



# BALBOA RESERVOIR

## PUBLIC LAND FOR HOUSING

# Public Land for Housing Program

## *Initial Public Sites*



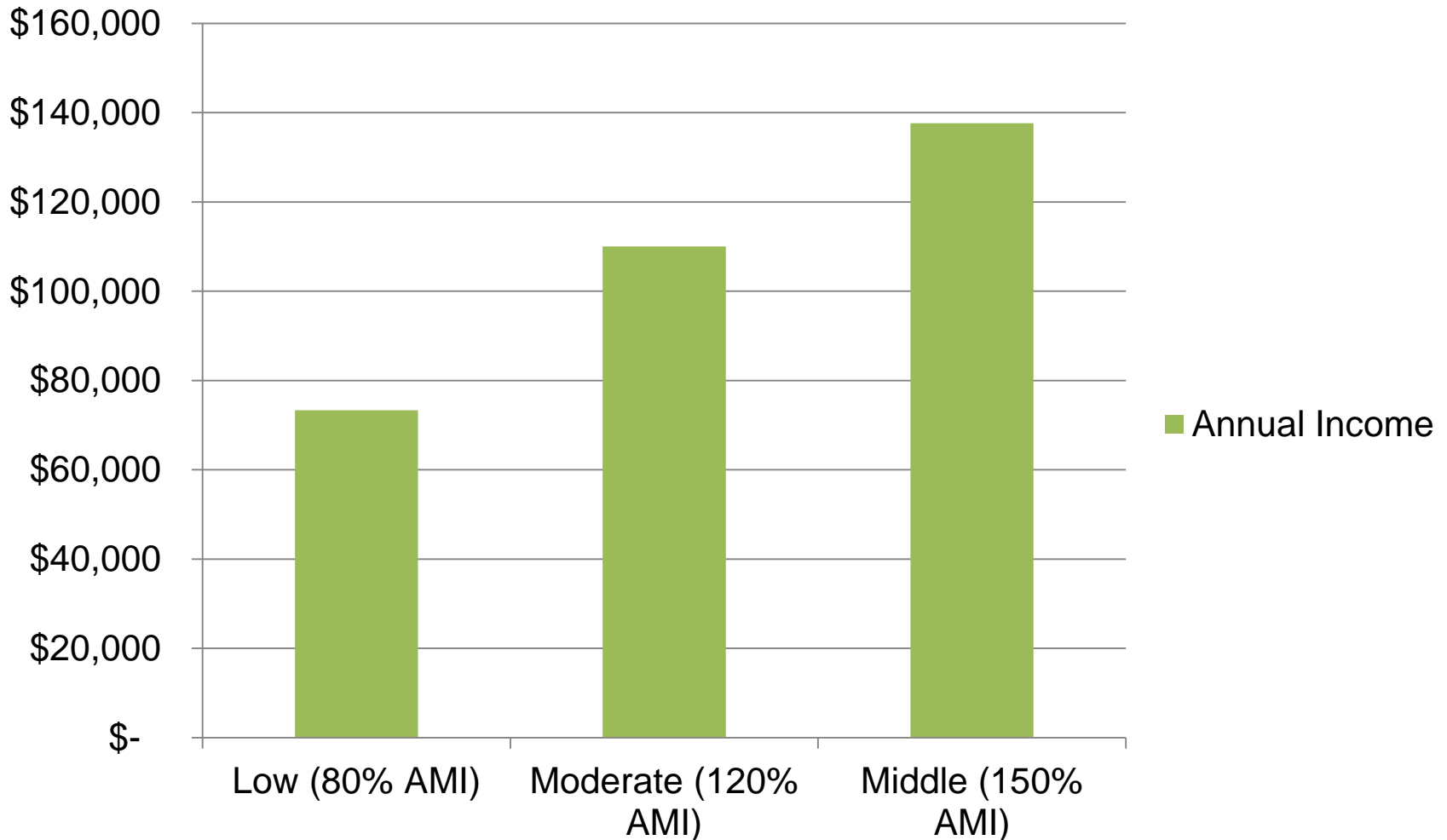
# Public Land for Housing Program

## *Policy Background*

- Proposition K Goals (Approved by voters, November **2014**)
  - 30,000 units by 2020
  - 33% affordable to low and moderate incomes
- Public Land for Housing Program Goals
  - 4,000 units on public land by 2020
  - 50% affordable to low and moderate incomes, program wide
    - 1950 Mission: 120 units / 100% affordable to low incomes
    - 4<sup>th</sup> and Folsom: 85 units / TBD (likely 100% affordable to low incomes)
    - Upper Yard, 90 units / 100% affordable to low incomes

# Income Levels for a Family of Three

## Annual Income



# Affordable Housing Financial Dynamics

- Low-income units require approximately \$250,000 in subsidy
- Site infrastructure and parks require even more funding
- Best chance for funding requires parcels to pay property tax
  - Market rate units pay full property tax
  - Low-income units can (and typically do) apply for exemption



# Proposition K of 2015

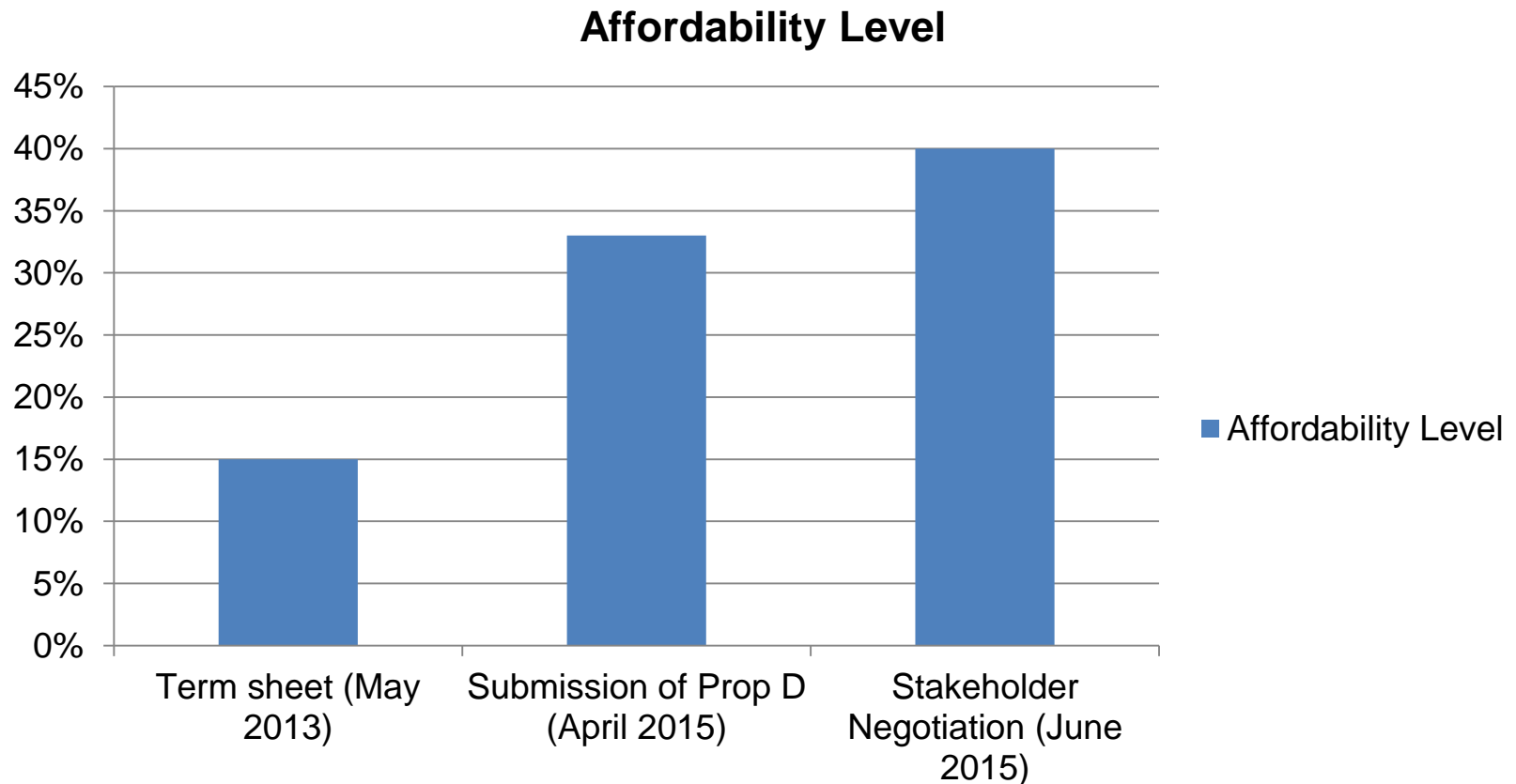
- Amends City Surplus Property Ordinance
- Proposition is non-binding for SFPUC
- But allows for the City to elect a mixed-income approach on sites of 200 units or more
  - Not less than 33% of units affordable for households earning up to 120% of AMI (i.e. low and moderate income)
  - At least 50% of units within financial reach of working middle class San Franciscans (i.e. middle income or up to 150% AMI), subject to financial feasibility

# Balboa Reservoir Affordable Housing Strategy

- Have interested developers compete to provide best offer for a “self-financed” affordability package
  - ~~*In other words, the “not less than 33%” affordable to low and moderate income households referenced in 2015 Prop K, PLUS additional below-market rate middle income units up to a target of 50% total affordability*~~
- Utilize Exclusive Negotiation Agreement (ENA) period to negotiate additional affordability
  - *No more market rate units than necessary to satisfy funding need (for affordable housing, parks, site infrastructure)*
  - *While still achieving fair market value for SFPUC*

# Case Study: Mission Rock at Giants' Lot A

- Exclusive Negotiation Agreement first executed September 2010





# THANK YOU!

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