

# AFFORDABLE HOUSING BONUS PROGRAM

PROGRAM OVERVIEW — JANUARY 2016

[www.sf-planning.org/AHBP](http://www.sf-planning.org/AHBP)

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San Francisco  
**Planning**

**WELCOME!**

A panoramic view of a densely packed hillside neighborhood, likely San Francisco's 'Painted Ladies' area. The houses are multi-story, colorful, and built on a steep slope. The sky is bright blue with scattered white and grey clouds. The text 'WHY NOW?' is overlaid in large, white, bold letters on the left side of the image.

**WHY NOW?**



# WHY NOW?

Affordable housing crisis in San Francisco:

- Population +10,000 people per year
- Need for
  - permanently affordable housing
  - middle-income housing

Complying with mandatory State law





An aerial photograph of a city, likely Los Angeles, showing a dense urban area with various buildings, a major highway interchange, and a large stadium in the foreground. The city extends to the base of mountains in the distance under a clear blue sky. The text 'WHAT'S 'AFFORDABLE'?' is overlaid in the center of the image.

# WHAT'S 'AFFORDABLE'?

# WHAT IS 'AFFORDABLE'?

Income Level	One-Person Household Income per Year	Four-Person Household Income per Year
Very-Low	\$36,000	\$51,000
Low-Income	\$57,000	\$82,000
Moderate-Income	\$85,000	\$122,000
Middle-Income	\$100,000	\$143,000

**AVERAGE RENT FOR A  
ONE-BEDROOM APARTMENT  
IN SF: \$3,490\***

**AVERAGE RENT FOR A  
TWO-BEDROOM APARTMENT  
IN SF: \$4,630\***

One-person Household	Affordable Monthly Rent
Very-low income	\$900
Low-income	\$1,425
Moderate-income	\$2,125
Middle-income	\$2,500

Two-three person Household	Affordable Monthly Rent
Very-low income	\$1,000
Low-income	\$1,600
Moderate-income	\$2,400
Middle-income	\$2,800

\*as of 1/6/16



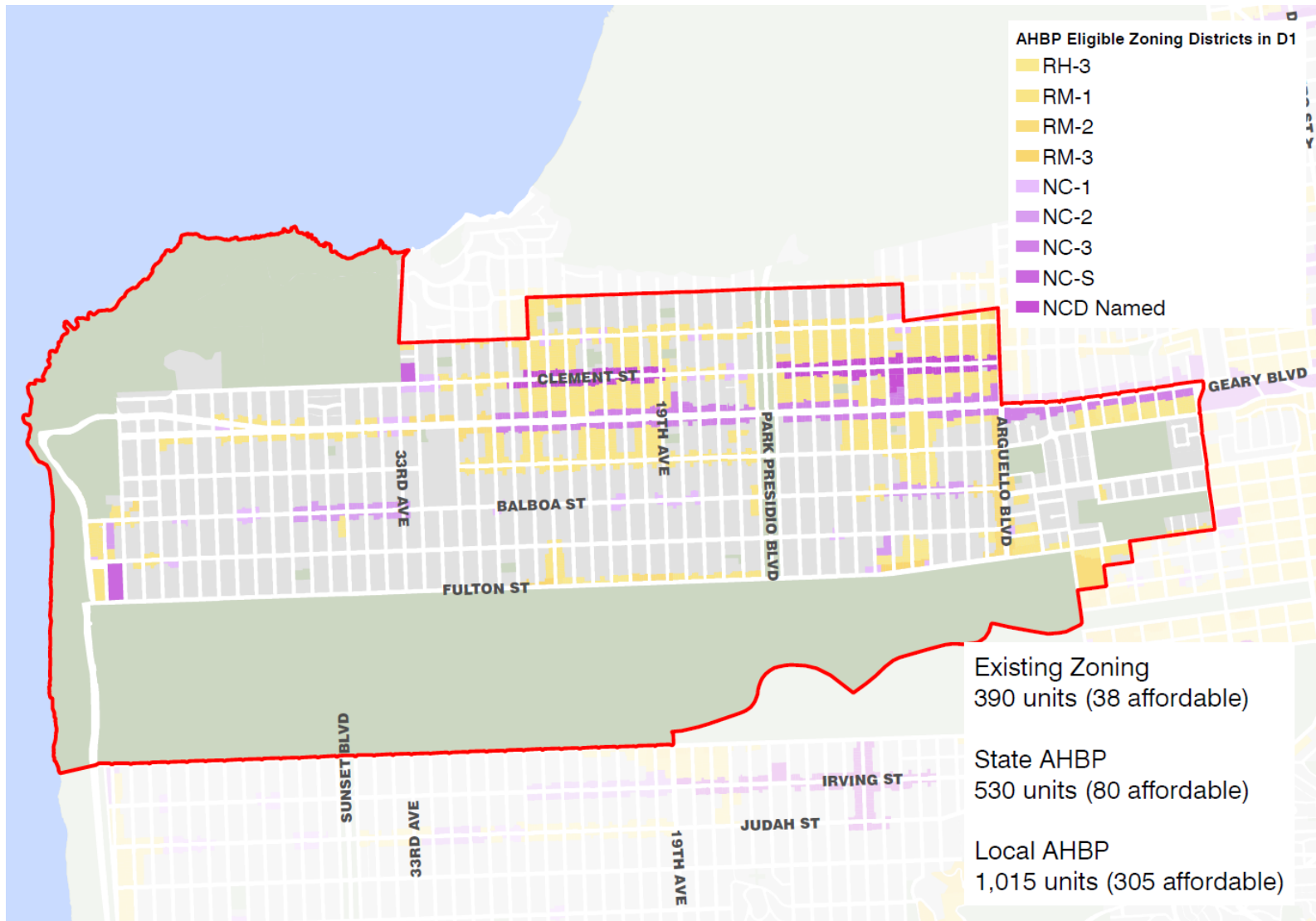
# NUTS AND BOLTS: HOW THE PROGRAM WORKS



# PROGRAM AREA

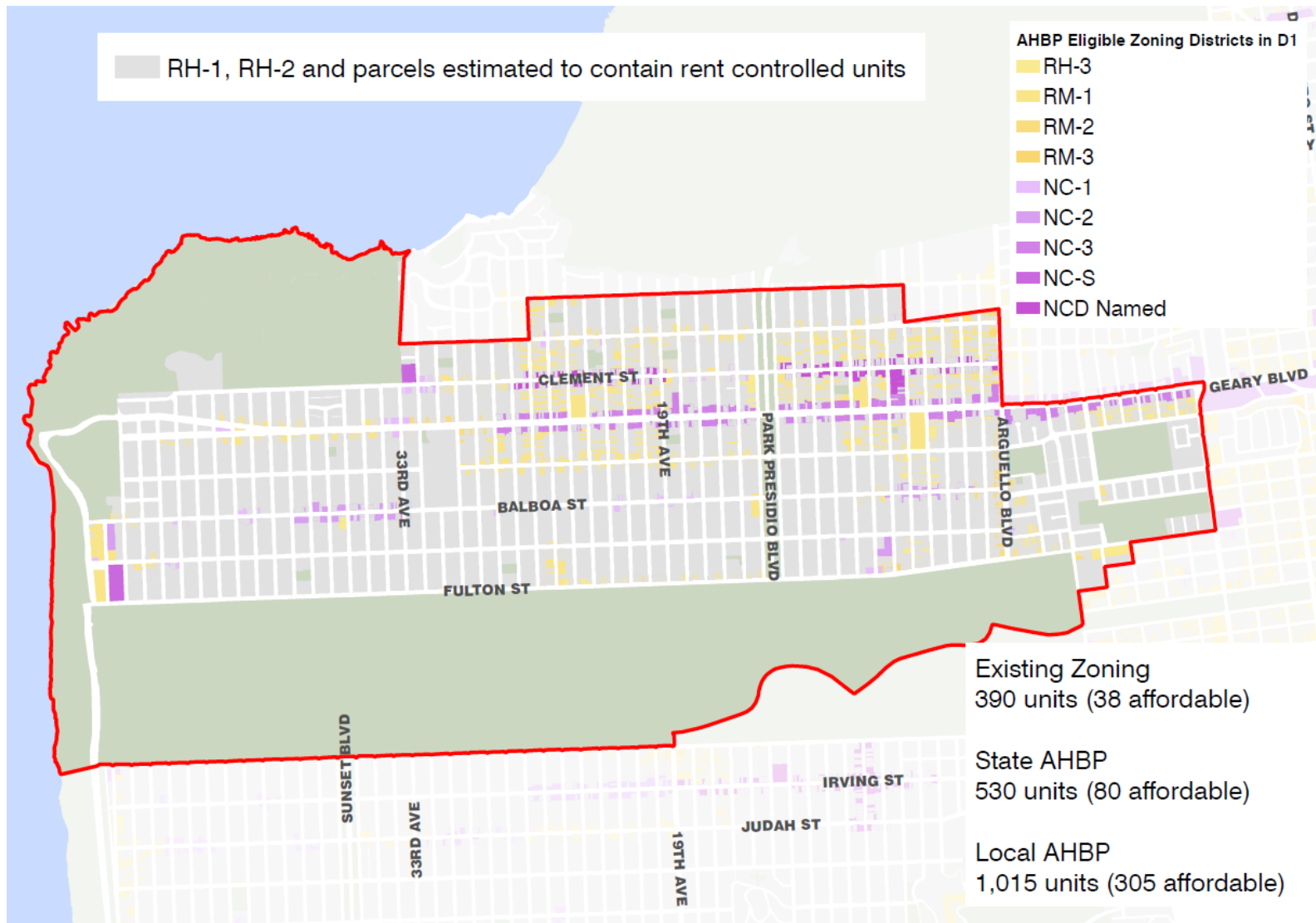
- Focused on key commercial corridors and on underutilized sites (vacant lots or with one-story buildings)
- Does not include single-family residential parcels
- Projects will be built over the next 20 years





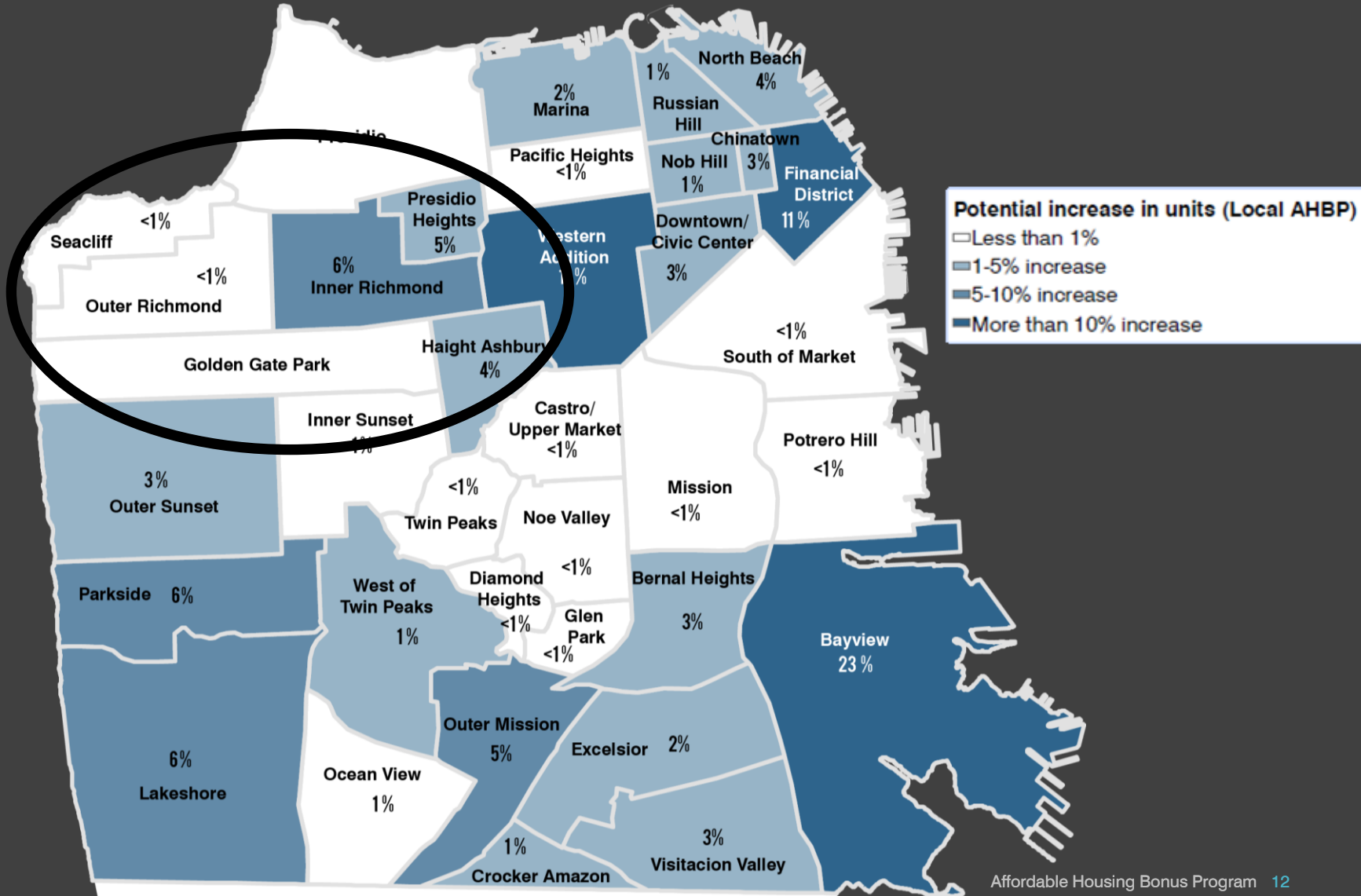
# PROGRAM AREA— DISTRICT 1





# PROGRAM AREA AND RENT CONTROL— DISTRICT 1

# POTENTIAL INCREASE IN UNITS OVER THE NEXT 20 YEARS



# SOFT SITE EXAMPLES



GEARY NEAR DIVISADERO



# SOFT SITE EXAMPLES



GEARY NEAR THIRD AVE

# SOFT SITE EXAMPLES



18<sup>TH</sup> AVENUE, 2015

# SOFT SITE EXAMPLES



18<sup>TH</sup> AVENUE, 201?



# PROPOSED AFFORDABLE HOUSING BONUS PROGRAM

<b>Mandated State Program</b>	<b>Proposed Local Program</b>	<b>Proposed 100% Affordable</b>
<b>13-20%</b> affordable units onsite	<b>30%</b> affordable units onsite	<b>100%</b> affordable units onsite
<b>Will receive:</b> <ul style="list-style-type: none"> <li>• Up to 2 stories</li> <li>• Increase in the total number of units onsite</li> </ul>	<b>Will receive:</b> <ul style="list-style-type: none"> <li>• Up to 2 stories</li> <li>• Increase in the total number of units onsite</li> </ul>	<b>Will receive:</b> <ul style="list-style-type: none"> <li>• Up to 3 stories</li> </ul>



**WHAT WILL NEW HOUSING  
LOOK LIKE AND WHAT IS THE  
APPROVAL PROCESS?**



# POSSIBLE UNDER CURRENT ZONING

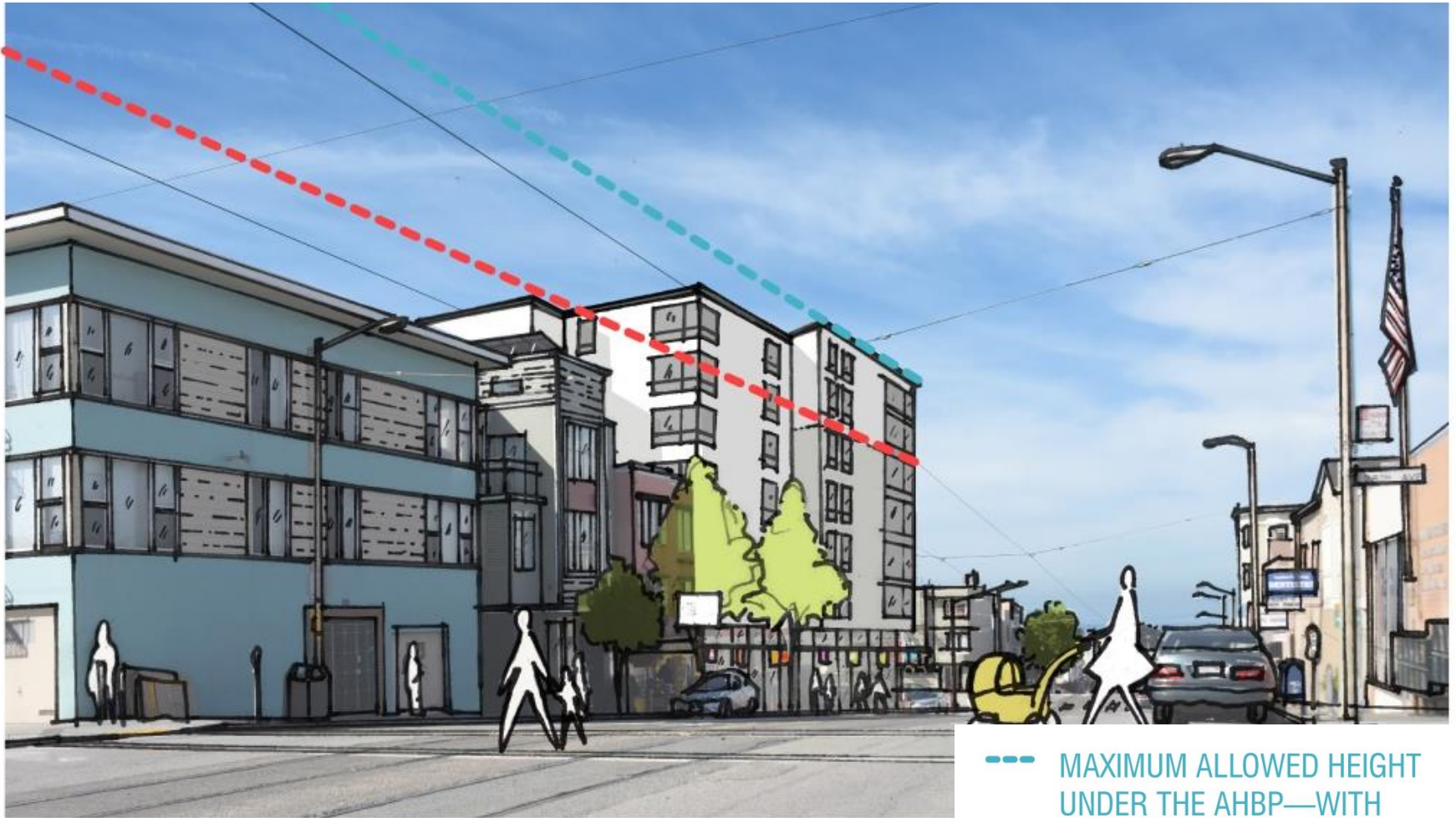


. Up to 15 homes in a 50' building are allowed under current zoning.

- MAXIMUM ALLOWED HEIGHT UNDER THE AHBP—WITH 30% AFFORDABLE HOMES
- CURRENT HEIGHT LIMIT



# POSSIBLE UNDER AHBP



Under the AHBP, 46 homes could be built in a 75' building.

14 affordable homes-6 low/moderate, 8 middle income

- MAXIMUM ALLOWED HEIGHT UNDER THE AHBP—WITH 30% AFFORDABLE HOMES
- CURRENT HEIGHT LIMIT

# WHAT COULD NEW AHBP BUILDINGS LOOK LIKE?



This apartment building (circa 1928) exceeds the existing 40' height limit by at least 3 stories .



# WHAT COULD NEW AHBP BUILDINGS LOOK LIKE?



Buildings in this area are currently allowed 40' in height, but this 1913 building is about 55'.



# DESIGN REVIEW PROCESS AND PUBLIC INPUT

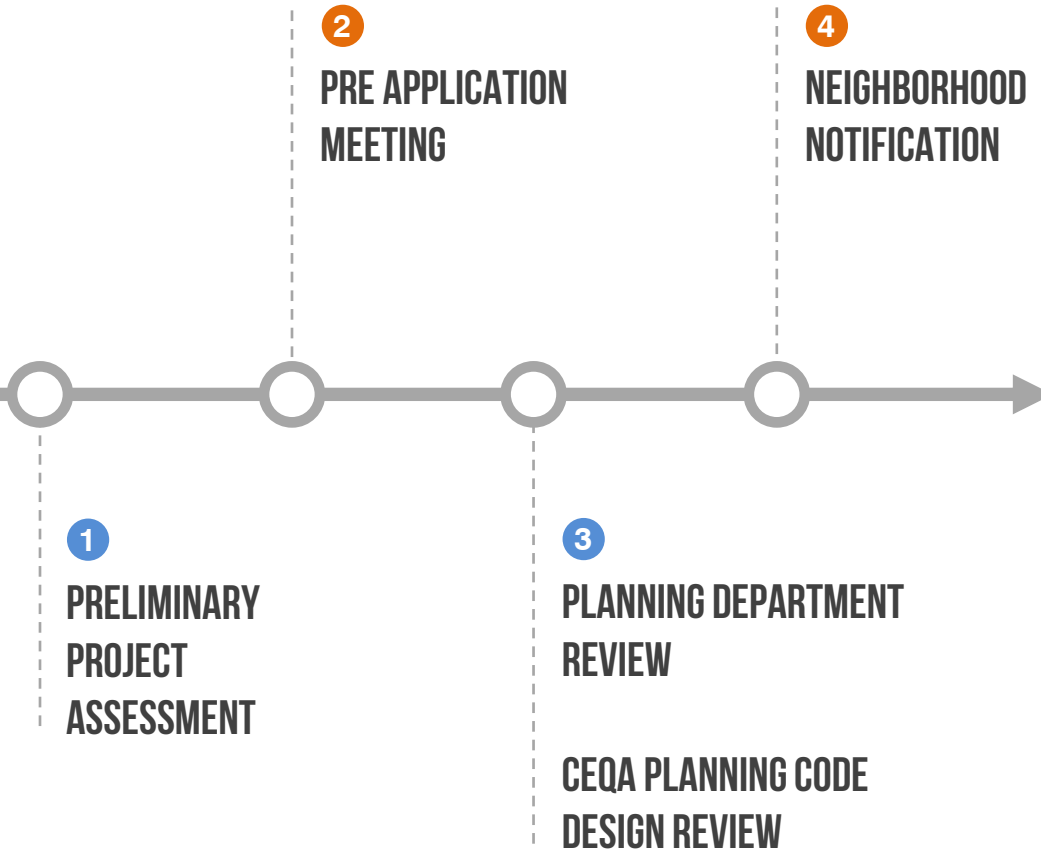
PROCESS FOR AFFORDABLE BONUS PROJECTS IS CONSISTENT WITH CURRENT PRACTICE



**COMMUNITY REVIEW**



**CITY REVIEW**



**ENTITLEMENT:**  
MAY INCLUDE  
PLANNING  
COMMISSION HEARING

# SMALL BUSINESSES AND RENT CONTROLLED UNITS



# RENT CONTROL UNITS

- Rent controlled units
  - Are not a part of the program
- In support of preserving the current rent control units:
  - The City will conduct a rent control tenant protection and replacement study over the next year



# SMALL BUSINESSES

- Small businesses
  - Will receive notification early in the process
  - Mayor's Office of Economic and Workforce Development small business assistance programs
  - Priority processing – expedited review and approval for relocation

# NEXT STEPS AND LEARN MORE



# KEY LEGISLATIVE CHANGES

- Add
  - Lot merger limit
  - Program evaluation criteria
- Limit Program
  - No Group Housing and Efficiency Dwelling Units
  - New construction only
  - No projects that demolish rent control units
- Clarify
  - Definitions
  - Project application fees
  - Height increase clarification



# LEARN MORE

**Website** – <http://www.sf-planning.org/AHBP>

- FAQs
- Video
- Project updates via email list serve
- Interactive webinar
- Draft legislation and guidelines
- Analysis, reports and studies
- Videos, materials and follow up from previous presentations and meetings
- Existing plans and programs

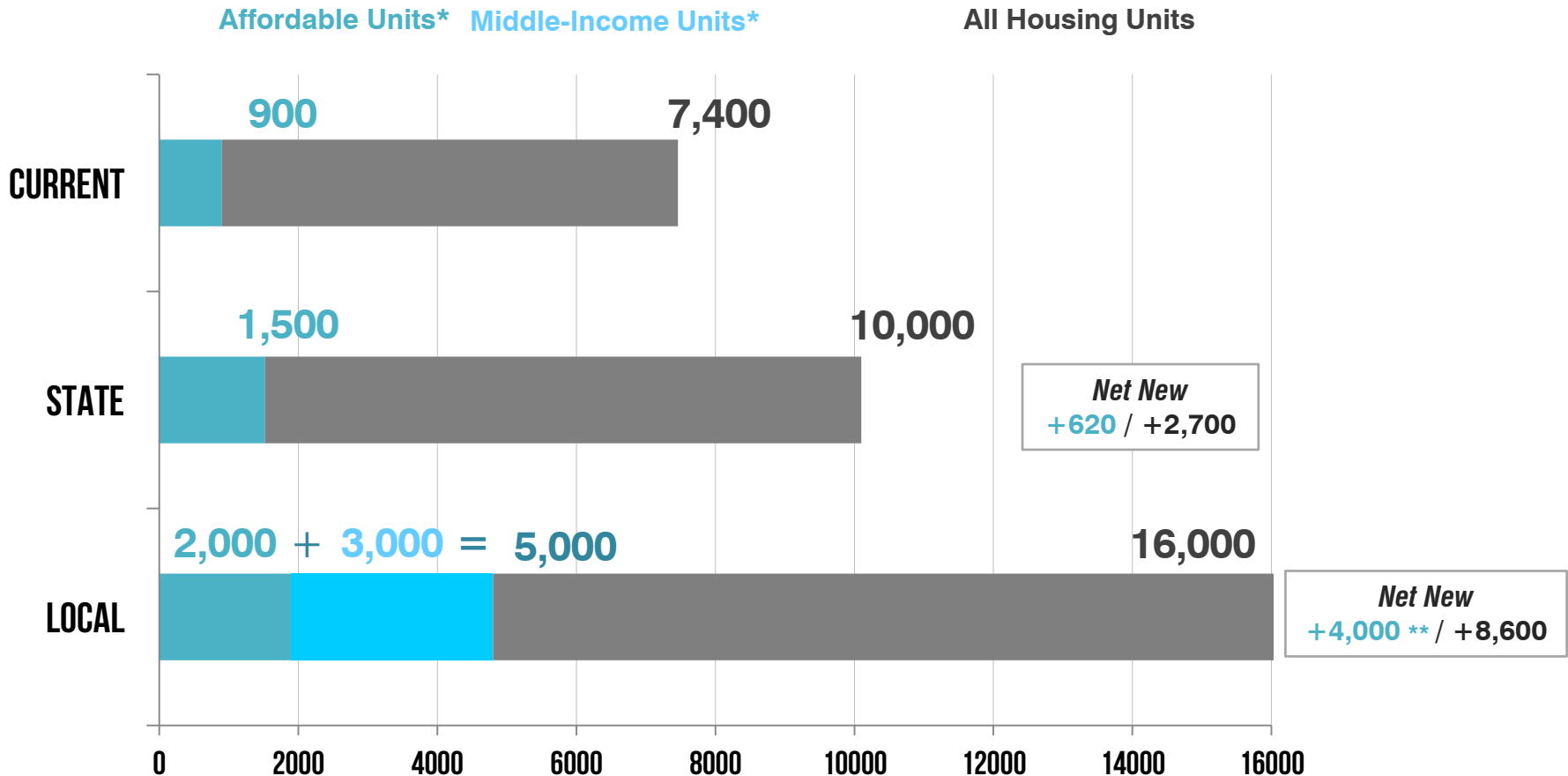
## Upcoming Meetings:

- Community meetings
  - District 1 Community Meeting – Jan. 23
  - Alamo Square Neighborhood Association Meeting – Jan. 25
- Planning Commission meetings
  - Hearing – Jan. 28

# THANK YOU!

[www.sf-planning.org/AHBP](http://www.sf-planning.org/AHBP)

# PROJECTED MAXIMUM TOTAL NEW UNITS **SOFT SITES IN PROGRAM AREA , 20 YEARS**



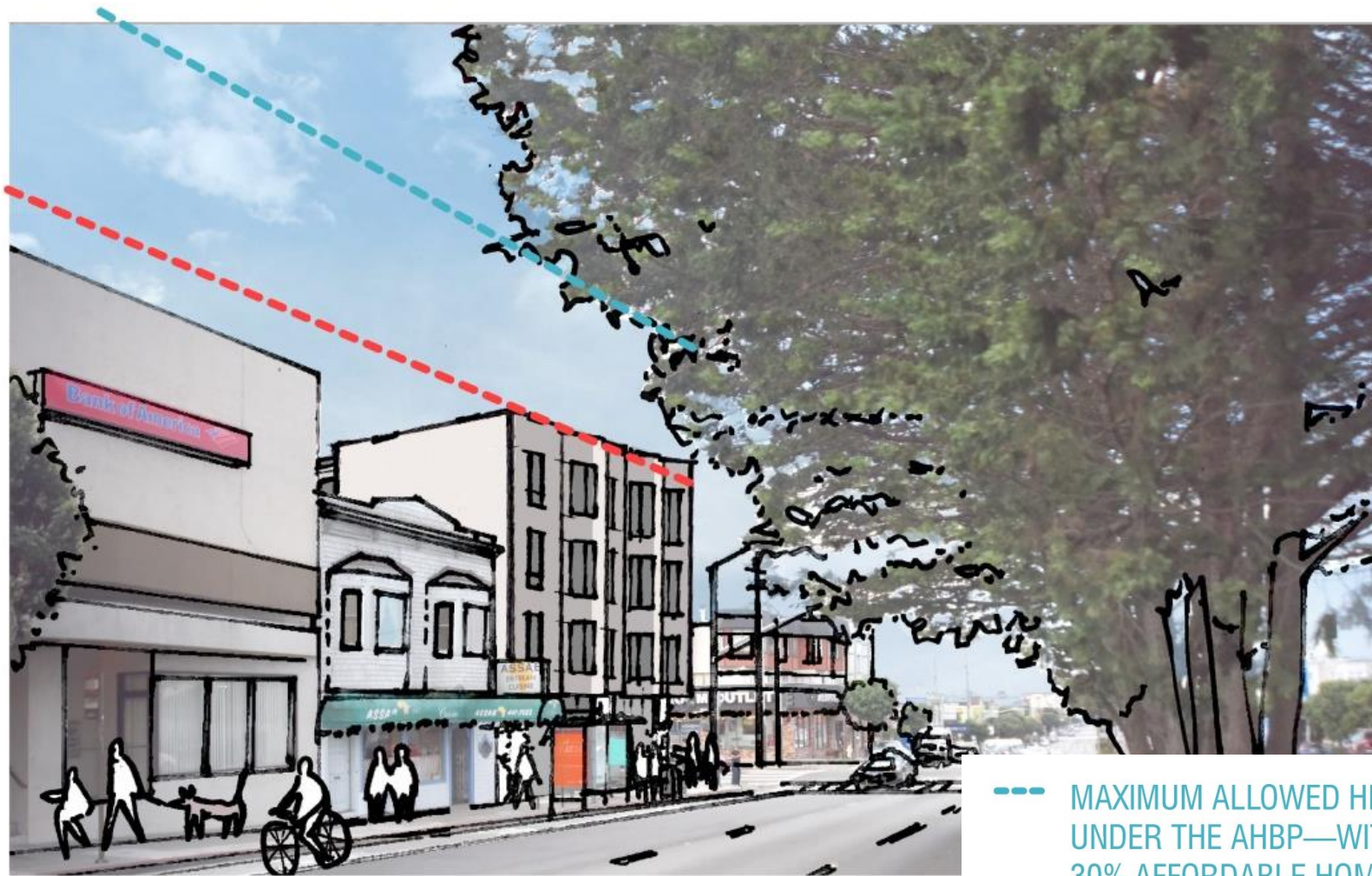
Affordable Units – permanently affordable, deed restricted housing units built by market rate developers.

\* Assumes all projects provide inclusionary units onsite. Does not include 100% affordable housing projects.

\*\* Includes some middle income units for 120% or 140% AMI.



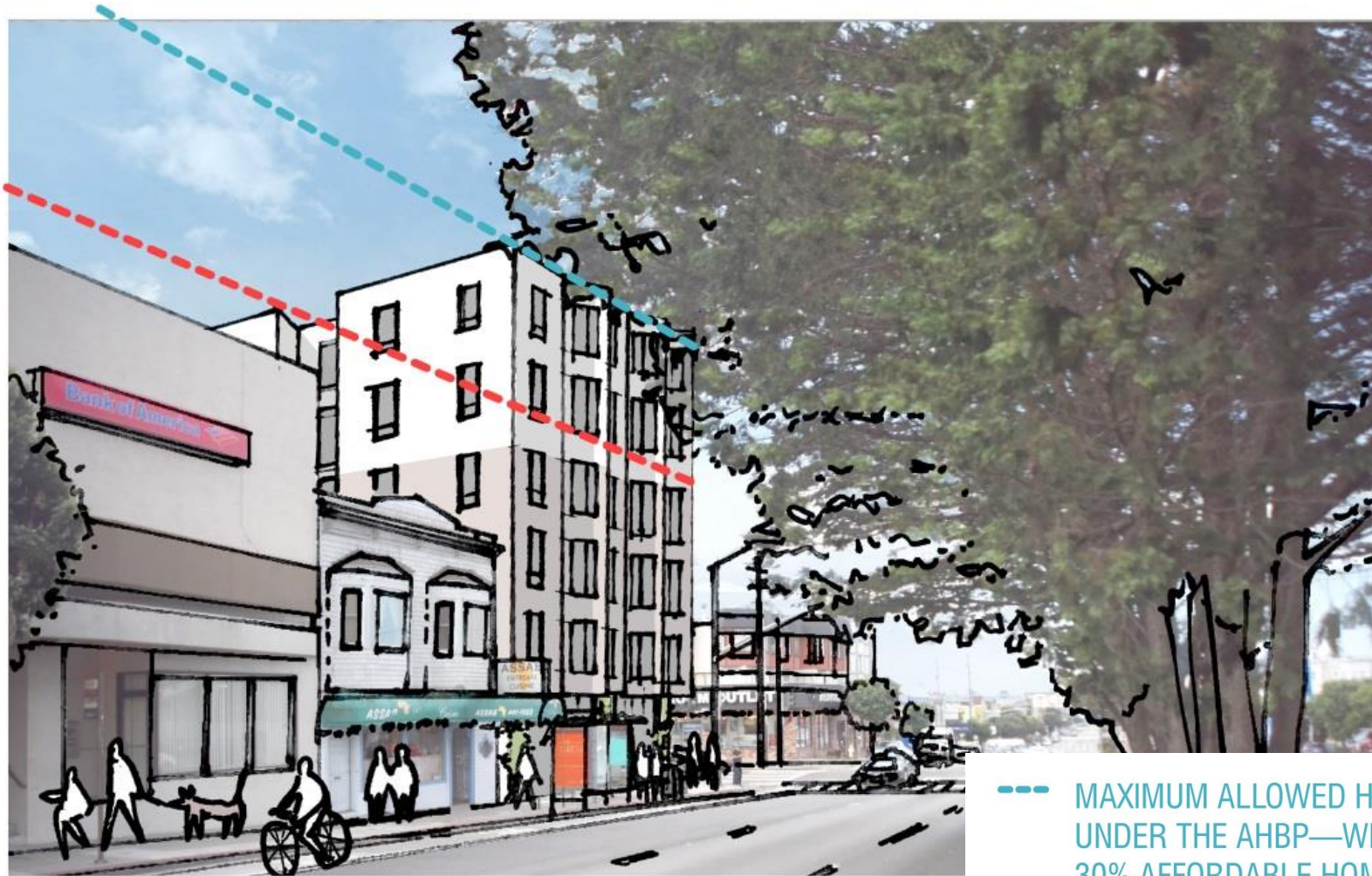
# POSSIBLE UNDER CURRENT ZONING



Up to 8 homes in a 40' building are allowed under current zoning.

- MAXIMUM ALLOWED HEIGHT UNDER THE AHBP—WITH 30% AFFORDABLE HOMES
- CURRENT HEIGHT LIMIT

# POSSIBLE UNDER AHBP



- MAXIMUM ALLOWED HEIGHT UNDER THE AHBP—WITH 30% AFFORDABLE HOMES
- CURRENT HEIGHT LIMIT

Under the AHBP, 13 homes could be built in a 65' building.



# POSSIBLE UNDER CURRENT ZONING



Current zoning allows up to 47 homes in a 65' building.

- MAXIMUM ALLOWED HEIGHT UNDER THE AHBP—WITH 30% AFFORDABLE HOMES
- CURRENT HEIGHT LIMIT



# POSSIBLE UNDER AHBP

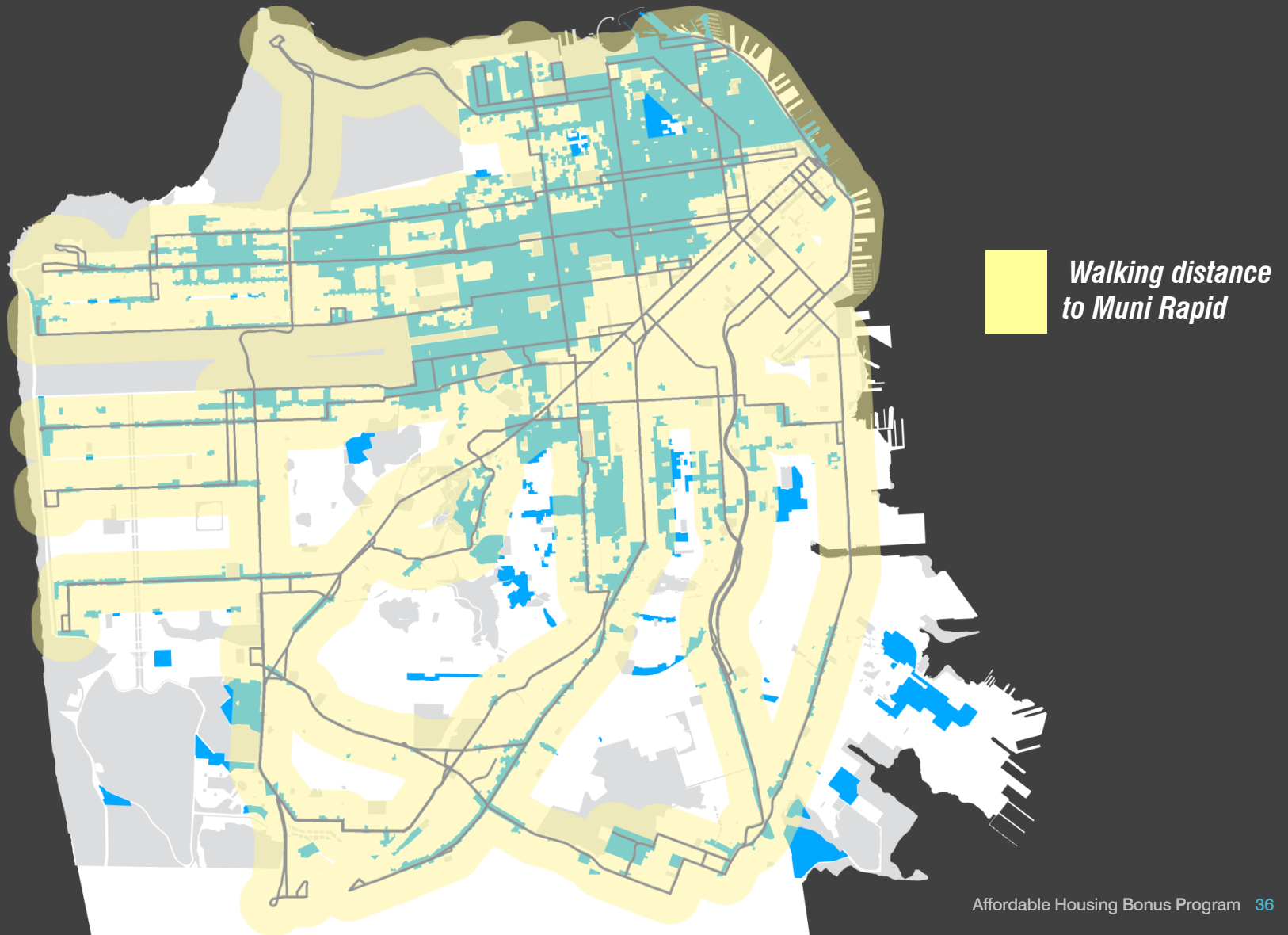


- MAXIMUM ALLOWED HEIGHT UNDER THE AHBP—WITH 30% AFFORDABLE HOMES
- CURRENT HEIGHT LIMIT

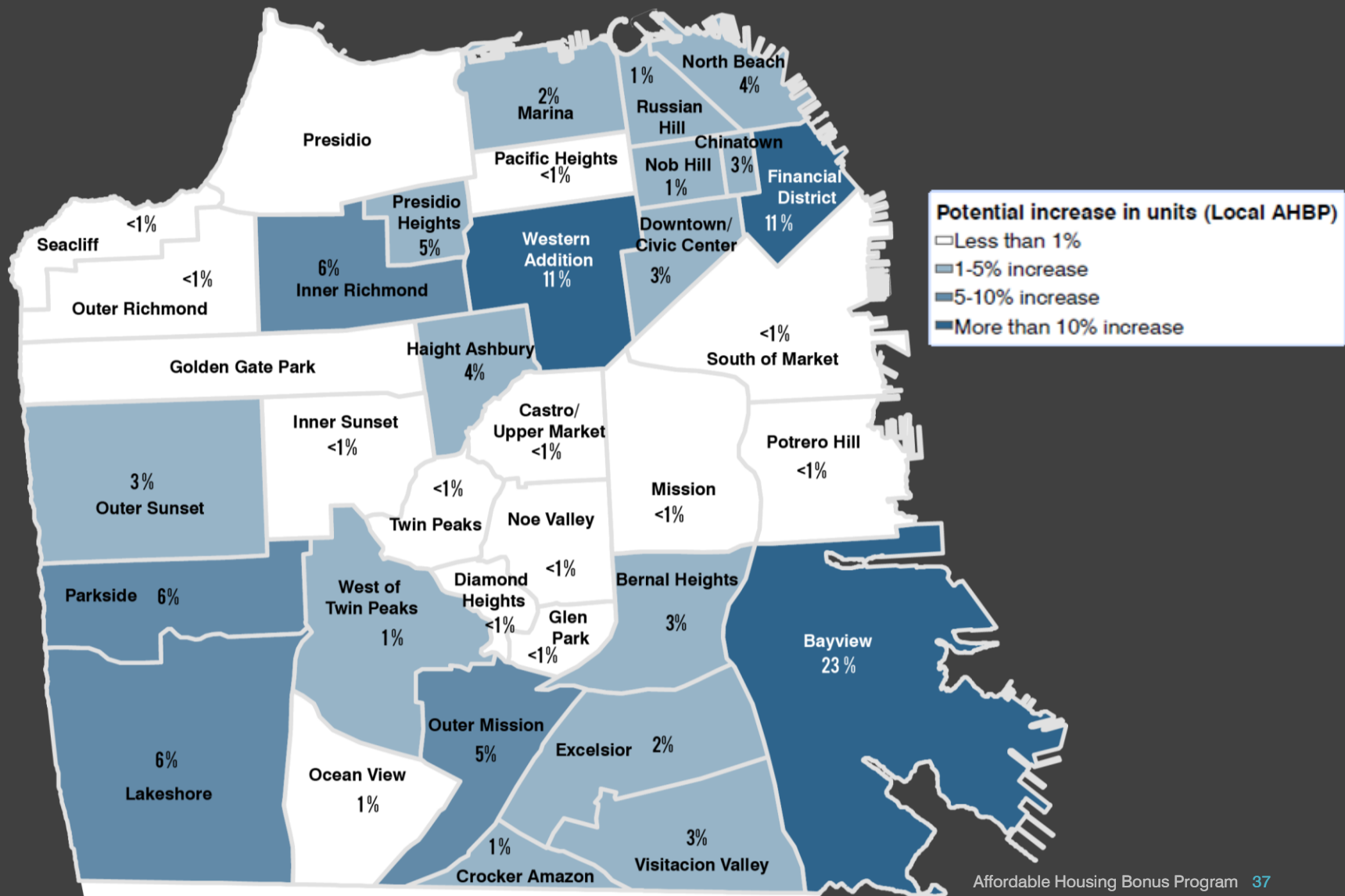
Under the AHBP, 65 homes could be built in a 85' building.

20 affordable homes-8 low/moderate, 12 middle income

# AHBP PROGRAM AREA: NEAR TRANSIT

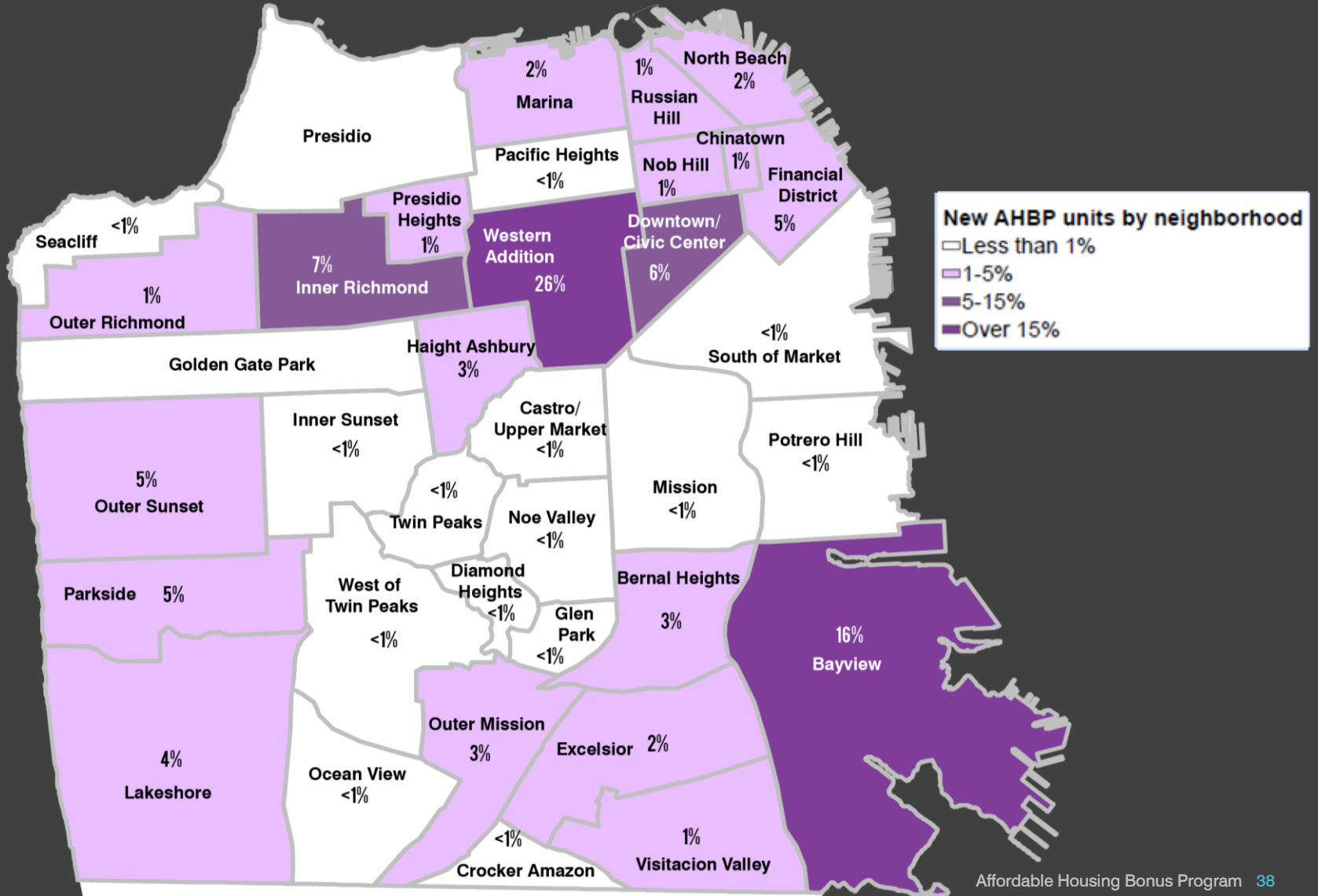


# POTENTIAL INCREASE IN UNITS BY NEIGHBORHOOD





# POTENTIAL AHBP BUILDINGS BY NEIGHBORHOOD





## LOCAL AHBP DRAFT ZONING MODIFICATIONS-UP TO 3

**Rear Yard:** No less than 20% of the lot depth, or 15 feet whichever is greater

**Exposure:** May be satisfied through qualifying windows facing an unobstructed open area that is at least 25 feet in every horizontal and such open area is not required to expand on subsequent floors

**Off-Street Loading:** None Required

**Parking:** Up to a 75% reduction in residential and commercial requirements

**Open Space:** 5% reduction for common open space

**Open Space:** An additional 5% reduction in common open space



# 100 % AFFORDABLE AHBP DRAFT ZONING MODIFICATIONS

**Rear Yard:** No less than 20% of the lot depth, or 15 feet whichever is greater

**Exposure:** May be satisfied through qualifying windows facing an unobstructed open area that is at least 15 feet in every horizontal and such open area is not required to expand on subsequent floors

**Off-Street Loading:** None Required

**Parking:** Up to a 100% residential and commercial requirements

**Open Space:** Up to 10% reduction for common open space





# STATE AHBP DRAFT INCENTIVES AND CONCESSIONS

**Rear Yard:** No less than 20% of the lot depth, or 15 feet whichever is greater

**Exposure:** May be satisfied through qualifying windows facing an unobstructed open area that is at least 25 feet in every horizontal and such open area is not required to expand on subsequent floors

**Off-Street Loading:** None Required

**Parking:** Up to a 50% reduction in residential and commercial requirements

**Open Space:** 5% reduction for common open space

**Open Space:** An additional 5% reduction in common open space

# ENTITLEMENT OF 30% AFFORDABLE OR MORE -328

PROCESS FOR AFFORDABLE BONUS PROJECTS IS CONSISTENT WITH CURRENT PRACTICE



## ENTITLEMENT 328

PLANNING COMMISSION  
HEARING

- Modeled after LPA in Eastern Neighborhoods
- Commission Hearing-Public Input and Certainty for Developer
- Focused on Design Review and Consistency with the Affordable Housing Design Guidelines
- Findings must be completed if the project requires a Conditional Use
- Appeal to the Board of Appeals

# Serving the Continuum of Housing Needs

**MOHCD Affordable Rental**

**Up to 60% AMI**

**BMR Inclusionary Rental**

**Up to 55% AMI**

**BMR Inclusionary Ownership**

**Up to 90% AMI**

**Down Payment Assistance Loan Program (DALP)**

**Up to 120% AMI**

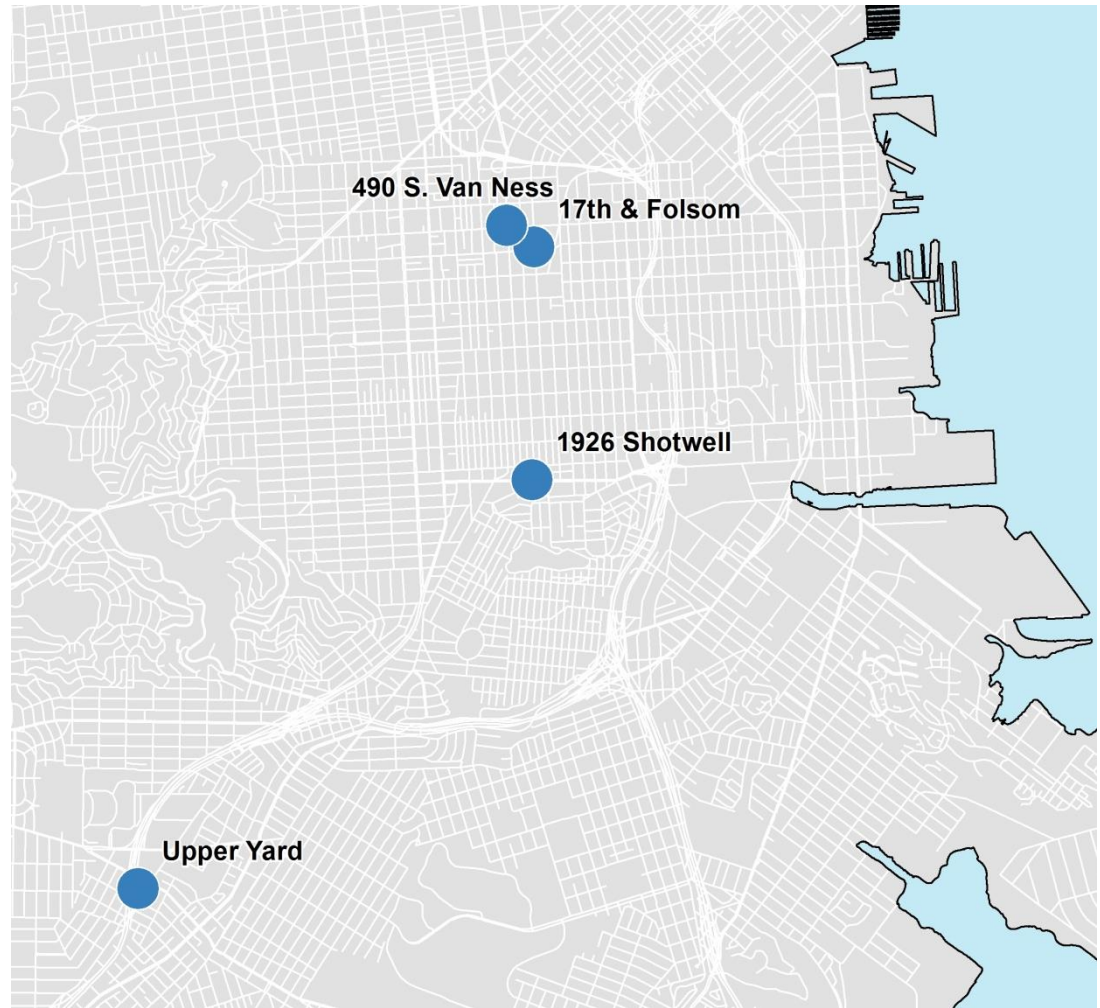
**Teacher Next Door Down Payment Assistance (TND)**

**Up to 200% AMI**

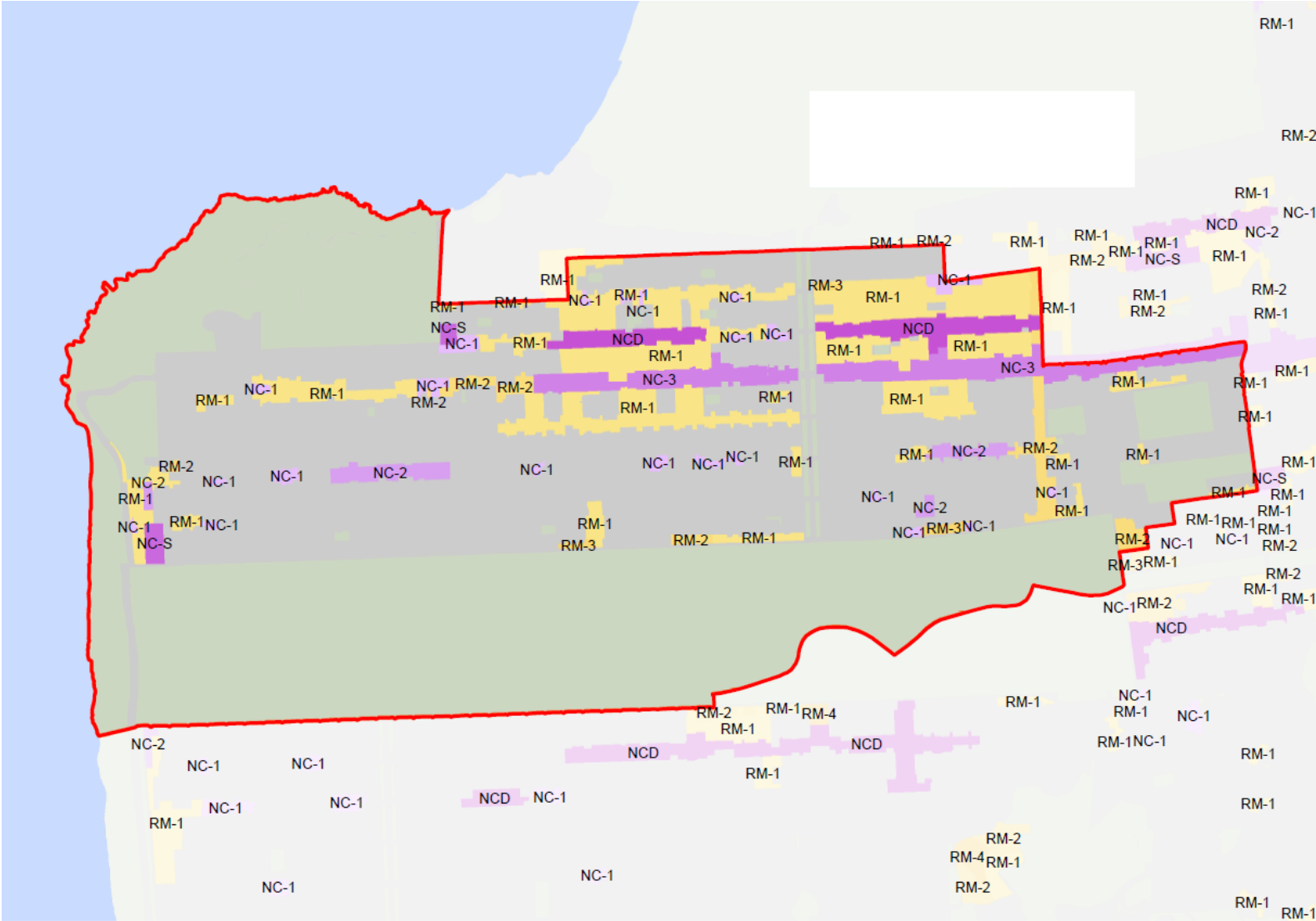




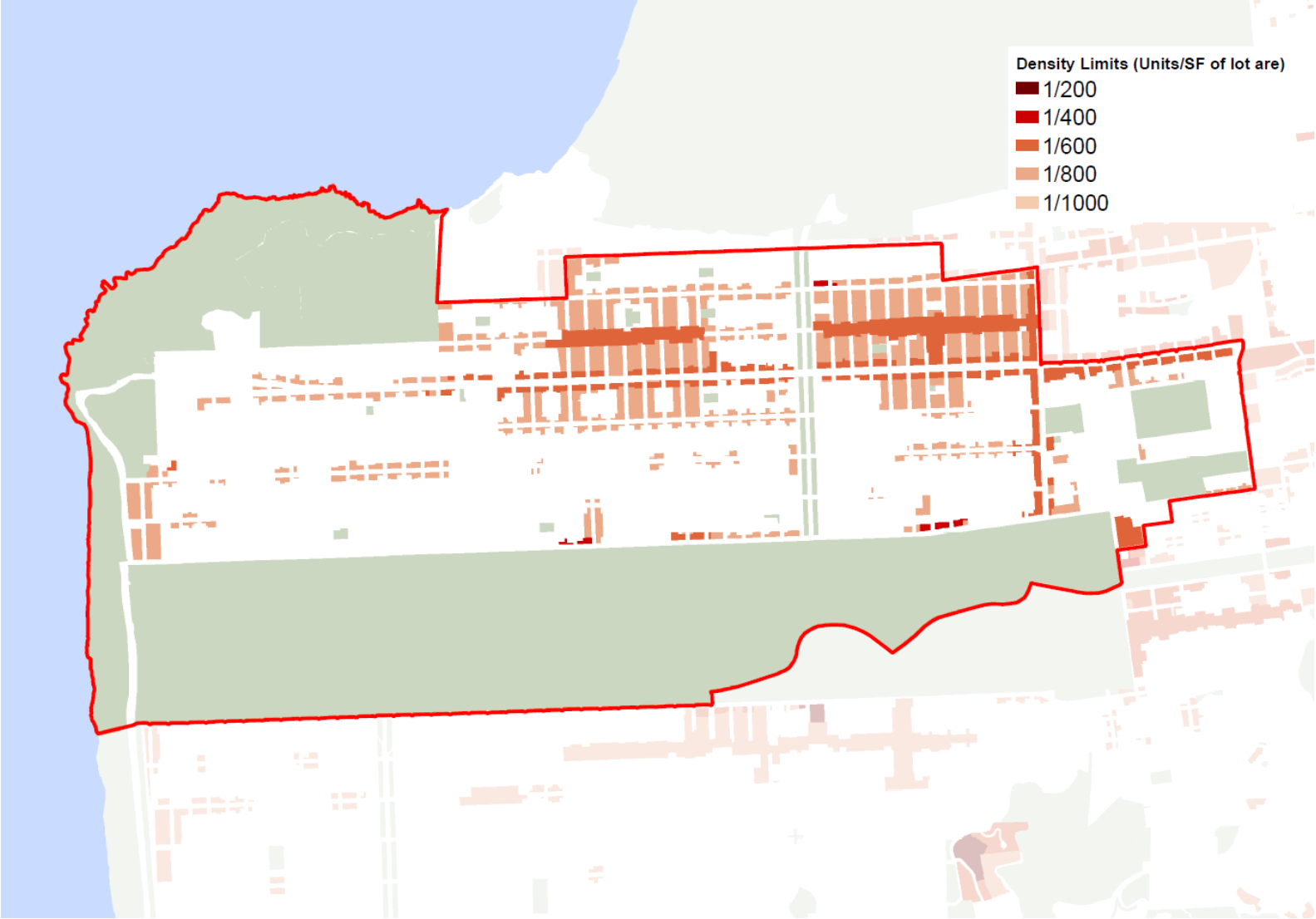
# LOCAL PROGRAM: 100 % AFFORDABLE PROJECTS



# EXISTING ZONING DISTRICTS

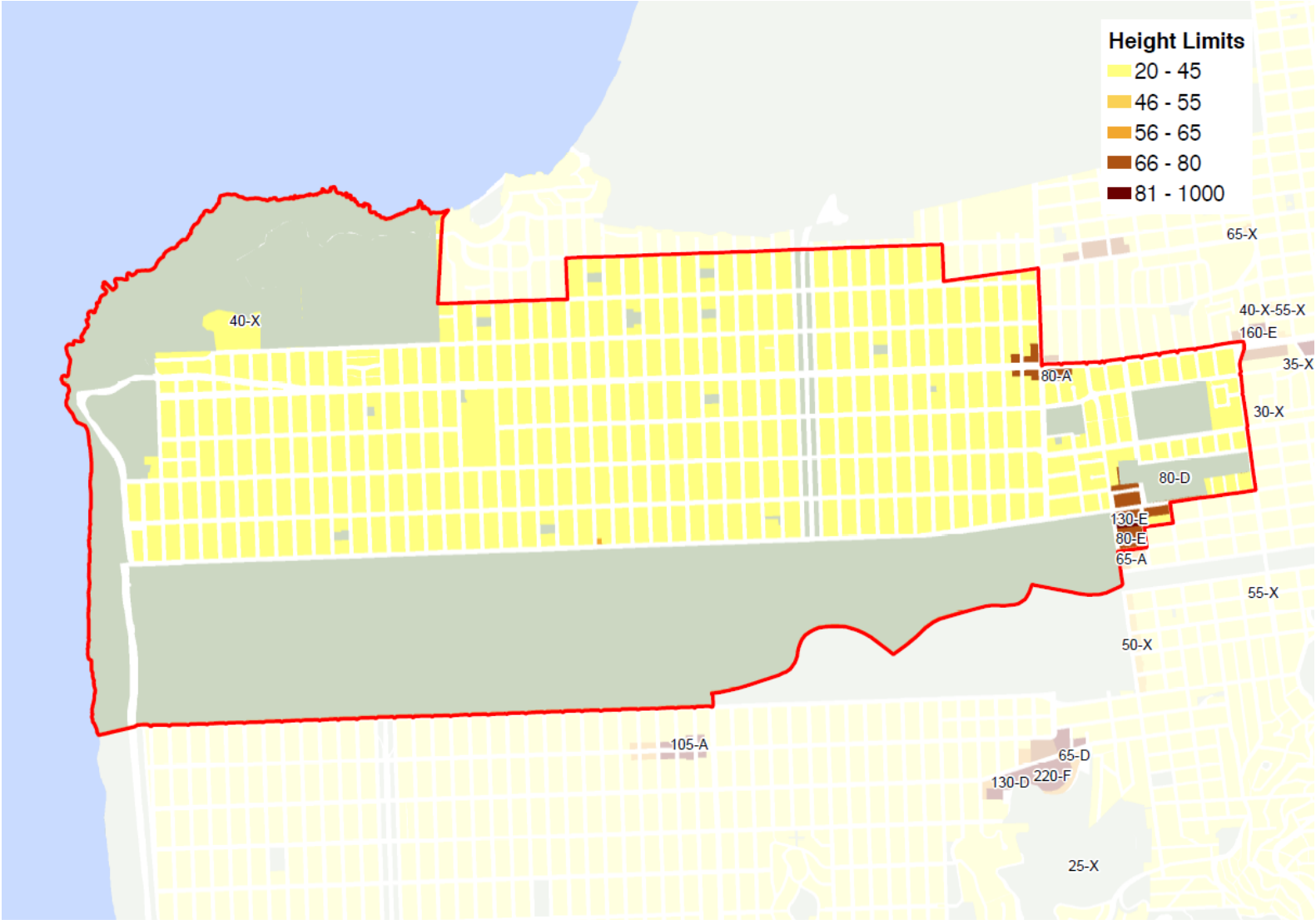


# DENSITY CONTROLS

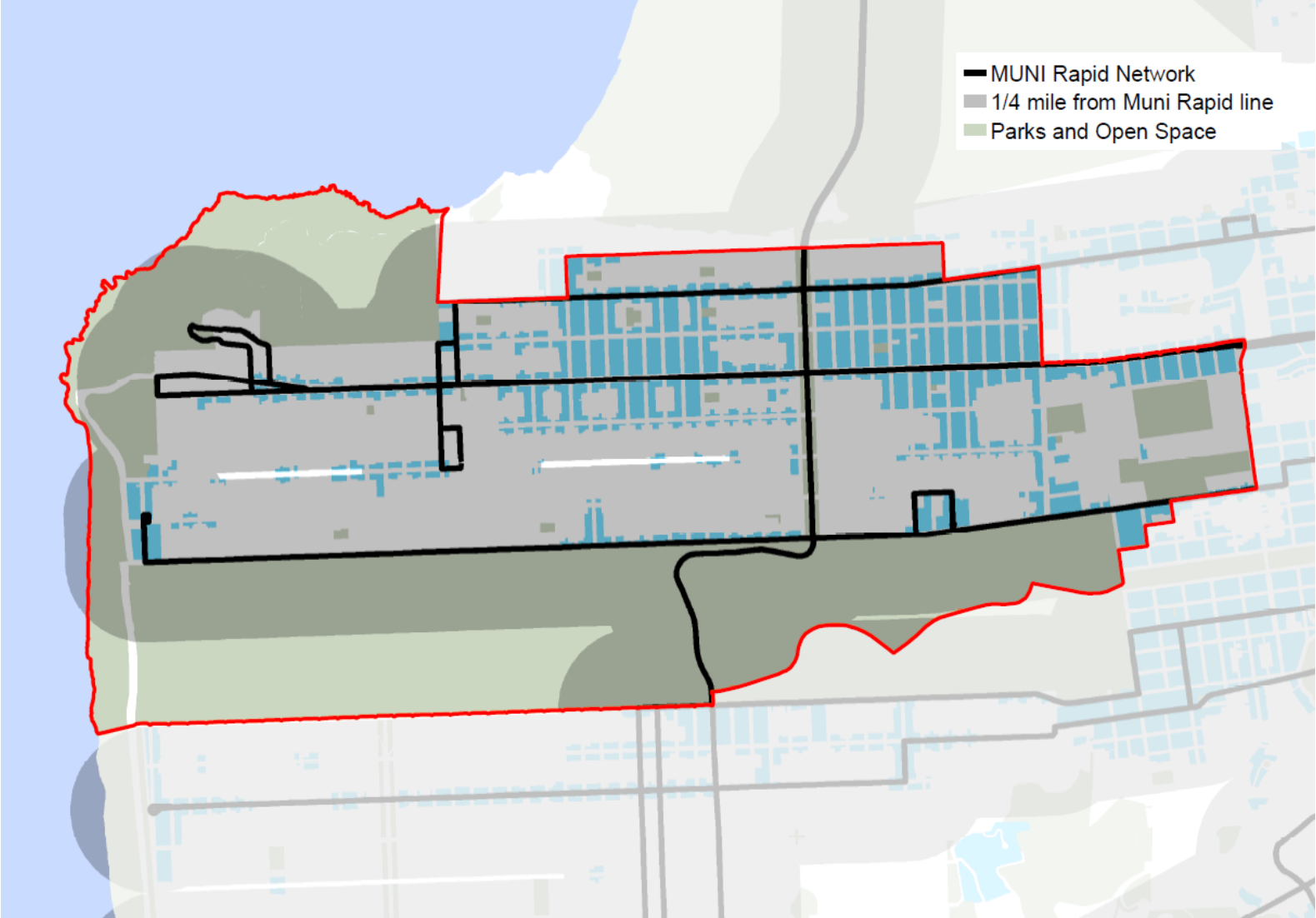




# HEIGHT LIMITS



# PROGRAM AREA AND TRANSIT



# EXISTING REGULATIONS: LOT MERGERS

- Since 2008, 37 lot mergers, averaging less than 5 per year
- Common in RH-1 and RH-2 Districts
- Regulated in a few of the City's Districts (Code Section 121.7)

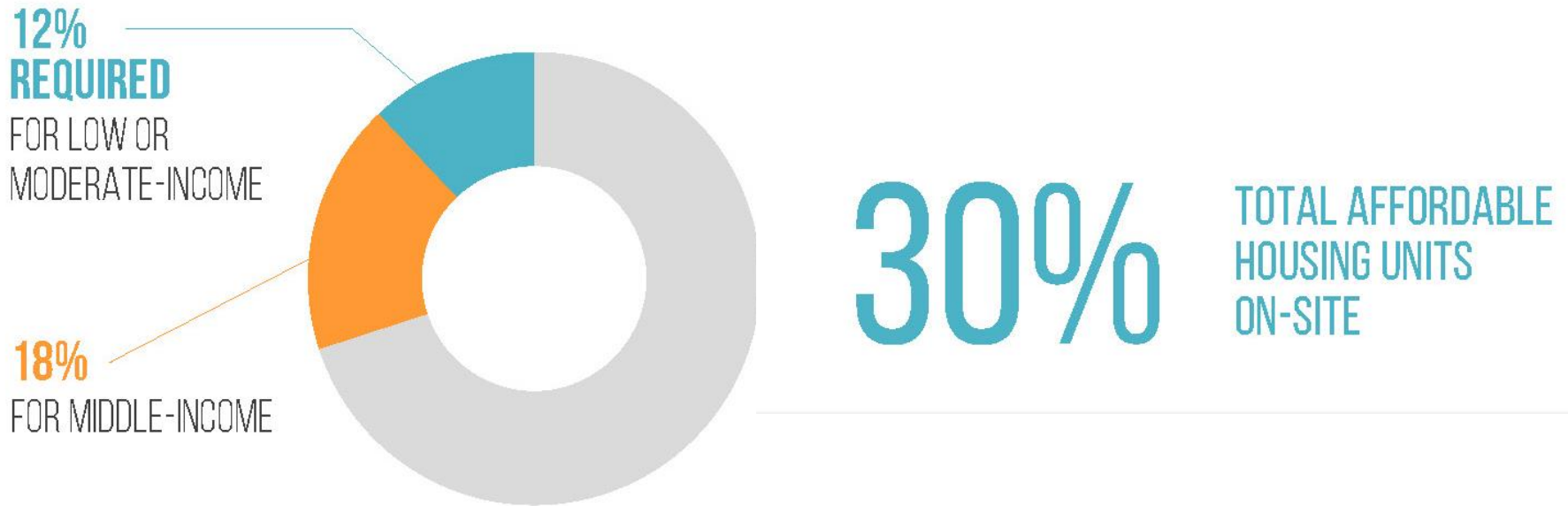


# EXISTING REGULATIONS: LOT MERGERS

In RTO Districts, merger of lots creating a lot greater than 5,000 square feet shall not be permitted

Street or District	Lot Frontage Limit
Hayes, from Franklin to Laguna	50 feet
RED and RED-MX	50 feet
Church Street, from Duboce to 16th Street	100 feet
Divisadero Street NCT except for the east and west blocks between Oak and Fell, Fillmore Street NCT, Folsom Street NCT, RCD, WMUG, WMUO, and SALI	100 feet
Market, from Octavia to Noe	150 feet
Ocean Avenue in the Ocean Avenue NCT	See Subsection (e)
Inner and Outer Clement NCDs	50 feet
NC-2 districts on Balboa Street between 2nd Avenue and 8th Avenue, and between 32nd Avenue and 38th Avenue	50 feet

# PROPOSED LOCAL AFFORDABLE HOUSING BONUS PROGRAM



- Incentives:
  - Up to two stories above existing height regulations
  - Increase in the total amount of housing units on-site

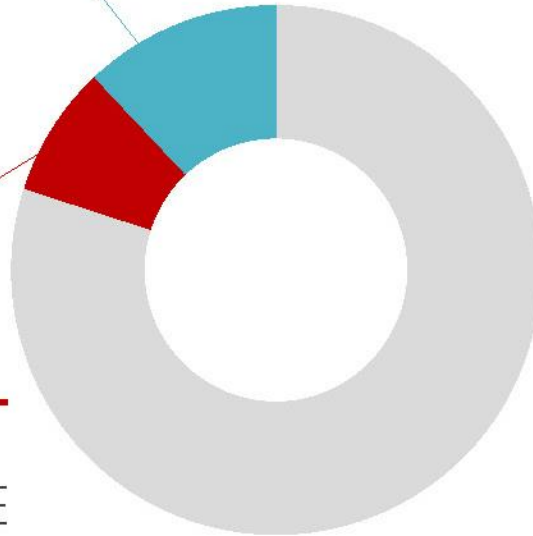
# PROPOSED STATE AFFORDABLE HOUSING BONUS PROGRAM

**12%  
REQUIRED**

FOR LOW OR  
MODERATE-INCOME

**1-8% ADDITIONAL**

FOR VERY LOW, LOW,  
OR MODERATE-INCOME



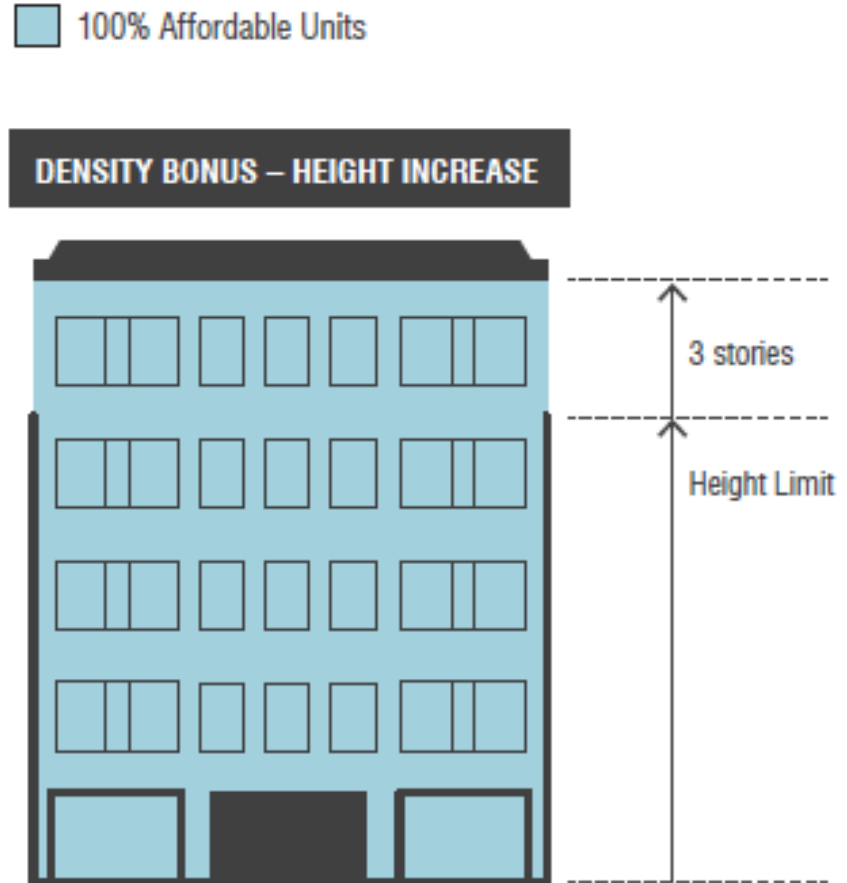
**13-20%** TOTAL AFFORDABLE  
HOUSING UNITS  
ON-SITE

- Incentives:
  - Up to two stories above existing height regulations
  - Increase in the total amount of housing units on-site



# AFFORDABLE HOUSING BONUS PROGRAM

- Projects with **100 percent affordable units** will receive:
  - Up to three stories above existing height regulations



# COMMUNITY OUTREACH — AUGUST 2015-JANUARY 2016

- 12 community meetings
- 15 presentations to stakeholders
- Open House and Webinar
- Summary video
- Email updates, social media promotion, and posts Nextdoor



# KEY LEGISLATIVE CHANGES

- Add
  - Lot merger limit
  - Program evaluation criteria
- Limit Program
  - No Group Housing and Efficiency Dwelling Units
  - New construction only
  - No projects that demolish rent control units
- Clarify
  - Definitions
  - Project application fees
  - Height increase clarification



# SUPERVISOR BREED'S LEGISLATION

Rent controlled units  
Cannot be demolished for  
projects using the AHBP.

- The City will conduct a rent control tenant protection and replacement study over the next year

