

City of San Mateo Density Bonus/Below Market Rate Program Provisions (Effective January 1, 2017)

State Density Bonus Law (Govt. Code 65915) has been amended several times; the most recent being effective January 1, 2017. The City’s latest BMR program revisions were effective January 1, 2010. The following are points of clarification when applying the provisions of State Density Bonus (DB) Law in conjunction with San Mateo’s BMR Program.

“Round Up” for all fractions in calculations on base density, density bonus units and required affordable units, even if typical City practice is different.

BMR Trigger of Density Bonus

The City’s requirements of 10% very low or 15% low income units for a rental project; or 10% low or 15% moderate income units for an ownership project allow a developer a density bonus and development concessions if the developer requests them. These are the minimum requirements; a developer may choose many other options. (See “DB Provisions” attached.)

City BMR Requirements and Corresponding Density Bonus				
Tenure	Income Target	% Affordable	DB increase %	No of concessions
Rental	Very Low	10%	32.5%	2
Rental	Low	15%	27.5%	1
Ownership	Low	10%	20%	1
Ownership	Mod	15%	10%	1

Calculate Number of Affordable Units

San Mateo’s BMR program requires 10% or 15% of the total project count, however affordable units in a DB project are calculated on the “base”, or the size of the project prior to applying the density bonus. If the applicant utilizes DB, the affordable units are calculated in accordance with DB law. Depending on the income category and level of DB requested, this could result in the number of affordable units that is less than 10% of the total project. In all cases, the City’s minimum required percentage of the base units must be affordable.

Example 1: A one-acre site that is zoned for fifty units provides 10% low income ownership units and is eligible for a 20% density bonus, or an additional 10 units, for a total of 60. The number of affordable units is 5, calculated on the “base” zoning, rather than 6 calculated on the actual project size.

Example 2: A rental developer of a one-acre site decides to include very low income units and only requests a 20% DB. DB law would only require 5% of the units to be affordable, however the City BMR requirement is stricter at 10% and must be met, even if the developer does not fully utilize the allowed density increase.

Offsite Construction Option/Land Donation

City BMR program only allows offsite construction of BMR units if the developer can demonstrate that on-site construction is infeasible and that the BMR units are constructed and occupied prior to the occupancy of the development project. The DB law provides for the donation of land in lieu of constructing affordable units onsite if a number of conditions are met. Some of the major provisions include:

- The site is at least 1 acre in size, or sufficiently zoned to permit at least 40 units.
- The land is transferred no later than the approval of final map.
- The site is within the boundaries of the proposed development, or if City approves, within ¼ mile of the proposed development.

Parking Ratios

Density Bonus law utilizes State parking ratios. In the event the State standards result in fewer parking spaces than San Mateo regulations, the State standards shall override:

- Zero to one bedroom - 1 on-site parking space
- Two to three bedrooms – 2 on-site parking spaces
- Four or more bedrooms - 2.5 on-site parking spaces

Parking spaces may be satisfied as “onsite parking” through tandem parking or uncovered parking, but not through onstreet parking. There are further reductions of parking depending on the affordability levels, special types of housing, and proximity to transit as shown on the attached “Density Bonus Provisions” chart.

Developer Incentives or Concessions

Developers are allowed to request 1-3 concession(s) to San Mateo development standards based on the percentage of affordable units provided in the project. The City’s ordinance prescribes the following as allowed without special documentation from the developer as long as the project remains consistent with the City’ General Plan and applicable design guidelines:

- Reduced setbacks
- Increased maximum lot coverage
- Increased maximum Floor Area Ratio;
- Reduction in parking standards beyond State parking ratios.

For any other concession or incentive, the applicant will need to provide information that the necessary incentive or concession results in an identifiable cost reduction. The City may hire a consultant to prepare an analysis at the expense of the applicant. The City’s ordinance expressly states that financial assistance or waiver of fees will not be considered as an incentive or concession.

Developer who provide the affordable units may request Incentives and Concessions and reduced parking even if they not request increase in density. Reduction in Parking ratios from San Mateo standards is not considered an incentive or concession, but allowed by DB law on its own.

Waivers and Modifications of Development Standards.

An applicant may propose waiver or modification of development standards if they would physically preclude the construction of a development meeting the DB law criteria at the densities or with the concessions or incentives permitted by DB law.

The City will require documentation from the applicant to determine the necessity of the waiver, or may hire a consultant to prepare an analysis at the expense of the applicant.

Density Bonus Provisions

	Percentage of Affordable Units Provided	Density Bonus	No of Development Concessions	Parking Concessions	CITY BMR Options
Very Low Income Density Bonus (20% density bonus granted for 5% very low income units provided; density bonus increases by 2.5% for each 1% of additional very low income unit provided)	5%	20.0%	1	State Standard	
	6%	22.5%	1	State Standard	
	7%	25.0%	1	State Standard	
	8%	27.5%	1	State Standard	
	9%	30.0%	1	State Standard	
	10%	32.5%	2	State Standard	Rental
	11-14%	35.0%	2	.5 per BR w/in .5 mi major transit	
Lower Income Density Bonus (20% density bonus granted for 10% lower income units provided; density bonus increases by 1.5% for each 1% of additional lower income unit provided)	15%	35.0%	3	.5 per BR w/in .5 mi major transit	
	10%	20.0%	1	State Standard	Owner
	11%	21.5%	1	State Standard	
	12%	23.0%	1	State Standard	
	13%	24.5%	1	State Standard	
	14%	26.0%	1	State Standard	
	15%	27.5%	1	State Standard	Rental
	16%	29.0%	1	State Standard	
	17%	30.5%	1	State Standard	
	18%	32.0%	1	State Standard	
	19%	33.5%	1	State Standard	
	20-29%	35.0%	2	.5 per BR w/in .5 mi major transit	
Special Needs Rental Housing	100%	N/A	N/A	.3 per unit with Transit Criteria	
				.5 per UNIT w/in .5 mi major transit	
100% Affordable Rental Housing	100%	N/A	N/A		
Moderate Income Density Bonus (5% density bonus granted for 10% moderate income units provided; density bonus increases by 1% for each 1% of additional moderate income unit provided)	10%	5%	1	State Standard	
	11%	6%	1	State Standard	
	12%	7%	1	State Standard	
	13%	8%	1	State Standard	
	14%	9%	1	State Standard	
	15%	10%	1	State Standard	Owner
	16%	11%	1	State Standard	
	17%	12%	1	State Standard	
	18%	13%	1	State Standard	
	19%	14%	1	State Standard	
	20%	15%	2	State Standard	
	21%	16%	2	State Standard	
	22%	17%	2	State Standard	
	23%	18%	2	State Standard	
	24%	19%	2	State Standard	
	25%	20%	2	State Standard	
	26%	21%	2	State Standard	
	27%	22%	2	State Standard	
	28%	23%	2	State Standard	
	29%	24%	2	State Standard	
	30%	25%	3	State Standard	
31%	26%	3	State Standard		
32%	27%	3	State Standard		
33%	28%	3	State Standard		
34%	29%	3	State Standard		
35%	30%	3	State Standard		
36%	31%	3	State Standard		
37%	32%	3	State Standard		
38%	33%	3	State Standard		
39%	34%	3	State Standard		
40%	35%	3	State Standard		
Sr. Citizen Housing (min. 35 units)	N/A	20%	N/A	.5 per unit with Transit Criteria	

Example: 10% affordable units provided = 32.5% density bonus if *very low* income units; 20% if *lower* income units, 5% if *moderate* income units.

Choose one category/cannot combined density bonus categories.

Senior/Special Needs Transit Criteria: Paratransit service or w/in .5 mil of eligible bus route

State Parking Standards

0-1 BR	1 onsite space
2-3 BR	2 onsite spaces
4+ BR	2.5 onsite spaces