

## **Affordability and the Draft Zoning Update**

Dear Councilmember Brunner and Planning Director Cappio,

We have already corresponded with you regarding our response to the Draft Zoning Update. However, we write now to specifically urge you to make affordability a more integral part of the proposed zoning for the Temescal neighborhood.

Under section 17.44.210, density bonuses for mixed use developments are outlined if a proposed project includes a number of characteristics, one of which is a "community benefit plan." One of the suggested community benefits is for developers to offer affordable housing units.

We are concerned that this benefit is listed too vaguely as one of many a developer can choose. We feel that the inclusion of affordable units should be a requirement to obtain approval for density bonuses and that additional community benefits should also be offered.

In addition to making affordability a requirement for density bonuses, we believe that levels of affordability should be more clearly defined. ULTRA advocates a range of affordable units so as to truly encourage mixed income projects and thus achieve greater equity in our neighborhood. So, rather than seeing five units offered at between 80% and 100% of the AMI, we would like to see projects that include a range of affordable units from 100% to 50% and 30% of the AMI.

We are not experts in development and we do not know how much developers can afford to provide while still maintaining reasonable profit margins. However, as stated in previous communications, we would support projects with proposed heights of up to 65 feet, especially at corner lots, major traffic nodes, etc., if this height allowance enabled them to provide more significant levels of affordability in our community.

Another possible approach would be for the city to encourage developers to partner with non-profit developers in order to achieve higher levels of affordability. For example, if developers were required to provide a certain number of units at 80% of the AMI, but were also required to entrust those units in perpetuity to an organization such as the Northern California Land Trust, such organizations would likely be able to further subsidize the units, thus making them even more affordable. Through our conversations with representatives of various affordable housing organizations, we have reason to believe that such a model would be effective.

Lastly, rental units are an important form of affordable housing. We would like to see providing rental units as one of the possible benefits developers can offer as part of a community benefits plan (in exchange for density bonuses). More strongly, if a number of rental units are lost for our community in the development process, we feel that developers should be required to create a related (though not necessarily directly proportional) number of rental units, either in the new project or elsewhere in our community.

Hopefully, the inclusionary zoning measure will pass. In the meantime, we feel strongly that affordable housing should be at the forefront of the community benefits developers are required to offer in exchange for higher levels of density.

Thank you for the opportunity to provide this input.

Sincerely,

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*on behalf of ULTRA*