

LEGISLATIVE DIGEST

[Planning Code - Inclusionary Affordable Housing Program - Housing Trust Fund Provisions]

Ordinance amending the Planning Code to add a definition of “significant increase in residential development potential” consistent with the Housing Trust Fund provisions in Charter, Section 16.110; and making environmental findings, and findings of consistency with the General Plan.

Existing Law

The Inclusionary Affordable Housing Program, found at Planning Code Section 415 and following requires that certain residential projects pay an Affordable Housing Fee or provide a percentage of units constructed as affordable to qualifying households, that may be provided on the site of the principal project or at another location. On November 6, 2012, San Francisco voters adopted Proposition C: “Affordable Housing Trust Fund and Housing Production Incentives” (“Proposition C”). Among other amendments, Proposition C added Charter Section 16.110 to lower and stabilize certain regulatory requirements of the Program. Proposition C became effective on January 2, 2013. Proposition C includes a prohibition on increasing Inclusionary Housing requirements for future projects, with exceptions including for areas over 40 acres in size that are re-zoned, but not included in a Special Use District, in a manner resulting in a significant increase in residential development potential. Proposition C did not define “significant increase in residential development potential,” but designated a Housing Review Committee, comprised of the Directors of the Planning Department, Mayor’s Office of Housing and Office of Economic and Workforce Development to propose a definition.

Amendments to Current Law

The proposed Ordinance, recommended by the Housing Review Committee, proposes a standard for “significant development potential” for purposes of Charter Section 16.110(h):

- A 20% or greater increase in developable residential gross floor area, as measured by a change in height limit, Floor Area Ratio limits, or use (over prior zoning); or
- A change in use permitting residential uses where residential uses were not previously permitted; or
- For parcels with an existing residential development capacity of ten units or more, the lesser of:
 - A 50% or greater increase in residential densities over prior zoning; or,
 - An increase in density of at least 15 additional units allowed under the prior zoning.

This newly defined standard would be applicable to areas subject to a change in zoning after the passage of Proposition C, in an area that encompasses 40 acres or more that is not also encompassed by a Special Use District adopted after November 6, 2012.