



Complete Communities Housing Solutions

Complete Communities Housing Solutions (CCHS) is an optional affordable housing incentive program allowing more dense housing projects near high-frequency transit. The regulations are intended to create a variety of housing options for everyone, with an emphasis on low- and moderate-income levels.

This Information Bulletin is a summary of the Complete Communities Housing Solutions regulations and does not include every requirement or restriction. To view all of the requirements and regulations please see <u>San</u> <u>Diego Municipal Code Chapter 14</u>, <u>Article 3</u>, <u>Division 10</u>.

EDITOR'S NOTE – Regulations NOT IN EFFECT in the Coastal Overlay Zone

Changes to the Housing Solutions regulations adopted as part of the <u>2022 Land Development Code (LDC) Update</u> are not effective within the Coastal Overlay Zone. Those changes will become effective within the Coastal Overlay Zone when the California Coastal Commission certifies Ordinance <u>0-21618</u>.

As part of the 2022 LDC Update a pipeline provision was adopted allowing projects that have submitted applications one (1) year from the effective date of the ordinance (May 6, 2023) to be subject to the rules in effect prior to the effective date of the ordinance. Project applications submitted within one year from the effective date of the regulations may choose to comply with the existing regulations or the regulations that were in effect prior to the effective date of the regulations.

Changes to the Housing Solutions regulations adopted as part of the <u>Housing Action Package 2.0</u> are also not effective within the Coastal Overlay Zone. Those changes will become effective within the Coastal Overlay Zone when the California Coastal Commission certifies Ordinance <u>0-21758</u>.

COMPLETE COMMUNITIES HOUSING SOLUTIONS: IMPLEMENTATION GUIDE

What Sites Are Eligible?

Sites must first meet the minimum land use, density, and locational requirements:

- 1. Zoning allows for
 - commercial, residential, or mixed-use development;
 - a minimum residential density of 20 dwelling units per acre or greater; and
 - the site is located within a <u>Sustainable Development Area</u> (SDA).
- 2. Split-zoned lots may be eligible if the sum of the dwelling units permitted in each of the zones totals at least 20 dwelling units per acre.
- 3. CCHS projects are not allowed in the following areas:
 - Sites located within Proposition A lands.
 - Sites located within a designated historical district.
 - Sites subject to the Old Town Planned District Ordinance.

Learn your site's zoning:

• <u>Zoning and Parcel Information Portal</u> (ZAPP)

What are the Program Requirements?

Eligible developments are required to provide:

- affordable housing,
- public infrastructure amenities,
- and comply with supplemental development regulations.

Affordable housing

- 1. The Affordable Housing requirement is fulfilled when at least 40 percent of the pre-density bonus units are deed-restricted as affordable in accordance with the proportions outlined below:
 - a. 15 percent of units not to exceed 30 percent of 50 percent of Area Median Income (AMI). (very low income)
 - b. 15 percent of units not to exceed 30 percent of 120 percent of AMI. (moderate income)
 - c. 10 percent of units not to exceed 30 percent of 60 percent of AMI. (low income)

As an alternative to the requirement above, a housing development may meet the affordability requirement by meeting one of the two following criteria:

- d. 40 percent of the units not to exceed 30 percent of 50 percent of AMI. (very low income)
- e. 100 percent of the units not to exceed 30 percent of 120 percent of AMI (moderate income), where 50 percent of the required units do not exceed 30 percent of 80 percent of AMI, and the remaining 50 percent of the required units do not exceed 120 percent of AMI.

A development may also meet the Affordable Housing requirement when at least 100 percent of the total units, including the post-density bonus units, are deed-restricted not to exceed 30 percent of 60 percent of the AMI. (low income)

What are pre-density bonus units?

• Pre-density bonus units are calculated based on the maximum allowed residential density of the site's base zone.

Sample Site: 1.5 acres zoned RM-2-5 (1 dwelling unit per 1,500 sq. ft.)

Lot Area: 1.5 acres x 43,560 (sq. ft./ac.) = 65,340 sq. ft.

Maximum Permitted Density: 1 dwelling unit/1,500 sq. ft.

Units Permitted = 65,340 ÷ 1,500 = 43.56 dwelling units, or 44 units

Since the quotient exceeds a whole number by more than 0.50, the maximum number of permitted units is rounded up to 44.

Can the affordable units be built offsite?

• Yes, provided that the units comply with the location and development criteria as determined by the San Diego Housing Commission.

Public Infrastructure Amenities

2. The Public Amenities requirement is fulfilled through one of two ways:

- Payment of the Neighborhood Enhancement Fund. The fee shall be paid to the "Neighborhood Enhancement Fund", as established by City Council Resolution <u>R-313282</u>.
- b. In lieu of the fee payment, a public promenade may be constructed for development on premises of 25,000 square feet or greater with at least 200 linear feet of street frontage (Promenade regulations apply).

Supplemental Development Regulations

- 3. The Supplemental Development Regulations outlined in §143.1025 are required of all CCHS projects. Incentives and waivers cannot be used to deviate from the requirements of this section.
 - a. Pedestrian Circulation Space.
 - Sidewalk Widening that provides a clear path of travel with a minimum width of 10 feet perpendicular to the street, and a landscaped buffer area as required per <u>parkway and sidewalk</u> <u>requirements</u>, and shown below.
 - For premises less than 25,000 square feet, an applicant may include a publicly accessible bicycle repair station, wayfinding sign, or other amenities as described, in lieu of a sidewalk widening.



- ii. Street Trees. At least one 24-inch box canopy tree for every 20 feet of street frontage shall be provided in a landscaped parkway as identified in the figure above. A minimum 40 square feet root zone area, with no dimension less than 5 feet for all trees is required. Allowances under 5 feet may be considered on a case-by-case basis where it can be demonstrated that there are suitable conditions for healthy tree growth and the proposal will not damage adjacent improvements. The tree grate between the edge of the tree well and the edge of the non-contiguous sidewalk may be counted towards the 10 foot requirement if the grates meet ADA standards.
- iii. Above-ground utility placement within a pedestrian path is prohibited.
- iv. Each dwelling unit on the ground floor fronting a public right of way or private drive shall have a separate ground floor entrance or path adjacent to the public right of way or private drive.
- b. Communities of Concern
 - i. For development located within Communities of Concern, 2 community workshops are required to provide information and receive feedback on the development's design.
- c. Buildings over 95 feet in Height
 - i. Additional design requirements addressing street wall, tower coverage, and common open space requirements apply to buildings over 95 feet in height on premises over 20,000 square feet.

- d. Buffer from Adjacent Freeways
 - i. A 10-foot minimum landscape buffer shall be provided between the development and the freeway.
 - ii. Outdoor areas shall be oriented away from the freeway.
- e. Transition to Adjacent Residential Single-Unit Zones
 - i. Development on a premises directly adjacent to a Residential Single--Unit (RS) zone where an existing dwelling unit is located on the adjacent premises shall comply with the following:
 - 1. The height incentive shall be limited to a height increase of up to 3 stories or 33 feet above the height limit of the base zone, whichever is less.
 - 2. Incorporate a transition plane in the development that does not exceed a 65-degree angle. The transition plane for the development shall start from the existing or proposed grade, which ever is lower, that connects to the shared property line with the RS zone and extend 1/3 of the lot depth.
 - a. The transition plane will be measured from the existing or proposed grade, whichever is lower.
 - b. No building, architectural projection, or encroachment may extend into the transition plane.
- f. Projects must comply with the <u>Climate Action Plan Consistency Regulations</u>.

What are the Program Benefits?

In exchange for meeting the requirements of the regulations, an applicant shall be entitled to the following incentives:

1. Waiver of the existing base zone floor area ratio (FAR) and application of a new FAR based upon where the density is <u>located</u>.

FAR Tier 1 – no maximum FAR

Any premises where any portion is located within the Downtown Community Planning Area will have no maximum FAR for residential development.

FAR Tier 2 – 8.0 maximum FAR

Any premises where a portion is located in a regional or subregional employment area, as identified in the General Plan Economic Prosperity Element, or within a one-mile radius of any university campus that includes a medical center and is within a Transit Priority Area that is located in a community planning area within Mobility Zone 3 will have a maximum FAR of 8.0.

FAR Tier 3 – 6.5 maximum FAR

Any premises where a portion is located in a Transit Priority Area that is located in a community planning area within Mobility Zone 3 will have a maximum FAR of 6.5.

FAR Tier 4 – 4.0 maximum FAR

Any premises where a portion is located in a Transit Priority Area that is located in a community planning area within Mobility Zone 4 will have a maximum FAR of 4.0.

Properties in the Coastal Overlay Zone and the Coastal Height Limit Overlay Zone shall be limited to a maximum FAR of 2.5.

An FAR bonus of 1.5 in addition to the applicable FAR listed above is granted when the development incorporates all of the following:

- At least 10 percent of the total dwelling units are at least two-bedrooms;
- An additional 10 percent or more of the total dwelling units are at least threebedrooms; and
- Each dwelling unit is under only one lease agreement.

A waiver of specified regulations including, but not limited to, maximum residential density and maximum structure height.

- 2. Waiver of specified regulations including, but not limited to:
 - a. Maximum structure height
 - b. Maximum lot area units do not exceed 30 percent of 80 percent of AMI, and the remaining 50 percent of the required units do not exceed 120 percent of AMI
 - c. Maximum lot coverage

Maximum structure heights for properties in the Coastal Height Limit Overlay Zone and the Airport Land Use Compatibility Overlay Zone shall continue to be applied.

- 3. Waiver of private exterior open space if at least 10 percent of the total dwelling units are at least three-bedrooms and each unit is under only one lease agreement per unit.
- 4. Waiver of DIF for all covenant-restricted affordable dwelling units, all dwelling units that do not exceed 500 square feet, and all covenant-restricted dwelling units, all dwelling units earning no more than 150 percent of the area median income that contain at least three-bedrooms and are under one lease agreement, if the development's residential density is at least 120 percent of the maximum permitted density of the applicable base zone or Planned District.
- 5. Use of up to five Affordable Housing Incentives.
 - a. Incentives cannot be used to deviate from the requirements of any CCHS regulation.
 - b. The number of incentives are determined based on the amount of affordable housing provided by the development. See SDMC Section 143.1010(i)(4).
 - i. Two incentives for developments with at least 20 percent of the pre-density units for lower income households
 - **ii.** Three incentives for developments with at least 30 percent of the pre-density units for lower income households, with at least 20 percent reserved for very low income.
 - iii. Four Incentives for a development with at least 40 percent of the covenant-restricted dwelling units are at least 3 bedrooms.
 - iv. Five incentives for developments with 100 percent of the units for lower income households as defined by 50079.5 of the Health and Safety Code, except that up to 20 percent of the dwelling units may be for moderate income households.

Is My Project Eligible for Streamlined Processing?

Certain projects seeking to develop under the Complete Communities program may be eligible for faster review of permit applications as a "Complete Communities Now" project. This benefit is intended to encourage housing development and is based on direction given under <u>Executive Order 2024-1</u>.

Eligible Project Types. Complete Communities projects that can be approved ministerially are eligible for the streamlined review process: specifically, building permits and any related engineering permits that are required. Projects that require a discretionary permit are NOT eligible.

Program Basics. The program is similar to the streamlined processing offered to 100% affordable housing projects through DSD's "Affordable Housing Permit Now" program. Those details are available in <u>IB-195</u>. The main features are that the project will be assigned to a project manager, the reviews will be conducted by a dedicated set of experienced reviewers, and reviews will be completed in 30 business days or fewer. Some differences between that program and this one are covered below.

Readiness Criteria. DSD staff will perform a program-focused multi-disciplinary Preliminary Review; completion will be a prerequisite to enter the program. This will include analysis of the proposed density, applicability of parkway requirements, and review of development regulations that are necessary for Complete Communities projects. Once a project has completed a focused Preliminary Review to demonstrate readiness, it is eligible to request streamlined processing of the building and related engineering permits.

Eligibility Clearance. Applicants must email <u>DSDMinisterialPM@sandiego.gov</u> to initiate the focused Preliminary Review. Once the Preliminary Review is concluded, applicants must use that email address to request that the building and/or related engineering permits be processed through the streamlined program. Acceptance to the program is based on DSD's capacity to provide the intensive customer service necessary for the projects' success. Staff will accept applications on a rolling basis and will convene regularly to review requests.

Project Review. City reviews will be completed in 30 business days or fewer, subject only to the possible exceptions explained in IB-195. The City will focus resources on projects that are best positioned to capitalize on the accelerated City process and advance toward construction; for that reason, the City will have similar expectations for applicants to promptly provide responses to comments, make corrections, and provide any missing information required to bring plans into compliance with applicable regulations. If the applicant team exceeds the timeframe established by the project manager (presumptively not to exceed 30 business days), the project is subject to removal from the program. In this case, the project will forfeit its position for special processing and it will proceed under standard processing, though the project manager will remain assigned to the applicant as an as-needed resource.

Collaborative Review Meeting(s). City reviews will be completed as submitted projects, but applicants can work through their project managers to meet with any reviewer to clarify comments, if necessary. Should the application and plans not be ready for issuance after two reviews, the project manager will automatically schedule a real-time (virtual or in-person) meeting to address any outstanding matters and the solutions required.

Reference Table

San Diego Municipal Code, <u>SDMC Chapter 14, Article 3, Division 10</u>