



AFFORDABILITY IMPACT STATEMENT

NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT

CITY COUNCIL AGENDA: FEBRUARY 13, 2014

CASE No: 20140213-80

<p>PROPOSED CODE AMENDMENT:</p>	<p>MAKE RAINEY STREET DISTRICT ELIGIBLE TO PARTICIPATE IN THE DOWNTOWN DENSITY BONUS PROGRAM BY AMENDING THE CODE IN THE FOLLOWING WAY:</p> <ul style="list-style-type: none"> • RAINEY PROGRAM TO APPLY ONLY UP TO 8:1 FAR; • ELIMINATE THE EXISTING RAINEY PROGRAM'S "POINT SYSTEM"; • APPLY DOWNTOWN DENSITY BONUS PROGRAM FOR FAR BETWEEN 8:1 AND 15:1
<p>IMPACT ON REGULATORY BARRIERS TO HOUSING DEVELOPMENT</p>	<p><input type="checkbox"/> INCREASE <input type="checkbox"/> DECREASE <input checked="" type="checkbox"/> NEUTRAL</p> <p>THE AFFORDABILITY PERIOD COULD BE A REGULATORY BARRIER TO HOUSING DEVELOPMENT FOR SOME DEVELOPERS. HOWEVER, WE SUPPORT THE ADDITION OF THE AFFORDABILITY PERIOD AS IT IS CONSISTENT WITH OTHER DENSITY BONUS PROGRAMS.</p>
<p>LAND USE / ZONING OPPORTUNITIES FOR AFFORDABLE HOUSING DEVELOPMENT</p>	<p><input checked="" type="checkbox"/> INCREASE <input type="checkbox"/> DECREASE <input type="checkbox"/> NEUTRAL</p> <p>AN INCREASE IN THE MAXIMUM ALLOWED FAR FROM 12:1 TO 15:1 UNDER THE DENSITY BONUS PROGRAM WILL CREATE MORE OPPORTUNITY FOR THE DEVELOPMENT OF AFFORDABLE HOUSING UNITS.</p>
<p>IMPACT ON COST OF DEVELOPMENT</p>	<p><input type="checkbox"/> INCREASE <input type="checkbox"/> DECREASE <input checked="" type="checkbox"/> NEUTRAL</p> <p>DEVELOPERS WILL CONTINUE TO HAVE THE OPTION OF PARTICIPATING IN THE DENSITY BONUS PROGRAMS OR TO NOT REQUEST ADDITIONAL ENTITLEMENTS AND THEREFORE NOT PROVIDE ONSITE AFFORDABLE UNITS OR A FEE IN LIEU OF SUCH UNITS.</p>
<p>IMPACT ON PRODUCTION OF AFFORDABLE HOUSING</p>	<p><input type="checkbox"/> INCREASE <input type="checkbox"/> DECREASE <input checked="" type="checkbox"/> NEUTRAL</p> <p>THE CURRENT RAINEY STREET DISTRICT DENSITY BONUS ALLOWS FOR ADDITIONAL DENSITY UP TO 12:1 FAR. WITH THE PROPOSED AMENDMENTS THE RAINEY STREET DISTRICT DENSITY BONUS WOULD ONLY APPLY TO UP TO 8:1 FAR AND THE DOWNTOWN DENSITY BONUS PROGRAM WILL APPLY FROM 8:1 FAR UP TO A MAXIMUM OF 15:1 FAR. THIS CHANGE POTENTIALLY REDUCES THE NUMBER OF REQUIRED ON-SITE AFFORDABLE UNITS PROVIDED BY A DEVELOPMENT THROUGH THE DENSITY BONUS PROGRAM.</p> <p>HOWEVER, THE ADDITIONAL DENSITY ALLOWED UNDER THE DOWNTOWN DENSITY PROGRAM PROVIDES OPPORTUNITY FOR ADDITIONAL ON-SITE UNITS OR A FEE-IN-LIEU. UNDER THE PREVIOUSLY CODIFIED SECTION OF THE DOWNTOWN DENSITY BONUS</p>

	<p>PROGRAM ADOPTED, 50% OF THE DENSITY ABOVE 8:1 FAR MUST BE EARNED THROUGH THE PROVISION OF ON-SITE AFFORDABLE UNITS OR A FEE-IN-LIEU PAID TO THE AFFORDABLE HOUSING TRUST FUND. ALL FEES GENERATED THROUGH THE DOWNTOWN DENSITY BONUS PROGRAM ARE PRIORITIZED FOR PERMANENT SUPPORTIVE HOUSING FOR LOW BARRIER APPROACHES FOR THE CHRONICALLY HOMELESS.</p> <p>THE DRAFT ORDINANCE ALSO INCLUDES A CHANGE TO THE EXISTING RAINEY STREET PROGRAM WHERE THE AFFORDABLE HOUSING WAS ORIGINALLY BASED ON 5% OF THE TOTAL UNITS IN THE DEVELOPMENT, THE AFFORDABLE HOUSING REQUIREMENT NOW STATES 5% OF THE TOTAL SQUARE FOOTAGE OF THE DEVELOPMENT. THIS CHANGE ALLOWS THE DEVELOPER THE OPTION OF PROVIDING A LOWER NUMBER OF LARGER AFFORDABLE UNITS OR A LARGER NUMBER OF SMALLER AFFORDABLE UNITS.</p> <p>NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT STAFF HAVE WITNESSED THE TREND AMONG DEVELOPERS TO SET ASIDE THE SMALLEST UNITS AS THE REQUIRED AFFORDABLE UNITS. STAFF THEREFORE DOES NOT EXPECT THE CHANGE FROM NUMBER OF UNITS TO SQUARE FOOTAGE TO HAVE A NEGATIVE IMPACT ON THE PRODUCTION OF AFFORDABLE UNITS. STAFF SUPPORTS THE CONSISTENCY BETWEEN THE RAINEY AND DOWNTOWN DENSITY BONUS PROGRAMS.</p>
PROPOSED CHANGES IMPACTING HOUSING AFFORDABILITY:	N/A
ALTERNATIVE LANGUAGE TO MAXIMIZE AFFORDABLE HOUSING OPPORTUNITIES:	N/A
OTHER HOUSING POLICY CONSIDERATIONS:	PLEASE SEE ATTACHED ADDENDUM FOR RESPONSES TO STAKEHOLDER RECOMMENDATIONS
DATE PREPARED:	FEBRUARY 5, 2014
DIRECTOR'S SIGNATURE:	