

## **LEGISLATIVE DIGEST**

[Initiative Ordinance - Planning Code - City Housing Balance Requirement]

**Motion ordering submitted to the voters an Ordinance amending the Planning Code to establish in the approval and construction of new housing, a balance of 70%-30% between new market rate housing and affordable housing, to require a conditional use permit for market rate housing if the balance of affordable housing is not maintained, at an election to be held on November 4, 2014; and making environmental findings.**

### Existing Law

The City is regulated by a variety of Planning Code zoning restrictions. A conditional use permit for a housing project may be required under different provisions of the Planning Code, depending on the project's location in a particular zoning district and the specific elements that comprise the proposed project.

### Amendments to Current Law

The proposed initiative ordinance would require that a market rate housing project with 25 or more units seek and procure a conditional use authorization if the City's balance of new market rate housing to new affordable housing falls below a ratio of 70% to 30%. In such event, the City must consider criteria set forth in the initiative ordinance, including whether approving the project would cause or exacerbate the displacement of very low, low, or moderate income households from the immediate neighborhood. If the Planning Commission approves the market rate housing project, it must find that the project promotes the public welfare of the City, in spite of any potential adverse impacts on affordable housing and potential displacement of lower income households. If the housing balance falls below 30% in any given quarter, the City shall consider the option of contributing additional funds for the development of new affordable housing units.

The proposed initiative ordinance would direct the Planning Department to calculate the cumulative housing balance ratio citywide, report it to the Planning Commission and Board of Supervisors, and publish it on the Planning Department's website on a page devoted to the housing balance ratio. With each new project authorization in the City, the Planning Department staff would be required to update the housing balance ratio and, within 15 days of the end of each calendar quarter, report it to the Planning Commission and Board of Supervisors, and publish it on the Planning Department's website.