



To: Members of the Balboa Reservoir Community Advisory Committee

From: Emily Lesk, Office of Economic and Workforce Development

Date: March 25, 2016

Subject: Consensus Development Parameters: Housing

At the March 14, 2016 meeting of the Balboa Reservoir CAC (the "CAC"), the members of the CAC reached consensus around the following housing parameters, which had undergone two rounds of revisions in response to CAC and community feedback. The redline within the text below is an additional change requested by a CAC member in conjunction with the March 14 consensus discussion.

HOUSING PARAMETERS

Principle #1: Build new housing for people at a range of income levels.

Parameters:

- a. Make at least 33% of total housing units permanently affordable in perpetuity to low or moderate -income households, consistent with Proposition K (2014).
 1. Make at least 15% of total housing units affordable to low-income households (up to 55% of Area Median Income (AMI)).
 2. Make an additional 18% (or more) of total housing units affordable to low or moderate-income (up to 120% of AMI).
- b. Maximize the number of affordable units for low (up to 55% of AMI), moderate (up to 120% of AMI), and middle-income (up to 150% AMI); propose financial strategies and mechanisms to achieve at least 50% of affordable to low, moderate, and middle-income households. Additionally, proposals should strive to exceed this 50% target.
- c. Produce sufficient market rate housing to cover costs, provide an economic return to the SFPUC ratepayers, and ensure project feasibility. Do not exceed the minimum number of market-rate units that are necessary to achieve these objectives.
- d. Maximize the amount of affordable housing by ~~Exceed~~ ~~exceeding~~ these minimum affordable housing percentages to the greatest extent possible, provided that all other development parameters are also met.
- e. Provide a mix of rental and ownership units.

Principle #2: Create housing that can serve a diverse group of household types.

Parameters:

- a. Provide all affordable housing on-site (as opposed to providing housing off-site or through the developer paying an in-lieu fee).
- b. Design a substantial proportion of housing units, common spaces within residential buildings, and public amenities to be suitable for families with children. A key characteristic of “family-friendly” units is that they have at least two bedrooms.
- c. Indicate how family-friendly units will be made accessible to households at a range of incomes.
- d. Consider partnering with City College and/or area schools to allocate on-site units to house students, faculty, and/or staff.
- e. Identify effective partners and strategies to target affordable housing to special populations such as seniors, physically and developmentally disabled adults, veterans, and/or public servants, subject to fair housing law, ability to secure required subsidy, and related City housing policies.
- f. Consider including alternative housing ownership models, such as co-operative housing.

Principle #3: Help to alleviate City’s undersupply of housing.

Parameters:

- a. Within the confines of other relevant parameters (e.g. Principle 1(a), neighborhood character, open space, transportation, City College), and subject to the desired unit sizes and family-oriented units cited above, maximize the amount of new housing created to address the current and projected affordability challenges faced by the neighborhood and the City.
- b. Create housing without compromising the quality of design or construction or outpacing needed transportation infrastructure.