No	Comments:
-------------------------------------	-----	----	-----------

	<b>Name and Phone Number</b>
--	------------------------------

<b>Referral #2:</b>	
---------------------	--

<b>Was #2 Offered the Residence?</b>	Yes	No	Comments:
--------------------------------------	-----	----	-----------

<b>Did #2 Accept the Residence?</b>	Yes	No	Comments:
-------------------------------------	-----	----	-----------

	<b>Name and Phone Number</b>
--	------------------------------

<b>Referral #3:</b>	
---------------------	--

<b>Was #3 Offered the Residence?</b>	Yes	No	Comments:
--------------------------------------	-----	----	-----------

<b>Did #3 Accept the Residence?</b>	Yes	No	Comments:
-------------------------------------	-----	----	-----------