

# CITY OF PALM DESERT STAFF REPORT

---

MEETING DATE: November 13, 2025

PREPARED BY: Carlos Flores, AICP, Deputy Director of Development Services

SUBJECT: RESOLUTION APPROVING A DENSITY BONUS AGREEMENT AND GRANTING ONE WAIVER FOR THE AFFIRMED HOUSING AFFORDABLE HOUSING PROJECT

---

## **RECOMMENDATION:**

Adopt a Resolution entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, APPROVING A DENSITY BONUS AGREEMENT AND APPROVING ONE (1) WAIVER FOR THE AFFIRMED HOUSING AFFORDABLE HOUSING PROJECT LOCATED AT THE NORTHWEST CORNER OF COOK STREET AND FRANK SINATRA DRIVE (ASSESSOR'S PARCEL NUMBER 694-200-021)."

## **BACKGROUND/ANALYSIS:**

Affirmed Housing, Applicant, submitted a development application for a 298-unit, 3-4 story, multifamily residential affordable housing development at the northwest corner of Cook Street and Frank Sinatra Drive. The Applicant submitted a Senate Bill 330 Pre-Application with the intent to submit a Senate Bill 35 (SB 35) streamlined application, that was deemed complete on June 29, 2023, in accordance with the California Housing Accountability Act. The Applicant subsequently submitted a Precise Plan application (PP23-0019) for consideration of the SB 35 streamlined project.

On May 23, 2024, the City received a resubmittal of documents that included a revised set of project plans and a written request for a waiver of development standards pursuant to the California Density Bonus Law, Government Code § 65915. City staff determined that the project met all applicable objective standards for the City of Palm Desert. From May 2024 through October 2025, City staff worked with the Applicant to finalize the proposed draft density bonus agreement. Project delays were attributed to iterative legal reviews between applicant and city attorney, review and coordinate with the California Department of Housing and Community Development (HDC), transitions in the applicant's project management, revisions initiated by the property owner, and adjustments to the proposed affordability mix.

Projects that are eligible for the streamlined SB 35 process are to be approved at a ministerial (staff) level, and cities are not allowed to hold public hearings or engage in any discretionary review of the project. City Council is being asked to approve an associated Density Bonus Agreement and one (1) waiver, which are required to be approved if the project has met all applicable objective design standards. This project was submitted and deemed complete before the approval of the multi-family objective design standards and the updated grading and subdivision standards, neither of which may be applied to this project.

Pursuant to the Palm Desert Municipal Code (PDMC) Section 25.34.040(G), the City Council is the approval authority for a density bonus agreement. The City Council's consideration of a density bonus agreement and the requested waiver is subject to Government Code § 65915, which requires that the City "shall ensure ... the continued affordability of all very low and low-income units that qualified the applicant for the award of the density bonus for 55 years ..." Subdivision (e) of Government Code § 65915 precludes the City from applying development standards that would physically preclude the project at the allowed density, except to the extent the waiver would: 1) have a specific adverse impact on health or safety that cannot be feasibly mitigated, 2) have an adverse impact on any real property listed in the California Register of Historical Resources, or 3) be contrary to state or federal law. The City Council's review of the density bonus agreement is limited to the applicable criteria under Government Code § 65915 and the City's implementing ordinance in accordance with state law.

**Project Description:**

The project site is a 7.74-acre vacant, unimproved parcel at the northwest corner of Cook Street and Frank Sinatra Drive. Table 1 provides a summary of zoning, general plan designation, and adjacent uses:

**Table 1 - Zoning, General Plan Designation, and Adjacent Uses**

	<b>Zoning</b>	<b>General Plan</b>	<b>Existing Adjacent Uses</b>
Project Site	Planned Residential (PR)-17	Neighborhood Center	Vacant
North	PR-17	Neighborhood Center	Existing Apartments (Vineyards)
South	PR-5	Resort and Entertainment	Applebee's and Courtyard Palm Desert Hotel
East	Public Institution (P)	Public Facility/Institutional	CSUSB and UCR Palm Desert Campuses
West	PR-17	Neighborhood Center	Existing Apartments (Vineyards)

PP23-0019 proposes a 298-unit, multifamily residential development (the Project) located at the northwest corner of Cook Street and Frank Sinatra Boulevard. The Project includes the following:

- Seven buildings: Six are four-story buildings and one is a three-story building
- 412 onsite parking spaces
- 298 units, ranging in size from 455 square feet (sf) to 1,270 sf, as follows:
  - 7 studio units
  - 113 one-bedroom units
  - 101 two-bedroom units
  - 61 three-bedroom units
  - 16 four-bedroom units
- 3,805 sf clubhouse building and 3,882 sf resident services building
- Courtyard areas, playground, pool, and landscaping throughout

Density Bonus Law

Government Code § 65915 (Density Bonus) allows for increased density, incentives, concessions, and development standard waivers for housing development projects that provide certain levels of affordable housing. The amount of density bonus, incentives, and/or concessions to which the project is entitled depends on the amount of affordable housing provided and the location.

Projects where 100% of the units, excluding manager’s units, are affordable to lower-income households and located within a very low vehicle travel area are subject to the following:

- No maximum density
- Up to five incentives or concessions
- A height increase of up to three additional stories or 33 feet
- The following parking ratios:
  - Zero to one bedroom: one onsite parking space
  - Two to three bedrooms: one and one-half onsite parking spaces
  - Four and more bedrooms: two and one-half parking spaces

The Project includes 100% of the units affordable to low-income households, as detailed in Table 2 and defined in the draft Density Bonus Agreement attached, and is within a very low vehicle travel area, as defined in Government Code § 65915. The Applicant provided a “Vehicle Miles Travel (VMT) Review Letter” dated February 14, 2024, to confirm that the project is within a very low vehicle travel area.

**Table 2 – Affordable Housing Unit Mix**

<b>Affordability Level</b>	<b>Units</b>
Extremely Low Income	77
Very Low Income	123
Low Income	95
Managers Units	3
<b>Total</b>	<b>298</b>

SB 35 Review

On July 3, 2024, City staff provided the Applicant with a letter informing them that the project is consistent with objective design standards for the City of Palm Desert and was approved, subject to City Council approval of a density bonus agreement and requested waiver. SB 35 eligible projects are only required to comply with objective design standards within the City’s Municipal Code. On April 25, 2024, the City approved the “Palm Desert Multifamily and Mixed-Use Objective Design Standards” document. However, this document is not applicable to PP23-0019 as it was adopted after this project was deemed complete. The only standards applicable to this project are those that were in place at the time the project was deemed complete.

Table 3 provides a summary of the Project and how it complies with the applicable PDMC sections for the Planned Residential – 17 zoning designation and Density Bonus Law provisions:

**Table 3 – Development Standard Breakdown**

Standard	Project	PDMC Requirement	Density Bonus Law Allowance	Compliance
<i>Density (units per acre)</i>	39	17	Unlimited	<b>Yes</b>
<i>Max Height</i>	52'-7"	40'	73'	<b>Yes</b>
<i>Max Stories</i>	4	3	6	<b>Yes</b>
<i>Open Space</i>	21%	20%	N/A	<b>Yes</b>
<i>Parking Spaces</i>	412	596	395	<b>Yes</b>
<i>Setbacks from streets</i>	32 ft	32 ft	N/A	<b>Yes</b>
<i>Maximum Pad Elevation</i>	254'	224'-6"	N/A	<b>Waiver requested</b>

PDMC Section 27.12.045 “Control of Building Pad Elevation” requires that “Where the existing grade is at or below street elevation, [...] the maximum finished pad height shall be no more than twelve inches above the top of curb elevation, measured at the lowest point along the lot frontage curb line, and be compatible with surrounding adjacent properties, as determined by the city engineer.”

The Applicant requests a deviation of 29 feet, 6 inches from this requirement. Using the “NAD83” datum, the northeast corner of the site is the lowest point of the site at an elevation of 223'-6”, and the southwest corner of the site is the highest point at an elevation of 260'. Adherence to PDMC 27.12.045 would require a maximum finished pad height of 224'-6” across the entirety of the project. The waiver request is for a maximum finished pad height of 254', a deviation of 29'-6”. Waivers can be granted through a Density Bonus Agreement, as currently proposed.

Regional House Needs Allocation (RHNA)

The City’s Housing Element includes the RHNA, which sets goals for the number of dwelling units to be accommodated within the locality, designated as affordable to households across all income categories over the course of the 8-year planning period (2021-2029). The 298 affordable housing units for this Project will help achieve a portion of the City’s RHNA allocation. The Density Bonus Agreement includes provisions to ensure that all units will remain affordable for families of extremely low-, very low-, and low-income households. Units may count towards RHNA progress once construction permits are issued.

**Table 4 – RHNA Allocation Breakdown for 6<sup>th</sup> Cycle (2021-2029)**

Income Level	Total RHNA Allocation	Units issued as of 10/10/2025	Remaining RHNA Units as of 10/10/2025	Project
Very Low*	675	571	104	200
Low	460	222	238	95

\*Units serving extremely low-income households are included in the very-low income RHNA progress

**Legal Review:**

This report has been reviewed by the City Attorney’s office.

**Environment Review:**

Approval of PP23-0019 is exempt from review under the California Environmental Quality Act (CEQA) because the project is being processed under Senate Bill 35, which mandates ministerial review and approval.

**Public Notification:**

Tribal Consultation

Upon receiving notification that an applicant intends to submit an SB 35 application; Cities are required to conduct tribal notification to all tribes identified by the Native American Heritage Commission (NAHC) as having traditional lands or cultural places located within the boundaries of the City. The City completed this notification on June 29, 2023, and did not receive any responses seeking tribal consultation.

Community Engagement Meeting

Since this is a ministerial approval, a Community Engagement Meeting was not held. However, the City will conduct an informational meeting to inform interested residents about the project. Notifications would be sent to the surrounding residents. The City anticipates scheduling the meeting once the Applicant submits complete grading plans, and before any site work begins.

**FINANCIAL IMPACT:**

There will be no direct financial impact associated with this action.

**ATTACHMENTS:**

1. Draft Resolution with Density Bonus Agreement
2. Project Plans
3. VMT Review Letter