

# Administrative Guidelines for the East Whisman Precise Plan Jobs-Housing Linkage Program

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The following administrative guidelines (“Guidelines”) provide instructions for implementing the East Whisman Precise Plan (“Plan”) Jobs-Housing Linkage Program.

## DOCUMENT ORGANIZATION

**Precise Plan Language** includes the standards from the Plan, provided for reference.

**Partnership Procedures** includes submittal and timing requirements for office projects seeking to use the Jobs-Housing Linkage Program.

**Other Guidelines** includes other direction to help interpret and implement other aspects of the Jobs-Housing Linkage Program, including rights and obligations for land dedication, housing impact fee prepayment

## PRECISE PLAN LANGUAGE

1. **Plan Requirement.** Prior to any project approvals, the project applicant shall submit a Jobs-Housing Linkage Plan that proposes how the project applicant intends to facilitate residential development in East Whisman.
2. **Outcomes.** Specific outcomes of the Plan shall include:
  - a. ***Value of Jobs-Housing Strategies.*** The proposed strategies to facilitate residential development shall be roughly proportional to the net new [office] floor area. Each 1,000 square feet of net new floor area should be associated with at least 3 housing units. The proportion may be less if affordable units are provided in excess of the City’s inclusionary requirements (1.5 units per 1,000 square feet, as specified in the [Precise Plan’s] development reserve set-aside), or if other housing-related policy goals are met.

- b. **Timing.** A phasing or housing delivery plan shall be included in the Jobs-Housing Linkage Plan. Proposed strategies, including the construction of residential units, should be implemented before non-residential building occupancy, unless otherwise determined by the City Council. Strict timing requirements may be modified if additional certainty is provided (such as a deed restriction or land dedication to an affordable housing developer).
3. **More Housing Growth.** At the discretion of City Council, the Jobs/Housing Linkage Program requirement may be suspended if housing growth in East Whisman outpaces non-residential growth.
4. **Dedication or Sale of Land.** The site shall be suitable for housing development in terms of its configuration, physical and environmental characteristics, access, location, adjacent uses, and other relevant planning criteria.
5. **Partnerships.** Subject to requirements established by the Jobs-Housing Linkage Program Administrative Guidelines, office projects may partner with residential projects to satisfy the Jobs-Housing Linkage Program requirement.
6. **Floor Area Transfer.** Under the circumstances specified below, and subject to timing requirements established by the Jobs-Housing Linkage Program Administrative Guidelines, residential development may maintain rights to demolished office, R&D or industrial floor area, rather than adding it into the Development Reserve. The purpose of this program is to provide residential developers an additional marketable asset to facilitate housing development. The transferred floor area is not added to or subtracted from the Development Reserve. This floor area is not considered net new floor area, and is exempt from other Jobs-Housing Linkage requirements.
  - a. **Maximum FAR.** No project site shall exceed its Maximum FAR.
  - b. **Affordable Housing.** At least 15% of onsite housing within the “sending” residential development shall be affordable housing that meets the City’s Below Market Rate Housing Ordinance and Guidelines.
  - c. **Deductions.** The “receiving” non-residential project may deduct the transferred square footage in their Housing Impact Fee, determination of community benefits contribution and local school district strategy.
  - d. **Public Schools, Parks and Similar Uses.** Public schools, parks or other uses that benefit the public within East Whisman may also maintain rights to demolished floor area under this section.

## **ADMINISTRATIVE GUIDELINES**

### **PARTNERSHIP PROCEDURES**

#### **Office Requirement Only**

The Jobs-Housing Linkage Program is only required from office/R&D/ industrial development requesting Bonus FAR. It does not apply to residential, hotel or neighborhood commercial development.

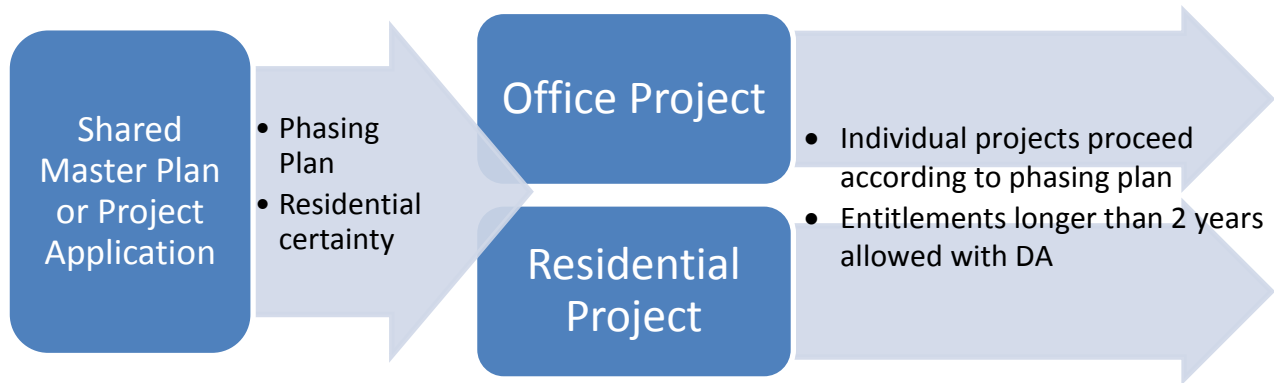
#### **Development Reserve**

The Precise Plan includes a development reserve, or a maximum amount of net new floor area that can be allocated to office Bonus FAR projects. The development reserve is under the authority of the City Council. Office applications are not guaranteed approval of development reserve, even if they have allocated residential units from another development.

Some factors that may affect whether the Development Reserve is allocated to the office project include, but are not limited to:

- The amount of floor area remaining in the Development Reserve
- The provision of other requirements, such as community benefits or the school strategy
- Design review and other constraints on development
- Previous similar Jobs-Housing Linkage Plans that were not successfully implemented.

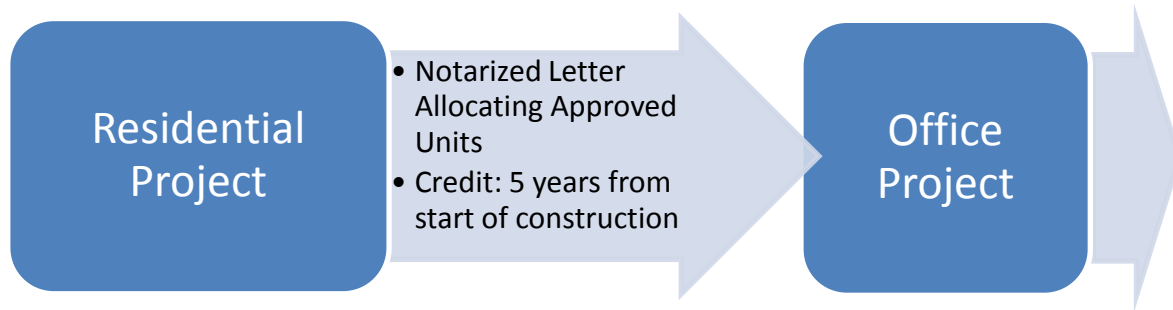
## Recommended Jobs-Housing Linkage Program Procedure



The following is the recommended procedures for office developments requesting Bonus FAR under the Jobs-Housing Linkage Program.

1. The office development submits an entitlement or Master Plan application with a residential component or is accompanied with a separate residential project. The residential may be located on the same property as the office development, or may be a completely different property. All applications require the signature of each affected property owner.
2. The application must include a phasing plan, which describes the timing for when the office or residential projects are proposed to be constructed. Once the Bonus FAR project is approved by the City Council, the phasing component of the project would be codified into appropriate legal instruments.
3. If the office development requires more than two years to begin construction from the date of project entitlement, not including any requested extensions, a Development Agreement between the City and project applicants would be necessary.

## Alternate Procedure



An approved residential project may allocate some or all of their units to satisfy an office development's Jobs Housing Linkage Program requirement, subject to the following:

1. A notarized letter is required from the applicable property owners and developers for any project requesting an allocation of residential units. The letter shall include the terms of agreement and other documentation regarding this allocation. If the residential project is not yet under construction, the letter must be associated with a legal instrument that assures that the existing non-residential uses will be removed and the site constructed with residential units within a certain period of time.
2. The residential development may not have previously allocated its units to any other project.
3. The residential development may allocate all of its units to one office development, or may allocate a proportion of its units to different projects. Any allocated residential units cannot be double counted.
4. If the residential project associated with a Jobs Housing Linkage Program requirement has already been built, the office developer must submit a complete formal application within five years of the residential project's first building permit.

## **OTHER GUIDELINES**

### **Floor Area Transfer Provisions**

Office projects may utilize floor area transferred from residential (or school/public) developments through the partnership procedures outlined above. This floor area is not considered net new floor area or Development Reserve. It is therefore exempt from being applied to the following requirements:

- Community Benefits
- School Strategy
- Housing Impact Fees
- Other Jobs-Housing Linkage Program requirements

Other City fees, such as the Transportation Impact Fee, are based on net floor area changes, so would already be subtracted from residential fee obligations.

Acquiring transferred floor area from a residential development does not guarantee access to the Development Reserve.

### **Dedication of Land for Affordable Housing**

The North Bayshore Precise Plan Affordable Housing Administrative Guidelines include detailed requirements and procedures for affordable housing land dedication. These Guidelines shall also apply to land dedicated for affordable housing developments under the Jobs-Housing Linkage Program.

Projects may use the donated land when calculating their non-residential FAR, as long as there is remaining allowed floor area for the construction of an affordable housing project large enough to accommodate the number of units proposed in the project's Jobs-Housing Linkage Plan.

Office developments may deduct the value of the donated land from their housing impact fee, where the value considers, among other factors, the floor area available for development on the donated parcel under the Precise Plan standards. Any remaining value may be applied to community benefits.

## **Prepayment of Housing Impact Fees**

If an applicant wishes to satisfy the Jobs-Housing Linkage requirement through prepayment of housing impact fees, the developer shall partner with an affordable housing development already under way, so the affordable housing and office developments occur at approximately the same time.

If one office development dedicates land and another office development prepays housing impact fees to that same affordable housing project, the units created may not be double-counted to satisfy the Jobs-Housing Linkage Program requirements for both projects. The office project dedicating land shall take precedent in this case, unless other agreements are provided to the City showing that housing units are not double-counted.