

Mandatory Housing Affordability (MHA) in Chinatown/International District

a program of the
Housing Affordability and Livability Agenda



PLUZ
Committee
Briefing
April 11, 2017

What is MHA?



Creating more affordable housing through *growth*

- This new income- and rent-restricted housing would help our low income community members—such as seniors, artists, and working families.





- **CID Framework and Implementation Plan**
- **Public Safety Task Force**
- **Hing Hay Park Expansion**
- **Landmark Project**
- **Street Concept Plans and Improvements**
- **One Center City**
- **Center City Connector**
- **Updated Design Review Guidelines**

Context



- 2011 South Downtown Rezone
- CID and Central Area are the only two areas where there is significant economic, physical, and cultural displacement
- CID was separated from Downtown/SLU proposal in October 2016 because of area's unique conditions

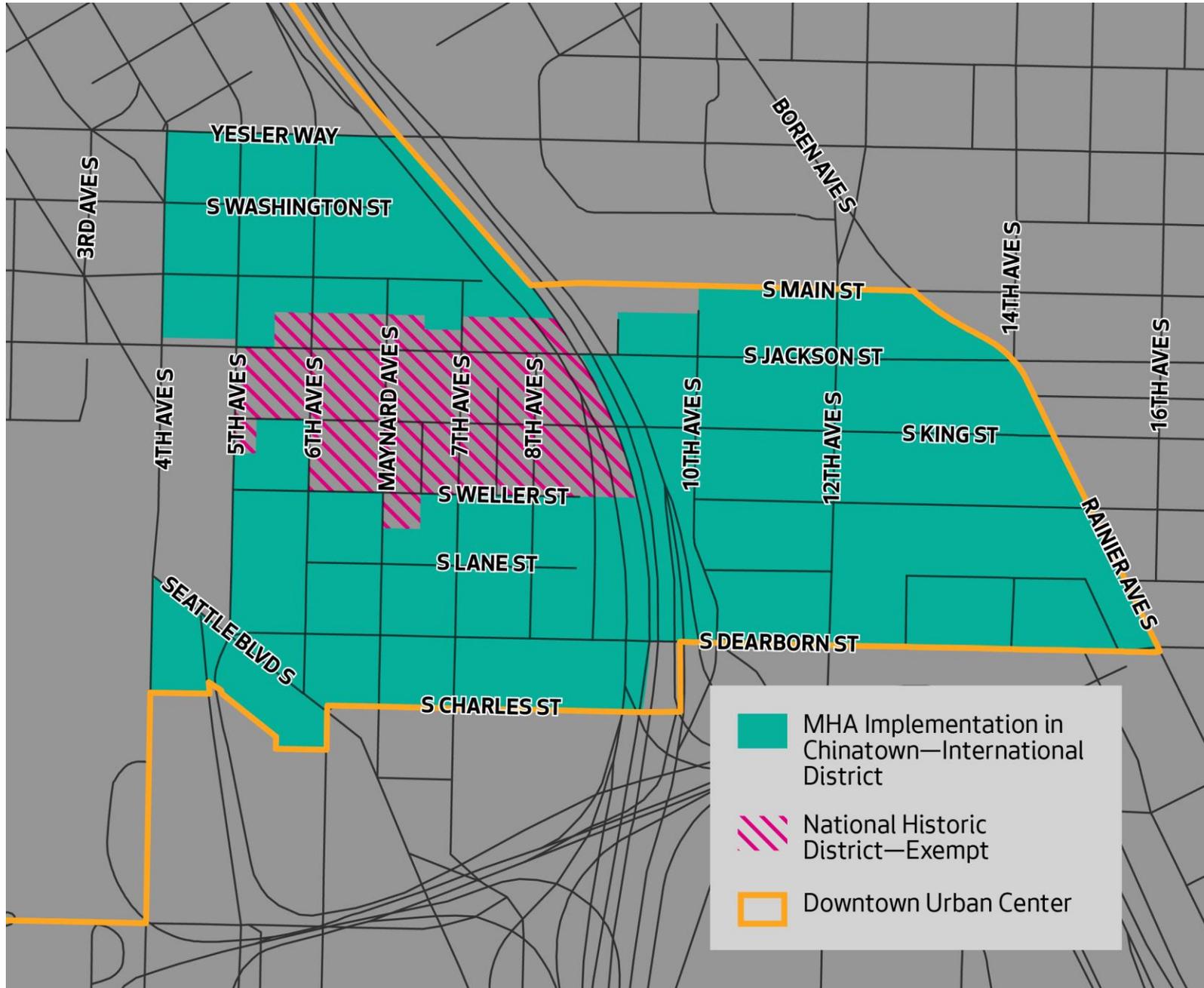


Public Engagement



- Part of Comprehensive Downtown/SLU outreach
- We hosted two open houses and attended 15 meetings where the community already meets (4 in CID specifically).
- What we heard:
 - Broad support for basic concept
 - Desire for more market-rate and affordable housing in CID
 - Preference for taller rather than wider buildings
 - Concern about historic areas
- How it changed the proposal:
 - Extra capacity changed from extra width to extra height
 - Historic Districts exempted

Areas where MHA would apply



Additional Capacity



Varies by Zone

- Commercial: Additional 0.5 to 1.0 FAR
- Residential Towers: Additional Height

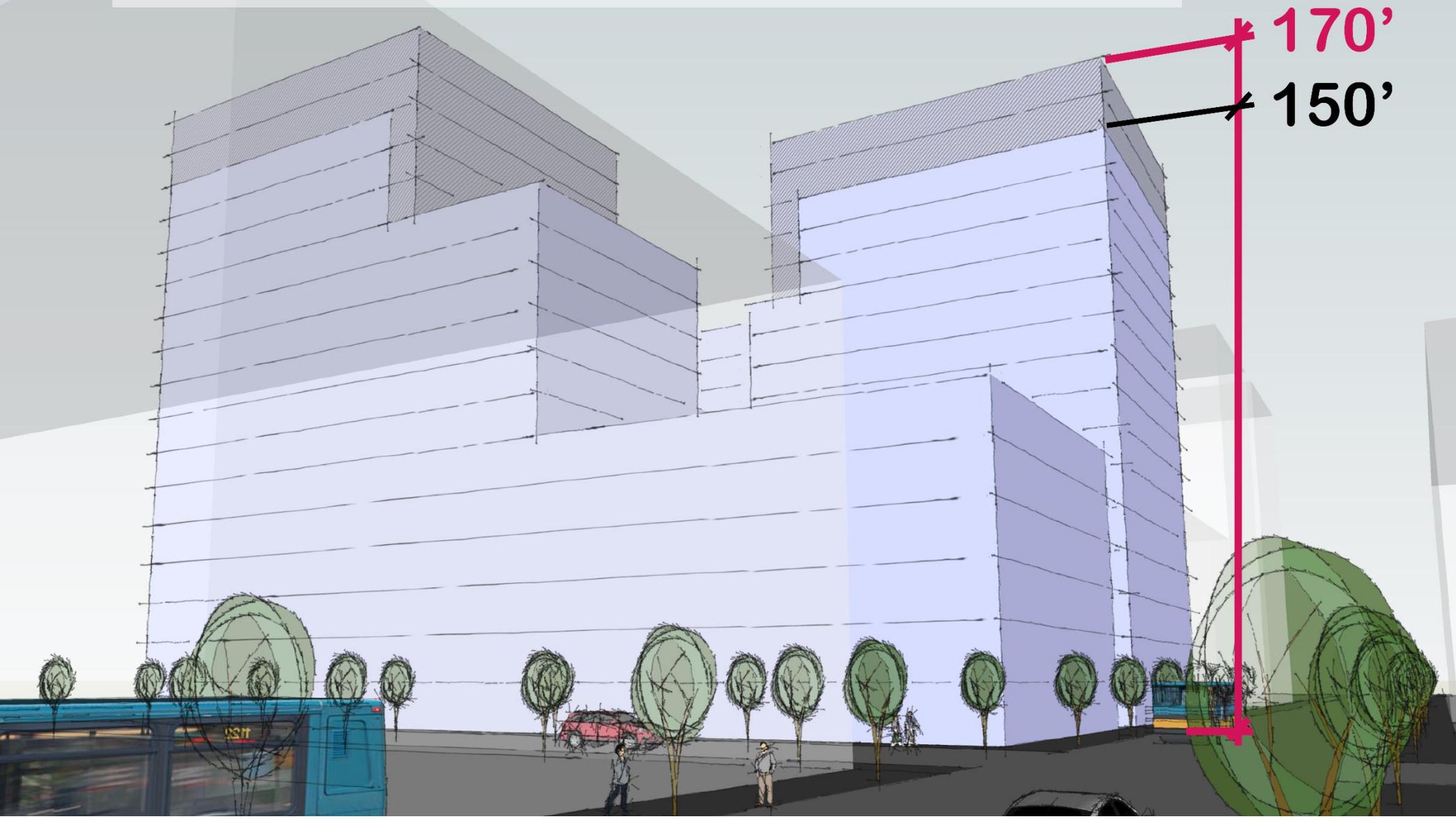
Zones	Capacity Increase
Zones with heights of 85 feet or less	10 feet
Zones with heights of 150 or feet	20 feet
Zones with heights of 240 feet	30 feet

- Increasing minimum tower floor plate from 8,000 to 8,800 where applicable
- In Little Saigon, base height was increased by 10 feet

DMR/C 65/65-150 Residential



Height limit increase allows 2 additional stories



MHA requirements



Requirements vary:

	Payment	Performance
Residential uses	\$20.75	7.0%
Commercial in zones with heights more than 85 feet	\$20.75	7.0%
Commercial in zones with heights less than 85 feet	\$8.00	5.0%

Estimated to result in 150 affordable housing units over 10 years

Incentive Zoning



In addition to affordable housing, to reach the maximum heights projects must:

- Acquire TDR from open space, landmarks,
- Provide Privately Owned Public Space (POPS); or
- Provide green street improvements

Commercial properties also contribute to childcare



MHA Payment and Performance Examples



Project example	Requirement	Performance outcome	Payment outcome
12-story commercial tower <ul style="list-style-type: none"> IDM 165/85-170 Half block 200,000 gross residential square feet 	7.0% or \$20.75 per sq. ft. + Incentive Zoning	16 affordable homes	47 affordable homes (\$4.1M)
		\$0.5M in TDR, POPS, or combination	
17-story residential tower <ul style="list-style-type: none"> DMR/C 75/75-170 Third of a block 400 total homes 400,000 gross residential square feet 	7.0% or \$20.75 per sq. ft. + Incentive Zoning	28 affordable homes	93 affordable homes (\$8.3M)
		\$1.5M in TDR, POPS, or combination	

Displacement



- **Creating new affordable housing choices is a critical anti-displacement strategy:**
 - Proposal will result in estimated 150 new income- and rent-restricted homes over the next 10 years. These affordable homes will help support low-income residents across the city.
- **The proposal will not substantially change likelihood of direct displacement:**
 - Scale of proposed additional capacity is not expected to significantly change the likelihood that parcels will redevelop.
 - Analysis identified only 4 residential units in buildings that were candidates for redevelopment.
 - National Historic Register District is exempt.

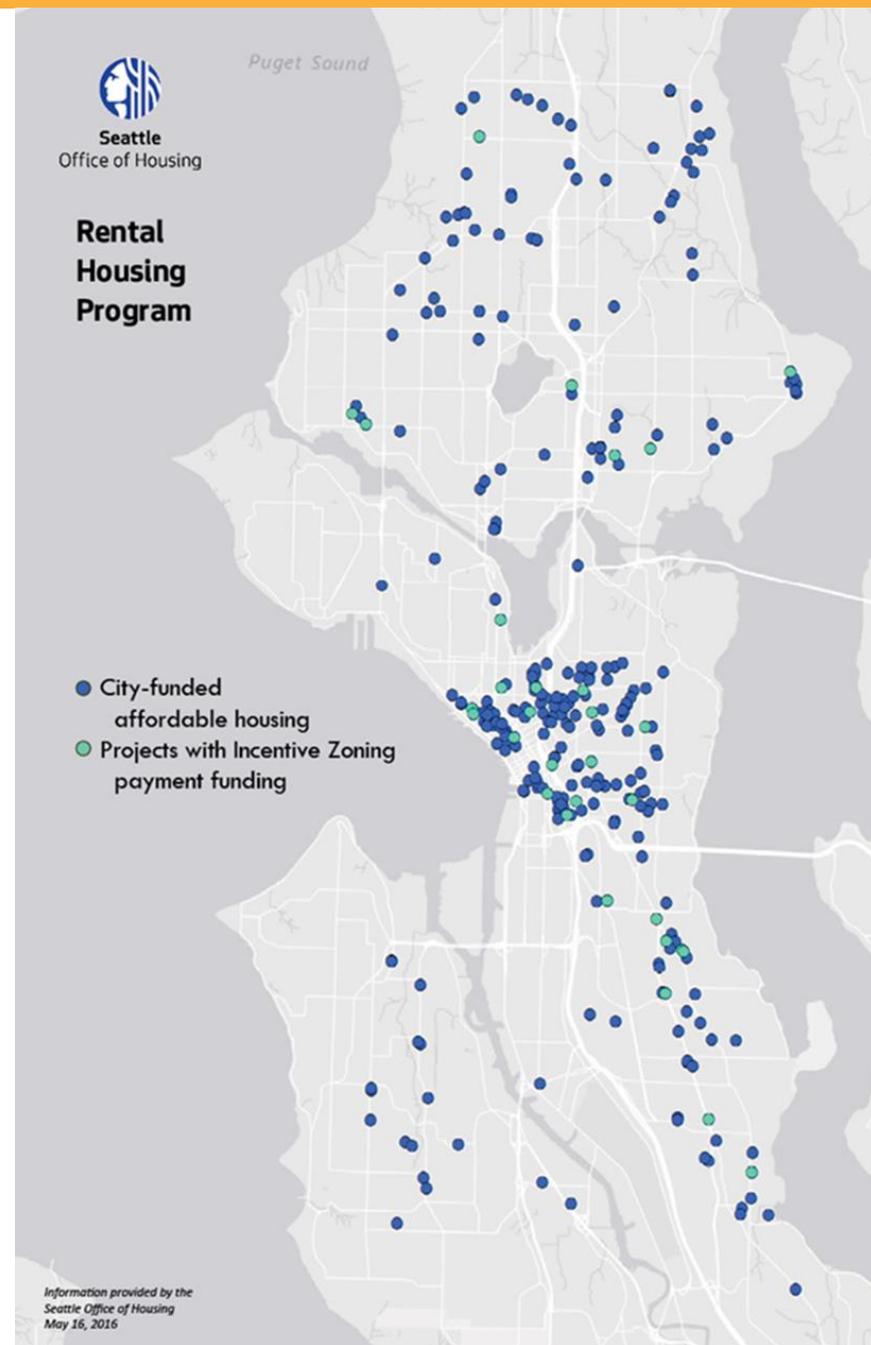
Use of Payment Revenue



Locational Goals

- Furthering fair housing choice
- Locating in urban centers and villages
- Locating near transit
- Promoting economic opportunity and addressing displacement
- Locating near developments that generate cash contributions

Payment can help fund units at deeper level of affordability



6,000 new affordable homes



thank you.



HOUSING AFFORDABILITY
AND LIVABILITY AGENDA