

## **5 AFFORDABLE HOUSING PLAN**

### **5.1 OVERVIEW**

The City of Roseville General Plan Housing Element establishes a goal to provide decent, safe, adequate and affordable housing for all economic segments of the community. Given the nature of the housing market in Roseville and the South Placer area, it is a particular challenge to create housing opportunities affordable to middle- and low-income residents. Typically, such opportunities require market restrictions and/or subsidies. The City's Housing Element specifies that ten percent (10%) of all new housing units in the City be affordable to middle-, low-, and very low-income households.

The West Roseville Specific Plan proposes a mix of housing types that consist primarily of low density single-family residential neighborhoods. It is anticipated that, similar to other locations in Roseville, these neighborhoods will provide market rate housing affordable predominantly to moderate- and above moderate-income residents. The WRSP also includes medium density residential (MDR) and high density residential (HDR) housing dispersed in various locations within the Plan Area. These middle and high density parcels generally have lower per unit land and development costs and, therefore, provide the greatest opportunity to create affordable housing.

The WRSP affordable housing program focuses on the MDR and HDR parcels and has been structured to be consistent with and implement the General Plan affordable housing goal.

### **5.2 DEFINITION OF HOUSING AFFORDABILITY**

Housing affordability is based on household income categories defined by the U.S. Department of Housing and Urban Development (HUD). The standard measure of affordability is the median household income calculated for the Sacramento Primary Metropolitan Statistical Area (SPMSA). All jurisdictions within the SPMSA, including Roseville, utilize the same basic income calculations irrespective of actual income level distribution in the community. Income categories are summarized in Table 5-1.

Numerous assumptions are required to translate household income to affordable rental rates and purchase prices. Lenders ultimately determine the actual purchasing power of household income at a given point in time. For planning purposes, the City of Roseville assumes that low- and very low-income households should not spend more than thirty percent (30%) of their monthly gross income on housing costs, including utilities. For middle-income households, thirty five percent (35%) of monthly gross income is the threshold. Purchase housing costs include principal, interest, taxes, insurance, and any homeowner's association dues

**Table 5-1: Definition of Household Income Categories**

| Income Category       | Percent of Median Income |
|-----------------------|--------------------------|
| Very Low-Income       | Less than 50% of Median  |
| Low-Income            | 51% to 80% of Median     |
| Middle-Income         | 81% to 100% of Median    |
| Moderate-Income       | 101% to 120% of Median   |
| Above Moderate-Income | 121% + of Median         |

It is recognized that the various factors that determine affordability continually change, and that project specific affordability standards need to be established and adjusted as development occurs.

### 5.3 AFFORDABLE HOUSING PROGRAM

Consistent with the General Plan affordable housing goal, ten percent (10%) of the units in the WRSP have been designated for middle-, low- and very low-income households. This includes a mix of purchase housing affordable to middle-income households, and rental housing affordable to low- and very low-income households. Approximately eleven percent (11%) of the affordable housing goal will be available to middle-income residents, forty-nine percent (49%) to low-income residents and forty percent (40%) to very low-income residents. The WRSP affordable housing goal is summarized in Table 5-2.

**Table 5-2: Affordable Housing Goal**

|                                    |                  |       |
|------------------------------------|------------------|-------|
| <b>Total Dwelling Units</b>        | <b>10,495 du</b> |       |
| <b>10% Affordable Housing Goal</b> | 1,048 du         |       |
| Middle-Income (purchase)           | 116 du           | (11%) |
| Low-Income (rental)                | 510 du           | (49%) |
| Very Low-Income (rental)           | 422 du           | (40%) |

The WRSP affordable housing goal has been allocated to specific MDR and HDR parcels as identified on Table 5-3, with the designated parcels reflected on Figure 5-1. The intent is to distribute affordable units throughout the WRSP area.

**Table 5-3: Affordable Housing Allocation**

| Parcel          | Land Use | Total Units in Parcel | Total Affordable Allocation | Very Low-Income Rental | Low-Income Rental | Middle-Income Purchase |
|-----------------|----------|-----------------------|-----------------------------|------------------------|-------------------|------------------------|
| W-27            | HDR      | 170                   | 150                         | 89                     | 61                |                        |
| W-25(Senior)    | VC-HDR   | 232                   | 150                         | 75                     | 75                |                        |
| <b>Subtotal</b> |          |                       | <b>300</b>                  | <b>164</b>             | <b>136</b>        |                        |
| F-6B            | HDR      | 195                   | 195                         | 66                     | 66                | 63                     |
| F-8A            | HDR      | 277                   | 53                          |                        |                   | 53                     |
| F-20            | HDR      | 156                   | 154                         | 78                     | 76                |                        |
| F-22            | HDR      | 244                   | 184                         | 91                     | 93                |                        |
| <b>Subtotal</b> |          |                       | <b>586</b>                  | <b>235</b>             | <b>235</b>        | <b>116</b>             |
| <b>TOTAL</b>    |          |                       | <b>886</b>                  | <b>399</b>             | <b>371</b>        | <b>116</b>             |

**Note: The WRSP (Section 5.4) allows for the transfer of affordable units. Check with the City of Roseville to confirm current affordable housing allocations.**

Last Updated: November

2023, Parcel F-22 DAA (File #PL23-0245)

1. The obligation for 162 affordable units was transferred from WRSP Parcel W-16 to the Sierra Vista Specific Plan via specific plan amendments approved in 2016. This obligation, combined with the affordable allocation identified in Table 5-3 above, meets the total affordable housing goal identified in Table 5-2.

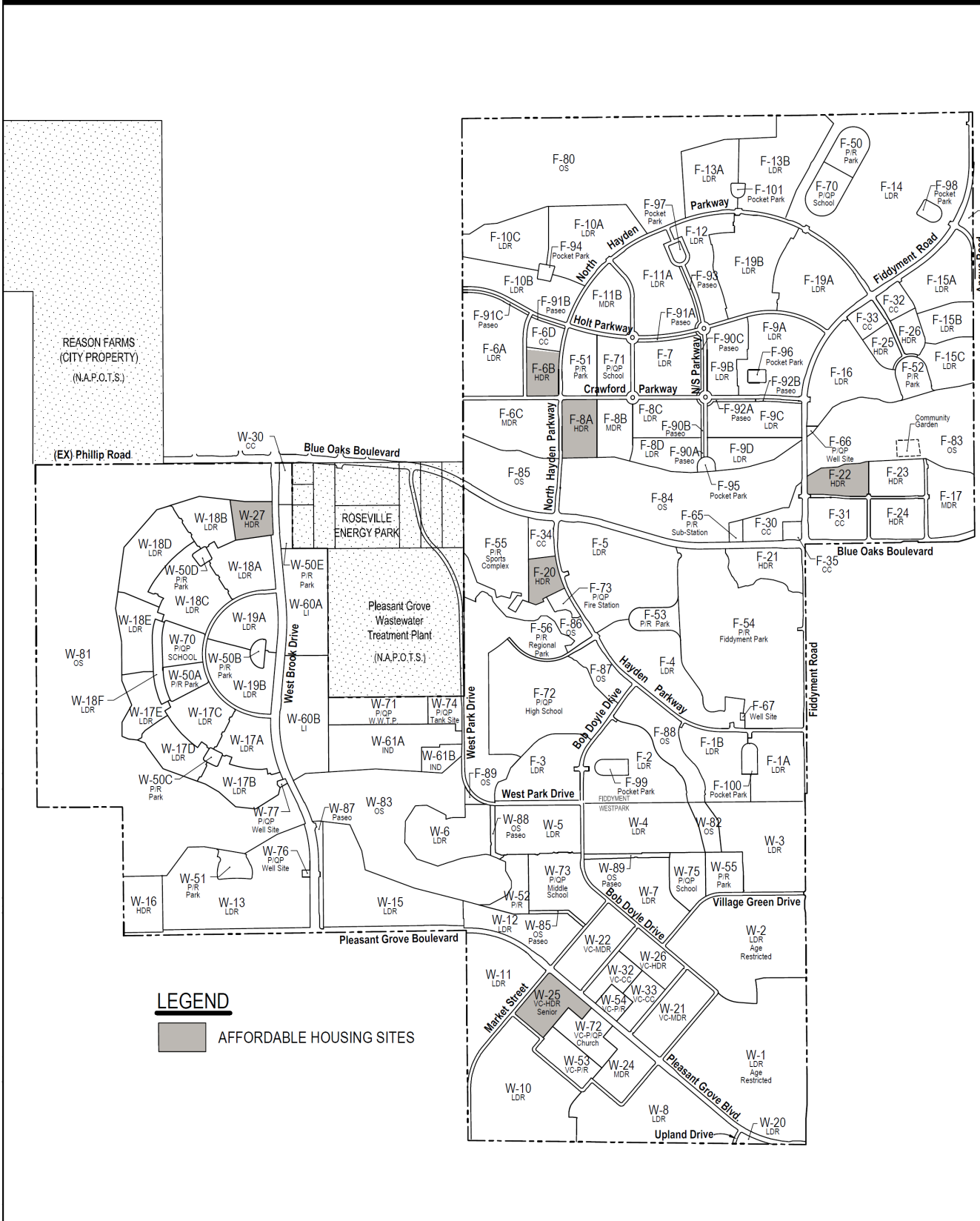
A *Supplemental Affordable Housing Development Agreement* (or substitute form as specified by the City) is required for each parcel with an affordable housing allocation to detail and secure specific requirements and obligations. Among other provisions, the Supplemental Affordable Housing Development Agreement will:

- Specify the number of affordable units to be reserved at each income level;
- Specify the term of the affordability obligation;
- Set initial rent or purchase prices for the designated affordable units;
- Establish criteria and a basis for annual rent or purchase price increases;
- Provide the City with a mechanism to monitor actual rents and purchase prices paid; and
- Identify any City or other subsidies required to assist in meeting the affordability requirement and, if applicable, the basis and terms for refunding such subsidies.

Supplemental Affordable Housing Development Agreements require City approval prior to the issuance of building permits, or recordation of a final map where a subdivision map is required, for any large-lot WRSP parcel with an affordable housing allocation.

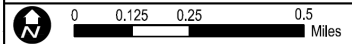
# AFFORDABLE HOUSING DISTRIBUTION

Figure 5-1



**LEGEND**  
 AFFORDABLE HOUSING SITES

Note: Underlying parcel basemap used in this figure is not regularly updated.  
 Refer to Figure 4-1 for the most up to date parcel basemap.



Last Updated: January 2016

## **5.4 FLEXIBILITY IN IMPLEMENTATION**

WRSP residential builders are encouraged to explore creative approaches in providing a range of housing opportunities to meet the needs of middle, low, and very low-income households. Housing markets, income categories, funding programs and other factors change over time. As a result, it is important to retain some level of flexibility to ensure that affordable housing goals are achieved. The following may be considered to assist in achieving the WRSP affordable housing goal:

**Transfers/Credits** – Subject to approval of the Director of the City’s Housing Division, the affordable housing allocations identified on Table 5-3 may be transferred among WRSP parcels. In addition, to the extent that the number of affordable units produced on a parcel exceeds the number of affordable units allocated to that parcel, the excess units may be credited towards meeting the WRSP affordable housing goal assigned to other parcels. The Director of the City’s Housing Division may approve such transfers and/or credits without the need for a Specific Plan Amendment if it is determined that:

1. The transfers/credits are applied to parcels within the WRSP and covered by the same development agreement; and
2. The transfers/credits improve the ability to produce affordable units and achieve the WRSP affordable housing goal.

Requests for transfers and/or credits shall include information as deemed necessary by the Director of the City’s Housing Division to ensure consistency with the above determinations. In addition, a revised Affordable Housing Allocation (Table 5-3) shall be provided reflecting adjusted affordable unit allocations. The Housing Division shall maintain all revisions to Table 5-3 as the official WRSP affordable housing allocation record.

**Density Bonus** – The City may, in accordance with its Density Bonus Ordinance (Zoning Ordinance, Chapter 19.28), assign additional residential units to projects for the purpose of achieving the affordable housing goal. The increase in units provided by a density bonus is intended to reduce average per unit development costs. In the WRSP, a density bonus is assigned by City approval of a Supplemental Affordable Housing Agreement (or substitute form as specified by the City) to individual projects on a case-by-case basis, and may constitute a portion of the subsidy (if required) for the provision of affordable units.

**In-Lieu Fee** - To the extent an in-lieu affordable housing fee is adopted on a citywide basis, the City may allow the WRSP to satisfy a portion of its affordable housing obligation through this means.

The City reserves the right to consider alternatives to achieving affordable housing within the WRSP should the cost of producing the affordable housing preclude the City from accessing federal and state financing programs, or legislation mandate the City alter its approach to affordable housing.