

# Inclusionary Housing Technical Advisory Committee Fourth Meeting



Office of the Controller  
Office of Economic Analysis

April 7<sup>th</sup>, 2026

# Ground Rules

“The purpose of this Section 415.10 (the Triennial Economic Feasibility Analysis) is to provide for the ongoing study of how to set inclusionary housing obligations in San Francisco at the *maximum economically feasible amount* in market rate housing development to create housing for low and moderate/middle income households...”

# Review of Feasibility Findings, and Change Since 2023

Project Type	Type	Prototype	RLV per unit: 100% Market Rate, 2026	Change Since 2023
Apartments	Base	A - Lowrise	(131,000)	(107,000)
Apartments	Base	B - Midrise	(96,000)	(104,000)
Apartments	Base	C - Highrise	(144,000)	(48,000)
Apartments	Base	D - Highrise	(236,000)	(42,000)
Apartments	Base	E - Lowrise	(308,000)	(264,000)
Condominiums	Base	A - Lowrise	(100,000)	(240,000)
Condominiums	Base	B - Midrise	60,000	(83,000)
Condominiums	Base	C - Highrise	(80,000)	(146,000)
Condominiums	Base	D - Highrise	(170,000)	(153,000)
Condominiums	Base	E - Lowrise	(201,000)	(114,000)

# Controller Recommendation

- The 2026 analysis indicates that, even as hypothetical 100% market rate projects, 9 of the 10 prototypes have negative estimated residual land values and are not financially feasible. The tenth – a midrise condominium project - is only minimally feasible as a hypothetical 100% market rate project (estimated residual land value of \$60,000 per unit).
- Thus, based on these results, the maximum economically-feasible inclusionary level is 0%.
- While an inclusionary rate of 0% can never maximize inclusionary housing, the results suggest that requirements significantly above 0% would further threaten feasibility, and would not create additional affordable housing.