

Introduced by \_\_\_\_\_

**ORDINANCE NO \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE ZONING CODE (TITLE 17) TO CREATE THE WORKFORCE/AFFORDABLE HOUSING OVERLAY DISTRICT**

The People of the City of Pasadena ordain as follows:

**SECTION 1.** Title 17, Article 2, Chapter 20, Section 17.20.020, Table 2-1 – Zoning Districts, of the Pasadena Municipal Code is amended by adding the following new row at the bottom of the “Overlay Districts” column:

<u>WAH</u>	<u>Workforce/Affordable Housing</u>	<u>Multi-Family Residential</u>
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**SECTION 2.** Title 17, Article 2, Chapter 17.28 of the Pasadena Municipal Code, entitled, “Overlay Zoning Districts,” is amended by adding a new section as follows:

**“17.28.120 – WORKFORCE/AFFORDABLE HOUSING OVERLAY DISTRICT**

**A. Purpose.** In addition to the general purposes of this article and the purposes of the base district, the specific purposes of the WAH workforce/affordable housing overlay district are to:

1. Encourage the provision of housing at rates affordable to those households earning Workforce Level Income, and Very Low, Low, and Moderate Income Households.
2. Provide for new residential development density that is compatible with the existing historical context and character of the area.
3. Promote the preservation of historic neighborhoods and properties by allowing for higher densities while keeping stricter development standards.
4. Provide an alternative to the State’s mandated density bonus laws, as implemented by Chapter 17.43 of this Zoning Code.

**B. Applicability.** The provisions of this chapter shall apply to that specific area designated “WAH” on the official zoning map of the city along North Los Robles Avenue, and shall be combined with the applicable underlying base district.

**C. Land Use Regulations.** Land use regulations shall be those of the underlying base district.

**D. Definitions.**

See Section 17.80.020 for Workforce Housing definitions, and Article 8 for other applicable Affordable Housing definitions.

**E. Development Standards.** Except as modified in this chapter, the development standards shall be those of the underlying district.

1. **Density.** For a Workforce/Affordable Housing Development, the minimum lot area required for each dwelling unit shall be 1,815 square feet (24 dwelling units/acre).
2. **Rounding Numbers.** When calculating the permitted density for a Workforce/Affordable Housing Development, fractional numbers of units exceeding .75 shall be rounded up.
3. **Covenant for 30 years.** A covenant or other document satisfactory to the City Attorney shall be recorded before issuance of a building permit, which shall ensure that the Workforce/Affordable Units remain affordable to households at Workforce Level Incomes, or to Very Low, Low, or Moderate Income Households, at a cost affordable to the particular income category (as defined in the City’s Workforce Housing Regulations, and Article 8 of the Zoning Code) for at least 30 years. This covenant is distinct from that required by Title 4, Chapter 17, Section 4.17.030 (Residential Impact Fee).
4. **Inclusionary calculation.** Workforce/Affordable Units shall be excluded from the total number of dwelling units used as the base for calculating the number of inclusionary units in Section 17.42.040 Inclusionary Unit Requirements.
5. **Location within project.** All Workforce/Affordable Units shall be:

- a. Reasonably dispersed through the residential project;
- b. Proportional, in number, bedroom size, and location to the market rate units; and
- c. Comparable with the market rate units in terms of the appearance, base design, materials, and finished quality.

**6. Timing of construction.** All Workforce/Affordable Units shall be constructed concurrent with, or before, the construction of the market rate units. If the City approves a phased project, the required Workforce/Affordable Units shall be provided within each phase of the residential project.

**F. Recapture of financial interest.** Notwithstanding the above, after initial sale to a Workforce Level Income household, or to a Very Low, Low, or Moderate Income Households Workforce/Affordable Units may be sold to an above-workforce income purchaser; provided that the sale shall result in a recapture by the City, or its designee, of a financial interest in the unit equal to:

1. The difference between the initial sales price and the appraised value at the time of the subsequent sale; and
2. A proportionate share of any appreciation (as defined in the City's Workforce Housing Guidelines).

If the Workforce/Affordable Unit also received a discounted residential impact fee pursuant to Chapter 4.17, the Workforce/Affordable Unit cannot be sold to an above-Workforce Level Income purchaser until the expiration of the covenant required by Chapter 4.17. The recapture provisions provided in this subsection become applicable at that time.

**G. Forfeiture of funds.** Any individual who rents a Workforce/Affordable Unit in violation of this Chapter shall be required to forfeit all rents that exceed the Affordable Housing Cost (as defined

in the City's Workforce Housing Guidelines). Any individual who sells a Workforce/Affordable Unit in violation of this Chapter shall be required to forfeit all profits from the sale which exceed the difference between the initial sales price and the appraised value at the time of the subsequent sale. Recovered funds shall be deposited in to the Inclusionary Housing Trust Fund.

**SECTION 3.** Title 17, Article 8, Chapter 17.80, Section 17.80.020 is amended by adding the following new definitions in the proper alphabetical sequence.

**Workforce/Affordable Housing Definitions.** The following terms and phrases are defined for workforce/affordable housing. Reference should also be made to the City's Workforce Housing Guidelines for additional definitions.

1. **Workforce/Affordable Housing Development.** A development in which all the units exceeding the underlying base district density are Workforce/Affordable Units. A project receiving a density bonus, concession or incentive, or waiver or modification, as a result of Density Bonus provisions of State law, and pursuant to Chapter 17.43, shall be excluded from the definition of a Workforce/Affordable Housing Development. Workforce/Affordable Housing Developments are also not eligible for any concessions, incentives, waivers or modifications of development standards pursuant to the Density Bonus provisions of State law or Chapter 17.43 of the Zoning Code.
2. **Workforce Level Income.** A gross household income from 121% to 180% of the Average Median Income for Los Angeles County as determined annually by the U.S. Department of Housing and Urban Development.
3. **Workforce/Affordable Units.** Dwelling units that are sold or rented at Workforce Housing Costs to households earning a Workforce Level Income, or to Very Low, Low, or Moderate Income Households, at an Affordable Housing Cost (as defined in the City's Workforce Housing Guidelines and at Article 8 of the Zoning Code). Units provided to

meet the Affordable Housing and Incentive requirements of Chapter 17.42 and the Density Bonus, Waivers and Incentives Requirements of Chapter 17.43, are not Workforce/Affordable Units.

**SECTION 4.** The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in full text.

**SECTION 5.** This ordinance shall take effect 30 days from its publication.

Signed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

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Bill Bogaard  
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held this \_\_\_\_\_ day of \_\_\_\_\_, 2006, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Date Published:

\_\_\_\_\_  
Jane L. Rodriguez, CMC  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Theresa E. Fuentes  
Deputy City Attorney