

[Planning Code - HOME-SF and 100% Affordable Housing Bonus Program]

Ordinance amending the Planning Code to amend the Housing Opportunities Mean Equity-San Francisco (HOME-SF) Program to revise the amount of inclusionary housing required and the types of development bonuses received for projects with complete environmental evaluation applications submitted on or before December 31, 2019, with existing requirements and bonuses revived for projects with complete environmental evaluation applications submitted on or after January 1, 2020, and to require project authorization under Planning Code, Section 328; revising the 100% Affordable Housing Bonus Program to eliminate a Planning Commission review hearing for 100% affordable housing projects upon delegation by the Planning Commission; establish duties for the Inclusionary Housing Technical Advisory Committee; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~Arial 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. Findings.

2 (a) The Planning Department has determined that the actions contemplated in this
3 ordinance comply with the California Environmental Quality Act (California Public Resources
4 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
5 Supervisors in File No. 180456 and is incorporated herein by reference. The Board affirms
6 this determination.

7 (b) On June 28, 2018, the Planning Commission, in Resolution No. 20225, adopted
8 findings that the actions contemplated in this ordinance are consistent, on balance, with the
9 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board
10 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the
11 Board of Supervisors in File No. 180456, and is incorporated herein by reference.

12 (c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code
13 Amendment will serve the public necessity, convenience, and welfare for the reasons set forth
14 in Planning Commission Resolution No. 20225, and the Board incorporates such reasons
15 herein by reference. A copy of Planning Commission Resolution No. 20225 is on file with the
16 Board of Supervisors in File No. 180456.

17 Section 2. The Planning Code is hereby amended by revising Section 206.3 and 206.4
18 to read as follows:

19 **SEC. 206.3. HOUSING OPPORTUNITIES MEAN EQUITY - SAN FRANCISCO PROGRAM.**

20 (a) **Purpose.** This Section 206.3 sets forth the HOME-SF Program. The HOME-SF
21 Program or "HOME-SF" provides benefits to project sponsors of housing projects that set
22 aside ~~a total of 30% of~~ residential units onsite at below market rate rent or sales price in an
23 amount higher than the amount required by the Inclusionary Housing Ordinance. The purpose
24 of HOME-SF is to expand the number of below market rate units produced in San Francisco
25 and provide housing opportunities to a wider range of incomes than traditional affordable

1 housing programs, such as the City's Inclusionary Affordable Housing Program, Planning
2 Code Section 415 et seq., which typically provide housing only for very low, low or moderate
3 income households. The purpose of HOME-SF also is to provide an alternative method of
4 complying with the on-site inclusionary option set forth in Section 415.6. HOME-SF allows
5 market-rate projects to match the City's shared Proposition K (*November 2014*) housing goals
6 that 50% of new housing constructed or rehabilitated in the City by 2020 be within the reach of
7 working middle class San Franciscans, and at least 33% affordable for low and moderate
8 income households.

9 (b) **Applicability.** A HOME-SF Project under this Section 206.3 shall be a project that:

10 (1) contains three or more residential units, as defined in Section 102, not
11 including any Group Housing as defined in Section 102, efficiency dwelling units with reduced
12 square footage defined in Section 318, and Density Bonus Units permitted through this
13 Section 206.3, or any other density bonus;

14 (2) is located in any zoning district that: (A) is not designated as an RH-1 or RH-
15 2 Zoning District; and (B) establishes a maximum dwelling unit density through a ratio of
16 number of units to lot area, including RH-3, RM, RC, C-2, Neighborhood Commercial, Named
17 Neighborhood Commercial, and SoMa Mixed Use Districts; but only if the SoMa Mixed Use
18 District has a density measured by a maximum number of dwelling units per square foot of lot
19 area; (C) is not in the North of Market Residential Special Use District, Planning Code Section
20 249.5, until the Affordable Housing Incentive Study is completed at which time the Board will
21 review whether the North of Market Residential Special Use District should continue to be
22 excluded from this Program. The Study will explore opportunities to support and encourage
23 the provision of housing at the low, moderate, and middle income range in neighborhoods
24 where density controls have been eliminated. The goal of this analysis is to incentivize
25 increased affordable housing production levels at deeper and wider ranges of AMI and larger

1 unit sizes in these areas through 100% affordable housing development as well as below
2 market rate units within market rate developments; (D) is not located within the boundaries of
3 the Northeastern Waterfront Area Plan south of the centerline of Broadway; and (E) is not
4 located on property under the jurisdiction of the Port of San Francisco;

5 (3) is not seeking and receiving a density or development bonus under the
6 provisions of California Government Code Section 65915 et seq., Planning Code Section
7 207, Section 124(f), Section 202.2(f), 304, or any other State or local program that provides
8 development bonuses;

9 (4) includes at least 135% of the Base Density as calculated under Planning
10 Code Section 206.5;

11 ~~(5) in Neighborhood Commercial Districts is not a project that involves merging lots~~
12 ~~that result in more than 125 feet in lot frontage for projects located;~~

13 ~~(6)(5)~~ consists of new construction, and excluding any project that includes an
14 addition to an existing structure;

15 ~~(7)(6)~~ complies with the on-site Inclusionary Affordable Housing option set forth
16 in Planning Code Section 415.6; provided however, that the percentage of affordable units
17 and the required affordable sales price or affordable rents set forth in Section 415.6(a) shall
18 be as provided in this Section 206.3;

19 ~~(8)(7)~~ if any retail use is demolished or removed, does not include a Formula
20 Retail use, as defined in Section 303.1, unless the retail use demolished or removed was also
21 a Formula Retail Use, or was one of the following uses: Gas Stations, Private or Public
22 Parking Lots, Financial Services, Fringe Financial Services, Self Storage, Motel, Automobile
23 Sales or Rental, Automotive Wash, Mortuaries, Adult Business, Massage Establishment,
24 Medical Cannabis Dispensary, and Tobacco Paraphernalia Establishment, as those uses are
25 defined in Planning Code Section 102;

~~(9)~~(8) if located north of the centerline of Post Street and east of the centerline of Van Ness Avenue, all otherwise eligible HOME-SF Projects shall only be permitted on:

(A) lots containing no existing buildings; or

(B) lots equal to or greater than 12,500 square feet where existing buildings are developed to less than 20% of the lot's principally permitted buildable gross floor area as determined by height limits, rear yard requirements, and required setbacks; and

~~(10)~~(9) if the City enacts an ordinance directing the Planning Department to study the creation of a possible area plan wholly or partially located in Supervisorial District 9, HOME-SF Projects shall not be permitted in any area in Supervisorial District 9 listed in the ordinance until such time as the City enacts the area plan.

(c) **HOME-SF Project Eligibility Requirements.** To receive the development bonuses granted under this Section 206.3, a HOME-SF Project must meet all of the following requirements:

(1) Except as limited in application by subsection (f): Provide 30% of units in the HOME-SF Project as HOME-SF Units, as defined herein. The HOME-SF Units shall be restricted for the Life of the Project and shall comply with all of the requirements of the Procedures Manual authorized in Section 415 except as otherwise provided herein. Twelve percent of HOME-SF Units that are Owned Units shall have an average affordable purchase price set at 80% of Area Median Income; 9% shall have an average affordable purchase price set at 105% of Area Median Income; and 9% shall have an average affordable purchase price set at 130% of Area Median Income. Twelve percent of HOME-SF Units that are rental units shall have an average affordable rent set at 55% of Area Median Income; 9% shall have an average affordable rent set at 80% of Area Median Income; and 9% shall have an average affordable rent set at 110% of Area Median Income. All HOME-SF Units must be marketed at a price that is at least 20% less than the current market rate for that unit size and

neighborhood, and MOHCD shall reduce the Area Median Income levels set forth herein in order to maintain such pricing. As provided for in subsection (e), the Planning Department and MOHCD shall amend the Procedures Manual to provide policies and procedures for the implementation, including monitoring and enforcement, of the HOME-SF Units;

(2) Demonstrate to the satisfaction of the Environmental Review Officer that the HOME-SF 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; and

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

(3) All HOME-SF units shall be no smaller than the minimum unit sizes set forth by the California Tax Credit Allocation Committee as of May 16, 2017. In addition, notwithstanding any other provision of this Code, HOME-SF projects shall provide a minimum dwelling unit mix of (A) at least 40% two and three bedroom units, including at least 10% three bedroom units, or (B) any unit mix which includes some three bedroom or larger units such that 50% of all bedrooms within the HOME-SF Project are provided in units with more than one bedroom. Larger units should be distributed on all floors, and prioritized in spaces adjacent to open spaces or play yards. Units with two or three bedrooms are encouraged to incorporate family friendly amenities. Family friendly amenities shall include, but are not limited to, bathtubs, dedicated cargo bicycle parking, dedicated stroller storage, open space and yards designed for use by children. HOME-SF Projects are not eligible to modify this requirement under Planning Code Section ~~303(f)~~ 328 or any other provision of this Code;

(4) Does not demolish, remove, or convert any residential units; and

(5) Includes at the ground floor level active uses, as defined in Section 145.1, at the same square footages as any neighborhood commercial uses demolished or removed, unless the Planning Commission has granted an exception under Section ~~328~~ ~~303(t)(2)(G)~~.

(d) **Development Bonuses.** Any HOME-SF Project shall, at the project sponsor's request, receive any or all of the following:

(1) **Form based density.** *Except as limited in application by subsection (f):*

Notwithstanding any zoning designation to the contrary, density of a HOME-SF 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 (d)(2), Bulk, Setbacks, Required 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.

(2) **Height.** *Except as limited in application by subsection (f):* Up to 20 additional feet above the height authorized for the HOME-SF Project under the Height Map of the Zoning Map. This additional height may only be used to provide up to two additional 10-foot stories to the project, or one additional story of no more than 10 feet in height. Building features exempted from height controls under Planning Code Section 260(b) shall be measured from the roof level of the highest story provided under this subsection (d)(2).

(3) **Ground Floor Ceiling Height.** *Except as limited in application by subsection (f):* In addition to the permitted height allowed under subsection (d)(2), HOME-SF Projects with active uses on the ground floor as defined in Section 145.1(b)(2) shall receive up to a maximum of five additional feet in height above the height limit, in addition to the additional 20 feet granted in subsection (d)(2) ~~above~~. However, the additional five feet may only be applied

1 at the ground floor to provide a 14-foot (floor to ceiling) ceiling height for nonresidential uses,
2 and to allow walk-up dwelling units to be consistent with the Ground Floor Residential Design
3 Guidelines. This additional five feet shall not be granted to projects that already receive such
4 a height increase under Planning Code Section 263.20.

5 (4) **Zoning Modifications.** HOME-SF Projects may receive ~~select up to three of~~
6 the following zoning modifications:

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

14 (B) **Dwelling Unit Exposure:** The dwelling unit exposure requirements
15 of Section 140(a)(2) may be satisfied through qualifying windows facing an unobstructed open
16 area that is no less than 25 feet in every horizontal dimension, and such open area is not
17 required to expand in every horizontal dimension at each subsequent floor.

18 (C) **Off-Street Loading:** Off-street loading spaces per Section 152 shall
19 not be required.

20 (D) **Automobile Parking:** Up to a 75% reduction in the residential and
21 commercial parking requirements in Section 151 or any applicable special use district.

22 (E) **Open Space:** Up to a 5% reduction in common open space if
23 provided under Section 135 or any applicable special use district.
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(F) **Additional Open Space:** Up to an additional 5% reduction in common open space if provided under Section 135 or any applicable special use district, beyond the 5% provided in subsection (d)(4)(E) ~~above~~.

(G) **Inner Courts as Open Space:** ~~In order for~~ For an inner court to qualify as useable 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. HOME-SF 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.

(5) **Priority Processing and Planning Commission approval.** HOME-SF Projects shall be reviewed in coordination with relevant priority processing and shall be approved, denied, or approved subject to conditions by the Planning Commission under Section 328, within ~~120~~ 180 days of submittal of a complete project application, unless the Environmental Review Officer determines that an environmental impact report is required for the project under Administrative Code section 31.09, the date that the HOME-SF application is deemed complete.

(e) Implementation.

(1) **Application.** An application to participate in the HOME-SF 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:

1 (A) A full plan set, including a site plan, elevations, sections, and floor
2 plans, showing total number of units, number of and location of HOME-SF Units; and a draft
3 Regulatory Agreement;

4 (B) The requested development bonuses and/or zoning modifications
5 from those listed in subsection (d).

6 (C) A list of all on-site family friendly amenities. Family friendly amenities
7 shall include, but are not limited to, dedicated cargo bicycle parking, dedicated stroller
8 storage, open space and yards designed for use by children.

9 (D) Documentation that the applicant has provided written notification to
10 all existing commercial or residential tenants that the applicant intends to develop the property
11 pursuant to this section 206.3 and has provided any existing commercial tenants with a copy
12 of the ~~Mayor's~~ Office of Economic and Workforce Development's Guide to Small Business
13 Retention and Relocation Support. Any affected commercial tenants shall be given priority
14 processing similar to the Department's Community Business Priority Processing Program, as
15 adopted by the Planning Commission on February 12, 2015, under Resolution Number
16 19323, to support relocation of such business in concert with access to relevant local
17 business support programs.

18 (2) **Procedures Manual.** The Planning Department and MOHCD shall amend
19 the Procedures Manual, authorized in Section 415, to include policies and procedures for the
20 implementation, including monitoring and enforcement, of HOME-SF Units. As an amendment
21 to the Procedures Manual, such policies and procedures are subject to review and approval
22 by the Planning Commission under Section 415. Amendments to the Procedures Manual shall
23 include a requirement that project sponsors in specified areas complete a market survey of
24 the area before marketing HOME-SF Units.

2 (3) **Notice and Hearing.** HOME-SF Projects shall comply with Section 306 for
review and approval.

3 (4) **Controls.** HOME-SF Projects shall be governed by the *conditional use*
4 procedures and timelines in of Section 303 328.

5 (5) **Regulatory Agreements.** Recipients of development bonuses under this
6 Section 206.3 shall enter into a Regulatory Agreement with the City, as follows.

7 (A) The terms of the agreement shall be acceptable in form and content
8 to the Planning Director, the Director of MOHCD, and the City Attorney. The Planning Director
9 shall have the authority to execute such agreements.

10 (B) Following execution of the agreement by all parties, the completed
11 Regulatory Agreement, or memorandum thereof, shall be recorded and the conditions filed
12 and recorded on the Housing Project.

13 (C) The approval and recordation of the Regulatory Agreement shall take
14 place prior to the issuance of the First Construction Document. The Regulatory Agreement
15 shall be binding to all future owners and successors in interest.

16 (D) The Regulatory Agreement shall be consistent with the guidelines of
17 the City's Inclusionary Housing Program and shall include at a minimum the following:

18 (i) The total number of dwelling units approved for the
19 Housing Project, including the number of HOME-SF Units or other restricted units;

20 (ii) A description of the household income group to be
21 accommodated by the HOME-SF Units, and the standards for determining the corresponding
22 Affordable Rent or Affordable Sales Price. If required by the Procedures Manual, the project
23 sponsor must commit to completing a market survey of the area before marketing HOME-SF
24 Units;

(iii) The location, dwelling unit sizes (in square feet), and number of bedrooms of the HOME-SF Units;

(iv) Term of use restrictions for the life of the project;

(v) A schedule for completion and occupancy of HOME-SF Units;

(vi) A description of any Concession, Incentive, waiver, or modification, if any, being provided by the City;

(vii) A description of remedies for breach of the agreement (the City may identify tenants or qualified purchasers as third party beneficiaries under the agreement); and

(viii) Other provisions to ensure implementation and compliance with this Section.

(f) Temporary provisions for projects with complete Environmental Evaluation Applications submitted prior to January 1, 2020. To facilitate the construction of HOME-SF projects, and based on information from the inclusionary housing study prepared for the Divisadero and Fillmore Neighborhood Commercial Transit District, in Board of Supervisors File No. 151258, and the Office of the Controller's Inclusionary Housing Working Group final report (February 2016), the HOME-SF program shall include development incentives as specified in this subsection (f) based on the amount and level of affordability provided in projects with complete Environmental Evaluation Applications submitted through December 31, 2019. For any development project that has submitted a complete Environmental Evaluation Application prior to January 1, 2020, subsections (c)(1) and (d)(1), (d)(2), and (d)(3) shall not apply, and the provisions in this subsection (f) shall apply. For any development project that submits a complete Environmental Evaluation Application on or after January 1, 2020, this subsection (f) shall not apply, and such projects shall comply with subsections (c)(1), (d)(1), (d)(2), and (d)(3).

1 (1) HOME-SF Project Eligibility Requirements. To receive the development bonuses
2 granted under this Section 206.3, a HOME-SF Project must provide a percentage of units, in the
3 amounts set forth in section 206.3(f)(2)(A), (B), or (C), as HOME-SF Units, as defined in Section 206.2.
4 The HOME-SF Units shall be restricted for the Life of the Project and shall comply with all of the
5 requirements of the Procedures Manual authorized in Section 415 except as otherwise provided in this
6 Section 206.3. All HOME-SF Units must be marketed at a price that is at least 20% less than the
7 current market rate for that unit size and neighborhood, and MOHCD shall reduce the Area Median
8 Income levels set forth in this Section 206.3 in order to maintain such pricing. As provided for in
9 subsection (e), the Planning Department and MOHCD shall amend the Procedures Manual to provide
10 policies and procedures for the implementation, including monitoring and enforcement, of the HOME-
11 SF Units;

12 (2) Development Bonuses. Any HOME-SF Project shall at the project sponsor's
13 request receive the following:

14 (A) Tier One: A Tier One HOME-SF Project that consists of fewer than
15 25 units and are Owned Units shall provide 20% of units in the HOME-SF Project as HOME-SF
16 Units at the following levels: Ten ten percent of Tier One HOME-SF Units that are Owned
17 Units shall have an average affordable purchase price set at 80% of Area Median Income; 5% shall
18 have an average affordable purchase price set at 105% of Area Median Income; and 5% shall have an
19 average affordable purchase price set at 130% of Area Median Income. A Tier One HOME-SF
20 Project that consists of fewer than 25 units and are rental units shall provide 20% of units in
21 the HOME-SF Project as HOME-SF Units at the following levels: Ten ten percent of Tier One
22 HOME-SF Units that are rental units shall have an average affordable rent set at 55% of Area
23 Median Income; 5% shall have an average affordable rent set at 80% of Area Median Income; and 5%
24 shall have an average affordable rent set at 110% of Area Median Income. A Tier One HOME-SF
25 Project that consists of 25 or more units and are Owned Units shall provide 23% of units in the

HOME-SF Project as HOME-SF Units at the following levels: ten percent shall have an average affordable purchase price set at 80% of Area Median Income; 8% shall have an average affordable purchase price set at 105% of Area Median Income; and 5% shall have an average affordable purchase price set at 130% of Area Median Income. A Tier One HOME-SF Project that consists of 25 or more units and are Rental Units shall provide 23% of units in the HOME-SF Project as HOME-SF Units at the following levels: ten percent shall have an average affordable rent set at 55% of Area Median Income; 8% shall have an average affordable rent set at 80% of Area Median Income; and 5% shall have an average affordable rent set at 110% of Area Median Income.

(i) Form based density. Notwithstanding any zoning designation to the contrary, density of a Tier One HOME-SF 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, Bulk, Setbacks, Required 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.

(ii) Ground Floor Ceiling Height. Tier One HOME-SF Projects with active uses on the ground floor as defined in Section 145.1(b)(2) shall receive up to a maximum of five additional feet in height above the height limit. However, the additional five feet may only be applied at the ground floor to provide a 14-foot (floor to ceiling) ceiling height for nonresidential uses, and to allow walk-up dwelling units to be consistent with the Ground Floor Residential Design Guidelines. This additional five feet shall not be granted to projects that already receive such a height increase under Planning Code Section 263.20.

(B) Tier Two: *A Tier Two HOME-SF Project shall provide 25% of units in the HOME-SF Project as HOME-SF Units. Ten percent of Tier Two HOME-SF Units that are Owned Units shall*

1 have an average affordable purchase price set at 80% of Area Median Income; 8% shall have an
2 average affordable purchase price set at 105% of Area Median Income; and 7% shall have an average
3 affordable purchase price set at 130% of Area Median Income. Ten percent of HOME-SF Units that
4 are rental units shall have an average affordable rent set at 55% of Area Median Income; 8% shall
5 have an average affordable rent set at 80% of Area Median Income; and 7% shall have an average
6 affordable rent set at 110% of Area Median Income.

7 (i) Form based density. Notwithstanding any zoning designation to the contrary,
8 density of a Tier Two HOME-SF Project shall not be limited by lot area but rather by the applicable
9 requirements and limitations set forth elsewhere in this Code. Such requirements and limitations
10 include, but are not limited to, height, including any additional height allowed by subsections
11 (f)(2)(B)(ii) and (iii), Bulk, Setbacks, Required Open Space, Exposure, and unit mix as well as
12 applicable design guidelines, elements, and area plans of the General Plan and design review,
13 including consistency with the Affordable Housing Bonus Program Design Guidelines, referenced in
14 Section 328, as determined by the Planning Department.

15 (ii) Height. Up to 10 additional feet above the height authorized for the Tier
16 Two HOME-SF Project under the Height Map of the Zoning Map. This additional height may only be
17 used to provide up to one additional story of no more than 10 feet in height. Building features
18 exempted from height controls under Planning Code Section 260(b) shall be measured from the roof
19 level of the highest story provided under this subsection (f)(2)(B)(ii).

20 (iii) Ground Floor Ceiling Height. In addition to the permitted height allowed
21 under subsection (f)(2)(B)(ii), Tier Two HOME-SF Projects with active uses on the ground floor as
22 defined in Section 145.1(b)(2) shall receive up to a maximum of five additional feet in height above the
23 height limit. However, the additional five feet may only be applied at the ground floor to provide a 14-
24 foot (floor to ceiling) ceiling height for nonresidential uses, and to allow walk-up dwelling units to be
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1 consistent with the Ground Floor Residential Design Guidelines. This additional five feet shall not be
2 granted to projects that already receive such a height increase under Planning Code Section 263.20.

3 (C) **Tier Three:** A Tier Three HOME-SF Project shall provide 30% of units in the
4 HOME-SF Project as HOME-SF Units. Ten percent of Tier Three HOME-SF Units that are Owned
5 Units shall have an average affordable purchase price set at 80% of Area Median Income; 10% shall
6 have an average affordable purchase price set at 105% of Area Median Income; and 10% shall have
7 an average affordable purchase price set at 130% of Area Median Income. Ten percent of Tier Three
8 HOME-SF Units that are rental units shall have an average affordable rent set at 55% of Area Median
9 Income; 10% shall have an average affordable rent set at 80% of Area Median Income; and 10% shall
10 have an average affordable rent set at 110% of Area Median Income.

11 (i) Form based density. Notwithstanding any zoning designation to the contrary,
12 density of a Tier Three HOME-SF Project shall not be limited by lot area but rather by the applicable
13 requirements and limitations set forth elsewhere in this Code. Such requirements and limitations
14 include, but are not limited to, height, including any additional height allowed by subsections
15 (f)(2)(C)(ii) and (iii), Bulk, Setbacks, Required Open Space, Exposure, and unit mix as well as
16 applicable design guidelines, elements, and area plans of the General Plan and design review,
17 including consistency with the Affordable Housing Bonus Program Design Guidelines, referenced in
18 Section 328, as determined by the Planning Department.

19 (ii) Height. Up to 20 additional feet above the height authorized for the Tier
20 Three HOME-SF Project under the Height Map of the Zoning Map. This additional height may only be
21 used to provide up to two additional 10-foot stories to the project, or one additional story of no more
22 than 10 feet in height. Building features exempted from height controls under Planning Code Section
23 260(b) shall be measured from the roof level of the highest story provided under this section.

24 (iii) Ground Floor Ceiling Height. In addition to the permitted height allowed
25 under subsection (f)(2)(C)(ii), Tier Three HOME-SF Projects with active uses on the ground floor as

1 defined in Section 145.1(b)(2) shall receive up to a maximum of five additional feet in height above the
2 height limit. However, the additional five feet may only be applied at the ground floor to provide a 14-
3 foot (floor to ceiling) ceiling height for nonresidential uses, and to allow walk-up dwelling units to be
4 consistent with the Ground Floor Residential Design Guidelines. This additional five feet shall not be
5 granted to projects that already receive such a height increase under Planning Code Section 263.20.

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8 **SEC. 206.4. THE 100 PERCENT AFFORDABLE HOUSING BONUS PROGRAM.**

9 * * * *

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

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

14 (2) **Form Based Density.** Notwithstanding any zoning designation to the
15 contrary, density of the 100 Percent Affordable Housing Bonus Project shall not be limited by
16 lot area but rather by the applicable requirements and limitations set forth elsewhere in this
17 Code. Such requirements and limitations include, but are not limited to, height, including any
18 additional height allowed by subsection (c) herein, Bulk, Setbacks, Open Space, Exposure
19 and unit mix as well as applicable design guidelines, elements and area plans of the General
20 Plan and design review, including consistency with the Affordable Housing Bonus Program
21 Design Guidelines, referenced in Section ~~328~~ 315.1, as determined by the Planning
22 Department.

23 (3) **Height.** 100 Percent Affordable Housing Bonus Projects shall be allowed up
24 to 30 additional feet, not including allowed exceptions per Section 260(b), above the
25 property's height district limit in order to provide three additional stories of residential use. This

1 additional height may only be used to provide up to three additional 10-foot stories to the
2 project, or one additional story of not more than 10 feet in height.

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

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

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

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

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

22 (D) **Automobile Parking:** Up to a 100% reduction in the minimum off-
23 street residential and commercial automobile parking requirement under Article 1.5 of this
24 Code.
25

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

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

13 (d) **Implementation.**

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

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

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

24 (ii) The requested development bonuses from those listed in
25 subsection (c);

1 (iii) Unit size and distribution of multi-bedroom units:

2 (iv) Documentation that the applicant has provided written
3 notification to all existing commercial tenants that the applicant intends to develop the
4 property pursuant to this section 206.4. Any affected commercial tenants shall be given
5 priority processing similar to the Department's Community Business Priority Processing
6 Program, as adopted by the Planning Commission on February 12, 2015 under Resolution
7 Number 19323 to support relocation of such business in concert with access to relevant local
8 business support programs. In no case may an applicant receive a site permit or any
9 demolition permit prior to 18 months from the date of written notification required by this
10 subsection 206.4(d)(1)(B); and

11 (v) Documentation that the applicant shall comply with any
12 applicable provisions of the State Relocation Law or Federal Uniform Relocation Act when a
13 parcel includes existing commercial tenants.

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

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

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

22
23 Section 3. The Planning Code is hereby amended by revising Section 315 to read as
24 follows:

25 **SEC. 315 AFFORDABLE HOUSING PROJECT AUTHORIZATION**

1 * * * *

2 **SEC. 315.1 100 PERCENT AFFORDABLE HOUSING BONUS PROJECT AUTHORIZATION.**

3 (a) **Purpose.** The purpose of this Section 315.1 is to ensure that all 100 Percent Affordable
4 Housing Bonus projects pursuant to Planning Code Section 206.4 are reviewed in coordination with
5 Priority Processing available for certain projects with 100% affordable housing. While most projects
6 in the 100 Percent Affordable Housing Bonus Program will likely be somewhat larger than their
7 surroundings in order to facilitate higher levels of affordable housing, the Planning Director and
8 Department shall review each project for consistency with the Affordable Housing Bonus Design
9 Guidelines and any other applicable design guidelines, as adopted and periodically amended by the
10 Planning Commission, so that projects respond to their surrounding context, while still meeting the
11 City's affordable housing goals.

12 (b) **Applicability.** This Section 315.1 applies to all 100 Percent Affordable Housing Bonus
13 Projects that meet the requirements described in Section 206.4.

14 (c) **Design Review.** The Planning Department shall review and evaluate all physical aspects of
15 a 100 Percent Affordable Housing Bonus Project as follows.

16 (1) The Planning Director may, consistent with the Affordable Housing Bonus Program
17 Design Guidelines and any other applicable design guidelines, make minor modifications to a project
18 to reduce the impacts of a 100 Percent Affordable Housing Bonus Project on surrounding buildings.
19 The Planning Director may also apply the standards of Section 261.1 to bonus floors for all projects on
20 narrow streets and alleys in order to ensure that these streets do not become overshadowed, including
21 potential upper story setbacks, and special consideration for the southern side of East-West streets, and
22 Mid-block passages, as long as such setbacks do not result in a smaller number of residential units.

23 (2) As set forth in subsection (d) below, the Planning Director may also grant minor
24 exceptions to the provisions of this Code. However, such exceptions should only be granted to allow
25 building mass to appropriately shift to respond to surrounding context, and only when such

1 modifications do not substantially reduce or increase the overall building envelope permitted by the
2 Program under Section 206.4. All modifications and exceptions should be consistent with the
3 Affordable Housing Bonus Program Design Guidelines and any other applicable design guidelines. In
4 case of a conflict with other applicable design guidelines, the Affordable Housing Bonus Program
5 Design Guidelines shall prevail.

6 (3) The Planning Director may require these or other modifications or conditions in
7 order to achieve the objectives and policies of the Affordable Housing Bonus Program or the purposes
8 of this Code. This review shall be limited to design issues including the following:

9 (A) whether the bulk and massing of the building is consistent with the
10 Affordable Housing Bonus Design Guidelines.

11 (B) whether building design elements including, but not limited to, architectural
12 treatments, facade design, and building materials, are consistent with the Affordable Housing Bonus
13 Program Design Guidelines and any other applicable design guidelines.

14 (C) whether the design of lower floors, including building setback areas,
15 commercial space, townhouses, entries, utilities, and parking and loading access is consistent with the
16 Affordable Housing Bonus Program Design Guidelines, and any other applicable design guidelines.

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

20 (d) **Exceptions.** As a component of the review process under this Section 315.1, the Planning
21 Director may grant minor exceptions to the provisions of this Code as provided below, in addition to
22 the development bonuses granted to the project in Section 206.4(c). Such exceptions, however, should
23 only be granted to allow building mass to appropriately shift to respond to surrounding context, and
24 only when the Planning Director finds that such modifications do not substantially reduce or increase
25 the overall building envelope permitted by the Program under Section 206.4, and the project, with the

1 modifications and exceptions, is consistent with the Affordable Housing Bonus Design Guidelines.

2 These exceptions may include:

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

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

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

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

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

13 (6) Where not specified elsewhere in this subsection (d), modification of other Code
14 requirements that could otherwise be modified as a Planned Unit Development (as set forth in Section
15 304), irrespective of the zoning district in which the property is located, and without requiring
16 conditional use authorization.

17 (e) **Required Findings.** In reviewing any project pursuant to this Section 315.1, the Planning
18 Director shall make the following findings:

19 (1) the use complies with the applicable provisions of this Code and is consistent with
20 the General Plan;

21 (2) the use provides development that is in conformity with the stated purpose of the
22 applicable Use District; and,

23 (3) the use contributes to the City's affordable housing goals as stated in the General
24 Plan.

1 (4) If a 100 Percent Affordable Housing Bonus Project otherwise would require a
2 conditional use authorization due only to (1) a specific land use or (2) a use size limit, the Planning
3 Director shall make all findings and consider all criteria required by this Code for such use or use size
4 as part of this 100 Percent Affordable Housing Bonus Project Authorization and no conditional use
5 authorization shall be required.

6 (f) **Decision and Imposition of Conditions.** The Planning Director may authorize, disapprove
7 or approve subject to conditions, the project and any associated requests for exceptions and shall make
8 appropriate findings. The Director may impose additional conditions, requirements, modifications, and
9 limitations on a proposed project in order to achieve the objectives, policies, and intent of the General
10 Plan or of this Code. This administrative review shall be identical in purpose and intent to any
11 Planning Commission review that would otherwise be required by Section 206.4 of the Planning Code.

12 (g) **Discretionary Review.** As long as the Planning Commission has delegated its authority to
13 the Planning Department to review applications for an Affordable Housing Project, the Planning
14 Commission shall not hold a public hearing for discretionary review of a 100 Percent Affordable
15 Housing Bonus project that is subject to this Section.

16 (h) **Appeals.** The Planning Director's administrative determination regarding a 100 Percent
17 Affordable Housing Bonus Project pursuant to this Section 315.1 shall be considered part of a related
18 building permit. Any appeal of such determination shall be made through the associated building
19 permit.

20
21 Section 4. The Planning Code is hereby amended by revising Sections 303 and 328 to
22 read as follows:

23 **SECTION 303. CONDITIONAL USES**

24 * * * *

1 (v) **Affordable Housing Bonus Projects.** The purpose of this Section 303(v) is to
2 ensure that ~~all HOME-SF Projects under Section 206.3 and~~ all Analyzed State Density Bonus
3 Program Projects under Section 206.5 are reviewed in coordination with priority processing
4 available for certain projects with greater levels of affordable housing. While most projects in
5 the Program will likely be somewhat larger than their surroundings in order to facilitate higher
6 levels of affordable housing, the Planning Commission and Department shall ensure that each
7 project is consistent with the Affordable Housing Bonus Design Guidelines and any other
8 applicable design guidelines, as adopted and periodically amended by the Planning
9 Commission, so that projects respond to their surrounding context, while still meeting the
10 City's affordable housing goals.

11 (1) **Planning Commission Design Review:** The Planning Commission shall
12 review and evaluate all physical aspects of a ~~HOME-SF or~~ State Analyzed Project at a public
13 hearing. The Planning Commission recognizes that most qualifying projects will need to be
14 larger in height and mass than surrounding buildings ~~in order~~ to achieve the Affordable
15 Housing Bonus Program's affordable housing goals. However, the Planning Commission may,
16 consistent with the Affordable Housing Bonus Program Design Guidelines, and any other
17 applicable design guidelines, and upon recommendation from the Planning Director, make
18 minor modifications to a project to reduce the impacts of such differences in scale.

19 ~~Additionally, as set forth in subsection (2) below, for HOME-SF Projects the Planning Commission~~
20 ~~may grant minor exceptions to the provisions of this Code. However, such exceptions should only be~~
21 ~~granted to allow building mass to appropriately shift to respond to surrounding context, and only when~~
22 ~~such modifications do not substantially reduce or increase the overall building envelope permitted by~~
23 ~~the Program under Section 206.3. All modifications and exceptions should be consistent with the~~
24 ~~Affordable Housing Bonus Program Design Guidelines and any other applicable design guidelines. In~~
25 ~~case of a conflict with other applicable design guidelines, the Affordable Housing Bonus Program~~

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

5 ~~(A) whether the bulk and massing of the building is consistent with the~~
6 ~~Affordable Housing Program Bonus Design Guidelines.~~

7 ~~(B) whether building design elements including, but not limited to architectural~~
8 ~~treatments, façade design, and building materials, are consistent with the Affordable Housing Bonus~~
9 ~~Program Design Guidelines and any other applicable design guidelines.~~

10 ~~(C) whether the design of lower floors, including building setback areas,~~
11 ~~commercial space, townhouses, entries, utilities, and parking and loading access is consistent with the~~
12 ~~Affordable Housing Bonus Program Design Guidelines, and any other applicable design guidelines.~~

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

16 ~~(2) **Exceptions.** This subsection (v)(2) shall not apply to State Analyzed projects. As a~~
17 ~~component of the review process under this Section 303(v), the Planning Commission may grant minor~~
18 ~~exceptions to the provisions of this Code as provided for below, in addition to the development bonuses~~
19 ~~granted to the project in Section 206.3(d). Such exceptions, however, should only be granted to allow~~
20 ~~building mass to appropriately shift to respond to surrounding context, and only when the Planning~~
21 ~~Commission finds that such modifications: (1) do not substantially reduce or increase the overall~~
22 ~~building envelope permitted by the Program under Section 206.3; and (2) are consistent with the~~
23 ~~Affordable Housing Bonus Design Guidelines. These exceptions may include:~~

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

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

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

5 ~~(D) Exception from dwelling unit exposure requirements of Section 140, or any~~
6 ~~applicable special use district.~~

7 ~~(E) Exception from satisfaction of accessory parking requirements per Section~~
8 ~~152.1, or any applicable special use district.~~

9 ~~(F) Where not specified elsewhere in this subsection (v)(2), modification of other~~
10 ~~Code requirements that could otherwise be modified as a Planned Unit Development (as set forth in~~
11 ~~Section 304), irrespective of the zoning district in which the property is located.~~

12 ~~(G) Exception from active ground floor use requirements under 145.1(c)(3).~~

13 ~~(3)(2)~~ **Additional Criteria.** In addition to the criteria set forth in subsection
14 (c)(2), the Planning Commission shall consider the extent to which the following criteria are
15 met:

16 (A) whether the project would require the demolition of an existing
17 building;

18 (B) whether the project would remove existing commercial or retail uses;

19 (C) If the project would remove existing commercial or retail uses, how
20 recently the commercial or retail uses were occupied by a tenant or tenants;

21 (D) whether the project includes commercial or retail uses;

22 (E) whether there is an adverse impact on the public health, safety, and
23 general welfare due to the loss of commercial or retail uses in the district where the project is
24 located; and

1 (F) whether any existing commercial or retail use has been designated,
2 or is eligible to be designated, as a Legacy Business under Administrative Code Section
3 2A.242; or is a formula retail business.

4 ~~(4)(3)~~ In no case may a project receive a site permit or any demolition permit
5 prior to 18 months from the date of written notification required by ~~206.5(d)(7). 206.3(e)(1)(D).~~

6 * * * *

7 Section 5. The Planning Code is hereby amended by deleting Section 328 as follows:

8 **~~SEC. 328. 100 PERCENT AFFORDABLE HOUSING BONUS HOME-SF PROJECT~~**
9 **~~AUTHORIZATION.~~**

10 (a) ~~Purpose.~~ The purpose of this Section 328 is to ensure that all HOME-SF ~~100~~
11 ~~Percent Affordable Housing Bonus~~ projects under Section ~~206.4~~ 206.3 are reviewed in a timely
12 manner ~~coordination with priority processing available for certain projects with 100 Percent~~
13 ~~affordable housing.~~ While most projects in the ~~100 Percent Affordable Housing Bonus~~ HOME-SF
14 Program will likely be somewhat larger than their surroundings in order to facilitate higher
15 levels of affordable housing, the Planning Commission and Department shall ensure that each
16 project is consistent with the Affordable Housing Bonus Design Guidelines and any other
17 applicable design guidelines, as adopted and periodically amended by the Planning
18 Commission, so that projects respond to their surrounding context, while still meeting the
19 City's affordable housing goals.

20 (b) ~~Applicability.~~ This Section 328 applies to all qualifying HOME-SF ~~100 Percent~~
21 ~~Affordable Housing Bonus~~ Projects that meet the requirements described in Section ~~206.4~~
22 ~~206.3.~~

23 (c) ~~Planning Commission Design Review.~~ The Planning Commission shall review and
24 evaluate all physical aspects of a ~~100 Percent Affordable Housing Bonus~~ HOME-SF Project at a
25 public hearing. The Planning Commission recognizes that most qualifying projects will need to

1 be larger in height and mass than surrounding buildings in order to achieve *the 100%*
2 *Affordable Housing Bonus Program's* HOME-SF's affordable housing goals. However, the
3 Planning Commission may, consistent with the Affordable Housing Bonus Program Design
4 Guidelines, and any other applicable design guidelines, and upon recommendation from the
5 Planning Director, make minor modifications to a project to reduce the impacts of such
6 differences in scale. The Planning Commission, upon recommendation of the Planning
7 Director, may also apply the standards of Section 261.1 to bonus floors for all projects on
8 narrow streets and alleys in order to ensure that these streets do not become overshadowed,
9 including potential upper story setbacks, and special consideration for the southern side of
10 East-West streets, and Mid-block passages, as long as such setbacks do not result in a
11 smaller number of residential units.

12 Additionally, as set forth in subsection (d) below, the Planning Commission may grant
13 minor exceptions to the provisions of this Code. However, such exceptions should only be
14 granted to allow building mass to appropriately shift to respond to surrounding context, and
15 only when such modifications do not substantially reduce or increase the overall building
16 envelope permitted by the Program under Section 206.3206.4. All modifications and
17 exceptions should be consistent with the Affordable Housing Bonus Program Design
18 Guidelines and any other applicable design guidelines. In case of a conflict with other
19 applicable design guidelines, the Affordable Housing Bonus Program Design Guidelines shall
20 prevail.

21 The Planning Commission may require these or other modifications or conditions, or
22 disapprove a project, in order to achieve the objectives and policies of the Affordable Housing
23 Bonus Programs or the purposes of this Code. This review shall limited to design issues
24 including the following:
25

1 (1) ~~whether the bulk and massing of the building is consistent with the~~
2 ~~Affordable Housing Bonus Design Guidelines.~~

3 (2) ~~whether building design elements including, but not limited to architectural~~
4 ~~treatments, facade design, and building materials, are consistent with the Affordable Housing~~
5 ~~Bonus Program Design Guidelines and any other applicable design guidelines.~~

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

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

13 (5) ~~if the project involves the merging of two or more lots resulting in more than~~
14 ~~125 feet in lot frontage on any one street, whether the project is consistent with the Affordable~~
15 ~~Housing Bonus Program Design Guidelines, and any other applicable design guidelines.~~

16 (d) ~~Exceptions. As a component of the review process under this Section 328, the~~
17 ~~Planning Commission may grant minor exceptions to the provisions of this Code as provided~~
18 ~~for below, in addition to the development bonuses granted to the project in Section 206.3~~
19 ~~206.4(e). Such exceptions, however, should only be granted to allow building mass to~~
20 ~~appropriately shift to respond to surrounding context, and only when the Planning~~
21 ~~Commission finds that such modifications do not substantially reduce or increase the overall~~
22 ~~building envelope permitted by the HOME-SF Program under Section 206.3 206.4, and also~~
23 ~~are consistent with the Affordable Housing Bonus Design Guidelines. These exceptions may~~
24 ~~include:~~

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

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

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

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

9 ~~(5) Exception from satisfaction of accessory parking requirements per Section~~
10 ~~152.1, or any applicable special use district.~~

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

14 ~~(e) Required Findings. In its review of any project pursuant to this Section 328, the~~
15 ~~Planning Commission shall make the following findings:~~

16 ~~(1) the use as proposed will comply with the applicable provisions of this Code~~
17 ~~and is consistent with the General Plan; and~~

18 ~~(2) the use as proposed will provide development that is in conformity with the~~
19 ~~stated purpose of the applicable Use District.; and,~~

20 ~~(3) the use as proposed will contribute to the City's affordable housing goals as stated~~
21 ~~in the General Plan.~~

22 ~~(f) Additional Criteria. The Planning Commission shall consider the extent to which the~~
23 ~~following criteria are met:~~

24 ~~(1) whether the project would require the demolition of an existing~~
25 ~~building;~~

1 ~~(2) whether the project would remove existing commercial or retail uses;~~
2 ~~(3) If the project would remove existing commercial or retail uses, how~~
3 ~~recently the commercial or retail uses were occupied by a tenant or tenants;~~
4 ~~(4) whether the project includes commercial or retail uses;~~
5 ~~(5) whether there is an adverse impact on the public health, safety, and~~
6 ~~general welfare due to the loss of commercial or retail uses in the district where the project is~~
7 ~~located; and~~
8 ~~(6) whether any existing commercial or retail use has been designated,~~
9 ~~or is eligible to be designated, as a Legacy Business under Administrative Code Section~~
10 ~~2A.242; or is a formula retail business.~~

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

16 ~~(g)(h) Hearing and Decision.~~

17 ~~(1) Hearing. The Planning Commission shall hold a public hearing for all~~
18 ~~projects that are subject to this Section 328, within 120 days of the date that the HOME-SF~~
19 ~~application is deemed complete.~~

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

22 ~~(3) Director's Recommendations on Modifications and Exceptions. At the~~
23 ~~hearing, the Planning Director shall review for the Commission key issues related to the~~
24 ~~project based on the review of the project pursuant to subsection (c) and recommend to the~~
25 ~~Commission modifications, if any, to the project and conditions for approval as necessary. The~~

1 Director shall also make recommendations to the Commission on any proposed exceptions
2 pursuant to subsection (d).

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

9 (5) ~~Appeal. The decision of the Planning Commission may be appealed to the~~
10 ~~Board of *Supervisors Appeals* by any person aggrieved within 30 15 days after the date of the~~
11 ~~decision by filing a written notice of appeal with the Board of *Supervisors Appeals*, setting forth~~
12 ~~wherein it is alleged that there was an error in the interpretation of the provisions of this~~
13 ~~Section 328 or abuse of discretion on the part of the Planning Commission. The procedures~~
14 ~~and requirements for *conditional use* appeals in Section 308.1(b) and (c) 309(e)(3) and (4) shall~~
15 ~~apply to appeals to the Board of *Supervisors Appeals* under this Section 328.~~

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

19 (7) ~~Change of Conditions. Once a project is approved, authorization of a~~
20 ~~change in any condition previously imposed by the Planning Commission shall require~~
21 ~~approval by the Planning Commission subject to the procedures set forth in this Section 328.~~

22 (8) ~~In no case may a project approved or approved with conditions under this~~
23 ~~Section 328 receive a site permit or any demolition permit prior to 18 months from the date of~~
24 ~~written notification required by 206.3(e)(1)(D).~~

1 Section 6. The Planning Code is hereby amended by adding Section 328 to read as
2 follows:

3 **SEC. 328. HOME-SF PROJECT AUTHORIZATION.**

4 (a) Purpose. The purpose of this Section 328 is to ensure that all HOME-SF projects
5 under Section 206.3 are reviewed in a timely manner. While most projects in the HOME-SF
6 Program will likely be somewhat larger than their surroundings in order to facilitate higher
7 levels of affordable housing, the Planning Commission and Department shall ensure that each
8 project is consistent with the Affordable Housing Bonus Design Guidelines and any other
9 applicable design guidelines, as adopted and periodically amended by the Planning
10 Commission, so that projects respond to their surrounding context, while still meeting the
11 City's affordable housing goals.

12 (b) Applicability. This Section 328 applies to all qualifying HOME-SF Projects that meet
13 the requirements described in Section 206.3.

14 (c) Planning Commission Design Review. The Planning Commission shall review and
15 evaluate all physical aspects of a HOME-SF Project at a public hearing. The Planning
16 Commission recognizes that most qualifying projects will need to be larger in height and mass
17 than surrounding buildings in order to achieve HOME-SF's affordable housing goals.
18 However, the Planning Commission may, consistent with the Affordable Housing Bonus
19 Program Design Guidelines, and any other applicable design guidelines, and upon
20 recommendation from the Planning Director, make minor modifications to a project to reduce
21 the impacts of such differences in scale. The Planning Commission, upon recommendation of
22 the Planning Director, may also apply the standards of Section 261.1 to bonus floors for all
23 projects on narrow streets and alleys to ensure that these streets do not become
24 overshadowed, including potential upper story setbacks, and special consideration for the
25

1 southern side of East-West streets, and Mid-block passages, as long as such setbacks do not
2 result in a smaller number of residential units.

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

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

15 (1) whether the bulk and massing of the building is consistent with the
16 Affordable Housing Bonus Design Guidelines.

17 (2) whether building design elements including, but not limited to architectural
18 treatments, facade design, and building materials, are consistent with the Affordable Housing
19 Bonus Program Design Guidelines and any other applicable design guidelines.

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

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

4 (5) if the project involves the merging of two or more lots resulting in more than
5 125 feet in lot frontage on any one street, whether the project is consistent with the Affordable
6 Housing Bonus Program Design Guidelines, and any other applicable design guidelines.

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

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

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

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

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

23 (5) Exception from satisfaction of accessory parking requirements per Section
24 152.1, or any applicable special use district.

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

4 (e) Required Findings. In its review of any project pursuant to this Section 328, the
5 Planning Commission shall make the following findings:

6 (1) the use as proposed will comply with the applicable provisions of this Code
7 and is consistent with the General Plan; and

8 (2) the use as proposed will provide development that is in conformity with the
9 stated purpose of the applicable Use District.

10 (f) Additional Criteria. The Planning Commission shall consider the extent to which the
11 following criteria are met:

12 (1) whether the project would require the demolition of an existing
13 building;

14 (2) whether the project would remove existing commercial or retail uses;

15 (3) If the project would remove existing commercial or retail uses, how
16 recently the commercial or retail uses were occupied by a tenant or tenants;

17 (4) whether the project includes commercial or retail uses;

18 (5) whether there is an adverse impact on the public health, safety, and
19 general welfare due to the loss of commercial or retail uses in the district where the project is
20 located; and

21 (6) whether any existing commercial or retail use has been designated,
22 or is eligible to be designated, as a Legacy Business under Administrative Code Section
23 2A.242; or is a formula retail business.

24 (g) If a HOME-SF Project otherwise requires a conditional use authorization due only
25 to (1) a specific land use, (2) use size limit, or (3) requirement adopted by the voters, then the

1 Planning Commission shall make all findings and consider all criteria required by this Code for
2 such use or use size as part of this HOME-SF Project Authorization.

3 (h) Hearing and Decision.

4 (1) Hearing. The Planning Commission shall hold a public hearing for all
5 projects that are subject to this Section 328 within 180 days of submittal of a complete project
6 application, unless the Environmental Review Officer determines that an environmental
7 impact report is required for the project under Administrative Code Section 31.09.

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

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

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

22 (5) Appeal. The decision of the Planning Commission may be appealed to the
23 Board of Appeals by any person aggrieved within 15 days after the date of the decision by
24 filing a written notice of appeal with the Board of Appeals, setting forth wherein it is alleged
25 that there was an error in the interpretation of the provisions of this Section 328 or abuse of

1 discretion on the part of the Planning Commission. The procedures and requirements for
2 appeals in Section 309(e)(3) and (4) shall apply to appeals to the Board of Appeals under this
3 Section 328.

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

7 (7) Change of Conditions. Once a project is approved, authorization of a
8 change in any condition previously imposed by the Planning Commission shall require
9 approval by the Planning Commission subject to the procedures set forth in this Section 328.

10 (8) In no case may a project approved or approved with conditions under this
11 Section 328 receive a site permit or any demolition permit prior to 18 months from the date of
12 written notification required by 206.3(e)(1)(D).

13 (9) Expiration of Planning Commission approval. Authorization of a HOME-
14 SF Project under this Section 328 shall expire if the project sponsor has not procured a
15 building permit or site permit for construction of the project within 36 months of the date of
16 Planning Commission approval. Such deadline shall be extended in the event of any appeal of
17 such authorization for the duration of the appeal, and in the event of litigation seeking to
18 invalidate the approval for the duration of the litigation.

19
20 Section 7. This section is uncodified. **Triennial Economic Feasibility Analysis.** The
21 Inclusionary Housing Technical Advisory Committee, established in Administrative Code
22 Chapter 5, Article XXIX and in conjunction with the requirements set forth in Section 415.10,
23 shall review the affordability requirements of the HOME-SF Program, Section 206.3 of the
24 Planning Code, including whether the inclusionary rates established for HOME-SF projects
25 should be indexed at the levels established in the Inclusionary Affordable Housing Program;

1 and the feasibility of the HOME-SF rates established for ownership and rental projects,
2 including the required percentage of affordable units and the required Area Median Income
3 levels. Prior to January 1, 2020, the Inclusionary Housing Technical Advisory Committee
4 shall review and consider the temporary tiered requirements in section 206.3(f), and
5 recommend new rates if applicable.

6 Section 5-7-8. Effective Date. This ordinance shall become effective 30 days after
7 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
8 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
9 of Supervisors overrides the Mayor's veto of the ordinance.

10
11 Section 6-8-9. Scope of Ordinance. In enacting this ordinance, the Board of
12 Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections,
13 articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the
14 Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board
15 amendment additions, and Board amendment deletions in accordance with the "Note" that
16 appears under the official title of the ordinance.

17
18 APPROVED AS TO FORM:
19 DENNIS J. HERRERA, City Attorney

20 By: 
21 AUDREY W. PEARSON
22 Deputy City Attorney

23 n:\legana\as2018\1800547\01289977.docx



City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 180456

Date Passed: July 31, 2018

Ordinance amending the Planning Code to amend the Housing Opportunities Mean Equity-San Francisco (HOME-SF) Program to revise the amount of inclusionary housing required and the types of development bonuses received for projects with complete environmental evaluation applications submitted on or before December 31, 2019, with existing requirements and bonuses revived for projects with complete environmental evaluation applications submitted on or after January 1, 2020, and to require project authorization under Planning Code, Section 328; revising the 100% Affordable Housing Bonus Program to eliminate a Planning Commission review hearing for 100% affordable housing projects upon delegation by the Planning Commission; establish duties for the Inclusionary Housing Technical Advisory Committee; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

July 09, 2018 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

July 09, 2018 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

July 17, 2018 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ayes: 11 - Cohen, Brown, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

July 17, 2018 Board of Supervisors - PASSED ON FIRST READING AS AMENDED

Ayes: 11 - Cohen, Brown, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

July 24, 2018 Board of Supervisors - CONTINUED ON FINAL PASSAGE

Ayes: 10 - Cohen, Brown, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani and Yee

Excused: 1 - Tang

July 31, 2018 Board of Supervisors - FINALLY PASSED

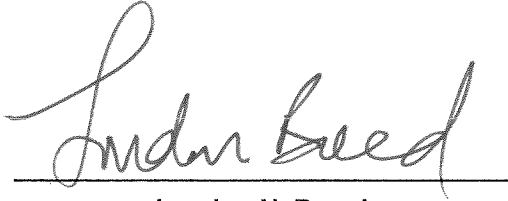
Ayes: 11 - Cohen, Brown, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

File No. 180456

I hereby certify that the foregoing
Ordinance was FINALLY PASSED on
7/31/2018 by the Board of Supervisors of
the City and County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor



Date Approved