Chapter 16.194

AFFORDABLE HOUSING

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16.194.010 Title and Purpose of Provisions.

A. Title. The provisions of this Chapter shall be known as the "Affordable Housing Program".

B. Purpose. The purpose of this Affordable Housing Program is to:

1. Enhance the public welfare and assure that further housing development contributes to the attainment of the City's housing goals as described in the Housing Element of the General Plan, by creating, preserving, maintaining, and protecting housing affordable for households of low- and moderate-income;

2. Assure that the remaining developable land in the City's planning area is utilized in a manner consistent with the City's housing policies and needs.

3. Provide an opportunity for home ownership for more Ripon residents, recognizing that new development is responsible for alleviating some, but not all, of the problems associated with affordable housing. (Ord. 843, 2016, Ord. 869, 2017)

16.194.020 Definitions.

As used in this Chapter, each of the following terms shall be defined as follows:

"Affordable Housing Agreement" is an agreement executed by the City Administrator or his/her designee on behalf of the City, and by an authorized representative of the owner of a residential project, specifying how the residential project will comply with this Chapter. A development agreement pursuant to California Government Code Sections 65864 et seq. which states that it is an affordable housing agreement under this Chapter may serve as an affordable housing agreement.

"Affordable Housing Committee" is an ad hoc committee which shall meet on an as-needed basis for the purpose of negotiating the terms and conditions of an Affordable Housing Agreement for a development project under this Chapter. The Affordable Housing Committee shall consist of two members of the City Council, one member of the Planning Commission, the City Administrator and the Planning Director.

"Affordable Housing Cost for BMR Units". Average monthly housing payments, including mortgage loan principle and interest, property taxes, home owners insurance, a $200 utility allowance, mortgage insurance if applicable and Home Owners Association Dues if applicable. The maximum household income for an affordable BMR unit shall be based on presumed household sizes appropriate to the unit as defined in California Health & Safety Code Section 50052.5 or, if Section 50052.5

no longer provides for such household sizes, the presumed household size defined in any successor statutory provision which applies under the Law. Pursuant to an affordable housing agreement, the maximum affordable housing cost allowed by this Section may be modified to conform to changes in California Health & Safety Sections 50052.5 or 50053 or the terms of any other housing program which affects a residential project.

“Affordable Housing Fee” means an affordable housing fee paid to the City of Ripon by the owner/developer of a BMR Plus Affordable Unit. The affordable housing fee shall be an amount equal to 3.5% of the upper FHA lending limit for San Joaquin County, along with a 10% administration fee based on the affordable housing fee amount.

"BMR Affordable unit" means an ownership dwelling unit, including senior housing, which are required under this Chapter to be available at an affordable housing cost to specified households, that meet the affordable housing costs for BMR units and are marketed to low and moderate income households as defined in this chapter.

“BMR Plus Affordable Unit” means an ownership dwelling unit, including senior housing, which are required under this Chapter to be available at an affordable housing cost to specified households. BMR Plus affordable unit sales prices shall not exceed the applicable FHA lending limits for San Joaquin County plus 3.5% down payment.

“City Subsidy” means an equity amount equal to the difference between fair market value of the owner-occupied affordable unit at the time it was sold to the owner and the actual purchase price of the owner-occupied affordable unit that was paid by the owner.

"Custom home development" means any residential development being subdivided by one party and sold as individual lots or parcels to separate owners for construction and development of custom dwelling units.

“Down Payment Assistance” is a program that allows qualified applicants the ability to borrow up to 3.5% of the upper FHA lending limit for BMR Plus homes. The down payment assistance is considered a second mortgage and carries an interest rate based on the most current Federal Funds rate. The down payment assistance shall be a 15 year note with no payments required for the first five years. Interest will begin accruing from inception of the loan and there shall be no prepayment penalties.

"Dwelling unit" means a dwelling designed and intended for occupancy by one household.

“Eligible Household” means a household whose income does not exceed the maximum specified in this Section for a given affordable unit.

“Household Income” the combined gross income for all adult persons living in a dwelling unit as calculated for the purpose of the Section 8 program under the U.S. Housing Act of 1937, as amended, or its successor.

“Housing Director” shall be the Planning Director or such other person as may be designated by the City Administrator.

"In-lieu fee" means a fee paid to the City by an applicant/developer in lieu of providing the required affordable units or for partial units required pursuant to this Chapter.

“Lower Income Household” means a household whose income does not exceed eighty percent (80%) of the area median income for San Joaquin County, as published pursuant to California Code of Regulations, Title 25, Section 6932 (or its successor provision).

“Low Income Maximum Affordable Housing Cost”. The maximum affordable housing cost for low income households shall be thirty percent (30%) of seventy percent (70%) of area median income.

"Market rate unit" is defined as a residential unit in Ripon sold at the market rate, i.e., at the highest price on the date of valuation that would be agreed to by a seller and a buyer, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

“Moderate Income Household” means a household whose income does not exceed one-hundred and twenty percent (120%) of the area median income for San Joaquin County, as published pursuant to California Code of Regulations, Title 25, Section 6932 (or its successor provision).

“Moderate Income Maximum Affordable Housing Cost”. The maximum affordable housing cost for moderate income households shall be thirty five percent (35%) of one-hundred ten percent (110%) of area median income.

"Refinance and resale limitation agreement" means an agreement between the City and an individual homebuyer of an ownership affordable unit documenting resale controls and/or subsidy repayment obligations.

"Resale controls" means legal restrictions by which affordable units shall be restricted to ensure that the unit remains affordable. Resale controls for owner occupied units shall be in the form of resale restrictions, deeds of trust, and/or other similar documents recorded against the subject property.

"Residential development" means and includes, without limitation, for-sale single-family dwellings, multiple family dwellings, groups of dwellings, condominium or townhouse developments, condominium conversions, cooperative developments, mixed use developments that include housing units, manufactured housing, mobile homes, and residential land subdivisions intended to be sold to the general public. Residential development specifically excludes development for multifamily rental housing. (Ord. 843, 2016)

“Silent Loan” means a second or third loan (City Subsidy) on an affordable unit which as long as the family and/or individual remains in compliance with the affordable housing program is a deferred loan. The loan balance is only due and payable if the home sells, transfers title or there is a default of the program requirements. (Ord. 869, 2017)

16.194.030 Findings.

In enacting this Chapter, the City Council of the City of Ripon finds as follows:

A. Housing costs in Ripon have steadily increased;

B. Substantial need exists for affordable housing to meet the City’s regional needs as determined by the State;

C. Requiring new development to pay its fair share of the costs associated with the provision of affordable units is consistent with the City’s Housing Element goals of fostering an adequate supply of housing for people at all economic levels and maintaining both economic diversity and geographically dispersed affordable housing;

D. Rising land prices have contributed to the lack of new affordable housing.

E. Through careful planning and adherence to high quality development standards, including generous street and sidewalk widths, lot setbacks, densities, provision of high quality parks and recreation amenities, maintaining high public safety staffing ratios, working cooperatively with the Ripon Consolidated Fire District and Ripon Unified School District to ensure that public safety and school facilities are appropriately funded, and by managing and limiting residential growth, the City of Ripon has maintained a quality of life that benefits Ripon residents and their property values.

F. The existing relatively high property values in Ripon translate into a "premium" on each and every residential unit in Ripon, including new single family residential units, and results in Ripon being a highly desirable community for residential home builders. At the same time, Ripon's high property values naturally make home ownership in Ripon less affordable.

G. New development has, and will continue to exacerbate the affordable housing shortage in the City of Ripon, as developers of single family residential projects will continue to sell "market rate" homes and will continue to benefit from the "premium" described herein.

H. The City Council recognizes that government, acting alone, cannot solve the regional problem of affordable housing, but that new single family residential development projects can and should participate in meaningful solutions to prevent the affordable housing problem from becoming worse. In addition to the measures described in this Chapter and applicable to new single family residential development, the City Council has designated numerous parcels which are zoned for multi-family development. Development of these sites at higher densities is expected to provide housing opportunities for low and very low income residents. Further, the City Council has approved other programs designed to promote home ownership for lower income residents, including but not limited to, a First Time Homebuyer Down Payment Assistance Program, low interest housing rehabilitation loans, Below Market Rate Inclusionary Housing Program, Pre-Owned BMR Housing and Pre-owned market rate homes sold under the BMR Program and similar programs. Accordingly, the City Council finds that new single family residential developments are not burdened disproportionately by the requirements of this Chapter. (Ord. 843, 2016, Ord. 869, 2017)

16.194.040 General Requirements.

A. Applicability. This Chapter shall apply to all new residential developments with dwelling units designed and intended for residential occupancy in the City's planning area. No residential development, other than that exempted in subsection E of this Section, shall be undertaken, and no building permits shall be accepted for processing or issued, unless the development has been approved in accordance with this Chapter. The requirements of this Chapter shall be applied prior to the application of a density bonus and no more than once to an approved residential development, regardless of changes in its character or ownership, provided that the total number of dwelling units does not change.

B. Concurrent Construction. In cases where the construction of affordable units is required under this Chapter, all affordable units in a residential development or phase of a residential development shall be constructed prior to or concurrently with market rate units, as set forth, and in the location specified, in a schedule of construction approved by the City and set forth in the Affordable Housing Agreement or Development Agreement. The building

permits for the last ten percent of the non-restricted dwelling units shall not be issued until the last affordable unit has been issued a building permit and construction of the last affordable unit has begun.

C. Design and Distribution of Affordable Units. All affordable units within a residential development shall be comparable to the market rate units in interior and exterior design, quality, materials, architectural elements and overall construction quality, as well as number and proportion of bedroom types. Affordable units shall be comparable to the "standard" landscaping and size. In addition, all affordable units shall include the same or similar interior amenities offered for market rate units within a residential development. Affordable units shall be dispersed throughout the residential development so as to prevent the concentration of affordable units, unless the Planning Commission has approved an alternative distribution pattern, or approval of an off-site location has been granted.

D. Length of Affordability. It is the intent of this Affordable Housing Program that affordable ownership units should remain affordable for as long as is practicable, taking into account the City's funding and staffing limitations and the difficulties associated with monitoring eligibility. Accordingly, the owner of an affordable ownership unit shall submit such information as may be required by the Housing Director, whether annually or at such frequency deemed necessary and appropriate by the Housing Director, to document the owner's continued occupancy of the affordable ownership unit, and the owner's continued compliance with the applicable terms and conditions of this Chapter. Upon the sale of any affordable ownership unit, the Owner shall comply with the provisions of Section 16.194.090 C of this Chapter. (Ord. 843, 2016).

E. Exemptions. The following are exempt from the provisions of this Chapter:

1. Replacement housing due to natural disaster on a one for one basis (i.e., one dwelling unit replaced for each legally existing dwelling unit);

2. Modifications to existing properties or structures that do not increase the number of dwelling units;

3. Residential care facilities with dwelling units that are non self-sufficient units; that is, they do not include kitchen facilities (if a project includes both self-sufficient and non self-sufficient units, only the latter are exempt);

4. A residential second unit (as defined by state law) on an existing residential lot, subject to compliance with the zoning ordinance.

5. Rental housing units (apartments, duplexes, triplexes).

F. Affordability Requirement/Alternatives for Compliance.

Developers of single family residential developments with dwelling units designed and intended for residential occupancy have several options for achieving compliance with this Ordinance, each option is described in subsections 16.194.050, 16.194.060 and 16.194.070. (Ord. 869, 2017)

16.194.050 BMR Plus Affordable Units with Down Payment Assistance

A. Any developer shall ensure that 10% of the total units within a residential development project will meet FHA lending limits for San Joaquin County and shall pay to the City of Ripon an Affordable Housing Fee prior to receiving a final on the affordable unit as defined herein. Any fraction of an affordable unit required under this Section shall be resolved through payment of an In-Lieu Fee as defined in section 16.194.080 A. Additionally, the seller/builder shall be required to cover one half of the title, escrow

and recording fees per San Joaquin regulations for the BMR Plus unit. If the fair market value (as established by either an appraisal or an agreed upon value by the Planning Director and the Developer) of the house exceeds the sales price (FHA upper lending limit for San Joaquin County plus 3.5% down payment), the BMR Plus Buyer shall enter into an equity recapture agreement with the City of Ripon. Such equity recapture agreement shall require the BMR Plus Buyer to repay one hundred percent (100%) of the difference between the actual sales price of the unit at time of purchase and the fair market value of the unit at time of purchase ("City Subsidy"). The City Subsidy shall be considered a "silent loan" on the home and shall not accrue any interest for the duration of the loan. The entire amount of the City Subsidy shall be paid back to the City of Ripon upon sale or transfer of the home or if there is a default of any of the program requirements. Any repayment of those funds shall be used for future affordable housing programs within the City of Ripon.

B. All BMR Plus Affordable Units shall meet the following development requirements.

1. All BMR Plus units shall be comparable in exterior elevations, interior and exterior material and amenities with all other market rate units within the development project.

2. BMR Plus units shall be consistent in number of bedrooms and bathrooms with all other units within the development. At a minimum BMR Plus units shall be 3 bedroom/2 bath units, except that senior housing projects may be granted an exemption from this requirement.

3. BMR Plus units may be developed as duet homes (zero lot line, attached homes) on corner lots. Homes built as duets shall be constructed as a Planned Unit Development for that lot.

C. BMR Plus Affordable Unit Sales Requirements

1. The sales price for eligible BMR Plus residential units under this Chapter shall not exceed the applicable upper FHA lending limit for San Joaquin County, as revised from time to time, plus a 3.5% down payment.

2. The BMR Plus unit must be sold to income-qualified individuals who do not currently own a home/property at time of close of escrow.

3. Selection of an income qualified buyer shall be done by the developer using a lottery based system, overseen by the City of Ripon.

D. BMR Plus Affordable Unit Buyer Requirements and Options

1. BMR Plus buyers shall qualify for purchase of a BMR Plus unit based upon income limits, credit score and other requirements adopted by the City Council by resolution and amended from time to time.

2. Down payment assistance is available to any qualified buyer pursuant to this Chapter from the City of Ripon. All down payment loans shall take the form of a second lien on the property with the following requirements:

i. Qualified applicants may receive Down Payment Assistance funds for the purchase of a BMR Plus qualified home from the City of Ripon. The entire Down Payment Assistance can be borrowed from the City of Ripon's Affordable Housing Program with the following stipulations:

a. The City of Ripon will provide Down Payment Assistance funds up to 3.5% of the upper FHA lending limit for a qualified applicant. The down payment assistance shall be a 15 year note with a fixed interest

rate based on the current Federal Funds rate at time of closing. No payments shall be required for the first five years and repayment of the loan shall commence beginning the sixth year. Interest will begin accruing from inception of the loan and there shall be no prepayment penalties.

b. Upon sale or transfer of title of the unit, the full balance of the down payment assistance loan plus any accrued interest shall be due and payable upon close of escrow.

c. Any down payment assistance funds received or repaid shall be used for future affordable housing programs.

3. BMR Plus buyers shall occupy the house as their primary residence. The City Council may adopt a resolution establishing a monitoring program to ensure the BMR Plus buyer is still living in the unit as their primary residence.

4. Variable rate mortgage loans are not allowed under this program.

5. The processing of loan papers upon refinancing or sale of unit will be subject to processing fees set by resolution of the City Council to help offset City expenses.

6. Refinancing of a BMR Plus affordable unit is permitted under the following circumstances:

i. If homeowner is refinancing and not taking any cash out, the City will agree to subordinate the second loan (down payment assistance) and the City Subsidy, if applicable, so long as the terms of the refinancing are improving the homeowner's position, i.e. lower interest rate, etc. The second and City Subsidy loans will remain unchanged.

ii. If homeowner is refinancing and taking cash out, the entire second loan (down payment assistance) shall be due and payable in full. The City of Ripon will agree to subordinate the City Subsidy, if applicable, so long as the total amount of all debt secured against the unit does not exceed 80% of the Fair Market Value. (Ord. 877, 2018)

16.194.060 BMR Affordable Units

A. Any developer shall ensure that 5% of the total units within a residential development project will meet BMR Affordable Unit requirements for sale to low and moderate income households (as defined in the California Health and Safety Code) and as defined in this ordinance. Number of units for each income category shall be based upon seventy-five percent (75%) of the units meeting moderate BMR requirements and twenty-five percent (25%) of the units meeting low BMR requirements. Any fraction of an affordable unit required under this Section shall be resolved through payment of the In-Lieu Fee.

B. All BMR Affordable Units shall meet the following development requirements.

1. All BMR units shall be comparable in exterior elevations, interior and exterior material and amenities with all other market rate units within the development project.

2. BMR units shall be consistent in number of bedrooms and bathrooms with all other units within the development. At a minimum BMR units shall be 3 bedroom/2 bath units, except that senior housing projects may be granted an exemption from this requirement.

3. BMR units may be developed as duet homes on corner lots. Homes built as duets shall be constructed as a Planned Unit Development for that lot.

C. BMR Affordable Unit Sales Requirements

1. The BMR sales price for eligible BMR residential units under this Chapter shall be based upon following parameters based on income categories:

i. For Low income units the sales price shall be based upon a maximum affordable housing cost for that category. The maximum affordable housing cost shall be thirty percent (30%) of seventy percent (70%) of area median income as adopted by resolution on a yearly basis. The sales price is therefore established by assuming a 3.5% down payment and the maximum allowable housing cost for the income category.

ii. For Moderate income units the sales price shall be based upon a maximum affordable housing cost for that category. The maximum affordable housing cost shall be thirty-five percent (35%) of one hundred ten percent (110%) of area median income as adopted by resolution on a yearly basis. The sales price is therefore established by assuming a 3.5% down payment and the maximum allowable housing cost for the income category.

2. The BMR Buyer shall enter into an equity recapture agreement with the City of Ripon upon purchase of the home. Such equity recapture agreement shall require the BMR Buyer to repay one hundred percent (100%) of the difference between the actual sales price of the unit at time of purchase and the fair market value of the unit at time of purchase ("City Subsidy"). The City Subsidy shall be considered a "silent loan" on the home and shall not accrue any interest for the duration of the loan. The entire amount of the City Subsidy shall be paid back to the City of Ripon upon sale or transfer of the home or if there is a default of any of the program requirements. Any repayment of those funds shall be used for future affordable housing programs within the City of Ripon.

3. The BMR unit must be sold to income-qualified individuals who do not currently own a home/property and have not owned a home/property within the previous 12 months.

4. Selection of an income qualified buyer shall be done by the developer using a lottery based system, overseen by the City of Ripon.

D. BMR Affordable Unit Buyer Requirements and Options

1. BMR buyers shall qualify for purchase of a BMR unit based upon income limits, credit score and other requirements adopted by the City Council by resolution and amended from time to time.

2. BMR buyers shall occupy the house as their primary residence. The City Council may adopt a resolution establishing a monitoring program to ensure the BMR buyer is still living in the unit as their primary residence.

3. Variable rate mortgage loans are not allowed under this program.

4. The processing of loan papers upon refinancing or sale of unit will be subject to processing fees set by resolution of the City Council to help offset City expenses.

5. Refinancing of a BMR affordable unit is permitted under the following circumstances:

i. If homeowner is refinancing and not taking any cash out, the City will agree to subordinate the second loan (City Subsidy) and the second loan remains unchanged.

ii. If homeowner is refinancing and intends to take cash out, the City of Ripon will agree to subordinate the second (City Subsidy) so long as the total amount of all debt secured against the Unit does not exceed 80% of the Fair Market Value. (Ord. 869, 2017)

16.194.070 Negotiated Affordable Units

The developer may negotiate an Alternative Equivalent Proposal with the Affordable Housing Committee, subject to approval by the City Council, which specifies an alternate means of satisfying this Chapter. An Alternative Equivalent Proposal may include, but is not limited to, payment of an in-lieu fee, dedication of vacant developable land, construction of affordable units on another site, and conversion of existing market rate for-sale or for-rent dwelling units within the City to affordable units through acquisition and enforcement of required affordability restrictions consistent with this Chapter. All alternative equivalent proposals must be submitted in writing, demonstrate that the alternative equivalent will further affordable housing in the City to an equal or greater extent than the construction of required on-site affordable units required under this Chapter and satisfy the following minimum conditions: (1) be consistent with the City's Housing Element; (2) provide the same number or greater of affordable units; (3) have equivalent or lesser impact on the City's administrative obligations, including maintenance and management duties, than the on-site requirement; and (4) must result in the actual construction of affordable ownership units. (Ord. 869, 2017)

16.194.080 Affordable Housing In-Lieu Fee

The In-Lieu fee for BMR Plus Affordable Units with down payment assistance and BMR Affordable Units shall be calculated using the following formulas:

A. BMR Plus In-Lieu Fee. The difference between the median home price in Ripon and the applicable FHA lending limit, plus the down payment for a BMR Plus unit, divided by 10 units. By way of example:

1. Example with a median home sales price in Ripon of $400,000 and an upper FHA lending limit of $333,500.00.

$$\frac{(400{,}000 - 333{,}500) + (333{,}500 \times .035)}{10} = \$7{,}817.25 \text{ per unit}$$

B. BMR In-Lieu Fee. The difference between the median home price in Ripon and the applicable Moderate BMR sales price times the required moderate units for a subdivision plus the difference between the median home price in Ripon and the applicable Low BMR sales price times the required low units for a subdivision divided by number of units in the subdivision. By way of example:

1. Example with a median home sales price in Ripon of $400,000, a Moderate BMR Sales Price of $250,000 and a Low BMR Sales Price of $110,000 for a 100 lot subdivision.

$$\frac{(400{,}000 - 250{,}000) \times 3.8 + (400{,}000 - 110{,}000) \times 1.3}{100} = \$9{,}470.00 \text{ per unit}$$

C. Payment of In-Lieu Fee to satisfy fractional requirements of affordable units. If a developer is required to pay an in-lieu fee to meet fractional affordable housing requirements, the fractional requirement shall be met by multiplying the fractional requirement by the appropriate per unit in-lieu fee for the affordable housing category required. For example a 10.8 affordable BMR Plus unit requirement, would require 10 units to be built meeting the BMR Plus affordable requirements and payment of the per unit BMR Plus affordable in-lieu fee multiplied by 0.8.

D. A Developer may opt to buy out of the affordable requirements for a project by paying an in-lieu fee. In order to buy out of their affordable requirements a developer shall take the appropriate per unit in-lieu fee and multiply the per unit fee by the number

of market rate units in the subdivision. (Ord. 869, 2017)

16.194.090 Other Implementation Procedures.

A. Satisfaction of Affordable Housing Requirement. Each proposal for satisfying the City's affordable housing requirement, together with any proposed Affordable Housing Agreement shall be reviewed by the Planning Director or designee, considered for recommendation by the Affordable Housing Committee, and forwarded to the City Council for approval.

B. Agreements. Prior to the approval of a Tentative Map for any residential development to which this Chapter applies, the City and the residential developer shall enter into a Development Agreement or Affordable Housing Agreement in a form approved by the City Attorney. For ownership affordable units, the City and the individual homebuyer may, at the discretion of the Planning Director, enter into a recorded Refinance and Resale Limitation Agreement in a form approved by the City Attorney. The City Administrator or designee is authorized to execute Affordable Housing Agreements, resale controls and/or rent restrictions and any other documents necessary to effectuate the implementation of this Chapter, provided such agreements and documents are consistent with the requirements of this Chapter.

C. City's Right of Option to Purchase Affordable Ownership Units. The resale restrictions as set forth in the Refinance and Resale Limitation Agreement for BMR Plus or BMR units shall provide that in the event the owner of a BMR Plus or BMR wishes to sell their unit, the owner shall first give written notice of such circumstances, and an option to purchase, to the City of Ripon. In the event the City Response Notice notifies the Owner that the City does not wish to exercise its right to purchase the affordable unit, then the Owner may proceed to sell the Unit in compliance with the following requirements:

1. Selling the Unit for Fair Market. If the Owner receives a bona fide offer from a "Market Purchaser" to purchase the Unit and the Owner accepts the Market Purchaser's offer, upon sale of the Unit, the Owner shall pay to the City the entire amount due under the City Note(s) and/or agreements upon close of escrow.

2. Selling the Unit to another BMR Plus Purchaser or Below Market Rate Purchaser. If the Owner chooses to sell the Unit at an affordable price to an affordable household, the "BMR Plus Purchaser" or "Below Market Purchaser", under the same income category the unit originally sold, the City Subsidy including any accrued interest will be waived. The affordable purchase price shall be determined by the City, under its BMR Plus or Below Market Rate Housing Program and the new buyer must meet all the requirements of the BMR Plus or Below Market Rate program and execute program documents prior to close of escrow. A new City Subsidy will be established with the new BMR Plus Purchaser or Below Market Rate Purchaser. The new City Subsidy will be determined using the difference between the Fair Market Value of the home, as determined by an appraisal, and the BMR Plus or Below Market Rate purchase price.

D. Selection Criteria for Ownership Units. No household at the time of move-in shall be permitted to purchase or occupy an affordable unit that is required under this Chapter unless its qualifications are consistent with this Chapter and the Housing Director has approved the household's eligibility. Eligible potential occupants of ownership affordable units must be first-time homebuyers and will be qualified on the basis of household income as established by the Housing Director using available governmental indices, including but not

limited to all sources of income and assets, the relationship between household size and the size of the available units, and any further criteria required by law and/or established by resolution of the City Council. The City shall use an equitable selection method established in conformance with the terms of this Chapter and in compliance with state and federal law. First priority shall be given to current Ripon residents who either reside or work within the City of Ripon's zip code or planning area as defined in the Land Use Element of the General Plan.

E. Use and Expenditure of Fees.

1. All fees collected under this Chapter shall be deposited into a separate account administered by the City Administrator or his/her designee, to be designated the City Affordable Housing Fund.

2. The fees collected under this Chapter and all earnings from investment off the fees shall be expended exclusively for provision of below market rate housing in the City through acquisition, construction, development assistance, paying the costs of administering this Chapter, rehabilitation, financing, rent subsidies or other methods. The housing shall be of a type, or made affordable at a cost or rent, for which there is an unmet need in the City and which is not adequately supplied in the City by private housing development in the absence of public assistance. Ord. 646 §1,201; Ord. §1, 2003; Ord. 783 §1, 2011, Ord. 869, 2017)

16.194.100 Enforcement.

A. General. The City shall enforce this Chapter, and its provisions shall be binding on all agents, successors, and assigns of an applicant. The City may suspend or revoke any building permit or approval upon finding a violation of any provision of this Chapter. Use approval, building permit, or occupancy approval shall not be granted for any residential development unless it is in compliance herewith, including, but not limited to, actions to revoke, deny, or suspend any permit or development approval.

B. Violation Abatement.

1. It shall be a misdemeanor for any person to sell or rent an affordable unit under this Chapter at a price exceeding the maximum allowed under this Chapter or to a household not qualified under this Chapter. In the alternative, the City Attorney may proceed in accordance with Chapter 1.12 of the Ripon Municipal Code.

2. The City Attorney shall be authorized to enforce the provision of the Chapter and all regulatory agreements and resale controls placed on affordable units by civil actions and any other proceeding method permitted by law.

3. The City may revoke, deny or suspend any permit or development approval, including without limitation a final inspection for occupancy or certificate of occupancy, for a residential project which has failed to comply with this Chapter.

4. Failure of any official or agency to fulfill the requirements of this Chapter shall not excuse any applicant or owner from the requirements of this Chapter.

5. The City shall be entitled to recover all its costs, including reasonable attorney's fees, incurred in enforcing this Chapter. (Ord. 646 §1, 2001; Ord. 680 §1, 2003; Ord. 783 §1, 2011, Ord. 869, 2017)

16.194.110 Appeal.

A. An owner of any affordable ownership unit subject to the requirements of this Chapter may appeal to the City Council from any decision of the Planning Director.

B. Any such appeal shall be made in writing and filed with the City Administrator along with the applicable administrative fee for processing costs as set forth by City Council resolution no later than ten days following receipt of a written decision or determination by the Planning Director. The

appeal shall set forth in detail the factual and legal basis for the appeal. The City Council shall consider the appeal at a public meeting within sixty days after the filing of the appeal. The decision of the Council shall be final. (Ord. 843, 2016, Ord. 869, 2017)

16.194.120 Severability.

If any clause, sentence, section, or part of this Chapter, or any fee or requirement imposed upon any person or entity, is found to be unconstitutional, illegal, or invalid, such unconstitutionality, illegality, or invalidity, shall affect only such clause, sentence, section or part, or such person or entity, and shall not affect or impair any of the remaining provisions, clauses, sentences, sections, or parts or the effect of this Chapter on other persons or entities. It is hereby declared to be the intention of the City Council that this Chapter would have been adopted had such unconstitutional, illegal, or invalid clause, sentence, sections, or part not been included herein, or had such person or entity been expressly exempted from the application of this Chapter. (Ord. 646 §1, 2001; Ord. 680 §1, 2003, Ord. 869, 2017)