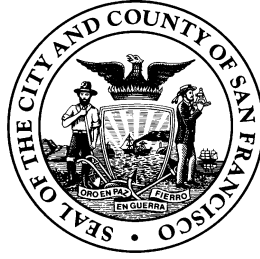


BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

FROM: Derek Evans, Clerk, Rules Committee
Board of Supervisors

DATE: June 24, 2016

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Rules Committee

The Board of Supervisors' Rules Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

**File No. 160732 Hearing - Initiative Ordinance - Planning Code - 100%
Affordable Housing Bonus Program**

Hearing to consider the proposed initiative ordinance submitted by four or more Supervisors to the voters at the November 8, 2016, Election, entitled "Ordinance amending the Planning Code to create the 100% Affordable Housing Bonus Program, to provide for development bonuses and zoning modifications for 100% affordable housing projects, to establish the procedures in which the 100% Affordable Housing Bonus Program projects shall be reviewed and approved; adding a fee for applications under the Program; and amending the Planning Code to exempt 100% Affordable Housing Bonus Program projects from the height limits specified in the Planning Code and the Zoning Maps."

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

No Comment

Recommendation Attached

Chairperson, Small Business Commission

SAN FRANCISCO
FILED

2016 JUN 21 PM 4:55

Submittal Form
For Proposed Initiative Measure(s)
Prior to Submittal to the Department of Elections

by 4 or more Supervisors or the Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

BY *[Signature]*
2016 JUN 21 PM 4:55

I, hereby submit the following proposed initiative measure(s) for hearing before the Board of Supervisors' Rules Committee prior to the submittal of the proposed initiative measure to the Department of Elections (Proposition C, November 2007).

This matter is for the **November 8, 2016** Election.

Sponsor(s): Supervisor Katy Tang

Subject: 100% Affordable Housing Bonus Program

The text is listed below or attached:

(See attached.)

Supervisor Katy Tang: _____

Katy Tang

Supervisor Scott Wiener: _____

Scott Wiener

Supervisor Mark Farrell: _____

Mark Farrell

Supervisor Malia Cohen: _____

Malia Cohen

(Clerk of the Board's Time Stamp)

SAN FRANCISCO
FILED

2016 JUN 21 PM 4:55

PROPOSED INITIATIVE ORDINANCE TO BE SUBMITTED BY FOUR OR MORE SUPERVISORS TO THE VOTERS AT THE NOVEMBER 8, 2016 ELECTION.

[Under Charter Section 2.113(b), this measure must be submitted to the Board of Supervisors and filed with the Department of Elections no less than *45 days prior* to deadline for submission of such initiatives to the Department of Elections set in Municipal Elections Code Section 300(b).]

[Initiative Ordinance - Planning Code - 100% Affordable Housing Bonus Program]

Ordinance amending the Planning Code to create the 100 Percent Affordable Housing Bonus Program, to provide for development bonuses and zoning modifications for 100 percent affordable housing projects, to establish the procedures in which the 100 Percent Affordable Housing Bonus Program projects shall be reviewed and approved; adding a fee for applications under the Program; and amending the Planning Code to exempt 100 Percent Affordable Housing Bonus Program projects from the height limits specified in the Planning Code and the Zoning Maps.

NOTE: **Unchanged Code text and uncodified text** are in plain font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in *strikethrough italics Times New Roman 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. The Planning Code is hereby amended by adding Sections 206 through 206.4, to read as follows:

SEC. 206. THE 100 PERCENT AFFORDABLE HOUSING BONUS PROGRAM.

This Section 206 and Sections 206.1 through 206.4 shall be known as the 100 Percent Affordable Housing Bonus Program. References to "Section 206" shall include Sections 206.1 through 206.4.

SEC. 206.1. PURPOSE AND FINDINGS.

(a) The purpose of the 100 Percent Affordable Housing Bonus Program is to facilitate the development and construction of affordable housing in San Francisco. Affordable housing is of paramount statewide concern, and the Legislature has declared that local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community. The Legislature has found that local governments must encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, and assist in the development of adequate housing to meet the needs of low- and moderate-income households.

(b) Affordable housing is an especially paramount concern in San Francisco. San Francisco has one of the highest housing costs in the nation, but San Francisco's economy and culture rely on a diverse workforce at all income levels. It is the policy of the City to enable these workers to afford housing in San Francisco and ensure that they pay a reasonably proportionate share of their incomes to live in adequate housing and to not have to commute ever-increasing distances to their jobs. The Association of Bay Area Governments determined that San Francisco's share of the Regional Housing Need for January 2015 to June 2022 was the provision of 28,870 new housing units, with 6,234 (or 21.6%) as very low, 4,639 (or 16.1%) as low, and 5,460 (or 18.9%) as moderate income units.

(c) The Board of Supervisors, and the voters in San Francisco, have long recognized the need for the production of affordable housing. The voters in some cases, and the Board in others, have adopted measures to address this need, such as the mandatory Inclusionary Affordable Housing Ordinance in Planning Code Section 415; the San Francisco Housing Trust Fund, adopted in 2012, which established a fund to create, support, and rehabilitate affordable housing, and set aside \$20

million in its first year, with increasing allocations to reach \$50 million a year for affordable housing; the adoption of Proposition K in November 2014, which established as City policy that the City, by 2020, will help construct or rehabilitate at least 30,000 homes, with more than 50% of the housing affordable for middle-income households, and at least 33% as affordable for low- and moderate-income households; and the multiple programs that rely on Federal, State and local funding sources as identified in the Mayor's Office of Housing and Community Development Comprehensive Plan.

(d) In recognition of the City's affordable housing goals, the Planning Department contracted with David Baker Architects and Seifel Consulting to determine a menu of zoning modifications and development bonuses that could offset a developer's costs of providing affordable housing. These experts analyzed various parcels in San Francisco, to determine the conditions in which a zoning accommodation would be necessary to achieve additional density. The analysis modeled various zoning districts and lot size configurations, consistent with current market conditions and the City's stated policy goals, including to achieve a mix of unit types, including larger units that can accommodate larger households. These reports are on file in Board of Supervisors File No.

(e) Based on these reports, the Planning Department developed a program to provide an option by which developers of 100% affordable housing projects can include additional affordable units on-site through increased density and other zoning or design modifications. This program is the 100 Percent Affordable Housing Bonus Program, which provides additional incentives for developers of 100% affordable housing projects, thereby reducing the overall cost of such developments on a per unit basis.

SEC. 206.2 DEFINITIONS.

The definitions of Section 102 and the definitions in Section 401 for "First Construction Document," "Housing Project," "MOHCD," and "On-site Unit," shall generally apply to Section 206.

The following definitions shall also apply, and shall prevail if there is a conflict with other sections of the Planning Code.

“100 Percent Affordable Housing Project” shall be a project where all of the dwelling units with the exception of the manager’s unit are “Affordable Units” as that term is defined in Section 406(b).

“Development Standard” shall mean a site or construction condition, including, but not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open space requirement, or an accessory parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.

“Lower or Very Low Income” means annual income of a household that does not exceed the maximum income limits for the income category, as adjusted for household size, applicable to San Francisco, as published and periodically updated by the State Department of Housing and Community Development pursuant to Sections 50079.5 or 50105 of the California Health and Safety Code. Very Low Income is currently defined in California Health and Safety Code Section 50105 as 50% of area median income. Lower Income is currently defined in California Health and Safety Code Section 50079.5 as 80% of area median income. If the State law definitions of these terms change, the definitions under Section 206 shall mirror the State law changes.

SEC. 206.3. THE 100 PERCENT AFFORDABLE HOUSING BONUS PROGRAM.

(a) Purpose and Findings. This Section 206.3 describes the 100 Percent Affordable Housing Bonus Program, or “100 Percent Affordable Housing Program.” In addition to the purposes described in Section 206.1, the purpose of the 100 Percent Affordable Housing Program is to facilitate the construction and development of projects in which all of the residential units are affordable to Low and Very-Low Income Households. Projects pursuing a development bonus under this 100 Percent

Affordable Program would exceed the City's shared Proposition K housing goals that 50% of new housing constructed or rehabilitated in the City by 2020 be within the reach of working middle class San Franciscans, and at least 33% affordable for low and moderate income households.

(b) Applicability. A 100 Percent Affordable Housing Bonus Project under this Section 206.3 shall be a Housing Project that:

(1) contains three or more Residential Units, as defined in Section 102, not including any additional units permitted through this Section 206 through a density bonus;

(2) is located in any zoning district that:

(A) is not designated as an RH-1 or RH-2 Zoning District; and

(B) allows Residential Uses;

(3) is not seeking and receiving a density or development bonus under the provisions of California Government Code Sections 65915 et seq., Planning Code Sections 207, 124(f), 304, 803.8 or any other state or local program that provides development bonuses;

(4) meets the definition of a "100 Percent Affordable Housing Project" in Section 206.2;

(5) demonstrates to the satisfaction of the Environmental Review Officer that the Project does not:

(A) cause a substantial adverse change in the significance of an historic resource as defined by California Code of Regulations, Title 14, Section 15064.5;

(B) create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas; or

(C) alter wind in a manner that substantially affects public areas;

(6) does not propose to demolish, remove, or convert any residential units residential units as part of the project; and

(7) includes, at the ground floor, neighborhood serving uses, including but not limited to general and specialty grocery stores as defined in Section 102, health services as defined in Section 102; institutions large, as defined in Section 102; and public facilities as defined in Section 102.

(c) **Development Bonuses.** A 100 Percent Affordable Housing Bonus Project shall, at the project sponsor's request, receive any or all of the following:

(1) **Priority Processing.** 100 Percent Affordable Housing Bonus Projects shall receive Priority Processing.

(2) **Form based density.** Notwithstanding any zoning designation to the contrary, density of the 100 Percent Affordable Housing Bonus Project shall not be limited by lot area but rather by the applicable requirements and limitations set forth elsewhere in this Code. Such requirements and limitations include, but are not limited to, height, including any additional height allowed by subsection (c)(3), Bulk, Setbacks, Open Space, Exposure and unit mix as well as applicable design guidelines, elements, and area plans of the General Plan and design review, including consistency with the Affordable Housing Bonus Program Design Guidelines, referenced in Section 328, as determined by the Planning Department.

(3) **Height.** 100 Percent Affordable Housing Bonus Projects shall be allowed up to 30 additional feet, not including allowed exceptions per Section 260(b), above the property's height district limit in order to provide three additional stories of residential use. This additional height may only be used to provide up to three additional 10-foot stories to the project, or one additional story of not more than 10 feet in height.

(4) **Ground Floor Ceiling Height.** In addition to the permitted height allowed under subsection (c)(3), 100 Percent Affordable Housing Bonus Projects with active ground floors as defined in Section 145.1(b)(2) shall receive one additional foot of height, up to a maximum of an additional five feet at the ground floor, exclusively to provide a minimum 14-foot (floor to ceiling) ground floor ceiling height.

(5) Zoning Modifications. 100 Percent Affordable Housing Bonus Projects may select any or all of the following zoning modifications:

(A) Rear Yard: the required rear yard per Section 134 or any applicable special use district may be reduced to no less than 20% of the lot depth or 15 feet, whichever is greater. Corner properties may provide 20% of the lot area at the interior corner of the property to meet the minimum rear yard requirement, provided that each horizontal dimension of the open area is a minimum of 15 feet; and that the open area is wholly or partially contiguous to the existing midblock open space, if any, formed by the rear yards of adjacent properties.

(B) Dwelling Unit Exposure: The dwelling unit exposure requirements of Section 140(a)(2) may be satisfied through qualifying windows facing an unobstructed open area that is no less than 15 feet in every horizontal dimension, and such open area is not required to expand in every horizontal dimension at each subsequent floor.

(C) Off Street Loading: No off-street loading spaces under Section 152.

(D) Automobile Parking: Up to a 100% reduction in the minimum off-street residential and commercial automobile parking requirement under Article 1.5 of this Code.

(E) Open Space: Up to a 10% reduction in common open space requirements if required by Section 135, but no less than 36 square feet of open space per unit.

(F) Inner Courts as Open Space: In order for an inner court to qualify as usable common open space, Section 135(g)(2) requires it to be at least 20 feet in every horizontal dimension, and for the height of the walls and projections above the court on at least three sides (or 75% of the perimeter, whichever is greater) to be no higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court. 100 Percent Affordable Housing Bonus Projects may instead provide an inner court that is at least 25 feet in every horizontal dimension, with no restriction on the heights of adjacent walls. All area within such an inner court shall qualify as common open space under Section 135.

(d) Implementation.

(1) Application. *The following procedures shall govern the processing of a request for a project to qualify under the 100 Percent Affordable Housing Bonus Program.*

(A) *An application to participate in the 100 Percent Affordable Housing Bonus Program shall be submitted with the first application for approval of a Housing Project and processed concurrently with all other applications required for the Housing Project. The application shall be submitted on a form prescribed by the City and shall include at least the following information:*

(i) *A full plan set including a site plan, elevations, sections and floor plans, showing total number of units, unit sizes and planned affordability levels and any applicable funding sources;*

(ii) *The requested development bonuses from those listed in subsection (c); and,*

(iii) *Unit size and distribution of multi-bedroom units.*

(B) *Documentation that the applicant has provided written notification to all existing commercial tenants that the applicant intends to develop the property pursuant to this Section 206. Any affected commercial tenants shall be given priority processing similar to the Department's Community Business Priority Processing Program, as adopted by the Planning Commission on February 12, 2015 under Resolution Number 19323 to support relocation of such business in concert with access to relevant local business support programs. In no case may an applicant receive a site permit or any demolition permit prior to 18 months from the date of written notification required by this subsection (B).*

(2) Conditions. *Entitlements of 100 Percent Affordable Housing Bonus Projects approved under this Section 206.3 shall be valid for 10 years from the date of Planning Commission or Planning Department approval.*

(3) Notice and Hearing. 100 Percent Affordable Housing Bonus Projects shall comply with Section 328 for review and approval.

(4) Controls. Notwithstanding any other provision of this Code, no conditional use authorization shall be required for a 100 Percent Affordable Housing Bonus Project, unless such conditional use requirement was adopted by the voters.

SEC. 206.4. 100 PERCENT AFFORDABLE HOUSING BONUS PROGRAM

EVALUATION.

(a) Within one year from the effective date of Section 206, the Planning Department shall provide an informational presentation to the Planning Commission, and any other City agency at their request, presenting an overview of all projects that request or receive development bonuses under the 100 Percent Affordable Housing Bonus Program ("the Bonus Program").

(b) Annual Reporting. The Planning Department, in coordination with MOHCD, shall include information on projects which request and receive development bonuses under the Bonus Program in the Housing Inventory Report.

(c) Report Contents. The Housing Inventory shall include, but not be limited to, information on the:

(1) number of projects utilizing the Bonus Program;

(2) number of units approved and constructed under the Bonus Program and the AMI levels of such units;

(3) geographic distribution of projects, including the total number of units in each project, utilizing the Bonus Program;

(4) number of larger unit types, including the number of 3-bedroom units;

(5) square feet of units by bedroom count;

(6) number of projects with nine or fewer units that participate; and

(7) Number of appeals of projects in the Bonus Program and stated reason for appeal.

(d) Program Evaluation and Update.

(1) Purpose and Contents. Every five years, beginning five years from the effective date of Section 206, the Department shall prepare a Program Evaluation and Update. The Program Evaluation and Update shall include an analysis of the Bonus Program's effectiveness as it relates to City policy goals including, but not limited to Proposition K (November 2014) and the Housing Element. The Program Evaluation and Update shall include a review of all of the following:

(A) Requested and granted concessions and incentives, including consideration of whether the menu of zoning modification or concessions and incentives set forth in Section 206.3(c)(5) respond to the needs of projects seeking approvals under the Bonus Program; consideration of whether the elected zoning modifications or incentives and concessions result in a residential project that responds to the surrounding neighborhood context; and review and recommendation for additions or modifications to the list of zoning modifications or concessions and incentives in 206.3(c)(5).

(B) Geography and neighborhood specific considerations. Review and analysis of where Bonus Program projects are proposed and approved, including an analysis of land values, zoning, height controls, and neighborhood support.

(C) Review of the process for considering projects under the Bonus Program, including a review of Section 328, the appeal process, and other relevant process considerations.

(2) Public Hearing. The Program Evaluation and Update shall be prepared no less than every five years, beginning five years from the effective date of Section 206, and may be completed as a series of reports and in coordination with ongoing monitoring of affordable housing policies, or feasibility analyses. The Planning Commission shall hold a hearing on the Program Evaluation and Update and any recommendations for modification to any of the Bonus Program.

(e) Program Expansion Report. The Planning Department and MOHCD shall research, analyze and provide recommendations to the Board of Supervisors for further density and development

bonuses for 100% affordable or mixed-income developments. The Program Expansion Report shall be published within one year of the effective date of Section 206.

(f) The Planning Department, Office of Economic and Workforce Development, the Office of the Small Business Commission, and MOHCD shall work together with non-profit housing developers and small businesses to recommend to the Board of Supervisors best practices regarding small business relocation, including but not limited to a proposal for a small businesses relocation fee or program to provide relocation services and support for small businesses displaced under the 100 Percent Affordable Housing Bonus Program.

Section 2. The Planning Code is hereby amended by adding Section 328, to read as follows:

SEC. 328. 100 PERCENT AFFORDABLE HOUSING BONUS PROJECT

AUTHORIZATION.

(a) Purpose. The purpose of this Section 328 is to ensure that all 100 Percent Affordable Housing Bonus projects under Section 206.3 are reviewed in coordination with priority processing available for certain projects with 100% affordable housing. While most projects in the 100 Percent Affordable Housing Bonus Program will likely be somewhat larger than their surroundings in order to facilitate higher levels of affordable housing, the Planning Commission and Department shall ensure that each project is consistent with the Affordable Housing Bonus Design Guidelines and any other applicable design guidelines, as adopted and periodically amended by the Planning Commission, so that projects respond to their surrounding context, while still meeting the City's affordable housing goals.

(b) Applicability. This Section 328 applies to all qualifying 100 Percent Affordable Housing Bonus Projects that meet the requirements described in Section 206.3.

(c) Planning Commission Design Review. The Planning Commission shall review and evaluate all physical aspects of a 100 Percent Affordable Housing Bonus Project at a public hearing. The Planning Commission recognizes that most qualifying projects will need to be larger in height and mass than surrounding buildings in order to achieve the 100% Affordable Housing Bonus Program's affordable housing goals. However, the Planning Commission may, consistent with the 100% Affordable Housing Bonus Program Design Guidelines, and any other applicable design guidelines, and upon recommendation from the Planning Director, make minor modifications to a project to reduce the impacts of such differences in scale.

Additionally, as set forth in subsection (d) below, the Planning Commission may grant minor exceptions to the provisions of this Code. However, such exceptions should only be granted to allow building mass to appropriately shift to respond to surrounding context, and only when such modifications do not substantially reduce or increase the overall building envelope permitted by the Program under Section 206.3. All modifications and exceptions should be consistent with the 100% Affordable Housing Bonus Program Design Guidelines and any other applicable design guidelines. In case of a conflict with other applicable design guidelines, the 100% Affordable Housing Bonus Program Design Guidelines shall prevail.

The Planning Commission may require these or other modifications or conditions, or disapprove a project, in order to achieve the objectives and policies of the 100% Affordable Housing Bonus Program or the purposes of this Code. This review shall be limited to design issues including the following:

(1) whether the bulk and massing of the building is consistent with the 100% Affordable Housing Bonus Design Guidelines;

(2) whether building design elements including, but not limited to architectural treatments, façade design, and building materials, are consistent with the 100% Affordable Housing Bonus Program Design Guidelines and any other applicable design guidelines;

(3) whether the design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and parking and loading access is consistent with the 100% Affordable Housing Bonus Program Design Guidelines, and any other applicable design guidelines; and

(4) whether the required streetscape and other public improvements such as tree planting, street furniture, and lighting are consistent with the Better Streets Plan, and any other applicable design guidelines.

(d) Exceptions. As a component of the review process under this Section 328, the Planning Commission may grant minor exceptions to the provisions of this Code as provided for below, in addition to the development bonuses granted to the project in Section 206.3(c). Such exceptions, however, should only be granted to allow building mass to appropriately shift to respond to surrounding context, and only when the Planning Commission finds that such modifications do not substantially reduce or increase the overall building envelope permitted by the Program under Sections 206.3, and also are consistent with the 100 Percent Affordable Housing Bonus Design Guidelines. These exceptions may include:

(1) Exception from residential usable open space requirements per Section 135, or any applicable special use district.

(2) Exception from satisfaction of loading requirements per Section 152.1, or any applicable special use district.

(3) Exception for rear yards, pursuant to the requirements of Section 134, or any applicable special use district.

(4) Exception from dwelling unit exposure requirements of Section 140, or any applicable special use district.

(5) Exception from satisfaction of accessory parking requirements per Section 152.1, or any applicable special use district.

(6) Where not specified elsewhere in this subsection (d), modification of other Code requirements that could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located.

(e) **Required Findings.** The Planning Commission shall make the following findings:

(1) whether such use or feature as proposed will comply with the applicable provisions of this Code and is consistent with the General Plan;

(2) whether such use or feature as proposed will provide development that is in conformity with the stated purpose of the applicable Use District;

(3) whether such use or feature as proposed will contribute to the City's affordable housing goals as stated in the General Plan; and

(f) If a 100 Percent Affordable Housing Bonus Project otherwise requires a conditional use authorization due only to (1) a specific land use, (2) use size limit, or (3) requirement adopted by the voters, then the Planning Commission shall make all findings and consider all criteria required by this Code for such use or use size as part of this 100 Percent Affordable Housing Bonus Project Authorization.

(g) **Hearing and Decision.**

(1) **Hearing.** The Planning Commission shall hold a public hearing for all projects that are subject to this Section 328.

(2) **Notice of Hearing.** Notice of such hearing shall be provided pursuant to the same requirements for Conditional Use requests, as set forth in Sections 306.3 and 306.8.

(3) **Director's Recommendations on Modifications and Exceptions.** At the hearing, the Planning Director shall review for the Commission key issues related to the project based on the review of the project pursuant to subsection (c) and recommend to the Commission modifications, if any, to the project and conditions for approval as necessary. The Director shall also make recommendations to the Commission on any proposed exceptions pursuant to subsection (d).

(4) **Decision and Imposition of Conditions.** The Commission, after public hearing and after making appropriate findings, may approve, disapprove, or approve subject to conditions, the project and any associated requests for exception. As part of its review and decision, the Planning Commission may impose additional conditions, requirements, modifications, and limitations on a proposed project in order to achieve the objectives, policies, and intent of the General Plan or of this Code.

(5) **Appeal.** The decision of the Planning Commission may be appealed to the Board of Supervisors by any person aggrieved within 30 days after the date of the decision by filing a written notice of appeal with the Board of Supervisors, setting forth wherein it is alleged that there was an error in the interpretation of the provisions of this Section or abuse of discretion on the part of the Planning Commission. The procedures and requirements for conditional use appeals set forth in Section 308.1(b) and (c) shall apply to appeals to the Board of Supervisors under this Section 328.

(6) **Discretionary Review.** No requests for discretionary review shall be accepted by the Planning Department or heard by the Planning Commission for projects subject to this Section 328.

(7) **Change of Conditions.** Once a project is approved, authorization of a change in any condition previously imposed by the Planning Commission shall require approval by the Planning Commission subject to the procedures set forth in this Section.

Section 3. The Planning Code is hereby amended by revising Sections 250, 260, and 352 to read as follows:

SEC. 250. HEIGHT AND BULK DISTRICTS ESTABLISHED.

(a) In order to carry out further the purposes of this Code, height and bulk districts are hereby established, subject to the provisions of this Article 2.5.

(b) No building or structure or part thereof shall be permitted to exceed, except as stated in Sections 172, ~~and~~ 188, and 206 of this Code, the height and bulk limits set forth in this

Article for the district in which it is located, including the height limits for use districts set forth in Section 261.

* * * *

SEC. 260. HEIGHT LIMITS; MEASUREMENT.

(a) **Method of Measurement.** The limits upon the height of buildings and structures shall be as specified on the Zoning Map, *except as permitted by Section 206*. In the measurement of height *for purposes of such limits*, the following rules shall be applicable:

* * * *

SEC. 352. COMMISSION AND ZONING ADMINISTRATOR HEARING APPLICATIONS.

* * * *

(o) 100% Affordable Housing Bonus Program (Section 206). *The initial fee amount is not to exceed 50% of the construction cost. A \$120 surcharge shall be added to the fees for a conditional use or planned unit development to compensate the City for the costs of appeals to the Board of Supervisors.*

<u>Estimated Construction Cost</u>	<u>Initial Fee</u>
<u>No construction cost, excluding extension of hours</u>	<u>\$1,012</u>
<u>No construction cost, extension of hours</u>	<u>\$724</u>
<u>Wireless Telecommunications Services (WTS)</u>	<u>\$5,061</u>
<u>\$1 to \$9,999</u>	<u>\$724</u>
<u>\$10,000 to \$999,999</u>	<u>\$724 plus 0.328% of cost over \$10,000</u>
<u>\$1,000,000 to \$4,999,999</u>	<u>\$4,033 plus 0.391% of cost over \$1,000,000</u>
<u>\$5,000,000 to \$9,999,999</u>	<u>\$19,986 plus 0.328% of cost over \$5,000,000</u>
<u>\$10,000,000 to \$19,999,999</u>	<u>\$36,701 plus 0.171% of cost over \$10,000,000</u>
<u>\$20,000,000 or more</u>	<u>\$54,120</u>

Section 4. Projects to Which Ordinance Applies. This ordinance applies to projects that the Planning Department or Planning Commission have not approved as of the date the ordinance becomes effective. For projects that have not yet submitted applications to the Planning Department or other City entity, all of the provisions of the ordinance apply. The Planning Department shall develop a policy to apply the provisions of this ordinance to projects that have already submitted applications, but have not obtained approvals, to permit such projects to amend their applications.

Section 5. Scope of Ordinance; Codification Status.

(a) In enacting this ordinance, the People of the City and County of San Francisco intend to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions or deletions, in accordance with the "Note" that appears under the official title of the ordinance.

(b) If the City enacts the ordinance in Board of Supervisors File No. 160632, subsection (o) shall not be added to Section 352 of the Planning Code, but the fees stated in subsection (o) shall be the base fees for Planning Department services, subject to annual adjustment by the Controller pursuant to Planning Code Section 350 and Administrative Code Sections 31.22 and 31.23.1. In accordance with those provisions, the fees stated in subsection (o) shall be included in the Planning Department Fee Schedule.

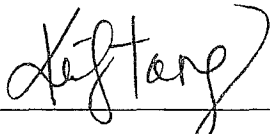
Section 6. Future Amendments. It is not the intent of the voters to constrain or restrict the City from adopting any other legislation enacted to implement State law or to provide additional methods of providing a density bonus or other development bonuses City-wide or

for individual housing development projects. The purpose of this ordinance is solely to set forth a process that applies to specific affordable housing projects that may qualify for a density bonus or other development bonuses, as set forth in this ordinance, but is not intended to preclude other methods of providing a density bonus or other development bonuses.

Section 7. Conflict with Other Measures and Ordinances. In the event that this initiative ordinance and another measure or measures establishing a density bonus program for 100% affordable housing shall appear on the same Citywide election ballot, the provisions of such other measures shall be deemed to be in conflict with this ordinance. In the event that this initiative ordinance shall receive a greater number of affirmative votes, the provisions of this ordinance shall prevail in their entirety and each and every provision of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of votes, the provisions of this initiative ordinance shall take effect to the extent permitted by law. Additionally, if the Board of Supervisors adopts any ordinance establishing a density bonus program for 100% affordable housing after June 21, 2016 but before the effective date of this ordinance, that ordinance shall be superseded and replaced by this ordinance on its effective date.

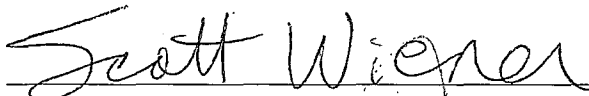
* * *

SUBMITTED.



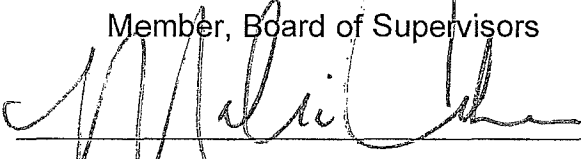
Date: 6/21/16

Member, Board of Supervisors



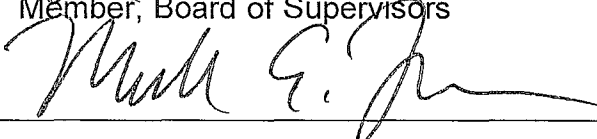
Date: 6/21/16

Member, Board of Supervisors



Date: 6/21/16

Member, Board of Supervisors



Date: 6/21/16

Member, Board of Supervisors