October 29th Community Meeting – Questions and Answers Affordable Housing Bonus Program

How many additional stories could be allowed in addition to existing zoning regulations?

The Local AHBP program offers up to two stories (20 feet) of residential development than currently allowed under existing zoning regulations. The 100% Affordable Local AHBP program offers up to three additional stories (30 feet) of residential development than currently allowed under existing zoning regulations. The State AHBP never offers no more than two stories (20 feet) of residential development than currently allowed under existing zoning regulations.

These projects would be subject to the AHBP Design Guidelines.

How can I be involved in the project review and approval process?

AHBP projects are subject to the existing project review and approval process. The following opportunities exist for community members to be involved in the process:

- Participation at the <u>Pre-Project Application Meeting</u> (noticed and hosted by the Project Sponsor)
- Input to the during project review and Entitlement process (noticed by the San Francisco Planning Department; public comments heard by Planning Commission)
- Input to the environmental review process (noticed by the San Francisco Planning Department: 1) conducting environmental review; and, 2) draft environmental documents published)

Adjacent property owners, Neighborhood Groups, and interested parties are notified of a proposed project during each of these stages in the project review process.

Will state and city funds be used?

This program does not rely on public subsidies, but rather on private developers who will include affordable housing as part of their project.

Is affordable housing mandatory in San Francisco?

The City's Inclusionary Housing Program (<u>Section 415 of the SF Planning Code</u>) requires all market-rate residential projects of 10 housing units or more to contribute to San Francisco's affordable housing supply. This obligation can be met through:

- Contribution to the City's Affordable Housing fund commensurate with project size;
- Providing 12 percent of the affordable housing units on-site to low- and moderate-income households; or

• Building 20 percent of the affordable housing units off-site to low- and moderate-income households.

Learn more about the Inclusionary Housing Program.

What does "affordable housing" mean?

It means that the household is paying no more than 30% of its total income in housing costs.

The AHBP will provide affordable housing for very low, low, moderate, and middle-income households.

- Very-low income households: Earn up to 55 percent of the Area Median Income in San Francisco
- Low-income households: Earn up to 80 percent of the Area Median Income in San Francisco
- Moderate-income households: Earn up to 120 percent of the Area Median Income in San Francisco
- Middle-income households: Earn up to 140 percent of the Area Median Income in San Francisco

AMI: Area Median Income

Area = A particular geographical area, e.g., San Francisco
Median = Middle point: half of the households earn below the median while the other half earn above
Income = Total income of the entire household

Half of the households in San Francisco earn below the AMI while the other half of households earn above the City's AMI. The City publishes income limits annually to inform its various housing programs.

The total of all salaries earned by all people living in the same home equals the household's total annual income. Based on the 2010 American Community Survey (also known as the U.S. Census), the typical San Francisco household has approximately 2.4 people.

See the <u>Mayor's Office of Housing and Community Development</u> for more information about who qualifies for affordable housing.

How will this account for earthquake risk?

AHBP projects are subject to the existing Building Code regulations and seismic standards.

Learn more about San Francisco's Building Codes.

How will density change?

Projects using the State AHBP will be allowed up to a 35% increase in density, as is described in the State Law. Under the Local AHBP, developers will be offered increased density regulated by the height and bulk of a proposed project. The <u>Residential Density Bonus Study</u> includes conceptual designs of eleven prototypical sites in the AHBP area.

Will zoning codes change?

The AHBP proposes some new sections to the Planning Code that only apply to proposed projects that meet the AHBP affordability requirements. Developments that do not opt to participate in the program will be subject to existing zoning regulations.

Will AHBP developments need to pay development impact fees?

Yes. The City imposes impact fees on development projects in order to mitigate the impacts caused by new development on public services, infrastructure, and facilities. For example, new residential and commercial projects pay sewer, school, transit, and sidewalks impact fees. Impact fees vary by type of development and neighborhood, but several are applied evenly citywide.

Learn more about the City's Development Impact Fees.

What is the AHBP project review and approval process?

The San Francisco Planning Code establishes several varying project authorization processes and procedures dependent on the nature of the project, the zoning district, and in some cases the scale of the project. Review of new residential construction projects always includes environmental review, design review, review for code compliance, and community notification and input; sometimes entitlement include Planning Commission approval or zoning administrator approval. All projects entitled as part of the AHBP would continue to be reviewed for environmental impacts, design, planning code consistency, and community notification and input.

Projects that provide 20% affordable housing or more are currently eligible for priority processing – which means they are the first priority project for assigned staff. Priority processing does not change the steps in the review process, however it can reduce some processing time that backlogs may cause on other projects. Read more about priority processing on our website.

The proposed legislation also includes a specific entitlement process for projects that include 30% affordable housing or more – which is included in Section 328 of the draft Planning Code Ordinance. This process was modeled after the existing Large Project Authorization (LPA Section 329) of the Planning Code. It generally consolidates all of a project's entitlements into a single case.

Section 328 requires a Planning Commission hearing for all projects entitled under the Local AHBP or 100% Affordable AHBP and functions similarly to a Large Project Authorization in Eastern Neighborhoods (Section 329 of the Planning Code). Some commenters have noted this could unintentionally increase process for smaller projects that provide 30% affordable housing that under current rules do not require a Planning Commission hearing. The LPA process excludes smaller projects, so a size threshold may be incorporated for Section 328.