San Diego Housing Commission (SDHC)
City of San Diego Land Use Programs
Presentation to SDHC Board of Commissioners
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Real Estate Land Use Programs
• 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

1. Development Permit Application Submitted to City
2. SDHC Determines Applicable Affordable Housing Requirements
3. SDHC Sends Conditions to City and Applicant
4. Affordable Housing Agreement and Deed of Trust Are Recorded
5. City Issues Building Permit
6. Construction Starts
• 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

<table>
<thead>
<tr>
<th>Year</th>
<th>Inclusionary Fee</th>
<th>Unit Set Aside Requirement</th>
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<tbody>
<tr>
<td>Year 1 (July 1, 2020 – June 30, 2021)</td>
<td>$15.18/sq.ft.</td>
<td>2% @ 60% of Area Median Income (AMI)</td>
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<td>Year 2 (July 1, 2021 – June 30, 2022)</td>
<td>$17.64/sq.ft.</td>
<td>4% @ 60% of AMI</td>
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<td>Year 3 (July 1, 2022 – June 30, 2023)</td>
<td>$20.09/sq.ft.</td>
<td>6% @ 60% of AMI</td>
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<td>Year 4 (July 1, 2023 – June 30, 2024)</td>
<td>$22.55/sq.ft.</td>
<td>8% @ 60% of AMI</td>
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<td>Year 5 (July 1, 2024)</td>
<td>$25.00/sq.ft.</td>
<td>10% @ 60% of AMI</td>
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Inclusionary Housing On-Site:
- Since 2003:
  - 37 developments
  - 1,546 affordable units
- Pipeline:
  - 18 developments
  - 964 affordable units

Inclusionary Housing Fund-supported 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
• 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
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
• 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
• 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
      o 130 units replaced
      o 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
Questions & Comments