

San Diego Housing Commission (SDHC) City of San Diego Land Use Programs Presentation to SDHC Board of Commissioners February 4, 2022

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SDHC – Land Use Programs Programs Overview

- City of San Diego Land Use programs are one of the ways SDHC helps to create additional affordable housing.
- SDHC administers these programs for the City of San Diego.
 - SDHC determines the affordable housing requirements that apply to the development.
 - SDHC helps developers understand the requirements, processes and timelines.
 - SDHC and the developer execute an affordable housing agreement.
 - SDHC monitors the development's compliance with the requirements over time.
- Programs:
 - Inclusionary Housing
 - Density Bonus
 - North City Future Urbanizing Area (NCFUA)
 - Coastal Affordable Housing





SDHC – Land Use Programs Review of Developments

Development
Permit
Application
Submitted to
City

SDHC
Determines
Applicable
Affordable
Housing
Requirements

SDHC Sends Conditions to City and Applicant Affordable
Housing
Agreement
and Deed of
Trust Are
Recorded

City Issues Building Permit

Construction Starts





SDHC – Land Use Programs Inclusionary Housing Overview

- Ordinance adopted June 2003
- Amended Ordinance effective July 1, 2020
- Applies to developments with more than 10 units and condo conversions with two or more units
- Provide affordable units on-site or pay a fee in lieu of units
 - Fees deposited into City's Affordable Housing Fund, which SDHC administers





SDHC – Land Use Programs Inclusionary Housing Overview (Continued)

- Requirements phased in over five years
 - Fiscal Year 2021 Fiscal Year 2025)

Year	Inclusionary Fee	Unit Set Aside Requirement
Year 1 (July 1, 2020 – June 30, 2021)	\$15.18/sq.ft.	2% @ 60% of Area Median Income (AMI)
Year 2 (July 1, 2021 – June 30, 2022)	\$17.64/sq.ft.	4% @ 60% of AMI
Year 3 (July 1, 2022 – June 30, 2023)	\$20.09/sq.ft.	6% @ 60% of AMI
Year 4 (July 1, 2023 – June 30, 2024)	\$22.55/sq.ft.	8% @ 60% of AMI
Year 5 (July 1, 2024)	\$25.00/sq.ft.	10% @ 60% of AMI





SDHC – Land Use Programs Production / Pipeline

- Inclusionary Housing On-Site:
 - Since 2003:
 - 37 developments
 - 1,546 affordable units
 - Pipeline:
 - 18 developments
 - 964 affordable units
- Inclusionary Housing Fundsupported Affordable Housing:
 - More than 3,500 units





Siena and Stylus

Mission Valley (Council District 7)
304 affordable units for families and seniors
Affordable for 55 years for income up to 65% of AMI
Developer: Chelsea Investment Corporation
Grand Opening: March 30, 2021





SDHC – Land Use Programs Density Bonus Overview

- Developer provides affordable housing in exchange for increased density and incentives, including reduced parking requirements.
- Program options
 - Floor Area Ratio (FAR) and Unit-Based
 - Microunits
 - Middle Income Bonus (Stacked bonus)
 - AB 1763 100% affordable
 - Accessory Dwelling Unit Bonus





SDHC – Land Use Programs Density Bonus Production / Pipeline

- Density Bonus
 - Production:
 - 344 developments
 - 1,760 affordable units
 - Pipeline:
 - 86 developments
 - 693 affordable units
 - 2 Complete Communities Projects under Construction
 - 21 Microunit projects
- ADU Bonus
 - Pipeline: 8 projects, 16 ADUs affordable at 110% of AMI



Secoya on Fifth

Little Italy (Council District 3)
11 affordable units for families
4 units at 50% of AMI; 3 units at 60% of AMI; and
4 units at 120% of AMI

Complete Communities Base Zone: 26 units Bonus: 6.5 FAR; 74 additional units (100 units total) Developer: Secoya Partners LP





SDHC – Land Use Programs North City Future Urbanizing Area (NCFUA) Overview

- NCFUA: Approximately 12,000 acres of agricultural land in northern portion of City of San Diego
- October 1, 1992: City Council adopted the NCFUA Framework Plan.
 - 20 percent set-aside of units affordable to families earning up to
 60 percent of AMI
 - 55-year affordability (rental and for-sale)
 - 25 percent density bonus

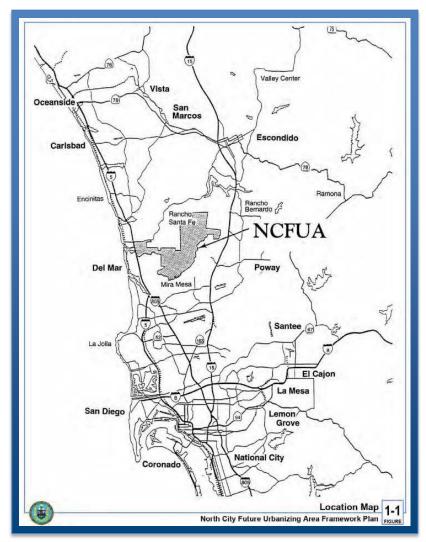




SDHC – Land Use Programs NCFUA Map

Subareas:

- Black Mountain Ranch
- San Dieguito
- Pacific Highlands Ranch
- Torrey Highlands
- Shaw Ridge/Del Mar Mesa







SDHC – Land Use Programs NCFUA Production / Pipeline

NCFUA

- Production:
 - 30 developments
 - 2,069 affordable units
- Pipeline:
 - 4 developments
 - 121 affordable units



Luna

Pacific Highlands Ranch (Council District 5)
79 affordable units for families
Affordable for income up to 60% of AMI
Developer: Affirmed Housing
Grand Opening: November 18, 2018





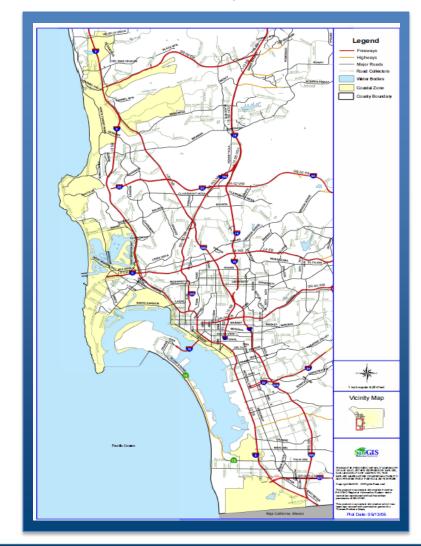
SDHC – Land Use Programs Coastal Overlay Zone Overview

- Adopted by California Coastal Act of 1976
- Senate Bill 626 adopted in 1981 limiting Coastal Commission and giving more housing oversight to local agencies
- Replacement
 - Replace any units occupied by low income or moderate-income households displaced by condo conversion or demolition
 - 5-year affordability required
 - In-Lieu fee option fees used to provide replacement housing
- New Development
 - Must provide affordable housing where feasible





SDHC – Land Use Programs Coastal Overlay Zone Map







SDHC – Land Use Programs Coastal Overlay Zone Production/Pipeline

Coastal

- Production:
 - 445 affordable units
 - 130 units replaced
 - 315 developed with \$3,985,748 in in-lieu fees invested in six projects
- Potential:
 - 101 replacement units or payment of \$2,690,600 in coastal in-lieu fees





SDHC – Land Use Programs

Questions & Comments

