



CITY COUNCIL AGENDA ITEM NO. E.5
11/14/2023

TITLE: An Affordable Housing Agreement between the City of Brentwood and Shea Homes for Orchard Grove (Subdivision 9535)

DEPARTMENT: Community Development Department

STAFF: Alexis Morris, Community Development Director
Sylvia Elias, Senior Housing Analyst

RECOMMENDATION

Adopt a resolution authorizing the City Manager to sign an Affordable Housing agreement between the City of Brentwood and Shea Homes for the Orchard Grove project (Subdivision 9535) and such other documents as may be needed to complete the transaction.

FISCAL IMPACT

Shea Homes will be constructing six affordable homes in the Orchard Grove subdivision, thus, no in-lieu fees will be collected as a result of this agreement. The Orchard Grove project is subject to the previous affordable housing ordinance (Ordinance No. 909), which allowed for the collection of in-lieu fees and/or the building of affordable residential units.

BACKGROUND

The Orchard Grove (Subdivision 9535) project will be developed by Shea Homes.

On September 13, 2022, the project was approved by the City Council. Pursuant to Resolution No. 2022-115, the City Council approved the developer's application for a vesting tentative subdivision map including a density bonus, and pursuant to Resolution No. 2022-116, the City Council approved the developer's application for design review for the project. To comply with the conditions of approval and satisfy the project's affordable housing obligation, Shea Homes must enter into an Affordable Housing Agreement.



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CITY COUNCIL STRATEGIC INITIATIVE

Focus Area 4: Community Development, Goal 1: Provide a diversity of housing opportunities, including equitable distribution of affordable housing for all socio-economic segments of the Brentwood community.

PREVIOUS ACTION

Previous Action by the City Council is included on Attachment 1.

ANALYSIS

The application for the Orchard Grove project (Subdivision 9535) was deemed complete on May 26, 2020; therefore, the project is subject to a previous version of the Affordable Housing Ordinance (Ordinance No. 909). Under Ordinance No. 909, developers of residential developments of twenty-five (25) or more lots are required to fulfill an affordable housing obligation of two percent of the total number of dwelling units as affordable units.

The Orchard Grove project includes a total of fifty-one (51) units; forty-five (45) market rate units and six (6) affordable duet units. Per the affordable housing obligation of 2%, a total of one affordable unit was required for the project. However, Shea Homes will build six (6) affordable units total – five (5) units for moderate-income households, thus qualifying for processing under the State's Density Bonus Law, and one (1) unit for a low-income household, as required by the City's affordable housing ordinance.

At its August 15, 2022 meeting, the Land Use and Development Committee (LUD) reviewed the affordable housing obligation for the Orchard Grove project and recommended that the agreement include the placement of affordable units in the project, and recommended that the Affordable Housing Agreement require that the affordable housing units be constructed concurrently with the market rate units per the requirements of the affordable housing ordinance. The agreement presented to the City Council for its approval includes these provisions.

DATE OF NOTICE

Not Applicable



ENVIRONMENTAL DETERMINATION

Not Applicable

ATTACHMENT(S)

1. Previous Action(s)
2. Resolution
3. Affordable Housing Agreement – Orchard Grove