



# SAN FRANCISCO PLANNING DEPARTMENT

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**DATE:** March 8, 2013

**TO:** Housing Review Committee

**FROM:** Sarah Dennis Phillips, Planning Department  
Dan Adams, Mayor's Office of Housing

**RE:** Revised definition of Significant Increase in Residential Development Potential

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Proposition C, "Affordable Housing Trust Fund and Housing Production Incentives", which took place as of January 2, 2013, stabilized the cost obligation of future inclusionary or affordable housing requirements, with some exceptions. Section 16.110.(h) (1)(B) (iv) excepted "An area subject to a change in zoning enacted after November 6, 2012 that affects 40 or more acres or greater and results in a significant increase in residential development potential, where the area is not also encompassed by a Special Use District adopted after November 6, 2012;" but deemed that the City would have to subsequently identify what constitutes "a significant increase in residential development potential" as a standard for the purposes of this subsection.

On January 13<sup>th</sup>, 2013, staff proposed a standard substantially similar to that addressing Special Use Districts and other local (site-specific) re-zonings. Following stakeholder meetings, the proposed definition was revised in a memo dated February 6, 2013, though the same memo called out the need to conduct further analysis prior to finalizing a definition. Thus, staff requested, and the Housing Review Committee approved at its February 7<sup>th</sup> hearing, a continuance of the item to a future hearing date.

Since the February 7 hearing, staff has conducted additional analysis and met with stakeholders. Based on that research and discussion, we would like to propose the following standard for what constitutes "a significant increase in residential development potential" for the purposes of Charter Section 16.110 (h)(1)(B)(iv).

- (1) a 20% or greater increase in developable residential gross floor area, as measured by a change in height limits, Floor Area Ratio limits, or use, over prior zoning, or
  - Note this is unchanged from prior staff recommendation.
- (2) a change in use permitting residential uses (with a CU or P) where none were previously permitted, or
  - Note this is unchanged from prior staff recommendation.
- (3) For parcels with an existing residential development capacity of 10 units or greater, the lesser of
  - a. a 50% or greater increase in residential densities over prior zoning, or,
  - b. an increase in density of at least 15 additional units enabled by removal of density limits.Parcels with a prior residential development capacity of 9 units or fewer that receive a change in density are not subject to this provision. For the purposes of determining residential development capacity, Planning staff shall use unit sizes and efficiency ratios typical for the subject area at the time of the rezoning.

Please note that the above increases in development potential would be calculated on a parcel-by-parcel basis, and the exemption from the cap on affordable housing obligations would apply only to those parcels that meet the defined threshold.