New Planning Code Summary:

Inclusionary Affordable Housing Program Section 415

Case Number: Board File No. 10-00046

Initiated by: Supervisor Chiu, Mayor Newsom

Effective Date: January 24, 2011

On January 24, 2011, Section 415 was updated to conform to recent changes to California State law.

Projects <u>must comply</u> with the Inclusionary Affordable Housing Program by one of the following methods:

- 1. Planning Code Section 415.5: Payment of the **Affordable Housing Fee** prior to the first construction permit issuance.
 - i. The Fee is equivalent to the applicable percentage of the number of units in the principal project, which is 20% or the percentage that applied to the project if the project is subject to the different requirements.
- 2. **On-site or Off-site Affordable Housing Alternative** (415.6 and 415.7).

If the project will comply with the Inclusionary Housing Program through an **On-site or Off-site Affordable Housing Alternative**, the following qualifications must be met:

- 1. **Ownership**: All affordable units will be sold as ownership units and will remain as ownership units for the life of the project.
- 2. **Rental**: Exception from the provisions of the Costa Hawkins Rental Housing Act.¹ The project sponsor must demonstrate to the Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act, under the exception provided in Civil Code Section 1954.54(b) through one of the following.
 - i. Direct Financial contribution from a public entity
 - ii. Development or Density Bonus or Other Public Form of Assistance
 - iii. Development Agreement with the City where a development bonus has been granted.
 - 1. Requires BOS approval pursuant to Administrative Code Chapter 56.

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¹ California Civil Code Section1954.50 and following.

PLEASE NOTE:

- Title of program is INCLUSIONARY AFFORDABLE HOUSING PROGRAM
- Fee is AFFORDABLE HOUSING FEE (not inclusionary fee or in-lieu fee)
- Affordable housing and fee percentage requirements have not changed. If a project is located in an Area Plan with additional or specific affordable housing requirements, those requirements apply!
- There is no separate Declaration of Intent anymore! All Project Sponsors must fill out the *Affidavit of Compliance with the Inclusionary Affordable Housing Program* which includes the unit mix tables from the old Declaration of Intent while adding the new required affidavit information.
- Section 315 is now Section 415.

Link to signed legislation:

http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances10/o0312-10.pdf