

COMPLIANCE WITH THE INCLUSIONARY AFFORDABLE HOUSING PROGRAM



Date: August 16, 2016
To: Applicants subject to Planning Code Section 415 and 419: *Inclusionary Affordable Housing Program*
From: San Francisco Planning Department
Re: **Compliance with the Inclusionary Affordable Housing Program**

All projects that include 10 or more dwelling units must participate in the *Inclusionary Affordable Housing Program* contained in Planning Code Sections 415 and 419. Every project subject to the requirements of Planning Code Section 415 or 419 is required to pay the Affordable Housing Fee. A project may be eligible for an Alternative to the Affordable Housing Fee if the developer chooses to commit to sell the new residential units rather than offer them as rental units. Projects may be eligible to provide rental affordable units if it demonstrates the affordable units are not subject to the Costa Hawkins Rental Housing Act. All projects that can demonstrate that they are eligible for an Alternative to the Affordable Housing Fee must provide necessary documentation to the Planning Department and Mayor's Office of Housing.

Before the Planning Department and/or Planning Commission can act on the project, this Affidavit for Compliance with the Inclusionary Affordable Housing Program must be completed. Please note that this affidavit is required to be included in Planning Commission packets and therefore, must comply with packet submittal guidelines.

The Affidavit is divided into two sections. This first section is devoted to projects that are subject to Planning Code Section 415. The second section covers projects that are located in the Urban Mixed Use (UMU) Zoning District and certain projects within the Mission Neighborhood Commercial Transit District that are subject to Planning Code Section 419. Please use the applicable form and contact Planning staff with any questions.

On June 7, 2016, Proposition C was passed by San Francisco voters to modify Affordable Housing Requirements and trailing legislation was passed by the Board of Supervisors (Ord No. 76-16 and File No. 160255) to implement the increased requirements. Please be aware that the inclusionary requirements may differ for projects depending on when a complete Environmental Evaluation Application (EEA) was submitted with the Department. Please also note that there are different requirements for smaller projects (10-24 units) and larger projects (25+ units). Please use the attached tables to determine the applicable requirement.

For new projects with complete EEA's accepted after January 12, 2016, the Inclusionary Affordable Housing Program includes provisions to allow for mixed income levels. Generally speaking, if the required number of units constructed on-site is 25%, a minimum of 15% of the units must be affordable to low-income households and 10% of the units affordable to low- or moderate/middle-income households. The Average Median Income (AMI) for low income is 55% for rental and 80% for ownership. The AMI for moderate/middle income units is 100% for rental and 120% for ownership. Projects subject to grandfathering must provide the all of the inclusionary units at the low income AMI.

Summary of requirements. Please determine what percentage is applicable for your project based on the size of the project, the zoning of the property, and the date that a complete Environmental Evaluation Application (EEA) was submitted. Chart A applies throughout San Francisco whereas Chart B addresses UMU (Urban Mixed Use District) Zoning Districts.

If the project received its first discretionary approval prior to January 12, 2016, please use the EEA accepted before 1/1/13 column to determine the applicable percentage because projects that received a first discretionary approval prior to January 12, 2016 are not subject to the new requirements included in the trailing legislation associated with Proposition C (Ord. No. 76-16 and File No. 160255).

The Project contains: UNITS	The zoning of the property is:	Complete EEA was submitted on:
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CHART A: Inclusionary Requirements for San Francisco, excluding UMU Zoning Districts.

Complete EEA Accepted: →	Before 1/1/13	Before 1/1/14	Before 1/1/15	Before 1/12/16	After 1/12/16
Fee or Off-site					
10-24 unit projects	20.0%	20.0%	20.0%	20.0%	20.0%
25+ unit projects at or below 120'	20.0%	25.0%	27.5%	30.0%	33.0%
25+ unit projects over 120' in height *	20.0%	33.0%	33.0%	33.0%	33.0%
On-site					
10-24 unit projects	12.0%	12.0%	12.0%	12.0%	12.0%
25+ unit projects	12.0%	13.0%	13.5%	14.5%	25.0%

* except buildings up to 130 feet in height located both within a special use district and within a height and bulk district that allows a maximum building height of 130 feet.

CHART B: Inclusionary Requirements for UMU Districts. Please note that the Middle Income Incentive Alternative regulated in Planning Code Section 419 was not changed by Code amendment (Ord. No. 76-16). Also, certain projects in the SOMA Youth and Family SUD rely upon UMU requirements as stipulated by the Planning Code.

Complete EEA Accepted: →	Before 1/1/13	Before 1/1/14	Before 1/1/15	Before 1/12/16	After 1/12/16
On-site UMU					
Tier A 10-24 unit projects	14.4%	14.4%	14.4%	14.4%	14.4%
Tier A 25+ unit projects	14.4%	15.4%	15.9%	16.4%	25.0%
Tier B 10-24 unit projects	16.0%	16.0%	16.0%	16.0%	16.0%
Tier B 25+ unit projects	16.0%	17.0%	17.5%	18.0%	25.0%
Tier C 10-24 unit projects	17.6%	17.6%	17.6%	17.6%	17.6%
Tier C 25+ unit projects	17.6%	18.6%	19.1%	19.6%	25.0%
Fee or Off-site UMU					
Tier A 10-24 unit projects	23.0%	23.0%	23.0%	23.0%	23.0%
Tier A 25+ unit projects	23.0%	28.0%	30.5%	33.0%	33.0%
Tier B 10-24 unit projects	25.0%	25.0%	25.0%	25.0%	25.0%
Tier B 25+ unit projects	25.0%	30.0%	32.5%	33.0%	33.0%
Tier C 10-24 unit projects	27.0%	27.0%	27.0%	27.0%	27.0%
Tier C 25+ unit projects	27.0%	32.0%	33.0%	33.0%	33.0%
Land Dedication in UMU or Mission NCT					
Tier A 10-24 unit < 30K	35.0%	35.0%	35.0%	35.0%	35.0%
Tier A 10-24 unit > 30K	30.0%	30.0%	30.0%	30.0%	30.0%
Tier A 25+ unit < 30K	35.0%	40.0%	42.5%	45.0%	35.0%
Tier A 25+ unit > 30K	30.0%	35.0%	37.5%	40.0%	30.0%
Tier B 10-24 unit < 30K	40.0%	40.0%	40.0%	40.0%	40.0%
Tier B 10-24 unit > 30K	35.0%	35.0%	35.0%	35.0%	35.0%
Tier B 25+ unit < 30K	40.0%	45.0%	47.5%	50.0%	40.0%
Tier B 25+ unit > 30K	35.0%	40.0%	42.5%	45.0%	35.0%
Tier C 10-24 unit < 30K	45.0%	45.0%	45.0%	45.0%	45.0%
Tier C 10-24 unit > 30K	40.0%	40.0%	40.0%	40.0%	40.0%
Tier C 25+ unit < 30K	45.0%	50.0%	52.5%	55.0%	45.0%
Tier C 25+ unit > 30K	40.0%	45.0%	47.5%	50.0%	40.0%

COMPLIANCE WITH THE INCLUSIONARY AFFORDABLE HOUSING PROGRAM

PLANNING CODE SECTION 415 & 419



Date

I, _____,
do hereby declare as follows:

A The subject property is located at (address and block/lot):

Address

Block / Lot

B The proposed project at the above address is subject to the *Inclusionary Affordable Housing Program*, Planning Code Section 415 and 419 et seq.

The Planning Case Number and/or Building Permit Number is:

Planning Case Number

Building Permit Number

This project requires the following approval:

- Planning Commission approval (e.g. Conditional Use Authorization, Large Project Authorization)
- This project is principally permitted.

The Current Planner assigned to my project within the Planning Department is:

Planner Name

Is this project an UMU project within the Eastern Neighborhoods Plan Area?

- Yes _____ No

(If yes, please indicate Affordable Housing Tier)

This project is exempt from the *Inclusionary Affordable Housing Program* because:

- This project is 100% affordable.
- This project is 100% student housing.

C This project will comply with the Inclusionary Affordable Housing Program by:

- Payment of the Affordable Housing Fee prior to the first construction document issuance (Planning Code Section 415.5).
- On-site Affordable Housing Alternative (Planning Code Sections 415.6).
- Off-site Affordable Housing Alternative (Planning Code Sections 415.7);
- Land Dedication

D If the project will comply with the Inclusionary Affordable Housing Program through an **On-site** or **Off-site Affordable Housing Alternative**, please fill out the following regarding how the project is eligible for an alternative.

- Ownership.** All affordable housing units will be sold as ownership units and will remain as ownership units for the life of the project.
- Rental.** Exemption from Costa Hawkins Rental Housing Act.¹ The Project Sponsor has demonstrated to the Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act, under the exception provided in Civil Code Sections 1954.50 through one of the following:
 - Direct financial contribution from a public entity.
 - Development or density bonus, or other public form of assistance.
 - Development Agreement with the City. The Project Sponsor has entered into or has applied to enter into a Development Agreement with the City and County of San Francisco pursuant to Chapter 56 of the San Francisco Administrative Code and, as part of that Agreement, is receiving a direct financial contribution, development or density bonus, or other form of public assistance.

E The Project Sponsor acknowledges that failure to sell the affordable units as ownership units or to eliminate the on-site or off-site affordable ownership-only units at any time will require the Project Sponsor to:

- (1) Inform the Planning Department and the Mayor's Office of Housing and, if applicable, fill out a new affidavit;
- (2) Record a new Notice of Special Restrictions; and
- (3) Pay the Affordable Housing Fee plus applicable interest (using the fee schedule in place at the time that the units are converted from ownership to rental units) and any applicable penalties by law.

F Affordability Levels:

No. of Affordable Units:	% Affordable Units:	AMI Level:
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No. of Affordable Units:	% Affordable Units:	AMI Level:
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G The Project Sponsor must pay the Affordable Housing Fee in full sum to the Development Fee Collection Unit at the Department of Building Inspection for use by the Mayor's Office of Housing prior to the issuance of the first construction document.

H I am a duly authorized agent or owner of the subject property.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this day in:

_____ *Location*

_____ *Date*

Sign Here

_____ *Signature*

_____ *Name (Print), Title*

_____ *Contact Phone Number*

cc: Mayor's Office of Housing and
Community Development
Planning Department Case Docket

¹ California Civil Code Section 1954.50 and following.

UNIT MIX TABLES

Number of All Units in PRINCIPAL PROJECT:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
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If you selected an On-site or Off-Site Alternative, please fill out the applicable section below. If using more than one AMI to satisfy the requirement, please submit a separate sheet for each AMI level.

On-site Affordable Housing Alternative (Planning Code Section 415.6): calculated at % of the unit total.

Number of Affordable Units to be Located ON-SITE:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
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Off-site Affordable Housing Alternative (Planning Code Section 415.7): calculated at % of the unit total.

Number of Affordable Units to be Located OFF-SITE:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
Area of Dwellings in Principal Project (in sq. feet):		Off-Site Project Address:			
Area of Dwellings in Off-Site Project (in sq. feet):					
Off-Site Block/Lot(s):		Motion No. for Off-Site Project (if applicable):		Number of Market-Rate Units in the Off-site Project:	

Combination of payment of a fee, on-site affordable units, or off-site affordable units with the following distribution:

Indicate what percent of each option will be implemented (from 0% to 99%) and the number of on-site and/or off-site below market rate units for rent and/or for sale.

1. Fee % of affordable housing requirement.

2. On-Site % of affordable housing requirement.

Number of Affordable Units to be Located ON-SITE:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
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3. Off-Site % of affordable housing requirement.

Number of Affordable Units to be Located OFF-SITE:

TOTAL UNITS:	SRO / Group Housing:	Studios:	One-Bedroom Units:	Two-Bedroom Units:	Three (or more) Bedroom Units:
Area of Dwellings in Principal Project (in sq. feet):		Off-Site Project Address:			
Area of Dwellings in Off-Site Project (in sq. feet):					
Off-Site Block/Lot(s):		Motion No. for Off-Site Project (if applicable):		Number of Market-Rate Units in the Off-site Project:	

Contact Information and Declaration of Sponsor of PRINCIPAL PROJECT

Company Name

Name (Print) of Contact Person

Address

City, State, Zip

Phone / Fax

Email

I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above.

Sign Here

Signature:

Name (Print), Title:

Contact Information and Declaration of Sponsor of OFF-SITE PROJECT (If Different)

Company Name

Name (Print) of Contact Person

Address

City, State, Zip

Phone / Fax

Email

I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above.

Sign Here

Signature:

Name (Print), Title: