

FACT SHEET

Progress Report: Downtown Community Plan Update

What is the City Planning Commission's (CPC's) recommended approach to providing affordable housing Downtown?

The recommended Community Plan consists of the Community Benefits Program, a base and bonus, or incentive-based system, to facilitate new affordable housing units, and other onsite community benefits, building upon the established Affordable Housing Linkage Fee that is currently applied across the City, and requires affordable housing contributions for all development. Under the CPC's recommended system, Downtown sites are assigned base development rights (generally floor area ratio or FAR), that can be exceeded with floor area bonuses when projects provide affordable housing units onsite, or in some instances, when projects provide other onsite benefits such as publicly accessible open space, or community facilities like schools and childcare. This system was calibrated to ensure that most projects would build larger buildings on their sites, and provide affordable housing, furthering the City's goals to produce more housing, reduce greenhouse gas, and improve walkability.

Under this proposal projects would have been required to provide the following percentages of dwelling units for Lower Income households:

- 7% Deeply-Low Income, or roughly \$16,900* for a family of four
- 8% Extremely-Low Income, or roughly \$33,800* for a family of four
- 11% Very-Low Income, or roughly \$56,300* for a family of four
- 20% Low Income, or roughly \$90,100* for a family of four
- 40% Moderate Income (for-sale) , or roughly \$92,750* for a family of four

*As of August 2020

Additional increments of affordable housing are also required as projects increase in size beyond an initial 40% bonus.

How would an onsite affordable housing mandate differ from the CPC's recommended approach?

To complement the CPC's recommended Community Plan, City Planning will be studying two approaches to incorporating an inclusionary housing obligation. First, the study will explore whether the affordable housing obligations to achieve a "Level 1 40% FAR Bonus" (described above) can be made mandatory. The overall structure of FAR bonuses, and the Community Benefits Program (i.e. "base/bonus") would remain intact, keeping bonuses for open space, and community facilities intact.

Second, City Planning will explore whether both base FAR and affordable housing obligations can be increased, supplanting the Community Benefits Program emphasizing an affordable housing obligation for residential projects, or an obligation to onsite benefits like open space and community facilities for non-residential projects.

Both approaches will be offered for Council Consideration in addition to the CPC's recommended Community Plan.

Why is an inclusionary housing mandate being explored at this time?

In 2017 the City established an inclusionary housing program known as the Affordable Housing Linkage Fee, requiring affordable housing contributions in the form of payment or onsite contribution. This new study, [requested by Council District 14](#) will focus on bolstering onsite affordable housing production specifically. The topic of a mandatory onsite affordable housing obligations was first raised by Council District 14, when the CPC considered the Downtown Community Plan in the summer of 2021. Council District 14 has remained committed to incorporating an onsite affordable housing obligations, and has requested the economic analysis to assist in guiding the City Council's future consideration of the Downtown Community Plan.

How does this study relate to the Citywide inclusionary housing study?

Separate from the Downtown Community Plan, the City Council has directed the Housing Department to complete an economic analysis that addresses the feasibility of a citywide mandate for on-site affordable housing (also referred to as Inclusionary Zoning). City Planning and Housing will be coordinating these separate study efforts to ensure that analytical methods and the overall approach are readily discernible to the general public. In the meantime, the Downtown Community Plan study will be analyzing the Downtown site-specific zoning strategies, building typologies and localized



economic market factors, which will allow for a more nuanced set of recommendations for the City Council.

When will the economic analysis be made available to stakeholders?

City Planning envisions that the complete analysis will be posted to the Downtown Community Plan website when it is completed this summer, along with the Final Environmental Impact Report and corresponding zoning for the Plan area.

City Planning staff will provide office hours for stakeholders to engage on the completed study and how the plan's role in building new affordable housing may be strengthened as the Community Plan progresses toward adoption by the City Council. In addition, City Planning will provide a written report to the City Council's Planning and Land Use Management Committee, which will outline how the Community Plan's supporting regulations can be adapted to include a mandatory affordable housing obligation.

For more information, please [sign up online](#) to receive periodic updates on the Downtown Community Plan. As the study is underway, we will be providing additional opportunities for public input, in addition to sharing relevant planning documents.