## MEMO

## NOTE TO FILE 2

**DATE:** June 21, 2016

**TO:** File for Case No. 2014.1304E

**FROM:** Michael Li

**RE:** Affordable Housing Bonus Program

Alternate Legislation

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On January 14, 2016, the Planning Department published Addendum 3 to the 2004 and 2009 Housing Element FEIR. Addendum 3 analyzed the environmental impacts of the Affordable Housing Bonus Program (AHBP), which is proposed legislation that was introduced by Mayor Lee and Supervisor Tang on September 29, 2015. The analysis in Addendum 3 was based on the proposed AHBP legislation as it was originally introduced by Mayor Lee and Supervisor Tang.

The Planning Department introduced amendments to the proposed AHBP legislation on January 12, 2016, and Supervisor Breed introduced additional amendments during the Planning Commission hearing on January 28, 2016. In response to public testimony during the hearing on January 28, 2016, the Planning Department proposed additional amendments that were considered by the Planning Commission during a subsequent hearing on February 25, 2016. In response to all of the proposed amendments, the Planning Department issued Note to File 1 on February 18, 2016. Note to File 1 summarized the amendments and the environmental impacts of those amendments. In Note to File 1, the Planning Department concluded that the amendments would not result in new impacts that were not already identified in Addendum 3 or impacts that are more severe than those identified in Addendum 3.

## Alternate Legislation for Consideration by the Board of Supervisors

On June 7, 2016, Supervisor Peskin introduced alternate legislation (the "Density Done Right: Development Without Displacement Program"). The Density Done Right legislation, along with the AHBP legislation, was reviewed by the Board of Supervisors' Land Use and Transportation Committee on June 13, 2016. Both pieces of legislation will be considered by the full Board of Supervisors during a hearing scheduled for June 21, 2016.

The Density Done Right legislation would allow an additional 30 feet of height above the legislated height limit, plus other development bonuses, for projects in which 100 percent of the dwelling units are affordable to very-low, low-, or moderate-income households.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The other development bonuses consist of modifications to the rear yard, dwelling unit exposure, off-street loading, off-street parking, and usable open space requirements of the Planning Code, subject to approval by the Planning Commission.

The eligibility requirements for the Density Done Right legislation result in a smaller number of potential development sites (approximately 100) than under the AHBP (approximately 240), but a more site-specific analysis of the environmental impacts of the Density Done Right legislation would be speculative. It is not known how many of the property owners of these approximately 100 sites would actually utilize the Density Done Right legislation. Additionally, the conditions that currently disqualify potential sites could change over time such that some of these sites would later become eligible. For these reasons, the analysis contained in Addendum 3 adequately addresses the environmental impacts that could result from implementation of the Density Done Right legislation.

Under the AHBP, projects that could result in significant impacts on, or related to, historic resources, wind, and shadow would not be eligible for the AHBP. Based on the exclusion of such projects, Addendum 3 concluded that the AHBP would not result in significant impacts on, or related to, historic resources, wind, and shadow.

As originally introduced by Supervisor Peskin, the Density Done Right legislation does not exclude projects that could result in significant impacts on, or related to, historic resources, wind, and shadow. In order for the Density Done Right legislation to be adequately covered by the environmental impacts analysis in Addendum 3, the Density Done Right legislation would need to be amended to exclude projects that could result in significant impacts on, or related to, historic resources, wind, and shadow. Provided that this amendment is incorporated, the Density Done Right legislation would not result in new impacts that were not already identified in Addendum 3 or impacts that are more severe than those identified in Addendum 3, and no further environmental review would be required.