

Boyes Springs Food Center Mixed Use Redevelopment Affordable Housing Program

Article 89 of the Sonoma County Zoning Code contains affordable housing requirements for the commercial and residential uses in the proposed project. Section 26-89-040 of the Sonoma County Zoning Code sets forth the Affordable Housing Requirements for non-exempt residential development, while Section 26-89-045 sets forth the Workforce Housing Program Requirements for non-exempt commercial development. Sections 26-89-040.G and 26-89-045.F of the Sonoma County Zoning Code enable an applicant to fulfill the Affordable and Workforce Housing Requirements of Article 89 through an Alternative Equivalent Action, subject to the approval of the Director of the Permit and Resource Management Department.

The following summarizes the proposed Alternative Equivalent Action and demonstrates how the requested Alternative Equivalent Action furthers affordable housing opportunities in the County to an equal or greater extent than the provision of the affordable housing units in compliance with Section 26-89-040.C or payment of the affordable housing fee in compliance with Section 26-89-040.D or the provision of the workforce housing units in compliance with Section 26-89-045.C or payment of the workforce housing fee in compliance with Section 26-89-045.E.

Exempt Units

Sections 26-89-040.B and 26-89-045.B exempt certain projects and unit types from the affordable and workforce housing requirements of the Sonoma County Code. Section 26-89-040.B.8 of the Sonoma County Zoning Code specifically exempts replacement of an existing, legal dwelling unit from the affordable housing requirements where the total living area within the replacement unit is no more than 1,000 square feet greater than the living area within the unit being replaced. Section 26-89-045.B.6 of the Sonoma County Zoning Code specifically exempts non-residential remodels or replacements to existing, legal structures that do not result in the creation of additional floor area from the Workforce Housing requirements. Section 26-89-045.B.4 of the Sonoma County Zoning Code provides for a floor area discount which exempts the first 2,000 square feet of nonresidential floor area in all new developments from the Workforce Housing requirements.

Affordable Housing Exemption

There are twelve residences (seven single family residences as well as three apartments and two studios in the Boyes Springs Food Center [BSFC] building) that currently exist on the project site that are planned for replacement as part of the proposed project. The following table demonstrates how the twelve existing units and their corresponding proposed replacement units meet the requirements of Section 26-89-040.B.8 and are therefore exempt from the Affordable Housing Requirements of the Code.

Replacement Unit Exemption (Section 26-89-040.B.8)

Existing Units			Replacement Units	
Unit	APN	Square Footage	Unit	Square Footage
Single Family Residence	056-415-020	693	Townhome	1,543
Single Family Residence	056-415-020	874	Townhome	1,725
Single Family Residence	056-415-020	836	Townhome	1,543
Single Family Residence	056-415-020	1,001	Townhome	1,725
Single Family Residence	056-415-018/-020	684	Townhome	1,114
Single Family Residence	056-415-020	444	Townhome	1,114
Single Family Residence	056-415-020	1,349	Townhome	1,725
Apartment (BSFC Bldg)	056-415-020	750	Townhome	1,725
Apartment (BSFC Bldg)	056-415-020	600	Apartment	893
Apartment (BSFC Bldg)	056-415-020	600	Apartment	893
Studio (BSFC Bldg)	056-415-020	350	Apartment	492
Studio (BSFC Bldg)	056-415-020	325	Apartment	491

Workforce Housing Exemption

The BSFC building totals 8,000 square feet which is comprised of approximately 3,000 square feet of commercial retail and 5,000 of residential uses. The BSFC will be remodeled as part of the proposed project. The proposed remodel will not result in the creation of additional floor area. The following table summarizes the 3,000 square foot commercial area of the BSFC to be remodeled that meets the requirements of Section 26-89-045.B.6 and is therefore exempt from the Workforce Housing Requirements of the Code.

Remodel Exemption (Section 26-89-045.B.6)

Use	Square Footage	Exemption
BSFC Remodel	3,000	26-89-045.B.6

The proposed project includes the development of 4,000 square feet of new commercial retail/restaurant use within a new three story mixed-use building. The following table summarizes the first 2,000 square feet of nonresidential floor area of the proposed project that meets the requirements of Section 26-89-045.B.4 of the Sonoma County Zoning Code and is therefore exempt from the Workforce Housing Requirements.

Floor Area Discount Exemption (26-89-045.B.4)

Use	Square Footage	Exemption
New Commercial Retail/Restaurant	2,000	26-89-045.B.4

In summary, twelve of the proposed 37 units are exempt from the Affordable Housing Requirements of the Sonoma County Zoning Code and 5,000 square feet of the proposed 7,000 square feet of commercial uses is exempt from the Workforce Housing Requirements of the Sonoma County Zoning Code.

Code Required Affordable & Workforce Housing

Section 26-89-040 of the Sonoma County Zoning Code sets forth the Affordable Housing Requirements for non-exempt residential development and requires any person who constructs or develops one or more residential units to provide affordable housing through on-site construction, payment of an affordable housing fee or an alternative equivalent action. Per Section 26-89-040.C.3 to meet the minimum requirement for construction of affordable units on-site within a rental housing project, at least 15% of the units must be provided as affordable rental units, with at least one-half of the total number of required affordable units provided as affordable to very low-income households. The remaining affordable units may be provided as affordable to low- or very low-income households.

The following table demonstrates the total required affordable units as set forth in the Affordable Housing Requirements based upon the proposed twenty-five non-exempt rental apartments units.

Affordable Housing Requirement

				No. of Units by Income Level	
Unit Type	No. Units	% Required	No. Required Affordable Units	Low Income	Very-Low Income
Apartment	25	15%	3.75	1.87	1.88

Section 26-89-045 of the Sonoma County Zoning Code sets forth the Workforce Housing Requirements for non-exempt commercial development and requires new retail and restaurant uses to provide workforce housing at a ratio of .09 per 1,000 square feet of use. Per Section 26-89-045.C.2 at least one-half of the total number of required affordable units must be provided as affordable to very low-income households. The remaining affordable units may be provided as affordable to households with low incomes.

The following table demonstrates the total required workforce units as set forth in the Workforce Housing Requirements based upon the proposed 2,000 square feet of non-exempt commercial development.

Workforce Housing Requirement

			No. of Units by Income Level	
Use	Square Footage	No. Required Affordable Units	Low Income	Very-Low Income
New Commercial Retail/Restaurant	2,000	0.18	.09	.09

In summary, based upon the Affordable Housing and Workforce Housing Requirements of the Sonoma County Zoning Code, the proposed project is required to provide a total of 3.93 units of low and very low income affordable and workforce housing, as summarized in the table below.

Total Code Required Affordable Housing

Code Requirement	Units Required	Income Level	
		Low	Very-Low
Affordable Housing	3.75	1.87	1.88
Workforce Housing	0.18	.09	.09
Total Required Affordable Housing	3.93	1.96	1.97

Per Section 26-89-040.C.5.a of the County Code, the 0.93 fractional requirement above would be met through the construction of an additional affordable unit, resulting in the construction of 4 very low and low income affordable units on the project site.

Alternative Equivalent Action

The applicant proposes to meet the Affordable Housing and Workforce Housing Requirements of the Sonoma County Zoning Code through an Alternative Equivalent Action as provided for under Sections 26-89-040.G and 26-89-045.F of the Zoning Code. The proposed Alternative Equivalent Action furthers affordable housing opportunities in the County to an equal or greater extent than the provision of the affordable housing units in compliance with Section 26-89-040.C or payment of the affordable housing fee in compliance with Section 26-89-040.D or the provision of the workforce housing units in compliance with Section 26-89-045.C or payment of the workforce housing fee in compliance with Section 26-89-045.E by providing 200%, or an additional four affordable units, of what is required by County Code.

The applicant is not requesting a density bonus or any concessions or incentives per California State Government Code 65915. If Government Code 65915 were applicable to the project and the applicant was requesting a density bonus or any other incentives or concessions under this section, the applicant would be ineligible for a density bonus or any other incentives or concessions under this section unless the project proposed to replace the existing units on site that are occupied by lower or very low-income households. If this section applied to the project, the applicant would be required to replace eleven (11) of the twelve (12) units that currently exist on-site (one existing unit is occupied by a market rate household). The provision of eight (8) deed restricted affordable units in the proposed project, as well as the provision of an additional five (5) units made available to existing residents at rents affordable to low income households to help ensure no one is displaced by the project, more than exceeds the number of units that would be provided under Government Code 65915 (if it were applicable to the project) by two (2) units and provides 118% of the units that would be required under Government Code 65915. In addition to exceeding the number of units required, the new units will greatly improve the living standards of the existing households and will also be right-sized to meet the needs of those households, thereby enhancing their overall quality of life.

The applicant has been informed that it is an unwritten, typical county policy to require a down-zoning to trigger state density bonus law when a General Plan Amendment is being requested. Beyond the much improved and healthier living conditions the new housing will provide for the current residents mentioned above, all the current residents will end up with affordable rents, based on their current income, whether placed in a deed restricted unit or not. The proposed project will have numerous positive impacts on the local built environment as described in the project description that further argue for an exception to this unwritten policy.

The proposed Alternative Equivalent Action meets and exceeds the Affordable and Workforce Housing Requirements of Article 89 through the construction of eight affordable units, for a total of approximately 21.5% affordable units, on the project site. All of the affordable units will be deed-restricted, rental housing units, affordable to low-income households, with a range of unit sizes and distributed throughout the project site. The project will provide the affordable and workforce housing as follows:

No. of Units	Type	Building	Square Feet	Tenure	Bed Count	Income Level
1	Townhome	Townhome	1,543	Rental/55 yr	3	Low
1	Apartment	New MUB	893	Rental/55 yr	2	Low
1	Apartment	New MUB	893	Rental/55 yr	2	Low
1	Apartment	New MUB	492	Rental/55 yr	1	Low
1	Apartment	New MUB	492	Rental/55 yr	1	Low
1	Apartment	New MUB	492	Rental/55 yr	1	Low
1	Studio	New MUB	362	Rental/55 yr	0	Low
1	Studio	New MUB	362	Rental/55 yr	0	Low

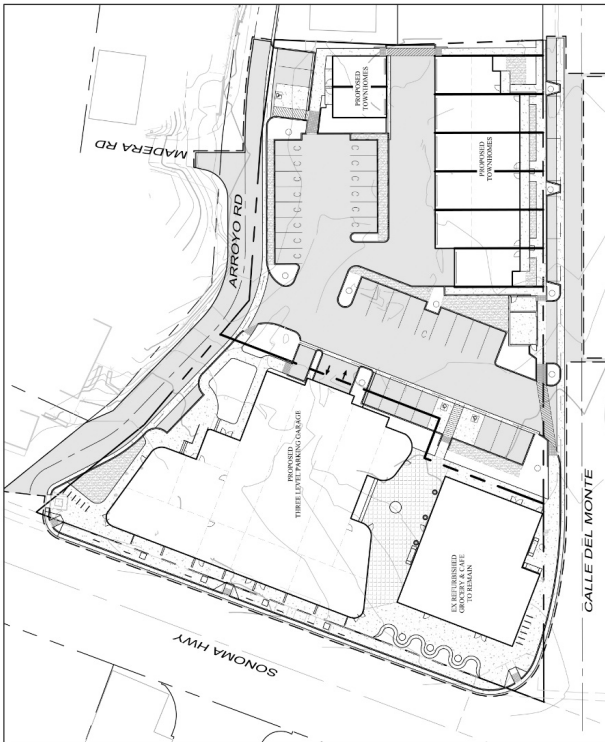
The proposed affordable and workforce housing units will be constructed on-site and made available for rent at the same time as the market rate units in the project. The proportionality of the affordable units, both deed restricted and non-deed restricted, to market rate units throughout the construction sequence will be as follows:

First stage – one of the eight new townhomes will have a recorded deed restriction prior to occupancy, while the five apartments within the Food Center will remain leased out at existing affordable rents (set and fixed at the time of project application); two additional non-restricted townhomes will be also leased be at affordable rents per the attached Relocation Plan. This results in a proportionality where 8 of 13, or 61.5%, of the available units after the first stage of work are affordable. While not all these units will be deed restricted, the effective proportional amount of affordable housing provided in this stage of the project will be nearly three times what is required.

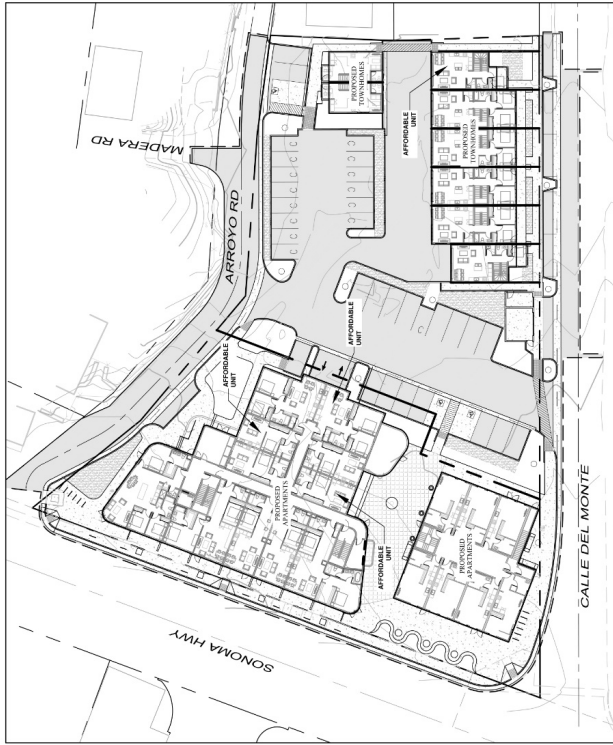
Second stage – seven of the twenty-one apartments in the new mixed-use building will have a recorded deed restriction prior to occupancy, when added to the deed restricted townhome will, result in 27.5% of the units being deed restricted at the time the project moves into the final stage of construction. All the deed restricted units will be delivered by completion of the second stage of the project providing the greatest affordability as early as possible in the project.

Third stage –the Food Center building will be remodeled to contain eight additional apartments, completing the overall project with the proposed 21.5% deed restricted units.

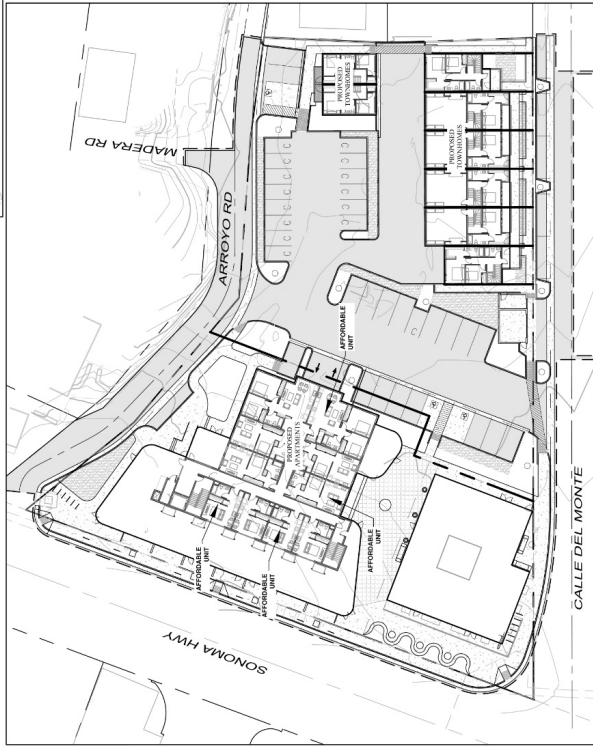
The following exhibits, excerpted from the Precise Development Plan at a reduced scale, show the location of each affordable unit.



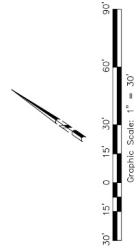
MIXED USE/ RESIDENTIAL
FIRST FLOOR PLAN



MIXED USE/ RESIDENTIAL
SECOND FLOOR PLAN



MIXED USE/ RESIDENTIAL
THIRD FLOOR PLAN



The proposed affordable and workforce housing units also meet and exceed the unit size requirements of Sonoma County Zoning Code Section 26-89-070.A.3, which requires the average floor area of the affordable units be at least 75% of the average floor area of the other units in the development, by providing affordable units that are 90% - 101% of the average floor area of the market rate units in the development (see attached table). See adjacent calculation:

75% MINIMUM AFFORDABLE FLOOR AREA CALCULATIONS

TOWNHOMES

		Affordable Sq.Ft.	Market Rate Sq.Ft.
<i>Unit Type:</i>			
1	End Unit "B"		1,543
2	Middle Unit "C"		1,725
3	Middle Unit "C"		1,725
4	Middle Unit "C"		1,725
5	Middle Unit "C"		1,725
6	End Unit "B"	1,543	
7	Small Unit "A"		1,114
8	Small Unit "A"		1,114
Average Unit Sq.Ft. =		1,543	1,524
Affordable Unit Size =		101.22%	

APARTMENT FLATS

		Affordable Sq.Ft.	Market Rate Sq.Ft.
<i>Unit Type (MUB):</i>			
201	1 Bed/micro		491
202	1 Bed/micro	492	
203	2 Bed		893
204	2 Bed	893	
205	1 Bed/micro		492
206	1 Bed/micro	491	
207	2 Bed Deluxe Corner		1,197
208	1 Bed Deluxe		715
209	1 Bed Deluxe		715
210	2 Bed Deluxe in-line		1,075
211	3 Bed Double Corner		1,373
301	1 Bed/micro		491
302	1 Bed/micro		492
303	2 Bed		893
304	2 Bed	893	
305	1 Bed/micro		492
306	1 Bed/micro	491	
307	Studio/micro		362
308	Studio/micro	362	
309	Studio/micro		362
310	Studio/micro	363	
<i>Unit Type (Food Center):</i>			
D1	Studio/micro (ground level)		498
D2	Studio/micro		478
D3	Studio/micro		474
D4	Studio/micro		488
D5	Studio/micro		499
D6	Studio/micro		474
D7	Studio/micro		474
D8	Studio/micro		478
Average Unit Sq.Ft. =		569	632
Affordable Unit Size =		90.06%	

In summary, the proposed Alternative Equivalent Action results in the provision of eight (8) deed restricted rental affordable housing units or 200% of the affordable and workforce housing units required by the Code. This proposal exceeds the requirement of the Affordable and Workforce Housing Sections of the Sonoma County Code, resulting in an additional four (4) deed restricted affordable rental units than would otherwise be required. These units will be constructed on-site concurrent with the market rate units.

Relocation Plan

The applicant is making a commitment to all current residents, whether they qualify for low-income dwelling units or not, to offer them for-rent dwelling units within the proposed new development with first right of refusal.

Furthermore, given that most of the current residents are low income households, the applicant is committing to offer any qualified household not assigned to a deeded unit a onetime initial opportunity to enter into a renewable, non-transferable lease of a market rate unit at an equivalent low-income rate. The rental rate will adjust to match the equivalent deeded units until such time as the lease is broken, at which point the unit may then be leased to a new resident at market rate. Beyond the provided deed restricted affordable units on-site, the property owner has assessed the housing needs of the existing residents through in-person meetings with each head-of-household and calculated that an additional 13% of the units, or 5 units, will need to be made available to the existing residents to help ensure no one is displaced by the project. The new development will not contain SRO units, so two new studio units will be offered to the four occupants of the existing rooms in the Food Center building who have indicated a potential interest in remaining on site. If they choose to pair up and split the rent, they have the opportunity to enter into a co-signed renewable, non-transferable (only renewable if one of the original residents remains on the lease) lease of those units at a low-income rate.

To ensure that existing residents remain housed during construction of the project as well as at the time of completion, the demolition process will be sequenced with the first three cottages anticipated to be removed in 2021, the remaining four cottages in 2022, and then the BSFC building gutted and refurbished in 2023. Some of the existing residents will be temporarily relocated off-site to residences owned by the applicant or by third parties. These residents will also continue to pay the same rent, and if required, the applicant will subsidize any additional costs owed to third party landlords until the new housing is available on-site. Most of the residents will be relocated directly to new housing constructed on-site. Residents will continue to pay their current rent amount until they move into a newly constructed unit, at which time their rent will be tied to new leases, whether for deed restricted or market rate units with leases set to match county low income rates. Any households who do not qualify for affordable housing will be offered market rate units. While isolated instances of late rent payment and minor lease infractions will be tolerated within the good will spirit of this housing plan, the privilege of remaining on site can be revoked by the applicant if lease terms are grossly or repeatedly violated by a resident. KS Mattson Partners' intent and hope is to build upon the existing community of residents at the Food Center property and not supplant or permanently dislocate anyone from the Springs.

The attached table on the following page outlines the intended timeline and unit assignments indicating how the existing residents will be accommodated throughout the construction process and then permanently settled within the completed project or nearby applicant-owned property.

EXISTING HOUSING DISPOSITION				INTERIM HOUSING PROVISIONS (5)				FINAL HOUSING DISPOSITION (5)			
MOVE OUT (3)	UNIT NAME	UNIT DESCRIPTION	APPRX. SQ.FT.	BEDS	BATHS	MOVE IN (3)	UNIT DESCRIPTION	RENT TYPE (1)	APPRX. SQ.FT.	BEDS	BATHS
2021 SUMMER	Cottage 1	16 Calle Del Monte	874	2	1	N/A	Moving directly to final location				
	Cottage 2	14 Calle Del Monte	836	2	1	2021	Within 10 miles	Cont. Existing Rate (4)	TBD	2	1
	Cottage 3	15 Calle Del Monte	693	2	1	2021	Within 10 miles	Cont. Existing Rate	TBD	2	1
	Cottage 4	12 Calle Del Monte	1,001	4	1	N/A	Moving directly to final location				
	Cottage 5	8 Calle Del Monte	684	2	1	2022	Arroyo - Townhome	Cont. Existing Rate	1,114	2	1.5
	Cottage 6	18271 Sonoma Hwy	444	1	1	N/A	Moving directly to final location; NOT a low income household (2)				
	Cottage 7	18201 Sonoma Hwy	1,100	4	2	N/A	Moving directly to final location				
2022 SUMMER											
2023 FALL	Apt 1	#1 - upstairs back	600	1	1	N/A	Moving directly to final location				
	Apt 2	#2 - upstairs back	700	1	1	N/A	Moving directly to final location				
	Apt 3	#3 - upstairs front	850	2	1	N/A	Moving directly to final location				
	Stu 4	#4 - ground floor	350	0	1	N/A	Moving directly to final location				
	Stu 10	#10 - ground floor	400	0	1	N/A	Moving directly to final location				
	SRO's	4A, 5, 6, 7, 8, 9 shared bath, no kitch	150	0	0	N/A	Moving directly; note one unit vacant, one resident is opting out, and remaining will be offered shared accommodation in two units				

(1) All residents will have fixed rent until placed in their final housing unit, at which time they will begin paying noted rent type.

(2) Not all residents qualify for Low Income dwelling units.

(3) Moving dates are all estimated and subject to permitting and construction progress.

(4) Residents moved off site will be provided with housing, owned by KS Mattson Partners or a 3rd party, and will pay their existing rent with any overage subsidized by KS Mattson Partners.

(5) Housing plan was discussed with heads of household in 2018 and was created with their input.

(6) The initial leases of these non deed restricted units will be offered at a rate equivalent to similar affordable to deemed low income units; if the resident declines to move in or the lease is broken, the unit will be offered at market rate.