



THE CITY OF SAN DIEGO

EXPEDITE PROGRAM FOR

Affordable/in-Fill Housing & Sustainable Buildings

CITY OF SAN DIEGO DEVELOPMENT SERVICES
1222 FIRST AVENUE, MS 302 SAN DIEGO, CA 92101-4101

INFORMATION BULLETIN

538

SEPTEMBER 2015

This information bulletin describes the minimum submittal requirements and procedures associated with the Affordable/In-fill Housing and Sustainable Buildings Expedite Program (Expedite Program). The Expedite Program provides expedited permit processing for all eligible affordable/in-fill housing and sustainable building projects (see "Eligible Projects" section below). As established by Council Policy 600-27, a more aggressive processing timeline is achieved by providing mandatory initial review meetings for early staff feedback, (a deemed complete submittal is required) significantly reducing project review cycles, funding the environmental initial study at initial review, and at the applicant's request, scheduling a public hearing immediately upon completion of the environmental document. The Expedite Program is an optional service available to applicants who desire expedited permit processing, and requires a supplemental fee in addition to any other standard applicable fee and/or deposit. A supplemental fee of \$500 per unit is required for discretionary projects, and ministerial projects would be subject to the Express Plan Check Fee (see "Fees" section below).

I. ELIGIBLE PROJECTS

- A. Residential development projects where at least 10 percent of the units are set aside for households with an income at or below 65 percent area median income (AMI) for rental units and at or below 100 percent AMI for for-sale units as set forth in the City's Inclusionary Housing Ordinance (SDMC Section 142.1304).
B. Residential development projects sponsored by and/or receiving funding from the Comprehensive Affordable Housing Collaborative where at least 15 percent of the units are set aside for households with an income at or below 120 percent AMI, as determined by the San Diego Housing Commission.
C. Residential development projects underwritten to utilize Federal, State or Local funds and result in a regulatory agreement that restricts tenancy and rents at or below 60 percent AMI.
D. Urban Infill housing development projects of 10 units or more within "Urbanized" areas of the City as defined in the Progress Guide and General Plan. These projects are eligible for expedited processing provided that all of the dwelling units are affordable to households

Documents referenced in this Information Bulletin

- Council Policy 600-27
• Council Policy 900-14
• Inclusionary Housing Ordinance (SDMC Chapter 14, Article 2, Division 13)
• Deviations for Affordable/In-fill Housing (SDMC Section 143.0910)
• Project Submittal Manual (Land Development Manual, Volume I, Chapter 1)
• Information Bulletin 501, Fee Schedule for Construction Permits - Structures
• Information Bulletin 503, Fee Schedule for Development & Policy Approvals/Permits
• Information Bulletin 513, Preliminary Review
• Information Bulletin 514, How to Establish and Permit Residential Units per Master Plans
• Information Bulletin 532, Information Regarding the Inclusionary Housing Ordinance
• Affordable Housing Requirements Checklist, DS-530
• Affordable/In-Fill Housing and Sustainable Buildings Expedite Program, DS-531
• Progress Guide & General Plan

earning no more than 150 percent AMI for both rental and for-sale (first ownership cycle only) units. Infill housing development projects need to provide a larger number of affordable housing units than they replace.

- E. Military housing constructed by the Federal Government or through a contract with the Federal Government, for use by active military personnel and their families.
F. Sustainable buildings, residential, commercial and industrial development projects that utilize photovoltaic systems (solar panels) to generate a certain percentage of the project's energy needs, or projects that meet LEED requirements consistent with City Council Policy 900-14.
G. Mixed-use development projects or development projects that combine residential with other land uses where at least 50 percent of the gross floor area of the entire project site is dedicated to residential dwelling units affordable as described in A through D above.

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Projects that elect to pay the Affordable Housing fees to satisfy the Inclusionary Housing Ordinance requirements are not eligible for the Expedite Program (except for E and F, above). In addition, fees shall not be utilized to provide for a partial affordable housing unit. The number (E.G. 10%) of affordable housing units required by the expedite program shall be rounded up (E.G. a 24-unit residential project requires 3 affordable housing units).

II. CARRYING CAPACITY

In the event that workload exceeds the carrying capacity of the Expedite Program, expedited project processing (both discretionary and ministerial) will be provided based on the following priority list:

Priority 1: City of Villages Pilot Projects selected by the City Council that provide affordable housing as defined in the eligibility section of Council Policy 600-27.

Priority 2: Residential development projects that qualify as both “Affordable Housing” and “Sustainable Building” projects as defined by City Council Policies 600-27 and 900-14.

Priority 3: Residential development projects that qualify for the 9 percent tax credit or multifamily revenue bonds.

Priority 4: Residential development projects which provide more than 10 percent of the required “affordable housing” units and all of the affordable units are provided on-site as well as mixed-use projects as defined in Council Policy 600-27, residential, commercial, or industrial projects which meet the “sustainable buildings” definition under City Council Policy 900-14. (Within Priority 4, projects that set aside the highest percentage of units affordable to households at the lowest income levels and projects that propose the highest percentage of “sustainable energy supply” will have higher priority compared to projects with lower percentages.)

Priority 5: Residential development projects sponsored by and/or receiving funding from the Comprehensive Affordable Housing Collaborative (the Redevelopment Division of the Community and Economic and Development Department, [Centre City Development Corporation](#), [Southeastern Economic Development Corporation](#), and the [San Diego Housing Commission](#)) where at least 15 percent of the units are set aside for households with an income at or below 120 percent AMI.

Priority 6: Residential development projects where at least 10 percent of the units *on-site* are set aside at no more than 65 percent AMI for rental units and at no more than 100 percent AMI for for-sale units as set forth in the City’s Inclusionary Housing Ordinance.

Priority 7: Residential development projects where at least 10 percent of the units *off-site* are set aside at no more than 65 percent AMI for rental units and at no more than 100 percent AMI for for-sale units as set forth in the City’s Inclusionary Housing Ordinance.

Priority 8: Urban In-fill housing development projects of 10 units or more within “Urbanized” areas of the City as defined in the Progress Guide and General Plan. These projects are eligible for expedited processing provided that all of the dwelling units are affordable to households earning no more than 150 percent AMI for both rental and for-sale (first ownership cycle only) units. In-fill housing development projects need to provide a larger number of affordable housing units than they replace.

Priority 9: Military Housing constructed by the Federal Government or through a contract with the Federal Government, for use by active military personnel and their families.

III. MINISTERIAL PROCESSING

Ministerial building and engineering approvals that meet the above eligibility requirements may be processed through the Express Plan Check Service. These types of projects would receive a top priority using the levels identified in the “Carrying Capacity” section above. The Express Plan Check Service is also an optional service that requires the express plan check fee in addition to any other standard applicable fee and/or deposit.

IV. DEVIATIONS

The Expedite Program also provides an additional development incentive to builders of affordable/in-fill housing and sustainable building projects by allowing deviations from the development regulations of the Municipal Code. San Diego Municipal Code Section 143.0910 allows for a Site Development Permit to be requested for deviations specific to affordable/in-fill housing projects. This Code section provides one consolidated, simplified deviation process for all eligible affordable/in-fill housing and sustainable building projects regardless of geographic location. Please refer to this Code section for more detailed information.

V. AFFORDABLE HOUSING REQUIREMENTS CHECKLIST

The Affordable Housing Requirements Checklist (DS-530) is required to be completed for all residential development applications proposing 2 units or more, and requires the applicant to identify how they are satisfying the City’s Inclusionary Affordable Housing requirements. Form DS-530 is a checklist that allows eligible project applicants to request processing through the Expedite Program. If the applicant has an eligible project and chooses to process through the Expedite Program,

the applicant must sign the agreement section of the checklist which obligates the project to provide affordable and/or sustainable housing units. If at any time during the processing of the project the applicant amends the project to pay the fee instead of providing the affordable units, or decides not to provide the required sustainable units, the project application will be expired, expended monies will not be refunded, and the applicant will be required to resubmit a new permit application for standard permit processing, and that application shall be subject to all applicable fees and regulations in effect on the date the new application is deemed complete. Form (DS-531) is required to be completed and submitted for projects with affordable housing and/or sustainable buildings eligibility requirements of either Council Policy 600-27 or Council Policy 900-14.

VI. FEES

The Expedite Program is an optional service available to those applicants who desire expedited permit processing, and will require an additional fee. All affordable/sustainable ministerial building and engineering permit applicants will receive (without a fee) an automatic reduction in standard turnaround times. For applicants who desire even faster service, the Express Plan Check service is available. The Express Plan Check fees will be charged, and all eligible applications will receive the highest priority within the Express Plan Check service.

For discretionary projects the fee is \$500 per unit for all units within the project. This supplemental fee will be capped so it will not exceed 40 percent of the actual staff hourly billing as determined at project closeout. If at project closeout it is determined that the expedite fees (\$500 per unit) paid at submittal exceed 40 percent of the hourly billing, the applicant will be refunded the difference. In addition, the maximum expedite program fee charged for any single discretionary project shall be capped at \$40,000. The supplemental fees are required at the time of full project submittal, in addition to any other standard applicable fee and/or deposit (see Information Bulletins 501 and 503).

For sustainable commercial/industrial buildings, see Information Bulletin 503, "Fee/Deposit Schedule for Development & Policy Approvals/Permits."

VII. MANDATORY INITIAL REVIEW (MIR)

A key component to the success of the Expedite Program is the Mandatory Initial Review (MIR) process. All eligible projects that elect to utilize the Expedite Program must first be processed through the MIR process. The MIR process is

not a Preliminary Review as outlined within Information Bulletin 513, but involves a much more thorough and detailed initial review of the project prior to the project's official deemed complete date. Expedite projects experience a variety of benefits from the MIR process including but not limited to the following: Early initiation of the environmental review process and more opportunity to resolve environmental issues resulting in a higher potential for environmental exemption; identification and early resolution of any potential project flaws and/or unforeseen circumstances; early involvement and project commitment from a specialized team of City staff who will follow through with the project to a final hearing; an opportunity for the applicant's consulting team and the City's multi-disciplinary team to meet face-to-face early-on to discuss the project and facilitate an expedited permit process.

Applicants in the due-diligence stage, seeking general information, or who have fundamental design and/or process questions that prohibit a full submittal pursuant to the Project Submittal Requirements, are not yet ready to enter into the Expedite Program. Instead, these applicants should first apply for a Preliminary Review as described within Information Bulletin 513. The Expedite program is designed, and works much more efficiently for applicants who have committed to a final design, have all consultants on board, have prepared all required plans and anticipated technical studies, and are motivated and responsive to the City's requirements and staff's review comments/recommendations.

VIII. MANDATORY INITIAL REVIEW SUBMITTAL REQUIREMENTS

Once an applicant is ready to enter into the Expedite Program, the first step is the Mandatory Initial Review (MIR). The applicant must prepare a MIR submittal package based on the Development Services Department's Project Submittal Requirements (Section 4), found within the Land Development Manual Volume I, Chapter 1. The applicant submits the MIR package (one set) to the Development Services Department for completeness check, or the full submittal for projects qualifying for professional certification for completeness review per Information Bulletin 514. Please note that the full discretionary approval deposit(s), submittal fees, and expedite fee (\$500 per unit) are due with this submittal. To schedule an appointment for submittal please E-mail Jama Vega at JVega@sandiego.gov at least two days in advance (indicate if submitting through professional certification). City staff will finish this first completeness review will be completed within **5 working days**.