



AFFORDABLE HOUSING PLAN WORKSHEET

1. DEVELOPER INFORMATION

Developer/Contact Name: The Nest Apartments LLC / Steve Harrison Member/Manager
 Developer Address: 2940 Spafford Street, Suite 100, Davis, CA 95618
 Developer City: Davis State: CA Zip: 95618
 Phone: O: 530-753-0373 ext. 103 C: 916-417-1997 Email: sharrison@harrisoncon.com

2. PROJECT INFORMATION

Project Address/Location: 2932 Spafford Street, Suite 100, Davis, CA 95618
 Project Name: The Nest Apartments
 Time frame for project completion: Start construction Q3 2026 – Bring project to market Q2 2028
If Renter Occupied, Provide Owner/Manager Information:
 Name Same as above. Professional management company not yet selected
 Address _____
 City _____ State _____ Zip _____
 Phone _____ Email _____

PLANNED TENANCY	TYPE OF CONSTRUCTION
<input checked="" type="radio"/> Renter Occupied <input type="radio"/> Owner Occupied	<input checked="" type="radio"/> New Construction <input type="radio"/> Substantial Rehab

3. AFFORDABILITY PLAN: *(see item 4 if affordability units are not aligned with inclusionary ordinance)*

a) Unit Schedule Description identify *the following*

	Very Low Income		Low Income		Moderate Income		Market Rate		Total Units
	Number	Size of Unit	Number	Size of Unit	Number	Size of Unit	Number	Size of Unit	
Studio	4.35(4)	366	4.35(4)	366			50	366	58
One Bdrm Loft	4.50(4)	448	4.50(4)	448			52	448	60
One Bdrm	1.50(2)	712	1.50(2)	712			16	712	20
Two Bdrm Loft	0.75(1)	949	0.75(1)	949			8	949	10
Total Units	11	N/A	11	N/A		N/A		N/A	148

b) **NARRATIVE:** Attach project description including how affordable housing plan adheres to the adopted guidelines. Describe accommodations for accessibility and buyer selection process – See attached letter from Opterra Law

530-747-5844 | @CityofDavis
 Department of Social Services and Housing-Affordable Housing Office
 23 Russell Boulevard, Davis, CA 95616

c) **SITE MAP:** Attach conceptual site map with location of affordable units at various income levels clearly marked.

4. If the project does not meet the minimum standards of the inclusionary ordinance, please give an explanation of why:

N/A, the project meets the minimum standards of of the inclusionary ordinance

Provide the following documents, a review will be conducted to determine if some level of exception will be permitted for the project.

- Proposed Development Budget
- Proforma
- Proposed sources and uses (*financing for the project*)

5. SIGNATURE of person authorized to bind an agreement

	5/13/2025
_____ Signature	_____ Date
Steve Harrison	Member/Manager
_____ Printed Name	_____ Title

O: 530-753-0373 ext.103 C:916-417-1997
Phone



Corinne I. Calfee
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ccalfee@opterrallaw.com
510-809-8001

VIA Electronic Submission and Hand Delivery

Eric Lee
Senior Planner
Department of Community Development and Sustainability
City of Davis
23 Russell Blvd., Suite 2
Davis, CA 95616

May 7, 2025

Re: *“The Nest” Housing Development Project Application*
2932 Spafford St., Davis, CA 95616

Dear Eric:

Opterra Law, Inc., represents the applicant (the “Applicant”) in relation to the property located at 2932 Spafford St., Davis, CA (APN 071-403-002, the “Property”). We are pleased to present the accompanying application for a development permit for the “The Nest” (the “Project”). The Nest proposes 148 residential rental units of various sizes on a vacant infill site in east Davis. The project includes 15% of the units at affordable rents (7.5% at low income and 7.5% at very low income) in compliance with the City’s inclusionary housing ordinance. This affordable housing entitles the project to a density bonus. The application is being submitted pursuant to the Housing Crisis Act of 2019 (“HCA”, also known as “SB 330”), the Housing Accountability Act (“HAA”), and State Density Bonus Law (“SDBL”).

Proposed Project

The Nest will have 58 studio apartments, 80 one-bedroom apartments, and 10 two-bedroom apartments. This will add 158 new bedrooms to the Davis housing stock to alleviate the housing pressure felt throughout the City. The project will have residential amenities such as a swimming pool, fitness center, lounge, and secure bicycle parking.

The project site is an infill location surrounded on all sides by existing development. There is an office building to the north, a shopping center and professional offices to the west, commercial buildings to the south and southeast, and a bike path and residential buildings to the east. As such, the Project will fit seamlessly within the existing neighborhood while providing much-needed new housing in the area. The site is accessible via street and sidewalk and will include both automobile and bicycle parking.

The project site is a 65,775 square foot lot (1.51 acres) that is designated Mixed Use in the General Plan and zoned High Density Mixed via PD 05-22. It was re-zoned to this residential use during the Housing Element Update process. The High Density Mixed zone is intended to accommodate high density residential development conveniently located with non-residential uses, services, and jobs; compatible with existing adjacent neighborhoods and uses; supports reduced vehicle trips; and promotes energy and resource conservation. Multiple dwellings are a permitted use and must have a minimum density of 20.00 units per net acre.

Zoning Requirements

The proposed Project will meet all of the objective zoning requirements.¹ The Project meets the 60' height limit and all of the setback requirements as set forth in more detail by the architectural drawings. The Project satisfies the lot coverage and FAR Requirements and properly exceeds the minimum density required. The Project also provides an appropriate number of bicycle parking spaces and usable open spaces as are required by the Municipal Code.

The PD zoning for the site requires only site plan and architectural approval (Design Review) by the Director of Community Development and Sustainability.

Affordable Housing Plan/Inclusionary Housing Compliance

The Applicant is proposing to comply with the City's inclusionary housing ordinance by providing 15% of the units (22) as affordable units. This proposal includes 7.5% of the units at the low income level (11) and 7.5% of the units (11) at the very low income level. The units will be dedicated permanently in accordance with the ordinance. An affordable housing agreement will be recorded on title.

The preliminary application for this project was submitted before the City adopted the Rental Housing Inclusionary Guidelines ("Guidelines") on January 7, 2025. Therefore, the new Guidelines do not apply. Any in-lieu fee due and payable for a fractional affordable unit would be pursuant to the in-lieu fee in existence at the time of the SB 330 pre-application. This in-lieu fee is \$84,110.00, according to the City of Davis Fees and Charges FY 2024-2025.

Density Bonus

A housing project is eligible for bonuses under the SDBL if it meets all objective development standards and provides a sufficient number of units as affordable housing. As described above, the proposed project meets all objective zoning requirements. By providing 15% of the units as affordable units, the project also provides enough units as affordable housing to qualify for a bonus.

Under SDBL, the project is entitled to use an unlimited number of waivers and one concession/incentive for development standards. The applicant reserves the right to such waivers and concessions/incentives as it may qualify for and as may be required for the proposed project to be built.

¹ As described below, the Project qualifies for an incentive/concession under SDBL. The Applicant respectfully reserves the right to use the incentive/concession and any waivers if necessary as the project application is processed.

CEQA

This project is eligible for a categorical exemption from the California Environmental Quality Act ("CEQA"). Because the proposed project is located in an urbanized area and because it is an infill development project, the CEQA Class 32 "Infill" Categorical Exemption applies. The Class 32 exemption requires the following:

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- (c) The project site has no value as habitat for endangered, rare or threatened species.
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- (e) The site can adequately be served by all required utilities and public services.

The Nest is consistent with the City of Davis' objective design and development standards, so it is subject to the categorical exemption under CEQA. The proposed development occurs within the City limits, on a site that is 1.51 acres and 100% surrounded by urban uses. The project site has no value for endangered, rare, or threatened species. The project will not result in any significant traffic, noise, air quality, or water quality impacts. The site is on an urbanized parcel with access to connections for all required utilities and public services.

Applicable State Laws

SB 330. The Project is a "housing development project" subject to SB 330 and protected by the HAA because more than two-thirds of the Project's square footage is devoted to residential uses. Gov't Code §65905(b)(3); Gov't Code §65589.5(h)(2). The Applicant submitted a preliminary application pursuant to SB 330 on November 15, 2024. By submitting that preliminary application with all of the information specified in SB 330 and a permit processing fee, the Applicant obtained a vested right to develop a housing development project in accordance with the applicable ordinances, policies, and standards in effect as of that date, when the preliminary application was submitted. Gov't Code 65589.5(o)(1).

SB 330 prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, a housing development project that provides affordable housing. The Act also requires the City to consider and either approve or disapprove the housing development project within the 5 allowable public hearings under the HCA, and consistent with the applicable timelines under the Permit Streamlining Act ("PSA").

Permit Streamlining Act. The Project is required to go through a completeness review under the PSA. Gov't Code § 65920 et seq. The PSA imposes several relevant obligations on the City as it conducts its completeness review of the project's application.

First, the City is required to compile lists that include the information required for a complete submittal. Gov't Code § 65940 et seq.

Second, Gov Code § 65943(a) spells out a jurisdiction's obligations after submittal: Not later than 30 calendar days after any public agency has received an application for a development project, the agency shall determine in writing whether the application is complete and shall immediately transmit the determination to the applicant.

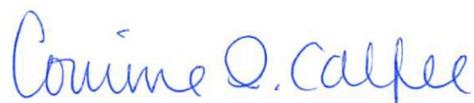
Lastly, if the City determines that the application is incomplete, the City is required to "specify those parts of the application which are incomplete and shall indicate the manner in which they can be made complete." Gov't Code § 65943(a). In any subsequent review of the application determined to be incomplete, the local agency shall not request the applicant to provide any new information that was not stated in the initial list of items that were not complete.

Housing Accountability Act. The project is subject to the Housing Accountability Act ("HAA"). Gov't Code § 65589.5. The Legislature has directed that the HAA be "interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, housing." *Id.* (a)(2)(L).

The HAA requires the City to approve the project because it is consistent with all objective standards. The City would only be permitted to reject a project if it can make findings based on a preponderance of evidence that the project would have a significant, unavoidable, and quantifiable impact on "objective, identified written public health or safety standards, policies, or conditions." Gov't Code §65589.5(j). The Legislature has an expectation that these types of conditions "arise infrequently." Gov't Code § 65589.5(a)(3). Here, there is no evidence that the project would have any impact on public health and safety.

Thank you for your assistance. We are excited to work through this process with you to begin implementing the Housing Element and achieving the City's ambitious goals for adding housing to our community. Please let me know if you have any questions or would otherwise like to discuss this request.

Sincerely,



Corinne I. Calfee

cc: Client