

AFFORDABLE HOUSING BONUS PROGRAM

CPC INFORMATIONAL— NOVEMBER 5, 2015

www.sf-planning.org/AHBP

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San Francisco
Planning

WHY ARE WE DOING THIS?

STATE DENSITY BONUS LAW



2013 Napa Court Case

AFFORDABLE HOUSING BONUS PROGRAM



No Public Subsidies

Tradeoffs



SF AFFORDABLE HOUSING NEEDS

Mayor's Working Group
Proposition K
Middle Income Housing

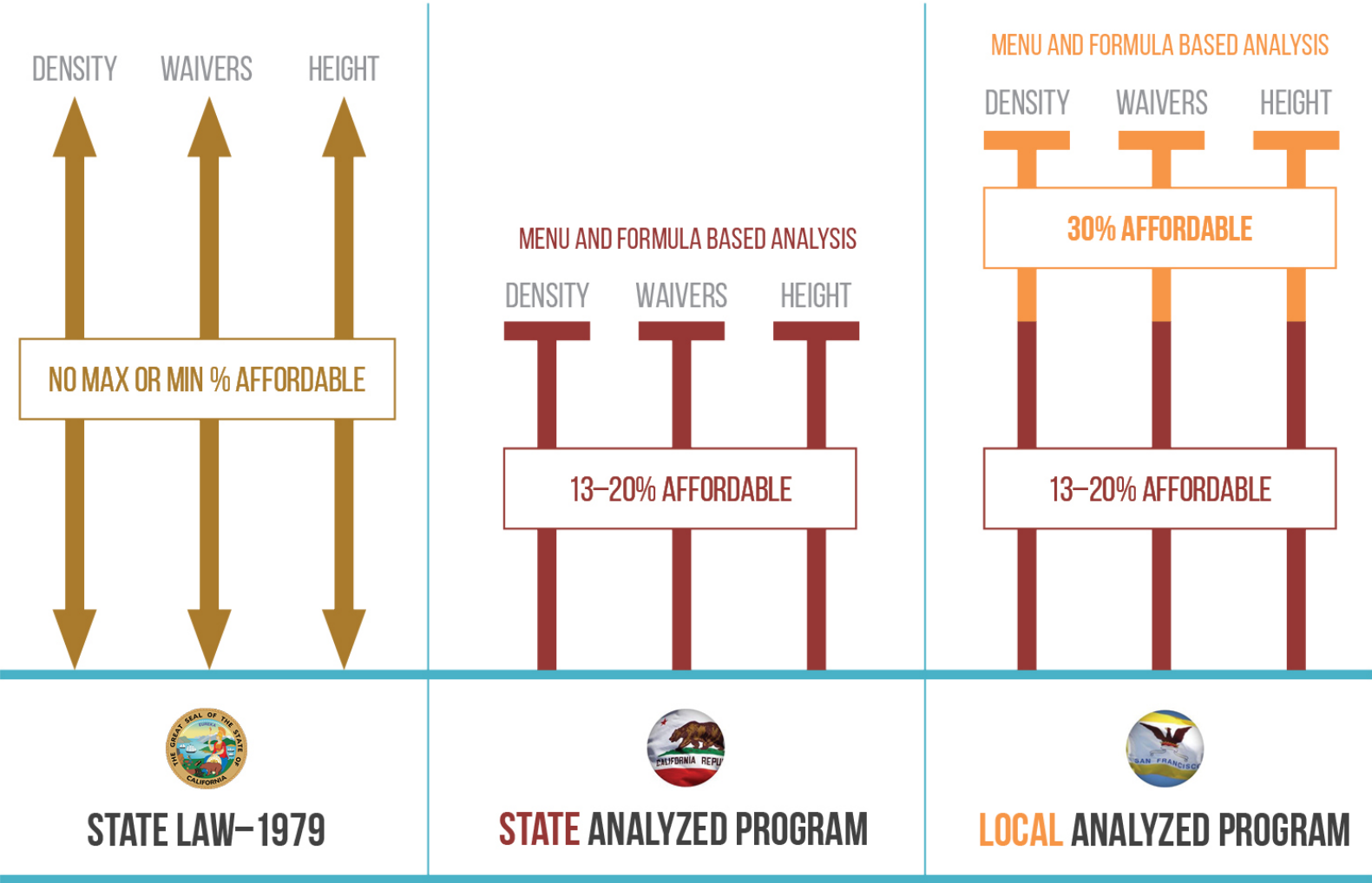
SF PLANNING EFFORTS

Housing Element
Density Bonus
Sunset Blueprint
Invest in Neighborhoods

OTHER HOUSING PROGRAMS

Inclusionary Housing Updates
Housing Trust Fund

COMPARING STATE LAW & AHBP PROGRAMS



AFFORDABLE HOUSING BONUS PROGRAM - POLICY GOALS



INCENTIVIZE GREATER LEVELS
OF ONSITE AFFORDABLE UNITS



IMPROVE FEASIBILITY OF
UNDERUTILIZED SITES



ESTABLISH A 'MIDDLE
INCOME' PROGRAM



FACILITATE ENTITLEMENT OF
100% AFFORDABLE PROJECTS

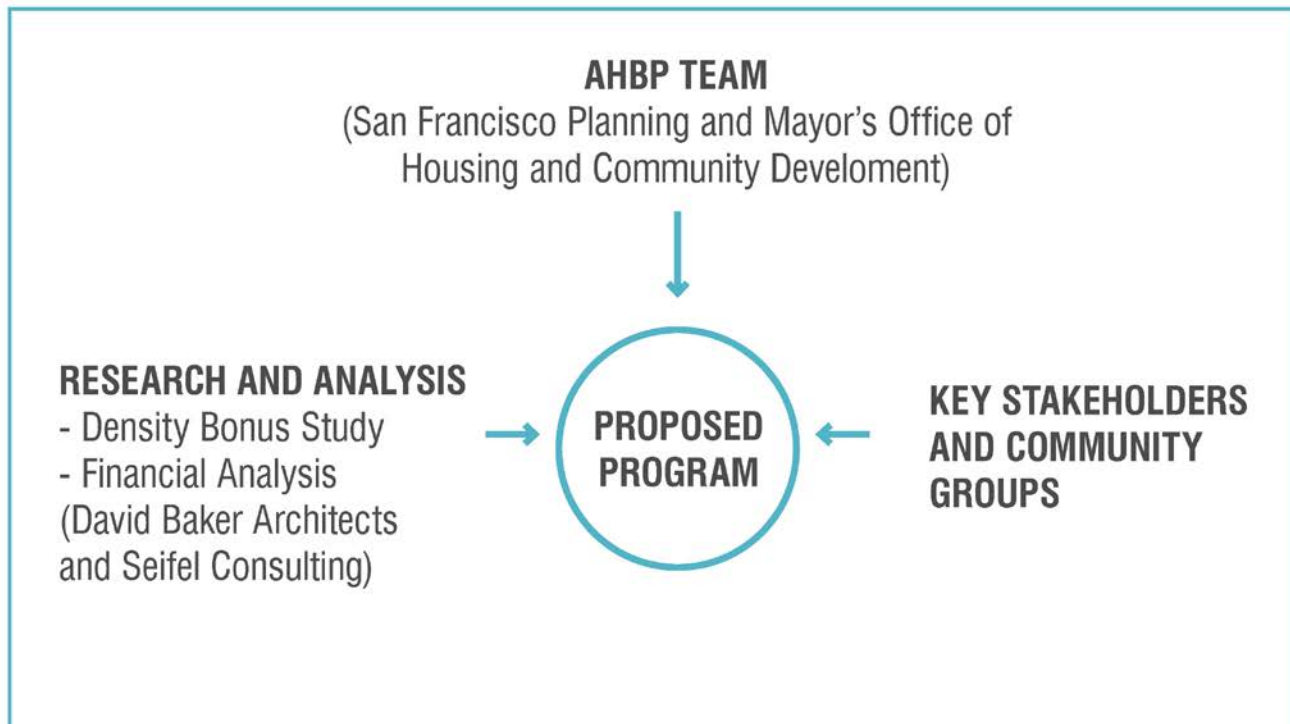
DEVELOPING THE PROGRAM



Include Middle Income Units

HOW WE DEVELOPED THE PROGRAM

PROGRAM DEVELOPMENT (2 YEARS)



PUBLIC OUTREACH AND ENGAGEMENT

- **Getting the word out to Community Members**

- Website
- Video
- Media
- Mailing lists
- Public Forums

- **Gathering input from Community Members**

- Interactive Webinar
- Open House
- Community Meetings
- Public Hearings at the Commission and Board

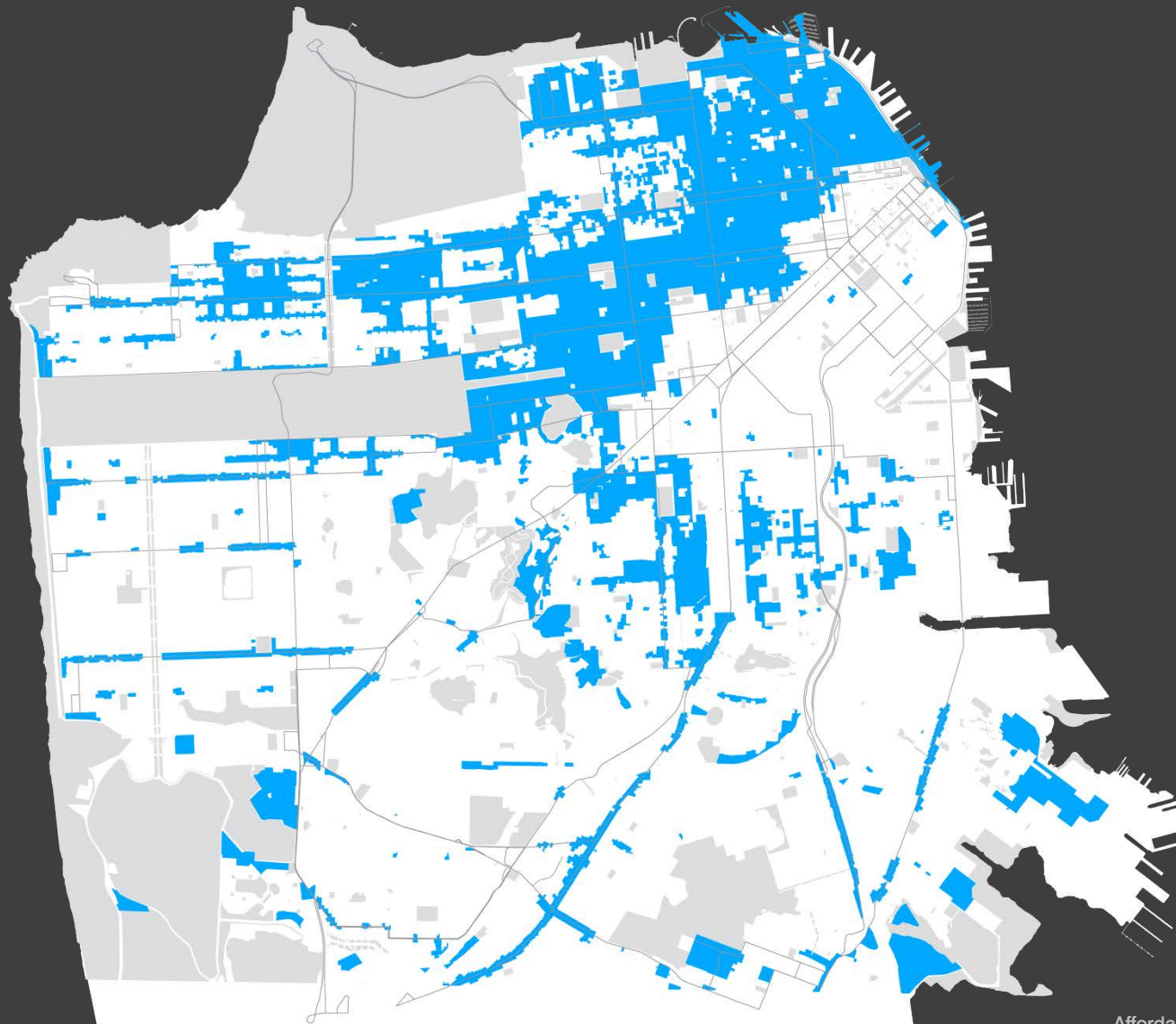
- **Amendments to the Proposed Legislation**



PROGRAM AREA AND OUTCOMES



AHBP PROGRAM AREA: RESIDENTIAL MIXED USE DISTRICTS



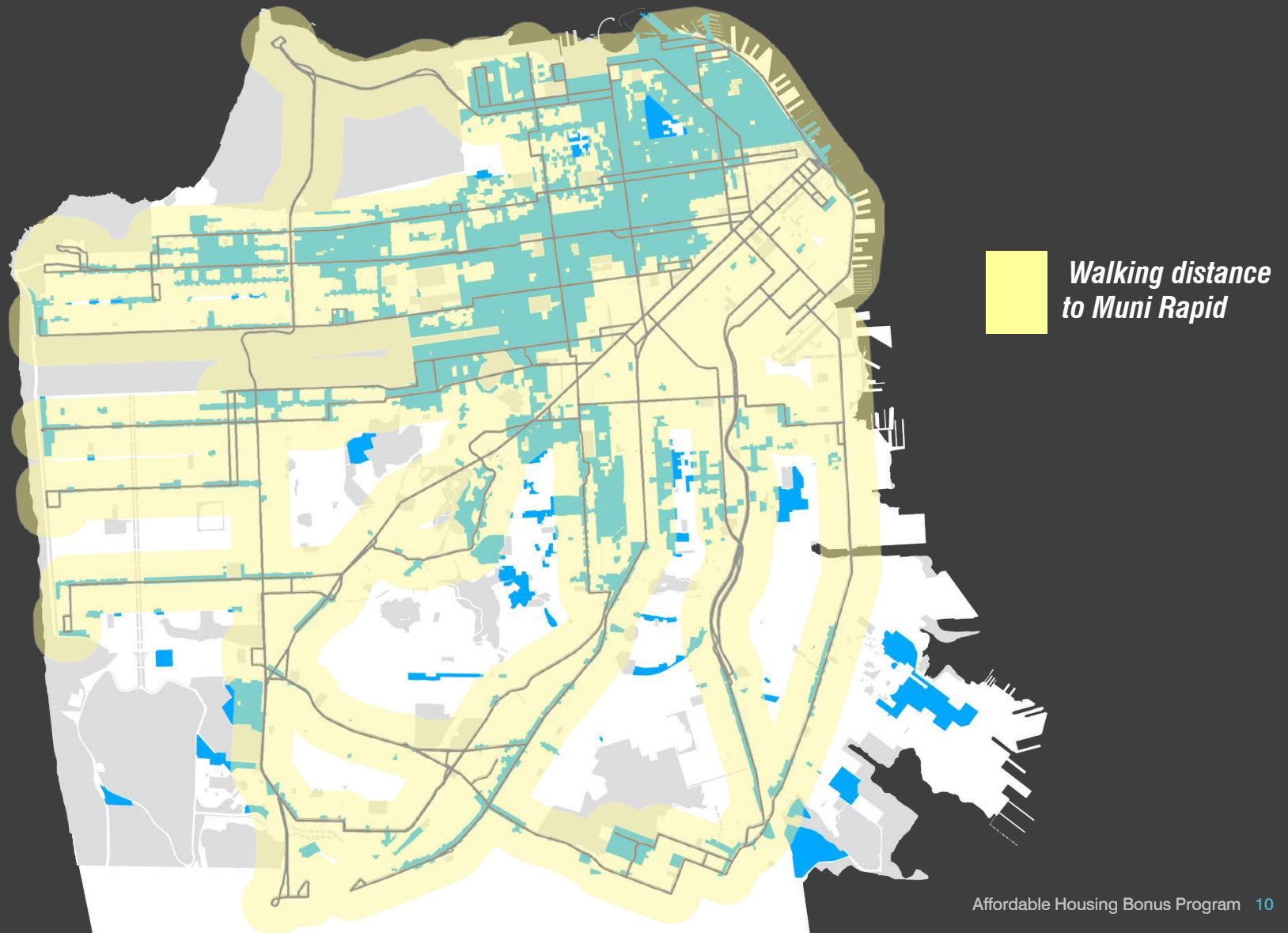
30,500

*Parcels in
Program Area*

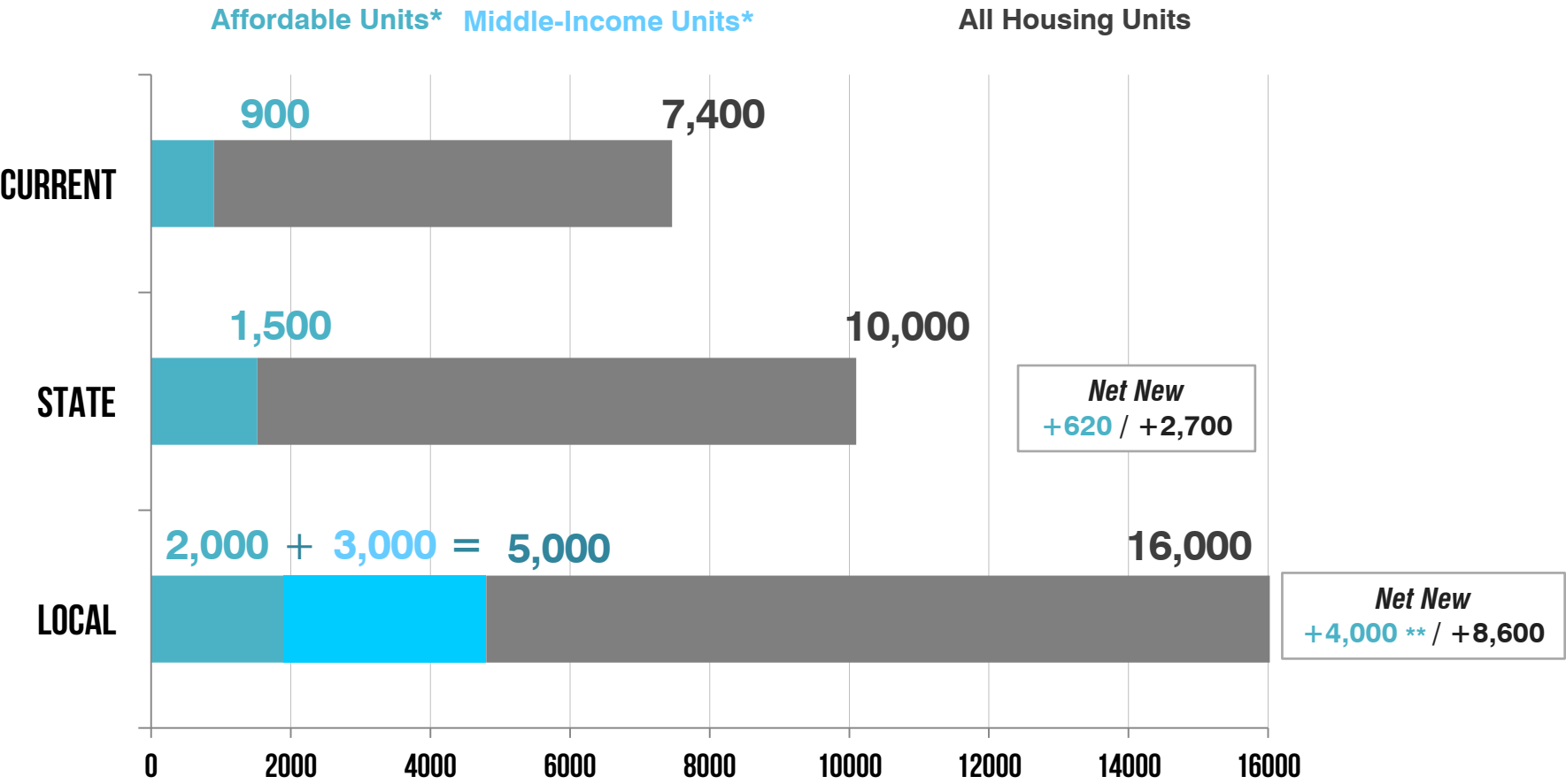


*Program
Area*

AHBP PROGRAM AREA: NEAR TRANSIT

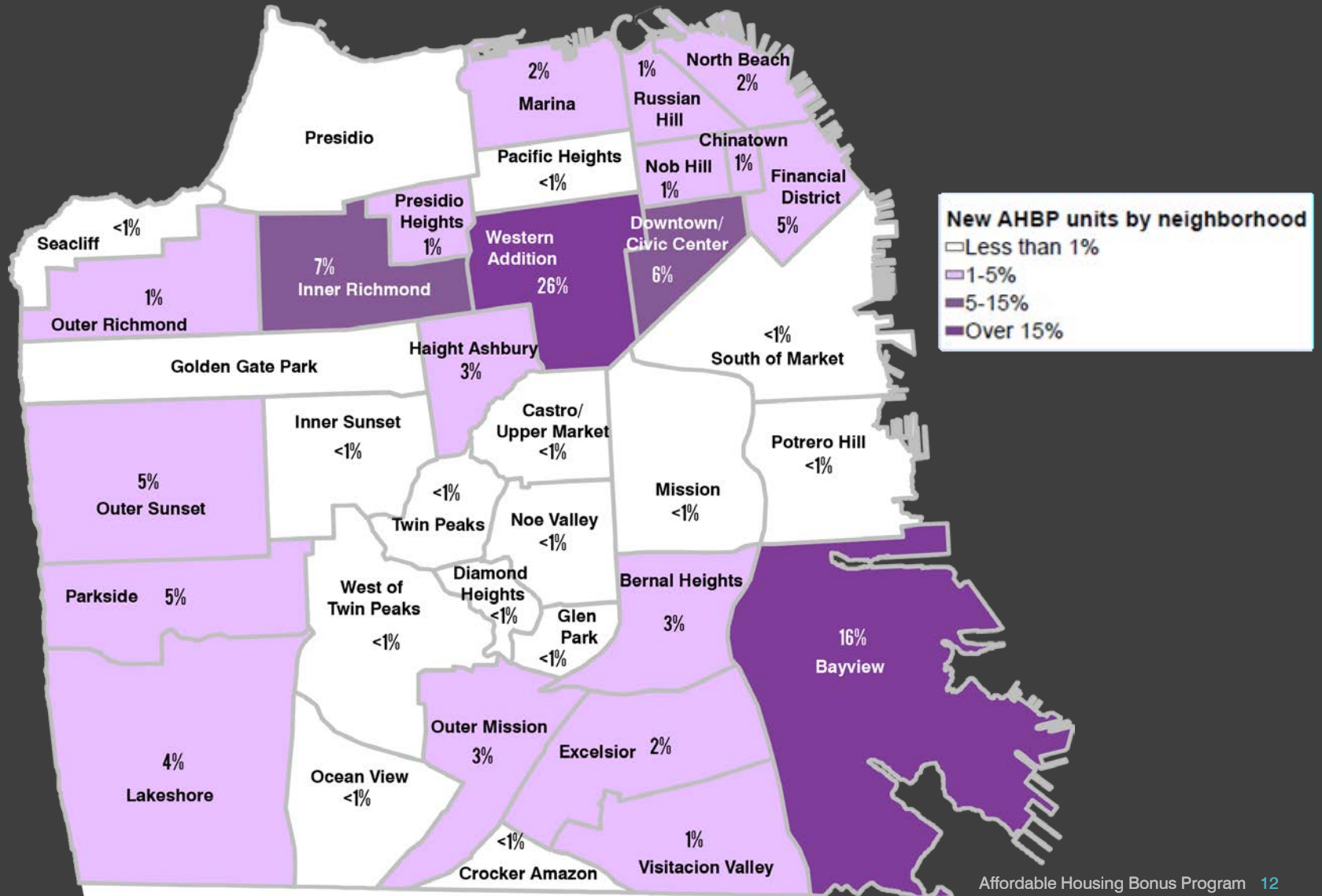


PROJECTED MAXIMUM TOTAL NEW UNITS **SOFT SITES IN PROGRAM AREA, 20 YEARS**

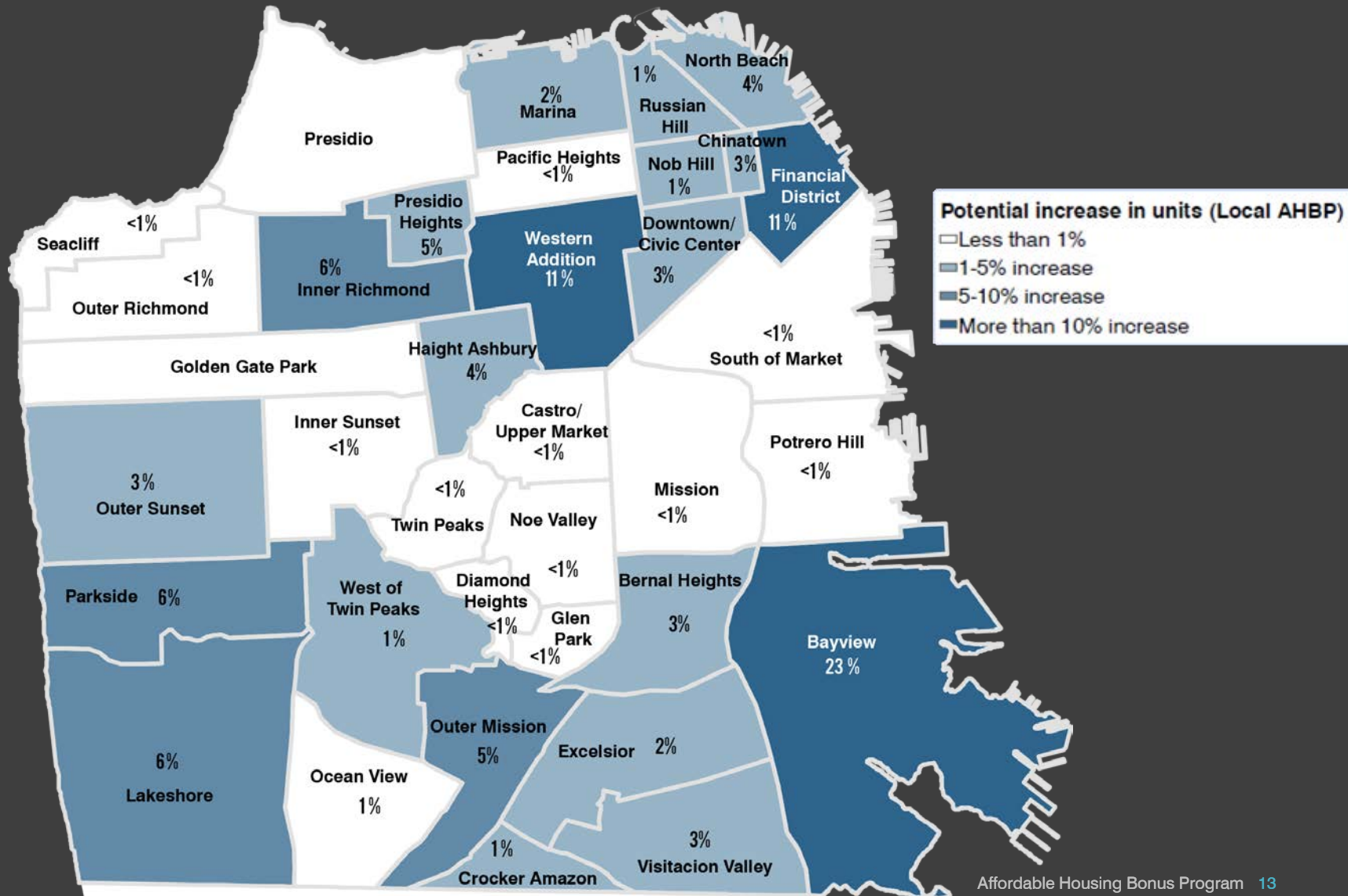


Affordable Units – permanently affordable, deed restricted housing units built by market rate developers.
* Assumes all projects provide inclusionary units onsite. Does not include 100% affordable housing projects.
** Includes some middle income units for 120% or 140% AMI.

PROJECTED AHBP UNITS BY NEIGHBORHOOD



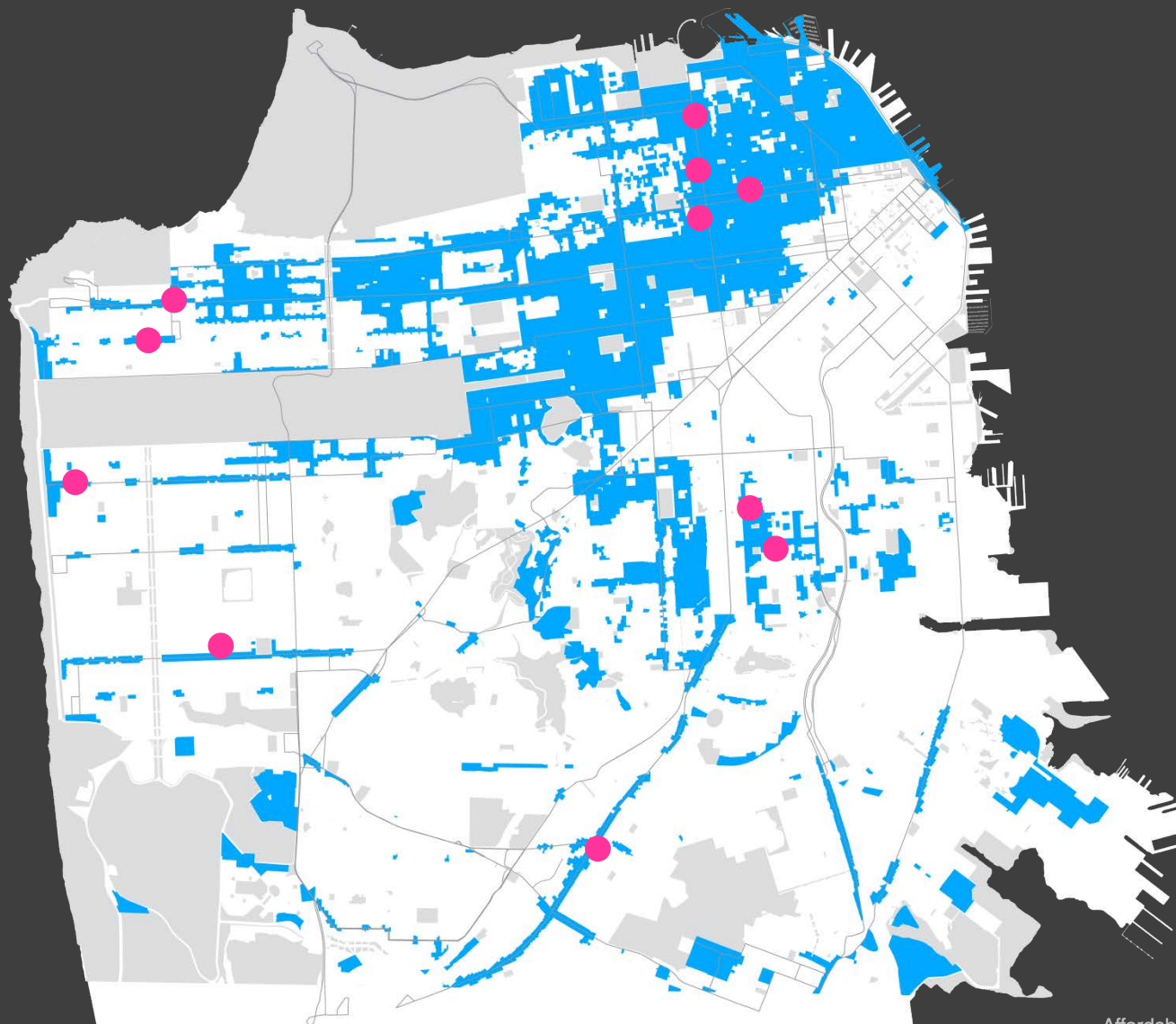
PROJECTED INCREASE IN HOUSING UNITS



STUDYING WHAT BUILDINGS MIGHT LOOK LIKE WITH DAVID BAKER ARCHITECTS (DBA).

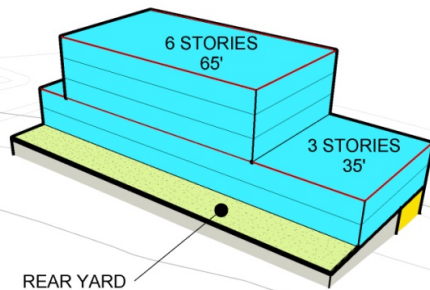
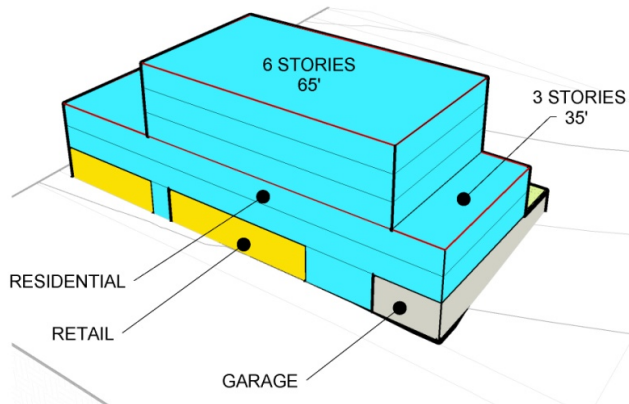


AHBP STUDY: PROTOTYPICAL SITES



11

Prototypical Sites



FE GROSS AREA

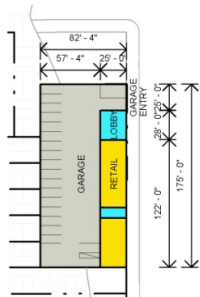
Garage	10654 SF
Retail	2800 SF
Residential	42607 SF
Grand total	56061 SF

Open Space	3588 SF
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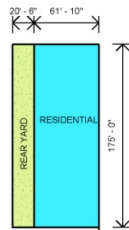
Open Space Required: 24 UNITS X 100 SF = 2,400 SF

Residential Average Unit Size - 1775 GSF

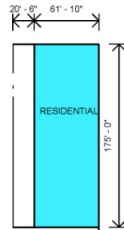
19 Parking Spaces



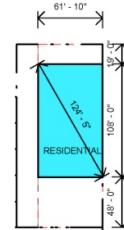
1 1" = 100'-0"



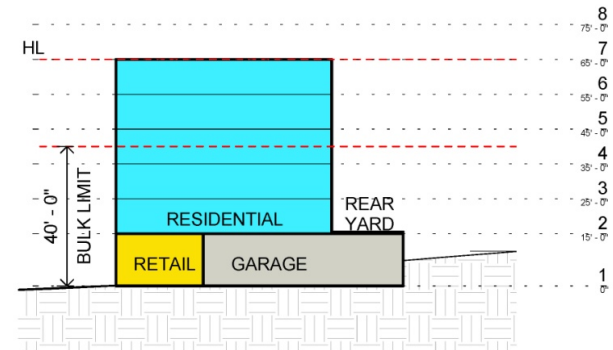
2 1" = 100'-0"



3 1" = 100'-0"



4-6 1" = 100'-0"



Section 1" = 30'-0"



David Baker Architects
www.dbarchitect.com

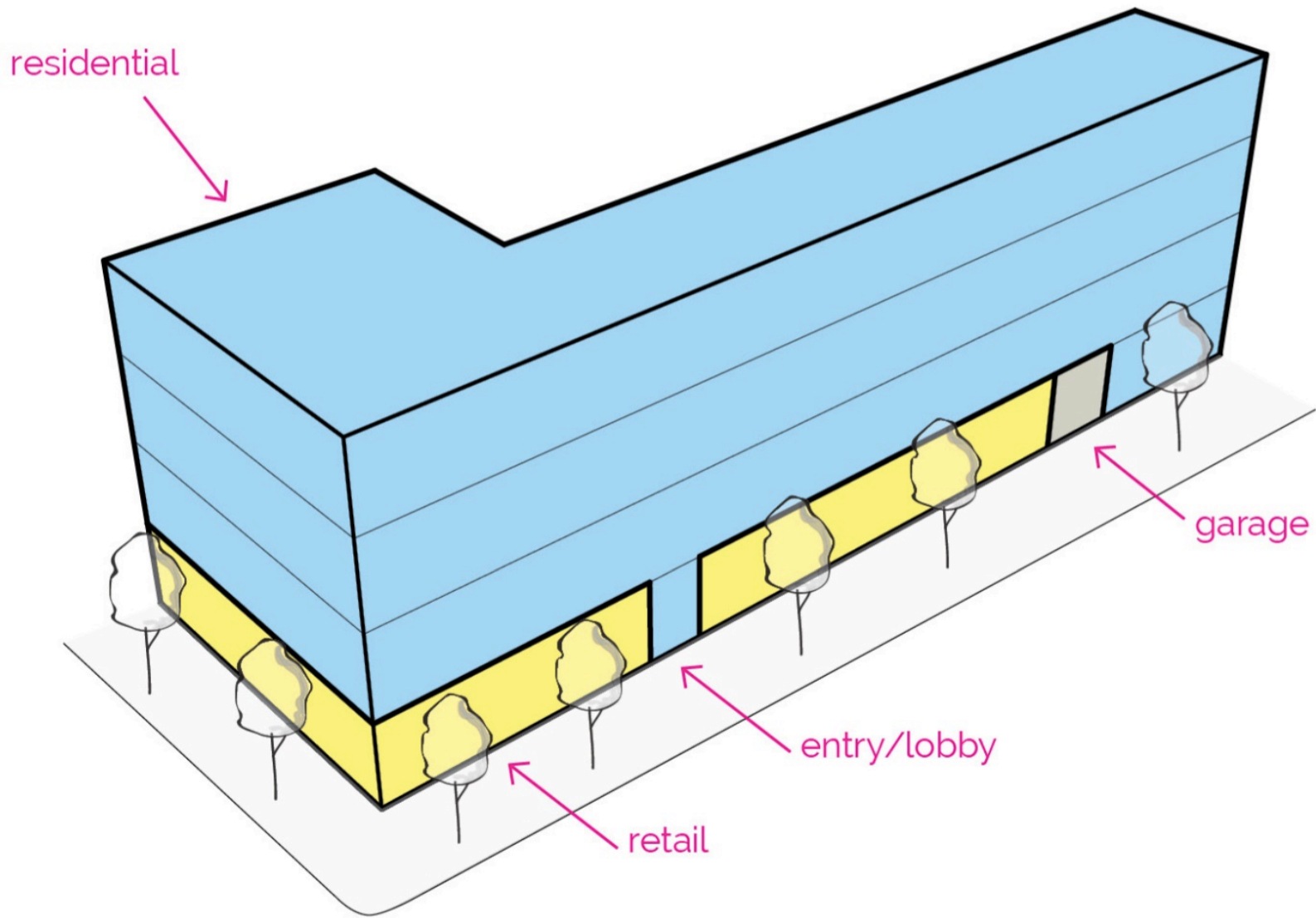


FULL ENVELOPE BUILD OUT
NCD

08/2015
2

PROTOTYPE 1

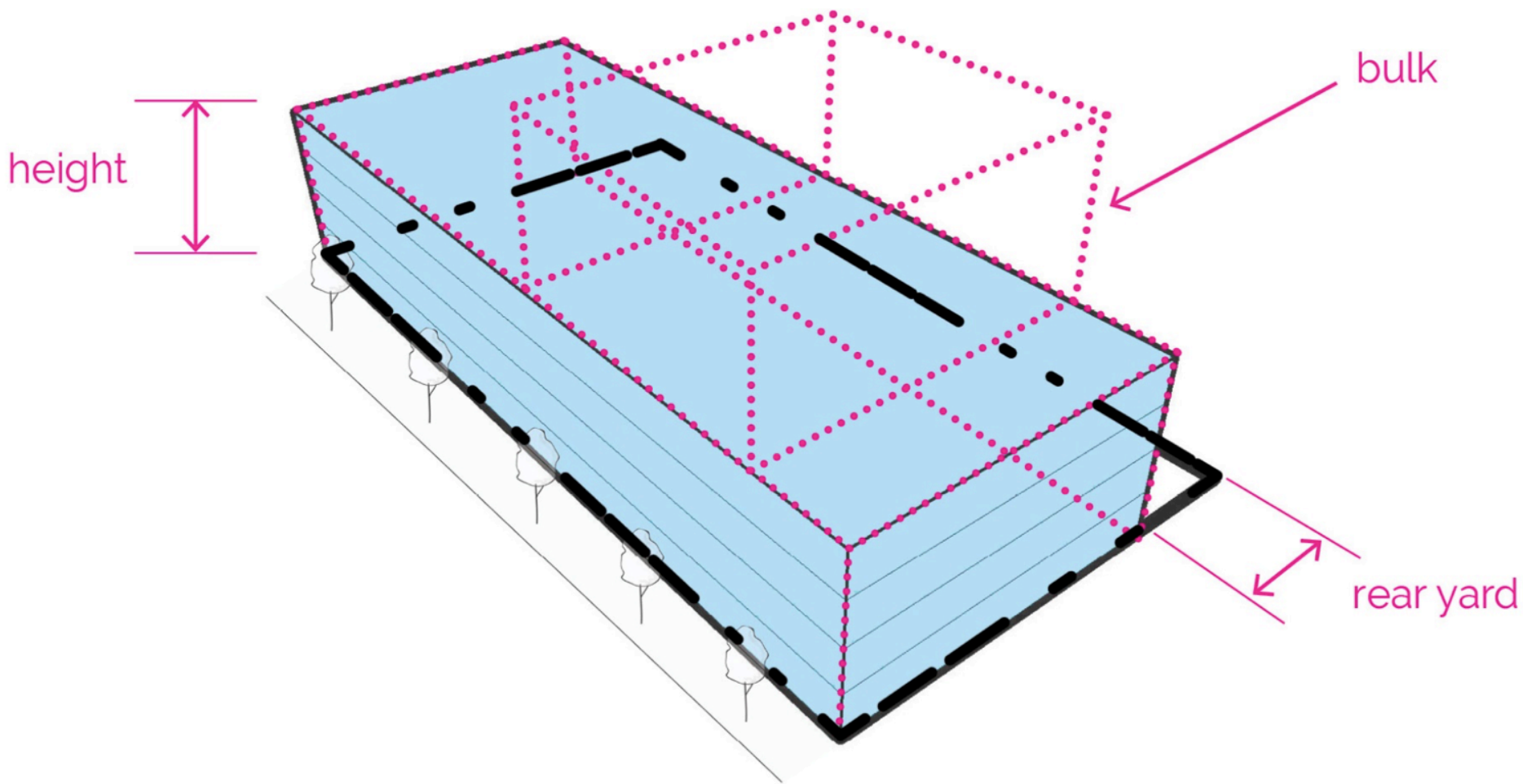
STUDY METHODOLOGY



STUDY METHODOLOGY

DENSITY IS CONSTRAINED BY
ONE OF TWO FACTORS

CONCLUSION



MAXIMUM PHYSICAL ENVELOPE

1 UNIT ALLOWED PER

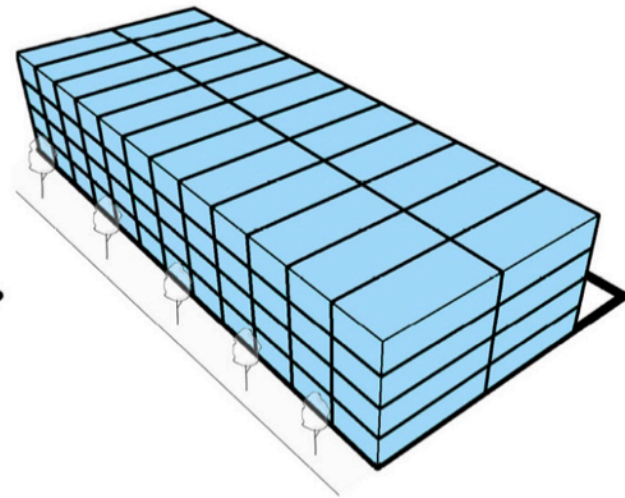
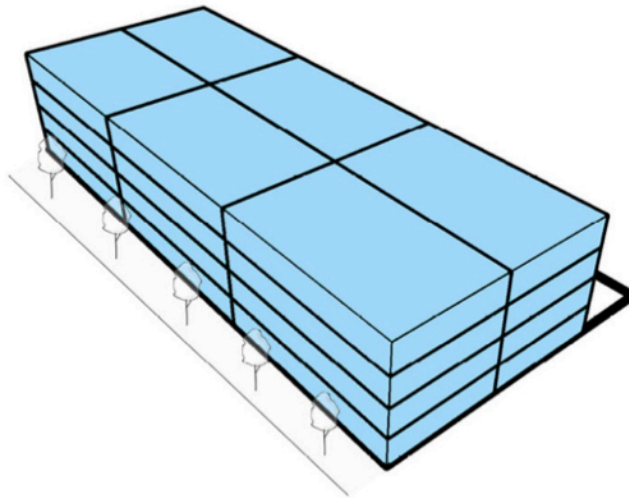
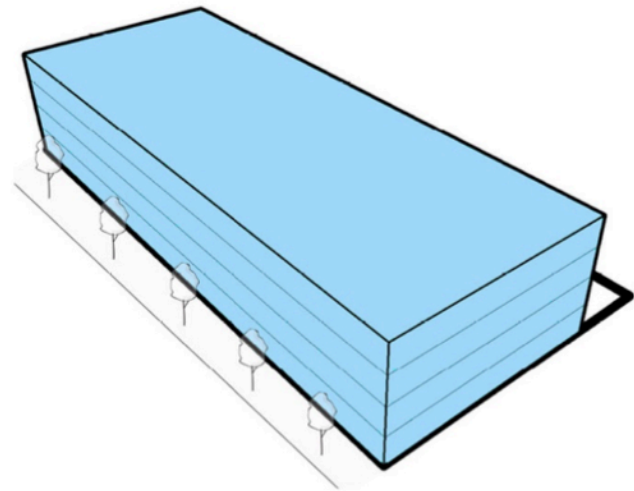
200 SF

400 SF

600 SF

800 SF

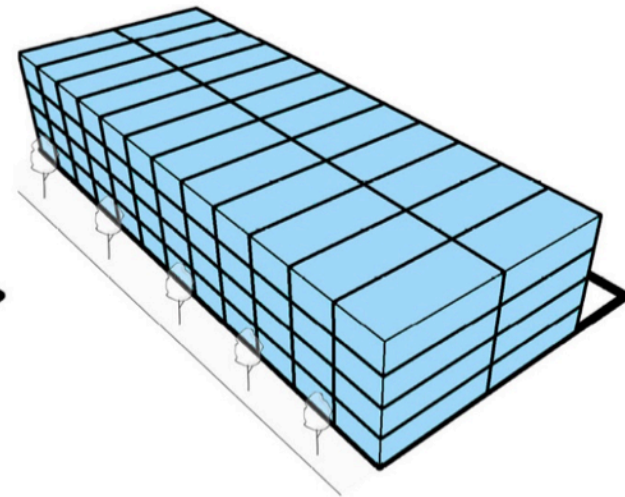
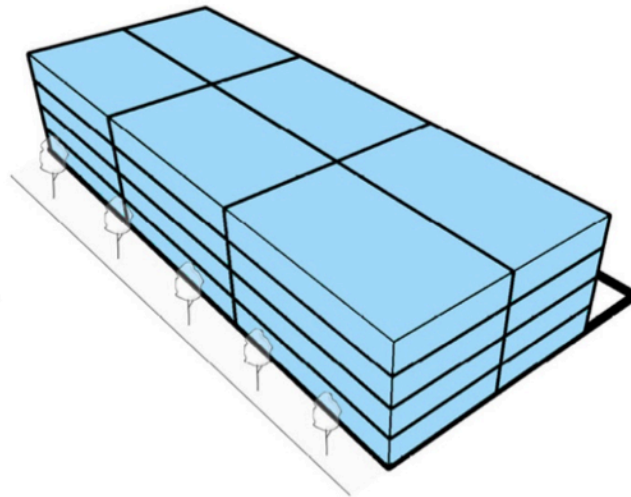
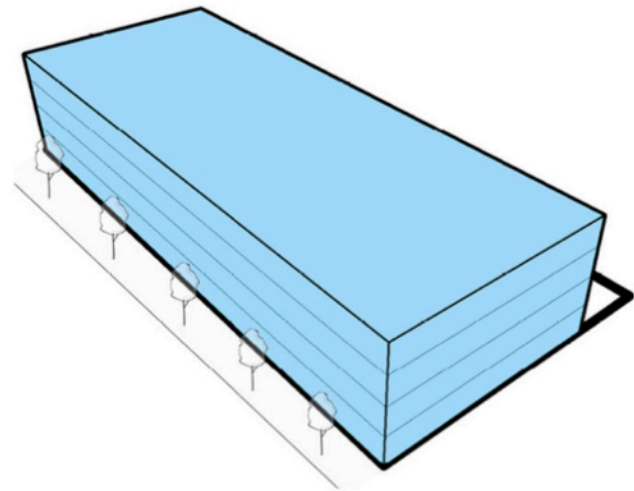
OF LOT AREA



DENSITY LIMITS

60,000 GSF
CAN BE

25 UNITS OR 100 UNITS



2,400 GSF
UNIT SIZE

600 GSF
UNIT SIZE

DENSITY LIMITS

PHYSICAL ENVELOPE
AND
DENSITY LIMITS
RARELY RELATE

CONCLUSION

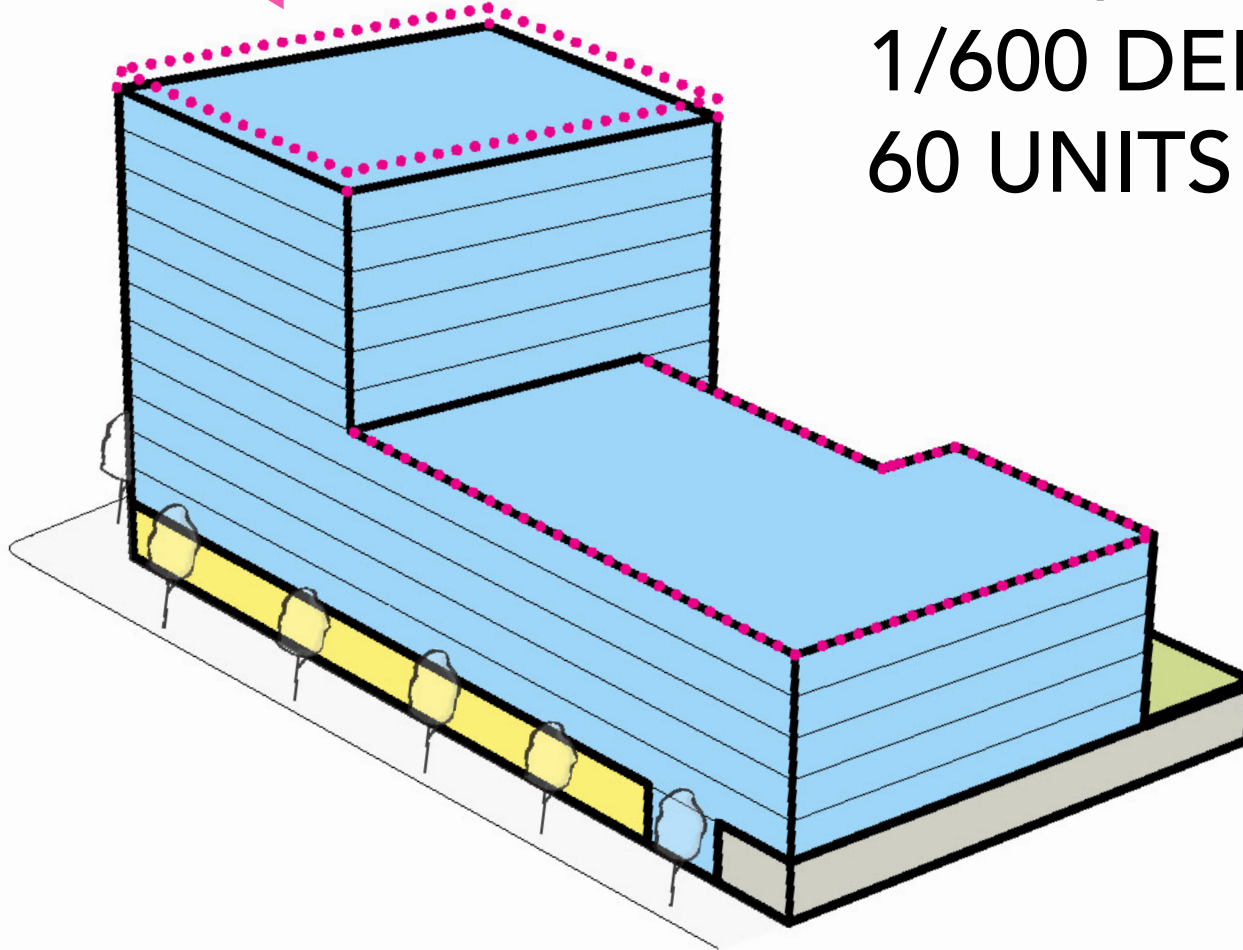
HEIGHT LIMIT



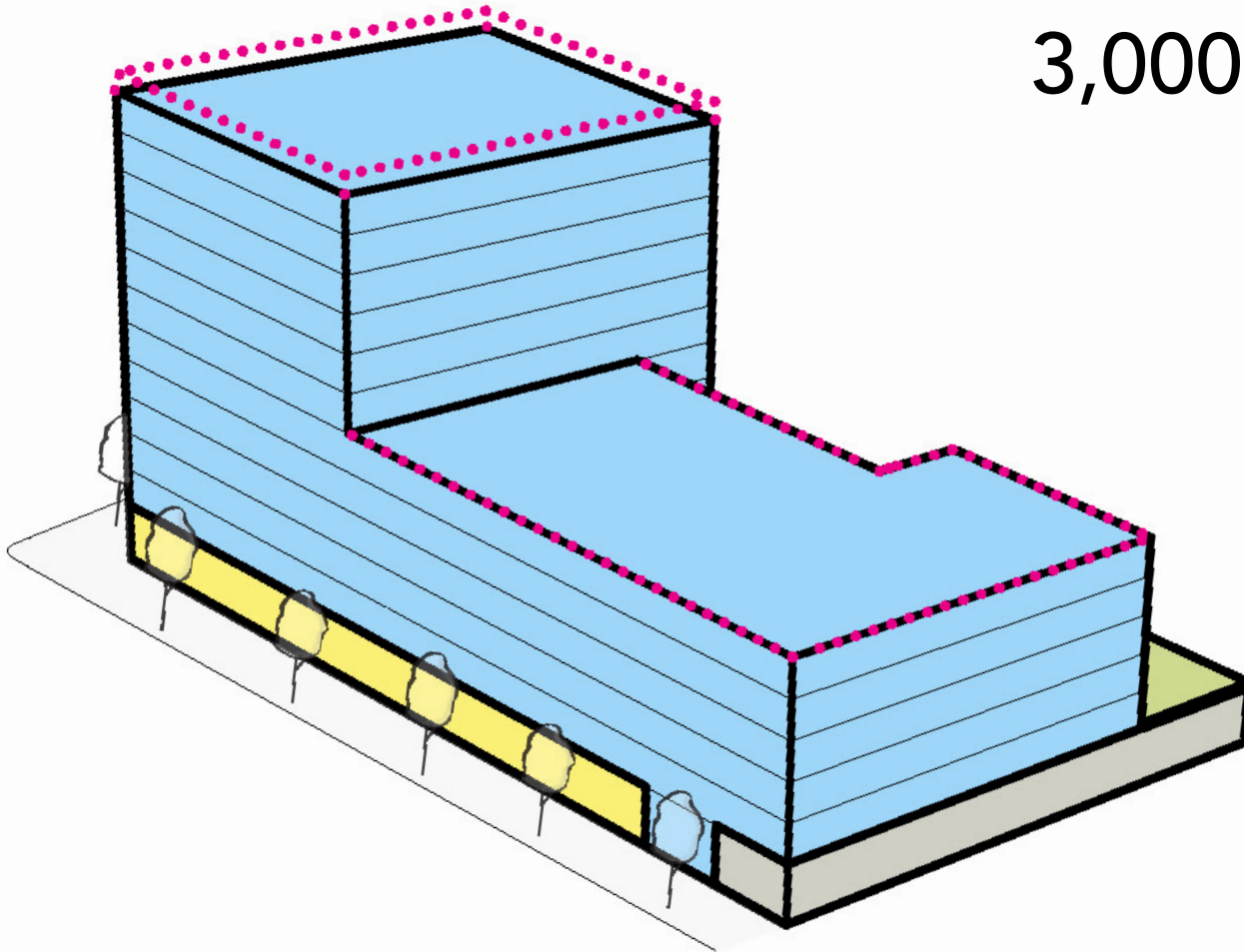
NC-3 , 130-E

1/600 DENSITY LIMIT

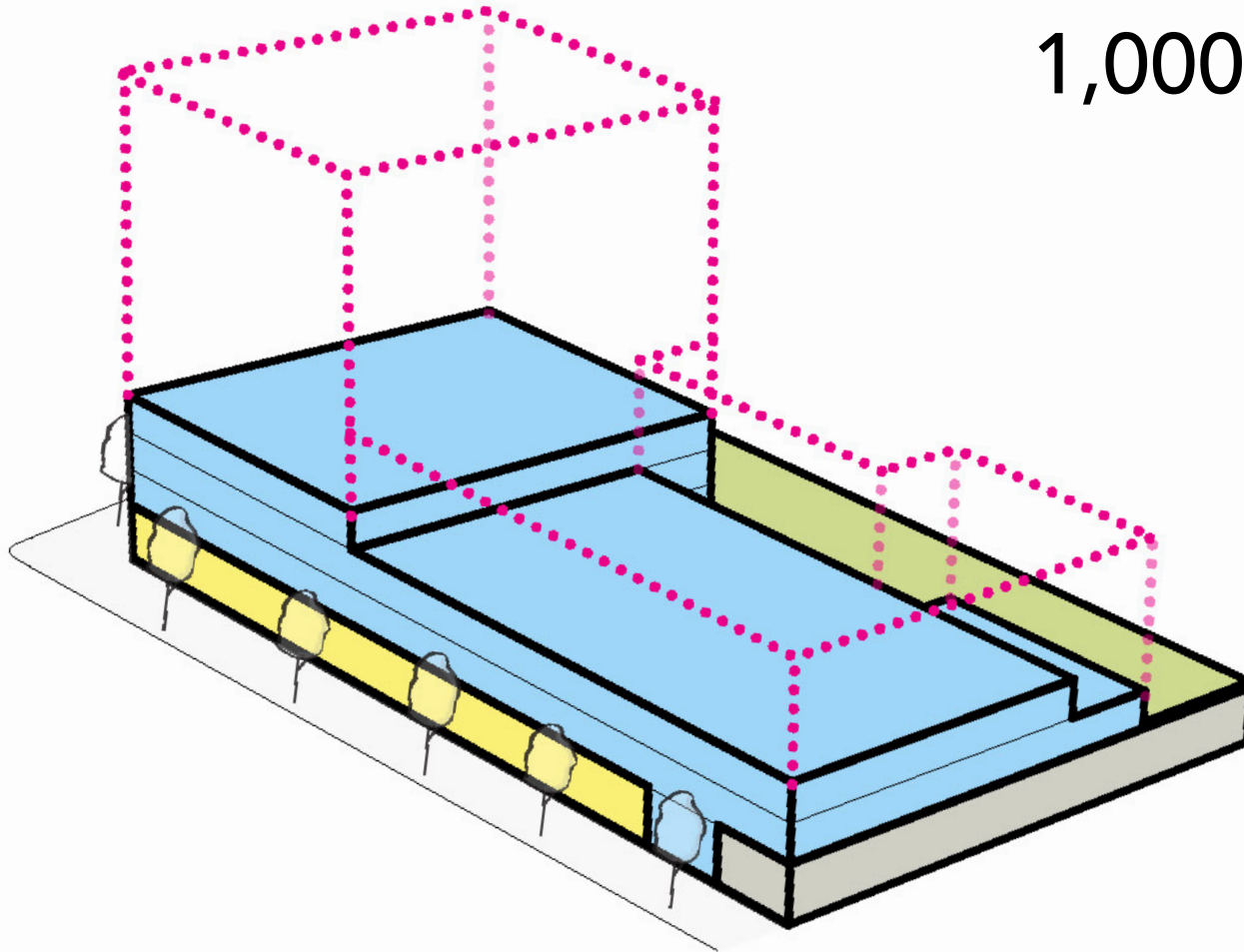
60 UNITS ALLOWED



60 UNITS @
3,000+ SF EACH



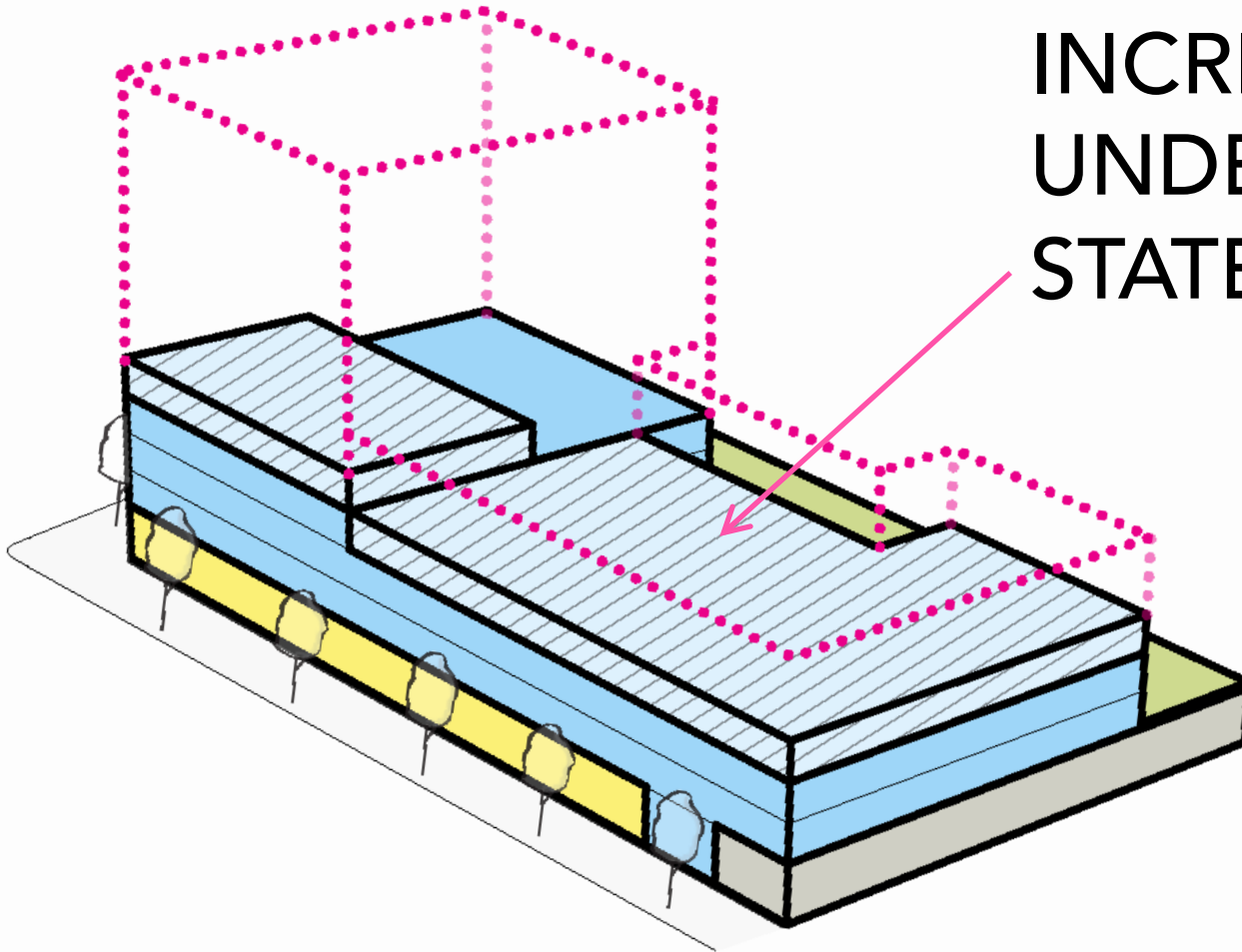
60 UNITS @
1,000 SF EACH



NO DENSITY CAP

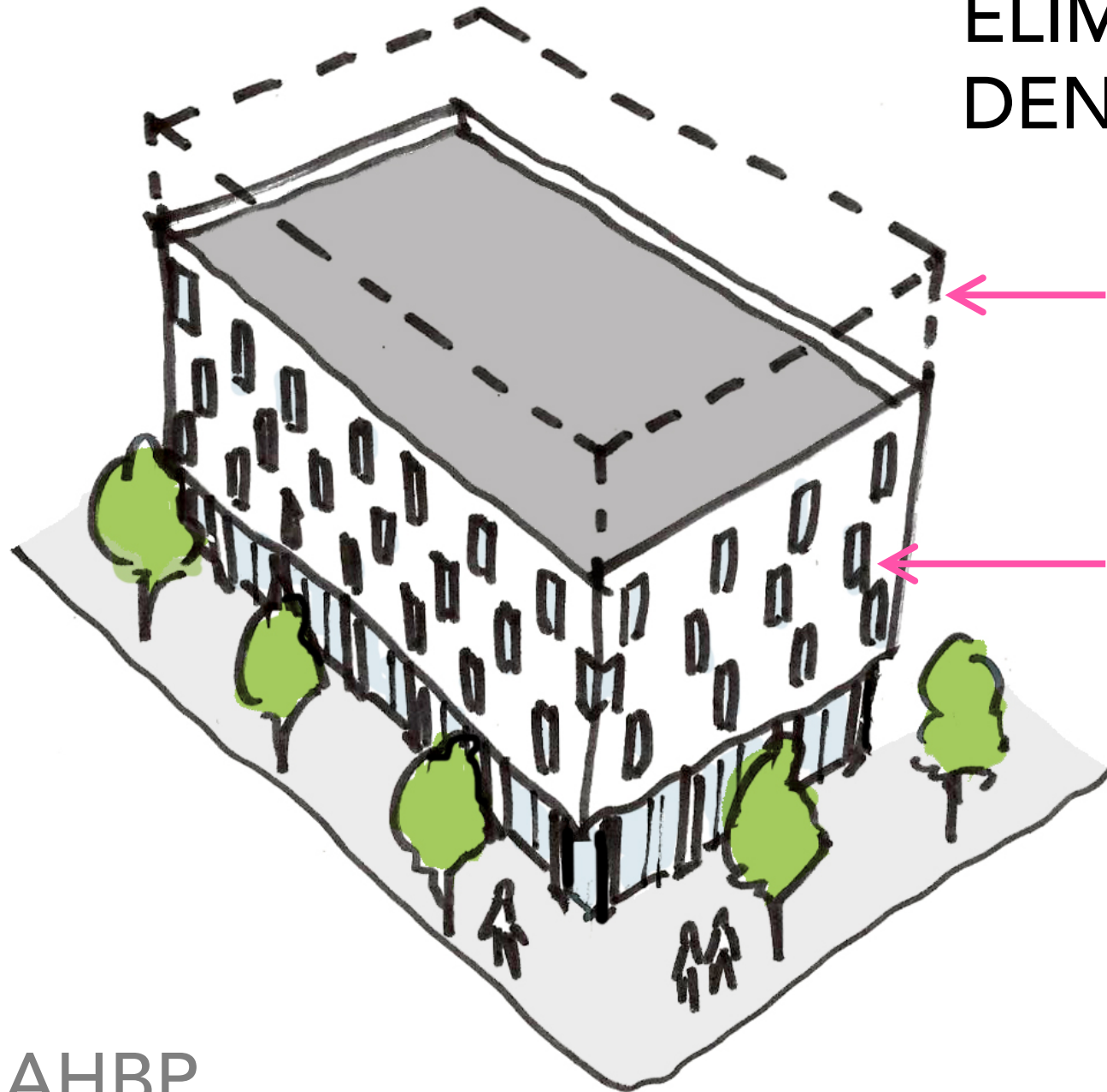
CONCLUSION

35% DENSITY
INCREASE
UNDER THE
STATE LAW



HOW IS 30% ON SITE
AFFORDABILITY POSSIBLE?

ON SOME SITES,
IT CAN WORK WITH
2 STORIES OF ADDED HEIGHT



ELIMINATE
DENSITY CAPS

UP TO 2
EXTRA
STORIES

40% 2 BR's

AHBP



40-X, Broderick & California



40-X, Fillmore & California



40-X, Steiner & Hayes



40-X, Jackson & Baker



Current Zoning: 15 Homes @ 50'

(2,400 SF)



No Density Cap: 27 Homes @ 50'

(1,333 SF)



AHBP: 46 Homes @ 75'

(1,333 SF)



Current Zoning: 47 Homes @ 65'

(750 SF)



AHBP: 65 Homes @ 85'

(750 SF)



Current Zoning: 8 Homes @ 40'

(1,500 SF)



AHBP: 13 Homes @ 65'

(1,500 SF)

- REAR YARD
- DWELLING UNIT EXPOSURE
- HEIGHT
- BULK
- FAR
- USABLE OPEN SPACE
- PARKING
- OFF-STREET LOADING
- OBSTRUCTIONS OVER STREETS
& ALLEYS

MENU OF WAIVERS

HOW DO DENSITY AND
LIVABILITY COEXIST?



GREAT GROUND FLOOR (& CEILING HTS)



TOW-AWAY
NO STOPPING
7 A.M. TO 9 A.M.
EXCEPT SAT. 10 A.M. TO 12 P.M.
FOR TOWNSHIP OFFICE
PHONE 888-5176

3637

BUY FRESH
BUY LOCAL

SINCE 1940
BLARRIE

GREAT GROUND FLOOR



GREAT GROUND FLOOR





ARTICULATE SIDE WALLS



ARTICULATE SIDE WALLS





TOPS OF BUILDINGS



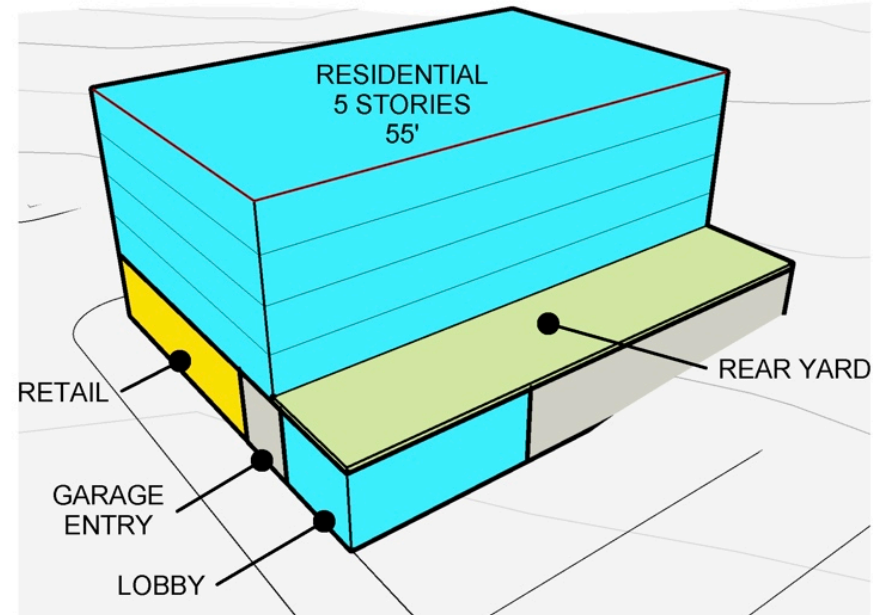
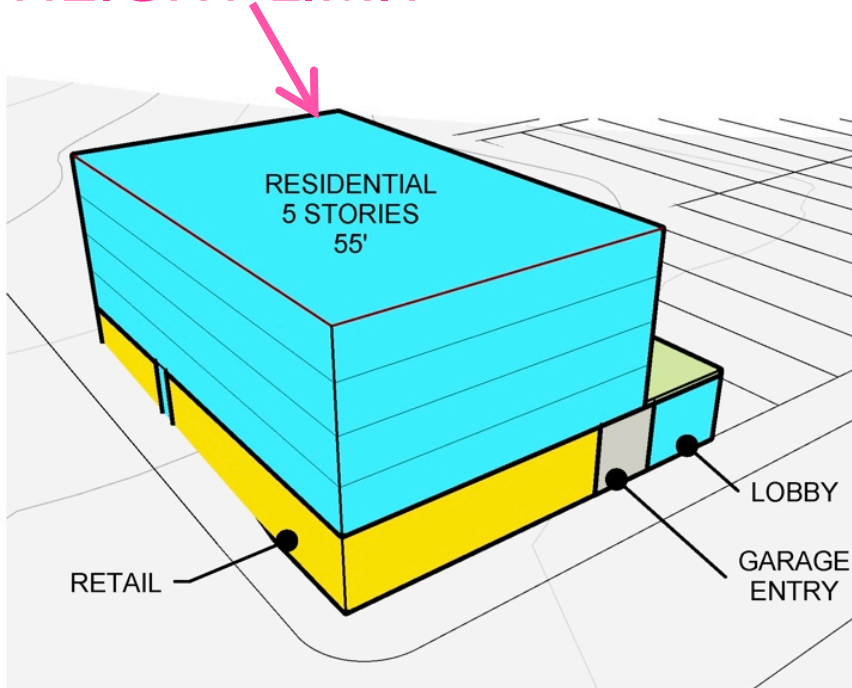
COMPLEMENTARY ARCHITECTURE



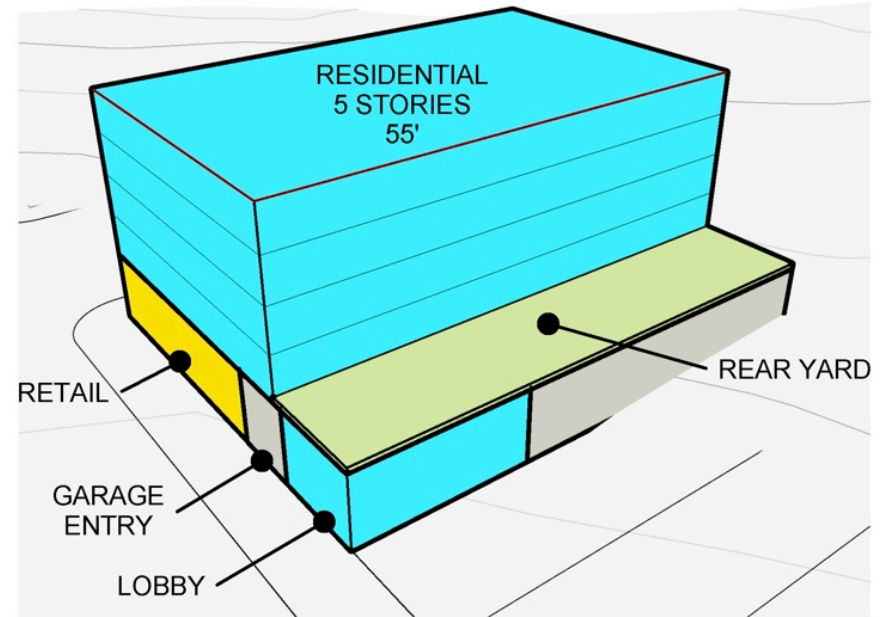
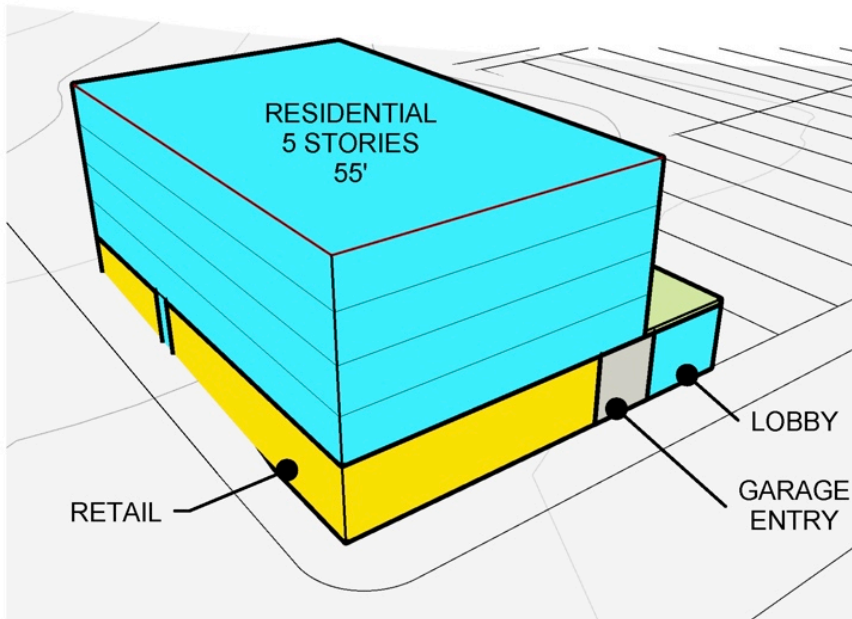
COMPLEMENTARY ARCHITECTURE

NCD, 50-X
1/800 DENSITY LIMIT
15 UNITS ALLOWED

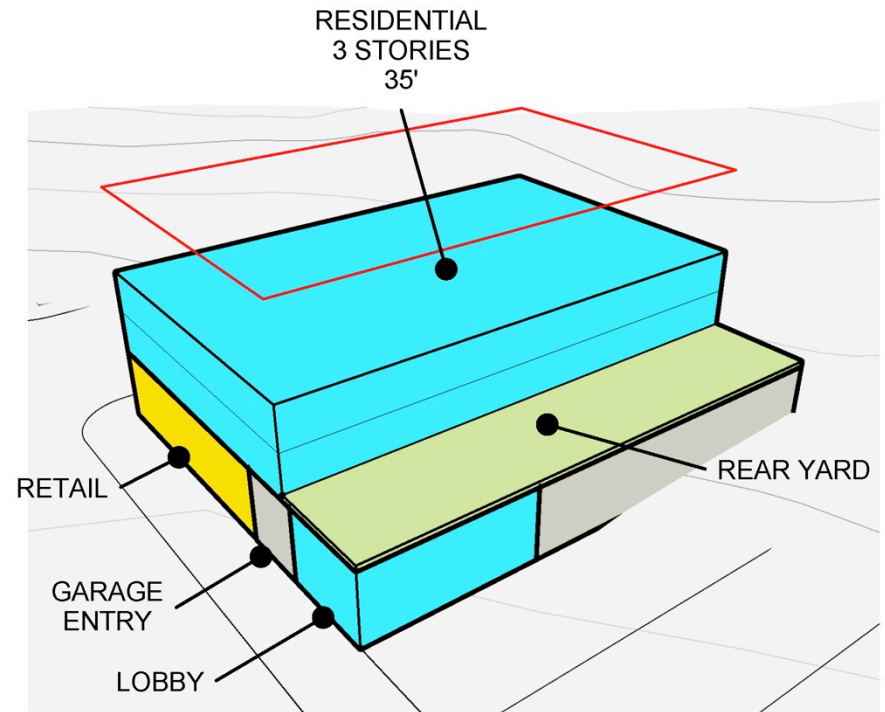
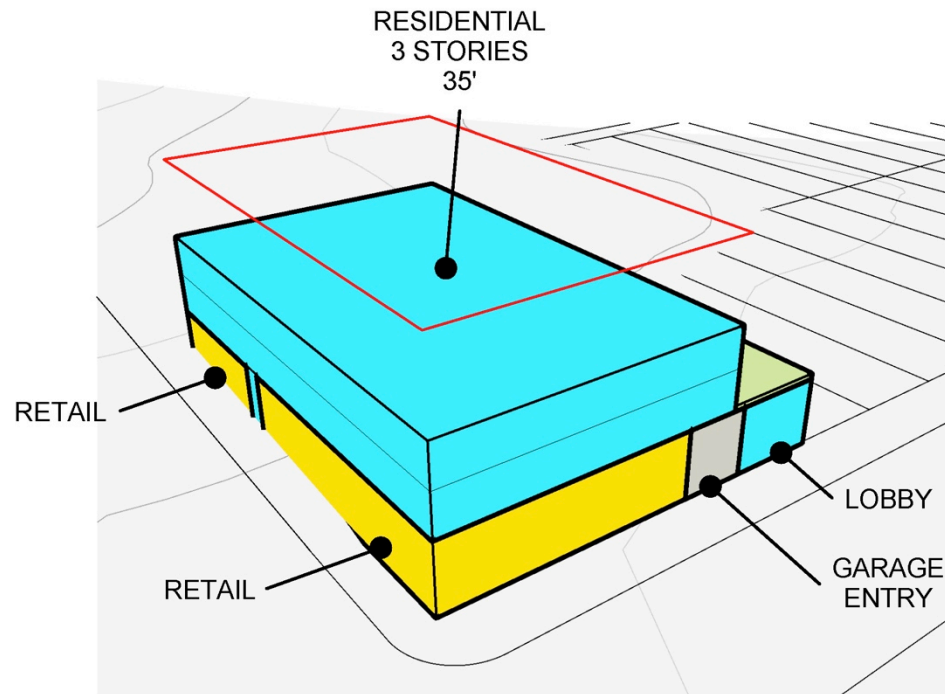
HEIGHT LIMIT



15 UNITS @
2,400 SF EACH



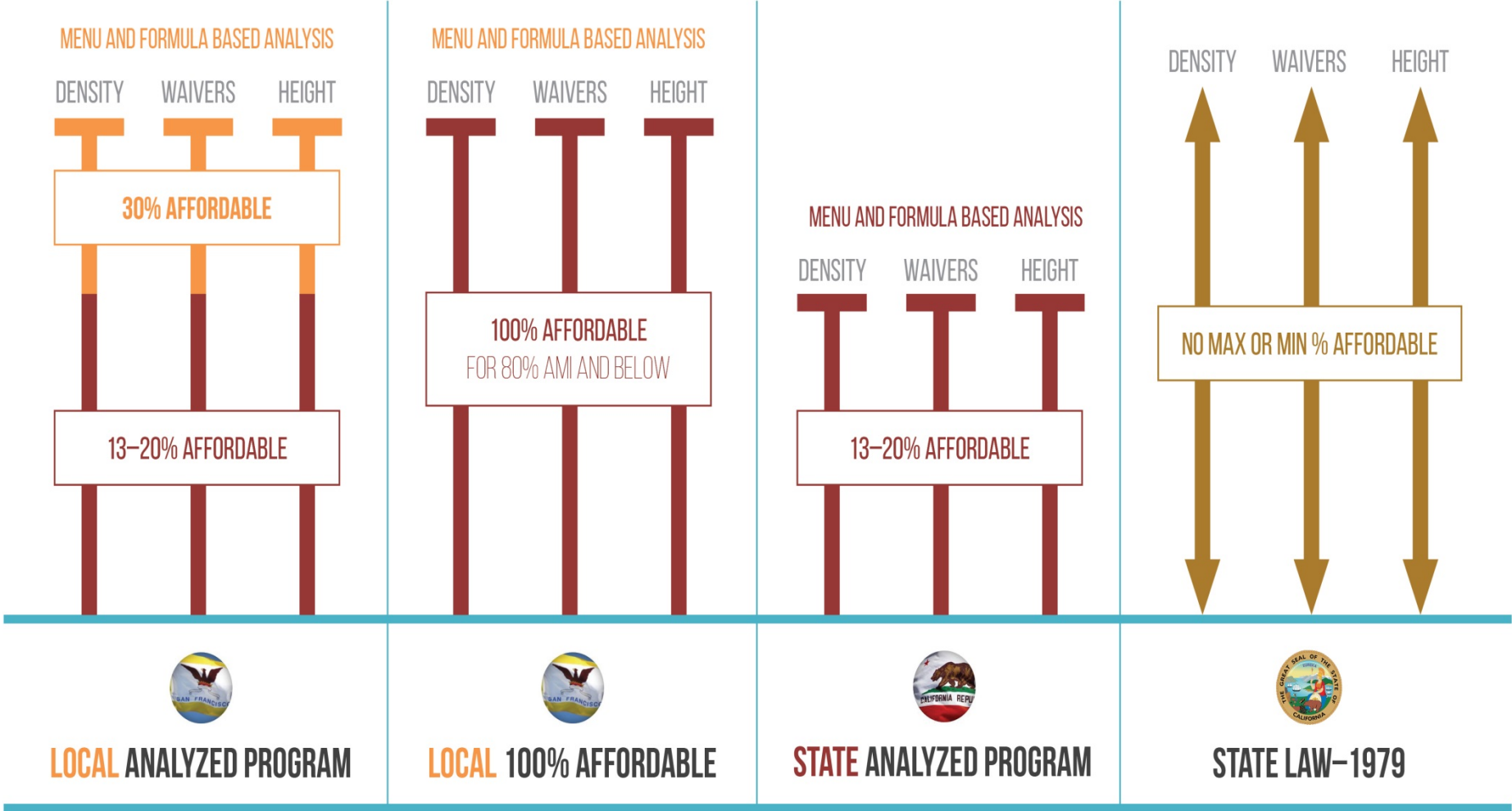
15 UNITS @ 1,000 SF EACH



DRAFT LEGISLATION



AHBP PROGRAMS



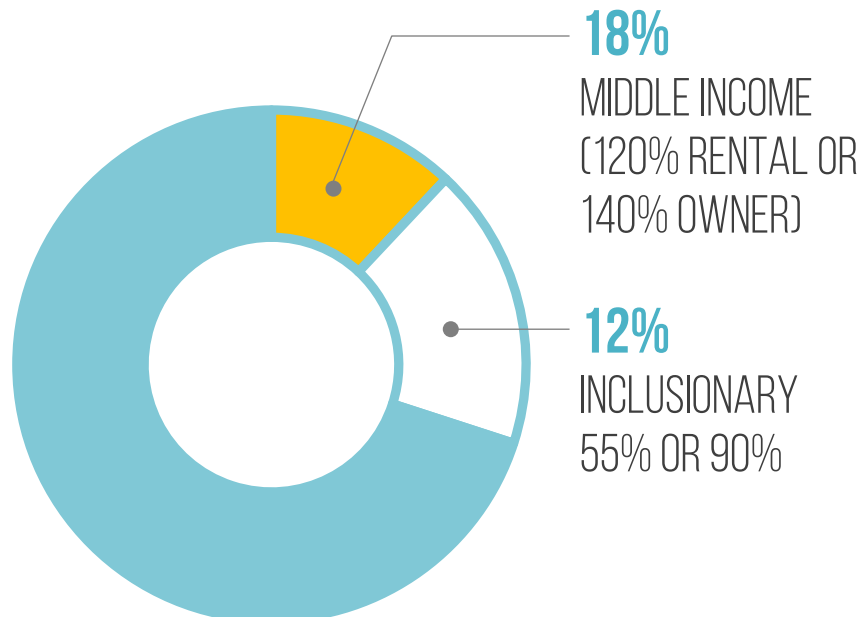


LOCAL PROGRAM, ACHIEVING LOCAL GOALS

30% AFFORDABLE AND MIDDLE INCOME

30%

OF THE
TOTAL PROJECT
AFFORDABLE



DENSITY REGULATIONS BASED ON

Height and Bulk Controls

40% two bedroom requirement

Design Principles

UP TO 2 STORIES ABOVE EXISTING HEIGHT LIMITS



LOCAL PROGRAM: 100 % AFFORDABLE PROJECTS



100% OF THE
TOTAL PROJECT
AFFORDABLE



**DENSITY REGULATIONS
BASED ON**

Height and Bulk Controls

Design Principles

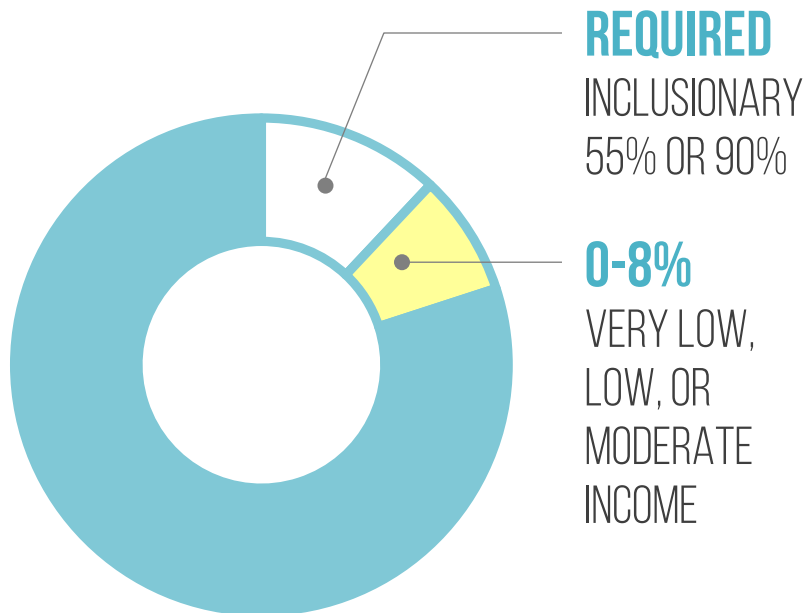
**UP TO 3 STORIES
ABOVE EXISTING HEIGHT LIMITS**

**EXTENDED ENTITLEMENTS –
10 YEARS**



STATE PROGRAM, REQUIRED BY STATE LAW GRADUATED DENSITY AND AFFORDABILITY

13 OR 20% OF THE
TOTAL PROJECT
AFFORDABLE



DENSITY BONUS GRADUATED SCALE BASED ON

% of affordable Units

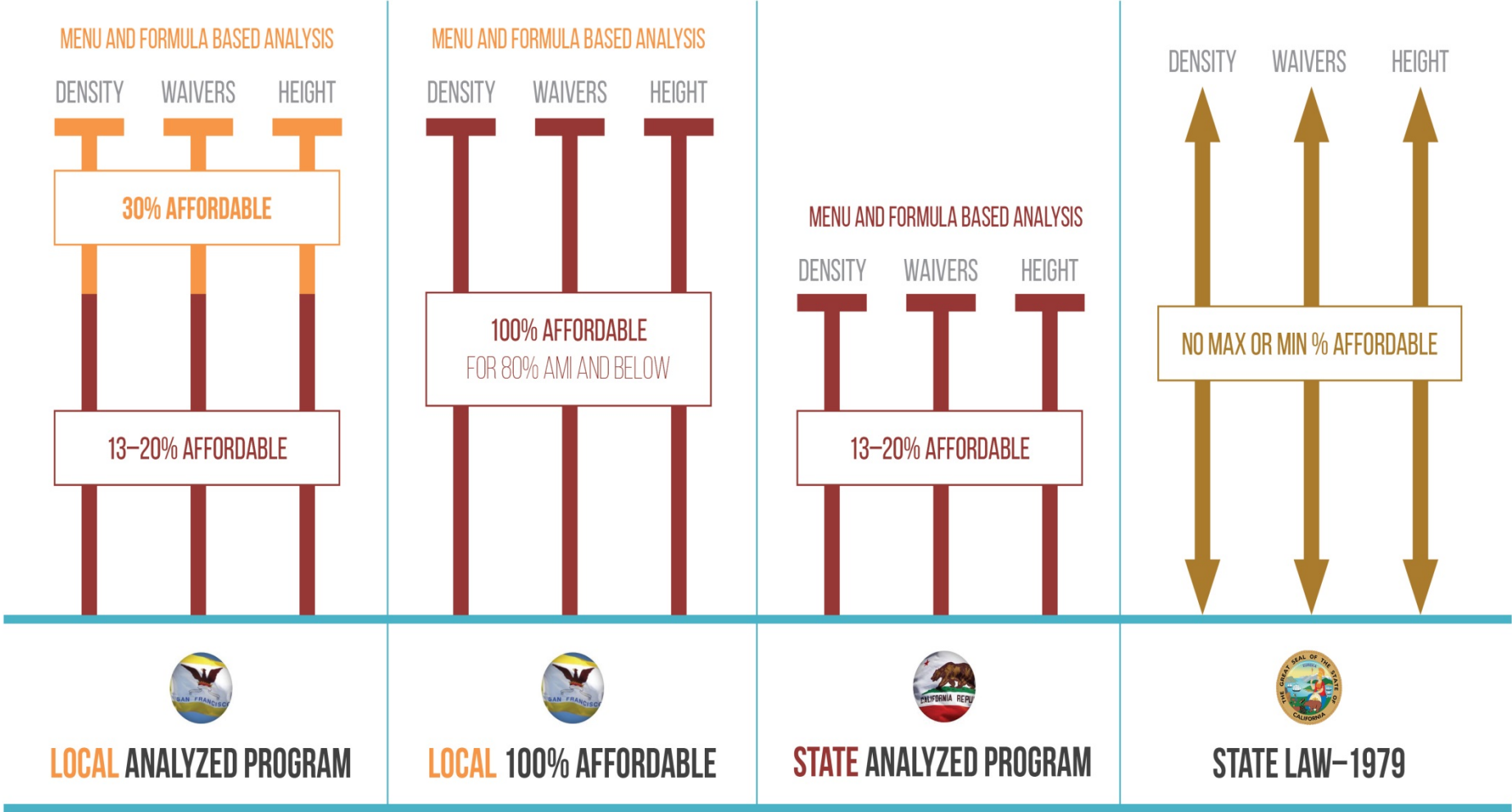
AMI served by Affordable Units

Range: 7 to 35% Density Bonus

MAXIMUM 2 STORIES ONLY IF NECESSARY

SOME PLANNING CODE CONCESSIONS
**BASED ON % AFFORDABLE
UNITS**

AHBP PROGRAMS





MENU OF INCENTIVES/ZONING MODIFICATIONS

- (1) Required per State Law
- (2) Necessary to accommodate increased affordability
- (3) Commonly granted through variances or administrative review
- (4) No threat to health and safety of San Francisco



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

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

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

AHBP SPECIFIC DESIGN GUIDELINES

1. CREATE A GRACIOUS, WELL-DEFINED GROUND FLOOR.
2. ENSURE TOPS OF BUILDINGS CONTRIBUTE TO NEIGHBORHOOD QUALITY.
3. ARTICULATE SIDEWALLS.
4. EXPRESS EXCEPTIONALLY COMPLIMENTARY ARCHITECTURAL CHARACTER

AFFORDABLE HOUSING BONUS PROGRAM



QUESTIONS AND COMMENTS?

Station #6

QUESTIONS?
COMMENTS?

1. What can we do to ensure that the architecture is beautiful and that we stop building ugly buildings?
2. Under these proposals, how many projects would be paid for by the Transportation Sustainability Fund?

What can we do to get as close to 100% affordable as possible?

PUBLIC BENEFITS AND TRANSPORTATION



PROGRAMS ARE FEASIBLE, ASSUME LAND BEARS THE COST

PROTOTYPE: *Development Costs Before Profit / Per Unit*



Hard Costs: Residential hard construction; parking hard construction; hard cost contingency.

Soft Costs: Impact public fees; construction finance; other soft costs.

PROTECTING EXISTING BUSINESSES



PROTECTING RENT CONTROL UNITS AND TENANTS



EXISTING REGULATIONS: DEMO OF UNITS

- Conditional Use or Mandatory Discretionary Review for mergers depending on zoning district
- CU for RTO, RTO-M, NCT, and Upper Market NCD for loss of a unit
- Mandatory Discretionary Review for units that are not demonstrably unaffordable (317)

EXISTING POLICIES- TENANT PROTECTIONS

- Ellis Act Housing Preference Program
- Relocation Payments
- Newly Passed Rent Ordinance (Kim)
- Neighborhood Preference Program

AHBP PROTECTIONS ---- AB 2222

For any AHBP project:

- All rent control and affordable units shall be replaced by like units.
- Rent control units would be replaced by permanently affordable BMR units.

INCENTIVIZING THE LOCAL PROGRAM





AHBP ENTITLEMENT PROCESS- INCENTIVIZING THE LOCAL PROGRAM

DRAFT LEGISLATION

- Commission Hearing
- 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

PROPOSED LEGISLATION

- Staff Review
- Design Review and Consistency with the Affordable Housing Design Guidelines
- Appeals to the Board of Appeals

MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT



Area Median Income (AMI)

MOHCD determines eligibility for assistance based on income, as a percentage of the median income based on household size.

2015 AMI

1 Person = \$71,350

2 People = \$81,500

3 People = \$91,700

4 People = \$101,900



INCOME LEVELS: CONTEXT

ANNUAL INCOME, BY HOUSEHOLD SIZE

	1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE	5 PEOPLE	6 PEOPLE
VERY LOW-INCOME HOUSEHOLDS <i>Earn up to 55% of Area Median Income</i>	\$39,250	\$44,850	\$50,450	\$56,050	\$60,550	\$65,000
LOW-INCOME HOUSEHOLDS <i>Earn up to 80% of Area Median Income</i>	\$57,100	\$65,200	\$73,350	\$81,500	\$88,050	\$94,550
MODERATE-INCOME HOUSEHOLDS <i>Earn up to 120% of Area Median Income</i>	\$85,600	\$97,800	\$110,050	\$122,300	\$132,050	\$141,850

ANNUAL INCOME, BY PROFESSION

 RETIREE RECEIVING SOCIAL SECURITY	 DISHWASHER	 CASHIER	 HOUSEKEEPING CLEANER	 LANDSCAPER OR GROUNDS- KEEPER	 CONSTRUCTION WORKER	 POSTAL CLERK	 ELEMENTARY/ SECONDARY SCHOOL TEACHER	 POST SECONDARY TEACHER	 POLICE, FIRE, AMBULANCE DISPATCH	 ELECTRICIAN	 ACCOUNTANT	 ELECTRICAL ENGINEER
Annual Income (Median) \$14,000	Annual Income (Median) \$22,000	Annual Income (Median) \$27,000	Annual Income (Median) \$34,000	Annual Income (Median) \$41,000	Annual Income (Median) \$48,000	Annual Income (Median) \$54,000	Annual Income (Median) \$61,000	Annual Income (Median) \$68,000	Annual Income (Median) \$75,000	Annual Income (Median) \$82,000	Annual Income (Median) \$88,000	Annual Income (Median) \$95,000
AM (Area Median Income) Category 20%	AM (Area Median Income) Category 30%	AM (Area Median Income) Category 40%	AM (Area Median Income) Category 50%	AM (Area Median Income) Category 60%	AM (Area Median Income) Category 70%	AM (Area Median Income) Category 80%	AM (Area Median Income) Category 90%	AM (Area Median Income) Category 100%	AM (Area Median Income) Category 110%	AM (Area Median Income) Category 120%	AM (Area Median Income) Category 130%	AM (Area Median Income) Category 140%



WHO IS AFFORDABLE HOUSING FOR?

50% AMI

(AREA MEDIAN INCOME)



Occupation

**HOUSEKEEPING
CLEANER**



Occupation

**LANDSCAPER
OR GROUNDS-
KEEPER**

ANNUAL INCOME, BY HOUSEHOLD SIZE

VERY LOW-INCOME HOUSEHOLDS

Earn up to 50% of Area Median Income



1 PERSON

\$36,000



2 PEOPLE

\$41,000



3 PEOPLE

\$46,000



4 PEOPLE

\$51,000

AFFORDABLE RENTS AND SALES PRICES

VERY LOW-INCOME HOUSEHOLDS

Earn up to 50% of Area Median Income



1 PERSON

**\$900
\$96,000**



2 PEOPLE

**\$1,000
\$113,000**



3 PEOPLE

**\$1,100
\$130,000**



4 PEOPLE

**\$1,300
\$147,000**

Rental
Owner

WHO IS AFFORDABLE HOUSING FOR?

80% AMI

(AREA MEDIAN INCOME)



Occupation

ELEMENTARY/
SECONDARY SCHOOL
TEACHER

ANNUAL INCOME, BY HOUSEHOLD SIZE

LOW-INCOME HOUSEHOLDS

Earn up to 80% of Area Median Income



1 PERSON

\$57,000



2 PEOPLE

\$65,000



3 PEOPLE

\$73,000



4 PEOPLE

\$82,000



Occupation

CONSTRUCTION
WORKER

AFFORDABLE RENTS AND SALES PRICES

LOW-INCOME HOUSEHOLDS

Earn up to 80% of Area Median Income



1 PERSON

Rental
Owner
\$1,400
\$197,000



2 PEOPLE

\$1,600
\$228,000



3 PEOPLE

\$1,800
\$260,000



4 PEOPLE

\$2,000
\$291,000

WHO IS AFFORDABLE HOUSING FOR?

120% AMI

(AREA MEDIAN INCOME)



Occupation

POLICE, FIRE,
AMBULANCE
DISPATCH

ANNUAL INCOME, BY HOUSEHOLD SIZE

MODERATE-INCOME HOUSEHOLDS

Earn up to 120% of Area Median Income

1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE
\$85,000	\$98,000	\$110,000	\$122,000



Occupation

ELECTRICIAN

AFFORDABLE RENTS AND SALES PRICES

MODERATE-INCOME HOUSEHOLDS

Earn up to 120% of Area Median Income

1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE
Rental \$2,100 Owner \$331,000	Rental \$2,400 Owner \$382,000	Rental \$2,700 Owner \$432,000	Rental \$3,000 Owner \$483,000

WHO IS AFFORDABLE HOUSING FOR?

140% AMI

(AREA MEDIAN INCOME)



Occupation

ACCOUNTANT



Occupation

ELECTRICAL
ENGINEER



NURSE



GARBAGE
COLLECTOR

ANNUAL INCOME, BY HOUSEHOLD SIZE

MIDDLE INCOME HOUSEHOLDS

Earn up to 140% of Area Median Income

1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE
\$100,000	\$114,000	\$128,000	\$143,000

AFFORDABLE RENTS AND SALES PRICES

MIDDLE INCOME HOUSEHOLDS

Earn up to 140% of Area Median Income

	1 PERSON	2 PEOPLE	3 PEOPLE	4 PEOPLE
Rental	\$2,500	\$2,800	\$3,200	\$3,500
Owner	\$398,000	\$458,000	\$519,000	\$579,000

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)

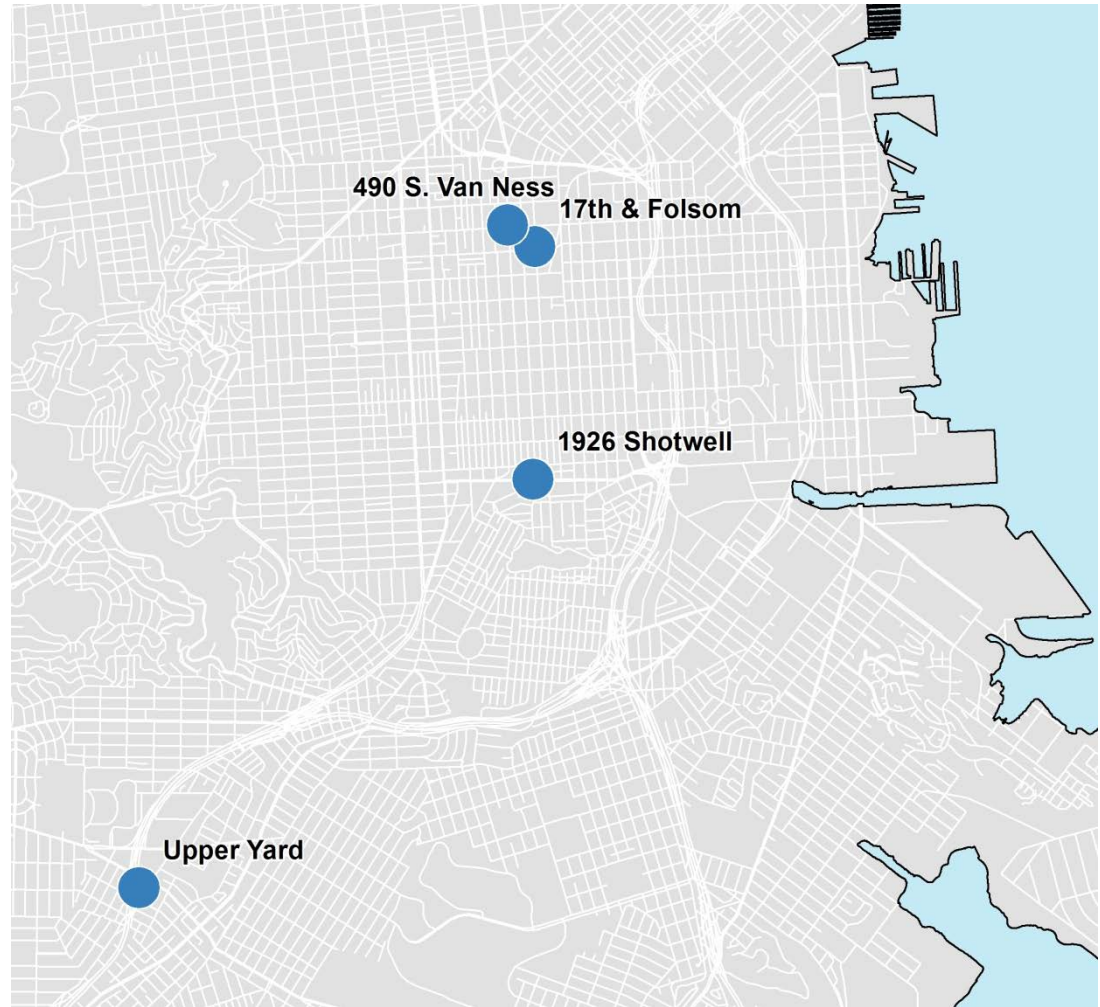
Up to 120% AMI

Teacher Next Door Down Payment Assistance (TND)

Up to 200% AMI



LOCAL PROGRAM: 100 % AFFORDABLE PROJECTS





THANK YOU!