

[Planning Code - Inclusionary Housing Requirements in the Eastern Neighborhoods]

Ordinance amending the Planning Code to eliminate the Rental Incentive from the Eastern Neighborhood Urban Mixed Use Districts that permits project sponsors to lower their Inclusionary Affordable Housing requirements and applicable Eastern Neighborhood Public Benefit Fee by agreeing to maintain the units in their market rate development as rental units for 30 years; and affirming the Planning Department's determination under the California Environmental Quality Act, and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Environmental, Planning Code, and General Plan Findings:

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the

1 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board
2 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
3 Board of Supervisors in File No. _____, and is incorporated herein by reference.

4 (c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code
5 Amendment will serve the public necessity, convenience, and welfare for the reasons set forth
6 in Planning Commission Resolution No. _____, and the Board incorporates such reasons
7 herein by reference.

8
9 Section 2. The Planning Code is hereby amended by revising Section 419.5, to read
10 as follows:

11 **SEC. 419.5. ALTERNATIVES TO THE INCLUSIONARY HOUSING COMPONENT.**

12 * * * *

13 ~~(b) **Rental Incentive.** Qualified rental housing projects, as defined in Section 419.2(a)(1), are~~
14 ~~allowed a reduction in their inclusionary housing requirements as follows:~~

15 ~~(1) If the rental housing project chooses to meets its inclusionary housing requirements~~
16 ~~through on-site construction, off-site construction, or an in-lieu fee, then the project is entitled to a 3%~~
17 ~~reduction in the requirements specified above in subsection (a).~~

18 ~~(2) If the rental housing project chooses to meet its inclusionary housing requirements~~
19 ~~through the land dedication option for projects less than 30,000 square feet, then the project is entitled~~
20 ~~to a 5% reduction in the requirements specified above in the subsection (b)(2).~~

21 ~~(3) In addition, a rental housing project shall receive a fee waiver from the Eastern~~
22 ~~Neighborhood Public Benefit Fee as set forth in Section 427.3 in the amount of \$1.00 per gross square~~
23 ~~foot.~~

24 ~~(4) No rental incentive shall be provided for project that chooses the land dedication~~
25 ~~alternative for projects over 30,000 square feet.~~

1 (*eb*) **Adjustments to Requirements for the Inclusionary Housing Component.**

2 This Section is intended to incorporate, rather than supersede, any changes made to Planning
3 Code Section 415. In the instance that the base requirements of Section 415 are amended,
4 the above-noted requirements shall be reviewed, and if appropriate, amended and/or
5 increased accordingly.

6
7 Section 3. Effective Date. This ordinance shall become effective 30 days after
8 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
9 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
10 of Supervisors overrides the Mayor's veto of the ordinance.

11
12 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
13 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
14 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
15 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
16 additions, and Board amendment deletions in accordance with the "Note" that appears under
17 the official title of the ordinance.

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19 APPROVED AS TO FORM:
20 DENNIS J. HERRERA, City Attorney

21 By: SUSAN CLEVELAND-KNOWLES
22 Deputy City Attorney

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