



SAN FRANCISCO PLANNING DEPARTMENT

Supplemental Memorandum to Executive Summary

Date: January 18, 2017
Case Number: 2012.0726PCA
Project Name: Amendments to the TDM Program Standards
Prepared by: Wade Wietgreffe, (415) 575-9050
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RE: On-site Affordable Housing TDM Measure

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Since publication of the executive summary on January 13th for the above case number, staff has amended the on-site affordable housing measure to better reflect newer research regarding the relationship of vehicle miles traveled (VMT) from higher levels of affordability. The following would be an additional “substantive” amendment per Section 4.1 of the TDM Program Standards beyond those included in the executive summary. **Substantive amendments require Planning Commission adoption.**

On-Site Affordable Housing

Amendment. The measure would be amended to differentiate between on-site affordable housing provided where total household income levels do not exceed 55 or 80 percent of Area Median Income, as defined in the Planning Code. In addition, the measure would amend the options and associated points, depending upon the percentage of units that meet either of those household income levels.

Discussion. Demographics are a factor that affect travel behavior. Under the current TDM Program Standards, a study within the California Air Pollution Control Officers Association (CAPCOA), *Quantifying Greenhouse Gas Mitigation Measures: A Resource for Local Government to Assess Emission Reductions from Greenhouse Gas Mitigation Measures*, August 2010 was used as a basis for assigning the four options and associated points for this measure. More recent research within Transform and California Housing Partnership Corporation (Transform), *Why Creating and Preserving Affordable Homes Near Transit is a Highly Effective Climate Protection Strategy*, May 2014 substantiates that affordable housing reduces VMT more than estimated in the CAPCOA study. The Table below summarizes the VMT estimates for households with various income levels that live within one quarter-mile of a high-quality transit (like San Francisco) as shown in the Transform study.

Household VMT for Households within 1/4 Mile of High-Quality Transit

	Income Range				
	High > 120%	Moderate 80% - 120%	Low 50% - 80%	Very Low 30% - 50%	Extremely Low < 30%
Daily Household VMT	49.3	32.8	26.3	23.4	20.7
% difference in daily household VMT from moderate income			-20%	-29%	-37%

VMT = vehicle miles traveled

Source: Transform and California Housing Partnership Corporation, *Why Creating and Preserving Affordable Homes Near Transit is a Highly Effective Climate Protection Strategy*, May 2014.

As shown in the table, households with income levels that do not exceed 80 percent and 50 percent are estimated to have VMT that is 20 percent and 29 percent less than moderate income households, respectively. The Transportation Authority's San Francisco Chained Activity Modeling Process (SF-CHAMP) accounts for demographics in estimating background VMT. Therefore, similar to other individual TDM measures, the percentage reduction in VMT compared to moderate income was adjusted by half to reflect background conditions unique to San Francisco and likely accounted for in SF-CHAMP. In other words, it is assumed that households within income levels that do not exceed 80 percent and 55 percent¹ would have a maximum of 10 percent and 15 percent reduction in VMT compared to moderate income households, respectively. Using the simple formula established in the TDM Technical Justification of one percent reduction in VMT = one point, this equates to a maximum of 10 points and 15 points, depending on income levels provided for on-site affordable housing. The scale and associated options have been reduced to three and four points, to reflect the Planning Code on-site affordable housing permitted amounts up to 25 percent. If the Planning Code were to be amended to permit lower or higher amounts of on-site affordable housing in the future, the scale for this TDM measure could be amended to reflect those Planning Code amendments.

For example, a Development Project includes 100 dwelling units. Of these 100 dwelling units, 15 dwelling units would be provided where total household income does not exceed 80 percent of Area Median Income (2 points) and seven dwelling units would be provided where total household income does not exceed 55 percent of Area Median Income (1 point). Combined, the Development Project would receive 3 points for this TDM measure.

Attached is an errata to Exhibit A of the draft resolution included in the staff report, which details the amendments to this TDM measure.

¹ 55 percent was chosen to match the income level cutoff in the Planning Code.



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Errata - Exhibit A to Resolution No.

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The following identifies the amendments that would be made to the on-site affordable housing TDM measure beyond those amendments that were included in the executive summary.

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NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.

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Additions to Codes are in *single-underline italics Times New Roman font*.

Deletions to Codes are in *strikethrough italics Times New Roman font*.

Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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LU-2 On-site Affordable Housing

The Development Project shall include on-site Affordable Housing, as defined in Planning Code Section 415^t, as research indicates that Affordable Housing units generate fewer vehicle trips than market-rate housing units. *This measure is in recognition of the amount of on-site affordable housing a Development Project may provide as permitted by City law, as opposed to a requirement.*

Option	Percentage of Units by Income Range		Points
	Low Income (Income > 55 < 80%)	Low Income (Income < 55%)	
<u>A</u>	<u>≥ 5 ≤ 10%</u>	<u>≥ 3 ≤ 7%</u>	<u>1</u>
<u>B</u>	<u>> 10 ≤ 20%</u>	<u>> 7 ≤ 14%</u>	<u>2</u>
<u>C</u>	<u>> 20 ≤ 25%</u>	<u>> 14 ≤ 20%</u>	<u>3</u>
<u>D</u>	<u>==</u>	<u>> 20 ≤ 25%</u>	<u>4</u>

Option A

One point if providing greater than or equal to ~~12~~ five percent and less than or equal to ~~25~~ 10 percent on-site Affordable Housing where total household income does not exceed 80 percent of Area Median Income; OR

One point if providing greater than or equal to three percent and less than or equal to seven percent on-site Affordable Housing where total household income does not exceed 55 percent of Area Median Income; OR

Option B

Two points if providing greater than ~~or equal to 26~~ 10 percent and less than or equal to ~~50~~ 20 percent on-site Affordable Housing where total household income does not exceed 80 percent of Area Median Income; OR

Two points if providing greater than 7 percent and less than or equal to 14 percent on-site Affordable Housing where total household income does not exceed 55 percent of Area Median Income; OR

Option C

Three points if providing greater than ~~or equal to 51~~ 20 percent and less than or equal to ~~75~~ 25 percent on-site Affordable Housing where total household income does not exceed 80 percent of Area Median Income; OR

Three points if providing greater than 14 percent and less than or equal to 20 percent on-site Affordable Housing where total household income does not exceed 55 percent of Area Median Income; OR

Option D

Four points if providing greater than ~~or equal to 76~~ 20 percent *and less than or equal to 25 percent* on-site Affordable Housing *where total household income does not exceed 55 percent of Area Median Income.*

ONGOING MONITORING AND REPORTING

The Mayor's Office of Housing and Community Development (MOHCD) shall monitor and require occupancy certification for affordable ownership and rental units on an annual or bi-annual basis, as outlined in the Procedures Manual²¹. The MOHCD may also require the owner of an affordable rental unit, the owner's designated representative, or the tenant in the affordable unit to verify the income levels of the tenant on an annual or bi-annual basis, as outlined in the Procedures Manual.

NOTES:

~~1. In order to select this measure, the on site affordable Dwelling Units must average 25 percent below Area Median Income as defined in Planning Code Section 401.~~

~~2.~~ 1. City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures manual, effective May, 2013.