



**SAN
FRANCISCO
CHAMBER OF
COMMERCE**

January 28, 2016

Mr. Rodney Fong, President
San Francisco Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: SUPPORT: File # 2014-001503PCA, Affordable Housing Bonus Program (UPDATED)

Dear Commissioner Fong;

The San Francisco Chamber of Commerce, representing over 1,500 local businesses with over 200,000 employees, supports the Affordable Housing Bonus Program (AHBP) that is being presented to the Planning Commission today.

San Francisco has one of the highest housing costs in the nation, and as a result, we are experiencing a severe shortage of housing available to very low, low, moderate and middle-income residents. Construction of affordable housing requires both public subsidies and private support from market-rate developers in the forms of fees paid to the City and inclusionary housing programs, although public subsidies do not usually support middle-income housing development.

The AHBP provides incentives for developers to include affordable units in residential housing construction at all levels of affordability, including for San Francisco's middle-income earners who are being squeezed out because of lack of housing. This density bonus program will add more housing along transit and commercial corridors by enabling new buildings to add up to two floors in order to achieve 30% affordability on-site.

The AHBP creates a new tool for housing developers to build more affordable housing throughout San Francisco at no cost to taxpayers. The San Francisco Chamber of Commerce strongly supports this new density bonus program and we urge the Planning Commission to support it as well when it comes before you for a vote.

Sincerely,

Jim Lazarus
Senior Vice President of Public Policy

cc: Clerk of the Planning Commission, to be distributed to all Commissioners; John Rahaim, Director, San Francisco Planning Commission; Mayor Ed Lee