

REVISED LEGISLATIVE DIGEST

(9/24/2012, Amended in Committee)

[Planning Code - Threshold for Application of Inclusionary Affordable Housing Program]

Ordinance amending the San Francisco Planning Code Section 415.3 to: 1) provide that, as of January 15, 2013, the requirements of the Inclusionary Affordable Housing Program apply only to housing projects of 10 units or more and will no longer apply to buildings of 5 to 9 units that have not yet received a first construction document; (2) make conforming amendments to Planning Code Section 419.3 related to the Application of the UMU Affordable Housing Requirements to clarify that those requirements only apply to housing projects of 10 units or more; and 23) condition operation of the Ordinance on the adoption and implementation of the Housing Trust Fund Charter amendment at the November 6, 2012 election; setting an operative date; and making environmental findings and findings of consistency with the General Plan.

Existing Law

The Inclusionary Affordable Housing Program, Planning Code Section 415 et seq., requires that housing projects of 5 units or more pay an Affordable Housing Fee or provide a certain percentage of units constructed on-site as affordable to qualifying households ("inclusionary units") or a higher percentage if constructed off-site.

Amendments to Current Law

The proposed legislation would raise the threshold, such that the Inclusionary Affordable Housing Program would only apply to housing projects of 10 units or more. As of the operative date of the Ordinance, the Program would not apply to any housing project of 5 to 9 units that has not received a first construction document as of January 15, 2013.

The proposed legislation contains a condition that operation of the ordinance is contingent on the adoption and implementation of the Housing Trust Fund Charter amendment at the November 6, 2012 election. The proposed legislation also contains a requirement that, within 3 years of the effective date of the legislation, the Planning Department shall evaluate the effect of the exemption for five- to nine-unit developments on achieving the City's housing policies and production goals, balancing the City's desire to create viable economic housing policies for small builders in context with the city's other housing production goals.