

1 [Requiring Minimum Square Footage for Off-site Units and Clarifying Unit Requirements in
2 Inclusionary Affordable Housing Program.]

3 **Ordinance amending Planning Code Section 315.5 to provide that off-site units**
4 **produced to meet the City's Inclusionary Affordable Housing Program shall be of a**
5 **similar square footage to the units produced in the principle project; amending**
6 **Sections 315.4 and 315.5 to change the method of calculating the requirement for**
7 **number of units produced under the Inclusionary Affordable Housing Program to more**
8 **closely reflect the percentages stated in the text of the Ordinance.**

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10 Note: Additions are single-underline italics Times New Roman;
11 deletions are ~~strikethrough italics Times New Roman~~.
Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

12
13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. The San Francisco Planning Code is hereby amended by amending Section
15 315.4 and 315.5, to read as follows:

16 **Section 315.4: ON-SITE HOUSING REQUIREMENT AND BENEFITS**

17 Except as provided in Section 315.4(e), all housing projects subject to this Program
18 through the application of Section 315.3 shall be required to construct on-site units subject to
19 the following requirements:

20 (a) Number of Units:

21 (1) The Planning Department shall require for housing projects covered by Section
22 315.3(a)(1), as a condition of Planning Department approval of a project's building permit, that
23 10% of all units constructed on the project site shall be affordable to qualifying households so
24 that ~~the following number of units affordable to qualifying households shall be required:~~

<i>Number of Units in Principal Project</i>	<i>Required Number of Affordable Units</i>
0—9	0
10—14	1
15—24	2
25—34	3
35—44	4
45+	<i>1 additional unit for each additional 10 dwelling units</i>

a project applicant must construct .10 times the total number of units produced in the principal project beginning with the construction of the tenth unit. If the total number of units is not a whole number, the project applicant shall round up to the nearest whole number for any portion of .5 or above.

Notwithstanding any other provision of this section, any inclusionary affordable requirement imposed on housing projects covered by Section 315.3(a)(1) in connection with an application filed with the Department of Building Inspection from the effective date of this legislation and 180 days thereafter shall be 5% ~~as follows:~~

<i>Number of Units in Principal Project</i>	<i>Required Number of Affordable Units</i>
0—9	0
10—29	1
30—49	2
50—69	3

70—89	4
90 +	1 additional unit for each additional 20 dwelling units

so that a project applicant must construct .05 times the total number of units produced in the principal project beginning with the construction of the tenth unit. If the total number of units is not a whole number, the project applicant shall round up to the nearest whole number for any portion of .5 or above.

The Planning Department shall provide written notice by mail to the project applicant of the number of affordable units which shall be required within 30 days of approval by the Planning Department or Planning Commission.

(2) The Planning Department or the Planning Commission shall require for housing projects covered by Section 315.3(a)(2), (3) and (4), as a Condition of Approval of a conditional use or planned unit development permit or as a condition of Planning Department approval of a live/work project that 12% of all units constructed on the project site shall be affordable to qualifying households so that ~~the following number of units affordable to qualifying households shall be required:~~

<i>Number of Units in Principal Project</i>	<i>Required Number of Affordable Units</i>
0—9	0
10—12	1
13—20	2
21—29	3
30—37	4

38 +	1 additional unit for each additional 7 dwelling units
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a project applicant must construct .12 times the total number of units produced in the principal project beginning with the construction of the tenth unit. If the total number of units is not a whole number, the project applicant shall round up to the nearest whole number for any portion of .5 or above.

The Planning Commission or Planning Department shall provide written notice by mail to the project applicant of the number of affordable units which shall be required within 30 days of approval by the Planning Commission or Planning Department.

(2) If the principal project has resulted in demolition, conversion, or removal of affordable housing units renting or selling to households at income levels and/or for a rental rate or sales price below corresponding income thresholds for units affordable to qualifying households, the Planning Commission shall require that the project applicant replace the number of affordable units removed with units of a comparable number of bedrooms or provide that 12% of all units constructed as part of the new project shall be affordable to qualifying households, whichever is greater.

(b) Timing of Construction: On-site inclusionary housing required by this Section 315.4 must be constructed, completed, and ready for occupancy no later than the market rate units in the principal project.

(c) Type of Housing: The type of affordable housing needed in San Francisco is documented in the City's Consolidated Plan and the Residence Element of the General Plan. In general, affordable units constructed under this Section 315.4 shall be comparable in number of bedrooms, exterior appearance and overall quality of construction to market rate units in the principal project. The Notice of Special Restrictions or Conditions of Approval shall include a specific number of units at specified unit sizes for affordable units. The square footage of affordable units and interior features in affordable units do not need to be same as

1 or equivalent to those in market rate units in the principal project, so long as they are of good
2 quality and are consistent with then-current standards for new housing.

3 (d) Marketing the Units: The Notice of Special Restrictions or Conditions of
4 Approval shall specify that the marketing requirements and procedures contained in the
5 Procedures Manual, as amended from time to time, shall apply to the affordable units in the
6 project.

7 (e) Alternatives: At the project applicant's election, the project applicant may satisfy
8 the requirement of Section 315.4 by:

9 (1) constructing units affordable to qualifying households at an alternative site
10 within the City and County of San Francisco pursuant to the requirements of Section 315.5.

11 (2) paying an in lieu fee to the Mayor's Office of Housing pursuant to the
12 requirements of 315.6.

13 (3) any combination of construction of on-site units as provided in Section 315.4,
14 off-site units as provided in Section 315.5, or payment of an in lieu fee as provided in Section
15 315.6, provided that the project applicant constructs or pays the fee at the appropriate
16 percentage or fee level required for that option.

17 (f) Benefits: If the project applicant elects to satisfy the inclusionary housing
18 requirements through the production of on-site inclusionary housing in this Section 315.4, the
19 project applicant shall, at his or her option, be eligible to receive a refund of the following fees:
20 a conditional use or other fee required by Planning Code Section 352, if applicable; an
21 environmental review fee required by Administrative Code Section 31.46B, if applicable; a
22 building permit fee required by the Building Code and by Planning Code Section 355 for the
23 portion of the housing project that is affordable. The project applicant shall pay the building
24 fee for the portion of the project that is market-rate.

The Controller shall refund the fees from any appropriated funds to the project applicant on application by the project applicant. The application must include a copy of the certificate of occupancy for all units affordable to a qualifying household required by the Inclusionary Affordable Housing Program. It is the policy of the Board of Supervisors to appropriate money for this purpose from the General Fund.

Section 315.5: COMPLIANCE THROUGH OFF-SITE HOUSING DEVELOPMENT

If the project applicant elects, pursuant to Section 315.4(e), that the project applicant will build off-site units to satisfy the requirements of this Program, the project applicant shall meet the following requirements:

(a) Number of Units: The number of units constructed off-site shall ~~be an additional 5% of the number of units constructed in the principal project~~ be 1.5 times that of the on-site requirement so that the following number of units affordable to qualifying households shall be required:

_____ For projects described in 315.3(a)(1), 15% ~~as follows~~:

<i>Number of Units in Principal Project</i>	<i>Required Number of Affordable Units</i>
0-9	0
10-16	2
17-23	3
24-29	4
30-36	5
37-43	6
44+	<i>1 additional unit for each</i>

	additional 6 dwelling units
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so that a project applicant must construct .15 times the total number of units produced in the principal project beginning with the construction of the tenth unit. If the total number of units is not a whole number, the project applicant shall round up to the nearest whole number for any portion of .5 or above.

The Planning Department shall provide written notice by mail to the project applicant of the number of affordable units which shall be required within 30 days of approval by the Planning Department or Planning Commission. This notice shall also be sent to project applicants who elect to pay an in lieu fee.

For projects described in 315.3(a)(2),(3), and (4), 17% ~~as follows:~~

<i>Number of Units in Principal Project</i>	<i>Required Number of Affordable Units</i>
0—9	0
10—14	2
15—20	3
21—26	4
27—32	5
33+	1 additional unit for each additional 5 dwelling units

so that a project applicant must construct .17 times the total number of units produced in the principal project beginning with the construction of the tenth unit. If the total number of units is not a whole number, the project applicant shall round up to the nearest whole number for any portion of .5 or above.

1 The Planning Department shall provide written notice by mail to the project applicant of
2 the number of affordable units which shall be required within 30 days of approval by the
3 Planning Department or Planning Commission. This notice shall also be sent to project
4 applicants who elect to pay an in lieu fee.

5 (b) Timing of Construction: The project applicant shall insure that the off-site units
6 are constructed, completed, and ready for occupancy no later than the market rate units in the
7 principal project.

8 (c) Location of off-site housing: The project applicant must insure that off-site units
9 are located in either (i) close proximity to the principal project, or (ii) a high need area or a
10 project type identified as a high priority in the Residence Element of the General Plan or the
11 Consolidated Plan published by the Mayor's Office of Housing and the Mayor's Office of
12 Community Development or their successors.

13 (d) Type of Housing: The type of affordable housing needed in San Francisco is
14 documented in the City's Consolidated Plan and the Residence Element of the General Plan.
15 In general, affordable units constructed under this Section 315.5 shall be comparable in
16 number of bedrooms, exterior appearance and overall quality of construction to market rate
17 units in the principal project. The total square footage of the off-site affordable units constructed
18 under this Section 315.5 shall be no less than the calculation of the total square footage of the on-site
19 market-rate units in the principal project multiplied by the relevant on-site percentage requirement for
20 the project specified in Section 315.4 (.12 for conditional use, planned unit developments or live-work
21 projects, and .10 for all other housing projects). The Notice of Special Restrictions or Conditions
22 of Approval shall include a specific number of units at specified unit sizes – including number of
23 bedrooms and minimum square footage – for affordable units. ~~The square footage of affordable~~
24 ~~units and~~ interior features in affordable units need not be the same as or equivalent to those in
25 market rate units in the principal project, so long as they are of good quality and are

consistent with then-current standards for new housing. If the residential units in the principal project are live/work units which do not contain bedrooms or are other types of units which do not contain bedrooms separated from the living space, the off site units shall be comparable in size according to the following equivalency calculation between live/work and units with bedrooms:

Less than 600 Square Feet	Studio Unit
601 to 850 Square Feet	One bedroom unit
851 to 1100 Square Feet	Two bedroom unit
1101 to 1300 Square Feet	Three bedroom unit
More than 1300 Square Feet	Four bedroom unit

(e-5) Marketing the Units: Notice of Special Restrictions or Conditions of Approval shall specify that the marketing requirements and procedures contained in the Procedures Manual, as amended from time to time, shall apply to the marketing of off-site units.

(f) Affordable units constructed under Section 315.5 shall not have received development subsidies from any federal, state or local program established for the purpose of providing affordable housing, and should not be counted to satisfy the affordable housing requirement in the off-site development.

APPROVED AS TO FORM:
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