

COMPLIANCE WITH THE INCLUSIONARY AFFORDABLE HOUSING PROGRAM



Date: October 25, 2017

To: Applicants subject to Planning Code Section 415 and 419: *Inclusionary Affordable Housing Program*

From: San Francisco Planning Department

Re: **Compliance with the Inclusionary Affordable Housing Program**

All projects that include 10 or more dwelling units must participate in the *Inclusionary Affordable Housing Program* contained in Planning Code Sections 415 and 419. Every project subject to the requirements of Planning Code Section 415 or 419 is required to pay the Affordable Housing Fee. A project may be eligible for an Alternative to the Affordable Housing Fee if the developer chooses to commit to sell the new residential units rather than offer them as rental units. Projects may be eligible to provide rental affordable units if it demonstrates the affordable units are not subject to the Costa Hawkins Rental Housing Act. All projects that can demonstrate that they are eligible for an Alternative to the Affordable Housing Fee must provide necessary documentation to the Planning Department and Mayor's Office of Housing and Community Development.

Before the Planning Department and/or Planning Commission can act on the project, this Affidavit for Compliance with the Inclusionary Affordable Housing Program must be completed. Please note that this affidavit is required to be included in Planning Commission packets and therefore, must comply with packet submittal guidelines.

The provisions of the Inclusionary Housing Program have recently been revised by the Board of Supervisors, effective on August 26, 2017 (Ord. No. 158-17 and File NO. 161351). Please be aware that the inclusionary requirements may differ for projects depending on when a complete Environmental Evaluation Application (EEA) was deemed complete by the Department ("EEA Accepted date"). Please also note that there are different requirements for smaller projects (10-24 units) and larger projects (25+ units). Please use the attached charts to determine the applicable requirement. Charts 1-3 include two sections. The first section is devoted to projects that are subject to Planning Code Section 415. The second section covers projects that are located in the Urban Mixed Use (UMU) Zoning District and certain projects within the Mission Neighborhood Commercial Transit District that are subject to Planning Code Section 419. Please use the applicable form and contact Planning staff with any questions.

For new projects with complete EEA's accepted on or after January 12, 2016, the Inclusionary Affordable Housing Program requires the provision of on-site and off-site affordable units at a mix of income levels. The number of units provided at each income level depends on the project tenure, date the EEA for the project is deemed complete, and the applicable schedule of on-site rate increases. Income levels are defined as a percentage of the Area Median Income (AMI), for low-income, moderate-income, and middle-income units, as shown in Chart 5. Projects with a complete EEA accepted prior to January 12, 2016 must provide the all of the inclusionary units at the low income AMI. **NOTE: Any project with a complete EEA accepted prior to January 12, 2016 must obtain a site or building permit by December 7, 2018, or will be subject to the Inclusionary Housing rates and requirements in effect at the time the project proceeds to pursue a permit.**

Summary of requirements. Please determine what requirement is applicable for your project based on the size of the project, the zoning of the property, and the date that a complete Environmental Evaluation Application (EEA) was submitted deemed complete by Planning Staff. Chart 1-A applies to all projects throughout San Francisco with EEA's accepted prior to January 12, 2016, whereas Chart 1-B specifically addresses UMU (Urban Mixed Use District) Zoning Districts. Charts 2-A and 2-B apply to rental projects and Charts 3-A and 3-B apply to ownership projects with a complete EEA accepted on or after January 12, 2016. Charts 4-A and 4-B apply to three geographic areas with higher inclusionary requirements: the North of Market Residential SUD, SOMA NCT, and Mission Area Plan.

Projects that received a first discretionary approval prior to January 12, 2016 are not subject to the revised Inclusionary requirement. The applicable requirements for these projects are those listed in the "EEA accepted before 1/1/13" column.

The Project contains:	The zoning of the property is:	Complete EEA was submitted on:
UNITS		

CHART 1-A: Inclusionary Requirements for all projects with Complete EEA accepted before 1/12/2016

	Complete EEA Accepted: →	Before 1/1/13	Before 1/1/14	Before 1/1/15	Before 1/12/16
Fee or Off-site					
10-24 unit projects		20.0%	20.0%	20.0%	20.0%
25+ unit projects at or below 120'		20.0%	25.0%	27.5%	30.0%
25+ unit projects over 120' in height *		20.0%	30.0%	30.0%	30.0%
On-site					
10-24 unit projects		12.0%	12.0%	12.0%	12.0%
25+ unit projects		12.0%	13.0%	13.5%	14.5%

* except buildings up to 130 feet in height located both within a special use district and within a height and bulk district that allows a maximum building height of 130 feet, which are subject to the requirements of 25+ unit projects at or below 120 feet.

CHART 1-B: Requirements for all projects in UMU Districts with Complete EEA accepted before 1/12/2016

Please note that certain projects in the SOMA Youth and Family SUD and Western SOMA SUD also rely upon UMU requirements.

	Complete EEA Accepted: →	Before 1/1/13	Before 1/1/14	Before 1/1/15	Before 1/12/16
On-site UMU					
Tier A 10-24 unit projects		14.4%	14.4%	14.4%	14.4%
Tier A 25+ unit projects		14.4%	15.4%	15.9%	16.4%
Tier B 10-24 unit projects		16.0%	16.0%	16.0%	16.0%
Tier B 25+ unit projects		16.0%	17.0%	17.5%	18.0%
Tier C 10-24 unit projects		17.6%	17.6%	17.6%	17.6%
Tier C 25+ unit projects		17.6%	18.6%	19.1%	19.6%
Fee or Off-site UMU					
Tier A 10-24 unit projects		23.0%	23.0%	23.0%	23.0%
Tier A 25+ unit projects		23.0%	28.0%	30.0%	30.0%
Tier B 10-24 unit projects		25.0%	25.0%	25.0%	25.0%
Tier B 25+ unit projects		25.0%	30.0%	30.0%	30.0%
Tier C 10-24 unit projects		27.0%	27.0%	27.0%	27.0%
Tier C 25+ unit projects		27.0%	32.0%	30.0%	30.0%
Land Dedication in UMU or Mission NCT					
Tier A 10-24 unit < 30K		35.0%	35.0%	35.0%	35.0%
Tier A 10-24 unit > 30K		30.0%	30.0%	30.0%	30.0%
Tier A 25+ unit < 30K		35.0%	40.0%	42.5%	45.0%
Tier A 25+ unit > 30K		30.0%	35.0%	37.5%	40.0%
Tier B 10-24 unit < 30K		40.0%	40.0%	40.0%	40.0%
Tier B 10-24 unit > 30K		35.0%	35.0%	35.0%	35.0%
Tier B 25+ unit < 30K		40.0%	45.0%	47.5%	50.0%
Tier B 25+ unit > 30K		35.0%	40.0%	42.5%	45.0%
Tier C 10-24 unit < 30K		45.0%	45.0%	45.0%	45.0%
Tier C 10-24 unit > 30K		40.0%	40.0%	40.0%	40.0%
Tier C 25+ unit < 30K		45.0%	50.0%	52.5%	55.0%
Tier C 25+ unit > 30K		40.0%	45.0%	47.5%	50.0%

COMPLIANCE WITH THE INCLUSIONARY AFFORDABLE HOUSING PROGRAM

PLANNING CODE SECTION 415, 417 & 419



Date

I, _____,
do hereby declare as follows:

A The subject property is located at (address and block/lot):

Address

Block / Lot

B The proposed project at the above address is subject to the *Inclusionary Affordable Housing Program*, Planning Code Section 415 and 419 et seq.

The Planning Case Number and/or Building Permit Number is:

Planning Case Number

Building Permit Number

This project requires the following approval:

- Planning Commission approval (e.g. Conditional Use Authorization, Large Project Authorization)
- Zoning Administrator approval (e.g. Variance)
- This project is principally permitted.

The Current Planner assigned to my project within the Planning Department is:

Planner Name

This project is exempt from the *Inclusionary Affordable Housing Program* because:

- This project is 100% affordable.
- This project is 100% student housing.

Is this project in an UMU Zoning District within the Eastern Neighborhoods Plan Area?

- Yes _____ No
- (If yes, please indicate Affordable Housing Tier)

Is this project a HOME-SF Project?

- Yes No

Is this project a State Density Bonus Project?

- Yes _____ No
- (If yes, please indicate whether the project is an Analyzed or Individually Requested State Density Bonus Project)

C This project will comply with the Inclusionary Affordable Housing Program by:

- Payment of the Affordable Housing Fee prior to the first construction document issuance (Planning Code Section 415.5)
- On-site Affordable Housing Alternative (Planning Code Sections 415.6)
- Off-site Affordable Housing Alternative (Planning Code Sections 415.7)
- Combination of payment of the Affordable Housing Fee and the construction of on-site or off-site units (Planning Code Section 415.5 - required for Individually Requested State Density Bonus Projects)
- Eastern Neighborhoods Alternate Affordable Housing Fee (Planning Code Section 417)
- Land Dedication (Planning Code Section 419)

D If the project will comply with the Inclusionary Affordable Housing Program through an **On-site** or **Off-site Affordable Housing Alternative**, please fill out the following regarding how the project is eligible for an alternative.

- Ownership.** All affordable housing units will be sold as ownership units and will remain as ownership units for the life of the project.
- Rental.** Exemption from Costa Hawkins Rental Housing Act.¹ The Project Sponsor has demonstrated to the Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act, under the exception provided in Civil Code Sections 1954.50 through one of the following:
 - Direct financial contribution from a public entity.
 - Development or density bonus, or other public form of assistance.
 - Development Agreement with the City. The Project Sponsor has entered into or has applied to enter into a Development Agreement with the City and County of San Francisco pursuant to Chapter 56 of the San Francisco Administrative Code and, as part of that Agreement, is receiving a direct financial contribution, development or density bonus, or other form of public assistance.

E The Project Sponsor acknowledges that any change which results in the reduction of the number of on-site affordable units following the project approval shall require public notice for a hearing and approval by the Planning Commission.

F The Project Sponsor acknowledges that failure to sell the affordable units as ownership units or to eliminate the on-site or off-site affordable ownership-only units at any time will require the Project Sponsor to:

- (1) Inform the Planning Department and the Mayor's Office of Housing and, if applicable, fill out a new affidavit;
- (2) Record a new Notice of Special Restrictions; and
- (3) Pay the Affordable Housing Fee plus applicable interest (using the fee schedule in place at the time that the units are converted from ownership to rental units) and any applicable penalties by law.

G The Project Sponsor acknowledges that in the event that one or more rental units in the principal project become ownership units, the Project Sponsor shall notify the Planning Department of the conversion, and shall either reimburse the City the proportional amount of the Inclusionary Affordable Housing Fee equivalent to the then-current requirement for ownership units, or provide additional on-site or off-site affordable units equivalent to the then-current requirements for ownership units.

H For projects with EEA's accepted before January 12 2016, in the event that the Project Sponsor does not procure a building or site permit for construction of the principal project before December 7, 2018, the Project shall comply with the Inclusionary Affordable Housing Requirements applicable thereafter at the time the Sponsor proceeds with pursuing a permit.

I For projects with EEA's accepted on or after January 12 2016, in the event that the Project Sponsor does not procure a building or site permit for construction of the principal project within 30 months of the Project's approval, the Project shall comply with the Inclusionary Affordable Housing Requirements applicable thereafter at the time the Sponsor is issued a site or building permit.

J If a Project Sponsor elects to completely or partially satisfy their Inclusionary Housing requirement by paying the Affordable Housing Fee, the Sponsor must pay the fee in full sum to the Development Fee Collection Unit at the Department of Building Inspection for use by the Mayor's Office of Housing prior to the issuance of the first construction document.

K I am a duly authorized agent or owner of the subject property.

¹ California Civil Code Section 1954.50 and following.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this day in:

Location

Date

Sign Here

Signature

Name (Print), Title

Contact Phone Number

cc: Mayor's Office of Housing and
Community Development
Planning Department Case Docket

UNIT MIX TABLES

Number of All Units in PRINCIPAL PROJECT:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
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If you selected the On-site, Off-Site, or Combination Alternative, please fill out the applicable section below. The On-Site Affordable Housing Alternative is required for HOME-SF Projects pursuant to Planning Code Section 206.3. State Density Bonus Projects that have submitted an Environmental Evaluation Application prior to January 12, 2016 must select the On-Site Affordable Housing Alternative. State Density Bonus Projects that have submitted an Environmental Evaluation Application on or after to January 12, 2016 must select the Combination Affordable Housing Alternative to record the required fee on the density bonus pursuant to Planning Code Section 415.3. If the Project includes the demolition, conversion, or removal of any qualifying affordable units, please complete the Affordable Unit Replacement Section.

On-site Affordable Housing Alternative (Planning Code Section 415.6): % of the unit total.

Number of Affordable Units to be Located ON-SITE:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
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LOW-INCOME	Number of Affordable Units	% of Total Units	AMI Level
MODERATE-INCOME	Number of Affordable Units	% of Total Units	AMI Level
MIDDLE-INCOME	Number of Affordable Units	% of Total Units	AMI Level

Off-site Affordable Housing Alternative (Planning Code Section 415.7): % of the unit total.

Number of Affordable Units to be Located OFF-SITE:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
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Area of Dwellings in Principal Project (in sq. feet):	Off-Site Project Address:	
Area of Dwellings in Off-Site Project (in sq. feet):		
Off-Site Block/Lot(s):	Motion No. for Off-Site Project (if applicable):	Number of Market-Rate Units in the Off-site Project:

AMI LEVELS:	Number of Affordable Units	% of Total Units	AMI Level

UNIT MIX TABLES: CONTINUED

Combination of payment of a **fee, on-site affordable units, or off-site affordable units** with the following distribution:
Indicate what percent of each option will be implemented (from 0% to 99%) and the number of on-site and/or off-site below market rate units for rent and/or for sale.

1. On-Site % of affordable housing requirement.

If the project is a State Density Bonus Project, please enter "100%" for the on-site requirement field and complete the Density Bonus section below.

Number of Affordable Units to be Located ON-SITE:					
TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:

2. Off-Site % of affordable housing requirement.

Number of Affordable Units to be Located OFF-SITE:					
TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
Area of Dwellings in Principal Project (in sq. feet):		Off-Site Project Address:			
Area of Dwellings in Off-Site Project (in sq. feet):					
Off-Site Block/Lot(s):		Motion No. for Off-Site Project (if applicable):		Number of Market-Rate Units in the Off-site Project:	

Income Levels for On-Site or Off-Site Units in Combination Projects:

AMI LEVELS:	Number of Affordable Units	% of Total Units	AMI Level

3. Fee % of affordable housing requirement.

Is this Project a State Density Bonus Project? Yes No

If yes, please indicate the bonus percentage, up to 35% _____, and the number of bonus units and the bonus amount of residential gross floor area, if applicable _____

I acknowledge that Planning Code Section 415.4 requires that the Inclusionary Fee be charged on the bonus units or the bonus residential floor area.

Affordable Unit Replacement: Existing Number of Affordable Units to be Demolished, Converted, or Removed for the Project

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:

This project will replace the affordable units to be demolished, converted, or removed using the following method:

- On-site Affordable Housing Alternative
- Payment of the Affordable Housing Fee prior to the first construction document issuance
- Off-site Affordable Housing Alternative (Planning Code Sections 415.7)
- Combination of payment of the Affordable Housing Fee and the construction of on-site or off-site units (Planning Code Section 415.5)

Contact Information and Declaration of Sponsor of PRINCIPAL PROJECT

Company Name

Name (Print) of Contact Person

Address

City, State, Zip

Phone / Fax

Email

I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above.

Sign Here

Signature:

Name (Print), Title:

Contact Information and Declaration of Sponsor of OFF-SITE PROJECT (If Different)

Company Name

Name (Print) of Contact Person

Address

City, State, Zip

Phone / Fax

Email

I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above.

Sign Here

Signature:

Name (Print), Title: