

New Planning Code Summary:

Defining a Significant Increase in Residential Development Potential

- Code Changes:** Section 401
- Case Number:** Board File No. 13-0647 (Case No. 2013.0536U);
Board Motion No. M13-097
- Initiated by:** Housing Review Committee, comprised of the Directors of the Planning Department, the Mayor's Office of Housing, and the Office of Economic and Workforce Development.
- Effective Date:** August 24, 2013

The Way It Was:

The existing Inclusionary Affordable Housing Program defined in Planning Code Section 415 requires that certain residential projects pay an Affordable Housing Fee or provide a percentage of units constructed as affordable to qualifying households, known as "Below Market Rate" or "BMR" units. As an alternative to providing BMR units on-site, Project Sponsors may provide a higher percentage of the total units as off-site BMR unit, or may pay an Affordable Housing Fee in-lieu of providing units on-or off-site.

Proposition C became effective on January 2, 2013. As of that date, there has been a prohibition on increasing Inclusionary Housing requirements for future projects, with exceptions including for **areas over 40 acres in size that are re-zoned, but not included in any Special Use District, in a manner that would result in significantly increased residential development potential.** The threshold for meeting this exception was previously not defined in the Planning Code.

The Way It Is Now:

The Ordinance defines (in Planning Code Section 401) a specific standard for what constitutes a "significant increase in residential development potential" for the purposes of Charter Section 16.110(h)(1)(B)(iv). This standard is:

- A 20% or greater increase in developable residential gross floor area, as measured by a change in height limit, Floor Area Ratio limits, or use (over prior zoning); or
- A change in use permitting residential uses where residential uses were not previously permitted; or
- For parcels with an existing residential development capacity of ten units or more, the lesser of:
 - A 50% or greater increase in residential densities over prior zoning; or,
 - An increase in density of at least 15 additional units allowed under the prior zoning.

The exemption from the cap on affordable housing obligations applies to projects that meet the defined threshold. The increase is calculated on a parcel-by-parcel basis, and only those parcels within the re-zoned area that meet the defined threshold may have an increased inclusionary housing obligation.

Link to final

legislation: <http://sfgov.legistar.com/LegislationDetail.aspx?ID=1447007&GUID=A6A7ADFA-0118-4809-821E-70FF96EE2AD1&Options=ID|Text|&Search=130647>