



**County of San Diego, Planning & Development Services**  
**DENSITY BONUS FAQ's**  
**ZONING DIVISION**

**What is a density bonus?**

It is a density increase over the otherwise Maximum Allowable Residential Density.

**What does Maximum Allowable Residential Density mean?**

This is the maximum number of dwelling units that can be achieved after all applicable land use requirements have been satisfied. (see Zoning Ordinance Section 4115)

**What is a reserved unit?**

It is the dwelling unit that is reserved for rental or sale to a specific type of household. The types of qualifying households are very low, low, or moderate (sale units only) income households or senior households.

**How many reserved units do I need to get a density bonus?**

It depends on the type of household the reserved unit serves. If the reserved units are for very low-income households, you must reserve at least 5% of the units in your project to be eligible for a bonus. For low and moderate income, the minimum is 10%. For seniors, the minimum is 100%.

**How can I figure out how many bonus units I get?**

As you increase the number of reserved units, your density bonus increases up to a maximum of 35% of your Maximum Allowable Residential Density.

**Schedule an Initial Consultation meeting to discuss your density bonus project**

Developers interested in applying for a Density Bonus Program/Affordable Housing Program are strongly encouraged to schedule an Initial Consultation meeting for relatively little money with PDS staff to determine if their project qualifies for the Density Bonus Program/Affordable Housing Program. This will afford you the opportunity to sit down with a planner and discuss the “ins and outs” of your project and receive a determination about the feasibility of your Density Bonus project up front before you make any major investments in time and money. The planner will review the plot plan and requests for the waiver or reduction of the development standards to ensure your project complies with Section 6350 of the Zoning Ordinance.

Income Category	Reserved Units	Bonus		
		Bonus Allowed		
Household Income Category of Affordable Units	Minimum % of Base Units that must be Reserved to qualify for Bonus	Minimum Bonus (% of Base Units)	Additional Bonus for each 1% increase in Reserved Units	Maximum Bonus (% of Base Units)
Very Low Income	5%	20%	2.5%	35%
Low Income	10%	20%	1.5%	35%
Moderate Income (Ownership Units Only)	10%	5%	1%	35%
Age Restricted Senior Citizen Housing Development	100%	20%	--	20%



**County of San Diego, PDS, Zoning Division  
DENSITY BONUS FAQ's**

*Continued*

Transitional Foster Youth, Disabled Veterans, Homeless	10%	20%	--	20%
<b>Land Donation</b> for Very Low Income Housing	10% of Market-Rate Units	15%	1%	35%
Common Interest Development	10%	5%	1%	35%
<b>Condominium Conversion</b>				
Lower Income	15%	25%	--	25%
Moderate Income	33%	25%	--	25%
<b>Child Care Facility</b>	Must qualify under Section 6355 a.1. - a.4.	Additional residential space equal to or greater than the square footage of the child care facility or one additional incentive.		
<b>County Affordable Senior Housing Program (Rental Units Only)</b>				
Very Low Income	100%	50% to a maximum of 45 units/acre*		
Low Income	100%	45% to a maximum of 45 units/acre*		
Moderate Income	100%	40% to a maximum of 45 units/acre*		

For example, your project has a Maximum Allowable Residential Density of 100 units. You reserve 8 units for rental to very low income households. This equals 8% of your project. You have met the 5% minimum and are entitled to a 20% density bonus (20 additional bonus units). In addition, you are 3% over the minimum (5%). Therefore, you are entitled to an additional bonus of 2.5% for each 1% over the minimum (2.5% multiplied by 3 = 7.5%). So your bonus is now 27.5% (the minimum of 20% plus the 7.5% increase) or 28 additional bonus units for a total of 128 units.

**What is an incentive?**

An incentive is a request from the applicant that the County waive or reduce a development requirement as defined in California Government Code Subsection 65915(k). The number of incentives that may be requested varies with the amount and type of reserved units.

Income Category of Reserved Units	% of Reserved Units		
Very Low Income	5%	10%	15%
Low Income	10%	20%	30%
Moderate Income (Ownership Units Only)	10%	20%	30%
County Affordable Senior Housing Program (Rental Units Only)	--	--	100%
<b>Maximum Number of Incentives</b>	2	3	4



**County of San Diego, PDS, Zoning Division  
DENSITY BONUS FAQ's**

*Continued*

**What incentives are available?**

The applicant may request incentives, such as a reduction in setback requirements or a reduction in private open space requirements that make the reserved units possible. The applicant must demonstrate that each requested incentive results in identifiable, financially sufficient, and actual cost reductions that contribute significantly to the economic feasibility of the reserved units.

**Why do I need a density bonus permit?**

The permit verifies eligibility for the density increase and provides notice to future owners. In addition, a Density Bonus Housing Agreement must be executed. If incentives are requested, the permit process verifies the necessity, validity, and approval of each incentive. The permit is filed with the County Recorder.

**What is a pro-forma?**

A financial pro-forma is a form provided by the County that must be submitted as part of the Density Bonus Permit whenever the applicant has requested any incentives. The pro-forma requires financial information which compares the revenue, cost, and income of the project without reserved or bonus units with the revenue, cost, and income of the project with reserved and bonus units and with each requested incentive.

**Why do I need to do a pro-forma?**

The financial information submitted on the pro-forma demonstrates whether a requested incentive results in identifiable, financially sufficient, and actual cost reductions that contribute significantly to the economic feasibility of the reserved units. The cost of the County's analysis of the pro-forma will be passed on to the applicant.

**Why do I need to sign a Density Bonus Housing Agreement?**

All Density Bonus Permits will require the execution of an agreement. The agreement specifies the terms and conditions which apply in exchange for the density bonus. These terms will include the number and type of reserved units and the length of time for which they must be reserved. It also states that the owner must ensure that the residents of these reserved units meet eligibility requirements. This agreement is recorded with the County Recorder and is binding on all future owners.

Income Category	Reserved Units	Bonus		
		Minimum Bonus (% of Base Units)	Additional bonus for each 1% increase in reserved units	Maximum Bonus (% of Base Units)
Household Income Category of Affordable Units	Minimum % of Base Units that must be Reserved to qualify for Bonus			
<b>County Affordable Senior Housing Program (Rental Units Only)</b>				
Very Low Income	100%	50% to a maximum of 45 units/acre*		
Low Income	100%	45% to a maximum of 45 units/acre*		
Moderate Income	100%	40% to a maximum of 45 units/acre*		
Commercial Development with Affordable Housing	Pursuant to Government Code 65915.7	Pursuant to Section 6365		



# County of San Diego, PDS, Zoning Division DENSITY BONUS FAQ's

Continued

## What are the requirements applicable to projects that are 100% affordable for lower-income families?

In accordance with Assembly Bill (AB) 1763 (2019), a project that reserves 100% of its units as affordable for lower income households is eligible to receive a density bonus of 80% of the number of units reserved for lower income households. An applicant may choose to reserve up to 20% of the affordable units for moderate-income households.

AB 1763 also authorizes a project that reserves 100% of its units as affordable for lower income households and is located within 0.5 mile of a major transit stop to request a waiver of maximum controls on density and a height increase of up to three additional stories, or 33 feet.

Projects that receive a waiver of maximum controls on density cannot receive any reduction or waiver of development standards.

## What is the definition of lower income households?

“Lower income households” are established by State Law as households earning up to 80% of the Area Median Income (AMI). “Lower income households” include very low-income households and extremely low income households. (See Section 50079.5 of the California Health and Safety Code).

Income Category	Area Median Income (AMI)
Extremely low income	0-30% of AMI
Very low income	30% to 50% of AMI
Lower income	0% to 80% of AMI

Please refer to this page to see the current County of San Diego income limits:

<https://www.sandiegocounty.gov/content/sdc/sdhcd/rental-assistance/income-limits-ami.html>

## What is a “major transit stop”?

A major transit stop is a site containing any of the following:

1. An existing rail or bus rapid transit station, or
2. A ferry terminal served by either a bus or rail transit service, or
3. The intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.