



KATY TANG
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**LEGISLATION INCENTIVIZING 100 PERCENT AFFORDABLE HOUSING
PROJECTS FOR LOW-INCOME HOUSEHOLDS RECEIVES UNANIMOUS
APPROVAL AT BOARD OF SUPERVIORS**

*Passage of legislation sponsored by Supervisor Tang and Mayor Lee could create up to 203
additional affordable units in currently pending projects*

After a multi-year, citywide effort to engage residents on the issue of affordable housing, legislation sponsored by Supervisor Katy Tang and Mayor Edwin M. Lee incentivizing development of 100 percent affordable projects received unanimous approval at the Board of Supervisors today.

“I am committed to making an impact on our City’s affordable housing supply for our most vulnerable residents, and I look forward to continuing my work in advocating for more affordable housing opportunities for low- and middle-income households,” said Supervisor Tang. “We need to do more to ensure that residents can stay in San Francisco.”

The legislation provides incentives for non-profit developers who partner with the Mayor’s Office of Housing and Community Development (MOHCD) to build more projects containing 100 percent affordable units – meaning that all units within the building are available to households earning less than 80 percent of the Area Median Income (AMI). Under the legislation, 100 percent affordable projects can receive a density bonus and up to an additional three stories above existing height limits.

There are seven 100 percent affordable projects currently in the pipeline. Altogether, these projects would result in 639 affordable units upon completion. If these projects all use a local density bonus program under Supervisor Tang’s legislation, a total of 842 affordable units could be built. This represents a 203 unit increase.

“We will deliver more than 10,000 affordable homes for low and middle income families by 2020, in part, by increasing housing production in growing neighborhoods through tools like the innovative Affordable Housing Bonus Program,” said Mayor Lee. “Together with the leadership of Supervisor Katy Tang and the entire Board of Supervisors, the Affordable Housing Bonus Program will make sure that smart, sensible and well-designed infill developments will provide thousands of permanently affordable homes for our families in San Francisco.”



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All jurisdictions within California, including San Francisco, are required to enable the State Density Bonus Law, which grants projects up to a 30 percent density bonus and unlimited height increases in exchange for building 20 percent affordable housing on-site. Given that San Francisco never implemented a density bonus law locally, the Planning Department worked for two years to develop a local program – the Affordable Housing Bonus Program (AHBP).

The AHBP, which set tougher standards for on-site affordability requirements (at 30 percent), was introduced at the Board of Supervisors in September 2015. Originally, the AHBP contained two main programs: 1) incentivizing market-rate developers to contribute to the affordable housing shortage through mixed-income projects; and 2) 100 percent affordable projects.

After nearly a year of public outreach, where the Planning Department staff engaged residents from all 11 districts through a series of community meetings and other forums for public input, several changes have been made to the AHBP to incorporate resident feedback. Some of the amendments made include:

- Prohibiting the demolition of existing residential uses from participation in the local density bonus program;
- Requiring community serving uses on the ground floor; and
- Ensuring neighborhood notification and community input process.

Most notably, Supervisor Tang split the original AHBP legislation into two separate ordinances – (1) the 100 percent Affordable program; and (2) the originally drafted AHBP ordinance which includes the mixed-income programs. Moving the 100 percent affordable program forward at this time allows the City to capitalize on the seven existing projects in the pipeline. The portion of the legislation that incorporates the mixed-income programs is expected to be heard after a feasibility analysis is completed by the Planning Department in the Fall.

“I’m glad that my colleagues realize the full consequences of not supporting the production of affordable housing units during this housing crisis, and I hope they will continue to support our efforts in the Fall,” said Supervisor Tang. “The housing challenges we face cannot be politicized – let’s take real action to build more housing now, and not less, later.”

With the unanimous approval of the legislation at the Board of Supervisors, Supervisor Tang withdrew a ballot measure that mirrored the 100 percent affordable program legislation from the November 2016 election.

Any questions about the legislation can be directed to Supervisor Tang’s office at 415-554-7460 or Katy.Tang@sfgov.org.