File No. 160777 **Committee Item No.** _____
Board Item No. 44

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____ **Date:** _____
Board of Supervisors Meeting **Date:** August 2, 2016

Cmte Board

☐	☐	**Motion**
☐	☐	**Resolution**
☐	☐	**Ordinance**
☐	☐	**Legislative Digest**
☐	☐	**Budget and Legislative Analyst Report**
☐	☐	**Youth Commission Report**
☐	☒	**Introduction Form**
☐	☐	**Department/Agency Cover Letter and/or Report**
☐	☐	**MOU**
☐	☐	**Grant Information Form**
☐	☐	**Grant Budget**
☐	☐	**Subcontract Budget**
☐	☐	**Contract/Agreement**
☐	☐	**Form 126 – Ethics Commission**
☐	☐	**Award Letter**
☐	☐	**Application**
☐	☐	**Public Correspondence**

OTHER **(Click the text below for a direct link to the document)**

☐	☒	Appeal Letter - Filed July 5, 2016
☐	☒	Appellant Supplemental Appeal Letter - Filed July 22, 2016
☐	☒	Planning Dept and D9 Supervisor's scheduling emails, indicating intent to continue appeal hearing - July 21, 2016
☐	☒	Hearing notices and clerical documents
☐	☐	

Prepared by: John Carroll **Date:** July 29, 2016
Prepared by: _____ **Date:** _____

CEQA APPEAL

PROVENCHER & FLATT, LLP
823 Sonoma Ave. Santa Rosa, CA 95404
Phone: 707-284.2380 Fax: 707-284.2387

ATTORNEYS AT LAW
Douglas B. Provencher
Gail F. Flatt

OF COUNSEL
Janis H. Grattan
Rachel Mansfield-Howlett
Roz Bateman Smith

Clerk of the Board of Supervisors
Environmental Review Officer
#1 Dr. Carlton B. Goodlett Place
Room #244
San Francisco, CA 94102

July 5, 2016

Via Hand Delivery

RE: Case No. 2013.0677CUA, 2000-2070 BRYANT STREET Project
Appeal of the June 2, 2016 Planning Commission Decisions

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 JUL 5 PM 3:35

Dear Members of the Board of Supervisors:

Resident Peter Papadopoulos appeals the following decisions of the Planning Commission made on June 2, 2016 regarding the 2000-2070 Bryant Street Project ("Project" hereafter) proposed by applicant Nick Podell, Nick Podell Company.

1) Adoption of a Community Plan Exemption and CEQA findings under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3.1
2) Adoption of Conditional Use Approvals

The Final Motions for the relevant appeals are attached as **Exhibit A**. Evidence in support of the appeals is attached as **Exhibits B-C** and is also contained in the letters submitted to the Planning Department objecting to the approval of the Project and the Community Plan Exemption, incorporated here by reference. **Exhibit D** contains links to the Eastern Neighborhoods Area Plan EIR (PEIR); Motion 17661 of the Planning Commission, which adopted CEQA Findings for the PEIR; and the Mitigation Monitoring and Reporting Program for the PEIR. **Exhibit E** contains the $562 appeal fee for the CEQA appeal. **Exhibit F** contains the Notice to Board of Supervisors of Appeal From Action of the City Planning Commission Form for Conditional Uses.

I. Appeal of the adoption of the Community Plan Exemption
The appeal of the approval of the Community Plan Exemption is filed on the following bases:

- The CEQA findings are inadequate and incomplete, fail to adequately describe the Project's components and are not supported by substantial evidence.

- The Project does not qualify for a Community Plan Exemption under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3 because the approval is based upon an out of date 2008 EIR prepared for the Eastern Neighborhoods Area Plan and the EIR's analyses and determinations can no longer be relied upon to support the claimed exemption in the areas of, *inter alia,* land use, consistency with area plans and policies, recreation and open space, traffic and circulation, transit and transportation, and cumulative impacts.
- The claimed community benefits of the Eastern Neighborhoods Area Plan, outlined in the 2008 PEIR, its approvals and the Statement of Overriding Considerations, have not been fully funded, implemented, or are underperforming and the determinations and findings for the Project that rely on the claimed benefits to override impacts outlined in the PEIR are not supported. The City should have conducted Project level review based upon up to date data and the actual community benefits that have accrued since the adoption of the 2008 and has not.
- The Project does not comply with the requirements of the Urban Mixed Use Zoning District and the 68-X Height and Bulk District.
- Substantial changes in circumstances require major revisions to the Eastern Neighborhoods Area Plan EIR due to the involvement of new significant environmental effects and an increase in the severity of previously identified significant impacts; there is new information of substantial importance that would change the conclusions set forth in said EIR and the requirements of the Mitigation Monitoring and Reporting Program.
- The Project is inconsistent with the General Plan and the Mission Area Plan.
- The determinations and findings concerning the Large Project Approval (separately appealed to the Board of Appeals on June 17, 2016 by Peter Papadopoulos) are inadequate and incomplete and are not supported by substantial evidence.

II. Appeal of the adoption of the Conditional Uses

The appeal of the Conditional Uses are filed on the following bases:

- Project approvals must be based upon compliance with the requirements of CEQA (separately appealed herein) and are not.
- The determinations and findings for the Large Project Approval (separately appealed to the Board of Appeals on June 17, 2016 by Peter Papadopoulos) are inadequate and incomplete and are not supported by substantial evidence.
- The Project does not comply with the requirements of the Urban Mixed Use Zoning District and the 68-X Height and Bulk District.
- The Project's reliance on the yet to be designed future affordable housing component of the Project to meet open space, affordable housing and other requirements, including the 35% land dedication alternative, is unsupported.

- The Project does not meet the criteria outlined in Planning Code sections 303, 317, and 101.1(b) and the determinations are not supported by substantial evidence.
- The approval improperly relies on adoption of a state density bonus rather than the adoption of a special use district.
- The approval contains errors and omissions and is not supported by substantial evidence.

III. Exhibits (Attached)

Exhibit A:	Planning Commission Motion No. 19657 and No. 19658
Exhibit B:	Link to the videos of the May 19 and June 2, 2016 Planning Commission hearings in which testimony was given on the Project.
Exhibit C:	Letters and other documents in support of the appeals
Exhibit D	Link to the Eastern Neighborhoods Area Plan EIR, Motion 17661 of the Planning Commission, which adopted CEQA Findings for the Plan EIR, and Mitigation Monitoring Report
Exhibit E:	CEQA Fee
Exhibit F:	Notice to Board of Supervisors of Appeal From Action of the City Planning Commission Form re. Conditional Uses.

Thank you,

Rachel Mansfield-Howlett

Rachel Mansfield-Howlett
Attorney for Appellant

Exhibit A

Exhibit A

Planning Commission Motion No. 19657
Planning Commission Motion No. 19658
Attached

Link to:

Executive Summary
Large Project Authorization &
Conditional Use Authorization
HEARING DATE: MAY 19, 2016
AMENDED
Date: May 12, 2016
Case No.: **2013.0677CUA & 2013.0677X :**

http://commissions.sfplanning.org/cpcpackets/2013.0677X_2016-05-12.pdf

Link to;

Community Plan Exemption Checklist
Case No.: **2013.0677E**
Project Address: **2000-2070 Bryant Street, 2815 18th Street, and 611 Florida Streetz;**

http://sfmea.sfplanning.org/2000-2070_Bryant_St_CPE_Checklist.pdf

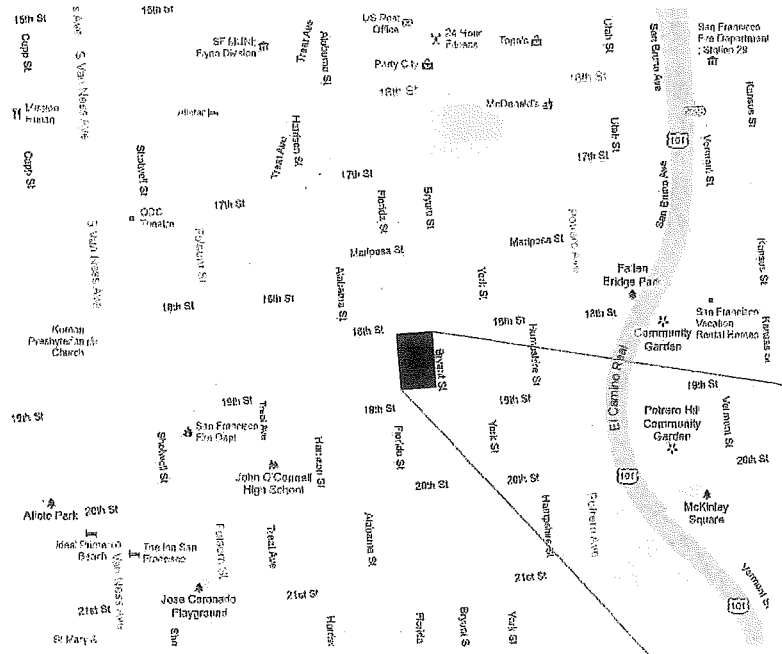
Link to

Certificate of Determination EXEMPTION FROM ENVIRONMENTAL REVIEW:

http://sfmea.sfplanning.org/2000-2070_Bryant_St_CPE Certificate.pdf

2000-2070 BRYANT STREET

MIXED-USE DEVELOPMENT
PLANNING SUBMITTAL PACKAGE



REQUIRED APPROVALS

- LARGE PROJECT AUTHORIZATION
- CONDITIONAL USE APPLICATION:
  REMOVAL OF (3) DWELLING UNITS
- COMMUNITY PLAN EXEMPTION FOR CEQA REVIEW

PROJECT DESCRIPTION

63.4% OF SITE: (1) SIX-STORY MULTIFAMILY, MARKET RATE BUILDING WITH NEIGHBORHOOD SERVING RETAIL, CAFE, TRADE/SHOP, AND FLEX-ACCESSORY USE APARTMENTS. THE BUILDING HAS PARKING FOR 85 CARS PROVIDED IN AN ENCLOSED GARAGE. 144 MIN. BICYCLE PARKING SPACES IN CLASS I & CLASS II BICYCLE PARKING FACILITIES. PROJECT IS 199 RENTAL UNITS WITH (3) BMR ON SITE.

36.6% OF SITE (BY REFERENCE): (1) EIGHT-STORY MULTI-FAMILY, AFFORDABLE (SUBSIDIZED) PROJECT WITH NEIGHBORHOOD SERVING ART SPACE. BUILDING HAS 121 MIN. BICYCLE PARKING SPACES IN CLASS I & CLASS II BICLYCLE PARKING FACILITIES. PROJECT IS 136 AFFORDABLE RENTAL UNITS. PROJECT WOULD REQUIRE A STATE DENSITY BONUS FOR HEIGHT.

THE BUILDINGS ARE SEPARATED BY A PUBLICLY ACCESSIBLE ALLEY BETWEEN BRYANT AND FLORIDA STREET.

PROJECT TEAM

OWNER:
NICK PODELL COMPANY
22 BATTERY STREET, #404
SAN FRANCISCO, CA 94111
P: 415.296.8800
CONTACT: LINSEY PERLOV

DESIGN CONSULTANT:
RICHARD BEARD ARCHITECTS, INC.
2475 3RD STREET, STUDIO 252
SAN FRANCISCO, CA 94107
P: 415.458.2600
CONTACT: RICHARD BEARD

PROJECT ARCHITECT:
BDE ARCHITECTURE
950 HOWARD STREET
SAN FRANCISCO, CA 94103
P: 415.677.0966
CONTACT: JON ENNIS

CIVIL:
LANGAN TREADWELL & ROLLO
555 MONTGOMERY STREET, SUITE 1300
SAN FRANCISCO 94111
P: 415.955.5200
CONTACT: PAMELA SALAS

LANDSCAPE:
LUTSKO ASSOCIATES
2815 18TH STREET
SAN FRANCISCO, CA 94110
P: 415.920.2800
CONTACT: RON LUTSKO

ALL DRAWINGS AND WRITTEN MATERIAL APPEARING HEREIN CONSTITUTE ORIGINAL, AND UNPUBLISHED WORK OF THE ARCHITECT AND MAY NOT BE DUPLICATED, USED OR DISCLOSED WITHOUT THE WRITTEN CONSENT OF THE ARCHITECT.

MARKET RATE SITE ONLY

PLANNING INFORMATION

PROJECT LOCATION:	2000-2070 BRYANT STREET SAN FRANCISC0, CA 94110
PARCELS (BLOCK/LOT):	4022/001 4022/002 4022/021
PROJECT DESCRIPTION:	PRIVATELY FUNDED MIXED USE DEVELOPMENT 199 RESIDENTIAL UNITS
ZONING:	UMU MISSION AREA PLAN
MAXIMUM BUILDING HEIGHT:	68'-0"
DENSITY:	211.7 DU/AC

BUILDING CODE INFORMATION

OCCUPANCY GROUP:	R-2 OVER A-2/ M, S-2 A3 (COMMON AMENITY, LANDSCAPED PODIUM) B (LEASING OFFICE)
CONSTRUCTION TYPE:	TYPE IIIA OVER TYPE IA, SPRINKLERED PER NFPA 13
NUMBER OF STORIES:	5 OVER 1
ACCESSIBILITY:	100% OF UNITS SHALL BE ADAPTABLE, PER CBC 2013 CHAPTER 11A ALL COMMON USE AREAS SHALL BE ACCESSIBLE PER CBC 2013 CHAPTER 11A ALL PUBLIC AREAS SHALL BE ACCESSIBLE PER CBC 2013 CHAPTER 11B
ENERGY CODE:	2008 ENERGY CODE (SITE PERMIT SUBMITTED 5/15/2014) ARTICLE 38 EXEMPT

MODIFICATION REQUEST: NON-RESIDENTIAL CEILING HEIGHT: SECTION 145.1.c.4.A (REFER TO PAGE 25)

REQUIRED: NON-RESIDENTIAL GROUND FLOOR USES TO HAVE 17'-0" FLOOR TO FLOOR

PROVIDED: RETAIL SPACES B, C, D COMPLY WITH 1451.c.4.A. RETAIL SPACE "A" PROVIDES 15'-10" FLOOR TO FLOOR.

JUSTIFICATION: SITE GRADING DOES NOT ALLOW FOR A 17'-0" FLOOR TO FLOOR FOR "RETAIL A." "RETAIL A" WAS ADDED PER COMMUNITY REQUESTS TO HAVE MORE ART/RETAIL SPACE. THE ONLY WAY FOR "RETAIL A" TO COMPLY WOULD BE TO RAISE PODIUM (SECOND FLOOR) AN ADDITIONAL 14 INCHES. THIS IS NOT PRACTICAL FOR THE 199 UNITS ABOVE THE PODIUM THAT WOULD HAVE LOWERED CEILING. AN EXCEPTION IS SOUGHT FOR "RETAIL A" ONLY.

MODIFICATION REQUEST: OFF STREET LOADING 152.1 & 152.2 (REFER TO PAGES 17)

REQUIRED: BUILDINGS WITH 200,000 - 500,000 REQUIRE (2) FRIEGHT LOADING SPACES. REATIL AREA EXCEEDING 10,000 SF REQUIRES A LOADIN ZONE.

PROVIDED: (2) LOADING ZONES LOCATED IN ALLEY OFF OF FLORIDA, (2) YELLOW CURB ZONES @ 18TH & BRYANT, (1) WHITE CURB ZONE @ BRYANT.

JUSTIFICATION: PROJECT PROVIDES (2) FULLY COMPLIANT FREIGHT LOADING ZONES WITH (1) WHITE CURB AND (2) YELLOW CURB ZONES TO ELIMINATE NEED FOR ADDITIONAL LOADING ZONE.

MODIFICATION REQUEST: REAR YARD: SECTION 134 (REFER TO PAGE 18)

REQUIRED: 25% OF PROPERTY MUST BE ALLOCATED TO A REAR YARD.

PROVIDED: THE MARKET RATE PROJECT SITE IS 41,200 SF. IN LIEU OF ONE REAR YARD THE PROJECT IS PROVIDING TWO CENTRAL COURTYARDS ORIENTED NORTH/SOUTH. THE TOTAL AREA OF THE TWO COURTYARDS IS 8,558 SF PROVIDING 20.8% "REAR YARD" (NOT INCLUDING MID BLOCK ALLEY EASEMENT).

JUSTIFICATION: THE SITE IS SPLIT BETWEEN AFFORDABLE AND MARKET RATE PROJECTS. IF THE (2) PROJECTS ARE COUNTED AS ONE SITE THE TOTAL OPEN SPACE FOR COURTYARDS AND MIDBLOCK ALLEY IS 17,662SF. 17,662SF(OPEN SPACE)/65,000SF(SITE TOTAL)=27.1% REAR YARD.

MODIFICATION REQUEST: OPEN SPACE: SECTION 135 G) 2) (REFER TO PAGES 17, 18, 29)

REQUIRED: OPEN SPACE MUST BE AS WIDE AS IT IS TALL. A 45 DEGREE ANGLED LINE FROM THE BASE OF THE LOWEST FLOOR MUST NOT HIT OPPPSOITE WALL/ARCHITECTURAL STRUCTURE.

PROVIDED: THE PROJECT HAS (2) COURTYARDS ARRANGED ON SITE FOR MAXIMUM SUN EXPOSURE. BOTH COURTYARDS ARE RECTANGULAR IN SHAPE. THE WIDTH OF THE COURTYARDS DOES NOT COMPLY. THE DEPTH OF BOTH COURTYARDS EXCEEDS THE MINIMUM REQUIRED WIDTH.

JUSTIFICATION: DUE TO THE ELONGATED SHAPE AND ORIENTATION FOR MAXIMUM SUN EXPOSURE, THE PROJECT IS PROPOSING A PORTION OF ITS REQURIED OPEN SPACE AS NON-COMPLIANT. REFER TO SHEET 3 FOR TOTAL REQUIRED OPEN SPACE AND THE AMOUNT PROVIDED. THE PROJECT IS PROPOSING A 7,162 SF ROOF TERRACE FOR THE REMAINING OPEN SPACE FOR THE PROJECT.

MODIFICATION REQUEST: HORIZONTAL MASS REDUCTION 270.1 (REFER TO PAGE 28)

REQUIRED: BUILDINGS WITH MORE THAN 200 FEET OF CONTINUOUS STREET FRONTAGE SHALL PROVIDE A HORIZOTNAL MASS BREAK IN THE BUILDING; STARTING AT THE 3RD FLOOR OR 25 FEET, 30 FEET WIDE AND 60 FEET DEEP.

PROVIDED: 25 FOOT WIDE MID BLOCK ALLEY FROM BRYANT STREET TO FLORIDA STREET. MARKET RATE SITE STREET FRONTAGE IS 205'-0" ON BRYANT AND FLORIDA.

JUSTIFICATION: THE SITE IS DIVIDED INTO TWO PROJECTS/SITES AND PROVIDING MAXIMUM DENSITY. THE MID BLOCK ALLEY (WHICH EXCEEDS THE MASS REDUCTION VOLUME REQUIREMENT) IS THE PROJECT'S PROPOSED "MASS BREAK"

MODIFICATION REQUEST: FLEX UNIT SECTION: 803.3 (b)(1)(c) (REFER TO PAGES 17, 26)

REQUIRED: GROUND FLOOR DWELLING UNITS MAY HAVE AN ACCESSORY USE.

PROVIDED: APPROXIMATELY 126 LINEAR FEET ALONG BRYANT STREET OF STOREFRONT WINDOWS CONTAINING 6 ON GRADE UNITS.

JUSTIFICATION: THE SITE HAS HISTORICALLY BEEN USED FOR ART AND FABRICATION TRADES. THE FLEX UNITS ARE INTENDED FOR ARTISTS AND TRADESMAN TO LIVE AND WORK/DEVELOP/CREATE TO REINSTATE THE NEIGHBORHOOD AS AN ARTISTS' COMMUNITY.

ALL DRAWINGS AND WRITTEN MATERIAL APPEARING HEREIN CONSTITUTE ORIGINAL, AND UNPUBLISHED WORK OF THE ARCHITECT AND MAY NOT BE DUPLICATED, USED OR DISCLOSED WITHOUT THE WRITTEN CONSENT OF THE ARCHITECT.

CONSTRUCTION TYPE:			TYPE III OVER TYPE I									
FLOORS:			5 WOOD OVER 1 CONCRETE									
UNIT TYPE			Unit Rentable SF	Floor Levels 1ST	2ND	3RD	4TH	5TH	6TH	Unit Total		Rentable Area by Type
STUDIO	A1.01	STUDIO	486	0	2	0	0	0	0	2		972
	A2.01	STUDIO	498	0	1	1	1	1	1	5		2,490
	A3.01	STUDIO	398	0	1	1	1	1	1	5		1,990
	A3.02	STUDIO	402	0	2	2	2	2	2	10		4,020
	A4.01	STUDIO	385	0	1	0	0	0	0	1		385
	A4.02	STUDIO	418	0	0	1	1	1	1	4		1,672
										27	9.9%	
FLEX UNIT	B1.01	FLEX UNIT	727	6	0	0	0	0	0	6		4,362
										6	2.2%	
1 BEDROOM	B2.01	ONE BEDROOM	604	0	0	2	2	2	2	8		4,832
	B2.02	ONE BEDROOM	569	0	2	0	0	0	0	2		1,138
	B3.01	ONE BEDROOM	489	0	1	0	0	0	0	1		489
	B3.02	ONE BEDROOM	619	0	0	1	1	1	1	4		2,476
	B3.03	ONE BEDROOM	467	0	1	0	0	0	0	1		467
	B3.04	ONE BEDROOM	599	0	0	1	1	1	1	4		2,396
	B4.01	ONE BEDROOM	406	0	1	0	0	0	0	1		406
	B4.02	ONE BEDROOM	435	0	0	1	1	1	1	4		1,740
	B5.01	ONE BEDROOM	613	0	2	2	2	2	2	10		6,130
	B6.01	ONE BEDROOM	535	0	0	2	2	2	2	8		4,280
	B7.01	ONE BEDROOM	581	0	1	1	1	1	1	5		2,905
	B8.01	ONE BEDROOM	520	0	3	0	0	0	0	3		1,560
	B8.02	ONE BEDROOM	549	0	0	3	3	3	3	12		6,588
	B9.01	ONE BEDROOM	424	0	11	0	0	0	0	11		4,664
	B9.02	ONE BEDROOM	454	0	0	11	11	11	11	44		19,976
	B9.03	ONE BEDROOM	424	0	2	2	2	2	2	10		4,240
										128	46.7%	
2 BEDROOM	C1.01	TWO BEDROOM	862	0	0	2	0	0	0	2		1,724
	C1.02	TWO BEDROOM	919	0	2	2	2	2	2	10		9,190
	C1.04	TWO BEDROOM	890	0	2	0	0	0	0	2		1,780
	C1.05	TWO BEDROOM	931	0	0	0	2	2	2	6		5,586
	C1.06	TWO BEDROOM	862	0	1	1	1	1	1	5		4,310
	C2.01	TWO BEDROOM	850	0	0	2	0	0	0	2		1,700
	C2.04	TWO BEDROOM	879	0	2	0	0	0	0	2		1,758
	C2.05	TWO BEDROOM	919	0	0	0	2	2	2	6		5,514
	C2.06	TWO BEDROOM	850	0	1	1	1	1	1	5		4,250
	C2.08	TWO BEDROOM	919	0	0	0	1	1	1	3		2,757
	C2.09	TWO BEDROOM	850	0	0	1	0	0	0	1		850
	C2.10	TWO BEDROOM	879	0	1	0	0	0	0	1		879
	C3.01	TWO BEDROOM	887	0	2	2	2	2	2	10		8,870
	C4.01	TWO BEDROOM	955	0	1	1	1	1	1	5		4,775
	C5.01	TWO BEDROOM	1,089	3	0	0	0	0	0	3		3,267
	C6.01	TWO BEDROOM	888	0	2	0	0	0	0	2		1,776
	C6.02	TWO BEDROOM	857	0	0	2	0	0	0	2		1,714
	C6.03	TWO BEDROOM	928	0	0	0	2	2	2	6		5,568
	C8.01	TWO BEDROOM	1,107	0	1	0	0	0	0	1		1,107
	C8.02	TWO BEDROOM	1,078	0	0	1	0	0	0	1		1,078
	C8.03	TWO BEDROOM	1,147	0	0	0	1	1	1	3		3,441
	C8.04	TWO BEDROOM	1,078	0	1	1	1	1	1	5		5,390
	C9.01	TWO BEDROOM	908	0	1	1	1	1	1	5		4,540
	C11.01	TWO BEDROOM	814	0	4	0	0	0	0	4		3,256
	C11.02	TWO BEDROOM	868	0	0	4	4	4	4	16		13,888
	C11.03	TWO BEDROOM	814	0	1	1	1	1	1	5		4,070
										113	41.2%	
TOTAL UNITS			669	9	53	53	53	53	53	274	100%	183,216

Rentable Residential by floor (not incl. decks)	7,629	34,071	34,962	35,518	35,518	35,518	183,216
Gross Residential (lobby, corridors, stairs, etc...) (not incl. decks)	7,787	10,123	9,990	9,990	9,990	9,990	57,870
Retail Total (including Restroom)	5,140		-	-	-	-	5,140
Amenity Spaces (Interior Only)	2,478	-	-	-	-	-	2,478
Leasing	538	-	-	-	-	-	538
Garage (incl. storage, utilities, ...)	37,139	-	-	-	-	-	37,139
Total Gross	60,711	44,194	44,952	45,508	45,508	45,508	286,381

PARKING

FIRST FLOOR	153 *		
CAR SHARE	2		
ADA	5		
Total	**160**	ratio	0.58
ALLOWED	211		

* Parking is regular parking stalls, 2 High Klaus Parking Stackers

BIKE PARKING

CLASS 1 (RESIDENTIAL) BIKE PARKING REQUIRED

1 : 1 STALLS FOR 1ST 100 UNITS	100
1 : 4 STALLS FOR 175 UNITS	44
1 STALL FOR RETAIL	1
Total	**145**

CLASS 2 (SIDEWALK) BIKE PARKING REQUIRED

1 : 20 STALLS FOR UNITS	14
2 FOR RETAIL	2
Total	**16**

CLASS 1 (RESIDENTIAL) BIKE PARKING PROVIDED

BIKE ROOM 1	152
BIKE ROOM 2	68
BIKE ROOM 3	28
Total	**248**

CLASS 2 (SIDEWALK) BIKE PARKING PROVIDED

1 : 20 STALLS FOR UNITS	19
2 FOR RETAIL	7
Total	**26**

PROVIDED TOTAL 274

OPEN SPACE*

For each rentable unit 80 sq ft of private open space is required.
When private open space is not provided, the 80 sq ft may be common open space
Example: 1Rental Unit/Private OS x 80 sq ft/Private OS = 80 sq ft Common OS
When private open space is provided for a unit but the required 80 sq ft is not met, the remaining open space must be provided as common open space
Example: 80 sq ft [1Rental Unit/Private OS x 80 sq ft/Private OS]= 20 sq ft Common OS
When a rental unit's private open space exceeds the required 80 sq ft, the excess area can not be counted towards units that do not meet the required 80 sq ft

REQUIRED OPEN SPACE
274 DU 80 SF/DU = 274 X 80 21,920

		ALL OPEN SPACE
STREET LEVEL	7DU x 96 sq ft/DU =	
PODIUM PATIOS	0DU x 80 sq ft/DU =	
MASS BREAK		1,536
WEST COURT		7,788
EAST COURT		7,476
SOUTH COURT		4,108
ROOF TERRACE		5,169
Total		26,077

DU= Deck Units
OS= Open space
* All calculations for open space per Section 843.11
**Stoop Units have 106 sq ft OS w/ 80 sq ft each counted towards OS

MARKET-RATE SITE AREA: 41,200 SF
AFFORDABLE SITE AREA: 23,800 SF
COMBINED SITE AREA: 65,000 SF

COMBINED SITE STATISTICS - PRIOR

ALL DRAWINGS AND WRITTEN MATERIAL APPEARING HEREIN CONSTITUTE ORIGINAL, AND UNPUBLISHED WORK OF THE ARCHITECT AND MAY NOT BE DUPLICATED, USED OR DISCLOSED WITHOUT THE WRITTEN CONSENT OF THE ARCHITECT.

CONSTRUCTION TYPE:			TYPE IIIA OVER TYPE IA								
FLOORS:			5 WOOD OVER 1 CONCRETE								
UNIT TYPE			Unit Rentable SF	Floor Levels 1ST	2ND	3RD	4TH	5TH	6TH	Unit Total		Rentable Area by Type
STUDIO	A1.1	NRTHWST CORNER	494	0	1	1	1	1	1	5		2,470
	A2.1	STHWST CORNER	450	0	1	1	1	1	1	5		2,250
	A3.3		402	0	4	4	4	4	4	20		8,040
										0		0
										30	15.1%	
1 BEDROOM	B1.1	STOOP	530	4	0	0	0	0	0	4		2,120
	B2.1		626	0	1	1	1	1	1	5		3,130
	B2.2		620	0	2	2	2	2	2	10		6,200
	B3.1		466	0	2	0	0	0	0	2		932
	B3.2		595	0	0	1	1	1	1	4		2,380
	B3.3		503	0	0	1	1	1	1	4		2,012
	B4.1		406	0	6	1	1	1	1	10		4,060
	B4.2		434	0	0	5	5	5	5	20		8,680
	B5.1		596	0	1	1	1	1	1	5		2,980
	B6.1		638	0	1	1	1	1	1	5		3,190
	B8.1		520	0	3	0	0	0	0	3		1,560
	B8.2		549	0	0	3	3	3	3	12		6,588
										0		0
FLEX UNIT	F1.1	FLRD WHT MEZZ	788	4	0	0	0	0	0	4		3,152
	F2.1	CORNER	721	1	0	0	0	0	0	1		721
										89	44.7%	
2 BEDROOM	C1.1		862	0	2	0	0	0	0	2		1,724
	C1.2		919	0	0	2	2	2	2	8		7,352
	C1.6		862	0	4	4	4	4	4	20		17,240
	C3.1		906	0	4	4	4	4	4	20		18,120
	C4.1		868	0	1	1	1	1	1	5		4,340
	C8.1		1,048	0	2	1	1	1	1	6		6,288
	C8.2		1,197	0	0	1	1	1	1	4		4,788
	C11.3		814	0	3	3	3	3	3	15		12,210
										80	40.2%	
TOTAL UNITS			666	9	38	38	38	38	38	199	100%	132,527

Rentable Residential by floor (not incl. decks)	5,993	24,782	25,438	25,438	25,438	25,438		132,527
Gross Residential (lobby, corridors, stairs, etc...) (not incl. decks)	5,718	7,380	7,380	7,380	7,380	7,380		42,618
Retail Total (including auxiliary)	7,007	-	-	-	-	-		7,007
PDR Space	3,938	-	-	-	-	-		3,938
Amenity Spaces (Interior Only)	5,572	-	-	-	-	-		5,572
Leasing (Counted as Amenity)	-	-	-	-	-	-		0
Garage (Incl. storage, utilities, ...)	11,994	-	-	-	-	-		11,994
Total Gross	40,222	32,162	32,818	32,818	32,818	32,818		203,656

PARKING

FIRST FLOOR	82 *	
CAR SHARE	1 *	
ADA	2	
Total	85	ratio 0.43

ALLOWED TBD

* Parking is 2 & 3 High Klaus Parking Stackers

BIKE PARKING

CLASS 1 (RESIDENTIAL) BIKE PARKING REQUIRED

1 : 1 STALLS FOR 1ST 100 UNITS	100
1 : 4 STALLS FOR 99 UNITS	25
2 STALL FOR PDR	2
1 STALL FOR RETAIL	1
Total	128

CLASS 2 (SIDEWALK) BIKE PARKING REQUIRED

1 : 20 STALLS FOR UNITS	10
2 FOR PDR	2
6 FOR RETAIL	6
Total	18

OPEN SPACE* For each rentable unit 80 sq ft of private open space is required.
When private open space is not provided, the 80 sq ft may be common open space
Example 1Rental Unit/Private OS x 80 sq ft/Private OS = 80 sq ft Common OS
When private open space is provided for a unit but the required 80 sq ft is not met,
the remaining open space must be provided as common open space
Example 80 sq ft [1Rental Unit/Private OS x 60 sq ft/Private OS]= 20 sq ft Common OS
When a rental unit's private open space exceeds the required 80 sq ft,
the excess area can not be counted towards units that do not meet the required 80 sq ft

REQUIRED OPEN SPACE
199 DU 80 SF/DU = 199 X 80 15,920

		ALL OPEN SPACE	
STREET LEVEL			
PODIUM PATIOS	0DU x 80 sq ft/DU =		
ALLEY		200	
WEST COURTYARD		4,279	**
EAST COURTYARD		4,279	**
ROOF TERRACE		15,920	MIN. REQ.
Total		24,678	

DU= Deck Units
OS= Open space
* All calculations for open space per Section 843.11
**East and West Courtyards are non-complying open space per Section 135

MARKET-RATE SITE AREA: 41,200 SF
AFFORDABLE SITE AREA: 23,800 SF
COMBINED SITE AREA: 65,000 SF

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CONSTRUCTION TYPE:			TBD										
FLOORS:			8 FLOORS										
			Unit Rentable	Floor Levels							Unit		Rentable Area
UNIT TYPE			SF	1ST	2ND	3RD	4TH	5TH	6TH	7TH	8TH	Total		by Type
STUDIO	A1.1	SMALL	480	0	2	2	2	2	2	2	2	14		6,720
	A1.2	LARGE	557	0	2	2	2	2	2	2	2	14		7,798
	A3.1	ALLEY	393	0	1	1	1	1	1	1	1	7		2,751
												35	25.7%	
1 BEDROOM	B1.1	GROUND	596	4	0	0	0	0	0	0	0	4		2,384
	B2.1	CRTYARD ACCESS	675	0	1	0	0	0	0	0	0	1		675
	B3.1	SM GROUND	568	1	0	0	0	0	0	0	0	1		568
	B9.1	STD 1	545	0	4	2	2	2	2	2	2	16		8,720
	B9.2	STD 1 W/ BAY	454	0	0	4	4	4	4	4	4	24		10,896
												46	33.8%	
2 BEDROOM	C1.1	NO BAY WHT BLDG	927	0	2	2	2	2	2	2	2	14		12,978
	C2.1	SMALL C1 NO BAY	807	0	1	0	0	0	0	0	0	1		807
	C2.2	STREET W/ BAY	854	0	0	1	1	1	1	1	1	6		5,124
	C3.1	OUTSIDE CORNER	1,042	0	2	0	0	0	0	0	0	2		2,084
	C3.2	OUTSD CRNR W/ BAY	928	0	0	2	2	2	2	2	2	12		11,136
	C4.1	INSIDE CORNER	1,008	0	0	1	1	1	1	1	1	6		6,048
	C5.1	TRASH RM ADJ	700	0	1	1	1	1	1	1	1	7		4,900
												48	35.3%	0
3 BEDROOM	D1.1	3BED/2BATH	951	0	1	1	1	1	1	1	1	7		6,657
												7	5.1%	
TOTAL UNITS			664	5	17	19	19	19	19	19	19	136	100%	90,246

Rentable Residential by floor (not incl. decks)	2,952	11,718	12,596	12,596	12,596	12,596	12,596	12,596	90,246
Gross Residential (lobby, corridors, stairs, etc...) (not incl. decks)	4,862	2,935	2,935	2,935	2,935	2,935	2,935	2,935	25,397
Retail Total (including Restroom)	0	0	0	0	0	0	0	0	0
ART Space	6,947	0	0	0	0	0	0	0	6,947
Amenity Spaces (Interior Only)	428	1,146	0	0	0	0	0	0	1,574
Leasing	1,590	0	0	0	0	0	0	0	1,590
Garage (incl. storage, utilities, ...)	2,229	0	0	0	0	0	0	0	2,229
Total Gross	18,998	15,799	15,531	15,531	15,531	15,531	15,531	15,531	127,983

PARKING

FIRST FLOOR	0 *
CAR SHARE	3 *
ADA	0
Total	3 ratio 0.02

ALLOWED TBD

* One Car Share to be ADA Stall

BIKE PARKING

CLASS 1 (RESIDENTIAL) BIKE PARKING REQUIRED

ART SPACE	2
1 : 1 STALLS FOR 1ST 100 UNITS	100
1 : 4 STALLS FOR 36 UNITS	9
Total	111

CLASS 2 (SIDEWALK) BIKE PARKING REQUIRED

ART SPACE	3
1 : 20 STALLS FOR UNITS	7
Total	10

OPEN SPACE* For each rentable unit 80 sq ft of private open space is required.
When private open space is not provided, the 80 sq ft may be common open space
Example 1Rental Unit/Private OS x 80 sq ft/Private OS = 80 sq ft Common OS
When private open space is provided for a unit but the required 80 sq ft is not met,
the remaining open space must be provided as common open space
Example 80 sq ft [1Rental Unit/Private OS x 60 sq ft/Private OS]= 20 sq ft Common OS
When a rental unit's private open space exceeds the required 80 sq ft,
the excess area can not be counted towards units that do not meet the required 80 sq ft

REQUIRED OPEN SPACE
136 DU 80 SF/DU = 136 X 80 10,880

		ALL OPEN SPACE
STREET LEVEL	7DU x 96 sq ft/DU =	
PODIUM PATIOS	0DU x 80 sq ft/DU =	
ALLEY		4,800
COURTYARD		3,104
ROOF TERRACE		2,976 **
Total		10,880

DU= Deck Units
OS= Open space
* All calculations for open space per Section 843.11
**Minimum Roof Deck Size for Open Space Requirement

MARKET-RATE SITE AREA: 41,200 SF
AFFORDABLE SITE AREA: 23,800 SF
COMBINED SITE AREA: 65,000 SF

NICK PODELL COMPANY
BDE ARCHITECTURE

AFFORDABLE SITE STATISTICS - CURRENT

5

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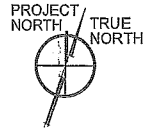
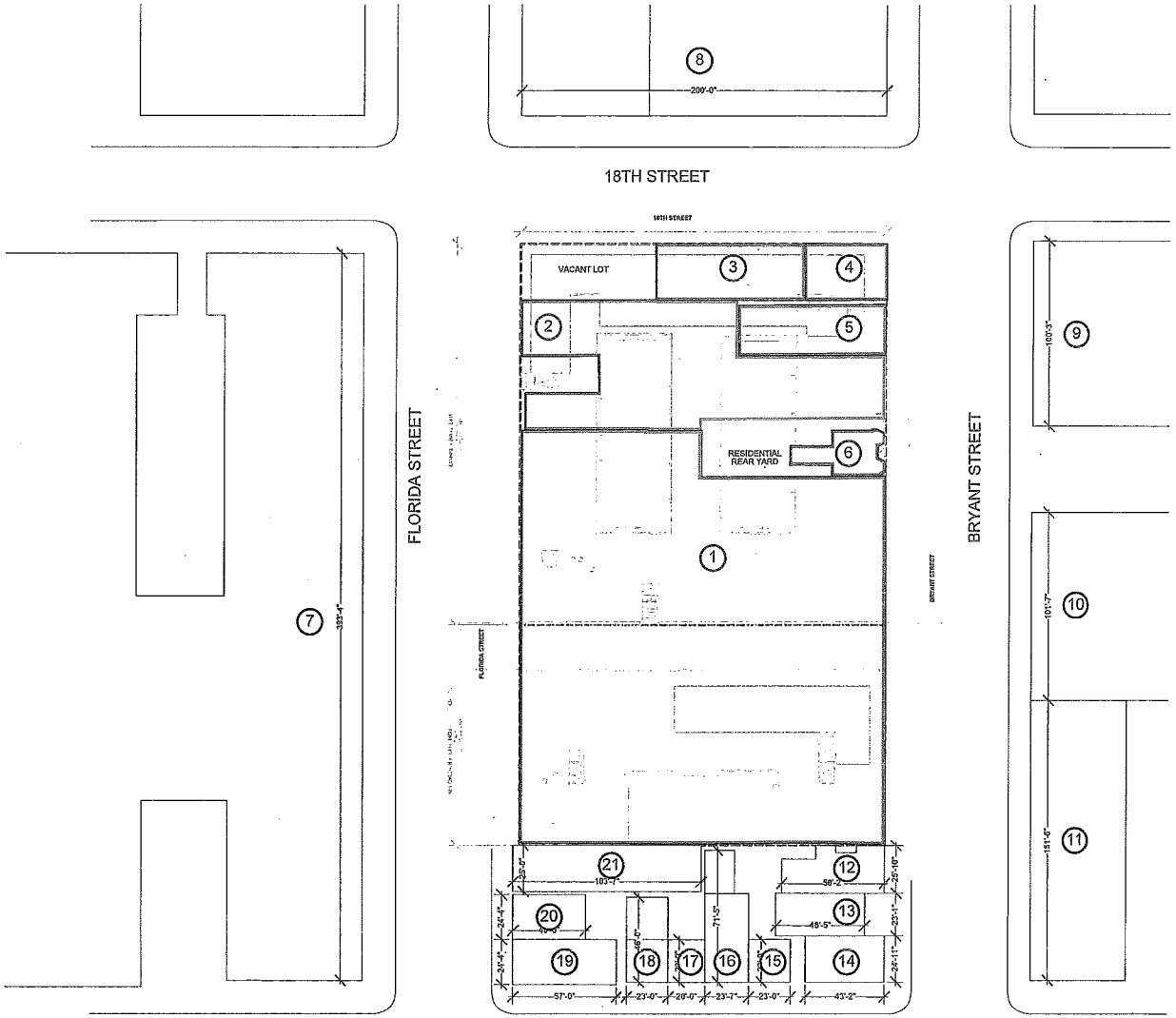
GENERAL NOTES

A. REFER TO SITE SURVEY FOR EXISTING:

-CURB CUTS
-CURB LINES
-SITE AND VICINTIY GRADING
-ADJACENT PROPERTY LINES
-EXISTING UTILITIES





SHEET NOTES

		DESCRIPTION	AREA	HEIGHT	STORIES
ON SITE	1	(DEMO) WAREHOUSE-ARTS/ LIGHT INDUSTRIAL	50,000SF	26'	1-2
	2	(DEMO) WAREHOUSE/ AUTOMOTIVE REPAIR	6,160SF	22'	1-2
	3	(DEMO) OFFICE	3,540SF	22'	2
	4	(DEMO) RESTAURANT/ VACANT RESIDENTIAL UNIT	(1,440SF) (1,200SF)	26'	2
	5	(DEMO) ARTS USE	4,480SF	23'	2
	6	(DEMO) VACANT 2 UNIT RESIDENTIAL	1,870SF	27'	2
OFF SITE	7	MULTI FAMILY	OFFSITE	50'	4
	8	MIXED USE	OFFSITE	40'-60'	3-4
	9	COMMERCIAL	OFFSITE	25'	2
	10	COMMERCIAL	OFFSITE	28'	2
	11	COMMERCIAL	OFFSITE	22'	1
	12	MULTI FAMILY	OFFSITE	24'	2
	13	MULTI FAMILY	OFFSITE	30'	2
	14	MULTI FAMILY	OFFSITE	26'	2
	15	GARAGE	OFFSITE	14'	1
	16	MULTI FAMILY	OFFSITE	32'	3
	17	RESTAURANT	OFFSITE	13'	1
	18	GARAGE	OFFSITE	10'	1
	19	MULTI FAMILY	OFFSITE	18'	2
	20	SINGLE FAMILY	OFFSITE	22'	2
	21	FUTURE RESIDENTIAL	OFFSITE	55'	5

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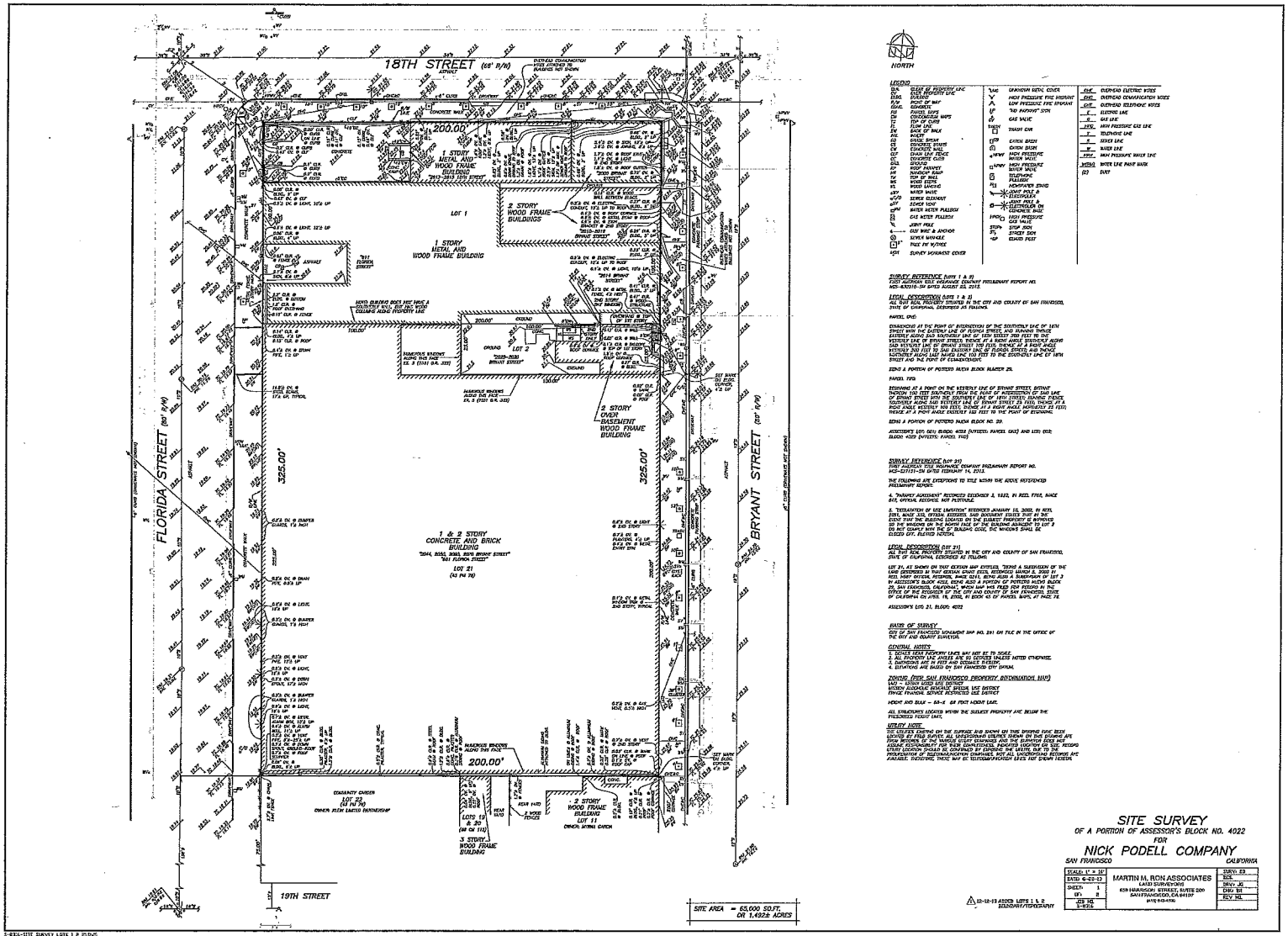

SITE SURVEY

OF A PORTION OF ASSESSOR'S BLOCK NO. 4022

FOR

NICK PODELL COMPANY

SAN FRANCISCO CALIFORNIA

SCALE: 1" = 16'	SURVD. EB
DATE: 4-22-13	DSN.
SHEET: 1 OF: 2	DRW. JG
JOB NO. 5-4226	CHK. SH
	REV. NOL

MARTIN M. RON ASSOCIATES
LAND SURVEYORS
859 HARRISON STREET, SUITE 200
SAN FRANCISCO, CA 94107
(415) 543-4476

12-12-13 ADDED LOTS 1 & 2 EDG/DRAFT/TOPOGRAPHY

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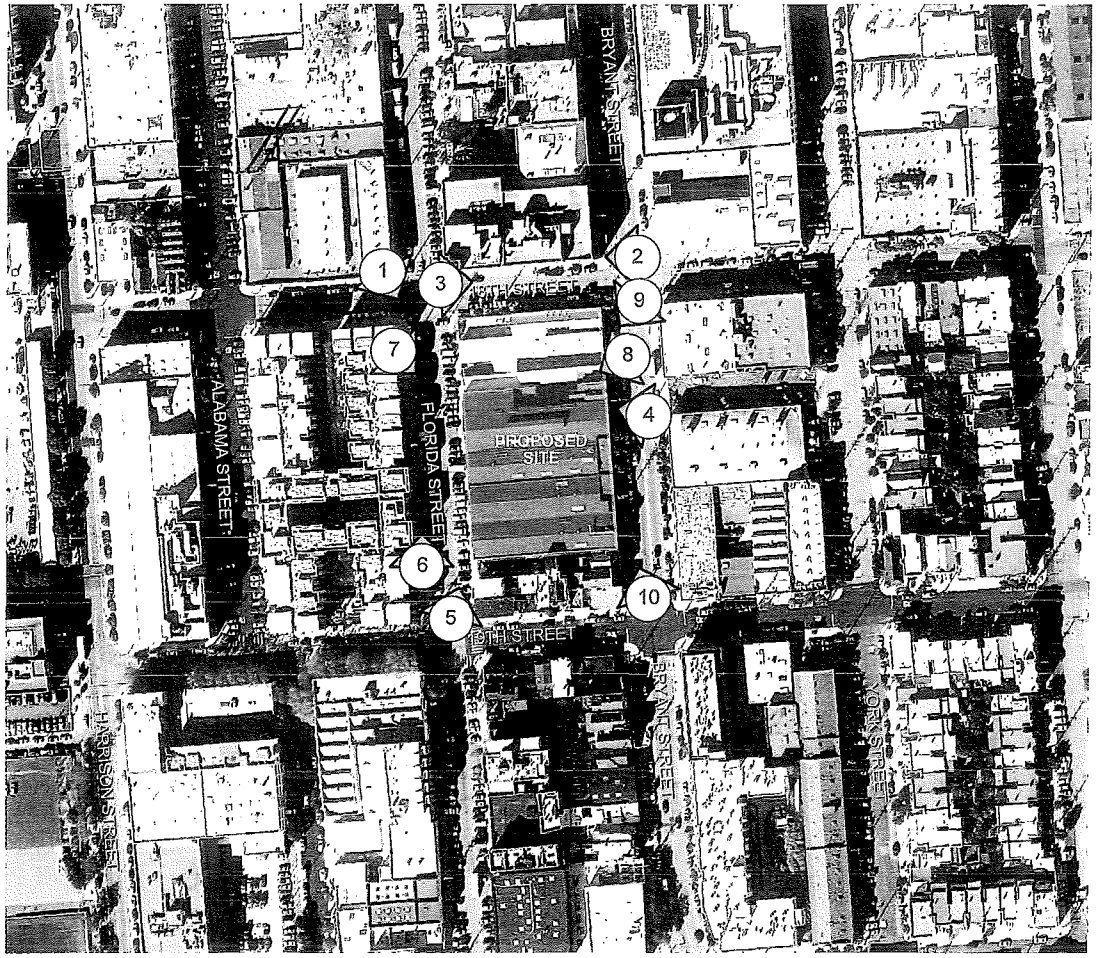

PROJECT NORTH / TRUE NORTH

PLOT PLAN: N.T.S.

NICK PODELL COMPANY

SATELITE VIEW 14

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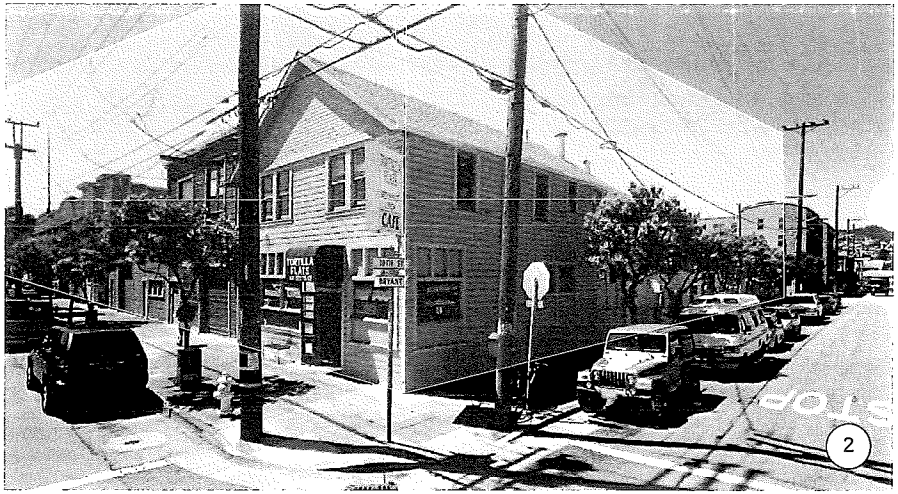
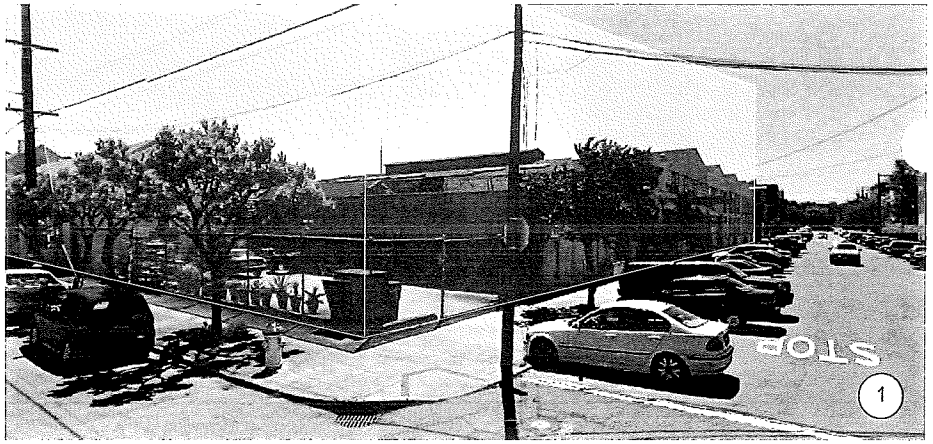
BRYANT STREET: VIEW NORTH TOWARDS 18TH STREET



18TH STREET: VIEW WEST DOWN 18TH

18TH STREET: VIEW EAST DOWN 18TH



18TH STREET: VIEW SOUTH TOWARDS FLORIDA STREET

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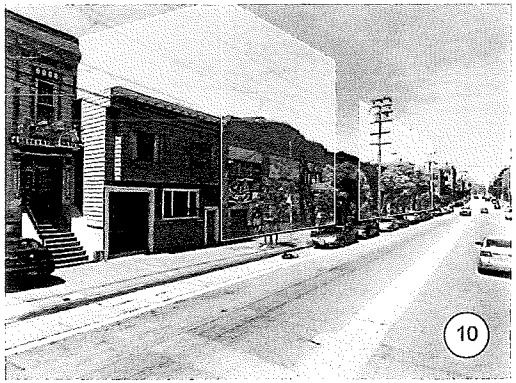
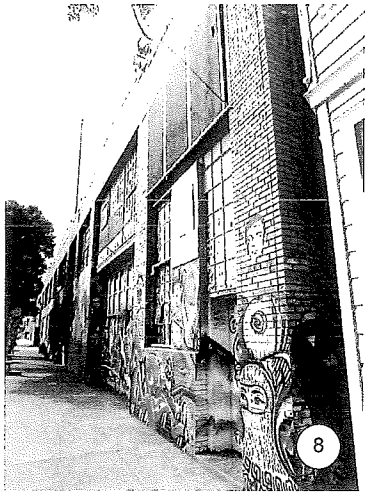


BRYANT STREET: VIEW NORTH TOWARDS 18TH STREET

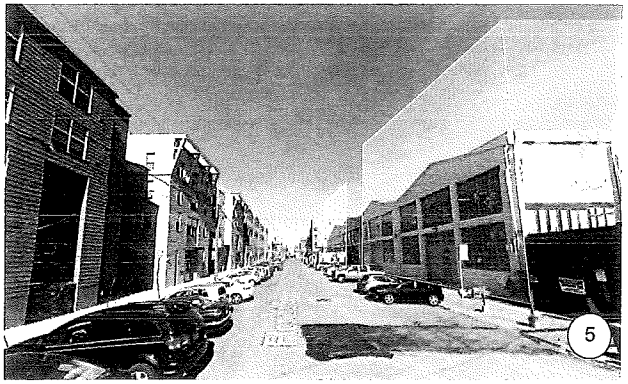
BRYANT STREET: VIEW SOUTH TOWARDS 19TH STREET



BRYANT STREET: VIEW SOUTH TOWARDS 19TH STREET

FLORIDA STREET: VIEW SOUTH TOWARDS 19TH STREET

FLORIDA STREET: VIEW NORTH TOWARDS 18TH STREET



FLORIDA STREET: VIEW NORTH TOWARDS 18TH STREET

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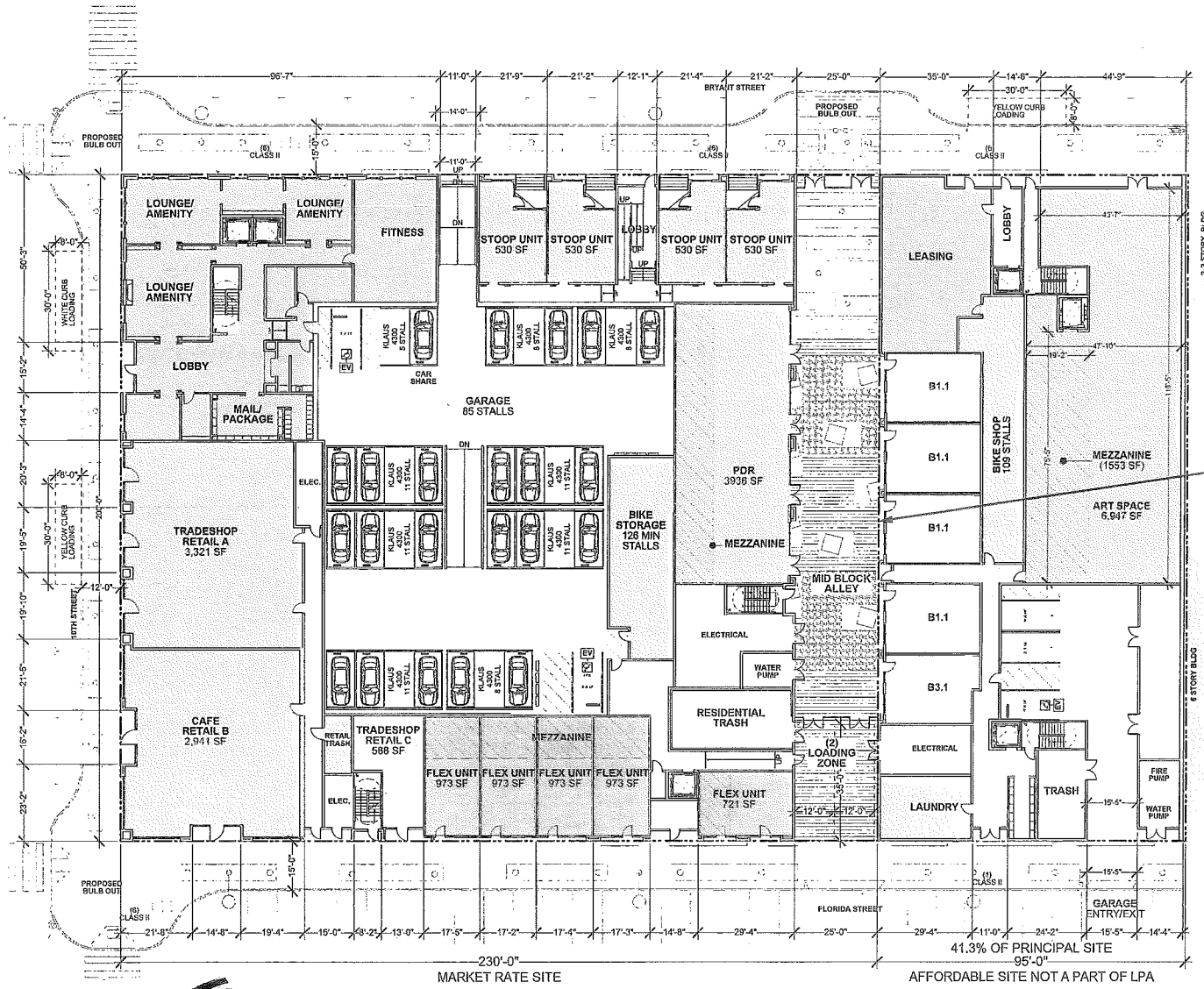

NICK PODELL COMPANY

FLOOR 1 - PLAN ALT: MEWS PART OF MARKET RATE SITE

1/32" = 1'-0"

ALT 17

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JUNE 2, 2016

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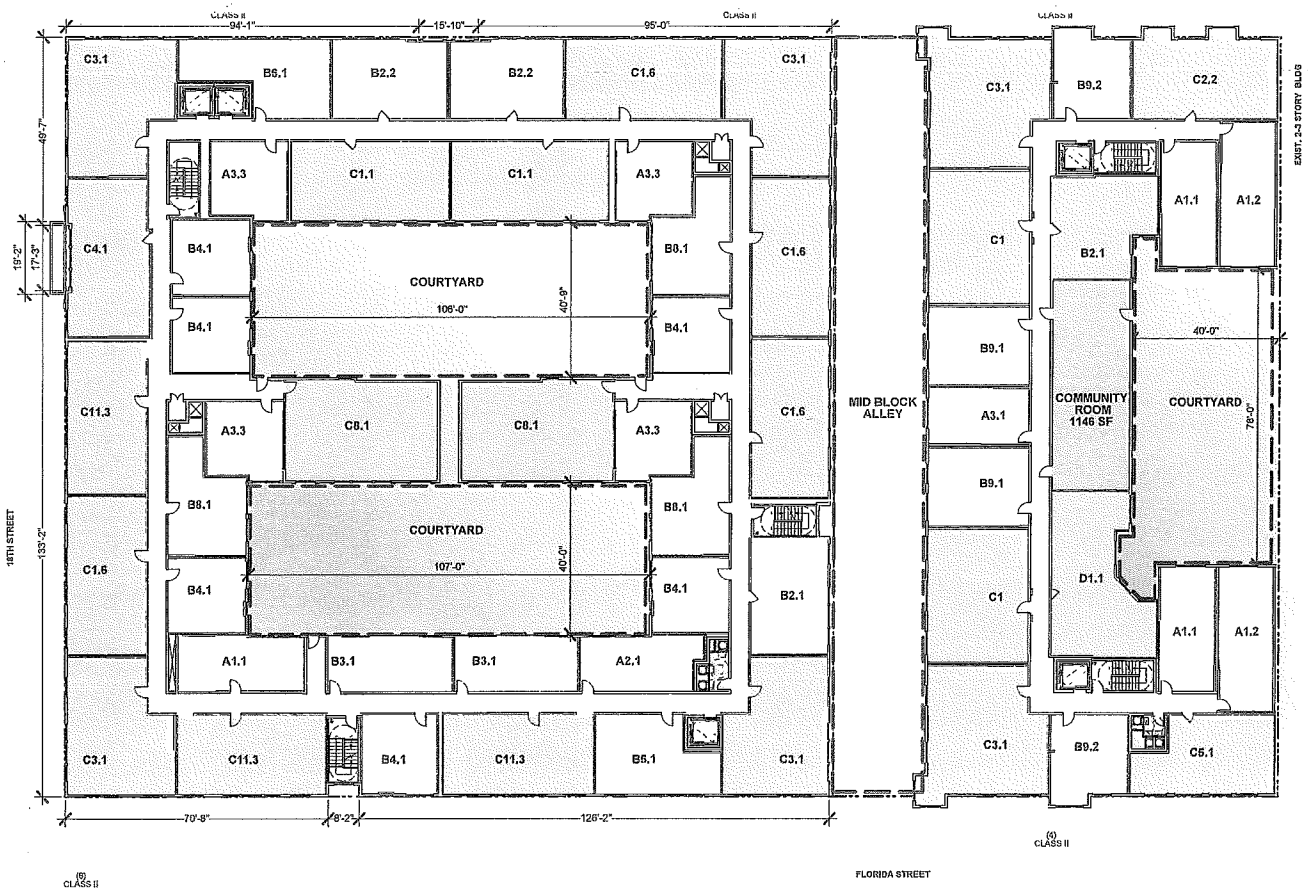
MODIFICATION REQUEST: REAR YARD: SECTION 134

REQUIRED: 25% OF PROPERTY MUST BE ALLOCATED TO A REAR YARD.

PROVIDED: THE MARKET RATE PROJECT SITE IS 41,200 SF. IN LIEU OF ONE REAR YARD THE PROJECT IS PROVIDING TWO CENTRAL COURTYARDS ORIENTED NORTH/SOUTH. THE TOTAL AREA OF THE TWO COURTYARDS IS 8,558 SF PROVIDING 20.8% "REAR YARD" (NOT INCLUDING MID BLOCK ALLEY EASEMENT).

JUSTIFICATION: THE SITE IS SPLIT BETWEEN AFFORDABLE AND MARKET RATE PROJECTS. IF THE (2) PROJECTS ARE COUNTED AS ONE SITE THE TOTAL OPEN SPACE FOR COURTYARDS AND MIDBLOCK ALLEY IS 17,662SF. 17,662SF(OPEN SPACE)/65,000SF(SITE TOTAL)=27.1% REAR YARD.



PROJECT NORTH / TRUE NORTH

NICK PODELL COMPANY

FLOOR 2 - PLAN 1/32" = 1'-0" **18**

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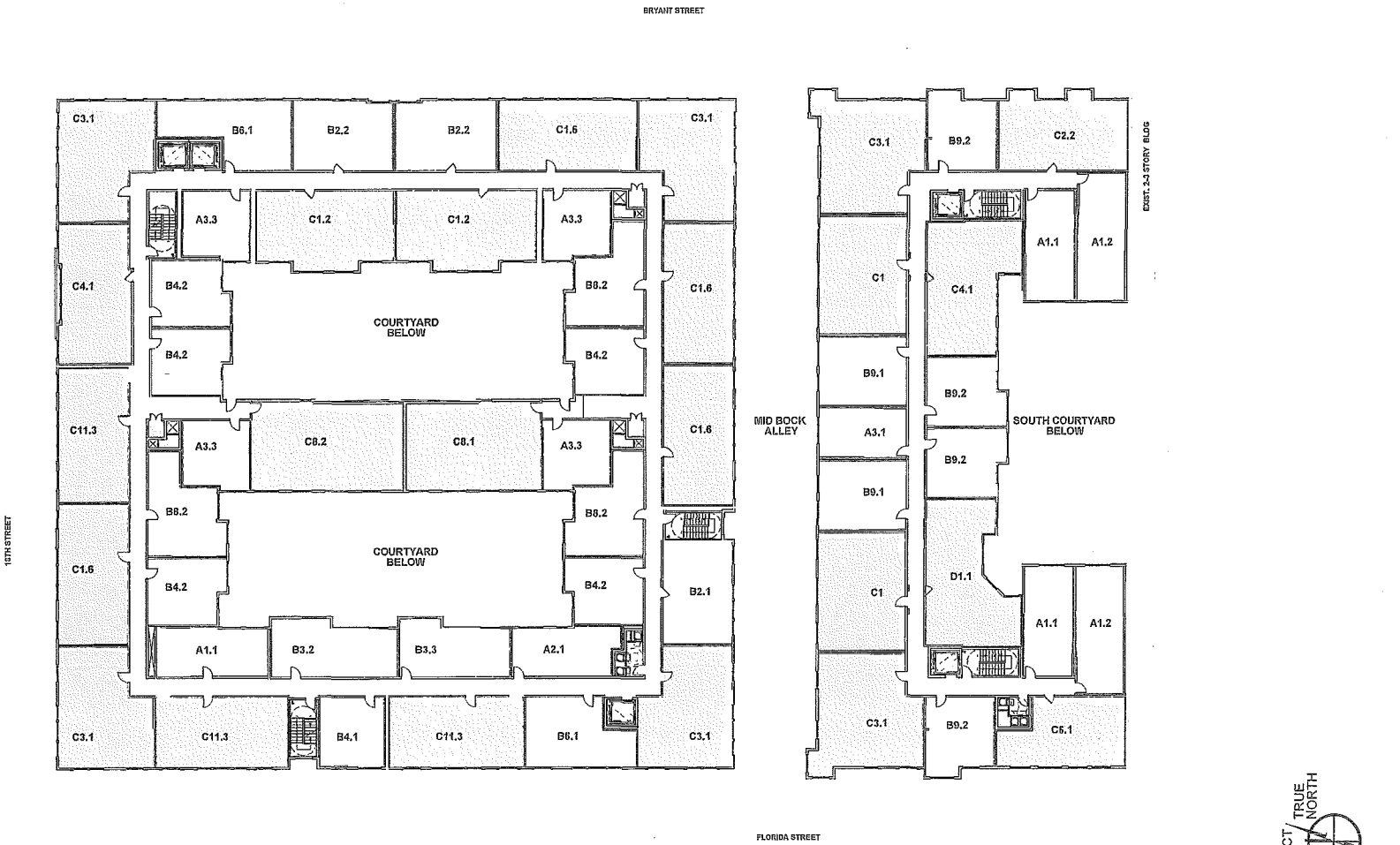

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FLOOR 3 - PLAN 1/32" = 1'-0" 19

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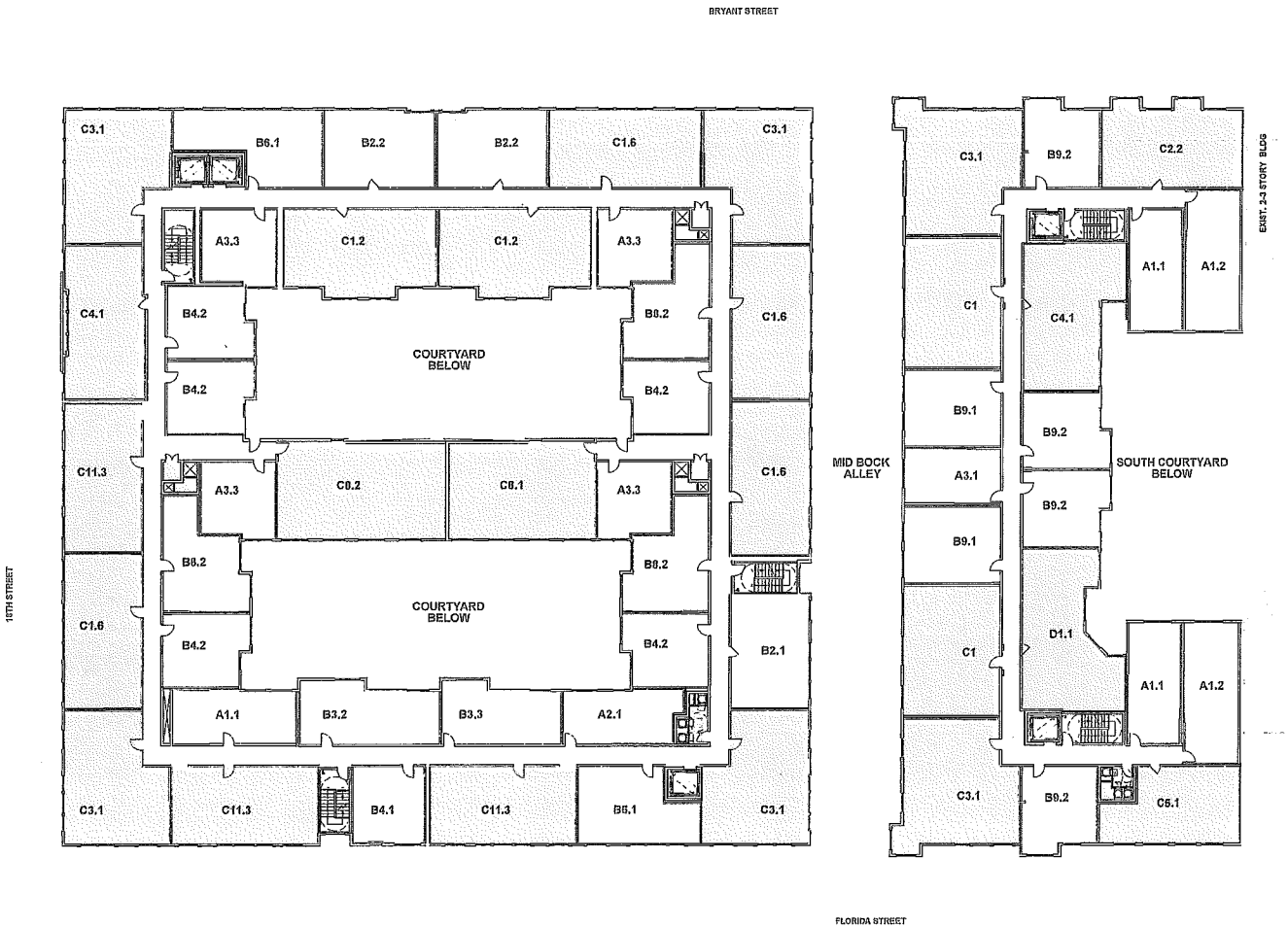

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FLOOR 4 - PLAN 1/32" = 1'-0" 20

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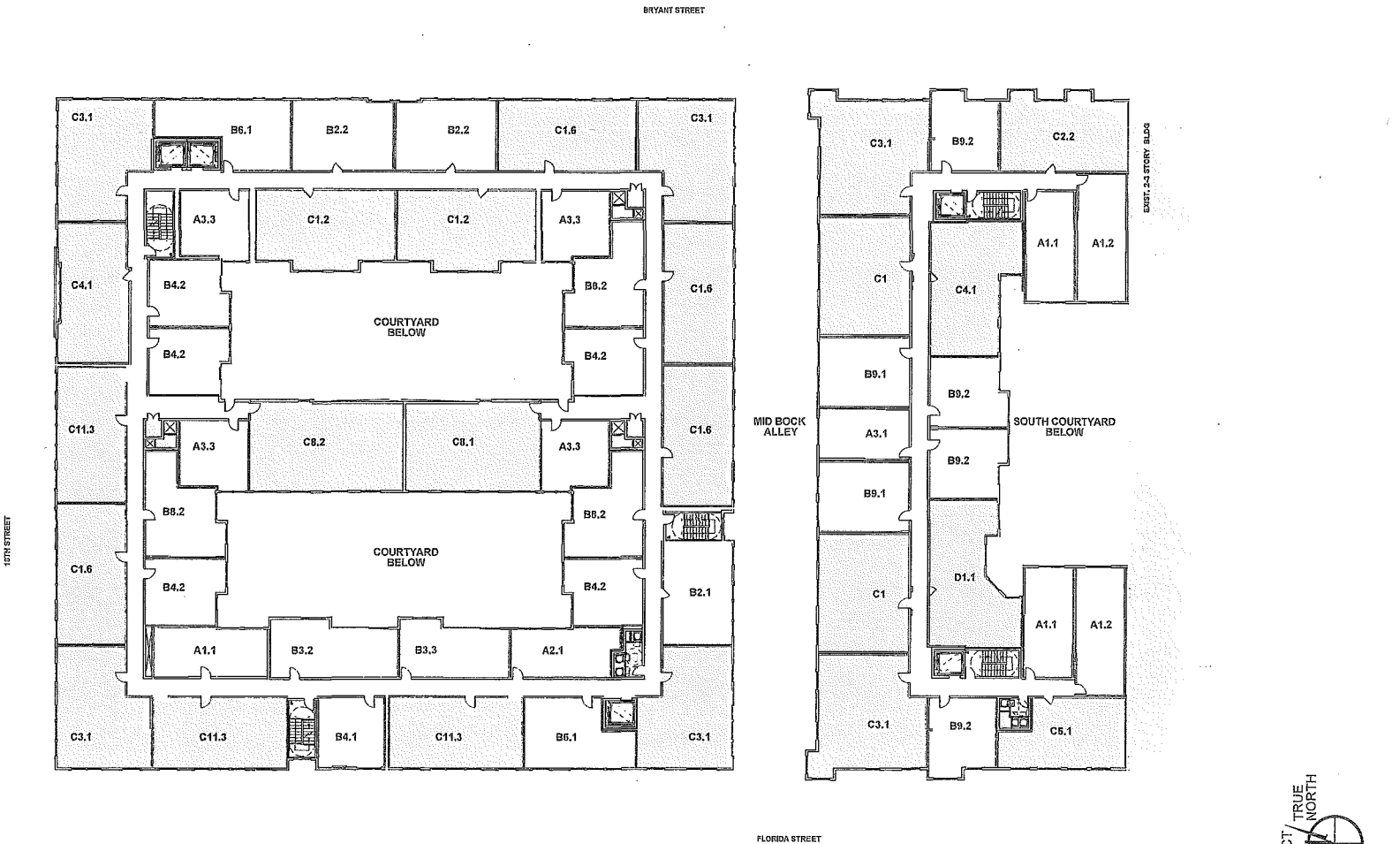

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FLOOR 5 - PLAN 1/32" = 1'-0" 21

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FLOOR 6 - PLAN 1/32" = 1'-0" 22

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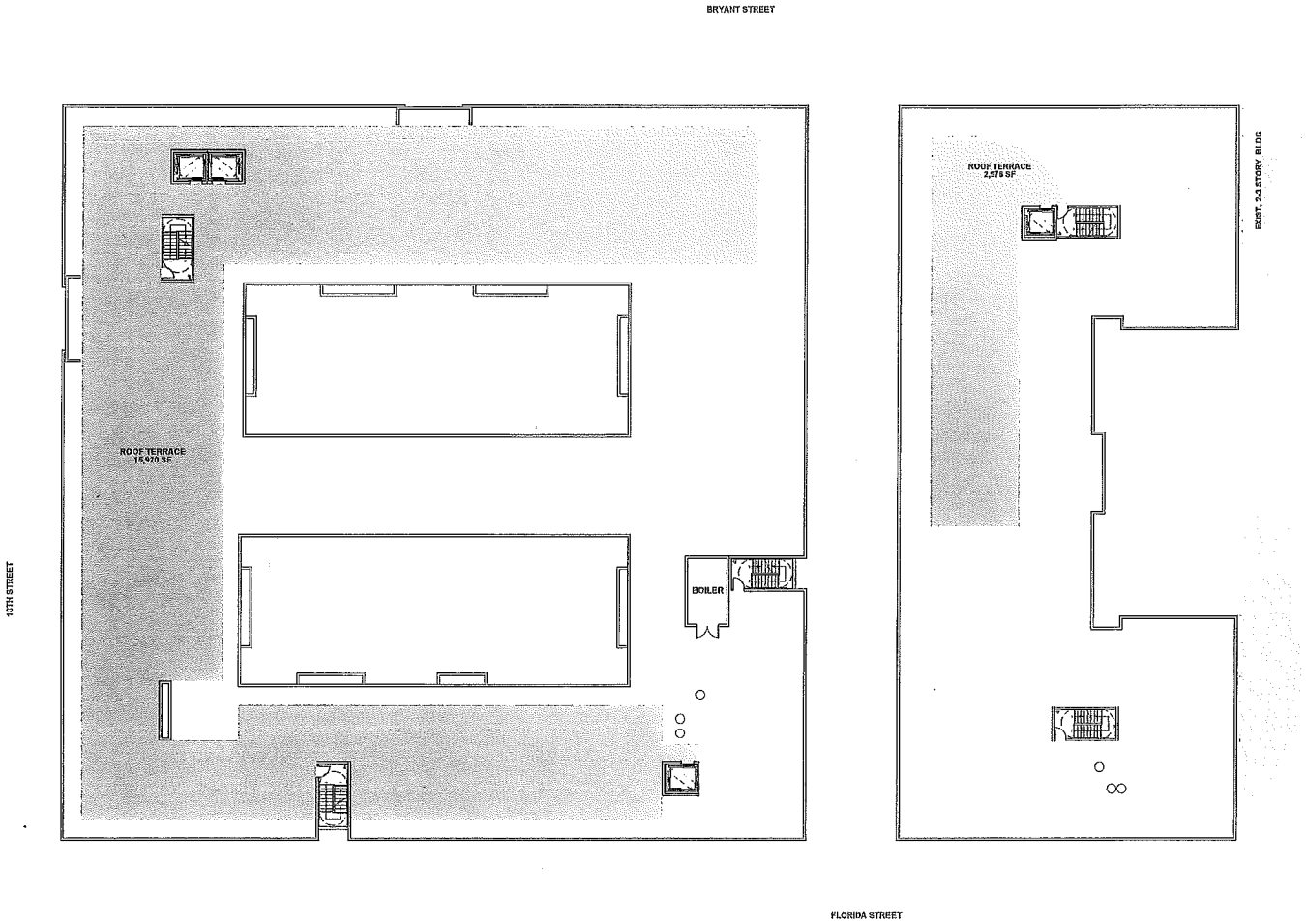

PROJECT NORTH / TRUE NORTH

NICK PODELL COMPANY

ROOF - PLAN 1/32" = 1'-0" 23

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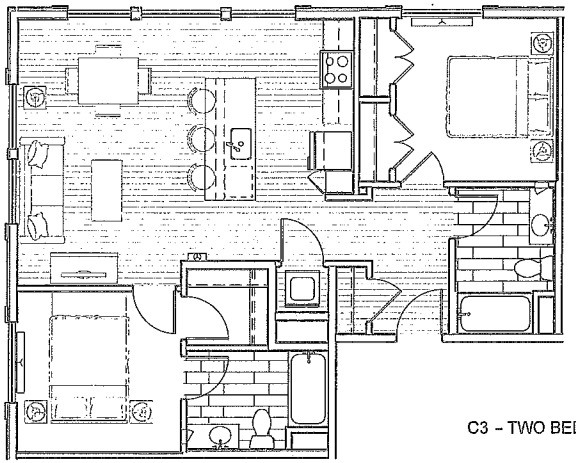
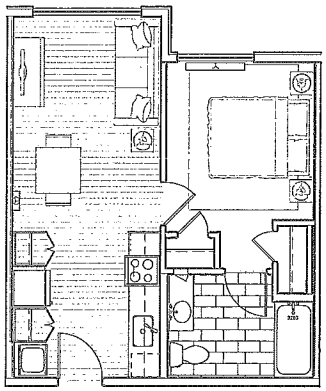
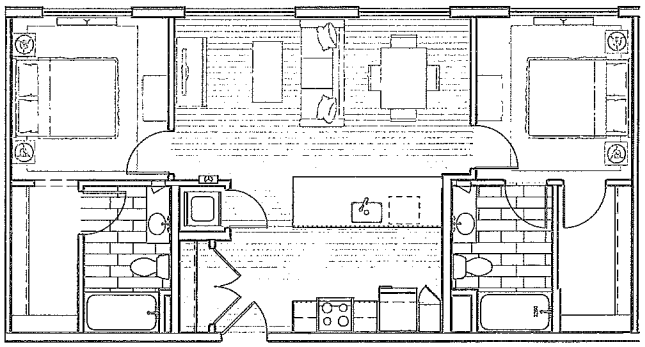


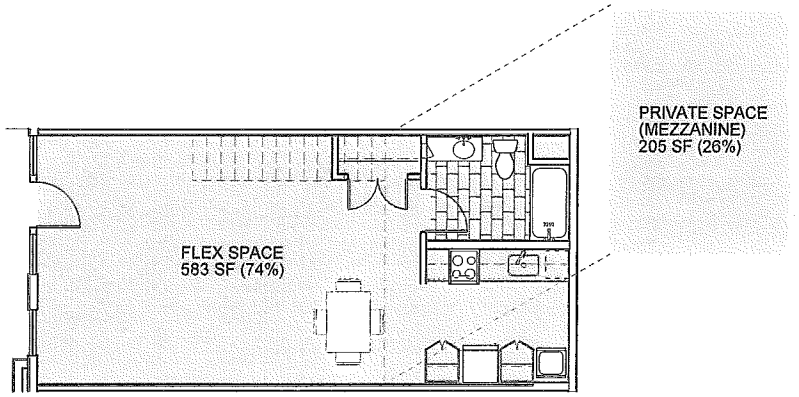
C3 - TWO BEDROOM



B4 - ONE BEDROOM



C1 - 2 BEDROOM



F1.1 - FLEX UNIT: 788 SF

NICK PODELL COMPANY

TYPICAL UNIT PLANS

1/8" = 1'-0"

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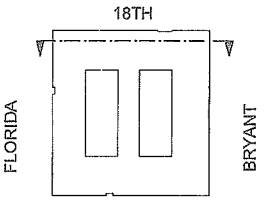
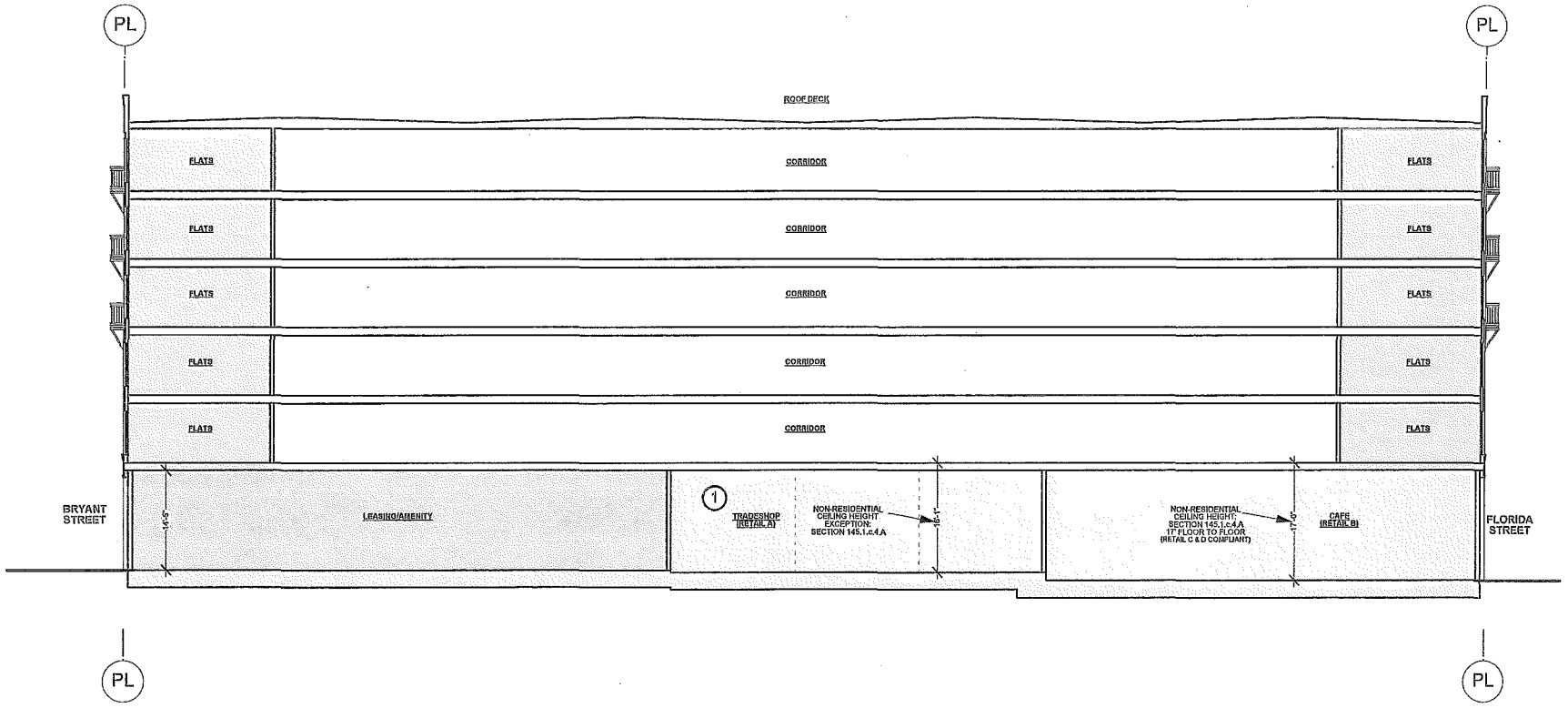
(1) **MODIFICATION REQUEST: NON-RESIDENTIAL CEILING HEIGHT: SECTION 145.1.c.4.A**

REQUIRED: NON-RESIDENTIAL GROUND FLOOR USES TO HAVE 17'-0" FLOOR TO FLOOR

PROVIDED: RETAIL SPACES B, C, D COMPLY WITH 1451.c.4.A. RETAIL SPACE "A" PROVIDES 15'-10" FLOOR TO FLOOR.

JUSTIFICATION: SITE GRADING DOES NOT ALLOW FOR A 17'-0" FLOOR TO FLOOR FOR "RETAIL A." "RETAIL A" WAS ADDED PER COMMUNITY REQUESTS TO HAVE MORE ART/RETAIL SPACE. THE ONLY WAY FOR "RETAIL A" TO COMPLY WOULD BE TO RAISE PODIUM (SECOND FLOOR) AN ADDITIONAL 14 INCHES. THIS IS NOT PRACTICAL FOR THE 199 UNITS ABOVE THE PODIUM THAT WOULD HAVE LOWERED CEILING. AN EXCEPTION IS SOUGHT FOR "RETAIL A" ONLY.





NON-RESIDENTIAL CEILING HEIGHT DIAGRAM
BUILDING SECTION

1/16" = 1'-0"

25

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2000-2070 BRYANT ST | SAN FRANCISCO APRIL 29, 2016

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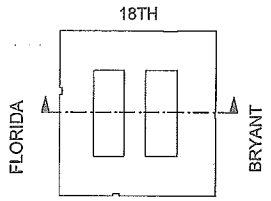
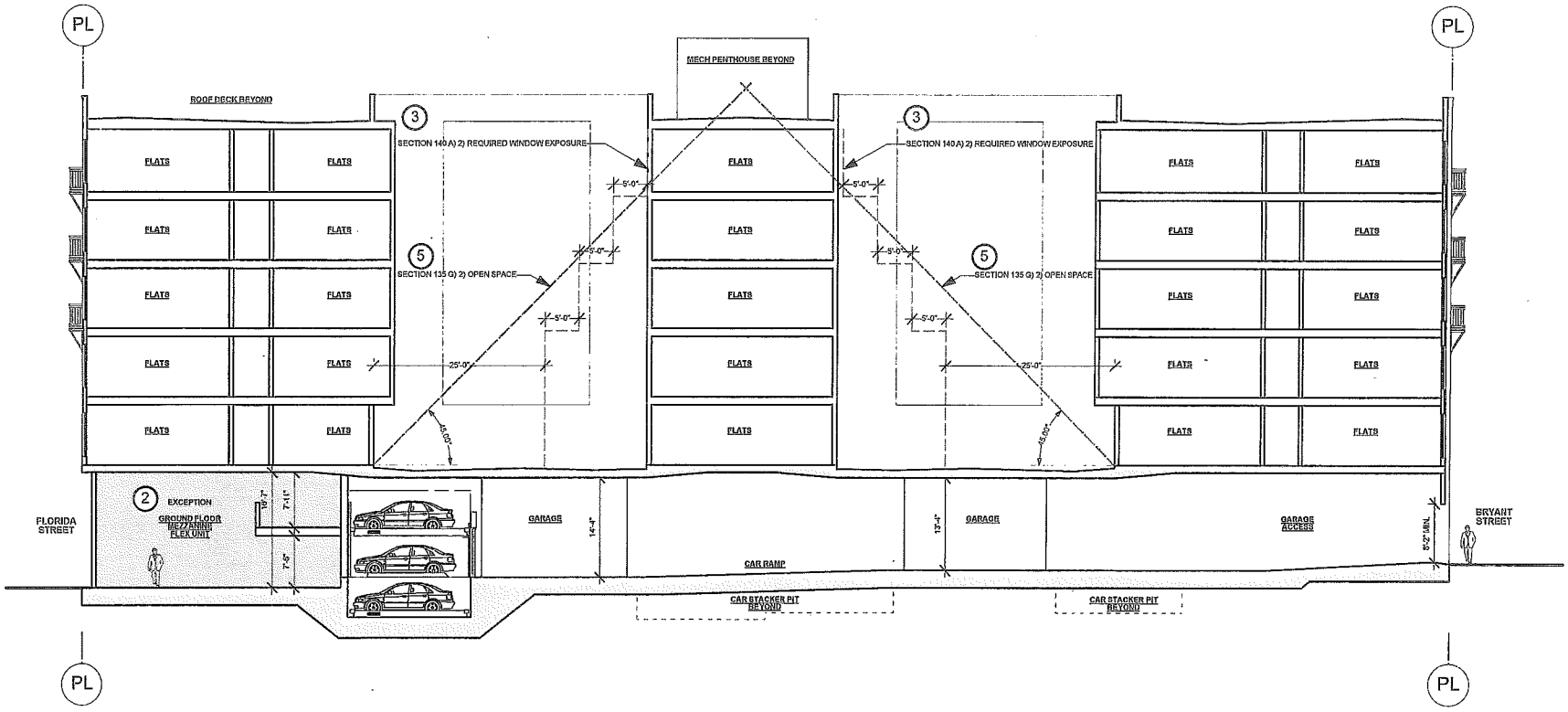
(2) **MODIFICATION REQUEST: FLEX UNIT SECTION: 803.3 (b)(1)(c).**

REQUIRED: GROUND FLOOR DWELLING UNITS MAY HAVE AN ACCESSORY USE.

PROVIDED: APPROXIMATELY 126 LINEAR FEET ALONG BRYANT STREET OF STOREFRONT WINDOWS CONTAINING 6 ON GRADE UNITS.

JUSTIFICATION: THE SITE HAS HISTORICALLY BEEN USED FOR ART AND FABRICATION TRADES. THE FLEX UNITS ARE INTENDED FOR ARTISTS AND TRADESMAN TO LIVE AND WORK/DEVELOP/CREATE TO REINSTATE THE NEIGHBORHOOD AS AN ARTISTS' COMMUNITY.





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HORIZONTAL MASS BREAK DIAGRAM
BUILDING SECTION

1/16" = 1'-0"

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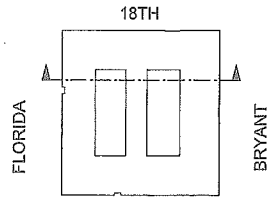
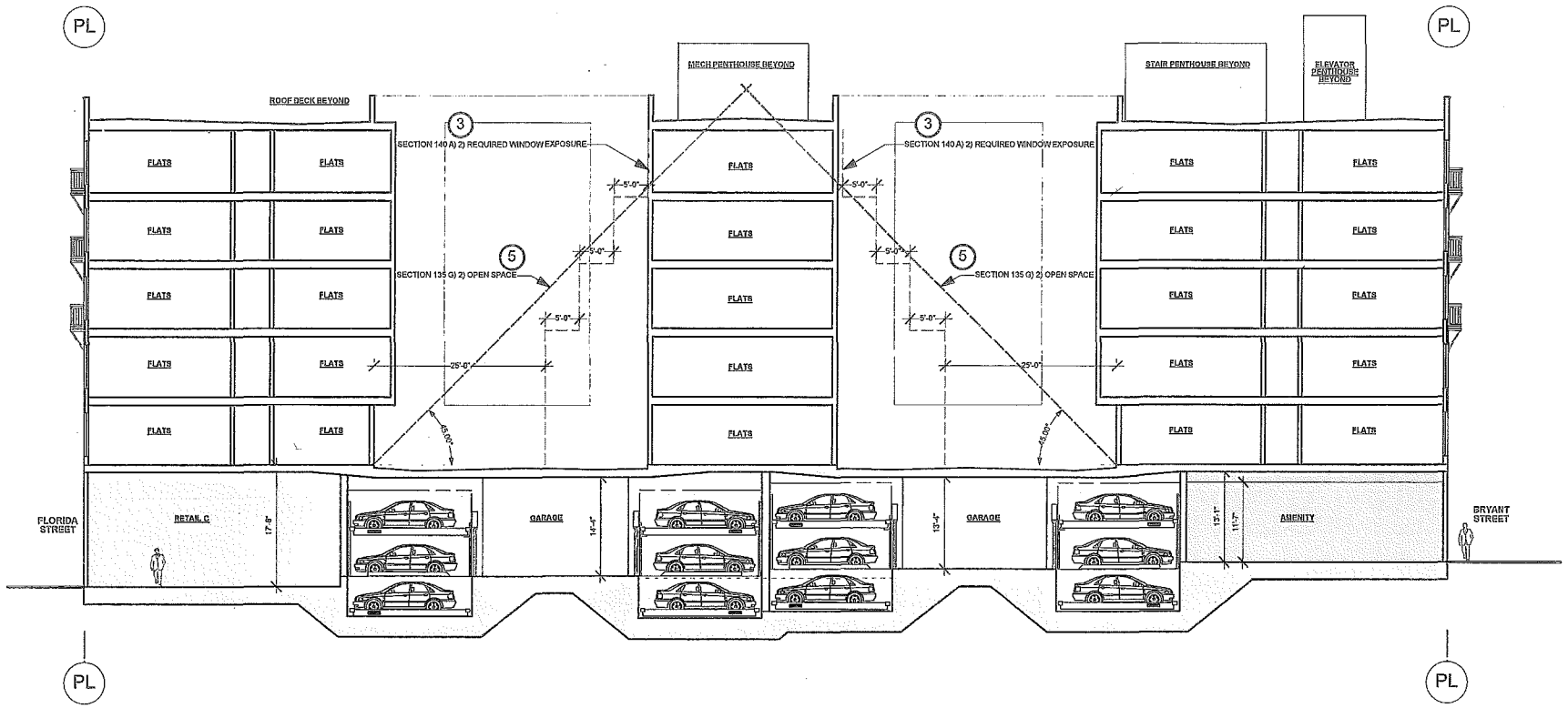
③ **PLANNING COMPLIANCE: WINDOW EXPOSURE: SECTION 140 A) 2)**

REQUIRED: WINDOWS SHALL HAVE 25'-0" CLEAR FROM FACE OF WALL ON FLOORS 1 AND 2. FOR EVERY ADDITIONAL FLOOR WINDOW EXPOSURE INCREASES 5'-0"

PROVIDED: ALL WINDOWS ON SITE ARE COMPLIANT WITH A MINIMUM OF 40'-0" CLEAR FROM FACE OF WALL.





WINDOW EXPOSURE / OPEN SPACE / PROJECTION OVERHANG
BUILDING SECTION

1/16" = 1'-0"

27

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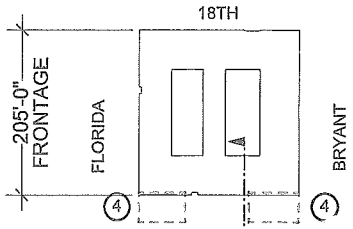
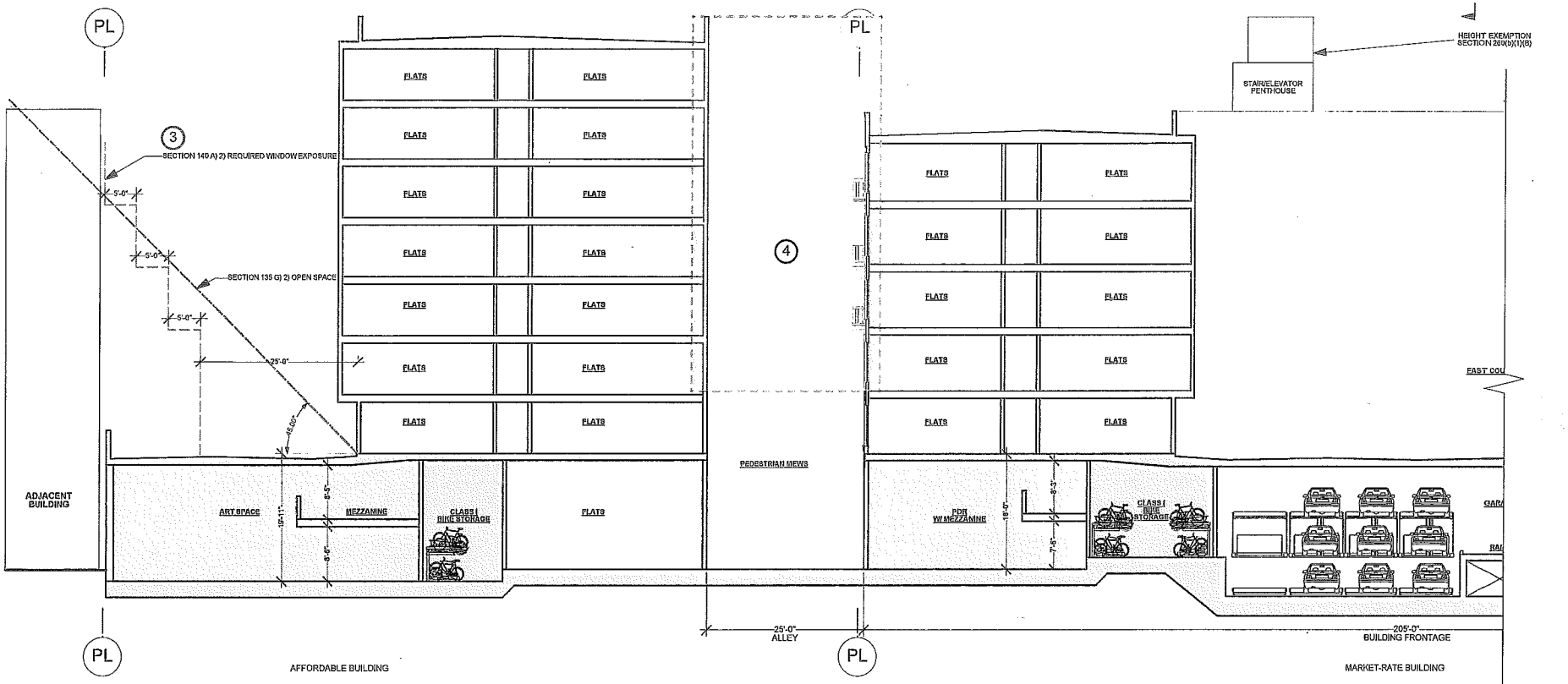
(4) **MODIFICATION REQUEST: HORIZONTAL MASS REDUCTION 270.1**

REQUIRED: BUILDINGS WITH MORE THAN 200 FEET OF CONTINUOUS STREET FRONTAGE SHALL PROVIDE A HORIZOTNAL MASS BREAK IN THE BUILDING; STARTING AT THE 3RD FLOOR OR 25 FEET, 30 FEET WIDE AND 60 FEET DEEP.

PROVIDED: 25 FOOT WIDE MID BLOCK ALLEY FROM BRYANT STREET TO FLORIDA STREET. MARKET RATE SITE STREET FRONTAGE IS 205'-0" ON BRYANT AND FLORIDA.

JUSTIFICATION: THE SITE IS DIVIDED INTO TWO PROJECTS/SITES AND PROVIDING MAXIMUM DENSITY. THE MID BLOCK ALLEY (WHICH EXCEEDS THE MASS REDUCTION VOLUME REQUIREMENT) IS THE PROJECT'S PROPOSED "MASS BREAK"





OPEN SPACE/ EXPOSURE/ MID BLOCK ALLEY BUILDING SECTION- PARTIAL

1/16" = 1'-0"

28

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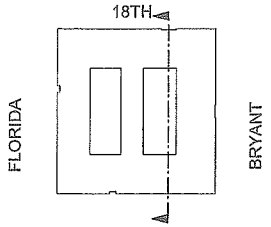
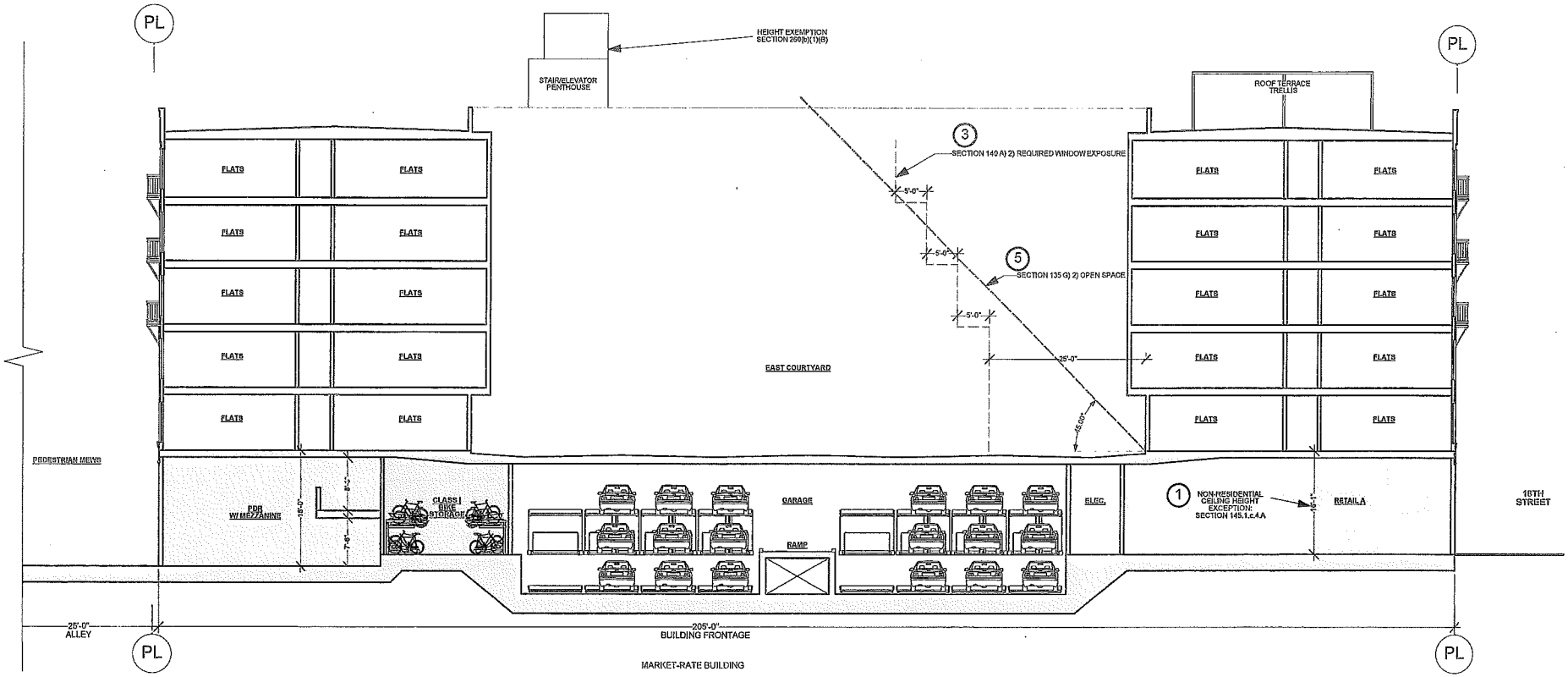
(5) **MODIFICATION REQUEST: OPEN SPACE: SECTION 135 G) 2)**

REQUIRED: OPEN SPACE MUST BE AS WIDE AS IT IS TALL. A 45 DEGREE ANGLED LINE FROM THE BASE OF THE LOWEST FLOOR MUST NOT HIT OPPPSOITE WALL/ARCHITECTURAL STRUCTURE.

PROVIDED: THE PROJECT HAS (2) COURTYARDS ARRANGED ON SITE FOR MAXIMUM SUN EXPOSURE. BOTH COURTYARDS ARE RECTANGULAR IN SHAPE. THE WIDTH OF THE COURTYARDS DOES NOT COMPLY. THE DEPTH OF BOTH COURTYARDS EXCEEDS THE MINIMUM REQUIRED WIDTH.

JUSTIFICATION: DUE TO THE ELONGATED SHAPE AND ORIENTATION FOR MAXIMUM SUN EXPOSURE, THE PROJECT IS PROPOSING A PORTION OF ITS REQURIED OPEN SPACE AS NON-COMPLIANT. REFER TO SHEET 3 FOR TOTAL REQUIRED OPEN SPACE AND THE AMOUNT PROVIDED. THE PROJECT IS PROPOSING A 7,162 SF ROOF TERRACE FOR THE REMAINING OPEN SPACE FOR THE PROJECT.





OPEN SPACE/ EXPOSURE/ HORIZOTNAL MASS BREAK
BUILDING SECTION - PARTIAL

1/16" = 1'-0"

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2000-2070 BRYANT ST | SAN FRANCISCO APRIL 29, 2016

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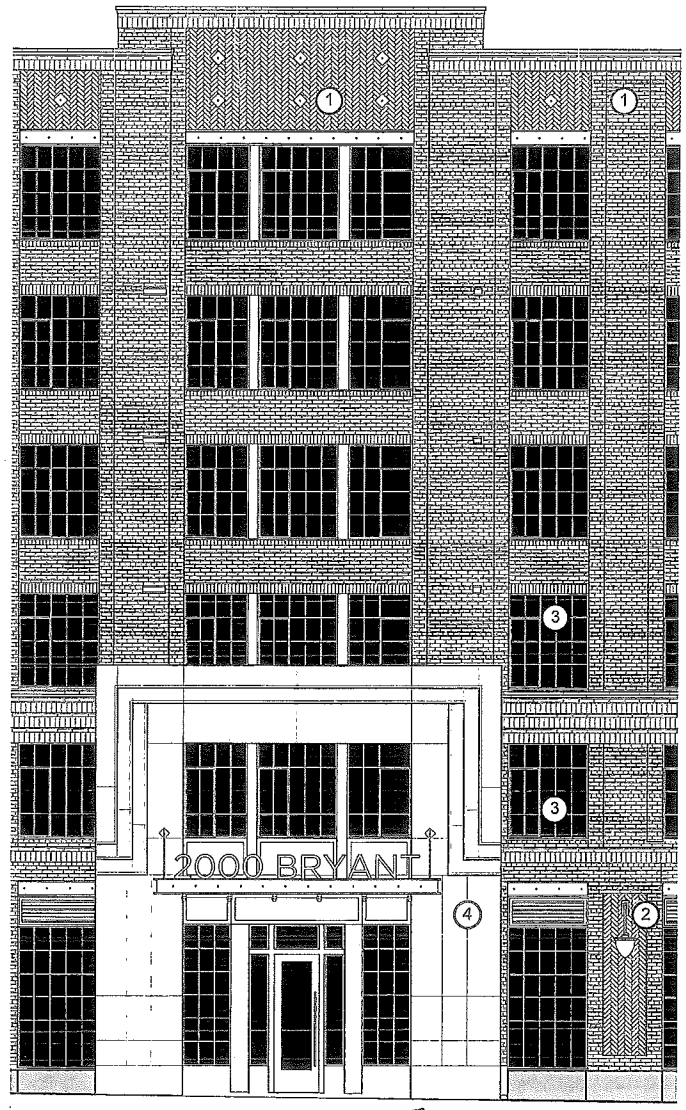
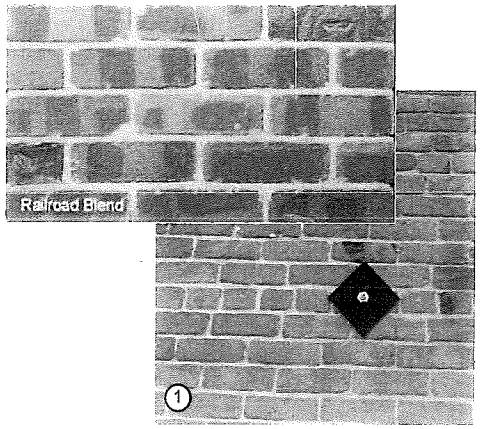
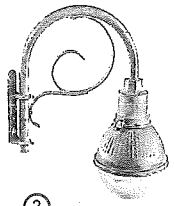




BRICK VENEER



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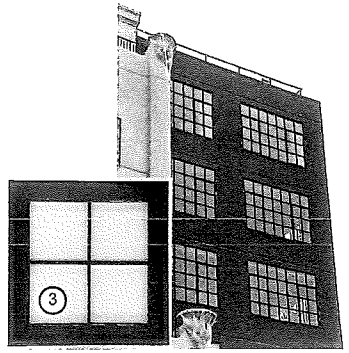
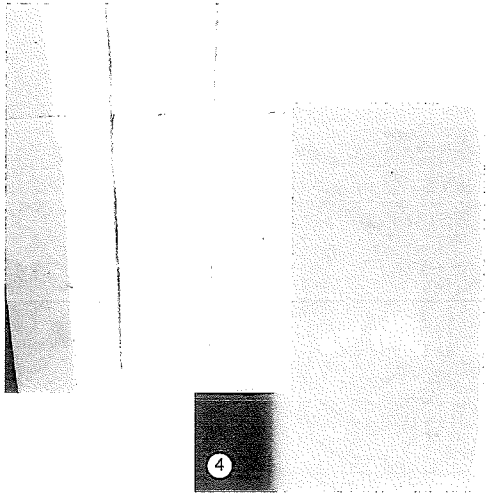
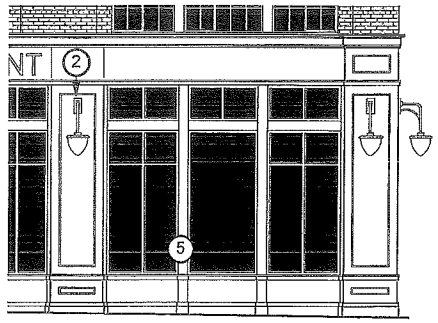


ALUMINUM SASH WINDOW:
1645 SIMILAR

WOOD STOREFRONT: 1645 PACIFIC SIMILAR



HAND-CRAFTED TERRA COTTA GLAZING
"COLOR SIMILAR"



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BRICK BUILDING MATERIALS

1/8" = 1'-0"

31

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APRIL 29, 2016

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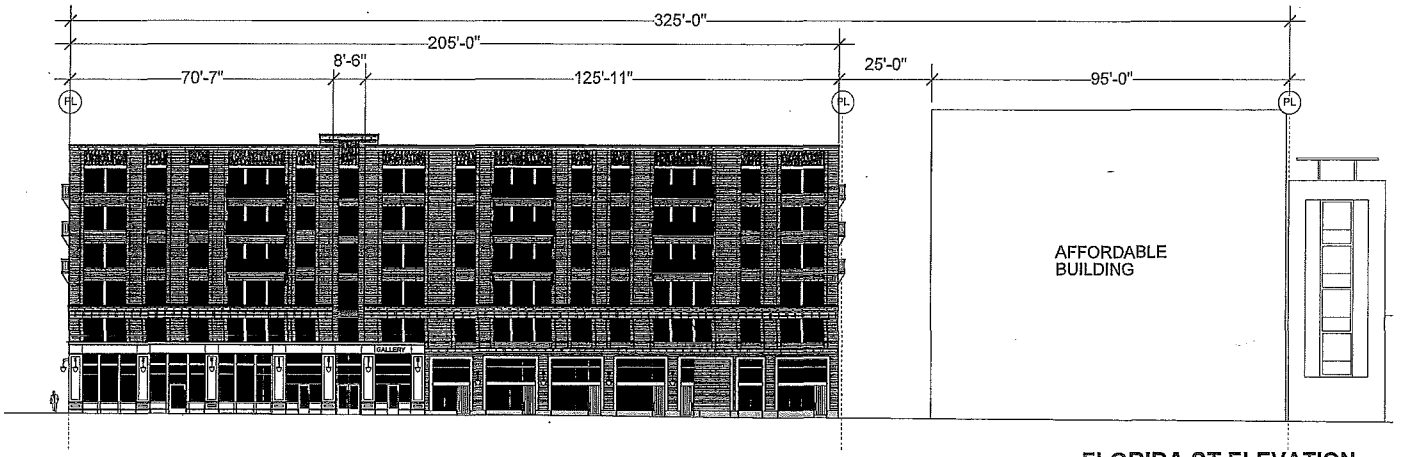
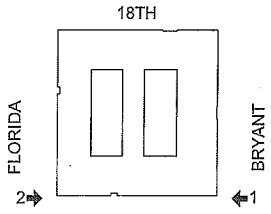
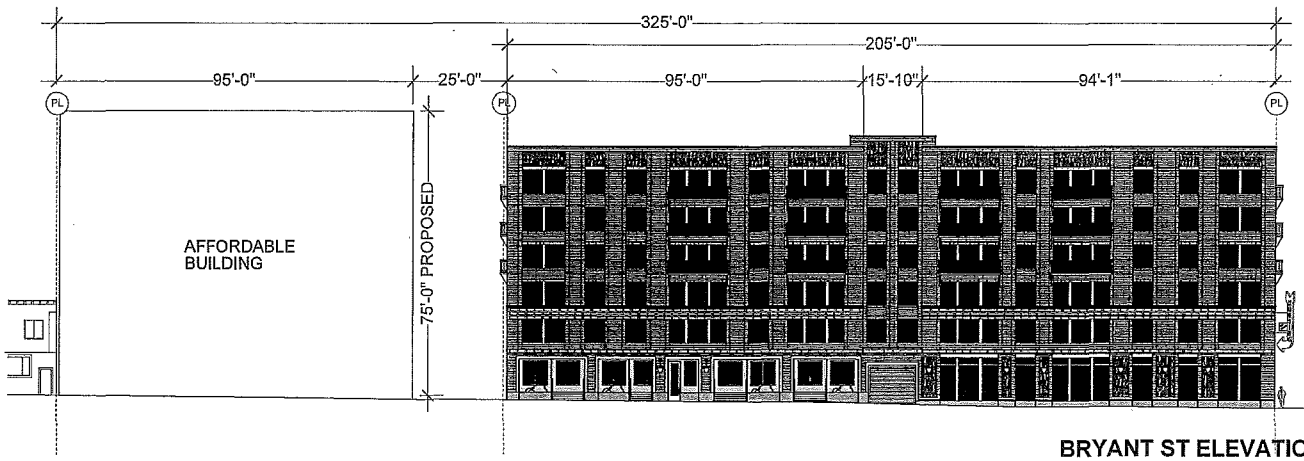




FLORIDA ST ELEVATION 2



BRYANT ST ELEVATION 1

NICK PODELL COMPANY

ARCHITECTURE

ELEVATIONS 1/32" = 1'-0" 32

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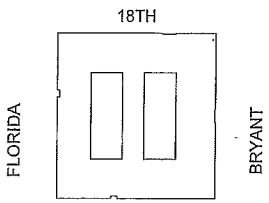

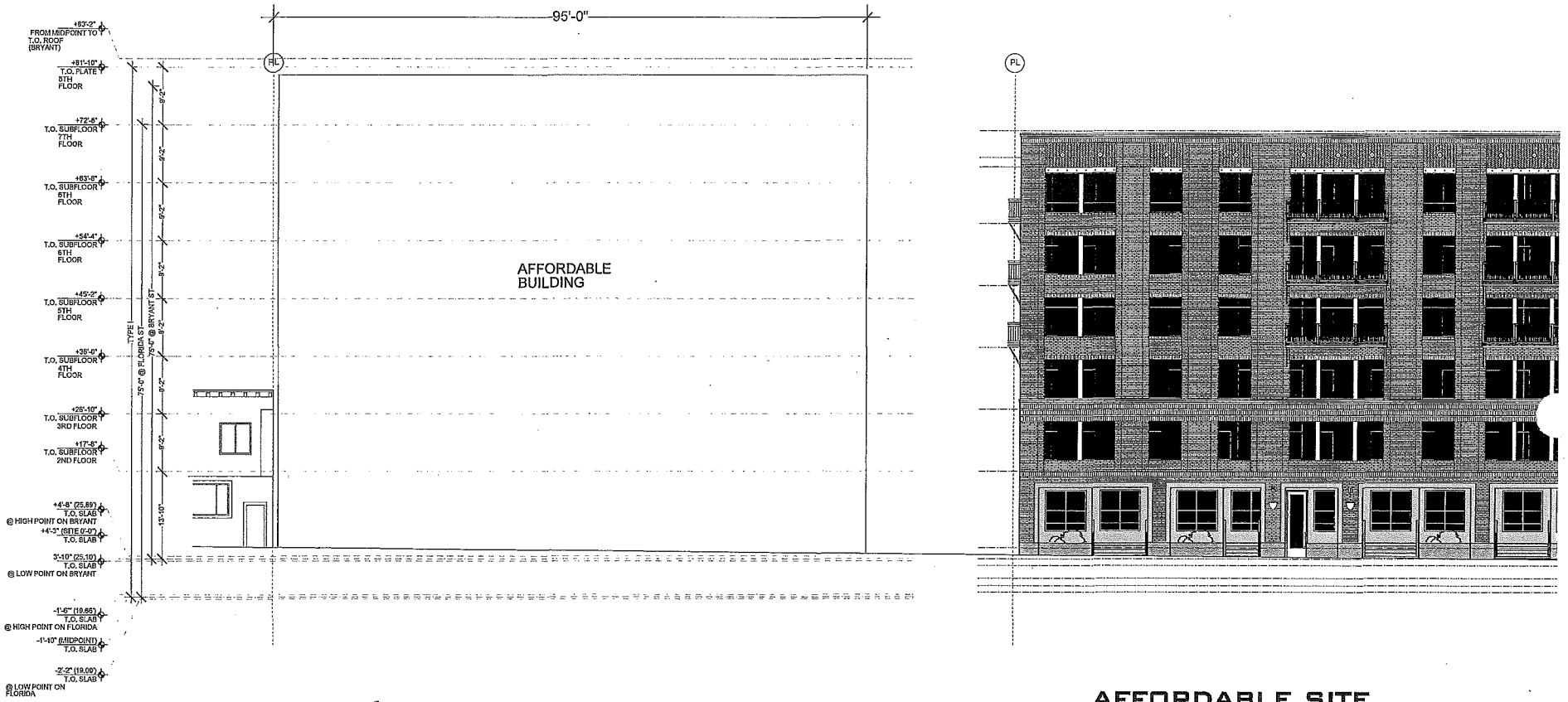

NICK PODELL COMPANY

3DE ARCHITECTURE

AFFORDABLE SITE
BRYANT PARTIAL ELEVATION

1/16" = 1'-0"

33

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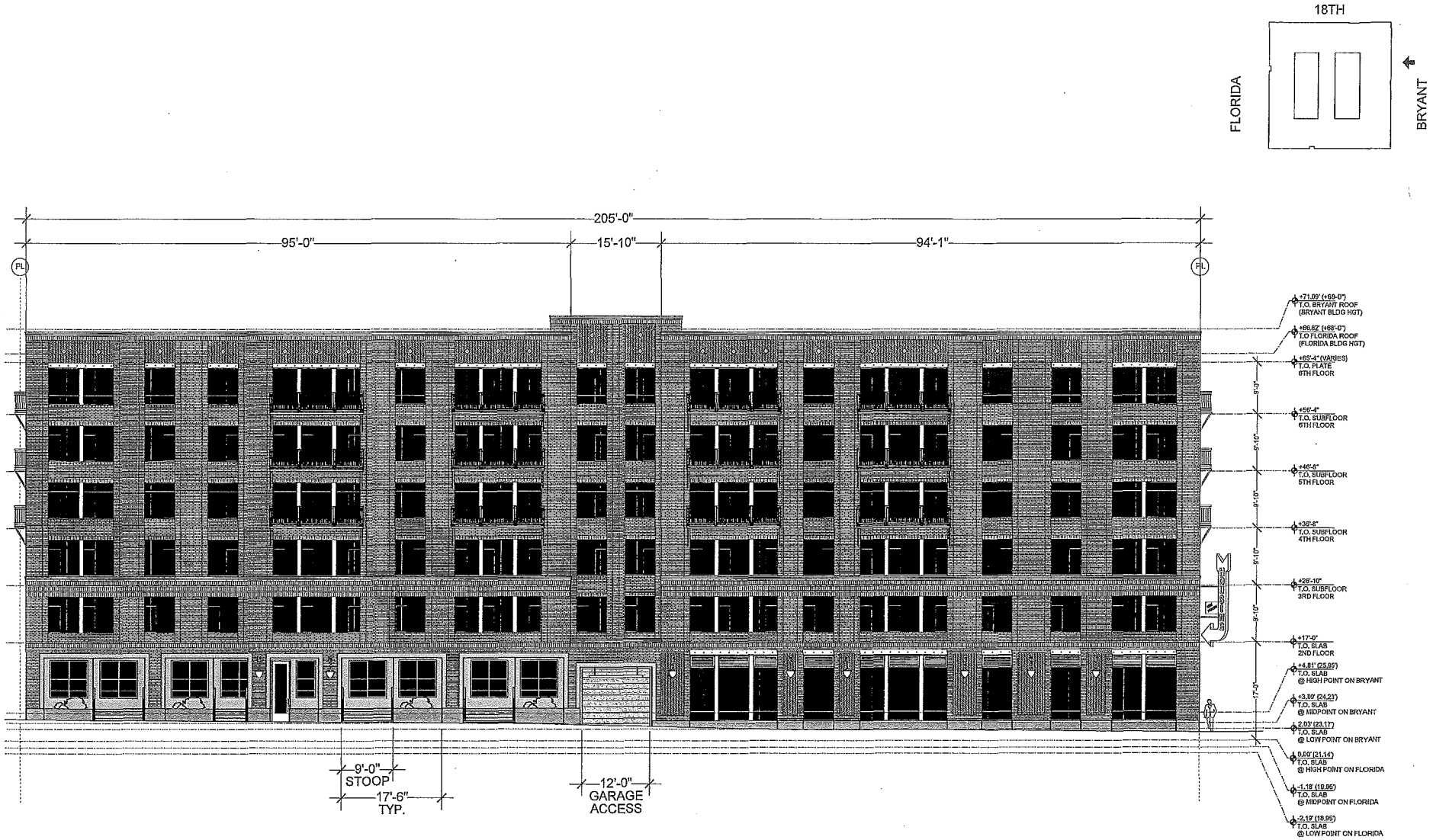

MARKET RATE
BRYANT PARTIAL ELEVATION

1/16" = 1'-0"

34

NICK PODELL COMPANY

BDE ARCHITECTURE

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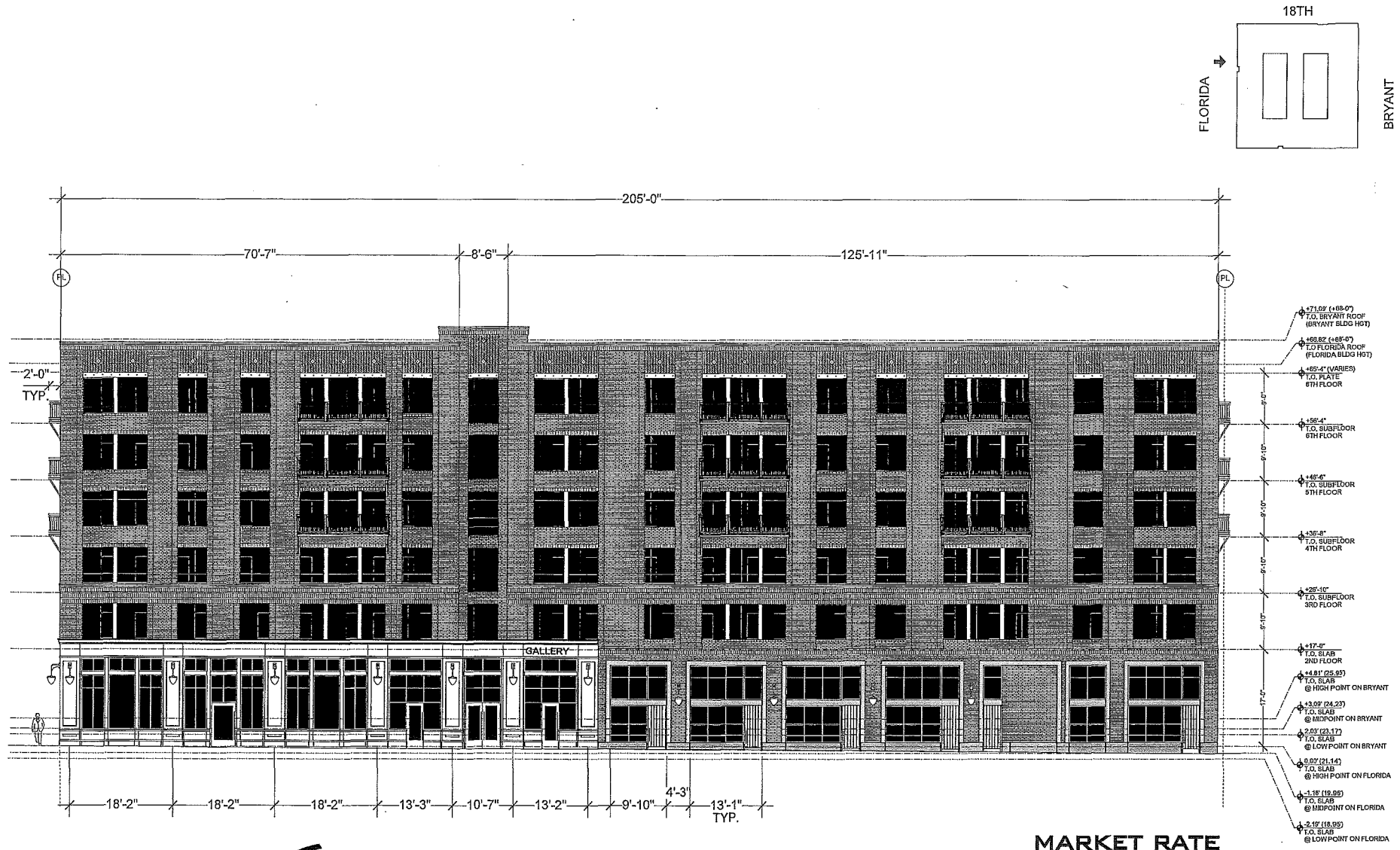

NICK PODELL COMPANY

MARKET RATE
FLORIDA PARTIAL ELEVATION

1/16" = 1'-0"

35

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APRIL 29, 2016

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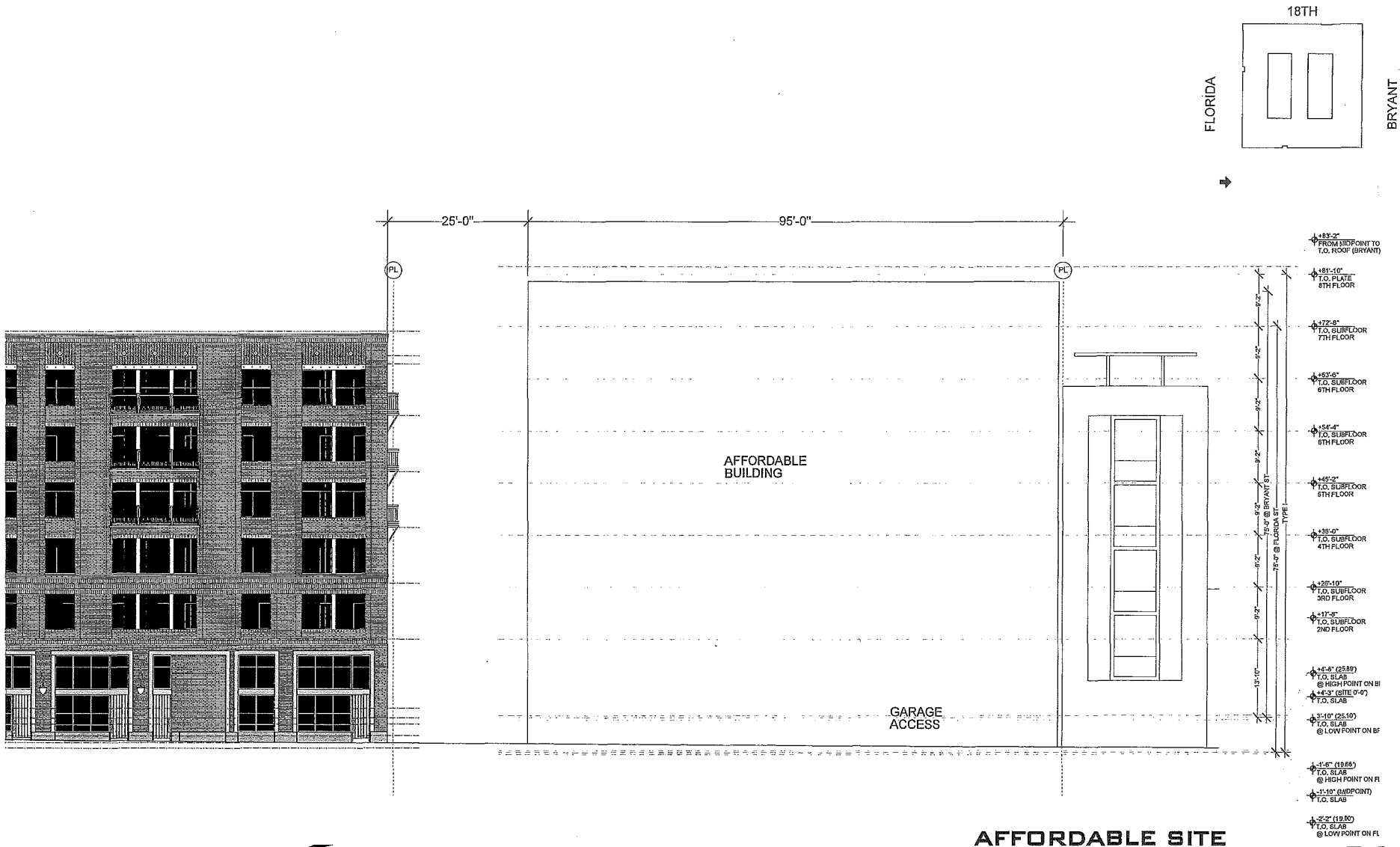

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AFFORDABLE SITE
FLORIDA PARTIAL ELEVATION

1/16" = 1'-0"

36

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NICK PODELL COMPANY

ARCHITECTURE

18TH STREET ELEVATION 1/16" = 1'-0" 37

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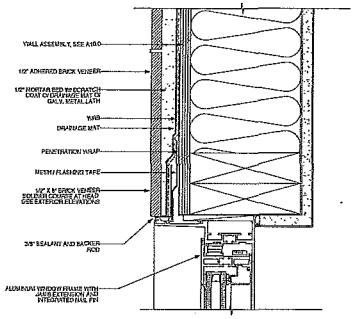
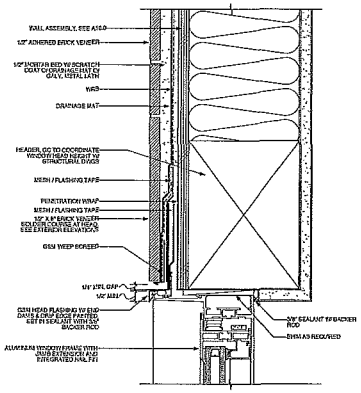
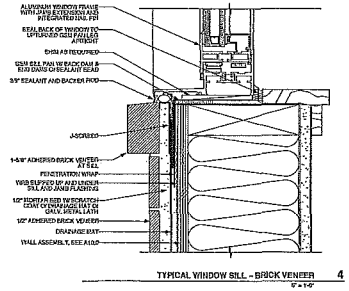


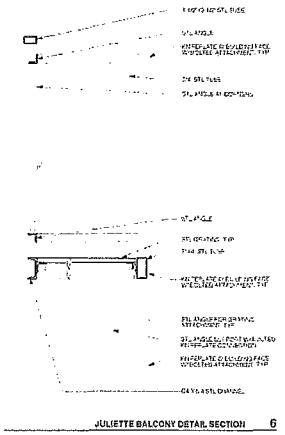
RECESSED ALUMINUM WINDOW JAMB - BRICK VENEER 6



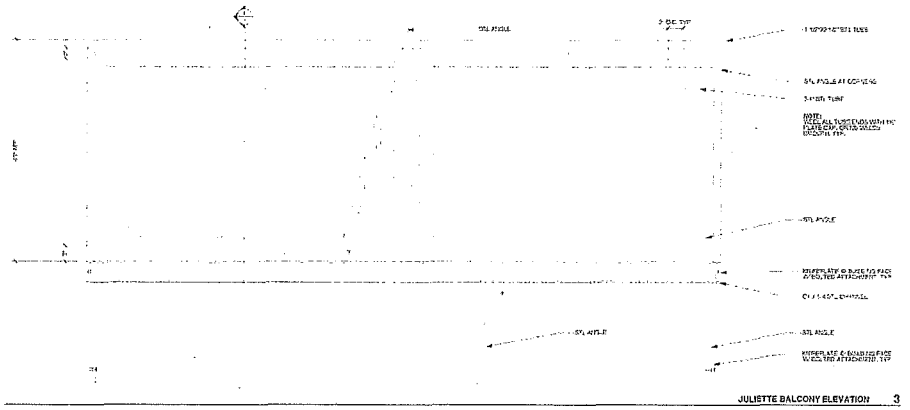
TYPICAL WINDOW HEAD - BRICK VENEER 5



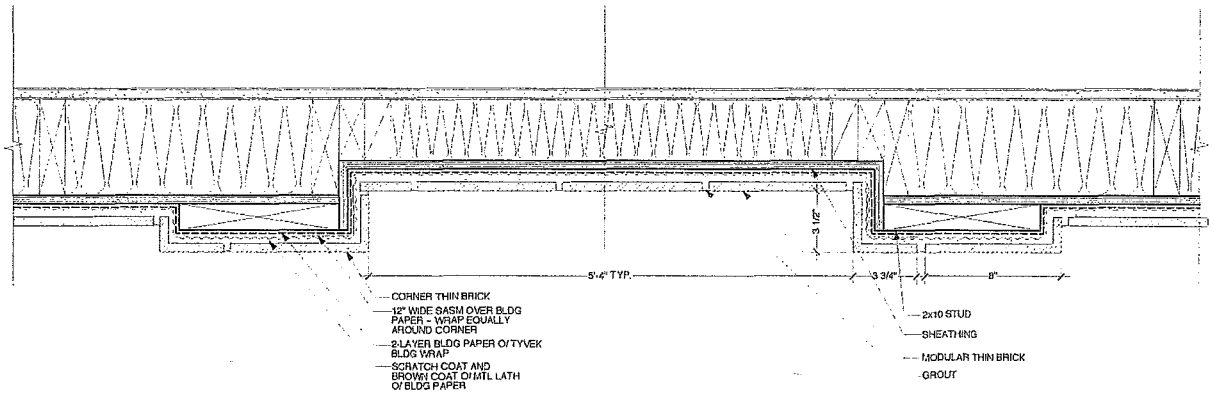
TYPICAL WINDOW SILL - BRICK VENEER 4



JULIETTE BALCONY DETAIL SECTION 6



JULISTTE BALCONY ELEVATION 3



BRICK BUILDING WINDOW FURRING/INSET

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SAN FRANCISCO
PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☑ Affordable Housing (Sec. 415)
- ☐ Jobs Housing Linkage Program (Sec. 413)
- ☐ Downtown Park Fee (Sec. 412)
- ☑ First Source Hiring (Admin. Code)
- ☑ Child Care Requirement (Sec. 414A)
- ☑ Other (EN Impact Fees, Sec 423; TSF, Sec 411A)

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

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Planning
Information:
415.558.6377

Planning Commission Motion No. 19658

HEARING DATE: JUNE 2, 2016

Case No.:	**2013.0677X**
Project Address:	**2000-2070 BRYANT STREET**
Zoning:	UMU (Urban Mixed Use) Zoning District 68-X Height and Bulk District
Block/Lot:	4022/001, 002 and 021
Project Sponsor:	Nick Podell, Nick Podell Company 22 Battery Street, Ste. 404 San Francisco, CA 94111
Staff Contact:	Richard Sucre – (415) 575-9108 richard.sucre@sfgov.org

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) GROUND FLOOR CEILING HEIGHT FOR NON-RESIDENTIAL USES PURSUANT TO PLANNING CODE 145.1, 3) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152.1, 4) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270.1 AND 5) FLEXIBLE UNITS-MODIFICATION OF THE ACCESSORY USE PROVISIONS OF PLANNING CODE SECTION 803.3(B)(1)(C) PURSUANT TO PLANNING CODE SECTIONS 329(D)(10), AND TO ALLOW CONSTRUCTION OF A NEW SIX-STORY, 68-FT TALL, MIXED-USE BUILDING (APPROXIMATELY 203,656 SQUARE FEET) WITH 199 DWELLING UNITS (CONSISTING OF 30 STUDIOS, 89 1-BEDROOM UNITS, AND 80 2-BEDROOM UNITS), UP TO 7,007 SQUARE FEET OF RETAIL/TRADE SHOP, AND 12,000 SQUARE FEET OF PDR SPACE, LOCATED AT 2000-2070 BRYANT STREET, LOTS 001, 002 AND 021 IN ASSESSOR'S BLOCK 4022, WITHIN THE UMU (URBAN MIXED-USE) ZONING DISTRICT AND A 68-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On June 12, 2014, Nick Podell and Linsey Perlov of Nick Podell Company (hereinafter "Project Sponsor") filed Application No. 2013.0677X (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct a new six-story, 68-ft tall, mixed-use building with 199 dwelling units, 7,007 square feet of ground floor retail, and 3,938 square feet of ground floor PDR use, at 2000-2070 Bryant Street (Block 4022 Lots 001, 002 and 021) in San Francisco, California.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commissions review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or(d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On May 11, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department, Jonas P. Ionin, is the custodian of records, located in the File for Case No. 2013.0677X at 1650 Mission Street, Fourth Floor, San Francisco, California.

On May 19, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2013.0677X. The Commission continued the project to the June 2, 2016 Planning Commission Hearing.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2013.0677X, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.

2. **Site Description and Present Use.** The proposed project is located on three lots (with a lot area of 65,000± square feet), which are bounded by Florida, 18th and Bryant Streets, which have approximately 325-ft of frontage along Florida Street, and 325-ft of frontage along Bryant Street, and 200-ft of frontage along 18th Street. Currently, the subject lot contains six buildings, including: 2000 Bryant Street, a two-story mixed-use building with a ground floor commercial space and a dwelling unit on the second floor; 2010-2012 Bryant Street, a two-story arts activity building; 2028 Bryant Street, a two-story residential building with two dwelling units; 2815 18th Street, a two-story office building; 611 Florida Street, a one-to-two-story warehouse and automotive repair building; and 2044-2070 Bryant Street, a one-to-two-story warehouse/light industrial/acts activity building.

3. **Surrounding Properties and Neighborhood.** The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with mixed residential, commercial and industrial development along 18th, Bryant and Florida Streets. The immediate neighborhood includes a three-to-four-story former industrial building, two-story commercial properties, and a four-to-five-story larger-scale residential development. To the south of the project site on the same block, the adjacent buildings include two-to-three-story and

six-story multi-family dwellings. The project site has three street frontages: 18th Street, which is 66-ft wide with parallel parking on either side of the street; Bryant Street, which is 80-ft wide with parallel parking on either side of the street and Florida Street, which is also 80-ft wide with perpendicular parking on the east side of the street bordering the project site. Other zoning districts in the vicinity of the project site include: RH-2 (Residential, House, Two-Family) and PDR-1-G (Production, Distribution, Repair-General).

4. **Project Description.** The Project includes demolition of the six existing buildings on the project site (collectively measuring approximately 68,690 square feet), and new construction of a six-story, 68-ft tall, mixed-use building (approximately 203,656 square feet) with 199 dwelling units, ground floor retail/trade shop spaces along 18th Street and Florida Street (up to 7,007 square feet), 12,000 square feet of PDR space, 1 car-share parking space, 84 off-street parking spaces, 128 Class 1 bicycle parking spaces, and 18 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 80 two-bedroom units, 89 one-bedroom units, and 30 studio units. The Project also incorporates one off-street freight loading space within the private mid-block alley. The Project includes common open space (approximately 15,920 square feet) via two interior courtyards and a roof terrace. The Project would also include a lot merger and subdivision of Lots 001, 002 and 021 on Block 4022. The new lots would measure 230-ft by 200-ft (Project), and 95-ft by 200-ft (Land Dedication Site).

5. **Public Comment**. The Department has numerous public correspondences regarding the proposed project. Much of this public correspondence has expressed opposition to the proposed project; however, the Department has also received letters in support of the Project.

6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

   A. **Permitted Uses in UMU Zoning Districts.** Planning Code Sections 843.20, 843.45 and 843.78-843.87 states that residential, retail and industrial (PDR) uses are principally permitted use within the UMU Zoning District.

   The Project would construct new residential, retail and PDR uses within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20, 843.45, and 843.78-843.87.

   On June 2, 2016, the Commission increased the amount of PDR space within the Project to 12,000 square feet, in order to mitigate the loss of existing PDR space and further meet the goals of the Mission Area Plan.

   B. **Floor Area Ratio.** Planning Code Section 124 establishes a FAR (Floor Area Ratio) of 5:1 for properties within the UMU Zoning District and a 68-X Height and Bulk District.

The Project's lot is 46,000 sq ft, thus resulting in a maximum allowable floor area of 230,000 sq ft for non-residential uses. The Project would construct up to 7,007 sq ft of non-residential space and 12,000 square feet of PDR space, and would comply with Planning Code Section 124.

C. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth of the lot to be provided at every residential level. The Project would merge the subject lots and subdivide the lot, so that the Project would be located on a lot measuring 230-ft by 200-ft (or 46,000 square feet). Therefore, the Project would have to provide a rear yard, which measures approximately 11,500 sq ft.

Currently, the Project is designed to have full lot coverage on the ground floor level and does not provide a rear yard at the lowest level containing a dwelling unit. The Project provides open space through two interior courtyards and a roof terrace. The Project provides a total of 15,920 sq ft of code-complying open space. This amount of open space, which would have been provided through the required rear yard, is thus exceeded. Since the Project does not provide a code-complying rear yard, the Project is seeking an exception to the rear yard requirement as part of the Large Project Authorization.

The Project occupies the majority of the block bounded by 18th, Florida, 19th and Bryant Streets. The subject block does not possess a pattern of mid-block open space, since the majority of the project site is currently occupied by a one-to-two-story industrial building. By providing for two interior courtyards, the Project maintains the street wall along 18th, Bryant and Florida Streets, and provides sufficient dwelling unit exposure for all dwelling units.

D. **Useable Open Space.** Planning Code Section 135 requires a minimum of 80 sq ft of open space per dwelling unit, if not publically accessible, or 54 sq ft of open space per dwelling unit, if publically accessible. Private useable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 sq ft is located on a deck, balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 sq ft if located on open ground, a terrace or the surface of an inner or outer court. Common useable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum are of 300 sq ft. Further, inner courts may be credited as common useable open space if the enclosed space is not less than 20 feet in every horizontal dimension and 400 sq ft in area, and if the height of the walls and projections above the court on at least three sides is such that no point on any such wall or projection is higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court.

For the proposed 199 dwelling units, the Project is required to provide 15,920 sq ft of useable open space. Overall, the Project meets the open space requirements for the 199 dwelling units through a roof terrace, which measures 15,920 sq ft. Therefore, the Project complies with Planning Code Section 135.

In addition to the code-complying open space, the Project also includes two inner courtyards, which are 40-ft in width, but do not meet the dimensional requirements of Planning Code Section 135. This open space is in additional to the provided code-complying open space on the roof terrace.

E. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires a streetscape plan, which includes elements from the Better Streets Plan, for new construction on a lot greater than a half-acre in size.

The Project includes the new construction of a six-story mixed-use building on a lot with approximately 230-ft of frontage along Florida Street, 200-ft of frontage along 18th Street and approximately 230-ft of frontage along Bryant Street. Currently, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, new street trees, bicycle parking spaces, and corner bulb-outs. The Project would incorporate perpendicular on-street parking along Florida Street, parallel on-street parking on Bryant Street, and two on-street loading zones on 18th Street. Therefore, the Project complies with Planning Code Section 138.1.

F. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

The subject lot is not located in close proximity to an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24-sq ft and larger in size; therefore, the Project complies with Planning Code Section 139.

G. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, rear yard or other open area that meets minimum requirements for area and horizontal dimensions. To meet exposure requirements, a public street, public alley, side yard or rear yard must be at least 25 ft in width, or an open area (either an inner court or a space between separate buildings on the same lot) must be no less than 25 ft in every horizontal dimension for the floor at which the dwelling unit is located.

The Project organizes the dwelling units to have exposure either on one of the public streets (18th, Florida, or Bryant Streets), within one of the two code-complying interior courtyards, or along the private alley, which measures 25-ft wide. Therefore, the Project complies with Planning Code Section 140.

H. **Street Frontage in Mixed Use Districts.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level.

The Project meets most of the requirements of Planning Code Section 145.1. At grade, the off-street parking is setback by more than 25-ft from the street. The Project has only one 11-ft wide garage entrance along Bryant Street. The Project features at-grade off-street parking, which is setback more than 25-ft from the street. The Project features active uses on the ground floor with residential amenities, a ground floor retail/trade shop use, walk-up dwelling units with direct, individual pedestrian access to a public sidewalk, flexible units along. Finally, the Project features appropriate street-facing ground level spaces, as well as the ground level transparency and fenestration requirements.

For the PDR and arts uses, the Project incorporates a ground floor ceiling height, which ranges from 18-ft to 19-ft 11-in. Due to the existing grade of the project site, the ground floor ceiling height for the non-residential varies from 17-ft tall along Florida Street down to 14-ft 5-in along Bryant Street; therefore, the Project does not meet the requirements for ground floor ceiling height, as required in Planning Code Section 145.1. Therefore, the Project is seeking an exception to the ground floor ceiling height requirement as part of the Large Project Authorization.

I. **Off-Street Parking.** Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit.

For the 199 dwelling units, the Project is allowed to have a maximum of 149 off-street parking spaces. Currently, the Project provides 85 off-street parking spaces via mechanical lifts. Of these 85 off-street parking spaces, 2 handicap parking spaces have been identified, as well as 1 car-share parking spaces. Therefore, the Project complies with Planning Code Section 151.1.

J. **Off-Street Freight Loading.** Planning Section 152.1 of the Planning Code requires two off-street freight loading space for apartment use between 200,001 and 500,000 gsf.

The Project includes approximately 203,656 square feet of apartment use; thus, the Project requires at least two off-street freight loading spaces. The Project is proposing two on-street loading space along 18th Street, and one off-street loading zone within the mid-block alley, which is accessed from Florida Street. The Project is seeking an exception to the requirement to provide two off-street loading spaces as part of the Large Project Authorization.

K. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires at least 100 Class 1 bicycle parking spaces plus one Class 1 bicycle parking space for every four dwelling units and one Class 2 bicycle parking spaces for every 20 dwelling units. In addition for the retail use, one Class 1 space is required for every 7,500 square feet of occupied area and a minimum of two Class 2 bicycle parking spaces are required and an additional Class 2 bicycle parking space is required for every 2,500 square feet of occupied area.

The Project includes 199 dwelling units, up to 7,007 square feet of ground floor retail/trade shop use, and 12,000 square feet of PDR use; therefore, the Project is required to provide 128 Class 1 bicycle parking spaces and 18 Class 2 bicycle parking spaces. The Project will provide 128 Class 1 bicycle

parking spaces and 18 Class 2 bicycle parking spaces. Therefore, the Project complies with Planning Code Section 155.2.

L. **Car Share Requirements.** Planning Code Section 166 requires one car-share parking space for projects with 50 to 200 residential units.

Since the Project includes 199 dwelling units, it is required to provide a minimum of two car-share parking spaces. The Project provides two car-share parking spaces. Therefore, the Project complies with Planning Code Section 166.

M. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project meets this requirement.

N. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

For the 199 dwelling units, the Project is required to provide at least 80 two-bedroom units or 60 three-bedroom units. The Project provides 30 studios, 89 one-bedroom units and 80 two-bedroom units. Therefore, the Project meets the requirements for dwelling unit mix.

O. **Horizontal Mass Reduction.** Planning Code Section 270.1 outlines the requirements for horizontal mass reduction on large lots within the Eastern Neighborhoods Mixed Use Districts. For projects with street frontage greater than 200-ft in length, one or more mass reduction breaks must be incorporated to reduce the horizontal scale of the building into discrete sections not more than 200-ft in length. Specifically, the mass reduction must 1) be not less than 30-ft in width; 2) be not less than 60-ft in depth from the street-facing building façade; 3) extend up to the sky from a level not higher than 25-ft above grade or the third story, whichever is lower; and, 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-ft.

Since the overall frontage is 230-ft along Bryant and Florida Streets, larger than 200-ft, the Project is required to provide a single horizontal mass break along Bryant and Florida Streets, which is not less than 30-ft wide by 60-ft deep, and extends from the third-story up to the sky. Per the Planning Code, this mass break must result in discrete building sections along the street frontage of not greater than 200-ft.

Over the entire project site, the Project incorporates a private alley as part of the horizontal mass reduction to provide separation between the principal project and the land dedication site. This alley is 25-ft wide and is open to the sky from the ground floor. Since the provided horizontal mass reduction does not meet the dimensional requirements of the Planning Code, the Project is seeking an exception to the horizontal mass reduction requirements as part of the Large Project Authorization.

P. **Shadow.** Planning Code Section 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

Based upon a detail shadow analysis, the Project does not cast any net new shadow upon property under the jurisdiction of the Recreation and Parks Commission.

Q. **Loss of Dwelling Units through Demolition.** Planning Code Section 317 requires Conditional Use Authorization from the Planning Commission for the removal of three or more dwelling units in any zoning district.

The Project Sponsor has submitted a Conditional Use Authorization Application for the removal of three dwelling units on the project site (See Case No. 2013.0677CUA).

R. **Transportation Sustainability Fee.** Planning Code Section 411A is applicable to new development that results in more than twenty dwelling units.

The Project includes 192,711 gsf of new residential use, up to 7,007 gsf of retail/trade shop use, and 12,000 gsf of PDR use. This square footage shall be subject to the Transportation Sustainability Fee, as outlined in Planning Code Section 411A.

S. **Residential Child-Care Impact Fee.** Planning Code Section 414A is applicable to new development that results in at least one net new residential unit.

The Project includes 192,711 gsf of new residential use associated with the new construction of 199 dwelling units. This square footage shall be subject to the Residential Child-Care Impact Fee, as outlined in Planning Code Section 411A.

T. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Since the subject property is located within the UMU Zoning District, the Project is subject to the inclusionary affordable housing requirements identified in Planning Code Section 419. The

subject property has been designated as Tier B, thus a minimum of 16 percent of the total units constructed shall be considered affordable.

The Project Sponsor shall address the inclusionary affordable housing requirements through the land dedication alternative outlined in Planning Code Section 419.3.

This requirement is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the requirement is modified, the project would be required to provide an additional three on-site BMR units.

The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project or submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. and submits an Affidavit of such to the Department. All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Mayor's Office Housing and the City Attorney's Office. The Project Sponsor has indicated the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions provided by the City and approved herein. The Project Sponsor submitted such Affidavit on May 4, 2016 and a draft of the Costa Hawkins agreement on May 4, 2016. The EE application was submitted on September 25, 2013. Pursuant to Planning Code Section 415.3 and 415.6 the on-site requirement is 16%. Of the 199 units, the Project Sponsor would provide three dwelling units as affordable rental units if the Charter amendment passes. The designation of these three units would be in combination with the land dedication alternative outlined in Planning Code Section 419.3.

If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable. The Project must execute the Costa Hawkins agreement prior to Planning Commission approval or must revert to payment of the Affordable Housing Fee.

U. **Inclusionary Affordable Housing Program-Land Dedication.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects

that consist of five or more units, where the first application was applied for on or after July 18, 2006. Under Planning Code Section 419.6, the Land Dedication Alternative may be elected as an alternative to the inclusionary housing component. As further described in Planning Code Section 419.5(a)(2), an Applicant may dedicate a portion of the total development area of the principal site to the City and County of San Francisco for the purpose of constructing units affordable to qualifying households. To meet this requirement, the developer must convey title to land in fee simple absolute to the Mayor's Office of Housing and Community Development (MOHCD). The dedicated site must result in a total amount of inclusionary units not less than 40 units; however, MOH may conditionally approve and accept dedicated sites which result in no less than 25 units at their discretion. Per Planning Code Section 419.2, all sites within the UMU Zoning District electing to utilize the land dedication alternative would be subject to the "Tier B" requirements.

In addition to designating three on-site BMR units, the Project Sponsor has elected to pursue the land dedication alternative to meet the inclusionary affordable housing program requirements. As a result of the pending lot subdivision, the new mixed-use building would be located on a parcel measuring 46,000 sq ft. Since the Project is located on a site that has at least 30,000 square feet of developable area, the Project Sponsor must provide a dedicated site that is capable of holding at least 35% of the total number of units from the Principal Project. The Principal Project possesses 199 dwelling units; therefore, the land dedication site must be able to construct at least 70 dwelling units. The Project Sponsor meets these requirements and shall subdivide Lot 21 on Assessor's Block 4022, and convey the new parcel located at 2070 Bryant Street to MOHCD, which would measure 19,000 sq ft (or 95-ft by 200-ft). Of this land, approximately 19,000 square feet would consist of developable area. The Project Sponsor has demonstrated that up to 98 dwelling units may be constructed on the dedicated land (as of right), and up to 136 dwelling units with a density bonus. If the Project were to pursue the on-site affordable housing alternative, the Project would be required to provide 16% or 32 below-market-rate dwelling units on the project site.

MOHCD concurs with the Project Sponsor's dedicated land and has conveyed a letter expressing conditional approval of the dedicated land.

V. **Eastern Neighborhood Infrastructure Impact Fees.** Planning Code Section 423 is applicable to any development project within the MUO (Mixed Use Office) Zoning District that results in the addition of gross square feet of non-residential space.

The Project includes approximately 203,656 square feet of new development consisting of approximately 192,711 sq ft of residential use, up to 7,007 sq ft of retail/trade shop use, 12,000 sq ft of PDR use, and up to 11,994 sq ft of garage. Excluding the square footage dedicated to the garage, the other uses are subject to Eastern Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. These fees must be paid prior to the issuance of the building permit application.

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

A. Overall building mass and scale.

The Project is designed as a large-scale, six-story, 68-ft tall, brick warehouse, which encompasses the full block on 18th Street between Bryant and Florida Street. This large-scale massing is appropriate given the larger neighborhood context, which includes larger-scale, four-story reinforced concrete industrial buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties and larger-scale industrial properties—both of which range in height from one-to-five-stories in height. The Project's overall mass and scale are further broken down by the fine detail evident in the choice of exterior materials (brick), ground floor storefronts and accentuated cornices. In addition, the Project incorporates a 25-ft wide private alley, which provides separation from the adjacent land dedication site. Overall, these features provide variety in the building design and scale, while providing for a feature that strongly relates to the varied neighborhood context. Thus, the project is appropriate and consistent with the mass and scale of the surrounding neighborhood.

B. Architectural treatments, facade design and building materials:

The Project's architectural treatments, façade design and building materials include a brick, aluminum-sash windows, wood storefronts, and terra cotta glazed tiles. The Project's overall design aesthetic harkens back to industrial buildings of the 19th and 20th century. The Project successfully draws from these older industrial properties in a contemporary manner, and provides a design, which incorporates finer detailing on the exterior, as evident in the material palette, cornice, window surrounds and storefront. The Project provides for a unique and contemporary expression along the street, which draws from the mixed-industrial character within the surrounding area, while also referencing older architectural styles. The Project evokes a 19th century brick warehouse with a red brick exterior, terracotta tile, and wood storefront. Overall, the Project offers a high quality architectural treatment, which provides for unique and expressive architectural design that is consistent and compatible with the surrounding neighborhood.

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access;

Along the lower floors, the Project provides for residential amenities (lounge, fitness room, and entry lobby), ground floor retail, ground floor PDR space, walk-up dwelling units with individual pedestrian access on Bryant Street, and "flexible units" on Florida Street. These dwelling units, retail space and PDR space will provide for activity on the street level along with the new streetscape improvements. In addition, the Project is seeking an exception to permit five "flexible units" along Florida Street. The Project minimizes the impact to pedestrian by providing one 11-ft wide garage entrance on Bryant

Street, and one 24-ft wide loading zone along Florida Street. In addition, off-street parking is setback from the ground floor by more than 25-ft.

D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site;

The Project provides code-complying open space via a roof terrace. In addition, the Project provides additional open space through two inner courtyards. The Project also includes semi-public street improvements, including a private mid-block alley.

E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2;

The Project is not subject to the mid-block alley requirements, since the subject block is not larger than 400-ft. The Project is voluntarily providing a mid-block pedestrian alley adjacent to the six-story mixed-use building.

F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

In compliance with Planning Code Section 138.1, the Project would provide new street trees along 18th, Florida and Bryant Streets, as specified by the Department of Public Works. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, new street trees, bicycle parking spaces, and corner bulb-outs. These improvements would vastly improve the public realm and surrounding streetscape.

G. Circulation, including streets, alleys and mid-block pedestrian pathways;

The Project provides ample circulation in and around the project site through the sidewalk improvement and a voluntary mid-block alley. The primary focal point for retail visitors would occur along 18th and Florida Streets, while the residents have a ground-floor entrance on 18th Street. Automobile access is limited to the one entry/exit on Bryant Street. An off-street loading zone is provided along Florida Street. The Project incorporates two interior courtyards, which are accessible to residents.

H. Bulk limits;

The Project is within an 'X' Bulk District, which does not restrict bulk.

I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan;

The Project, on balance, meets the Objectives and Policies of the General Plan. See Below.

8. **Large Project Authorization Exceptions.** Proposed Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:

A. Rear Yard: Exception for rear yards, pursuant to the requirements of Section 134(f);

Modification of Requirements in the Eastern Neighborhoods Mixed Use Districts. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329...provided that:

(1) A comparable, but not necessarily equal amount of square footage as would be created in a code conforming rear yard is provided elsewhere within the development;

The Project provides for a comparable amount of open space, in lieu of the required rear yard. Overall, the Project will be located on a lot measuring 46,000 sq ft in size, and would be required to provide a rear yard measuring 11,500 sq ft. The Project provides common open space for the 199 dwelling units through two inner courtyards and a roof terrace. In total, the Project provides approximately 15,920 sq ft of code-complying open space, thus exceeding the amount of space, which would have been provided in a code-conforming rear yard.

(2) The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties or adversely affect the interior block open space formed by the rear yards of adjacent properties; and

The Project does not impede access to light and air for the adjacent properties. Many of the abutting residential properties have narrow rear yards or no rear yard. The Project is setback from the neighboring properties and is separated by a private mid-block alley and the land dedication site.

(3) The modification request is not combined with any other residential open space modification or exposure variance for the project, except exposure modifications in designated landmark buildings under Section 307(h)(1).

The Project is not seeking an exception to the requirements for residential open space or dwelling unit exposure. The Project provides code-complying open space on the roof terrace and all dwelling units meet the exposure requirements defined in Planning Code Section 140.

B. Off-Street Loading: Exception from satisfaction of loading requirements per Section 152.1 pursuant to the criteria contained therein.

For projects in the Eastern Neighborhoods Mixed Use Districts that are subject to Section 329, the Planning Commission may waive these requirements per the procedures of Section 329 if

it finds that the design of the project, particularly ground floor frontages, would be improved and that such loading could be sufficiently accommodated on adjacent streets and alleys.

The Project would provide two on-street loading parking spaces on 18th Street and one off-street loading space within the private mid-block alley accessible from Florida Street. The on-street loading would meet the retail and residential needs of the Project. The Project offers additional off-street loading within the private mid-block alley, which can serve the ground floor PDR and flexible units. Overall, the Project's proposed loading assists in improving the ground floor street frontage and would improve character of the streets.

C. Horizontal Mass Reduction: Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

The Planning Commission may modify or waive this requirement through the process set forth in Section 329. When considering any such application, the Commission shall consider the following criteria:

1) no more than 50% of the required mass is reduced unless special circumstances are evident;

The Project incorporates a horizontal mass break from the ground floor up to the sky, which is 25-ft in width, across the entire length of the project site. The Project exceeds the required amount of mass that would have been reduced under a code-complying mass reduction.

2) the depth of any mass reduction breaks provided is not less than 15 feet from the front facade, unless special circumstances are evident;

The Project incorporates a mass break, which is more than 15-ft deep from the front façade.

3) the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

Through the incorporation of the mid-block alley and horizontal mass break, the Project achieves a distinctly superior building form, due to the separation from the adjacent land dedication site and the building's overall style. The Project evokes a style reminiscent of larger-scale, 19th century-early 20th century brick warehouses, which often features finer grain details and a rectilinear massing.

4) the proposed building achieves unique and superior architectural design.

The Project achieves a unique and superior architectural design that appropriately evokes an industrial aesthetic from the 19th century – early 20th century. The Project's massing and scale is appropriate given the larger neighborhood context. Overall, the Project provides finer grain details, which are appropriate given the Project's design and style.

D. Flexible Units: Modification of the accessory use provisions of Section 803.3(b)(1)(c) for Dwelling Units. Dwelling Units modified under this Subsection shall continue to be considered Dwelling Units for the purposes of this Code and shall be subject to all such applicable controls and fees. Additionally, any building that receives a modification pursuant to this Subsection shall (i) have appropriately designed street frontages to accommodate both residential and modified accessory uses and (ii) obtain comment on the proposed modification from other relevant agencies prior to the Planning Commission hearing, including the Fire Department and Department of Building Inspection. Modifications are subject to the following:

(i) A modification may only be granted for the ground floor portion of Dwelling Units that front on a street with a width equal to or greater than 40 feet.

The Project seeks an exception to the accessory use provisions for five dwelling units on the ground floor along Florida Street. Florida Street is wider than 40-ft, and is a qualifying street.

(ii) The accessory use may only include those uses permitted as of right at the subject property. However, uses permitted in any unit obtaining an accessory use modification may be further limited by the Planning Commission.

The Project will only include accessory uses that are principally-permitted uses in the UMU Zoning District, as defined in Planning Code Section 843.

(iii) The Planning Commission may grant exceptions to the size of the accessory use, type and number of employees, and signage restrictions of the applicable accessory use controls.

The Project is seeking modification to the accessory use provisions for dwelling units to allow for greater flexibility in the size and type of an accessory use, to provide for a limited number of employees, and to allow for public access.

E. Where not specified elsewhere in Planning Code Section 329(d), modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located;

In addition to the exception for rear yard, off-street loading, horizontal mass reduction, and accessory use provisions for dwelling units, the Project is seeking an exception to the requirements ground floor ceiling height for non-residential uses (Planning Code Section 145.1).

Under Planning Code Section 145.1(c)(4), the ground floor ceiling height for non-residential uses is required to be a minimum of 17-ft in the UMU Zoning District. Currently, the Project specifies a ground floor ceiling height, which ranges from 14-ft 5-in to 17-ft. Although the ground floor ceiling height varies, the architectural expression along the street frontage is consistent and the overall design reinforces the concept of a tall ground floor. The Commission supports this exception, due to the overall quality of design and the streetscape improvements along 18th, Florida and Bryant Streets.

8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1
Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

Policy 1.2
Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

Policy 1.10
Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project is a higher density residential development, which provides up to 199 new dwelling units in a mixed-use area. The Project abuts smaller-scale residential uses and one-to-two-story commercial buildings. The project site was recently rezoned as part of a long range planning goal to create a cohesive residential and mixed-use neighborhood. The Project includes 3 on-site affordable housing units for rent (if the upcoming Charter Amendment passes) and will dedicate a portion of the project site to MOHCD for the purpose of developing up to 136 affordable housing units. These two methods comply with the City's affordable housing goals. The Project is also in proximity to public transportation options.

OBJECTIVE 4
FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

Policy 4.1
Develop new housing, and encourage the remodeling of existing housing, for families with children.

Policy 4.4
Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

Policy 4.5
Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

The Project will dedicate a portion of the project site to MOHCD, thus meeting the affordable housing requirements. Additionally, should a proposed Charter amendment pass, the project would provide an additional 3 on-site affordable units for rent. These methods encourage diversity among income levels within the new development. In addition, the Project provides the appropriate amount of new two-bedroom units, and meets the requirements for dwelling unit mix.

OBJECTIVE 11
SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1
Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2
Ensure implementation of accepted design standards in project approvals.

Policy 11.3
Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4
Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6
Foster a sense of community through architectural design, using features that promote community interaction.

Policy 11.8
Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

The Project responds to the site's mixed-character by providing new ground floor retail and PDR opportunities and new dwelling units. The Project appropriately responds to the varied character of the larger neighborhood The Project's facades provide a unique expression not commonly found within the surrounding area, while providing for a material palette, which draws from the surrounding industrial context.

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 6:
MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1
Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

The Project provides new opportunity for new ground floor retail and PDR uses, which are consistent with the goals for the UMU Zoning District. The surrounding neighborhood does not have an overabundance of ground floor retail uses. The Project would provide new opportunity for neighborhood-serving retail uses. In addition, as expressed by the Commission, the Project will provide 12,000 square feet of PDR use, which will provide a mix of uses on the ground floor and assist in mitigating the loss of the existing PDR uses.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4:
PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5:
Require private usable outdoor open space in new residential development.

Policy 4.6:
Assure the provision of adequate public open space to serve new residential development.

The Project will create common open space areas in a new mixed-use development through inner courts and a roof terrace. The Project will not cast shadows over open spaces under the jurisdiction of the Recreation and Park Department.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:
IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2:
Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.3:
Install pedestrian-serving street furniture where appropriate.

Policy 24.4:
Preserve pedestrian-oriented building frontages.

The Project includes new street trees along the public rights-of-way. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, new street trees, bicycle parking spaces, and corner bulb-outs. Frontages are designed with active spaces oriented at the pedestrian level. The new garage entrance/exit is narrow in width and assists in minimizing pedestrian and bicycle conflicts.

OBJECTIVE 28:
PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:
Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3:
Provide parking facilities which are safe, secure, and convenient.

The Project includes 128 Class 1 bicycle parking spaces and 18 Class 2 bicycle parking spaces in secure, convenient locations, thus meeting the amount required by the Planning Code.

OBJECTIVE 34:
RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1:
Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5:
Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project adheres to the principally permitted parking amounts within the Planning Code. The parking spaces are accessed by one ingress and egress point. Parking is adequate for the project and complies with maximums prescribed by the Planning Code.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:
EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.7:
Recognize the natural boundaries of districts, and promote connections between districts.

OBJECTIVE 2:
CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.6:
Respect the character of older development nearby in the design of new buildings.

The Project is located within the Mission neighborhood, which is characterized by the mix of uses. As such, the Project provides expressive street façades, which respond to form, scale and material palette of the existing neighborhood, while also providing a new contemporary architectural vocabulary.

OBJECTIVE 4:
IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

Policy 4.5:
Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13:
Improve pedestrian areas by providing human scale and interest.

Although the project site has three street frontages, it only provides one vehicular access points for the off-street parking, thus limiting conflicts with pedestrians and bicyclists. Numerous street trees will be planted on each street. Along the project site, the pedestrian experience will be greatly improved.

MISSION AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1
IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.

Policy 1.2.1
Ensure that in-fill housing development is compatible with its surroundings.

Policy 1.2.2
For new construction, and as part of major expansion of existing buildings in neighborhood commercial districts, require ground floor commercial uses in new housing development. In other mixed-use districts encourage housing over commercial or PDR where appropriate.

Policy 1.2.3
In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

Policy 1.2.4
Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

Housing

OBJECTIVE 2.3
ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES

Policy 2.3.3
Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

Policy 2.3.5

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

Policy 2.3.6
Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

Built Form

OBJECTIVE 3.1
PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER

Policy 3.1.8
New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

OBJECTIVE 3.2
PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM

Policy 3.2.1
Require high quality design of street-facing building exteriors.

Policy 3.2.3
Minimize the visual impact of parking.

Policy 3.2.4
Strengthen the relationship between a building and its fronting sidewalk.

Policy 3.2.6
Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

Transportation

OBJECTIVE 4.7
IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION

Policy 4.7.2
Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and at concentrations of employment.

OBJECTIVE 4.8
ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

Policy 4.8.1
Continue to require car-sharing arrangements in new residential and commercial developments, as well as any new parking garages.

Streets & Open Space

OBJECTIVE 5.3
CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS and ecological sustainability OF THE NEIGHBORHOOD.

Policy 5.3.1
Redesign underutilized portions of streets as public open spaces, including widened sidewalks or medians, curb bulb-outs, "living streets" or green connector streets.

Policy 5.3.2
Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.

The Project features an appropriate mix of uses encouraged by the Area Plan for this location. The Project provides 199 new dwelling units, which will be available for rent. In addition, the Project is located within the prescribed height guidelines, and includes the appropriate dwelling unit mix, since more than 40% or 80 units are two-bedroom dwellings. The Project also incorporates an appropriate mix of uses for the UMU Zoning District, as evidenced by the 12,000 square feet of PDR use. The Project introduces a contemporary architectural vocabulary that draws from the neighborhood's industrial aesthetic, which is sensitive to the prevailing scale and neighborhood fabric. The Project provides for a high quality designed exterior, which features a variety of materials, colors and textures, including brick and aluminum windows. The Project provides ample common open space and also improves the public rights of way with new streetscape improvements, street furniture, corner bulb outs, and landscaping. The Project minimizes the impact of off-street parking and is in proximity to public transit options. The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

   A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

   Although the project site currently contains existing neighborhood-serving uses, including a restaurant and auto repair shop, the Project would assist in enhancing the larger neighborhood by providing new space for new neighborhood-serving uses and other retail opportunities. The Project improves the urban form of the neighborhood by constructing new ground floor retail and PDR uses. These new retail spaces will provide goods and services to area workers, residents and visitors, while creating new ownership and employment opportunities for residents. The Project would add new residents, visitors, and employees to the neighborhood, which would assist in strengthening nearby retail uses.

   B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

   Although the Project would demolish three existing housing units, the Project would provide 199 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. Further, the Project will dedicate a portion of the project site to MOHCD, who will develop the land with affordable housing, and, should a proposed Charter amendment pass, the Project will provide three on-site BMR units for rent. The Project is expressive in design, and relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

   C. That the City's supply of affordable housing be preserved and enhanced.

   The Project will not displace any identified affordable housing units. The three existing units are not identified as affordable housing units. The Project will comply with the City's Inclusionary Housing Program, therefore increasing the stock of affordable housing units in the City.

   D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

   The project site is served by nearby public transportation options. The Project is located within one block of bus lines for the 27-Bryant & within three blocks of the bus lines for the 22-Fillmore and 33-Stanyan. Future residents would be afforded proximity to bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.

   E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not include commercial office development. The Project provides new ground floor retail use, PDR use and housing, which is a top priority in the City. The new retail use will provide new opportunity for the service sector.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

G. That landmarks and historic buildings be preserved.

Currently, the project site does not contain any City Landmarks or historic buildings.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project will not affect the City's parks or open space or their access to sunlight and vistas. A shadow study was completed and concluded that the Project will not cast shadows on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission.

9. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

11. The Commission hereby finds that approval of the Large Project Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Large Project Authorization Application No. 2013.0677X** under Planning Code Section 329 to allow the new construction of a six-story, 68-ft tall, mixed-use building with 199 dwelling units, up to 7,007 square feet of retail/trade shop use, and a total of 12,000 gsf of PDR use, and a modification to the requirements for: 1) rear yard (Planning Code Section 134); 2) ground floor ceiling height for non-residential uses (Planning Code Section 145.1); 3) off-street freight loading (Planning Code Section 152.1); 4) horizontal mass reduction (Planning Code Section 270.1); and, 5) flexible units-modification to the accessory use provisions of 803.3(b)(1)(c) (Planning Code Sections 329(d)(10)), within the UMU (Urban Mixed Use) Zoning District and a 68-X Height and Bulk District. The project is subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated April 29, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: **Any aggrieved person may appeal this Section 329 Large Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.**

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on June 2, 2016.

Jonas P. Ionin
Commission Secretary

AYES: Antonini, Fong, Johnson, Hillis and Richards

NAYS: Moore and Wu

ABSENT: None

ADOPTED: June 2, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow for the new construction of a six-story, 68-ft tall, mixed-use building with 199 dwelling units, 7,007 gsf of ground floor retail use, 3,938 gsf of PDR use, and a modification to the requirements for rear yard, open space, permitted obstructions over the street, ground floor ceiling height, off-street loading and accessory use provisions for dwelling units, located at 2000-2070 Bryant Street, Lots 001, 002 and 021 in Assessor's Block 4022 pursuant to Planning Code Section 329 within the UMU (Urban Mixed Use) Zoning Districts, and a 68-X Height and Bulk District; in general conformance with plans, dated May 4, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2013.0677X and subject to conditions of approval reviewed and approved by the Commission on June 2, 2016 under Motion No. **19658**. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on June 2, 2016 under Motion No. **19658**.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **19658** shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Additional Project Authorization. The Project Sponsor must obtain a Conditional Use Authorization under Planning Code Sections 303 and 317 for removal of three residential units, and satisfy all the

conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Mitigation Measures. Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2013.0677E) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN – COMPLIANCE AT PLAN STAGE

Final Materials. The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Garbage, Composting and Recycling Storage. Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the architectural addenda. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Transformer Vault. The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

1. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
2. On-site, in a driveway, underground;
3. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
4. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
5. Public right-of-way, underground; and based on Better Streets Plan guidelines;
6. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
7. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.
For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, http://sfdpw.org

Rooftop Mechanical Equipment. Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application for each building. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Streetscape Plan. Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of the Streetscape Plan so that the plan generally meets the standards of the Better Streets Plan and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

PARKING AND TRAFFIC

Unbundled Parking. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parking Maximum. Pursuant to Planning Code Section 151.1, the Project shall provide no more than 149 off-street parking spaces for the 199 dwelling units in the UMU Zoning Zoning District.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Car Share. Pursuant to Planning Code Section 166, no fewer than one car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Bicycle Parking. Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than **128** Class 1 bicycle parking spaces and **18** Class 2 bicycle parking spaces for the 199 dwelling units, 7,007 square feet of ground floor retail use, and 3,938 square feet of PDR use.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Managing Traffic During Construction. The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parking for Affordable Units. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

PROVISIONS

PDR Use. The Project shall incorporate 12,000 square feet of PDR use.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Anti-Discriminatory Housing. The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Transportation Sustainability Fee. The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Child Care Fee - Residential. The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Eastern Neighborhoods Infrastructure Impact Fee. Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

First Source Hiring. The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.
For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org

MONITORING

Enforcement. Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Revocation Due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.
For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, http://sfdpw.org

Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.
For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, http://sfdpw.org

Community Liaison. Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Lighting. All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

INCLUSIONARY HOUSING

Land Dedication Alternative. The Project Sponsor has chosen to satisfy the affordability requirement for the Project through a land dedication pursuant to Planning Code Section 419.6 and 419.5(a)(2)(A)-(J). The Project Sponsor has been in discussions with the Mayor's Office of Housing (MOH) and the Planning Department. On May 12, 2016, MOH provided a letter to the Planning Department that confirmed that the site that the Project Sponsor has selected (a portion of 2070 Bryant St [Block 4022 Lot 021]), is acceptable under Planning Code Section 419.5(2), subject to the conditions included therein.

In the event the land dedication process is completed, and the fee title to the land dedication site is transferred to the City prior to the issuance of the first construction document for the Project, the Project will have fully complied with the Planning Code's Section 415 inclusionary affordable housing requirements. In the event, for whatever reason, fee title to the land dedication site is not transferred to

the City by issuance of the first construction document for the Project, the Project Sponsor will be subject to the requirements of Planning Code Section 415 and 419.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing at 415-701-5500, www.sf-moh.org.

Eastern Neighborhoods Affordable Housing Requirements for UMU. Pursuant to Planning Code Section 419.3, Project Sponsor shall meet the requirements set forth in Planning Code Section 419.3 in addition to the requirements set forth in the Affordable Housing Program, per Planning Code Section 415. Prior to issuance of first construction document, the Project Sponsor shall select one of the options described in Section 419.3 or the alternatives described in Planning Code Section 419.5 to fulfill the affordable housing requirements and notify the Department of their choice. Any fee required by Section 419.1 et seq. shall be paid to the Development Fee Collection Unit at DBI prior to issuance of the first construction document an option for the project sponsor to defer payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge in accordance with Section 107A.13.3 of the San Francisco Building Code.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

1. **Number of Required Units.** Pursuant to Planning Code Section 415.6, the Project is currently required to provide 16% of the proposed dwelling units as affordable to qualifying households, but is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. The Project contains 199 units. Should the proposed Charter Amendment pass, the Project Sponsor shall fulfill this requirement by providing the 3 affordable units on-site (1.5% of the units) in addition to the land dedication option described above. If the Project is subject to a different requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").
   For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

2. **Unit Mix.** The Project will provide an affordable unit mix of one studio, one one-bedroom, and one two-bedroom units, or the unit mix that may be required if the inclusionary housing requirements change as discussed above. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.
   For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

3. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

4. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than one and a half percent (1.5%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

5. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

6. **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing's websites, including on the internet at: http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451.

   As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.
   For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

   a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project.

The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.

b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to qualifying households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average fifty-five (55) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," but these income levels are subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the Project is subject to a different income level requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements. The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.

c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.

d. Required parking spaces shall be made available to renters of affordable units according to the Procedures Manual.

e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.

f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior

to issuance of the first construction document or must revert payment of the Affordable Housing Fee.

g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.

h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.

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PLANNING DEPARTMENT

Certificate of Determination
EXEMPTION FROM ENVIRONMENTAL REVIEW

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Planning
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415.558.6377

Case No.:	**2013.0677E**
Project Address:	**2000-2070 Bryant Street, 2815 18th Street, and 611 Florida Street**
Zoning:	Urban Mixed Use (UMU) District 68-X Height and Bulk District
Block/Lot:	4022/001, 002, and 021
Lot Size:	Three lots totaling approximately 65,000 square feet (1.50 acres)
Plan Area:	Eastern Neighborhoods Area Plan
Project Sponsor:	Nick Podell, Nick Podell Company – (415) 296-8800
Staff Contact:	Chris Thomas – (415) 575-9036; Christopher.Thomas@sfgov.org

PROJECT DESCRIPTION

The 2000–2070 Bryant Street Project (proposed project) involves the demolition of seven existing buildings, merging of three lots into two parcels, and construction of two new buildings and a 25-foot-wide east–west pedestrian mews between the two buildings that would be publically accessible during daytime hours. The proposed project consists of a six-story, 68-foot-tall, approximately 203,656-gross-square-foot (gsf) mixed-use residential and commercial building with a ground-level garage at 2000 Bryant Street (the north building) and a 100 percent affordable eight-story, 85-foot-tall, approximately 127,983 gsf mixed-use residential and arts activity building with a ground-level car-share garage at 2070 Bryant Street (the south building). In total, the proposed mixed-use buildings would provide 335 dwelling units (136 affordable dwelling units in the south building and 196 market-rate and three affordable dwelling units in the north building), 7,007 gsf of commercial retail space, 3,938 gsf of PDR space, and 6,947 gsf of arts activity space. The approximately 14,223 gsf ground-level garages would provide 84 off-street vehicle parking spaces, four car-share spaces, and 237 bicycle parking spaces.

(Continued on next page.)

EXEMPT STATUS

Exempt per Section 15183 of the California Environmental Quality Act (CEQA) Guidelines and California Public Resources Code Section 21083.3

DETERMINATION

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

SARAH B. JONES
Environmental Review Officer

May 11, 2016
Date

cc: Nick Podell, Project Sponsor; Supervisor David Campos, District 9; Rich Sucre, Current Planning Division; Virna Byrd, M.D.F.; Exemption/Exclusion File

PROJECT DESCRIPTION (continued)

The proposed project would involve excavation of approximately 7,911 cubic yards of soil to a depth of up to 14 feet below grade for the foundation system and elevator pits, depending on the location on the site. The proposed project would include approximately 26,800 square feet (sf) of common useable open space in the form of courtyards, rooftop terraces, and the pedestrian mews. The proposed project also would add plantings to the adjacent sidewalks, street furniture, sidewalk bicycle parking, and sidewalk bulbouts at various locations around the project site.

The proposed project evaluated in this Community Plan Exemption represents a revision to a previously proposed project for the 2000 – 2070 Bryant Street project site. The previously proposed project consisted of a single, six-story, 68-foot-tall, approximately 289,369-gsf mixed-use residential and commercial building with 274 dwelling units (including 44 on-site inclusionary affordable units), approximately 22,508 sf of common useable open space, 5,415 gsf of ground-level commercial retail space, and an approximately 37,139-gsf ground-level garage, with ingress from Bryant Street and egress to 18th Street, that would have provided 160 off-street vehicle parking spaces and 145 Class 1 bicycle parking spaces. A Certificate of Exemption was published for the previously proposed project on June 2, 2015. The previously proposed project was first considered by the Planning Commission at a publically-noticed hearing on June 18, 2015 and continued to a hearing on September 10, 2015, at which time the previously proposed project was continued indefinitely to allow for revisions that have resulted in the currently proposed project considered by this Community Plan Exemption Certificate.[1]

PROJECT APPROVAL

North Building:

- Large Project Authorization pursuant to Planning Code Section 329 for new construction of more than 25,000 gsf, with exceptions pursuant to the following Planning Code sections:
  - Section 134(f) – Rear-yard exception to allow for open space to be configured in an inner courtyard rather than a rear yard.
  - Section 152.1 – Off-street loading exception to permit two off-street loading spaces, rather than three off-street loading spaces.
  - Section 270.1 – Horizontal mass reduction exception to allow the north building to reach 205 feet in length without a horizontal mass reduction, rather than 200 feet.
  - Section 329(d)(10) – Permitted accessory uses for ground-floor flex units.
- Conditional Use Authorization pursuant to Planning Code Sections 303 and 317 to authorize demolition and replacement of three existing dwelling units.

[1] The Community Plan Exemption and documents pertaining to the previously proposed project (and all other documents cited in this report, unless otherwise noted), are available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.0677E.

South Building:

- Large Project Authorization pursuant to Planning Code Section 329 for new construction of more than 25,000 gsf, with exceptions pursuant to the following Planning Code sections:
  - Section 134(f) – Rear-yard exception to allow for open space to be configured in a courtyard rather than a rear yard.
  - Section 135(g) – Common open space dimension exception for the courtyard that is less in width than height.
  - Section 140 – Unit exposure exception for dimension of courtyard.
- State density bonus law (California Government Code Section 65915) concession to permit two additional floors above the otherwise applicable height limit.

Actions by other City Departments

- Lot Line Adjustment and Condominium Map Approvals (San Francisco Public Works [SFPW]) for merging and re-subdividing the three lots on the project site.
- Demolition and Building Permits (Department of Building Inspection [DBI]) for the demolition of the existing buildings and construction of the new structures.
- Site Mitigation Plan (DPH) for treatment of potentially hazardous soils and groundwater.
- Street and Sidewalk Permits (Bureau of Streets and Mapping, DPW) for modifications to public sidewalks, street trees, and curb cuts.
- Approval of Changes to Sewer Laterals (San Francisco Public Utilities Commission [SFPUC]).
- Stormwater Control Plan (SFPUC), because the proposed project would result in ground disturbance of an area greater than 5,000 sf.
- Dust Control Plan (DPH) meeting the requirements of San Francisco Health Code Article 22B.

The Large Project Authorization from the Planning Commission pursuant to Planning Code Section 329 is considered the project Approval Action. The Approval Action date establishes the start of the 30-day appeal period for this CEQA exemption determination pursuant to Section 31.04(h) of the San Francisco Administrative Code.

COMMUNITY PLAN EXEMPTION OVERVIEW

California Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183 provide an exemption from environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an Environmental Impact Report (EIR) was certified, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that: a) are peculiar to the project or parcel on which the project would be located; b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent; c) are potentially significant off-site and cumulative impacts that were not discussed in the underlying EIR; or d) are previously identified in the EIR, but which, as a result of substantial new information that was not known at the time that the EIR was certified, are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or

to the proposed project, then an EIR need not be prepared for the project solely on the basis of that impact.

This determination evaluates the potential project-specific environmental effects of the 2000-2070 Bryant Street project described above, and incorporates by reference information contained in the Programmatic EIR for the Eastern Neighborhoods Rezoning and Area Plans (PEIR).[2] Project-specific studies were prepared for the proposed project to determine if the project would result in any significant environmental impacts that were not identified in the Eastern Neighborhoods PEIR.

After several years of analysis, community outreach, and public review, the Eastern Neighborhoods PEIR was adopted in December 2008. The Eastern Neighborhoods PEIR was adopted in part to support housing development in some areas previously zoned to allow industrial uses, while preserving an adequate supply of space for existing and future production, distribution, and repair (PDR) employment and businesses. The Eastern Neighborhoods PEIR also included changes to existing height and bulk districts in some areas, including the project site at 2000-2070 Bryant Street.

The Planning Commission held public hearings to consider the various aspects of the proposed Eastern Neighborhoods Rezoning and Area Plans and related Planning Code and Zoning Map amendments. On August 7, 2008, the Planning Commission certified the Eastern Neighborhoods PEIR by Motion 17659 and adopted the Preferred Project for final recommendation to the Board of Supervisors.[3,4]

In December 2008, after further public hearings, the Board of Supervisors approved and the Mayor signed the Eastern Neighborhoods Rezoning and Planning Code amendments. New zoning districts include districts that would permit PDR uses in combination with commercial uses; districts mixing residential and commercial uses and residential and PDR uses; and new residential-only districts. The districts replaced existing industrial, commercial, residential single-use, and mixed-use districts.

The Eastern Neighborhoods PEIR is a comprehensive programmatic document that presents an analysis of the environmental effects of implementation of the Eastern Neighborhoods Rezoning and Area Plans, as well as the potential impacts under several proposed alternative scenarios. The Eastern Neighborhoods Draft EIR evaluated three rezoning alternatives, two community-proposed alternatives which focused largely on the Mission District, and a "No Project" alternative. The alternative selected, or the Preferred Project, represents a combination of Options B and C. The Planning Commission adopted the Preferred Project after fully considering the environmental effects of the Preferred Project and the various scenarios discussed in the PEIR. The Eastern Neighborhoods PEIR estimated that implementation of the Eastern Neighborhoods Plan could result in approximately 7,400 to 9,900 net dwelling units and 3,200,000 to 6,600,0000 square feet of net non-residential space (excluding PDR loss) built in the Plan Area throughout the lifetime of the Plan (year 2025). The Eastern Neighborhoods PEIR projected that this level of development would result in a total population increase of approximately 23,900 to 33,000 people throughout the lifetime of the plan.[5]

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[2] Planning Department Case No. 2004.0160E and State Clearinghouse No. 2005032048

[3] San Francisco Planning Department. Eastern Neighborhoods Rezoning and Area Plans Final Environmental Impact Report (FEIR), Planning Department Case No. 2004.0160E, certified August 7, 2008. Available online at: http://www.sf-planning.org/index.aspx?page=1893, accessed August 17, 2012.

[4] San Francisco Planning Department. San Francisco Planning Commission Motion 17659, August 7, 2008. Available online at: http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=1268, accessed August 17, 2012.

[5] Table 2 Forecast Growth by Rezoning Option Chapter IV of the Eastern Neighborhoods Draft EIR shows projected net growth based on proposed rezoning scenarios. A baseline for existing conditions in the year 2000 was included to provide context for the scenario figures for parcels affected by the rezoning.

A major issue of discussion in the Eastern Neighborhoods rezoning process was the degree to which existing industrially-zoned land would be rezoned to primarily residential and mixed-use districts, thus reducing the availability of land traditionally used for PDR employment and businesses. Among other topics, the Eastern Neighborhoods PEIR assesses the significance of the cumulative land use effects of the rezoning by analyzing its effects on the City's ability to meet its future PDR space needs as well as its ability to meet its housing needs as expressed in the City's General Plan.

As a result of the Eastern Neighborhoods rezoning process, the project site has been rezoned to UMU (Urban Mixed Use) District. The UMU District is intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrially-zoned area. It is also intended to serve as a buffer between residential districts and PDR districts in the Eastern Neighborhoods. The proposed project and its relation to PDR land supply and cumulative land use effects is discussed further in the Community Plan Exemption (CPE) Checklist, under Land Use. The 2000-2070 Bryant Street site, which is located in the Mission District of the Eastern Neighborhoods, was designated as a site with building up to 68 feet in height.

Individual projects that could occur in the future under the Eastern Neighborhoods Rezoning and Area Plans will undergo project-level environmental evaluation to determine if they would result in further impacts specific to the development proposal, the site, and the time of development and to assess whether additional environmental review would be required. This determination concludes that the proposed project at 2000-2070 Bryant Street is consistent with and was encompassed within the analysis in the Eastern Neighborhoods PEIR, including the Eastern Neighborhoods PEIR development projections. This determination also finds that the Eastern Neighborhoods PEIR adequately anticipated and described the impacts of the proposed 2000-2070 Bryant Street project, and identified the mitigation measures applicable to the 2000-2070 Bryant Street project. The proposed project is also consistent with the zoning controls and the provisions of the Planning Code applicable to the project site.[6,7] Therefore, no further CEQA evaluation for the 2000-2070 Bryant Street project is required. In sum, the Eastern Neighborhoods PEIR and this Certificate of Exemption for the proposed project comprise the full and complete CEQA evaluation necessary for the proposed project.

PROJECT SETTING

The rectangular project site is approximately 65,000 sf in size (about 1.50 acres) and consists of three lots bounded by 18th Street to the north, Bryant Street to the east, Florida Street to the west, and existing one- to two-story buildings and a future six-story building (currently under construction) to the south.

The project site is fully developed and occupied by the following buildings and uses:

- Lot 001 contains a two-floor 2,640 gsf wood building at 2000 – 2008 Bryant Street with a ground-floor restaurant and a vacant second-floor residence; a two-floor, 4,480 gsf building at 2010 – 2012 Bryant Street with an audio recording studio; a one-floor, 3,810 gsf wood building at 2014 Bryant Street with a carpet and upholstery business; a two-floor, 3,540 gsf architecture office at 2813 – 2815 18th Street;

[6] Susan Exline, San Francisco Planning Department, Community Plan Exemption Eligibility Determination, Citywide Planning and Policy Analysis, 2000 – 2070 Bryant Street, May 12, 2016. This document (and all other documents cited in this report, unless otherwise noted), is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.0677E.

[7] Jeff Joslin, San Francisco Planning Department, Community Plan Exemption Eligibility Determination, Current Planning Analysis, 2000 – 2070 Bryant Street, May 9, 2016.

and a one-floor, 6,160 gsf automotive repair shop at 611 Florida Street consisting of wood frame/metal sided buildings.

- Lot 002 contains a two-floor, 1,870 gsf wood frame residential building at 2028 – 2030 Bryant Street with two vacant residential units.
- Lot 021 contains a two-story, 50,000 gsf concrete and steel frame industrial building which contains a machinist shop, theater rehearsal space (Innermission), and the American Conservatory Theater scene shop.

The existing buildings were constructed between 1892 and 1950, total about 72,500 gsf, and have Floor Area Ratios (FARs) ranging from about 1.0:1 to 2.0:1.[8]

The buildings on parcels adjacent to the project site are of varying age, size, and design, and have a variety uses. The north side of 18th Street between Florida and Bryant Streets is occupied by a single approximately 65-foot-tall building that contains office and warehouse uses. The east side of Bryant Street is occupied by a parking lot and three buildings 20 to 30 feet in height containing office, workshops and warehouse uses. The remainder of the block between the south end of the project site and 19th Street is occupied by several two-to-three story multi-unit dwellings, a café, and the under-construction six-story apartment building. Opposite the project site on Florida Street is the eastern side of a 151-unit structure, constructed in 2008-2009 and approximately 50 feet in height.

The local vicinity is a largely flat area of the Mission District characterized by a mix of two- to five-story older and more recently constructed residential buildings interspersed with one- to three-story buildings containing various production, distribution and repair uses. Architectural styles vary considerably with the age and use of vicinity structures. Zoning districts are primarily UMU and PDR, but also include some Residential House (RH). Height limits are largely 68 feet, tapering to 45 feet and lower towards and south of 20th Street. The nearest school is John O'Connell Alternative High School, about 700 feet to the southwest and the nearest park is Franklin Square, about 1,100 feet to the northeast.

The surrounding two-way, two lane streets generally have on-street parking. By street distance, the project site is approximately one-half mile from the San Francisco General Hospital on Potrero Avenue, four-fifths of a mile from the 16th and Mission Streets Bay Area Rapid Transit (BART) station, and about one mile from the State Highway 101 onramps at both South Van Ness Avenue and Cesar Chavez Boulevard.

POTENTIAL ENVIRONMENTAL EFFECTS

The Eastern Neighborhoods PEIR included analyses of environmental issues including: land use; plans and policies; visual quality and urban design; population, housing, business activity, and employment (growth inducement); transportation; noise; air quality; parks, recreation and open space; shadow; archeological resources; historic architectural resources; hazards; and other issues not addressed in the previously issued initial study for the Eastern Neighborhoods Rezoning and Area Plans. The proposed 2000 – 2070 Bryant Street project is in conformance with the height, use and density for the site described in the Eastern Neighborhoods PEIR and would represent a small part of the growth that was forecast for the Eastern Neighborhoods plan areas. Thus, the plan analyzed in the Eastern Neighborhoods PEIR considered the incremental impacts of the proposed 2000 – 2070 Bryant Street project. As a result, the

[8] Left Coast Architectural History. *2000-2030 & 2070 Bryant Street Historical Resource Evaluation.* January 15, 2014. A copy of this document is available for public review at the San Francisco Planning Department, 1650 Mission Street, San Francisco, Case No. 2013.0677E.

proposed project would not result in any new or substantially more severe impacts than were identified in the Eastern Neighborhoods PEIR.

Significant and unavoidable impacts were identified in the Eastern Neighborhoods PEIR for the following topics: land use, historic architectural resources, transportation and circulation, and shadow. The proposed project would convert PDR uses to mixed-use residential and commercial uses; however, this conversion was already considered in the Eastern Neighborhoods PEIR and, therefore, the proposed project would not contribute to any impact related to PDR uses not already identified in the PEIR. The proposed project would not result in demolition, alteration, or modification of any historic resources. Therefore, the proposed project would not contribute to any historic resource impact. Traffic and transit ridership generated by the proposed project would not considerably contribute to the traffic and transit impacts identified in the Eastern Neighborhoods PEIR. Neither would the proposed project, approximately 68 feet in height for the north building and 85 feet in height for the south building, cast shadows on any parks or open spaces.

The Eastern Neighborhoods PEIR identified feasible mitigation measures to address significant impacts related to noise, air quality, archeological resources, historical resources, hazardous materials, and transportation. **Table 1** below lists the mitigation measures identified in the Eastern Neighborhoods PEIR and states whether each measure would apply to the proposed project.

Table 1 – Eastern Neighborhoods PEIR Mitigation Measures

Mitigation Measure	Applicability	Compliance
F. Noise		
F-1: Construction Noise (Pile Driving)	Not Applicable: pile driving not proposed	N/A
F-2: Construction Noise	Applicable: temporary construction noise from use of heavy equipment	The project sponsor has agreed to develop and implement a set of noise attenuation measures during construction as part of Project Mitigation Measure 2.
F-3: Interior Noise Levels	Not Applicable: CEQA generally no longer requires the consideration of the effects of existing environmental conditions on a proposed project's future users or residents.	N/A
F-4: Siting of Noise-Sensitive Uses	Not Applicable: CEQA generally no longer requires the consideration of the effects of existing environmental conditions on a proposed project's future users or residents.	N/A

Mitigation Measure	Applicability	Compliance
F-5: Siting of Noise-Generating Uses	Not Applicable: proposed project would not include noise-generating uses.	N/A
F-6: Open Space in Noisy Environments	Not Applicable: CEQA generally no longer requires the consideration of the effects of existing environmental conditions on a proposed project's future users or residents.	N/A
G. Air Quality		
G-1: Construction Air Quality	Not Applicable: proposed project construction criteria air pollutant emissions would not exceed thresholds.	The dust control measures would not be applicable, as the regulations and procedures set forth by the San Francisco Dust Control Ordinance supersede the construction dust portion of Mitigation Measure G-1.
G-2: Air Quality for Sensitive Land Uses	Not Applicable: proposed project is not located in an Air Pollutant Exposure Zone.	N/A
G-3: Siting of Uses that Emit DPM	Not Applicable: proposed project does not include uses that emit substantial levels of diesel particulate matter.	N/A
G-4: Siting of Uses that Emit other TACs	Applicable: proposed project would include a backup generator for emergency power.	The project sponsor has agreed to implement Project Mitigation Measure 3, which requires Best Available Control Technology for Diesel Generators.
J. Archeological Resources		
J-1: Properties with Previous Studies	Not Applicable: proposed project is located on a site with no previous archeological studies or documentation.	N/A

Mitigation Measure	Applicability	Compliance
J-2: Properties with no Previous Studies	Applicable: proposed project involves approximately 14 feet of soil excavation/disturbance where resources may be present.	Planning Department's archeologist conducted a Preliminary Archeological Review (September 24, 2014) of the project site in conformance with the study requirements and required implementation of Project Mitigation Measure 1.
J-3: Mission Dolores Archeological District	Not Applicable: proposed project is not within the Mission Dolores Archeological District.	N/A
K. Historical Resources		
K-1: Interim Procedures for Permit Review in the Eastern Neighborhoods Plan area	Not Applicable: plan-level mitigation completed by Planning Department	N/A
K-2: Amendments to Article 10 of the Planning Code Pertaining to Vertical Additions in the South End Historic District (East SoMa)	Not Applicable: plan-level mitigation completed by Planning Commission	N/A
K-3: Amendments to Article 10 of the Planning Code Pertaining to Alterations and Infill Development in the Dogpatch Historic District (Central Waterfront)	Not Applicable: plan-level mitigation completed by Planning Commission	N/A
L. Hazardous Materials		
L-1: Hazardous Building Materials	Applicable: demolition of seven existing buildings on the project site.	Project Mitigation Measure 4 requires removal and disposal of any equipment containing PCBs or DEHP according to applicable federal, state, and local laws prior to the start of demolition.
E. Transportation		
E-1: Traffic Signal Installation	Not Applicable: automobile delay removed from CEQA analysis	N/A
E-2: Intelligent Traffic Management	Not Applicable: automobile delay removed from CEQA analysis	N/A

Mitigation Measure	Applicability	Compliance
E-3: Enhanced Funding	Not Applicable: automobile delay removed from CEQA analysis	N/A
E-4: Intelligent Traffic Management	Not Applicable: automobile delay removed from CEQA analysis	N/A
E-5: Enhanced Transit Funding	Not Applicable: plan level mitigation by SFMTA	N/A
E-6: Transit Corridor Improvements	Not Applicable: plan level mitigation by SFMTA	N/A
E-7: Transit Accessibility	Not Applicable: plan level mitigation by SFMTA	N/A
E-8: Muni Storage and Maintenance	Not Applicable: plan level mitigation by SFMTA	N/A
E-9: Rider Improvements	Not Applicable: plan level mitigation by SFMTA	N/A
E-10: Transit Enhancement	Not Applicable: plan level mitigation by SFMTA	N/A
E-11: Transportation Demand Management	Not Applicable: plan level mitigation by SFMTA	N/A

Please see the attached Mitigation Monitoring and Reporting Program (MMRP) for the complete text of the applicable mitigation measures. With implementation of these mitigation measures the proposed project would not result in significant impacts beyond those analyzed in the Eastern Neighborhoods PEIR.

PUBLIC NOTICE AND COMMENT

A "Notification of Project Receiving Environmental Review" was mailed on April 12, 2016 to adjacent occupants and owners of properties within 300 feet of the project site. Overall, concerns and issues raised by the public in response to the notice were taken into consideration and incorporated in the environmental review as appropriate for CEQA analysis. Three comment letters were received in response to the Notification of Project Receiving Environmental Review, consisting of three individual comments regarding physical environmental effects; these include:

- One commenter expressed concern regarding construction noise, particularly in the early morning (e.g., 6:30 a.m.).
- A second commenter stated that the environmental document should include shadow, aesthetic, wind, traffic and parking, and hazardous waste studies, and mitigation for air quality during construction, removal of hazardous waste, noise, traffic, parking effects in regards to quality-of-life effects on current residences and impacts upon current businesses.
- A third commenter expressed concerns regarding cumulative impacts with regard to air quality, parking, traffic and transportation, loss of PDR space, insufficient open space and parks, project

impacts in regards to wind and shadow, significant new information not anticipated by the Eastern Neighborhoods PEIR, and incompatibility with the goals of the Eastern Neighborhoods Plan.

These concerns are addressed in the CPE Checklist under the "Air Quality" section, the "Noise" section, the "Wind and Shadow" section, the "Hazards and Hazardous Materials" section, the "Transportation and Circulation" section, the "Land Use and Land Use Planning" section, the "Recreation" section, and the "Population and Housing" section. The proposed project would not result in significant adverse environmental impacts associated with the issues identified by the public beyond those identified in the Eastern Neighborhoods PEIR.

As discussed in the Project Description, a CPE Certificate and Checklist were published on June 2, 2015 for the previously proposed 2000 – 2070 Bryant Street project. Five comment letters were received in response to the Notification of Project Receiving Environmental Review for the previously proposed project, consisting of 13 individual comments regarding physical environmental effects; these included: (1) two commenters expressed concern that the onsite parking included in the proposed project would not be adequate for the increased residential population and that on-street parking availability would be reduced, (2) two commenters asserted that the proposed project is aesthetically incompatible with the area and/or emphasized that the design of the proposed project should maintain the character of the area, (3) three commenters expressed concern that the proposed development would displace or exclude existing minority or disadvantaged communities (environmental justice communities) in the project area, (4) two commenters expressed concern with the loss of PDR uses, (5) two commenters expressed concern about increase noise resulting from the new development, (6) one commenter expressed concern about the removal of trees from the neighborhood, as well as the impacts that tree removal would have to resident or migratory wildlife species, and (7) one commenter expressed disappointment with the lack of outreach made to the neighborhood. These concerns are addressed in the CPE Checklist prepared for the previously proposed project under the "Transportation and Circulation" section, "Land Use and Land Use Planning" section, "Population and Housing" section, "Noise" section, and "Biological Resources" section. Therefore, it was determined that the previously proposed project would not result in significant adverse environmental impacts associated with the issues identified by the public beyond those identified in the Eastern Neighborhoods PEIR.

CONCLUSION

As summarized above and further discussed in the CPE Checklist:[9]

1. The proposed project is consistent with the development density established for the project site in the Eastern Neighborhoods Rezoning and Area Plans;

2. The proposed project would not result in effects on the environment that are peculiar to the project or the project site that were not identified as significant effects in the Eastern Neighborhoods PEIR;

3. The proposed project would not result in potentially significant off-site or cumulative impacts that were not identified in the Eastern Neighborhoods PEIR;

[9] The CPE Checklist is available for review at the Planning Department, 1650 Mission Street, Suite 400, San Francisco, in Case File No. 2013.0677E.

4. The proposed project would not result in significant effects, which, as a result of substantial new information that was not known at the time the Eastern Neighborhoods PEIR was certified, would be more severe than were already analyzed and disclosed in the PEIR; and

5. The project sponsor will undertake feasible mitigation measures specified in the Eastern Neighborhoods PEIR to mitigate project-related significant impacts.

Therefore, the proposed project is exempt from further environmental review pursuant to Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183.

MITIGATION MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Project Mitigation Measure 1 – Archeological Mitigation Measure III (Testing) (Consistent with Eastern Neighborhoods Archeological Mitigation Measure J-2) Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archeological consultant from the rotational Department Qualified Archeological Consultants List (QACL) maintained by the Planning Department archeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the	Project Sponsor.	Prior to issuance of any permit for soil-disturbing activities and during construction.	Project Sponsor; ERO; archeologist.	Considered complete upon ERO's approval of FARR.

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c). *Consultation with Descendant Communities.* On discovery of an archeological site[1] associated with descendant Native Americans, the Overseas Chinese, or other descendant group, an appropriate representative[2] of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to consult with ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archeological Resources Report shall be provided to the representative of the descendant group. *Archeological Testing Program.* The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the				

[1] The term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

[2] An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and, in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA. At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either: A. The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or B. A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.				

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Archeological Monitoring Program. If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions: • The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils-disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archeological resources and to their depositional context; • The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource; • The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has,				

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits; • The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis; • If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.) the archeological monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO. Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.				

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical. The scope of the ADRP shall include the following elements: • *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations. • *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures. • *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies. • *Interpretive Program.* Consideration of an onsite/offsite public interpretive program during the course of the				

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
archeological data recovery program. • *Security Measures.* Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities. • *Final Report.* Description of proposed report format and distribution of results. • *Curation.* Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities. *Human Remains and Associated or Unassociated Funerary Objects.* The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archeological consultant, project sponsor, ERO, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal,				

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. *Final Archeological Resources Report.* The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report. Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.				

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Project Mitigation Measure 2 – Construction Noise (Eastern Neighborhoods PEIR Mitigation Measure F-2) The sponsor shall develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the DBI to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible: • Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses; • Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site; • Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing sensitive uses; • Monitor the effectiveness of noise attenuation measures by taking noise measurements; and • Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed.	Project Sponsor; contractor(s).	During construction period.	Project Sponsor to provide monthly noise reports during construction.	Considered complete upon final monthly report.

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Project Mitigation Measure 3 – Best Available Control Technology for Diesel Generators (Eastern Neighborhoods Mitigation Measure G-4) The project sponsor shall ensure that the backup diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non - verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsor shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the Community Plan Exemption Checklist 655 Folsom Street 2013.0253E 49 emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.	Project Sponsor.	Prior to issuance of a permit for a backup diesel generator from any City agency.	Project Sponsor; Planning Department.	Considered complete upon Planning Department's approval of documentation prior to issuance of permit for generator.
Project Mitigation Measure 4 – Hazardous Building Materials (Eastern Neighborhoods Mitigation Measure L-1) In order to minimize impacts to public and construction worker health and safety during demolition of the existing structure, the sponsor shall ensure that any equipment containing PCBs or DEHP, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, state, and local laws prior to the start of renovation, and that any	Project Sponsor.	Prior to any demolition or construction activities.	Project Sponsor; Planning Department.	Prior to any demolition or construction activities.

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
fluorescent light tubes, which could contain mercury, are similarly removed and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, state, and local laws.				

	MONITORING AND REPORTING PROGRAM			
Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Project Improvement Measure 1 – Transportation Demand Management (TDM) Measures While the proposed project would not result in any significant traffic impacts, to reduce traffic generated by the proposed project, the project sponsor should encourage the use of rideshare, transit, bicycle, and walk modes for trips to and from the project site. The San Francisco Planning Department and the San Francisco Municipal Transportation Agency (SFMTA) have partnered with the Mayor's Office of Economic and Workforce Development and the San Francisco County Transportation Authority to study the effects of implementing TDM measures on the choice of transportation mode. The San Francisco Planning Department has identified a list of TDM measures that should be considered for adoption as part of proposed land use development projects. The project sponsor (or transportation broker) should consider the following actions: • *TDM Coordinator:* The project sponsor should identify a TDM Coordinator for the project site. The TDM Coordinator should be the single point of contact for all transportation-related questions from residents and City staff. The TDM Coordinator is responsible for the implementation and ongoing operation of all other TDM measures included in the proposed project as noted below.	Project Sponsor; SFMTA.	Ongoing.	Project Sponsor; SFMTA; Building Management.	Ongoing.

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
• *Transportation and Trip Planning Information:* o *Move-in packet.* Provide a transportation insert for each new resident's move-in packet that includes information on transit service (local and regional, schedules and fares), information on where transit passes may be purchased, information on the 511 Regional Rideshare Program, and nearby bike and car share programs, and information on where to find additional web-based alternative transportation materials. This move-in packet should be continuously updated as transportation options change, and the packet should be provided to each new building occupant. Muni maps as well as San Francisco Bicycle and Pedestrian maps should be provided upon request. o *Posted and Real-Time Information.* Install local map and real-time transit information on-site in a prominent and visible location, such as within a building lobby. The local map should clearly identify transit, bicycle, and key pedestrian routes, and also depict nearby destinations and commercial corridors. Real-time transit information via NextMuni and/or regional transit data should be displayed on a digital screen.				

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
• *Data Collection:* o *City Access.* As part of an ongoing effort to quantify the efficacy of TDM measures, City staff may need to access the project site (including the garage) to perform trip counts, and/or intercept surveys and/or other types of data collection. The project sponsor should assure future access to the site by City staff. All on-site activities should be coordinated through the TDM Coordinator, including access to the project site by City staff for purposes of transportation data collection. Providing access to existing developments for data collection purposes is also encouraged. o *TDM Program Monitoring.* The project sponsor should collect data and make monitoring reports available for review by the San Francisco Planning Department. See TDM Monitoring section below for more detailed information. • *Bicycle Measures:* o *Design.* Design residential units to facilitate the use of a bicycle.				

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
○ *Bike Route Access.* Facilitate direct access to bicycle facilities in the study area (e.g., Routes 25 and 40, Route 33, and Route 25) through signage. • *Building Access.* Ensure that the points of access to bicycle parking through elevators on the ground floor and the garage ramp include signage indicating the location of these facilities. • *Safety.* Develop bicycle safety strategies along the Florida Street side of the property, where Class II bike racks are located, and where there is bicycle access to the parking garage and Class I bike parking spaces. Examples include lighting and signage. • *Parking.* Increase the number of on-site secured bicycle parking beyond Planning Code requirements and/or provide additional bicycle facilities in the public right-of-way adjacent to or within a quarter-mile of the project site (e.g., sidewalks, on-street parking spaces). • *Bay Area Bike Share.* Provide free or subsidized bike share membership to residents and tenants. See Bike Share section below for additional information. • *Car Share Measures:* ○ *Parking.* Provide optional car share spaces as described in *Planning Code Section §166(g).*				

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
○ *Membership.* Provide free or subsidized car share membership to all tenants. For example, offer one annual car share membership for each new resident (one per household) or employee. Recipient would be responsible for the remainder of the costs associated with the membership.				
• *Transit Measures: Transit Pass.* Offer free or subsidized Muni passes (loaded onto Clipper cards) to tenants. For example, offer a 50 percent subsidy for one Muni monthly pass for new residents (one per household), and employees for up to one year. Recipient would be responsible for the remainder of the costs associated with the Muni monthly pass.				
TDM Monitoring. The San Francisco Planning Department will provide the TDM Coordinator with a formatted template (electronic or hard copy) of the "Resident Transportation Survey" to facilitate the collection and presentation of travel data from residents. The Resident Transportation Survey will be administered (circulated and collected) by the TDM Coordinator, based on a standardized schedule (e.g., one year after 85 percent occupancy of all dwelling units, and every two years thereafter) that is approved by the Planning Department. The TDM Coordinator should collect responses from a minimum of one-third of residents within the occupied units within 90 days of receiving the Resident Transportation Survey from the San Francisco Planning				

Improvement Measures	MONITORING AND REPORTING PROGRAM Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Department. The San Francisco Planning Department will assist the TDM Coordinator in communicating the purpose of the survey, and will ensure that the identity of individual resident responders is protected. The San Francisco Planning Department will provide professionally prepared and easy-to-complete online (or paper) survey forms to assist with compliance. The San Francisco Planning Department will also provide the TDM Coordinator with a separate "Building Transportation Survey" that documents which TDM measures have been implemented during the reporting period, along with basic building information (e.g., percent unit occupancy, off-site parking utilization by occupants of building, loading frequency). The Building Transportation Survey should be completed by the TDM Coordinator and submitted to City staff within 30 days of receipt. The project sponsor should also allow trip counts and intercept surveys to be conducted on the premises by City staff or a City-hired consultant. Access to residential lobbies, garages, etc. should be granted by the project sponsor and facilitated by the TDM Coordinator. Trip counts and intercept surveys are typically conducted for two to five days between 6:00 AM and 8:00 PM on both weekdays and weekends. • *Bike Sharing*. The project sponsor should contact Bay Area Bike Share (or its successor entity) to determine whether it would be interested and able to fund and install a new bikeshare station in the public right-of-way immediately				

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
adjacent to the project site (including locations within new or existing sidewalks, new or existing on-street parking, or new or existing roadway areas). The project sponsor should contact Bay Area Bike Share early enough that they may respond by 60 days prior to the project sponsor's meeting with the Transportation Advisory Staff Committee (TASC) for approval of the streetscape design.[3] If Bay Area Bike Share is not interested in or unable to fund and install a new bike share station, as indicated in writing, the project sponsor should not be obligated to design and permit such a space. If Bay Area Bike Share determines in writing that it would be interested and able to fund and install a new bike share station immediately adjacent to the project site within the time period specified above, the project sponsor should make best efforts to modify its streetscape design to accommodate a new bike share station. The project sponsor should coordinate with Bay Area Bike Share to obtain all City permits necessary and to design and install a station immediately adjacent to the project site in the public right-of-way. If the City agencies responsible for issuing the permits necessary to provide the new bike share station space reject the project sponsor's application despite project sponsor's best efforts, the project sponsor should not be obligated to provide such space. Other potential measures for consideration would include				

[3] TASC approval typically occurs at the 90 percent design phase.

	MONITORING AND REPORTING PROGRAM			
Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
unbundling parking (per Planning Code §167) or enlisting the services of a Transportation Management Association (TMA) to implement a package to TDM measures on behalf of the building. TDM strategies included in this improvement measure would be incorporated into the project's conditions of approval (COA) during the entitlement process. Other strategies may be proposed by the project sponsor and should be approved by City staff. Prior to issuance of a temporary permit of building occupancy, the project sponsor should execute an agreement with the San Francisco Planning Department for the provision of TDM services.				
Project Improvement Measure 2 – Pedestrian Audible and Visible Warning Devices While the proposed project would not result in any significant pedestrian impacts, it should be noted that Bryant Street is a major pedestrian route to and from the project site, as well as to and from neighborhood-serving commercial uses and transit service in the 16th Street corridor. To minimize the potential for conflict between vehicles exiting the project site and pedestrians along Bryant Street, the project sponsor should install audible and visible warning devices to alert pedestrians of the outbound vehicles departing the North Building garage.	Project Sponsor.	Prior to building occupancy.	Project Sponsor; SFMTA.	Considered complete upon installation.
Project Improvement Measure 3 – Freight Loading Management Measures While the proposed project would not result in any significant freight / service impacts, to minimize the potential for conflicts	Project Sponsor.	Ongoing.	Project Sponsor; Building Management.	Ongoing.

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
between loading freight / service vehicles serving the project site, the project sponsor should implement the following improvement measures: • *Schedule and Coordinate Loading Activities.* Schedule and coordinate loading activities through building management to ensure that trucks can be accommodated in the proposed off-street freight loading spaces. All regular events requiring use of the off-street freight loading spaces (e.g., retail deliveries, building service needs) should be coordinated directly with building management. Building management should also be proactively involved in coordinating move-in and move-out activities for building residents and tenants to ensure that these activities can be accommodated in the off-street freight loading spaces or in nearby on-street commercial loading zones or parking spaces. • *Discourage Illegal Parking.* Trucks and other vehicles conducting freight loading / service vehicle activities should be discouraged from parking illegally or otherwise obstructing traffic, transit, bicycle, or pedestrian flow along any of the streets immediately adjacent to the building (18th Street, Bryant Street, or Florida Street). Building management should also be proactively involved in coordinating move-in and move-out activities for building residents and tenants to ensure that these activities do not disrupt bicycle and pedestrian circulation.				

	MONITORING AND REPORTING PROGRAM			
Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Project Improvement Measure 4 – Construction Traffic Management Measures While the proposed project would not result in any significant construction impacts, to minimize disruptions to traffic, transit, bicycle, and pedestrian circulation during construction of the Project, the proposed project should implement the following improvement measures: • *Limit Hours of Construction-Related Traffic.* Limit hours of construction-related traffic, including, but not limited to, truck movements, to avoid the weekday a.m. and p.m. peak hours (7:00 AM to 9:00 AM and 4:00 PM to 6:00 PM) (or other times, if approved by the San Francisco Municipal Transportation Agency [SFMTA]). • *Coordinate Construction Projects.* Construction contractor(s) should coordinate construction activities with other potential projects that may be constructed in the vicinity of the project site. • *Alternative Transportation for Construction Workers.* Construction contractor(s) for the project should encourage construction workers to make use of alternative modes of transportation (transit, rideshare, biking, or walking) when traveling to and from the construction site. Any construction traffic occurring between 7:00 AM and 9:00 AM or between 4:00 PM and 6:00 PM would coincide with commute-period travel patterns and could result in minor disruptions to traffic, transit, bicycle, or pedestrian circulation	Project Sponsor; contractor(s)	Prior to and during construction	Project Sponsor; SFMTA.	Considered complete prior to construction.

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
on streets adjacent to the Project site, although these effects would be considered a less than significant impact. Limiting truck movements to avoid these hours (or other times, if approved by SFMTA) would minimize these effects. Construction contractor(s) for the Project would need to meet with SFMTA, the Fire Department, the Planning Department, and other City agencies to determine feasible measures to minimize disruptions to traffic, transit, bicycle, and pedestrian circulation during construction of the Project. In addition, the temporary increase in vehicle parking demand generated by construction workers would need to be met on-site or within other off-site parking facilities to be determined by the construction contractor(s).				
Project Improvement Measure 5 – Driveway Queue Monitoring and Abatement While parking is discussed for informational purposes only and is not considered in determining if the proposed project has the potential to result in significant environmental effects, to minimize the impacts of the parking shortfall and potential for vehicles to queue on Bryant Street, the project sponsor should implement following improvement measure: • *Driveway Queue Monitoring and Abatement.* It should be the responsibility of the owner / operator of the off-street parking facility to ensure that recurring vehicle queues do not occur on the public right-of-way. A vehicle queue is defined as one or more vehicles blocking any portion of any public street, alley, or sidewalk for a consecutive period of	Project Sponsor.	Ongoing.	Project Sponsor; Building Management; Planning Department.	Ongoing.

Improvement Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
three minutes or longer on a daily or weekly basis. If a recurring queue occurs, the owner / operator of the parking facility shall employ abatement methods as needed to abate the queue. Suggested abatement methods include, but are not limited to, the following: redesign of facility layout to improve vehicle circulation and / or on-site queue capacity; use of off-site parking facilities or shared parking with nearby uses; travel demand management strategies such as additional bicycle parking; and / or parking demand management strategies such as parking pricing schemes If the Planning Director, or his or her designee, suspects that a recurring queue is present, the Department shall notify the property owner in writing. Upon request, the owner / operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant shall prepare a monitoring report to be submitted to the San Francisco Planning Department for review. If the San Francisco Planning Department determines that a recurring queue does exist, the facility owner / operator shall have 90 days from the date of the written determination to abate the queue.				

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Community Plan Exemption Checklist

Case No.:	**2013.0677E**
Project Address:	**2000-2070 Bryant Street, 2815 18th Street, and 611 Florida Street**
Zoning:	Urban Mixed Use (UMU) District 68-X Height and Bulk District
Block/Lot:	4022/001, 002, and 021
Lot Size:	Three lots totaling approximately 65,000 square feet (1.50 acres)
Plan Area:	Eastern Neighborhoods Area Plan
Project Sponsor:	Nick Podell, Nick Podell Company – (415) 296-8800
Staff Contact:	Chris Thomas – (415) 575-9036; Christopher.Thomas@sfgov.org

PROJECT DESCRIPTION

Project Overview

The 2000–2070 Bryant Street Project (proposed project) involves the demolition of seven existing buildings, merging of three lots into two parcels, and construction of two new buildings and a 25-foot-wide east–west pedestrian mews between the two buildings that would be publically accessible during daytime hours. The proposed project consists of a six-story, 68-foot-tall, approximately 203,656-gross-square-foot (gsf) mixed-use residential and commercial building with a ground-level garage at 2000 Bryant Street (the north building) and a 100 percent affordable eight-story, 85-foot-tall, approximately 127,983 gsf mixed-use residential and arts activity building with a ground-level car-share garage at 2070 Bryant Street (the south building). In total, the proposed mixed-use buildings would provide 335 dwelling units (136 affordable dwelling units in the south building and 196 market-rate and three affordable dwelling units in the north building), 7,007 gsf of commercial retail space, 3,938 gsf of PDR space, and 6,947 gsf of arts activity space. The approximately 14,223 gsf ground-level garages would provide 84 off-street vehicle parking spaces, four car-share spaces, and 237 bicycle parking spaces. The proposed project would involve excavation of approximately 7,911 cubic yards of soil to a depth of up to 14 feet below grade for the foundation system and elevator pits, depending on the location on the site. The proposed project would include approximately 26,800 square feet (sf) of common useable open space in the form of courtyards, rooftop terraces, and the pedestrian mews. The proposed project also would add plantings to the adjacent sidewalks, street furniture, sidewalk bicycle parking, and sidewalk bulbouts at various locations around the project site.

Project Location

The project site is located within the Eastern Neighborhoods Plan Area at 2000–2070 Bryant Street, 2815 18th Street, and 611 Florida Street (Assessor's Block 4022, Lots 001, 002, and 021) in the Mission District neighborhood in the southeast quadrant of the City and County of San Francisco (**Figure 1**). The project site is bounded by 18th Street to the north, Bryant Street to the east, and Florida Street to the west; existing one- or two-story buildings and a six-story building (currently under construction) are located to the south.

The project site is within the Urban Mixed-Use (UMU) District. Pursuant to the San Francisco Planning Code, UMU is a land use designation intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrial-zoned area. The UMU designation is also intended to serve as a buffer between residential uses and PDR uses in the Eastern Neighborhoods. The project site is located in a 68-X Height and Bulk District, which would subject the proposed development to a 68-foot height limit. The "X" indicates no building bulk limitations. Because the south building would be 100 percent affordable, that building would utilize the state density bonus law (California Government Code Section 65915) to permit two additional floors above the otherwise applicable height limit.

Existing Site Conditions

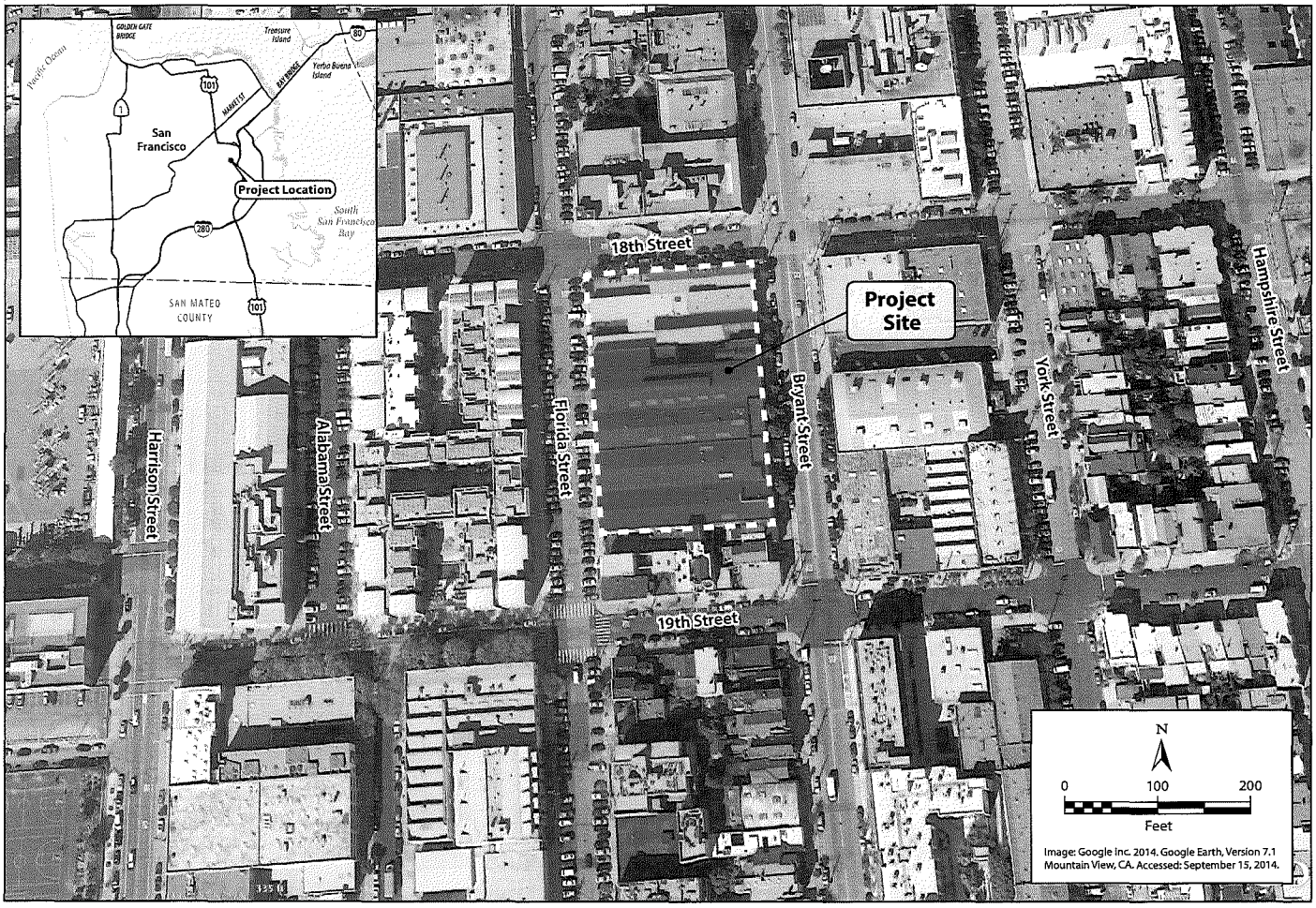
The rectangular project site is approximately 200 feet in width and 325 feet in length and about 65,000 sf (or 1.50 acres) in area. The site is fully developed and occupied by four one- or two-story wood buildings, two one- or two-story light industrial wood-frame/metal-sided buildings, and a two-story concrete and steel-frame industrial building. Existing on-site development totals approximately 72,500 gsf. All buildings are vacant. Recent land uses included a restaurant and light industrial and office uses, including an architect's office, audio recording studio, carpet and upholstery business, automotive repair, specialty machinist, entertainment and theater rehearsal space (Innermission), and the American Conservatory Theater scene shop; three dwelling units are also present. The existing buildings were constructed between 1892 and 1950.[1] The floor area ratio (FAR) for the existing buildings ranges from about 1.0:1 to 2.0:1. **Table 1** summarizes the existing site conditions.

Existing vehicle and pedestrian access is provided on Florida, 18th, and Bryant Streets. A total of 13 curb cuts/driveways currently exist on the project site (i.e., nine on Florida Street, one on 18th Street, and three on Bryant Street).

A total of 24 street trees are located within the existing sidewalk zones (i.e., two street trees on Florida Street, nine on 18th Street, and 13 on Bryant Street). Little to no other vegetation and/or open space exists on the project site, with the exception of a small yard associated with the duplex at 2028–2030 Bryant Street and an area on the corner of 18th and Florida Streets that is paved and used for storage of landscape architecture product samples.

Surrounding land uses consist of one- or two-story buildings with light industrial and office uses on Bryant Street, a five-story building with light industrial and office uses on 18th Street, and a four-story mixed-use residential and commercial building containing 151 dwelling units on Florida Street. One- or two-story residential buildings, an under-construction six-story residential building, and commercial uses are located south of the project site along 19th Street.

[1] Left Coast Architectural History. 2014. *2000–2030 and 2070 Bryant Street Historical Resource Evaluation.* January 15, 2014. This document (and all other documents cited in this report, unless otherwise noted), is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400 as part of Case File No.2013.0677E.



2000-2070 Bryant Street Project
Case No. 2013.0677E

Figure 1
Project Location

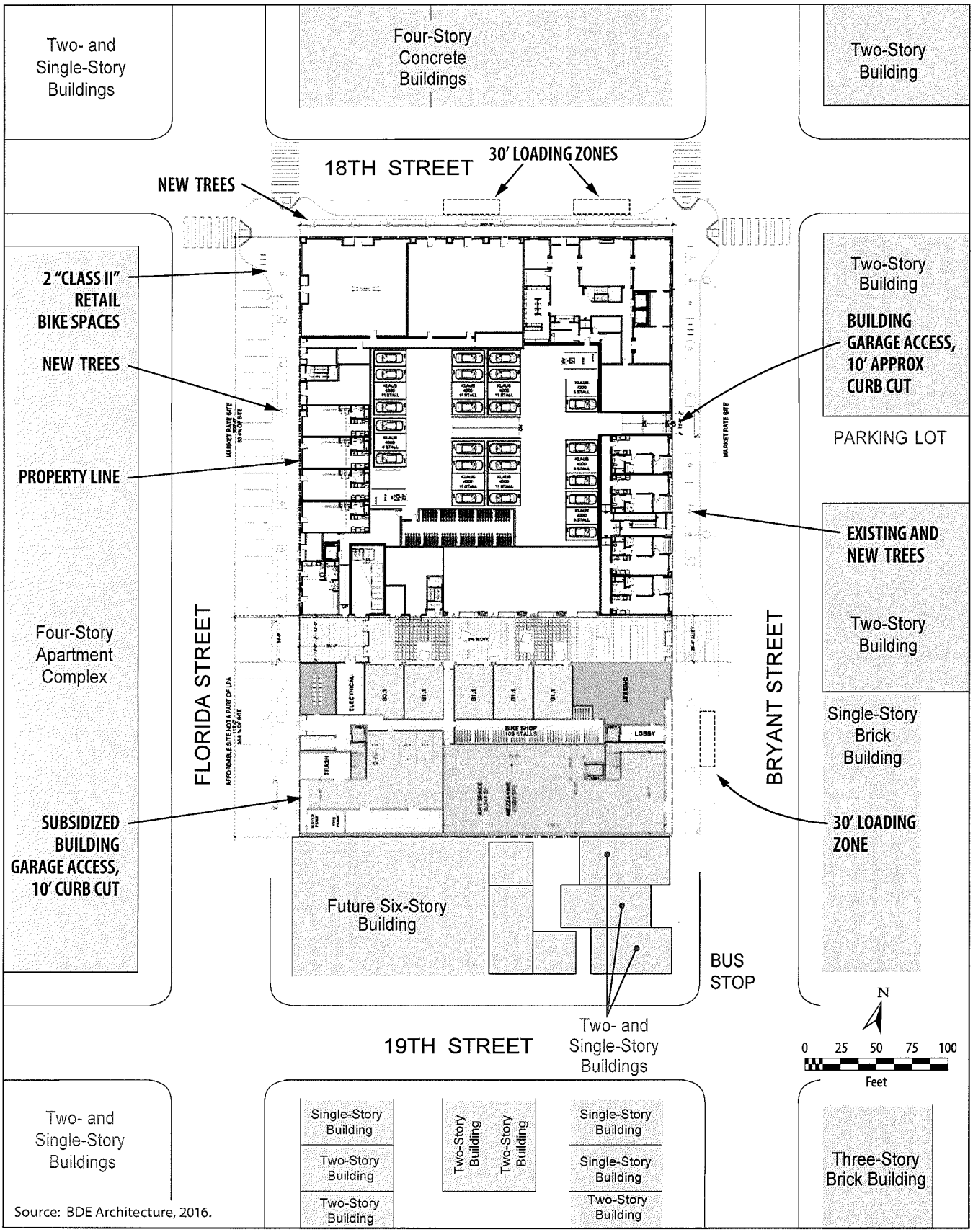
Table 1 – Existing Building Conditions

Existing Building Address	Prior Use (buildings are currently vacant)	Square Footage (approx.)	Height (approx.)	Number of Floors	Year Constructed	Construction Type
Lot 001						
2000–2008 Bryant Street	Restaurant Residential	1,320 gsf 1,320 gsf	25 ft	2	1907	Wood Frame
2010–2012 Bryant Street	Arts (audio recording studio)	4,480 gsf	25 ft	2	1907	Wood Frame
2014 Bryant Street	Light industrial (carpet and upholstery)	3,810 gsf	20 ft	1	1907	Wood Frame/Metal Sided
2813–2825 18th Street	Office (architecture office)	3,540 gsf	20 ft	2	1897, altered ca. 1970	Wood Frame
611 Florida Street	Light Industrial (automotive repair)	6,160 gsf	15 ft	1	ca. 1950	Wood Frame
Lot 002						
2028–2030 Bryant Street	Residential	1,870 gsf	30 ft	2	1892, altered in 1905	Wood Frame/Metal Sided
Lot 021						
2044, 2050, and 2070 Bryant Street	Light Industrial, Arts (machinist) (American Conservatory Theater scene shop) (Innermission)	50,000 gsf *14,700 gsf* *22,200 gsf* *13,100 gsf*	30 ft	2	1918, altered in 1925	Steel Frame and Concrete
Total	—	72,500 gsf	—	—	—	—

Sources: Nick Podell Company. 2014. Left Coast Architectural History. *2000–2030 and 2070 Bryant Street Historical Resource Evaluation*. January 15, 2014.

Project Characteristics

The proposed project involves merging the three lots into two parcels and constructing one six-story mixed-use building and one eight-story mixed-use building. **Table 2** summarizes the proposed project characteristics, and **Figure 2** shows the project site plan and surrounding structures. **Figure 3** shows the ground-floor building plan, with the ground-level garages, commercial retail space, PDR and arts activities space, residential lobbies and amenity spaces, and ground-level dwelling units. **Figure 4** shows a typical illustration of floors two through six, with dwelling units and common courtyard open spaces (located on the second floor only). **Figure 5** illustrates the building elevations for the north building. Building elevations for the south building have not yet been developed.



Source: BDE Architecture, 2016.

2000-2070 Bryant Street Project
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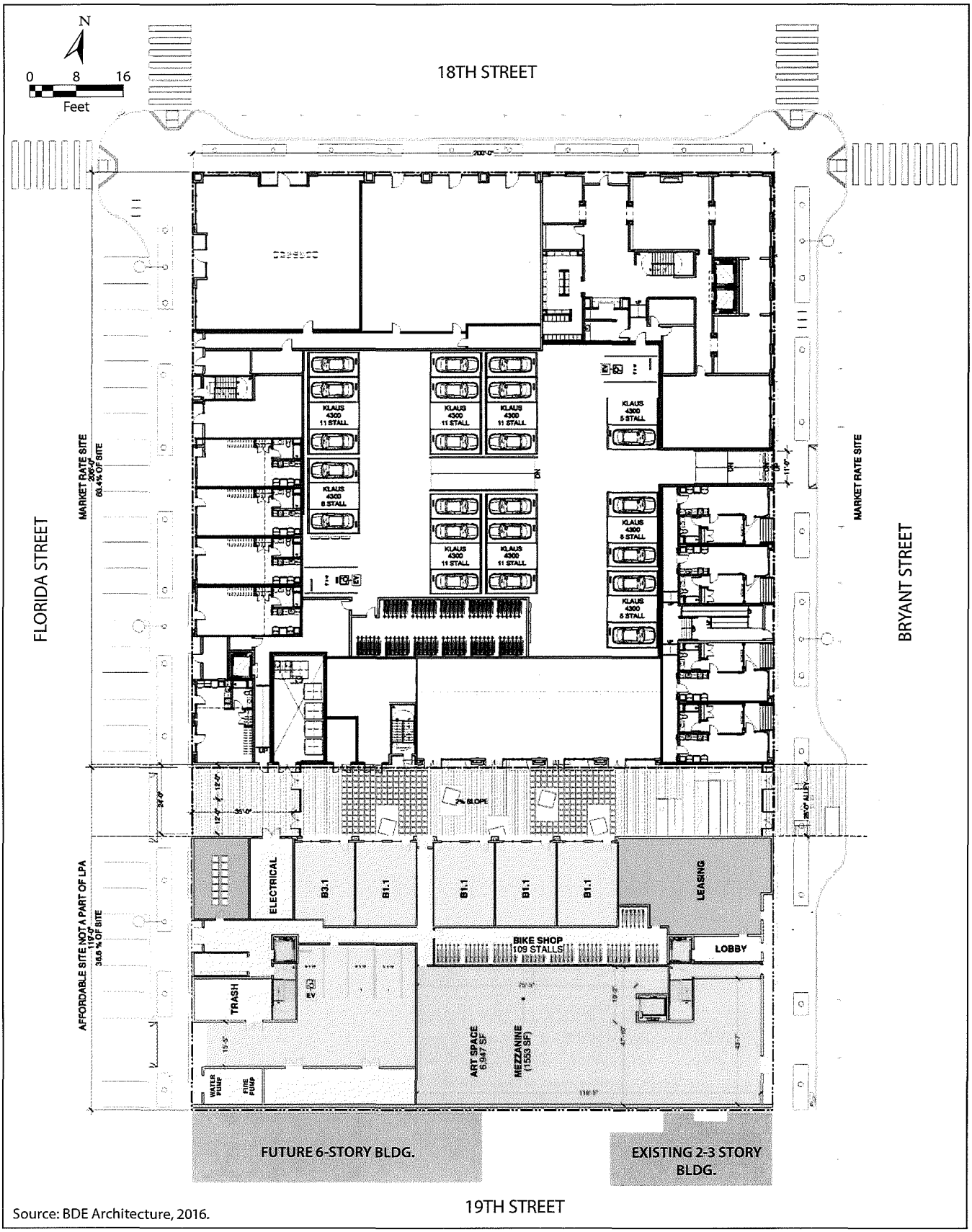
Figure 2
Project Site Plan and Surrounding Uses

Table 2 – Proposed Project Characteristics

Use/Characteristic	Area /Amount	
	North Building	**South Building**
Residential[a]	175,145 gsf	115,643 gsf
Amenity Space[b]	5,572 gsf	1,574 gsf
Dwelling Units	199 units - 5 flex units - 30 studio units - 84 one-bedroom units - 80 two-bedroom units	136 units - 35 studio units - 46 one-bedroom units - 48 two-bedroom units - 7 three-bedroom units
Commercial Retail	7,007 gsf - 4,066 gsf general retail - 2,941 gsf composite restaurant	0 gsf
PDR/Arts Activities	3,938 gsf	6,947 gsf
Ground-Level Garage	11,994 gsf	2,229 gsf
Vehicle Parking	85 spaces (including two ADA-compliant and one car-share space)	3 car-share spaces
Bicycle Parking (Class 1)	128 spaces	109 spaces
Total Buildings	203,656 gsf	127,983 gsf
Other Project Elements		
Building Height	68 feet	85 feet
Number of Stories	6 stories	8 stories
Common Open Space	15,920 sf - Courtyards: 8,558 sf - Rooftop terrace: 7,162 sf - Pedestrian Mews: 200 sf	10,880 sf - Courtyards: 3,104 sf - Rooftop terrace: 2,976 sf - Pedestrian Mews: 4,800 sf
Sidewalk Bicycle Parking (Class 2)	22 spaces	7 spaces
Street Trees	42 trees	

Source: Nick Podell Company. 2016. *2000–2070 Bryant Street EE Plan Set*. April 29, 2016.
Notes:
ADA = Americans with Disabilities Act.
[a] Residential space refers to the rentable residential gsf as well as lobbies, corridors, community room, and stairways.
[b] Amenity space refers to the fitness center, lounge/library, laundry, community room, and leasing/management offices. The gsf for the bicycle storage for the Class 1 bicycle parking spaces is accounted for in the ground-level garage gsf.



Source: BDE Architecture, 2016.

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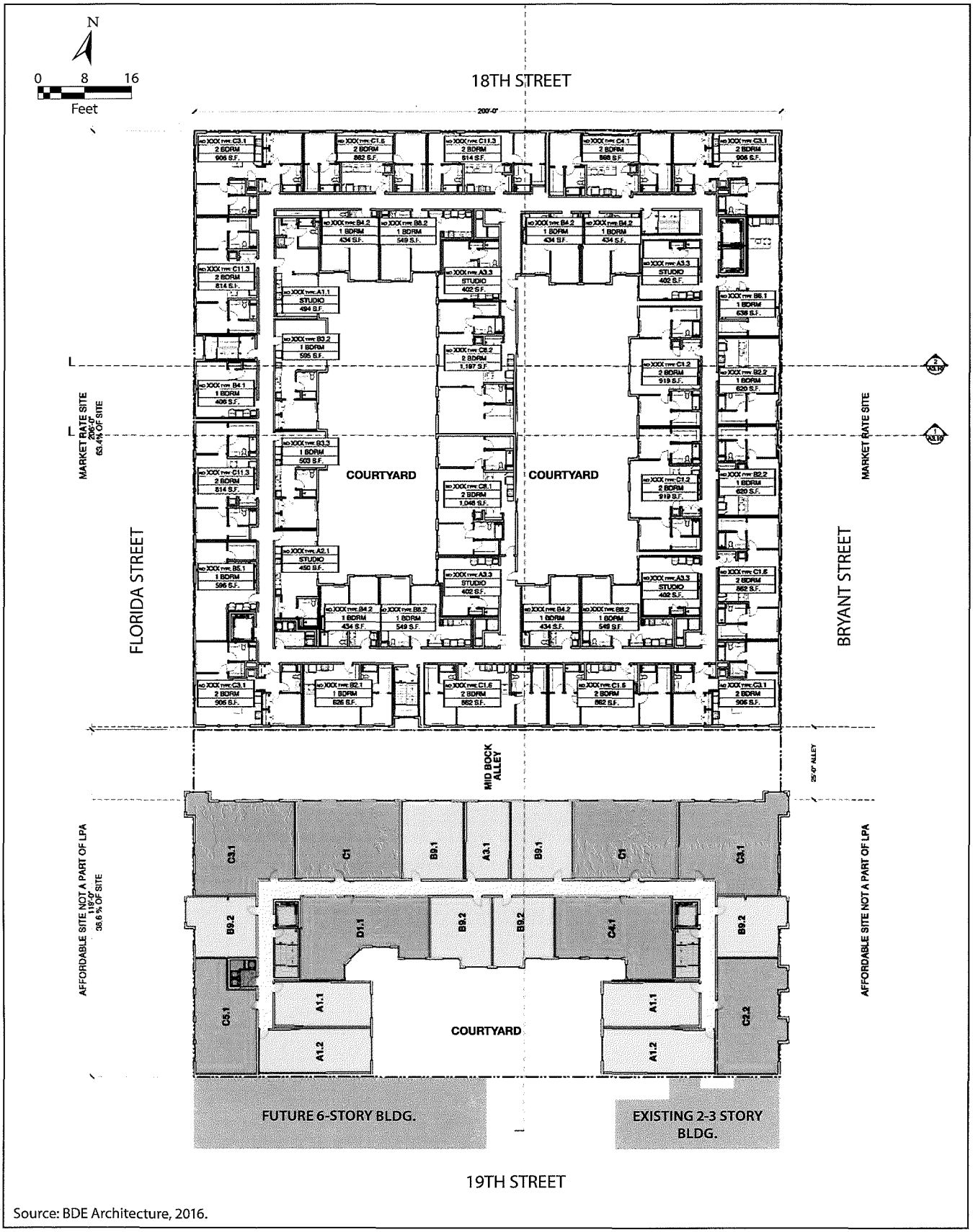
2000-2070 Bryant Street Project
Case No. 2013.0677E

Figure 3
Ground Floor Building Plan



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Source: BDE Architecture, 2016.

2000-2070 Bryant Street Project
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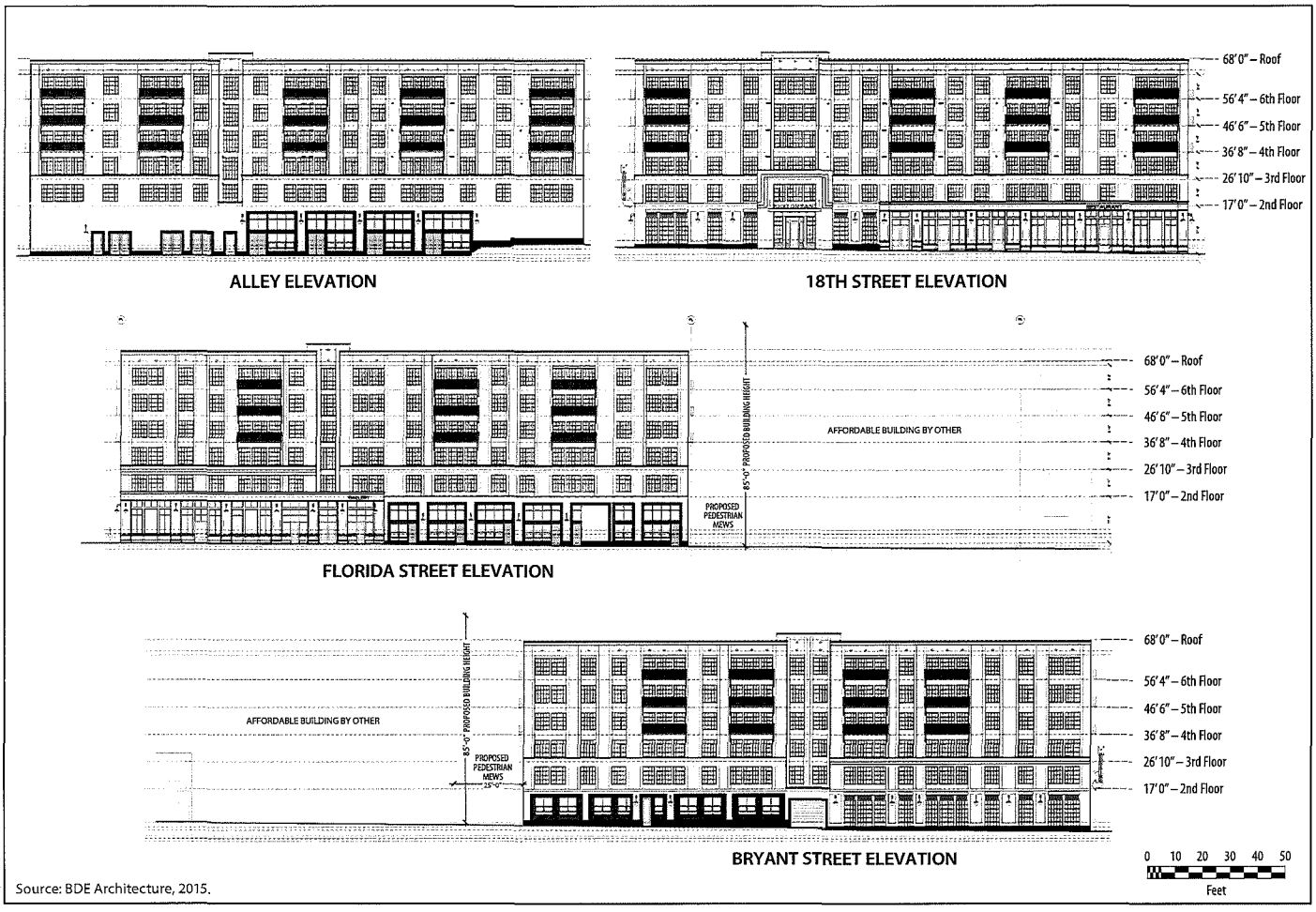
Figure 4
Typical Building Plan – Floors 3 through 6



Source: BDE Architecture, 2015.

2000-2070 Bryant Street Project
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Figure 5
Project Building Elevations

North Building

The six-story, 68-foot tall, 203,656 gsf mixed-use residential and commercial building would contain 199 dwelling units (including three on-site inclusionary affordable units), 3,938 gsf of PDR space, and 7,007 gsf of commercial retail space. The proposed dwelling units would consist of five ground-floor flex units (about 2.5 percent of total units), 30 studio units (about 15 percent of total units), 84 one-bedroom units (about 42 percent of total units), and 80 two-bedroom units (about 42 percent of total units). The dwelling units would be located primarily on building floors two through six, with five work/live flex units located at ground level facing Florida Street and four stoop units located at ground level facing Bryant Street (see **Figures 3** and **4**). Residential amenities would include a fitness center, bicycle storage (for the Class 1 bicycle parking spaces), roof deck, lounge/library, entrance lobbies, and a leasing office.[2] Primary pedestrian access to the building would be provided from the main lobby on 18th Street and the secondary lobby on Florida Street, with individual ground-floor unit entrances on Bryant and Florida Streets. Three other key-controlled entrance and exit points would be located on Bryant and Florida Streets and the pedestrian mews. Gates to the pedestrian mews would be open during daylight hours and accessible by key at night.

The 7,007 gsf of commercial retail space would be located on the ground floor at and near the intersection of Florida Street and 18th Street (see **Figure 3**). The commercial retail space would consist of two spaces totaling 4,066 gsf of general retail with independent pedestrian entrances on 18th Street and Florida Street and 2,941 gsf of composite restaurant space with entrances on 18th and Florida Streets.

The 11,994 gsf ground-level garage would provide 85 vehicle parking spaces for building residents (including two ADA-compliant spaces and one space reserved for car sharing) (see **Figure 3**). The garage would utilize vehicle parking stackers that would allow two cars to be stacked on top of one another using a puzzle-stacker system. The proposed project also would provide 128 Class 1 bicycle parking spaces in the garage, near the pedestrian mews, for project residents and retail-associated occupants. An additional 22 Class 2 (sidewalk) bicycle parking spaces would be provided in the sidewalk zone on Florida Street.[3] Ingress and egress to the ground-level garage would be provided by a single-lane entrance/exit on Bryant Street, with the intent of reducing traffic conflicts and enhancing the pedestrian environment. Primary pedestrian access to and from the ground-level garage and bicycle parking facility would be through the building lobby and key-controlled doors located on Bryant Street and the pedestrian mews.

The proposed north building also would provide approximately 15,920 sf of common useable open space (accessible to residents and their guests) in the form of central courtyards on the second floor (see **Figure 4**), pedestrian mews, and a rooftop terrace.

The screening-level wind analysis performed for the project suggests design measures to reduce wind speeds at the northwest corner of the north building at the southeast corner of Florida and 18th Streets. These include canopies and trellises, approximately 30 percent porous, as well as marquees. The north building would include the following: two 4 by 16-foot awnings and one 8- by 16-foot marque on 18th Street; two 4 by 14-foot awnings, and one 8 by 14-foot marque on Florida Street; and one sidewalk trellis

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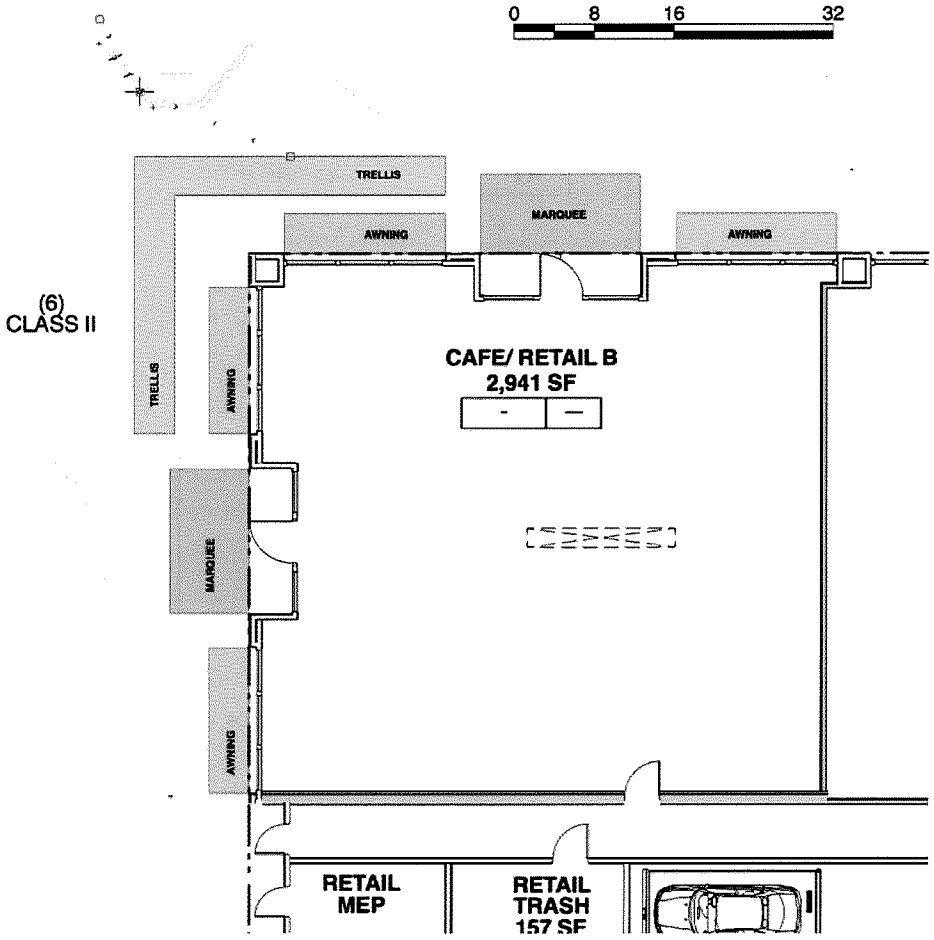
[2] Class 1 spaces protect the entire bicycle in secure, weather-protected facilities and are intended for long-term, overnight, and work-day storage by project residents, non-residential occupants, and employees.

[3] Class 2 spaces are located in a publicly accessible, highly visible location intended for transient or short-term use by visitors, guests, and patrons to the building or use (i.e. standard bike racks that allow users to tether bikes).

that would wrap around the corner of the 18th and Florida Street sidewalks. The marquee would consist of a permanent roofed structure attached to and supported entirely by the building. The marquee would be classified as an embellishment to the façade of the building. The trellis would be a minor permanent structure consisting of a horizontal awning with embedded poles. The trellis would be constructed of wood, metal and/or glass and be at least 30 percent permeable. The trellis would require a sidewalk encroachment.

These features are shown in the illustration below.



South Building

The eight-story, 85-foot-tall, 127,983 gsf residential and arts activity building would contain 136 affordable dwelling units and 6,947 gsf of arts space. The proposed dwelling units would consist of 35 studio units (about 25.7 percent of total units), 46 one-bedroom units (about 33.8 percent of total units), 48 two-bedroom units (about 35.3 percent of total units), and 7 three-bedroom units (about 5.1 percent of total units). The dwelling units would be located primarily on building floors two through eight, with five dwelling units located at ground level on the pedestrian mews (see **Figures 3** and **4**). Residential amenities would include bicycle storage (for the Class 1 bicycle parking spaces), roof deck, community

room, laundry room, entrance lobbies, and a leasing/management office. Primary pedestrian access to the building would be provided from lobbies on Bryant Street and Florida Street, with a secondary entrance on the pedestrian mews and via individual ground-floor unit entrances on the pedestrian mews. Key-controlled gates to the pedestrian mews at Bryant and Florida Streets would be open during daylight hours and accessible by key at night.

The 6,947 gsf of arts activity space would be located on the ground floor at the southeast corner of the south building, on Bryant Street (see **Figure 3**). The arts activity space would consist of one space with a mezzanine and internal access elevator. The 1,590 gsf of leasing/management space would be located on the ground floor in the middle of the block on Bryant Street, north of the arts space (see **Figure 3**). The 1,146 gsf of community space would be located on the second floor facing the building courtyard and would be accessible via the two building elevators.

The 2,229 gsf ground-level garage would provide three car-share spaces (see **Figure 3**). The garage parking would be on grade. The proposed south building also would provide 109 Class 1 bicycle parking spaces for project residents and arts/leasing/management-associated occupants in the center of the building. An additional seven Class 2 (sidewalk) bicycle parking spaces would be provided in the sidewalk zone on Florida Street. Ingress and egress to the ground-level garage would be provided by a single-lane entrance/exit on Florida Street, with the intent of reducing traffic conflicts and enhancing the pedestrian environment. Primary pedestrian access to and from the ground-level garage and bicycle parking facility would be through the building lobby and key-controlled doors located on Florida and Bryant Streets and the pedestrian mews.

The proposed south building also would provide approximately 10,880 sf of common useable open space (accessible to residents and their guests) in the form of central courtyards on the second floor (see **Figure 4**), pedestrian mews, and a rooftop terrace.

Other Project Features

The proposed project would remove and replace the existing 24 street trees with 42 new street trees and additional landscaping along the building frontages (see **Figure 3**). Ten new street trees would be planted on 18th Street, 16 new street trees would be planted on Florida Street, and 16 new street trees would be planted on Bryant Street.

The proposed project would include two off-street commercial loading spaces within the pedestrian mews, on grade and accessible via Florida Street. The loading spaces would be shared by the two buildings and would accommodate weekly trash and recycling pickup, daily deliveries (e.g., FedEx, UPS, and postal service), and resident move-ins and move-outs. The project sponsor would also seek approval from the San Francisco Municipal Transportation Agency (SFMTA) for one on-street commercial loading zone (yellow curb) on Bryant Street and one on 18th Street.

The 11 existing curb cuts/driveways on Florida and Bryant Streets would be removed and replaced with sidewalks. The existing driveway at the southern end of Florida Street and one new driveway cut on Bryant Street (each approximately 10 feet in length) would serve as the entrance and exit points of the ground-level garages for the respective buildings. One new curb cut of approximately 24 feet would serve the on-site loading zones. By removing the existing curb cuts/driveways, the proposed project would provide up to eight new on-street parking spaces and two new commercial loading spaces along Bryant and 18th Streets. Two new curb bulbouts would also be provided at the corners of 18th and Florida Streets and 18th and Bryant Streets to improve pedestrian crossing and visibility. An additional bulbout on Bryant Street at the pedestrian mews would be landscaped to add to pedestrian comfort.

Construction

Project construction would begin with the demolition of the seven existing buildings on the project site. Demolition would involve characterizing the contents of each building, abating any hazards present (including asbestos-containing materials and lead-based paint), identifying and removing reusable and recyclable materials, demolishing and removing the existing structures, and removing the existing foundation slabs and underground utilities.

The proposed project would involve excavation up to 14 feet below grade for the foundation system and elevator pits, depending on the location on the site. Approximately 7,911 cubic yards of soil would be excavated from the project site. Pending approval from San Francisco Department of Public Health (DPH), excavated soil would be re-compacted and reused on-site, as feasible.

The building foundations would consist of a mat slab on drilled displacement columns and deep soil mixing improvements to address liquefaction and lateral spreading potential on the site. The drilled displacement columns would extend approximately 30 feet into the ground. No pile driving would be required.

The project sponsor will complete demolition for the entire project. The project sponsor and Mayor's Office of Housing and Community Development (MOHCD) will be responsible for their own ground improvements, excavation, and foundation systems, except that the project sponsor would complete and maintain the pedestrian mews at its sole expense. Construction of the project is estimated to take about 20 months.

Project Setting

Surrounding land uses consist of one- or two-story buildings with light industrial and office uses on Bryant Street, a five-story building with light industrial and office uses on 18th Street, and a four-story mixed-use residential and commercial building containing 151 dwelling units on Florida Street. One- or two-story residential buildings, an under-construction six-story residential, and commercial uses are located immediately south of the project site.

The local vicinity is a largely flat area of the Mission District, characterized by a mix of two- to five-story older and more recently constructed residential buildings, which are interspersed with one- to three-story buildings containing various PDR uses. Architectural styles vary considerably with the age and use of vicinity structures. Zoning districts are primarily UMU and PDR but also include some Residential House (RH). Height limits are largely 68 feet, tapering to 45 feet and lower toward and south of 20th Street. The nearest school is John O'Connell Alternative High School, about 700 feet to the southwest, and the nearest park is Franklin Square, about 1,100 feet to the northeast.

The surrounding two-way, two-lane streets generally have on-street parking. By street distance, the project site is approximately 0.5 mile from San Francisco General Hospital on Potrero Avenue, 4/5 mile from the 16th and Mission Streets Bay Area Rapid Transit (BART) station, and about 1 mile from the US 101 on-ramps at both South Van Ness Avenue (to the north) and Cesar Chavez Boulevard (to the south).

Project Approvals

The proposed project would require the following approvals:

Actions by the Planning Commission

North Building:

- Large Project Authorization pursuant to Planning Code Section 329 for new construction of more than 25,000 gsf, with exceptions pursuant to the following Planning Code sections:
  - Section 134(f) – Rear-yard exception to allow for open space to be configured in an inner courtyard rather than a rear yard.
  - Section 152.1 – Off-street loading exception to permit two off-street loading spaces, rather than three off-street loading spaces.
  - Section 270.1 – Horizontal mass reduction exception to allow the north building to reach 205 feet in length without a horizontal mass reduction, rather than 200 feet.
  - Section 329(d)(10) – Permitted accessory uses for ground-floor flex units.
- Conditional Use Authorization pursuant to Planning Code Sections 303 and 317 to authorize demolition and replacement of three existing dwelling units.

South Building:

- Large Project Authorization pursuant to Planning Code Section 329 for new construction of more than 25,000 gsf, with exceptions pursuant to the following Planning Code sections:
  - Section 134(f) – Rear-yard exception to allow for open space to be configured in a courtyard rather than a rear yard.
  - Section 135(g) – Common open space dimension exception for the courtyard that is less in width than height.
  - Section 140 – Unit exposure exception for dimension of courtyard.
- State density bonus law (California Government Code Section 65915) concession to permit two additional floors above the otherwise applicable height limit.

Actions by other City Departments

- Lot Line Adjustment and Condominium Map Approvals (San Francisco Public Works [SFPW]) for merging and re-subdividing the three lots on the project site.
- Demolition and Building Permits (Department of Building Inspection [DBI]) for the demolition of the existing buildings and construction of the new structures.
- Site Mitigation Plan (DPH) for treatment of potentially hazardous soils and groundwater.
- Street and Sidewalk Permits (Bureau of Streets and Mapping, SFPW) for modifications to public sidewalks, street trees, and curb cuts.
- Approval of Changes to Sewer Laterals (San Francisco Public Utilities Commission [SFPUC]).

- Stormwater Control Plan (SFPUC), because the proposed project would result in ground disturbance of an area greater than 5,000 sf.
- Dust Control Plan (DPH) meeting the requirements of San Francisco Health Code Article 22B.

Approval Action

The proposed north building project is subject to Large Project Authorization and Conditional Use Authorization by the Planning Commission; the proposed south building project is subject to Large Project Authorization approval by the Planning Commission. Approval of the first Large Project Authorization is the Approval Action for the proposed projects. The Approval Action date establishes the start of the 30-day appeal period for this California Environmental Quality Act (CEQA) exemption determination pursuant to Section 31.04(h) of the San Francisco Administrative Code.

EVALUATION OF ENVIRONMENTAL EFFECTS

This Community Plan Exemption (CPE) Checklist evaluates whether the environmental impacts of the proposed project are addressed in the Programmatic Environmental Impact Report for the Eastern Neighborhoods Rezoning and Area Plans (Eastern Neighborhoods PEIR).[4] The CPE Checklist indicates whether the proposed project would result in significant impacts that (1) are peculiar to the project or project site; (2) were not identified as significant project-level, cumulative, or off-site effects in the PEIR; or (3) are previously identified significant effects that, as a result of substantial new information that was not known at the time that the Eastern Neighborhoods PEIR was certified, are determined to have a more severe adverse impact than discussed in the PEIR. Such impacts, if any, will be evaluated in a project-specific Mitigated Negative Declaration or Environmental Impact Report. If no such impacts are identified, the proposed project is exempt from further environmental review in accordance with Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183.

Mitigation measures identified in the PEIR are discussed under each topic area, and measures that are applicable to the proposed project are provided in the Mitigation Measures section at the end of this checklist.

The Eastern Neighborhoods PEIR identified significant impacts related to land use, transportation, cultural resources, shadow, noise, air quality, and hazardous materials. Additionally, the PEIR identified significant cumulative impacts related to land use, transportation, and cultural resources. Mitigation measures were identified that reduced all impacts to less than significant, except for those related to land use (cumulative impacts on PDR use), transportation (program-level and cumulative traffic impacts at nine intersections; program-level and cumulative transit impacts on seven SFMTA lines), cultural resources (cumulative impacts from demolition of historical resources), and shadow (program-level impacts on parks).

The proposed project would include the demolition of the seven existing buildings (totaling 72,500 gsf), merging of the three lots into two parcels, and construction of two buildings.

The project sponsor would construct a six-story, 68-foot-tall, approximately 203,656 gsf mixed-use residential and commercial building with a ground-level garage. The mixed-use building would provide 199 dwelling units (196 market-rate and three affordable units); approximately 15,920 sf of common useable open space in the form of a courtyard, a pedestrian mews, and a rooftop terrace; 3,938 gsf of ground-level

[4] San Francisco Planning Department. 2008. *Eastern Neighborhoods Rezoning and Area Plans Final Environmental Impact Report (PEIR).* Planning Department Case No. 2004.0160E, State Clearinghouse No. 2005032048, certified August 7, 2008. Available: http://www.sf-planning.org/index.aspx?page=1893. Accessed: April 26, 2016.

PDR space; and 7,007 gsf of ground-level commercial retail space. The approximately 11,994 gsf ground-level garage, with ingress and egress on Bryant Street, would provide 85 off-street vehicle parking spaces and 128 Class 1 bicycle parking spaces.

MOHCD would ground lease the south parcel to a developer to construct an eight-story, 85-foot-tall, and approximately 127,983 gsf mixed-use residential and arts activity building with a ground-level car-share garage. The mixed-use building would provide 136 affordable dwelling units; approximately 10,880 sf of common useable open space in the form of a courtyard, a pedestrian alley, and a rooftop terrace; and 6,947 gsf of ground-level arts activity space. The approximately 2,229 gsf ground-level garage, with ingress and egress on Florida Street, would provide three off-street car-share parking spaces and 109 Class 1 bicycle parking spaces.

As discussed below in this checklist, the proposed project would not result in new significant environmental effects or effects with greater severity than those already analyzed and disclosed in the Eastern Neighborhoods PEIR.

CHANGES IN THE REGULATORY ENVIRONMENT

Since the certification of the Eastern Neighborhoods PEIR in 2008, several new policies, regulations, statutes, and funding measures have been adopted, passed, or are underway that affect the physical environment and/or environmental review methodology for projects in the Eastern Neighborhoods plan areas. As discussed in each topic area referenced below, these policies, regulations, statutes, and funding measures have implemented or will implement mitigation measures or further reduce less-than-significant impacts identified in the PEIR. These include:

- State statute regarding Aesthetics, Parking Impacts, effective January 2014, and state statute and Planning Commission resolution regarding automobile delay, and vehicle miles traveled, (VMT) effective March 2016 (see "CEQA Section 21099" heading below);
- The adoption of 2016 interim controls in the Mission District requiring additional information and analysis regarding housing affordability, displacement, loss of PDR and other analyses, effective January 2016;
- San Francisco Bicycle Plan update adoption in June 2009, Better Streets Plan adoption in 2010, Transit Effectiveness Project (aka "Muni Forward") adoption in March 2014, Vision Zero adoption by various City agencies in 2014, and Proposition A and B passage in November 2014, the Transportation Sustainability Program process;
- San Francisco ordinance establishing Noise Regulations Related to Residential Uses Near Places of Entertainment effective June 2015 (see Checklist section "Noise");
- San Francisco ordinances establishing Construction Dust Control, effective July 2008, and Enhanced Ventilation Required for Urban Infill Sensitive Use Developments, amended December 2014 (see Checklist section "Air Quality");
- San Francisco Clean and Safe Parks Bond passage in November 2012 and San Francisco Recreation and Open Space Element of the General Plan adoption in April 2014 (see Checklist section "Recreation");

- Urban Water Management Plan adoption in 2011 and Sewer System Improvement Program process (see Checklist section "Utilities and Service Systems"); and
- Article 22A of the Health Code amendments effective August 2013 (see Checklist section "Hazardous Materials").

CHANGES IN THE PHYSICAL ENVIRONMENT

Since the certification of the Eastern Neighborhoods PEIR in 2008, as evidenced by the volume of development applications submitted to the Planning Department since 2012, the pace of development activity has increased in the Eastern Neighborhoods plan areas. The Eastern Neighborhoods PEIR projected that implementation of the Eastern Neighborhoods Plan could result in a substantial amount of growth within the Eastern Neighborhoods plan areas, resulting in an increase of approximately 7,400 to 9,900 net dwelling units and 3,200,000 to 6,600,000 square feet of net non-residential space (excluding PDR loss) throughout the lifetime of the Plan (year 2025).[5] The Eastern Neighborhoods PEIR projected that this level of development would result in a total population increase of approximately 23,900 to 33,000 people throughout the lifetime of the plan.[6] Growth projected in the Eastern Neighborhoods PEIR was based on a soft site analysis (i.e., assumptions regarding the potential for a site to be developed through the year 2025) and not based upon the created capacity of the rezoning options (i.e., the total potential for development that would be created indefinitely).[7]

As of February 23, 2016, projects containing 9,749 dwelling units and 2,807,952 square feet of non-residential space (excluding PDR loss) have completed or are proposed to complete environmental review[8] within the Eastern Neighborhoods plan areas.[9] This level of development corresponds to an overall population increase of approximately 23,760 to 25,330 persons. Of the 9,749 dwelling units that are under

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5 Tables 12 through 16 of the Eastern Neighborhoods Draft EIR and Table C&R-2 in the Comments and Responses show projected net growth based on proposed rezoning scenarios. A baseline for existing conditions in the year 2000 was included to provide context for the scenario figures for parcels affected by the rezoning, not projected growth totals from a baseline of the year 2000. Estimates of projected growth were based on parcels that were to be rezoned and did not include parcels that were recently developed (i.e., parcels with projects completed between 2000 and March 2006) or have proposed projects in the pipeline (i.e., projects under construction, projects approved or entitled by the Planning Department, or projects under review by the Planning Department or Department of Building Inspection). Development pipeline figures for each Plan Area were presented separately in Tables 5, 7, 9, and 11 in the Draft EIR. Environmental impact assessments for these pipeline projects were considered separately from the Eastern Neighborhoods rezoning effort.

6 Table 2 Forecast Growth by Rezoning Option Chapter IV of the Eastern Neighborhoods Draft EIR shows projected net growth based on proposed rezoning scenarios. A baseline for existing conditions in the year 2000 was included to provide context for the scenario figures for parcels affected by the rezoning.

7 San Francisco Planning Department, Community Planning in the Eastern Neighborhoods, Rezoning Options Workbook, Draft, February 2003. This document is available at: http://www.sf-planning.org/index.aspx?page=1678#background.

8 For this and the Land Use and Land Use Planning section, environmental review is defined as projects that have or are relying on the growth projections and analysis in the Eastern Neighborhoods PEIR for environmental review (i.e., Community Plan Exemptions or Focused Mitigated Negative Declarations and Focused Environmental Impact Reports with an attached Community Plan Exemption Checklist).

9 These estimates include projects that have completed environmental review and foreseeable projects (including the proposed project). Foreseeable projects are those projects for which environmental evaluation applications have been submitted to the San Francisco Planning Department.

review or have completed environmental review, building permits have been issued[10] for 4,829 dwelling units, or approximately 50 percent of those units (information is not available regarding building permit non-residential square footage).

Within the Mission District subarea, the Eastern Neighborhoods PEIR projected that implementation of the Eastern Neighborhoods Plan could result in an increase of 800 to 2,100 net dwelling units and 700,000 to 3,500,000 sf of non-residential space (excluding PDR loss) through the year 2025. This level of development corresponds to an overall population increase of approximately 4,720 to 12,210 persons. As of February 23, 2016, projects containing 2,451 dwelling units and 355,842 square feet of non-residential space (excluding PDR loss) have completed or are proposed to complete environmental review within the Mission District subarea. This level of development corresponds to an overall population increase of 8,765 to 10,650 persons Of the 2,451 dwelling units that are under review or have completed environmental review, building permits have been issued for 1,340 dwelling units, or approximately 55 percent of those units. Therefore, anticipated growth from the Eastern Neighborhoods Rezoning and Area Plans is within the Eastern Neighborhoods PEIR growth projections.

Growth that has occurred within the plan areas since adoption of the Eastern Neighborhoods PEIR has been planned for and the effects of that growth were anticipated and considered in the Eastern Neighborhoods PEIR. Although the number of housing units under review is approaching or exceeds the residential unit projections for the Mission and Showplace Square/Potrero Hill Area Plans of the Eastern Neighborhoods PEIR, the non-residential reasonably foreseeable growth is well below what was anticipated. Therefore, population growth associated with approved and reasonably foreseeable development is within the population that was projected for 2025. Furthermore, the number of constructed projects within Eastern Neighborhoods is well below what was has been approved for all plan areas.

The Eastern Neighborhoods PEIR utilized the growth projections to analyze the physical environmental impacts associated with that growth for the following environmental impact topics: Land Use; Population, Housing, Business Activity, and Employment; Transportation; Noise; Air Quality; Parks, Recreation, and Open Space; Utilities/Public Services; and Water. The analysis took into account the overall growth in the Eastern Neighborhoods and did not necessarily analyze in isolation the impacts of growth in one land use category, although each land use category may have differing severities of effects. The analysis of environmental topics covered in this checklist take into account the differing severities of effects of the residential and employee population.

In summary, projects proposed within the Eastern Neighborhoods Plan Areas have not exceeded the overall population growth that was projected in the Eastern Neighborhoods PEIR; therefore, foreseeable growth within the plan areas do not present substantial new information that was not known at the time of the PEIR and would not result in new significant environmental impacts or substantially more severe adverse impacts than discussed in the PEIR.

[10] An issued building permit refers to buildings currently under construction or open for occupancy. This number includes all units approved under CEQA (including CPEs, Categorical Exemptions and other types of CEQA documents).

SENATE BILL 743

Aesthetics and Parking

In accordance with CEQA Section 21099 – Modernization of Transportation Analysis for Transit Oriented Projects – aesthetics and parking shall not be considered in determining if a project has the potential to result in significant environmental effects, provided the project meets all of the following three criteria:

a) The project is in a transit priority area;

b) The project is on an infill site; and

c) The project is residential, mixed-use residential, or an employment center.

The proposed project meets each of the above three criteria and thus, this checklist does not consider aesthetics or parking in determining the significance of project impacts under CEQA.[11] Project elevations are included in the project description.

Automobile Delay and Vehicle Miles Traveled

In addition, CEQA Section 21099(b)(1) requires that the State Office of Planning and Research (OPR) develop revisions to the CEQA Guidelines establishing criteria for determining the significance of transportation impacts of projects that "promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses." CEQA Section 21099(b)(2) states that upon certification of the revised guidelines for determining transportation impacts pursuant to Section 21099(b)(1), automobile delay, as described solely by level of service or similar measures of vehicular capacity or traffic congestion shall not be considered a significant impact on the environment under CEQA.

In January 2016, OPR published for public review and comment a *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*[12] recommending that transportation impacts for projects be measured using a vehicle miles traveled (VMT) metric. On March 3, 2016, in anticipation of the future certification of the revised CEQA Guidelines, the San Francisco Planning Commission adopted OPR's recommendation to use the VMT metric instead of automobile delay to evaluate the transportation impacts of projects (Resolution 19579). (Note: the VMT metric does not apply to the analysis of project impacts on non-automobile modes of travel such as riding transit, walking, and bicycling.) Therefore, impacts and mitigation measures from the Eastern Neighborhoods PEIR associated with automobile delay are not discussed in this checklist, including PEIR Mitigation Measures E-1: Traffic Signal Installation, E-2: Intelligent Traffic Management, E-3: Enhanced Funding, and E-4: Intelligent Traffic Management. Instead, a VMT and induced automobile travel impact analysis is provided in the Transportation section.

[11] San Francisco Planning Department. Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 2000 – 2070 Bryant Street, August 21, 2014.

[12] This document is available online at: https://www.opr.ca.gov/s_sb743.php.

Topics:		Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
1. LAND USE AND LAND USE PLANNING—Would the project:					
a)	Physically divide an established community?	☐	☐	☐	☒
b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☒
c)	Have a substantial impact upon the existing character of the vicinity?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR analyzed a range of potential rezoning options and considered the effects of losing between approximately 520,000 to 4,930,000 square feet of PDR space in the Plan Area throughout the lifetime of the Plan (year 2025). This was compared to an estimated loss of approximately 4,620,000 square feet of PDR space in the Plan Area under the No Project scenario. Within the Mission District subarea, the Eastern Neighborhoods PEIR considered the effects of losing up to approximately 3,370,000 square feet of PDR space through the year 2025. The Eastern Neighborhoods PEIR determined that adoption of the Area Plans would result in an unavoidable significant impact on land use due to the cumulative loss of PDR space. This impact was addressed in a Statement of Overriding Considerations with CEQA Findings and adopted as part of the Eastern Neighborhoods Rezoning and Areas Plans approval on January 19, 2009.

As of February 23, 2016, projects resulting in the removal of 1,715,001 net square feet of PDR space have completed or are proposed to complete environmental review within the Eastern Neighborhoods Plan area. These estimates include projects that have completed environmental review (1,172,032 square feet of PDR space loss) and foreseeable projects, including the proposed project (542,969 square feet of PDR space net loss). Foreseeable projects are those projects for which environmental evaluation applications have been submitted to the San Francisco Planning Department. As of February 23, 2016, projects involving the removal of approximately 273,073 net square feet of PDR space have completed or are proposed to complete environmental review within the Mission District subarea, including the proposed project.

Development of the proposed project would result in the net loss of approximately 53,565 gsf of PDR building space. This would contribute considerably to the significant cumulative land use impact related to loss of PDR uses that was identified in the Eastern Neighborhoods PEIR. The project site is located in the Urban Mixed Use (UMU) District, which is intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrially-zoned area. The UMU designation is also intended to serve as a buffer between residential uses and PDR uses in the Eastern Neighborhoods. The proposed development is within the development density as envisioned for the site under the Eastern Neighborhoods PEIR. The proposed loss of 53,565 gsf of existing PDR uses represents a considerable contribution to the cumulative loss of PDR space analyzed in the Eastern Neighborhoods PEIR, but would not result in significant impacts that were not identified or a more severe adverse impact than analyzed in the PEIR.

The Eastern Neighborhoods PEIR determined that implementation of the Area Plans would not create any new physical barriers in the Eastern Neighborhoods because the rezoning and Area Plans do not provide for any new major roadways, such as freeways that would disrupt or divide the project area or individual neighborhoods or subareas.

The Citywide Planning and Current Planning Divisions of the Planning Department have determined that the proposed project is permitted in the UMU District and is consistent with the height, density, and land use as specified in the Mission District of the Eastern Neighborhoods Area Plan, maintaining the mixed character of the area by providing ground floor commercial space with residential units above.[13,14]

Because the proposed project is consistent with the development density established in the Eastern Neighborhoods Rezoning and Area Plans, implementation of the proposed project would not result in significant impacts that were not identified in the Eastern Neighborhoods PEIR related to land use and land use planning, and no mitigation measures are necessary.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
2. POPULATION AND HOUSING—Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☐	☒
b) Displace substantial numbers of existing housing units or create demand for additional housing, necessitating the construction of replacement housing?	☐	☐	☐	☒
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒

One of the objectives of the Eastern Neighborhoods Area Plans is to identify appropriate locations for housing in the City's industrially zoned land to meet the citywide demand for additional housing. The PEIR concluded that an increase in population in the Plan Areas is expected to occur as a secondary effect of the proposed rezoning and that any population increase would not, in itself, result in adverse physical effects, but would serve to advance key City policy objectives, such as providing housing in appropriate locations next to Downtown and other employment generators and furthering the City's Transit First policies. It was anticipated that the rezoning would result in an increase in both housing development and population in all of the Area Plan neighborhoods. The Eastern Neighborhoods PEIR determined that

[13] Jeff Joslin, San Francisco Planning Department, Community Plan Exemption Eligibility Determination, Current Planning Analysis, 2000 – 2070 Bryant Street, May 9, 2016.

[14] Susan Exline, San Francisco Planning Department, Community Plan Exemption Eligibility Determination, Citywide Planning and Policy Analysis, 2000 – 2070 Bryant Street, May 12, 2016.

anticipated increase in population and density would not result in significant adverse physical effects on the environment. No mitigation measures were identified in the PEIR.

The proposed project would involve the demolition of three existing vacant dwelling units and the construction of 335 new dwelling units that would introduce approximately 838 new residents on the site, thereby increasing the residential populations within the Mission District of the Eastern Neighborhoods Plan Area.[15] The proposed project would also develop approximately 7,007 gsf of retail uses and 3,938 gsf of PDR space which would generate approximately 27 total employees at full occupancy.[16] The existing units on the project site are currently vacant and no individuals would be displaced as a result of the proposed project. As stated in the "Changes in the Physical Environment" section above, these direct effects of the proposed project on population and housing are within the scope of the population growth anticipated under the Eastern Neighborhoods Rezoning and Area Plans and evaluated in the Eastern Neighborhoods PEIR.

For the above reasons, the proposed project would not result in significant impacts on population and housing that were not identified in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
3. CULTURAL AND PALEONTOLOGICAL RESOURCES—Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco *Planning Code*?	☐	☐	☐	☒
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	☐	☐	☐	☒
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☒
d) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☐	☒

[15] Estimated number of new residents based on average household size (2.5) of occupied housing units in the Census Tract 228.01 and the proposed project's 335 new dwelling units [328 * 2.5 = 838 residents].

[16] Employment calculations are based on the City of San Francisco *Transportation Impact Analysis Guidelines,* which estimate average density of 350 square feet per employee assigned to retail space and 567 per employee assigned to manufacturing/industrial space. It is assumed that the proposed amenity space associated with the project would generate negligible employees and is not included in the employee estimates.

Historic Architectural Resources

Pursuant to CEQA Guidelines Sections 15064.5(a)(1) and 15064.5(a)(2), historical resources are buildings or structures that are listed, or are eligible for listing, in the California Register of Historical Resources or are identified in a local register of historical resources, such as Articles 10 and 11 of the San Francisco Planning Code. The Eastern Neighborhoods PEIR determined that future development facilitated through the changes in use districts and height limits under the Eastern Neighborhoods Area Plans could have substantial adverse changes on the significance of both individual historical resources and on historical districts within the Plan Areas. The PEIR determined that approximately 32 percent of the known or potential historical resources in the Plan Areas could potentially be affected under the preferred alternative. The Eastern Neighborhoods PEIR found this impact to be significant and unavoidable. This impact was addressed in a Statement of Overriding Considerations with findings and adopted as part of the Eastern Neighborhoods Rezoning and Area Plans approval on January 19, 2009.

The proposed project would demolish the seven existing buildings on the project site. The building addresses and original construction dates are listed below.

- 2000–2008 Bryant Street, built in 1907.
- 2010–2012 Bryant Street, built in 1907.
- 2014 Bryant Street, built in 1907.
- 2028–2030 Bryant Street, built in 1892, altered in 1905.
- 2813–2815 18th Street, built in 1897, altered ca. 1970.
- 611 Florida Street, built ca. 1950.
- 2044–2070 Bryant Street, built in 1918, altered in 1925.

None of the existing buildings within the project site are listed on the National Register of Historic Places, the California Register of Historical Resources, or any adopted local registers of historical resources. The existing buildings were not specifically evaluated in the Eastern Neighborhoods PEIR. However, all seven buildings were evaluated as part of the Showplace Square/Northeast Mission Historic Resource Survey, which was adopted by the San Francisco Historic Preservation Commission in August 2011.[17] As part of this survey, the subject properties were assigned California Historic Resource Status Codes (CHRSC) as follows:

- 2000-2008 Bryant Street - 6L
- 2010-2012 Bryant Street - 6L
- 2014 Bryant Street - 6L
- 2028-2030 Bryant Street - 6Z
- 2070 Bryant Street - 6L

[17] San Francisco Planning Department. Showplace Square/Northeast Mission Historic Resource Survey. March 20, 2012. Available online at http://sf-planning.org/showplace-squarenortheast-mission-historic-resource-survey. Accessed April 26, 2016.

- 813-2815 18th Street - 6Z
- 611 Florida Street - 6Z

A CHRSC of "6L" means a property has been determined ineligible for local listing or designation through a local government review process, although it may warrant special consideration in local planning. A CHRSC of "6Z" means a property has been determined ineligible for National Register, California Register or local designation through survey evaluation. The Showplace Square/Northeast Mission Historic Resource Survey also concluded that the project site is not located within or in the vicinity of any qualified historic districts.

According to the Historic Resource Evaluation (HRE) prepared for the proposed project, none of the existing properties or buildings on the project site possess sufficient historical significance to qualify as a historic resource for individual listing on the California Register of Historic Resources.[18,19] Neither the properties nor any of the individual buildings demonstrate association with significant historic events or people or have high architectural merit or association with a master architect or builder. The buildings on the 2044–2070 Bryant Street property have retained physical integrity, but their physical features represent no historical significance. All other buildings on the project site demonstrate a lack of physical integrity. Furthermore, the project site is not located in or near any historic districts. Therefore, the project site is not considered to be a historic resource for the purposes of CEQA.

The proposed project would not result in the demolition or alteration of any historic resource. Therefore, the proposed project would not contribute to the significant historic resource impact identified in the Eastern Neighborhoods PEIR, and no historic resource mitigation measures would apply to the proposed project. For these reasons, the proposed project would not result in significant impacts on historic architectural resources that were not identified in the Eastern Neighborhoods PEIR.

Archeological Resources

The Eastern Neighborhoods PEIR determined that implementation of the Area Plan could result in significant impacts on archeological resources and identified three mitigation measures that would reduce these potential impacts to a less than significant level. Eastern Neighborhoods PEIR Mitigation Measure J-1 applies to properties for which a final archeological research design and treatment plan is on file at the Northwest Information Center and the Planning Department. Mitigation Measure J-2 applies to properties for which no archeological assessment report has been prepared or for which the archeological documentation is incomplete or inadequate to serve as an evaluation of potential effects on archeological resources under CEQA. Mitigation Measure J-3, which applies to properties in the Mission Dolores Archeological District, requires that a specific archeological testing program be conducted by a qualified archeological consultant with expertise in California prehistoric and urban historical archeology.

The project site is subject to Eastern Neighborhoods Mitigation Measure J-2, because no prior archeological assessment report has been prepared for site. The Planning Department's archeologist conducted a

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[18] Left Coast Architectural History. 2000–2030 & 2070 Bryant Street Historical Resource Evaluation. January 15, 2014. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of the Case File No. 2013.0677E.

[19] San Francisco Planning Department. Historic Resource Evaluation Response. January 12, 2015. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of the Case File No. 2013.0677E.

Preliminary Archeological Review (PAR) of the project site in conformance with the study requirements of Mitigation Measure J-2. The PAR results are summarized below.[20]

The proposed project would require excavation and soil disturbance to a depth of approximately 14 feet below grade to install the mat slab building foundation system and elevator pits. Drilled displacement piers to secure the northern portion of the mat slab would extend approximately 30 feet below ground surface. Due to anticipated excavation activities and the project site's location near the historical marsh associated with Mission Creek (approximately 400 feet west of the project site), there is potential to uncover sensitive prehistoric resources during project construction and ground-disturbing activities. Further, the mid- to late-19th century land uses on the project site (primarily residential) may have resulted in significant historic-period archeological resources, which also could be uncovered during project construction and ground-disturbing activities. Based on the PAR, the Planning Department's standard Archeological Mitigation Measure III (Testing) would apply to the proposed project. The PAR and its testing and monitoring requirements are consistent with Mitigation Measure J-2 of the Eastern Neighborhoods PEIR. With implementation of an archeological testing and monitoring program, impacts related to archeological resources would be reduced to a less-than-significant level. In accordance with the Eastern Neighborhoods PEIR requirements, the project sponsor has agreed to implement the archeological testing and monitoring program as Project Mitigation Measure 1, as discussed in the Mitigation Measures section below.

For these reasons, the proposed project would not result in significant impacts on archeological resources that were not identified in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
4. TRANSPORTATION AND CIRCULATION—Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	☐	☐	☐	☒
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	☐	☐	☐	☒

[20] San Francisco Planning Department. Environmental Planning Preliminary Archeological Review: 2000-2070 Bryant Street. September 24, 2014. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of the Case File No. 2013.0677E.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
c) Result in a change in air traffic patterns, including either an increase in traffic levels, obstructions to flight, or a change in location, that results in substantial safety risks?	☐	☐	☐	☒
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses?	☐	☐	☐	☒
e) Result in inadequate emergency access?	☐	☐	☐	☒
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR anticipated that growth resulting from the zoning changes would not result in significant impacts related to pedestrians, bicyclists, loading, emergency access, or construction. As the proposed project is within the scope of the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on pedestrians, bicyclists, loading, emergency access, or construction beyond those analyzed in the Eastern Neighborhoods PEIR.

However, the Eastern Neighborhoods PEIR anticipated that growth resulting from the zoning changes could result in significant impacts on transit ridership, and identified seven transportation mitigation measures, which are described further below in the Transit sub-section. Even with mitigation, however, it was anticipated that the significant adverse cumulative impacts on transit lines could not be fully mitigated. Thus, these impacts were found to be significant and unavoidable. As discussed above under "SB 743", in response to state legislation that called for removing automobile delay from CEQA analysis, the Planning Commission adopted resolution 19579 replacing automobile delay with a VMT metric for analyzing transportation impacts of a project. Therefore, impacts and mitigation measures from the Eastern Neighborhoods PEIR associated with automobile delay are not discussed in this checklist.

The Eastern Neighborhoods PEIR did not evaluate vehicle miles traveled or the potential for induced automobile travel. The VMT Analysis presented below evaluates the project's transportation effects using the VMT metric.

The project site is not located within an airport land use plan area, or in the vicinity of a private airstrip. Therefore, the Community Plan Exemption Checklist topic 4c is not applicable.

Vehicle Miles Traveled (VMT) Analysis

Many factors affect travel behavior. These factors include density, diversity of land uses, design of the transportation network, access to regional destinations, distance to high-quality transit, development scale, demographics, and transportation demand management. Typically, low-density development at great distance from other land uses, located in areas with poor access to non-private vehicular modes of travel, generate more automobile travel compared to development located in urban areas, where a higher density, mix of land uses, and travel options other than private vehicles are available.

Given these travel behavior factors, San Francisco has a lower VMT ratio than the nine-county San Francisco Bay Area region. In addition, some areas of the City have lower VMT ratios than other areas of

the City. These areas of the City can be expressed geographically through transportation analysis zones. Transportation analysis zones are used in transportation planning models for transportation analysis and other planning purposes. The zones vary in size from single city blocks in the downtown core, multiple blocks in outer neighborhoods, to even larger zones in historically industrial areas like the Hunters Point Shipyard.

The San Francisco County Transportation Authority (Transportation Authority) uses the San Francisco Chained Activity Model Process (SF-CHAMP) to estimate VMT by private automobiles and taxis for different land use types. Travel behavior in SF-CHAMP is calibrated based on observed behavior from the California Household Travel Survey 2010-2012, Census data regarding automobile ownership rates and county-to-county worker flows, and observed vehicle counts and transit boardings. SF-CHAMP uses a synthetic population, which is a set of individual actors that represents the Bay Area's actual population, who make simulated travel decisions for a complete day. The Transportation Authority uses tour-based analysis for office and residential uses, which examines the entire chain of trips over the course of a day, not just trips to and from the project. For retail uses, the Transportation Authority uses trip-based analysis, which counts VMT from individual trips to and from the project (as opposed to entire chain of trips). A trip-based approach, as opposed to a tour-based approach, is necessary for retail projects because a tour is likely to consist of trips stopping in multiple locations, and the summarizing of tour VMT to each location would over-estimate VMT. [21,22]

Existing plus Project Impact Evaluation

The following provides an analysis of VMT for each of the proposed uses (residential, retail, and PDR) for the project site and evaluates the project's transportation effects using the VMT metric. For residential development, the existing regional average daily VMT per capita is 17.2.[23] For retail development, regional average daily retail VMT per employee is 14.9.[24] Average daily VMT for all three land uses is projected to decrease in future 2040 cumulative conditions. Refer to **Table 3**, which includes the transportation analysis zone in which the project site is located, 538.

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[21] To state another way: a tour-based assessment of VMT at a retail site would consider the VMT for all trips in the tour, for any tour with a stop at the retail site. If a single tour stops at two retail locations, for example, a coffee shop on the way to work and a restaurant on the way back home, then both retail locations would be allotted the total tour VMT. A trip-based approach allows us to apportion all retail-related VMT to retail sites without double-counting.

[22] San Francisco Planning Department, Executive Summary: Resolution Modifying Transportation Impact Analysis, Appendix F, Attachment A, March 3, 2016.

[23] Includes the VMT generated by the households in the development.

[24] Retail travel is not explicitly captured in SF-CHAMP, rather, there is a generic "Other" purpose which includes retail shopping, medical appointments, visiting friends or family, and all other non-work, non-school tours. The retail efficiency metric captures all of the "Other" purpose travel generated by Bay Area households. The denominator of employment (including retail; cultural, institutional, and educational; and medical employment; school enrollment, and number of households) represents the size, or attraction, of the zone for this type of "Other" purpose travel.

Table 3. Daily Vehicle Miles Traveled

Land Use	Existing			Cumulative 2040		
	Bay Area Regional Average	Bay Area Regional Average minus 15%	TAZ 538	Bay Area Regional Average	Bay Area Regional Average minus 15%	TAZ 538
Households (Residential)	17.2	14.6	5.3	16.1	13.7	4.6
Employment (Retail)	14.9	12.6	9.8	14.6	12.7	10.4
Employment (PDR)[a]	19.1	16.2	11.7	17.0	14.5	9.2

Source: SF_CHAMP.
Note:
[a] For purposes of analysis, PDR uses are analyzed as office uses to provide the most conservative estimate of VMT.

A project would have a significant effect on the environment if it would cause substantial additional VMT. The State Office of Planning and Research's (OPR) *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA* ("proposed transportation impact guidelines") recommends screening criteria to identify types, characteristics, or locations of projects that would not result in significant impacts to VMT. If a project meets screening criteria, then it is presumed that VMT impacts would be less than significant for the project and a detailed VMT analysis is not required.

Vehicle Miles Traveled Analysis – Residential

As mentioned above, existing average daily VMT per capita is 5.3 for the transportation analysis zone the project site is located in, TAZ 538. This is 69 percent below the existing regional average daily VMT per capita of 17.2. Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the proposed project's residential uses would not result in substantial additional VMT and impacts would be less-than-significant. Furthermore, the project site meets the Proximity to Transit Stations screening criterion, which also indicates the proposed project's residential uses would not cause substantial additional VMT.

Vehicle Miles Traveled Analysis - Retail

As mentioned above, existing average daily VMT per capita is 9.8 for the transportation analysis zone the project site is located in, TAZ 538. This is 34 percent below the existing regional average daily VMT per capita of 14.9. Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the proposed project's retail uses would not result in substantial additional VMT and impacts would be less than significant. Furthermore, the project site meets the Proximity to Transit Stations screening criterion, which also indicates the proposed project's retail uses would not cause substantial additional VMT.

Vehicle Miles Traveled Analysis – PDR

As mentioned above, existing average daily VMT per capita is 11.7 for the transportation analysis zone the project site is located in, TAZ 538. This is 39 percent below the existing regional average daily VMT per capita of 19.1. Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the proposed project's PDR uses would not result in substantial additional

VMT and impacts would be less than significant. Furthermore, the project site meets the Proximity to Transit Stations screening criterion, which also indicates the proposed project's PDR uses would not cause substantial additional VMT.

Traffic Hazards

The project would propose several streetscape improvements including bulb-outs and other features, but these features are primarily designed to improve pedestrian safety, enhance walkability, and calm traffic, and would not result in hazardous conditions for traffic.

Conclusion

Based on the above, the project satisfies several screening criteria and does not require a detailed VMT analysis, as the project would not result in a substantial increase in vehicle miles traveled and would not substantially induce additional automobile travel. Therefore, the proposed project would have a less-than-significant impact related to traffic conditions under Existing plus Project Conditions and would not result in significant traffic impacts that were not identified in the Eastern Neighborhoods PEIR.

Although the project's impacts to traffic conditions would be less than significant, Improvement Measure I-TR-1 (See Improvement Measures below) recommends establishment of a TDM program for building tenants to reduce vehicle-trips to and from the project site and encourage use of alternative modes.

Cumulative Impact Evaluation

As described in the previous section and **Table 3**, average daily VMT for all three land uses is projected to decrease in the future under cumulative conditions (Year 2040). The following section provides an analysis of VMT under the cumulative 2040 scenario for each of the proposed uses (residential, retail, and PDR) for the project site and evaluates the project's cumulative transportation effects using the VMT metric. Cumulative conditions (2040) were projected using an SF-CHAMP model run, using the same methodology as outlined for existing conditions but including residential and job growth estimates and reasonably foreseeable transportation investments through 2040.

Vehicle Miles Traveled Analysis – Residential

Projected 2040 average daily VMT per capita is 4.6 for the transportation analysis zone the project site is located in, TAZ 538. This is 71 percent below the projected 2040 regional average daily VMT per capita of 16.1.[25] Given the project site is located in an area where VMT is greater than 15 percent below the projected 2040 regional average, the proposed project's residential uses would not result in substantial additional VMT. Therefore, the proposed project's residential uses would not contribute considerably to any substantial cumulative increase in VMT.

Vehicle Miles Traveled Analysis – Retail

Projected 2040 average daily VMT per capita is 10.4 for the transportation analysis zone the project site is located in, TAZ 538. This is 32 percent below the projected 2040 regional average daily VMT per capita of 14.6.[26] Given the project site is located in an area where VMT is greater than 15 percent below the projected 2040 regional average, the proposed project's retail uses would not result in substantial additional VMT.

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[25] San Francisco Planning Department, *Executive Summary: Resolution Modifying Transportation Impact Analysis*, Appendix F, Attachment A, March 3, 2016.

[26] San Francisco Planning Department, *Executive Summary: Resolution Modifying Transportation Impact Analysis*, Appendix F, Attachment A, March 3, 2016.

Therefore, the proposed project's retail uses would not contribute considerably to any substantial cumulative increase in VMT.

Vehicle Miles Traveled Analysis – PDR

Projected 2040 average daily VMT per capita is 9.2 for the transportation analysis zone the project site is located in, TAZ 538. This is 46 percent below the projected 2040 regional average daily VMT per capita of 17.0.[27] Given the project site is located in an area where VMT is greater than 15 percent below the projected 2040 regional average, the proposed project's PDR uses would not result in substantial additional VMT. Therefore, the proposed project's PDR uses would not contribute considerably to any substantial cumulative increase in VMT.

As described in the previous section, the project satisfies several screening criteria and does not require a detailed VMT analysis, as it is assumed that the project would not result in a substantial increase in vehicle miles traveled and would not substantially induce additional automobile travel.

Traffic Hazards

The project would propose several streetscape improvements including bulb-outs and other features, but these features are primarily designed to improve pedestrian safety, enhance walkability, and calm traffic, and would not result in hazardous conditions for traffic.

Conclusion

Therefore, the proposed project would have less-than-significant cumulative traffic impacts related to traffic conditions that were not identified in the Eastern Neighborhoods PEIR.

Trip Generation

The proposed project would demolish seven existing buildings on the project site and construct two buildings: a six-story, approximately 203,656-gsf mixed-use residential and commercial building and an eight-story, approximately 127,983-gsf mixed-use residential and arts activity building. The proposed mixed-use buildings would provide a total of 335 dwelling units (including 139 affordable dwelling units, 84 off-street vehicle parking spaces, four car-share spaces, and 237 Class 1 bicycle parking spaces.

Trip generation of the proposed project was calculated using information in the *2002 Transportation Impacts Analysis Guidelines for Environmental Review* (SF Guidelines) developed by the San Francisco Planning Department as detailed in the TIS.[28] No trip credits were given for the existing commercial, light industrial, and residential uses on the project site. The proposed project would generate an estimated 1,459 person trips (inbound and outbound) on a weekday daily basis, consisting of 793 person trips by auto, 309 transit trips, 234 walk trips and 122 trips by other modes. During the p.m. peak hour, the proposed project would generate an estimated 124 vehicle trips (accounting for vehicle occupancy data for this census tract).

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[27] San Francisco Planning Department, *Executive Summary: Resolution Modifying Transportation Impact Analysis*, Appendix F, Attachment A, March 3, 2016.

[28] AECOM, *2000-2070 Bryant Street (Revised Project) Final Transportation Impact Study*, May 2016. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.0677!

Transit

Mitigation Measures E-5 through E-11 in the Eastern Neighborhoods PEIR were adopted as part of the Plan with uncertain feasibility to address significant transit impacts. These measures are not applicable to the proposed project, as they are plan-level mitigations to be implemented by City and County agencies. In compliance with a portion of Mitigation Measure E-5: Enhanced Transit Funding, the City adopted impact fees for development in Eastern Neighborhoods that goes towards funding transit and complete streets. In addition, San Francisco Board of Supervisors approved amendments to the San Francisco Planning Code, referred to as the Transportation Sustainability Fee (Ordinance 200-154, effective December 25, 2015).[29] The fee updated, expanded, and replaced the prior Transit Impact Development Fee, which is in compliance with portions of Mitigation Measure E-5: Enhanced Transit Funding. The proposed project would be subject to the fee. The City is also currently conducting outreach regarding Mitigation Measures E-5: Enhanced Transit Funding and Mitigation Measure E-11: Transportation Demand Management. Both the Transportation Sustainability Fee and the transportation demand management efforts are part of the Transportation Sustainability Program.[30] In compliance with all or portions of Mitigation Measure E-6: Transit Corridor Improvements, Mitigation Measure E-7: Transit Accessibility, Mitigation Measure E-9: Rider Improvements, and Mitigation Measure E-10: Transit Enhancement, the SFMTA is implementing the Transit Effectiveness Project (TEP), which was approved by the SFMTA Board of Directors in March 2014. The TEP (now called Muni Forward) includes system-wide review, evaluation, and recommendations to improve service and increase transportation efficiency. Examples of transit priority and pedestrian safety improvements within the Eastern Neighborhoods Plan area as part of Muni Forward include the 14 Mission Rapid Transit Project, the 22 Fillmore Extension along 16th Street to Mission Bay (expected construction between 2017 and 2020), and the Travel Time Reduction Project on Route 9 San Bruno (initiation in 2015). In addition, Muni Forward includes service improvements to various routes with the Eastern Neighborhoods Plan area; for instance the implemented new Route 55 on 16th Street.

Mitigation Measure E-7 also identifies implementing recommendations of the Bicycle Plan and Better Streets Plan. As part of the San Francisco Bicycle Plan, adopted in 2009, a series of minor, near-term, and long-term bicycle facility improvements are planned within the Eastern Neighborhoods, including along 2nd Street, 5th Street, 17th Street, Townsend Street, Illinois Street, and Cesar Chavez Boulevard. The San Francisco Better Streets Plan, adopted in 2010, describes a vision for the future of San Francisco's pedestrian realm and calls for streets that work for all users. The Better Streets Plan requirements were codified in Section 138.1 of the Planning Code and new projects constructed in the Eastern Neighborhoods Plan area are subject to varying requirements, dependent on project size. Another effort which addresses transit accessibility, Vision Zero, was adopted by various City agencies in 2014. Vision Zero focuses on building better and safer streets through education, evaluation, enforcement, and engineering. The goal is to eliminate all traffic fatalities by 2024. Vision Zero projects within the Eastern Neighborhoods Plan area include pedestrian intersection treatments along Mission Street from 18th to 23rd streets, the Potrero Avenue Streetscape Project from Division to Cesar Chavez streets, and the Howard Street Pilot Project, which includes pedestrian intersection treatments from 4th to 6th streets.

The project site is located within a quarter mile of several local transit lines including Muni lines 9/9L, 12, 14, 22, 33, 27, and 49. The proposed project would be expected to generate 309 daily transit trips, including 167 during the p.m. peak hour. Given the wide availability of nearby transit, the addition of 167 p.m. peak

[29] Two additional files were created at the Board of Supervisors for TSF regarding hospitals and health services, grandfathering, and additional fees for larger projects: see Board file nos. 151121 and 151257.

[30] http://tsp.sfplanning.org

hour transit trips would be accommodated by existing capacity. As such, the proposed project would not result in unacceptable levels of transit service or cause a substantial increase in delays or operating costs such that significant adverse impacts in transit service could result.

Each of the rezoning options in the Eastern Neighborhoods PEIR identified significant and unavoidable cumulative impacts relating to increases in transit ridership on Muni lines, with the Preferred Project having significant impacts on seven lines. Of those lines, the project site is located within a quarter-mile of Muni lines 9/9L, 12, 14, 22, 33, 27, and 49. The proposed project would not contribute considerably to these conditions as its minor contribution of 167 p.m. peak hour transit trips would not be a substantial proportion of the overall additional transit volume generated by Eastern Neighborhood projects. The proposed project would also not contribute considerably to 2025 cumulative transit conditions and thus would not result in any significant cumulative transit impacts.

Conclusion

For the above reasons, the proposed project would not result in significant impacts that were not identified in the Eastern Neighborhoods PEIR related to transportation and circulation and would not contribute considerably to cumulative transportation and circulation impacts that were identified in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
5. NOISE—Would the project:				
a) Result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☒
b) Result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☒
c) Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
d) Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
e) For a project located within an airport land use plan area, or, where such a plan has not been adopted, in an area within two miles of a public airport or public use airport, would the project expose people residing or working in the area to excessive noise levels?	☐	☐	☐	☒
f) For a project located in the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒
g) Be substantially affected by existing noise levels?	☐	☒	☐	☒

The Eastern Neighborhoods PEIR determined that implementation of the Eastern Neighborhoods Area Plans and Rezoning would result in significant noise impacts during construction activities and due to conflicts between noise-sensitive uses in proximity to noisy uses such as PDR, retail, entertainment, cultural/institutional/educational uses, and office uses. The Eastern Neighborhoods PEIR also determined that incremental increases in traffic-related noise attributable to implementation of the Eastern Neighborhoods Area Plans and Rezoning would be less than significant. The Eastern Neighborhoods PEIR therefore identified six noise mitigation measures, three of which may be applicable to subsequent development projects.[31] These mitigation measures would reduce noise impacts from construction and noisy land uses to less-than-significant levels.

Construction Noise

Eastern Neighborhoods PEIR Mitigation Measures F-1 and F-2 relate to construction noise. Mitigation Measure F-1 addresses individual projects that include pile-driving, and Mitigation Measure F-2 addresses individual projects that include particularly noisy construction procedures (including pile-driving). Project construction would involve demolition of the existing buildings on the project site and excavation of up to 14 feet to construct the building foundation system and elevator pits. While the building foundation would require drilled displacement columns extending approximately 30 feet into the ground, pile driving would not be required. Therefore, Mitigation Measure F-1 would not apply to the proposed project, as no pile driving activities would occur. However, the proposed project could involve noisy construction activities associated with building demolition and site preparation, including the use of graders, drill rigs, and air compressors. As such, Mitigation Measure F-2 (construction noise) would be applicable to the proposed project, requiring the sponsor to develop and submit to the DBI a set of site-specific noise attenuation measures developed under the supervision of a qualified acoustical consultant. Compliance with this mitigation measure would result in less-than-significant construction noise impacts. The project sponsor has agreed to implement Mitigation Measure F-2 as Project Mitigation Measure 2, detailed in the Mitigation Measures section below.

In addition, all construction activities for the proposed project (approximately 20 months) would be subject to and would comply with the San Francisco Noise Ordinance (Article 29 of the San Francisco Police Code) (Noise Ordinance). Construction noise is regulated by the Noise Ordinance. The Noise Ordinance requires that construction work be conducted in the following manner: (1) noise levels of construction equipment, other than impact tools, must not exceed 80 dBA at a distance of 100 feet from the source (the equipment generating the noise); (2) impact tools must have intake and exhaust mufflers that are approved by the

[31] Eastern Neighborhoods PEIR Mitigation Measures F-3, F-4, and F-6 address the siting of sensitive land uses in noisy environments. In a decision issued on December 17, 2015, the California Supreme Court held that CEQA does not generally require an agency to consider the effects of existing environmental conditions on a proposed project's future users or residents except where a project or its residents may exacerbate existing environmental hazards (*California Building Industry Association v. Bay Area Air Quality Management District*, December 17, 2015, Case No. S213478. Available at: http://www.courts.ca.gov/opinions/documents/S213478.PDF). As noted above, the *Eastern Neighborhoods PEIR* determined that incremental increases in traffic-related noise attributable to implementation of the Eastern Neighborhoods Area Plans and Rezoning would be less than significant, and thus would not exacerbate the existing noise environment. Therefore, Eastern Neighborhoods Mitigation Measures F-3, F-4, and F-6 are not applicable. Nonetheless, for all noise sensitive uses, the general requirements for adequate interior noise levels of Mitigation Measures F-3 and F-4 are met by compliance with the acoustical standards required under the California Building Standards Code (California Code of Regulations Title 24).

Director of the San Francisco Public Works (SFPW) or the Director of the Department of Building Inspection (DBI) to best accomplish maximum noise reduction; and (3) if the noise from the construction work would exceed the ambient noise levels at the site property line by 5 dBA, the work must not be conducted between 8:00 p.m. and 7:00 a.m. unless the Director of SFPW authorizes a special permit for conducting the work during that period.

DBI is responsible for enforcing the Noise Ordinance for private construction projects during normal business hours (8:00 a.m. to 5:00 p.m.). The Police Department is responsible for enforcing the Noise Ordinance during all other hours. Nonetheless, during the construction period for the proposed project of approximately 20 months, occupants of the nearby properties could be disturbed by construction noise. Times may occur when noise could interfere with indoor activities in nearby residences and other businesses near the project site. The increase in noise in the project area during project construction would not be considered a significant impact of the proposed project, because the construction noise would be temporary, intermittent, and restricted in occurrence and level, as the contractor would be required to comply with the Noise Ordinance and Eastern Neighborhoods PEIR Mitigation Measure F-2, which would reduce construction noise impacts to a less than significant level.

Operational Noise

Eastern Neighborhoods PEIR Mitigation Measure F-5 addresses impacts related to individual projects that include new noise-generating uses that would be expected to generate noise levels in excess of ambient noise in the proposed project site vicinity. Given that the proposed project would replace industrial, production, and other non-residential uses with new mixed-use residential and commercial buildings, the proposed project would not generate any additional operational noise.

The proposed project would be subject to the following interior noise standards, which are described for informational purposes. The California Building Standards Code (Title 24) establishes uniform noise insulation standards. The Title 24 acoustical requirement for residential structures is incorporated into Section 1207 of the San Francisco Building Code and requires these structures be designed to prevent the intrusion of exterior noise so that the noise level with windows closed, attributable to exterior sources, shall not exceed 45 dBA in any habitable room. In compliance with Title 24, DBI would review the final building plans to ensure that the building wall, floor/ceiling, and window assemblies meet Title 24 acoustical requirements. If determined necessary by DBI, a detailed acoustical analysis of the exterior wall and window assemblies may be required.

The regulations and procedures set forth by the San Francisco Noise Regulations Relating to Residential Uses Near Places of Entertainment are consistent with the provisions of PEIR Mitigation Measure F-3 and F-4. In accordance with PEIR Mitigation Measure F-4, the project sponsor has conducted an environmental noise study demonstrating that the proposed project can feasibly attain acceptable interior noise levels. This analysis indicates that the proposed window and wall assemblies as currently proposed have reasonable certainty of meeting the Title 24 interior sound level standard and that outdoor areas would not experience annoying or disruptive noise levels.[32]

Additionally, the proposed project would be subject to the Noise Regulations Relating to Residential Uses Near Places of Entertainment (Ordinance 70-15, effective June 19, 2015). The intent of these regulations is to address noise conflicts between residential uses in noise critical areas, such as in proximity to highways

[32] *ICF International. 2000-2070 Bryant Street Project – Final Noise Study.* March 26, 2015. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.0677E.

and other high-volume roadways, railroads, rapid transit lines, airports, nighttime entertainment venues or industrial areas. In accordance with the adopted regulations, residential structures to be located where the day-night average sound level (Ldn) or community noise equivalent level (CNEL) exceeds 60 decibels shall require an acoustical analysis with the application of a building permit showing that the proposed design would limit exterior noise to 45 decibels in any habitable room. Furthermore, the regulations require the Planning Department and Planning Commission to consider the compatibility of uses when approving residential uses adjacent to or near existing permitted places of entertainment and take all reasonably available means through the City's design review and approval processes to ensure that the design of new residential development projects take into account the needs and interests of both the places of entertainment and the future residents of the new development. The NLVS Technical Center, located approximately 200 feet southwest of the project site, has been identified by the Planning Department as a Place of Entertainment.

The project site is not located within an airport land use plan area, within two miles of a public airport, or in the vicinity of a private airstrip. Therefore, topic 12e and f from the CEQA Guidelines, Appendix G is not applicable.

For the above reasons, the proposed project would not result in significant noise impacts that were not identified in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
6. AIR QUALITY—Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☒
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	☐	☐	☐	☒
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal, state, or regional ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	☐	☐	☐	☒
d) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☒
e) Create objectionable odors affecting a substantial number of people?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR identified potentially significant air quality impacts resulting from construction activities and impacts to sensitive land uses[33] as a result of exposure to elevated levels of diesel particulate matter (DPM) and other toxic air contaminants (TACs). The Eastern Neighborhoods PEIR identified four mitigation measures that would reduce these air quality impacts to less-than-significant levels and stated that with implementation of identified mitigation measures, the Area Plan would be consistent with the Bay Area 2005 Ozone Strategy, the applicable air quality plan at that time. All other air quality impacts were found to be less than significant.

Eastern Neighborhoods PEIR Mitigation Measure G-1 addresses air quality impacts during construction, PEIR Mitigation Measure G-2 addresses the siting of sensitive land uses near sources of TACs and PEIR Mitigation Measures G-3 and G-4 address proposed uses that would emit DPM and other TACs.

Construction Dust Control

Eastern Neighborhoods PEIR Mitigation Measure G-1 Construction Air Quality requires individual projects involving construction activities to include dust control measures and to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants. The San Francisco Board of Supervisors subsequently approved a series of amendments to the San Francisco Building and Health Codes, generally referred to as the Construction Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008). The intent of the Construction Dust Control Ordinance is to reduce the quantity of fugitive dust generated during site preparation, demolition, and construction work in order to protect the health of the general public and of on-site workers, minimize public nuisance complaints, and to avoid orders to stop work by DBI. Project-related construction activities would result in construction dust, primarily from ground-disturbing activities.

For projects over one half-acre, such as the proposed project, the Dust Control Ordinance requires that the project sponsor submit a Dust Control Plan for approval by the San Francisco Department of Public Health. DBI will not issue a building permit without written notification from the Director of Public Health that the applicant has a site-specific Dust Control Plan, unless the Director waives the requirement. The site-specific Dust Control Plan would require the project sponsor to implement additional dust control measures such as installation of dust curtains and windbreaks and to provide independent third-party inspections and monitoring, provide a public complaint hotline, and suspend construction during high wind conditions.

The regulations and procedures set forth by the San Francisco Dust Control Ordinance would ensure that construction dust impacts would not be significant. These requirements supersede the dust control provisions of PEIR Mitigation Measure G-1. Therefore, the portion of PEIR Mitigation Measure G-1 Construction Air Quality that addresses dust control is no longer applicable to the proposed project.

Criteria Air Pollutants

In accordance with the state and federal Clean Air Acts, air pollutant standards are identified for the following six criteria air pollutants: ozone, carbon monoxide (CO), particulate matter (p.m.), nitrogen dioxide (NO_2), sulfur dioxide (SO_2), and lead. These air pollutants are termed criteria air pollutants because they are regulated by developing specific public health- and welfare-based criteria as the basis for setting

[33] The Bay Area Air Quality Management District (BAAQMD) considers sensitive receptors as: children, adults or seniors occupying or residing in: 1) residential dwellings, including apartments, houses, condominiums, 2) schools, colleges, and universities, 3) daycares, 4) hospitals, and 5) senior care facilities. BAAQMD, Recommended Methods for Screening and Modeling Local Risks and Hazards, May 2011, page 12.

permissible levels. In general, the San Francisco Bay Area Air Basin (SFBAAB) experiences low concentrations of most pollutants when compared to federal or state standards. The SFBAAB is designated as either in attainment or unclassified for most criteria pollutants with the exception of ozone, $PM_{2.5}$, and PM_{10}, for which these pollutants are designated as non-attainment for either the state or federal standards. By its very nature, regional air pollution is largely a cumulative impact in that no single project is sufficient in size to, by itself, result in non-attainment of air quality standards. Instead, a project's individual emissions contribute to existing cumulative air quality impacts. If a project's contribution to cumulative air quality impacts is considerable, then the project's impact on air quality would be considered significant.

While the Eastern Neighborhoods PEIR determined that at a program-level the Eastern Neighborhoods Rezoning and Area Plans would not result in significant regional air quality impacts, the PEIR states that "Individual development projects undertaken in the future pursuant to the new zoning and area plans would be subject to a significance determination based on the BAAQMD's quantitative thresholds for individual projects."[34] The Bay Area Air Quality Management District (BAAQMD) prepared updated *2011 BAAQMD CEQA Air Quality Guidelines* (Air Quality Guidelines),[35] which provided new methodologies for analyzing air quality impacts. The Air Quality Guidelines also provide thresholds of significance for those criteria air pollutants that the SFBAAB is in non-attainment. These thresholds of significance are used by the City.

Construction

Construction activities from the proposed project would result in the emission of criteria air pollutants from equipment exhaust, construction-related vehicular activity, and construction worker automobile trips. Construction of the proposed project would occur over 20 calendar months, during which construction would occur on approximately 434 work days. Construction-related criteria air pollutant emissions generated by the proposed project were quantified using the California Emissions Estimator Model (CalEEMod) and provided within a technical memorandum.[36] The model was developed, including default data (e.g., emission factors, meteorology, etc.) in collaboration with California air districts' staff. Default assumptions were used where project-specific information was unknown. Emissions were converted from tons/year to lbs/day using the estimated construction duration of 434 working days, disaggregated by calendar year. As shown in **Table 4**, unmitigated project construction emissions would be below the threshold of significance for all criteria pollutants quantified.

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[34] San Francisco Planning Department, *Eastern Neighborhood's Rezoning and Area Plans Final Environmental Impact Report*, See page 346, Available online at: http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=4003. Accessed April 26, 2016.

[35] Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, updated May 2011. See pp. 3-2 to 3-3.

[36] 2000-2070 Bryant Street, Case No. 2013.0677E, *Revised Criteria Pollutant Analysis Technical Memorandum.*

Table 4 – Daily Project Construction Emissions

	Pollutant Emissions (Average Pounds per Day)			
	ROG	NOx	Exhaust PM_{10}	Exhaust $PM_{2.5}$
Unmitigated Project Emissions				
2016	1.4	17.9	0.4	0.4
2017	11.7	36.1	1.4	1.4
2018	20.9	4.6	0.3	0.2
Significance Threshold	**54.0**	**54.0**	**82.0**	**54.0**

Source: ICF International. 2000-2070 Bryant Street Project – Revised Criteria Air Pollutant Analysis Technical Memorandum. April 27, 2016.

Therefore, mitigation measures for equipment and vehicle exhaust emissions are not required.

Operation

The proposed project would generate criteria pollutant emissions associated with vehicle traffic (mobile sources), on-site area sources (i.e., natural gas combustion for space and water heating, and combustion of other fuels by building and grounds maintenance equipment), energy usage, and testing of a backup diesel generator. Operational-related criteria air pollutants generated by the proposed project were also quantified using CalEEMod and provided within the technical memo noted above. Default assumptions were used where project-specific information was unknown.

The daily and annual emissions associated with operation of the proposed project are shown in **Table 5**. **Table 5** also includes the thresholds of significance the City utilizes.

Table 5 – Summary of Operational Criteria Air Pollutant Emissions

	ROG	NOx	PM_{10}	$PM_{2.5}$
Project Average Daily Emissions (lbs/day)	22.9	26.2	0.5	0.5
Significance Threshold (lbs/day)	54	54	82	54
Project Maximum Annual Emissions (tpy)	4.2	4.8	0.099	0.093
Significance Threshold (tpy)	10.0	10.0	10.0	10.0

Source: ICF International. 2000-2070 Bryant Street Project – Revised Criteria Air Pollutant Analysis Technical Memorandum. April 27, 2016.
Notes:
lbs/day = pounds per day
tpy = tons per year

As shown in **Table 5**, the proposed project would not exceed the threshold of significance for operational criteria air pollutant emissions. For these reasons, implementation of the proposed project would not result in either project-level or cumulative significant impacts that were not identified in the Eastern Neighborhoods PEIR related to contribution to violations of air quality standards or substantial increases in non-attainment criteria air pollutants.

Health Risk

Since certification of the PEIR, San Francisco Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes, generally referred to as the Enhanced Ventilation Required for Urban Infill Sensitive Use Developments or Health Code, Article 38 (Ordinance 224-14, effective December 8, 2014)(Article 38). The purpose of Article 38 is to protect the public health and welfare by establishing an Air Pollutant Exposure Zone and imposing an enhanced ventilation requirement for all urban infill sensitive use development within the Air Pollutant Exposure Zone. The Air Pollutant Exposure Zone as defined in Article 38 are areas that, based on modeling of all known air pollutant sources, exceed health protective standards for cumulative $PM_{2.5}$ concentration, cumulative excess cancer risk, and incorporates health vulnerability factors and proximity to freeways. Projects within the Air Pollutant Exposure Zone require special consideration to determine whether the project's activities would expose sensitive receptors to substantial air pollutant concentrations or add emissions to areas already adversely affected by poor air quality.

Construction

The project site is not located within an identified Air Pollutant Exposure Zone. Therefore, the ambient health risk to sensitive receptors from air pollutants is not considered substantial and the remainder of Mitigation Measure G-1 that requires the minimization of construction exhaust emissions is not applicable to the proposed project.

Siting Sensitive Land Uses

The proposed project would include development of residential units and is considered a sensitive land use for purposes of air quality evaluation. As discussed above, the ambient health risk to sensitive receptors from air pollutants is not considered substantial and Article 38 is not applicable to the proposed project. Therefore, PEIR Mitigation Measure G-2 Air Quality for Sensitive Land Uses is not applicable to the proposed project, and impacts related to siting of new sensitive land uses would be less than significant.

Siting New Sources

The proposed project would not be expected to generate 100 trucks per day or 40 refrigerated trucks per day. Therefore, Eastern Neighborhoods PEIR Mitigation Measure G-3 is not applicable.

The north building would not have an emergency generator. At this time it is not known whether the south building would require an emergency generator. Thus, it has been conservatively assumed that the south building would include a backup diesel generator which would emit DPM, a TAC. Therefore, Project Mitigation Measure 3 Best Available Control Technology for Diesel Generators has been identified to implement the portions of Eastern Neighborhoods PEIR Mitigation Measure G-4 related to siting of uses that emit TACs by requiring the engine to meet higher emission standards. Project Mitigation Measure 3 Best Available Control Technology for Diesel Generators would reduce DPM exhaust from stationary sources by 89 to 94 percent compared to uncontrolled stationary sources. Impacts related to new sources of health risk would be less than significant through implementation of Project Mitigation Measure 3 Best Available Control Technology for Diesel Generators. The full text of Project Mitigation Measure 3 Best Available Control Technology for Diesel Generators is provided in the Mitigation Measures Section below.

Conclusion

For the above reasons, the proposed project would not result in significant air quality impacts that were not identified in the PEIR.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
7. GREENHOUSE GAS EMISSIONS—Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☐	☒
b) Conflict with any applicable plan, policy, or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR assessed the GHG emissions that could result from rezoning of the Mission District Area Plan under the three rezoning options. The Eastern Neighborhoods Rezoning Options A, B, and C are anticipated to result in GHG emissions on the order of 4.2, 4.3 and 4.5 metric tons of CO_2E[37] per service population,[38] respectively. The Eastern Neighborhoods PEIR concluded that the resulting GHG emissions from the three options analyzed in the Eastern Neighborhoods Area Plans would be less than significant. No mitigation measures were identified in the PEIR.

The BAAQMD has prepared guidelines and methodologies for analyzing GHGs. These guidelines are consistent with CEQA Guidelines Sections 15064.4 and 15183.5 which address the analysis and determination of significant impacts from a proposed project's GHG emissions and allow for projects that are consistent with an adopted GHG reduction strategy to conclude that the project's GHG impact is less than significant. San Francisco's *Strategies to Address Greenhouse Gas Emissions*[39] presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's GHG reduction strategy in compliance with the BAAQMD and CEQA guidelines. These GHG reduction actions have resulted in a 23.3 percent reduction in GHG emissions in 2012 compared to 1990 levels,[40] exceeding the year 2020 reduction goals outlined in the BAAQMD's *2010 Clean Air Plan,*[41] Executive Order S-3-05[42],

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37 CO_2E, defined as equivalent Carbon Dioxide, is a quantity that describes other greenhouse gases in terms of the amount of Carbon Dioxide that would have an equal global warming potential.

38 Memorandum from Jessica Range to Environmental Planning staff, Greenhouse Gas Analyses for Community Plan Exemptions in Eastern Neighborhoods, April 20, 2010. This memorandum provides an overview of the GHG analysis conducted for the Eastern Neighborhoods PEIR and provides an analysis of the emissions using a service population (equivalent of total number of residents and employees) metric.

39 San Francisco Planning Department, *Strategies to Address Greenhouse Gas Emissions in San Francisco,* November 2010. Available at http://sfmea.sfplanning.org/GHG_Reduction_Strategy.pdf, accessed April 26, 2016.

40 ICF International, Technical Review of the 2012 Community-wide Inventory for the City and County of San Francisco, January 21, 2015.

41 Bay Area Air Quality Management District, *Clean Air Plan,* September 2010. Available at http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans, accessed April 26, 2016.

42 Office of the Governor, *Executive Order S-3-05,* June 1, 2005. Available at https://www.gov.ca.gov/news.php?id=1861, accessed April 26, 2016.

and Assembly Bill 32 (also known as the Global Warming Solutions Act).[43,44] In addition, San Francisco's GHG reduction goals are consistent with, or more aggressive than, the long-term goals established under Executive Orders S-3-05[45] and B-30-15.[46,47] Therefore, projects that are consistent with San Francisco's GHG Reduction Strategy would not result in GHG emissions that would have a significant effect on the environment and would not conflict with state, regional, and local GHG reduction plans and regulations.

The proposed project would increase the intensity of use of the site by increasing the number of individuals living and working there. As discussed in the Transportation and Circulation section, the new residents and employees would result in 466 new vehicle trips that would result in emissions of GHGs. Therefore, the proposed project would contribute to annual long-term increases in GHGs as a result of increased vehicle trips (mobile sources) and residential and commercial operations that result in an increase in energy use, water use, wastewater treatment, and solid waste disposal. Construction activities would also result in temporary increases in GHG emissions.

The proposed project would be subject to regulations adopted to reduce GHG emissions as identified in the GHG reduction strategy. As discussed below, compliance with the applicable regulations would reduce the project's GHG emissions related to transportation, energy use, waste disposal, wood burning, and use of refrigerants.

Compliance with the City's Commuter Benefits Program, Emergency Ride Home Program, Transportation Sustainability Fee, bicycle parking requirements, low-emission car parking requirements, and car sharing requirements would reduce the proposed project's transportation-related emissions. These regulations reduce GHG emissions from single-occupancy vehicles by promoting the use of alternative transportation modes with zero or lower GHG emissions on a per capita basis.

The proposed project would be required to comply with the energy efficiency requirements of the City's Green Building Code, Stormwater Management Ordinance, Residential Water Conservation and Water Efficient Irrigation ordinances, and Green Building Requirements for Energy Efficiency Ordinance, which would promote energy and water efficiency, thereby reducing the proposed project's energy-related GHG emissions.[48] Additionally, the project would be required to meet the renewable energy criteria of the Green Building Code, further reducing the project's energy-related GHG emissions.

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43 California Legislative Information, *Assembly Bill 32*, September 27, 2006. Available at http://www.leginfo.ca.gov/pub/05-06/bill/asm/ab_0001-0050/ab_32_bill_20060927_chaptered.pdf, accessed April 26, 2016.

44 Executive Order S-3-05, Assembly Bill 32, and the Bay Area 2010 Clean Air Plan set a target of reducing GHG emissions to below 1990 levels by year 2020.

45 Executive Order S-3-05 sets forth a series of target dates by which statewide emissions of GHGs need to be progressively reduced, as follows: by 2010, reduce GHG emissions to 2000 levels (approximately 457 million $MTCO_2E$); by 2020, reduce emissions to 1990 levels (approximately 427 million $MTCO_2E$); and by 2050 reduce emissions to 80 percent below 1990 levels (approximately 85 million $MTCO_2E$).

46 Office of the Governor, *Executive Order B-30-15, April 29, 2015*. Available at https://www.gov.ca.gov/news.php?id=18938, accessed April 26, 2016. Executive Order B-30-15 sets a state GHG emissions reduction goal of 40 percent below 1990 levels by the year 2030.

47 San Francisco's GHG reduction goals are codified in Section 902 of the Environment Code and include: (i) by 2008, determine City GHG emissions for year 1990; (ii) by 2017, reduce GHG emissions by 25 percent below 1990 levels; (iii) by 2025, reduce GHG emissions by 40 percent below 1990 levels; and by 2050, reduce GHG emissions by 80 percent below 1990 levels.

48 Compliance with water conservation measures reduce the energy (and GHG emissions) required to convey, pump and treat water required for the project.

The proposed project's waste-related emissions would be reduced through compliance with the City's Mandatory Recycling and Composting Ordinance, Construction and Demolition Debris Recovery Ordinance, and Green Building Code requirements. These regulations reduce the amount of materials sent to a landfill, reducing GHGs emitted by landfill operations. These regulations also promote reuse of materials, conserving their embodied energy[49] and reducing the energy required to produce new materials.

Compliance with the City's Street Tree Planting requirements would serve to increase carbon sequestration. Other regulations, including those limiting refrigerant emissions and the Wood Burning Fireplace Ordinance would reduce emissions of GHGs and black carbon, respectively. Regulations requiring low-emitting finishes would reduce volatile organic compounds (VOCs).[50] Thus, the proposed project was determined to be consistent with San Francisco's GHG reduction strategy.[51]

Therefore, the proposed project's GHG emissions would not conflict with state, regional, and local GHG reduction plans and regulations. Furthermore, the proposed project is within the scope of the development evaluated in the PEIR and would not result in impacts associated with GHG emissions beyond those disclosed in the PEIR. For the above reasons, the proposed project would not result in significant GHG emissions that were not identified in the Eastern Neighborhoods PEIR and no mitigation measures are necessary.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
8. WIND AND SHADOW—Would the project:				
a) Alter wind in a manner that substantially affects public areas?	☐	☐	☐	☒
b) Create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas?	☐	☐	☐	☒

Wind

Based on the height and location of the proposed approximately 85-foot-tall south building, a pedestrian wind assessment (the Wind Assessment) was prepared by a qualified wind consultant for the proposed project.[52] The objective of the Wind Assessment was to provide a qualitative, screening-level evaluation of the potential wind impacts of the proposed development. As discussed in the Wind Assessment, the majority of the strong winds that occur in San Francisco are from the west-northwest, west, northwest and

[49] Embodied energy is the total energy required for the extraction, processing, manufacture and delivery of building materials to the building site.

[50] While not a GHG, VOCs are precursor pollutants that form ground level ozone. Increased ground level ozone is an anticipated effect of future global warming that would result in added health effects locally. Reducing VOC emissions would reduce the anticipated local effects of global warming.

[51] San Francisco Planning Department, Greenhouse Gas Analysis: Compliance Checklist for 2000 – 2070 Bryant Street, February 23, 2016.

[52] RWDI, 2000 Bryant Street, San Francisco, CA: Screening-Level Wind Analysis, April 29, 2016

west-southwest. The direction and speed of wind currents can be altered by groups of buildings clustered together acting as obstacles that reduce wind speeds. In San Francisco, wind speeds are generally greater along streets that run east-west because buildings are oriented with respect to the prevailing wind direction and tend to funnel winds along this street orientation. Streets running north-south, such as Bryant and Florida streets to the east and west of the project site, tend to have lighter winds due to the shelter from prevailing winds offered by buildings on the west side of the street. The Wind Assessment found that windier conditions that potentially exceed the hazard threshold likely exist at the northeast corner of the intersection of 18th and Florida streets under existing conditions. However, the existing 50-foot-tall, four-story mixed-use residential and commercial building on Florida Street opposite the project site is of sufficient height and massing that prevailing wind speeds would be reduced at the proposed buildings. The Wind Assessment found that with the proposed design measures described above which include awnings, marquees, and a trellis at the corner of Florida and 18th Streets, wind conditions would comply with the wind hazard criterion at pedestrian areas around the project site. Bryant Street would be sheltered by the proposed project and wind conditions there would be lower or similar to existing conditions with implementation of the project. Winds in the pedestrian mews and interior courtyards are predicted to be appropriate for pedestrian use. For the above reasons, the proposed project would not result in significant impacts related to wind that were not identified in the Eastern Neighborhoods PEIR.

Shadow

Planning Code Section 295 generally prohibits new structures above 40 feet in height that would cast additional shadows on open space that is under the jurisdiction of the San Francisco Recreation and Park Commission between one hour after sunrise and one hour before sunset, at any time of the year, unless that shadow would not result in a significant adverse effect on the use of the open space. Under the Eastern Neighborhoods Rezoning and Area Plans, sites surrounding parks could be redeveloped with taller buildings without triggering Section 295 of the Planning Code because certain parks are not subject to Section 295 of the Planning Code (i.e., under jurisdiction of departments other than the Recreation and Parks Department or privately owned). The Eastern Neighborhoods PEIR could not conclude if the rezoning and community plans would result in less-than-significant shadow impacts because the feasibility of complete mitigation for potential new shadow impacts of unknown proposed projects could not be determined at that time. Therefore, the PEIR determined shadow impacts to be significant and unavoidable. No mitigation measures were identified in the PEIR.

The proposed project would construct one 68-foot and one 85-foot-tall building; therefore, the Planning Department prepared a preliminary shadow fan analysis to determine whether the project would have the potential to cast new shadow on nearby parks.[53] The nearest park is Franklin Square at 2500 17th Street, approximately 0.2 mile (approximately 1,050 feet) north of the project site. The preliminary shadow fan analysis prepared by the Planning Department indicated that the proposed project would not cast a shadow on Franklin Square or any other public park. Therefore, the proposed project would not have an impact on any park subject to Section 295 of the Planning Code or any other public park.

The proposed project would shade portions of nearby streets and sidewalks and private property at times within the project vicinity. Shadows upon streets and sidewalks would not exceed levels commonly expected in urban areas and would be considered a less-than-significant effect under CEQA. Although occupants of nearby property may regard the increase in shadow as undesirable, the limited increase in

[53] San Francisco Planning Department. Preliminary Shadow Fan Analysis 2000 – 2070 Bryant Street Project. April 14, 2016.

shading of private properties as a result of the proposed project would not be considered a significant impact under CEQA.

For the above reasons, the proposed project would not result in significant impacts related to shadow that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
9. RECREATION—Would the project:				
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated?	☐	☐	☐	☒
b) Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	☐	☐	☐	☒
c) Physically degrade existing recreational resources?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR concluded that implementation of the Eastern Neighborhoods Rezoning and Area Plans would not result in substantial or accelerated deterioration of existing recreational resources or require the construction or expansion of recreational facilities that may have an adverse effect on the environment. No mitigation measures related to recreational resources were identified in the Eastern Neighborhoods PEIR.

As part of the Eastern Neighborhoods adoption, the City adopted impact fees for development in Eastern Neighborhoods that goes towards funding recreation and open space. Since certification of the PEIR, the voters of San Francisco passed the 2012 San Francisco Clean and Safe Neighborhood Parks Bond providing the Recreation and Parks Department an additional $195 million to continue capital projects for the renovation and repair of parks, recreation, and open space assets. This funding is being utilized for improvements and expansion to Garfield Square, South Park, Potrero Hill Recreation Center, Warm Water Cove Park, and Pier 70 Parks Shoreline within the Eastern Neighborhoods Plan area. The impact fees and the 2012 San Francisco Clean and Safe Neighborhood Parks Bond are funding measures similar to that described in PEIR Improvement Measure H-1: Support for Upgrades to Existing Recreation Facilities.

An update of the Recreation and Open Space Element (ROSE) of the General Plan was adopted in April 2014. The amended ROSE provides a 20-year vision for open spaces in the City. It includes information and policies about accessing, acquiring, funding, and managing open spaces in San Francisco. The amended ROSE identifies areas within the Eastern Neighborhoods Plan area for acquisition and the locations where proposed new open spaces and open space connections should be built, consistent with PEIR Improvement Measure H-2: Support for New Open Space. Two of these open spaces, Daggett Park at 16th and Daggett Streets and the new park at 17th and Folsom Streets, are both set to open in 2016. In addition, the amended ROSE identifies the role of both the Better Streets Plan (refer to "Transportation" section for description)

and the Green Connections Network in open space and recreation. Green Connections are special streets and paths that connect people to parks, open spaces, and the waterfront, while enhancing the ecology of the street environment. Six routes identified within the Green Connections Network cross the Eastern Neighborhoods Plan area: Mission to Peaks (Route 6); Noe Valley to Central Waterfront (Route 8), a portion of which has been conceptually designed; Tenderloin to Potrero (Route 18); Downtown to Mission Bay (Route 19); Folsom, Mission Creek to McLaren (Route 20); and Shoreline (Route 24).

The proposed project would provide common useable open space for residents on the project site in the form of central courtyards and rooftop terraces. The proposed project also would be served by the following existing parks within one-half mile of the project site: Franklin Square, Jose Coronado Playground, McKinley Square, and the Potrero Hill Community Garden.

As the proposed project would not degrade recreational facilities and is within the scope of the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on recreation beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
10. UTILITIES AND SERVICE SYSTEMS—Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	☐	☐	☐	☒
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☐	☒
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☐	☒
d) Have sufficient water supply available to serve the project from existing entitlements and resources, or require new or expanded water supply resources or entitlements?	☐	☐	☐	☒
e) Result in a determination by the wastewater treatment provider that would serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☒
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	☐	☐	☐	☒
g) Comply with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact to the provision of water, wastewater collection and treatment, and solid waste collection and disposal. No mitigation measures were identified in the PEIR.

Since certification of the PEIR, the San Francisco Public Utilities Commission (SFPUC) adopted the 2010 Urban Water Management Plan (UWMP) in June 2011. The UWMP update includes City-wide demand projections to the year 2035, compares available water supplies to meet demand and presents water demand management measures to reduce long-term water demand. Additionally, the UWMP update includes a discussion of the conservation requirement set forth in Senate Bill 7 passed in November 2009 mandating a statewide 20% reduction in per capita water use by 2020. The UWMP includes a quantification of the SFPUC's water use reduction targets and plan for meeting these objectives. The UWMP projects sufficient water supply in normal years and a supply shortfall during prolonged droughts. Plans are in place to institute varying degrees of water conservation and rationing as needed in response to severe droughts.

In addition, the SFPUC is in the process of implementing the Sewer System Improvement Program, which is a 20-year, multi-billion dollar citywide upgrade to the City's sewer and stormwater infrastructure to ensure a reliable and seismically safe system. The program includes planned improvements that will serve development in the Eastern Neighborhoods Plan area including at the Southeast Treatment Plant, the Central Bayside System, and green infrastructure projects, such as the Mission and Valencia Green Gateway.

As the proposed project is within the scope of the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on utilities and service systems beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
11. PUBLIC SERVICES—Would the project:				
a) Result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any public services such as fire protection, police protection, schools, parks, or other services?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact to public services , including fire protection, police protection, and public schools. No mitigation measures were identified in the PEIR.

As the proposed project is within the scope of the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on public services beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
12. BIOLOGICAL RESOURCES— Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☒
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☒
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☒
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☒
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☒

As discussed in the Eastern Neighborhoods PEIR, the Eastern Neighborhoods Plan area is in a developed urban environment that does not provide native natural habitat for any rare or endangered plant or animal species. There are no riparian corridors, estuaries, marshes, or wetlands in the Plan Area that could be affected by the development anticipated under the Area Plan. In addition, development envisioned under the Eastern Neighborhoods Area Plan would not substantially interfere with the movement of any resident or migratory wildlife species. For these reasons, the PEIR concluded that implementation of the Area Plan would not result in significant impacts on biological resources, and no mitigation measures were identified.

There are 24 street trees within the sidewalk zones surrounding the project site. While the existing trees are not designated landmark or significant trees, they are protected by Public Works Code Sections 8.02-8.11,

which requires a replacement tree for each tree removed. The proposed project would replace the 24 existing street trees with 42 new street trees, representing a 1.75:1 replacement ratio.

The project site is located within the Mission District plan area of the Eastern Neighborhoods Area Plan and therefore, does not support habitat for any candidate, sensitive or special status species. As such, implementation of the proposed project would not result in significant impacts to biological resources not identified in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
13. GEOLOGY AND SOILS—Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	☐	☐	☐	☒
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Special Publication 42.)	☐	☐	☐	☒
ii) Strong seismic ground shaking?	☒	☐	☐	☒
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☐	☒
iv) Landslides?	☐	☐	☐	☒
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☒
c) Be located on geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?	☐	☐	☐	☒
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial risks to life or property?	☐	☐	☐	☒
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☐	☒
f) Change substantially the topography or any unique geologic or physical features of the site?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR concluded that implementation of the Plan would indirectly increase the population that would be subject to an earthquake, including seismically induced ground-shaking, liquefaction, and landslides. The PEIR also noted that new development is generally safer than comparable older development due to improvements in building codes and construction techniques. Compliance with

applicable codes and recommendations made in project-specific geotechnical analyses would not eliminate earthquake risks, but would reduce them to an acceptable level, given the seismically active characteristics of the Bay Area. Thus, the PEIR concluded that implementation of the Plan would not result in significant impacts with regard to geology, and no mitigation measures were identified in the Eastern Neighborhoods PEIR.

A geotechnical investigation was prepared for the proposed project.[54] There are no mapped active faults crossing the project site and there is low risk of surface rupture damage to the proposed project. However, the proposed project would likely be exposed to strong ground shaking during an earthquake event which may result in liquefaction, lateral spreading, or seismic ground-failure. The southern side of the project site has low potential for liquefaction, lateral spreading, or seismic ground-failure. However, the northern side of the project site exhibits potential for liquefaction, lateral spreading, and seismic ground-failure during a moderate earthquake because of the relatively shallow groundwater table and shallow liquefiable marsh deposits.

The geotechnical investigation concludes that the site would be suitable for the proposed project if the building structure is constructed on a mat foundation bearing on improved soil or engineered fill and provided that the recommendations in the report are incorporated into the project design and construction. The project sponsor has agreed to implement the geotechnical report recommendations.

The proposed project is required to conform to the San Francisco Building Code, which ensures the safety of all new construction in the City. DBI will review the project-specific geotechnical report during its review of the building permit for the project. In addition, DBI may require additional site specific soils report(s) through the building permit application process, as needed. The DBI requirement for a geotechnical report and review of the building permit application pursuant to DBI's implementation of the Building Code would ensure that the proposed project would have no significant impacts related to soils, seismic or other geological hazards.

In light of the above, the proposed project would not result in a significant effect related to seismic and geologic hazards. Therefore, the proposed project would not result in significant impacts related to geology and soils that were not identified in the Eastern Neighborhoods PEIR, and no mitigation measures are necessary.

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[54] Langan Treadwell Rollo. Geotechnical Investigation 2000-2070 Bryant Street San Francisco, California. March 28, 2014. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of the Case File No. 2013.0677E.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
14. HYDROLOGY AND WATER QUALITY—Would the project:				
a) Violate any water quality standards or waste discharge requirements?	☐	☐	☐	☒
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	☐	☐	☐	☒
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site?	☐	☐	☐	☒
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site?	☐	☐	☐	☒
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☐	☒
f) Otherwise substantially degrade water quality?	☐	☐	☐	☒
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map?	☐	☐	☐	☒
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?	☐	☐	☐	☒
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	☐	☐	☐	☒
j) Expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact on hydrology and water quality, including the combined sewer system and the potential for combined sewer outflows. No mitigation measures were identified in the PEIR.

The entirety of the project site is currently developed and paved with impervious surfaces. The proposed project would not change the impervious surface coverage on the project site and would not result in an increased amount of runoff or drainage. The proposed project would be subject to Low Impact Design

(LID) approaches and stormwater management systems pursuant to the City's Stormwater Management Ordinance (Ordinance No. 83-10). A Stormwater Pollution Prevention Plan (SWPPP) also would be required to identify best management practices and erosion and sedimentation control measures to keep sediment from entering City's stormwater and sewer system. The SWPPP would be reviewed, approved, and enforced by the SFPUC. As a result, the proposed project would not increase stormwater runoff, alter the existing drainage, or violate water quality and waste discharge standards.

The proposed project would not expose people or structures to flooding risks or hazards, or impede or redirect flood flows in a 100-year flood hazard area, because the project site is not located within a 100-year flood zone. Because the project site is not located within a flood hazard zone or near a water reservoir with a dam or levee, the proposed project would not expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam. Similarly, the project site also is not located within a tsunami hazard zone and would not expose people or structures to a significant risk of loss, injury, or death involving inundation by seiche or tsunami.[55]

Therefore, the proposed project would not result in any significant impacts related to hydrology and water quality that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
15. HAZARDS AND HAZARDOUS MATERIALS—Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☒
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☒
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☒

[55] San Francisco Planning Department. San Francisco General Plan, Community Safety Element. (Map 05, Tsunami Hazard Zones, page 15). October 2012. Available online at: http://sf-planning.org/ftp/General_Plan/index.htm, accessed April 26, 2016.

Topics:	Significant Impact Peculiar to Project or Project Site	Significant Impact not Identified in PEIR	Significant Impact due to Substantial New Information	No Significant Impact not Previously Identified in PEIR
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
h) Expose people or structures to a significant risk of loss, injury, or death involving fires?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR noted that implementation of any of the proposed project's rezoning options would encourage construction of new development within the project area. The PEIR found that there is a high potential to encounter hazardous materials during construction activities in many parts of the project area because of the presence of 1906 earthquake fill, previous and current land uses associated with the use of hazardous materials, and known or suspected hazardous materials cleanup cases. However, the PEIR found that existing regulations for facility closure, Under Storage Tank (UST) closure, and investigation and cleanup of soil and groundwater would ensure implementation of measures to protect workers and the community from exposure to hazardous materials during construction.

Hazardous Building Materials

The Eastern Neighborhoods PEIR determined that future development in the Plan Area may involve demolition or renovation of existing structures containing hazardous building materials. Some building materials commonly used in older buildings could present a public health risk if disturbed during an accident or during demolition or renovation of an existing building. Hazardous building materials addressed in the PIER include asbestos, electrical equipment such as transformers and fluorescent light ballasts that contain PCBs or di (2 ethylhexyl) phthalate (DEHP), fluorescent lights containing mercury vapors, and lead-based paints. Asbestos and lead based paint may also present a health risk to existing building occupants if they are in a deteriorated condition. If removed during demolition of a building, these materials would also require special disposal procedures. The Eastern Neighborhoods PEIR identified a significant impact associated with hazardous building materials including PCBs, DEHP, and mercury and determined that that Mitigation Measure L-1: Hazardous Building Materials, as outlined below, would reduce effects to a less-than-significant level. Because the proposed development includes demolition of an existing building, Mitigation Measure L-1 would apply to the proposed project. See full text of Mitigation Measure L-1 in the Mitigation Measures Section below.

Soil and Groundwater Contamination

Since certification of the PEIR, Article 22A of the Health Code, also known as the Maher Ordinance, was expanded to include properties throughout the City where there is potential to encounter hazardous materials, primarily industrial zoning districts, sites with industrial uses or underground storage tanks,

sites with historic bay fill, and sites in close proximity to freeways or underground storage tanks. The over-arching goal of the Maher Ordinance is to protect public health and safety by requiring appropriate handling, treatment, disposal and when necessary, mitigation of contaminated soils that are encountered in the building construction process. Projects that disturb 50 cubic yards or more of soil that are located on sites with potentially hazardous soil or groundwater within Eastern Neighborhoods Plan area are subject to this ordinance.

The proposed project would excavate up to 7,911 cubic yards of soil and is located in a Maher Ordinance area. Therefore, the project is subject to the Maher Ordinance, which is administered and overseen by the Department of Public Health (DPH). The Maher Ordinance requires the project sponsor to retain the services of a qualified professional to prepare a Phase I Environmental Site Assessment (ESA) that meets the requirements of Health Code Section 22.A.6.

A Phase I ESA is used to determine the potential for site contamination and level of exposure risk. Based on that information, the project sponsor may be required to conduct soil and/or groundwater sampling and analysis. Where such analysis reveals the presence of hazardous substances in excess of state or federal standards, the project sponsor is required to submit a site mitigation plan (SMP) to the DPH or other appropriate state or federal agency(ies), and to remediate any site contamination in accordance with an approved SMP prior to the issuance of any building permit.

In compliance with the Maher Ordinance, the project sponsor has submitted Phase I ESA, Soil Characterization Studies, and a Site Mitigation Plan (SMP) to DPH for review.[56,57,58,59,60] DPH has conditionally approved the SMP.[61]

The Phase I ESAs identified two properties on the project site that are listed on hazardous material regulatory databases because of their prior uses. Although the 2028-2030 Bryant Street property has been used for residential purposes since 1889, portions of the site were used for a lumber yard and box factory, metal working, warehousing, and automobile repair. This property is listed on regulatory databases because of prior small-quantity generation and onsite disposal of organic wastes and organic-contaminated residues and automobile repairs. The 2014 Bryant Street property is listed on the regulatory databases because of a prior listing showing its use as a dry cleaners; however, the Phase I ESA did not identify any records indicating dry cleaning operations or solvent use onsite.[62] No other properties with regulatory database listings were identified on the project site or within the proposed project's vicinity.

The Phase I ESA and Soil Characterization Studies documented the presence of a UST at the 2044 Bryant Street property and fill port in the sidewalk zone immediately adjacent to the property. Based on historic

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56 PES Environmental, Inc. *Phase I Environmental Site Assessment: 2000 through 2030 Bryant Street, 2813-2815 18th Street, and 611 Florida Street.* March 13, 2014. This document, as well as the documents listed below, are available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of the Case File No. 2013.0677E.

57 PES Environmental, Inc. Results of Limited Soil and Groundwater Characterization: 2000 Bryant Street. April 10, 2014.

58 PES Environmental, Inc. Phase I Environmental Site Assessment: 2044 through 2070 Bryant Street. June 18, 2014.

59 PES Environmental, Inc. Results of Limited Subsurface Investigation: 2044 through 2070 Bryant Street. July 31, 2014.

60 Nick Podell Company. Site Mitigation Plan: 2044 – 2070 Bryant Street. August 27, 2013.

61 City and County of San Francisco Department of Public Health. Conditional Site Mitigation Plan Approval: Conceptual Planned Development 2000-2030, 2044-2070 Bryant Street, 2813-2815 18th Street, 611 Florida Street. July 21, 2014.

62 PES Environmental, Inc. Phase I Environmental Site Assessment: 2000 through 2030 Bryant Street, 2813-2815 18th Street, and 611 Florida Street. March 13, 2014.

sample records, the UST was used for storage of weathered gasoline, motor oil, and tetrachloroethene (PCE). Several waste drums also were identified at the 611 Florida Street property.

The Phase I ESA also identified several Recognized Environmental Concerns (RECs) on certain project site properties. The 2044 Bryant Street property is an identified REC due to its long-term use as a machine shop with associated usage of oils and metal-cleaning solvents, use for steel working, machine shops, and auto body repairs, and evidence of staining and spills on the concrete floor. In addition, the potential exists that hazardous materials were released into the soil subsurface. The Soil Characterization Studies noted the presence of organic compounds and metals, such as petroleum hydrocarbons, in the subsurface soil and groundwater at levels above their respective environmental screening levels for residential land uses. The Phase I ESA and Soil Characterization Studies also indicated the presence of relatively low concentrations of petroleum hydrocarbons and chlorinated volatile organic compounds in the groundwater along Bryant Street. Concentrations of trichloroethylene (TCE) also were identified in groundwater samples upgradient from the project site at levels above the environmental screening levels for residential land uses. A source of the contamination was not identified, but may be related to the long-term history of industrial uses in this area of San Francisco.

The Phase I ESAs and Soil Characterization Studies recommend measures to remediate potential soil and groundwater contamination from the identified RECs, as well as the UST and waste drums located at the 2044 Bryant Street and 611 Florida Street properties, respectively. The reports also recommend removal and adequate disposal of the UST and waste drums and their materials in accordance with local, state, and federal requirements.

The project sponsor would be required to remediate potential soil and groundwater contamination described above in accordance with Article 22A of the Health Code. Therefore, the proposed project would not result in significant impacts related to hazards or hazardous materials that were not identified in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
16. MINERAL AND ENERGY RESOURCES—Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☒
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☒
c) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR determined that the Area Plan would facilitate the construction of both new residential units and commercial buildings. Development of these uses would not result in use of large

amounts of fuel, water, or energy in a wasteful manner or in the context of energy use throughout the City and region. The energy demand for individual buildings would be typical for such projects and would meet, or exceed, current state and local codes and standards concerning energy consumption, including Title 24 of the California Code of Regulations enforced by DBI. The Plan Area does not include any natural resources routinely extracted and the rezoning does not result in any natural resource extraction programs. Therefore, the Eastern Neighborhoods PEIR concluded that implementation of the Area Plan would not result in a significant impact on mineral and energy resources. No mitigation measures were identified in the PEIR.

As the proposed project is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on mineral and energy resources beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	*Significant Impact Peculiar to Project or Project Site*	*Significant Impact not Identified in PEIR*	*Significant Impact due to Substantial New Information*	*No Significant Impact not Previously Identified in PEIR*
17. AGRICULTURE AND FOREST RESOURCES:—Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☒
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☒
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)) or timberland (as defined by Public Resources Code Section 4526)?	☐	☐	☐	☒
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☒
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or forest land to non-forest use?	☐	☐	☐	☒

The Eastern Neighborhoods PEIR determined that no agricultural resources exist in the Area Plan; therefore the rezoning and community plans would have no effect on agricultural resources. No mitigation measures were identified in the PEIR. The Eastern Neighborhoods PEIR did not analyze the effects on forest resources.

As the proposed project is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on agriculture and forest resources beyond those analyzed in the Eastern Neighborhoods PEIR.

MITIGATION MEASURES

Cultural and Paleontological Resources

Project Mitigation Measure 1 – Archeological Mitigation Measure III (Testing)

Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archeological consultant from the rotational Department Qualified Archeological Consultants List (QACL) maintained by the Planning Department archeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the proposed project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Consultation with Descendant Communities. On discovery of an archeological site[63] associated with descendant Native Americans, the Overseas Chinese, or other descendant group, an appropriate representative[64] of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to consult with ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archeological Resources Report shall be provided to the representative of the descendant group.

Archeological Testing Program. The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or

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63 The term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

64 An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and, in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.

At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either:

A. The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or

B. A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

Archeological Monitoring Program. If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils-disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archeological resources and to their depositional context;
- The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource;
- The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits;
- The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;
- If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.) the archeological

monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies.
- *Interpretive Program.* Consideration of an onsite/offsite public interpretive program during the course of the archeological data recovery program.
- *Security Measures.* Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report.* Description of proposed report format and distribution of results.
- *Curation.* Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.

Human Remains and Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely

Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archeological consultant, project sponsor, ERO, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects.

Final Archeological Resources Report. The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.

Noise

Project Mitigation Measure 2 – Construction Noise (Eastern Neighborhood Mitigation Measure F-2)

The sponsor shall develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the DBI to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible:

- Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses;
- Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site;
- Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing sensitive uses;
- Monitor the effectiveness of noise attenuation measures by taking noise measurements; and
- Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed.

Air Quality

Project Mitigation Measure 3 – Best Available Control Technology for Diesel Generators (Eastern Neighborhood Mitigation Measure G-4)

The project sponsor shall ensure that the backup diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non - verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsor shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the Community Plan Exemption Checklist 655 Folsom Street 2013.0253E 49 emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.

Hazards and Hazardous Materials

Project Mitigation Measure 4 – Hazardous Building Materials (Eastern Neighborhoods Mitigation Measure L-1)

In order to minimize impacts to public and construction worker health and safety during demolition of the existing structure, the sponsor shall ensure that any equipment containing PCBs or DEHP, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, state, and local laws prior to the start of renovation, and that any fluorescent light tubes, which could contain mercury, are similarly removed and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, state, and local laws.

IMPROVEMENT MEASURES

Project Improvement Measure 1 – Transportation Demand Management (TDM) Measures

While the proposed project would not result in any significant traffic impacts, to reduce traffic generated by the proposed project, the project sponsor should encourage the use of rideshare, transit, bicycle, and walk modes for trips to and from the project site.

The San Francisco Planning Department and the San Francisco Municipal Transportation Agency (SFMTA) have partnered with the Mayor's Office of Economic and Workforce Development and the San Francisco County Transportation Authority to study the effects of implementing TDM measures on the choice of transportation mode. The San Francisco Planning Department has identified a list of TDM measures that should be considered for adoption as part of proposed land use development projects. The project sponsor (or transportation broker) should consider the following actions:

- *TDM Coordinator:* The project sponsor should identify a TDM Coordinator for the project site. The TDM Coordinator should be the single point of contact for all transportation-related questions from residents and City staff. The TDM Coordinator is responsible for the implementation and ongoing operation of all other TDM measures included in the proposed project as noted below.

- Transportation and Trip Planning Information:
- *Move-in packet.* Provide a transportation insert for each new resident's move-in packet that includes information on transit service (local and regional, schedules and fares), information on where transit passes may be purchased, information on the 511 Regional Rideshare Program, and nearby bike and car share programs, and information on where to find additional web-based alternative transportation materials. This move-in packet should be continuously updated as transportation options change, and the packet should be provided to each new building occupant. Muni maps as well as San Francisco Bicycle and Pedestrian maps should be provided upon request.
- *Posted and Real-Time Information.* Install local map and real-time transit information on-site in a prominent and visible location, such as within a building lobby. The local map should clearly identify transit, bicycle, and key pedestrian routes, and also depict nearby destinations and commercial corridors. Real-time transit information via NextMuni and/or regional transit data should be displayed on a digital screen.
- Data Collection:
- *City Access.* As part of an ongoing effort to quantify the efficacy of TDM measures, City staff may need to access the project site (including the garage) to perform trip counts, and/or intercept surveys and/or other types of data collection. The project sponsor should assure future access to the site by City staff. All on-site activities should be coordinated through the TDM Coordinator, including access to the project site by City staff for purposes of transportation data collection. Providing access to existing developments for data collection purposes is also encouraged.
- *TDM Program Monitoring.* The project sponsor should collect data and make monitoring reports available for review by the San Francisco Planning Department. See TDM Monitoring section below for more detailed information.
- Bicycle Measures:
- *Design.* Design residential units to facilitate the use of a bicycle.
- *Bike Route Access.* Facilitate direct access to bicycle facilities in the study area (e.g., Routes 25 and 40, Route 33, and Route 25) through signage.
- *Building Access.* Ensure that the points of access to bicycle parking through elevators on the ground floor and the garage ramp include signage indicating the location of these facilities.
- *Safety.* Develop bicycle safety strategies along the Florida Street side of the property, where Class II bike racks are located, and where there is bicycle access to the parking garage and Class I bike parking spaces. Examples include lighting and signage.
- *Parking.* Increase the number of on-site secured bicycle parking beyond Planning Code requirements and/or provide additional bicycle facilities in the public right-of-way adjacent to or within a quarter-mile of the project site (e.g., sidewalks, on-street parking spaces).
- *Bay Area Bike Share.* Provide free or subsidized bike share membership to residents and tenants. See "Bikesharing" section below for additional information.
- Car Share Measures:

- *Parking.* Provide optional car share spaces as described in *Planning Code Section §166(g).*
- *Membership.* Provide free or subsidized car share membership to all tenants. For example, offer one annual carshare membership for each new resident (one per household) or employee. Recipient would be responsible for the remainder of the costs associated with the membership.
- *Transit Measures: Transit Pass.* Offer free or subsidized Muni passes (loaded onto Clipper cards) to tenants. For example, offer a 50 percent subsidy for one Muni monthly pass for new residents (one per household), and employees for up to one year. Recipient would be responsible for the remainder of the costs associated with the Muni monthly pass.
- *TDM Monitoring.* The San Francisco Planning Department will provide the TDM Coordinator with a formatted template (electronic or hard copy) of the "Resident Transportation Survey" to facilitate the collection and presentation of travel data from residents. The Resident Transportation Survey will be administered (circulated and collected) by the TDM Coordinator, based on a standardized schedule (e.g., one year after 85 percent occupancy of all dwelling units, and every two years thereafter) that is approved by the Planning Department. The TDM Coordinator should collect responses from a minimum of one-third of residents within the occupied units within 90 days of receiving the Resident Transportation Survey from the San Francisco Planning Department. The San Francisco Planning Department will assist the TDM Coordinator in communicating the purpose of the survey, and will ensure that the identity of individual resident responders is protected. The San Francisco Planning Department will provide professionally prepared and easy-to-complete online (or paper) survey forms to assist with compliance.

  The San Francisco Planning Department will also provide the TDM Coordinator with a separate "Building Transportation Survey" that documents which TDM measures have been implemented during the reporting period, along with basic building information (e.g., percent unit occupancy, off-site parking utilization by occupants of building, loading frequency). The Building Transportation Survey should be completed by the TDM Coordinator and submitted to City staff within 30 days of receipt. The project sponsor should also allow trip counts and intercept surveys to be conducted on the premises by City staff or a City-hired consultant. Access to residential lobbies, garages, etc. should be granted by the project sponsor and facilitated by the TDM Coordinator. Trip counts and intercept surveys are typically conducted for two to five days between 6:00 a.m. and 8:00 p.m. on both weekdays and weekends.
- *Bike Sharing.* The project sponsor should contact Bay Area Bike Share (or its successor entity) to determine whether it would be interested and able to fund and install a new bikeshare station in the public right-of-way immediately adjacent to the project site (including locations within new or existing sidewalks, new or existing on-street parking, or new or existing roadway areas). The project sponsor should contact Bay Area Bike Share early enough that they may respond by 60 days prior to the project sponsor's meeting with the Transportation Advisory Staff Committee (TASC) for approval of the streetscape design.[65]

  If Bay Area Bike Share is not interested in or unable to fund and install a new bikeshare station, as indicated in writing, the project sponsor should not be obligated to design and permit such a space. If Bay Area Bike Share determines in writing that it would be interested and able to

[65] TASC approval typically occurs at the 90 percent design phase.

fund and install a new bike share station immediately adjacent to the project site within the time period specified above, the project sponsor should make best efforts to modify its streetscape design to accommodate a new bike share station. The project sponsor should coordinate with Bay Area Bike Share to obtain all City permits necessary and to design and install a station immediately adjacent to the project site in the public right-of-way. If the City agencies responsible for issuing the permits necessary to provide the new bike share station space reject the project sponsor's application despite project sponsor's best efforts, the project sponsor should not be obligated to provide such space.

Other potential measures for consideration would include unbundling parking (per Planning Code §167) or enlisting the services of a Transportation Management Association (TMA) to implement a package to TDM measures on behalf of the building.

TDM strategies included in this improvement measure would be incorporated into the project's conditions of approval (COA) during the entitlement process. Other strategies may be proposed by the project sponsor and should be approved by City staff. Prior to issuance of a temporary permit of building occupancy, the project sponsor should execute an agreement with the San Francisco Planning Department for the provision of TDM services.

Project Improvement Measure 2 – Pedestrian Audible and Visible Warning Devices

While the proposed project would not result in any significant pedestrian impacts, it should be noted that Bryant Street is a major pedestrian route to and from the project site, as well as to and from neighborhood-serving commercial uses and transit service in the 16th Street corridor. To minimize the potential for conflict between vehicles exiting the project site and pedestrians along Bryant Street, the project sponsor should install audible and visible warning devices to alert pedestrians of the outbound vehicles departing the North Building garage.

Project Improvement Measure 3 – Freight Loading Management Measures

While the proposed project would not result in any significant freight / service impacts, to minimize the potential for conflicts between loading freight / service vehicles serving the project site, the project sponsor should implement the following improvement measures:

- *Schedule and Coordinate Loading Activities.* Schedule and coordinate loading activities through building management to ensure that trucks can be accommodated in the proposed off-street freight loading spaces. All regular events requiring use of the off-street freight loading spaces (e.g., retail deliveries, building service needs) should be coordinated directly with building management. Building management should also be proactively involved in coordinating move-in and move-out activities for building residents and tenants to ensure that these activities can be accommodated in the off-street freight loading spaces or in nearby on-street commercial loading zones or parking spaces.
- *Discourage Illegal Parking.* Trucks and other vehicles conducting freight loading / service vehicle activities should be discouraged from parking illegally or otherwise obstructing traffic, transit, bicycle, or pedestrian flow along any of the streets immediately adjacent to the building (18th Street, Bryant Street, or Florida Street). Building management should also be proactively involved in coordinating move-in and move-out activities for building residents and tenants to ensure that these activities do not disrupt bicycle and pedestrian circulation.

Project Improvement Measure 4 – Construction Traffic Management Measures

While the proposed project would not result in any significant construction impacts, to minimize disruptions to traffic, transit, bicycle, and pedestrian circulation during construction of the project, the proposed project should implement the following improvement measures:

- *Limit Hours of Construction-Related Traffic.* Limit hours of construction-related traffic, including, but not limited to, truck movements, to avoid the weekday a.m. and p.m. peak hours (7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m.) (or other times, if approved by the San Francisco Municipal Transportation Agency [SFMTA]).
- *Coordinate Construction Projects.* Construction contractor(s) should coordinate construction activities with other potential projects that may be constructed in the vicinity of the project site.
- *Alternative Transportation for Construction Workers.* Construction contractor(s) for the project should encourage construction workers to make use of alternative modes of transportation (transit, rideshare, biking, or walking) when traveling to and from the construction site.

Any construction traffic occurring between 7:00 a.m. and 9:00 a.m. or between 4:00 p.m. and 6:00 p.m. would coincide with commute-period travel patterns and could result in minor disruptions to traffic, transit, bicycle, or pedestrian circulation on streets adjacent to the project site, although these effects would be considered a less than significant impact. Limiting truck movements to avoid these hours (or other times, if approved by SFMTA) would minimize these effects.

Construction contractor(s) for the project would need to meet with SFMTA, the Fire Department, the Planning Department, and other City agencies to determine feasible measures to minimize disruptions to traffic, transit, bicycle, and pedestrian circulation during construction of the project. In addition, the temporary increase in vehicle parking demand generated by construction workers would need to be met on-site or within other off-site parking facilities to be determined by the construction contractor(s).

Project Improvement Measure 5 – Driveway Queue Monitoring and Abatement

While parking is discussed for informational purposes only and is not considered in determining if the proposed project has the potential to result in significant environmental effects, to minimize the impacts of the parking shortfall and potential for vehicles to queue on Bryant Street, the project sponsor should implement following improvement measure:

- *Driveway Queue Monitoring and Abatement.* It should be the responsibility of the owner / operator of the off-street parking facility to ensure that recurring vehicle queues do not occur on the public right-of-way. A vehicle queue is defined as one or more vehicles blocking any portion of any public street, alley, or sidewalk for a consecutive period of three minutes or longer on a daily or weekly basis. If a recurring queue occurs, the owner / operator of the parking facility shall employ abatement methods as needed to abate the queue.

  Suggested abatement methods include, but are not limited to, the following: redesign of facility layout to improve vehicle circulation and / or on-site queue capacity; use of off-site parking facilities or shared parking with nearby uses; travel demand management strategies such as additional bicycle parking; and / or parking demand management strategies such as parking pricing schemes.

If the Planning Director, or his or her designee, suspects that a recurring queue is present, the Department shall notify the property owner in writing. Upon request, the owner / operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant shall prepare a monitoring report to be submitted to the San Francisco Planning Department for review. If the San Francisco Planning Department determines that a recurring queue does exist, the facility owner / operator shall have 90 days from the date of the written determination to abate the queue.

Exhibit B

Exhibit B:
Videos Links to Testimony on the Project

Link to Planning Commission Video May 19
http://sanfrancisco.granicus.com/MediaPlayer.php?view_id=20&clip_id=25438

Link to Planning Commission Video June 2
http://sanfrancisco.granicus.com/MediaPlayer.php?view_id=20&clip_id=25516

Exhibit C

Letters and other Documents in Support of the Appeals

April 27, 2016

Via email
Chris Thomas
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA

94103 christopher.thomas@sf

gov.org

Re: Case No. 2013.0677E

Dear Mr. Thomas,

I am writing as the founder of the Pacific Felt Factory, an Arts non-profit located down the block from the proposed 2000-2070 Bryant St project, to express our concerns regarding the environmental impacts. The developer proposes 196 market rate units with only 3 BMR units on site, the rest is proposed to be an adjacent parcel, with slightly less than the required 35% of land dedication – and without funding to actually build any below market rate units there anytime

soon. The proposed project also includes an apartheid road separating the proposed market rate development from any below market rate/affordable units, if they are ever built. The proposed project is situated within a culturally and economically diverse community, of mostly PDR/light industrial buildings, interspersed with low-rise residential. The proposed project would be the tallest in the neighborhood, casting shadows and creating wind tunnels, and completely changing the historical character of the block.

There are numerous other projects proposed within the District which total several hundred units, approximately 88% of which are "market rate" (i.e. "luxury") units. Because this infusion of new residents – most notably economically well-heeled in what is otherwise a working class neighborhood – all environmental impacts of this project should be considered in context with the cumulative impacts that this and other projects will have on the neighborhood. On the 2 blocks of Bryant Street, from Mariposa – 19th Streets, there are three large market rate developments proposed in the pipeline, all with the barest minimum allowed by law proposed of affordable units. All of these three proposed developments are/were used as PDR space, not residential. With the change to UMU zoning in the Eastern Neighborhoods Plan, large businesses employing numerous blue collar workers are being displaced, and hundreds of residential units built in a neighborhood without sufficient transportation, sewer, drainage, or earthquake preparedness systems or infrastructure in place. There are no open spaces or parks in the neighborhood to support this influx of residents, their cars, and their transportation needs.

Impact on Businesses within the neighborhood.
One major concern is the cumulative impact that this, and other projects will have on the neighborhood. CEQA defines "environment" as "the physical conditions which exist within the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, noise, objects of historic or aesthetic significance." 14 CCR Sec. 15131(a). See eg. *Eureka Citizens for Responsible Government v City of Eureka* (2007) 147 Cal.App.4th 357, 363. The businesses and nonprofits within this designated area clearly constitute "physical conditions" which are of "historic or aesthetic significance" and therefore merit consideration under CEQA. The Mission District believes that the cumulative impact of rampant market rate development and the consequent influx of residents earning 200% of AMI will create upward rent pressures on commercial properties along the 24th Street Corridor and neighboring local streets which currently have small local shops and services, and thereby result in displacement of the small businesses and nonprofits currently in place. This site had, up until the developer displaced everyone last year, a thriving arts and business community. Several local businesses with a 30 yr history on site were displaced on the block, and a domino effect will occur in the surrounding blocks of low-income residents and community serving businesses, as we have already seen. We've watched it happen just a block away on Bryant/20th street, as taquerias and laundromats were closed to make way for $5 cups of coffee at SightGlass, and $50/pp dinners at Central Kitchen (without drinks or dessert.) This began after the first gentrifying project displaced a corner shop, and established Flour+Water on 20th and Harrison. The entire strip of 20th St is now high end restaurants, cafes and bars serving the increasingly high end residents living in the new developments in the neighborhoods, as well as hipsters arriving in Ubers, clogging the bike lanes as they drop off their high-end clientele. Wealth draws more wealth. The more expensive the housing, the more expensive the neighboring services, displacing long term businesses and residents from their homes.

These local, community serving businesses and nonprofits have been recognized as an important cultural and commercial resource for the City. MAP2020 has been meeting for a year to find ways to preserve and grow these types of establishments. Accordingly, the Mayor and Board of Supervisors established the Calle 24 Latino Cultural District just 3 blocks away in May 2014. The District is bounded on the north by 22nd Street, the south by Cesar Chavez Street, the east by Potrero Avenue, and on the west by Mission Street. The District was established "to stabilize the displacement of Latino Businesses, and residents, preserve Calle 24 as the center of Latino culture and commerce, enhance the unique nature of Calle 24 as a special place for San Francisco's residents and tourists, . . ." and that its contribution will provide "cultural visibility, vibrancy, and economic opportunity for Latinos in the City and County of San Francisco."

We need only look at Valencia Street to see how even modest market rate development can impact a commercial corridor. The cumulative impact on the Cultural District resulting from even more substantial market rate development and the consequent influx of financially well-heeled individuals should be thoroughly examined.

Impact on PDR loss.
The loss of PDR is at an accelerated pace higher than planned by the Eastern Neighborhoods Plan. We have lost 65% of the anticipated rate in only the first 7 of 25 years.
This Bryant St project has already eradicated 50,000 sq ft of PDR use. Present Owners were bought off, leaving workers laid off and searching for work. American Conservatory Theatre's prop and scene shop, employing dozens of union workers, was displaced after 35 years on the site. That work is now being done in Canada. SF Auto Repair, a 30 year community serving business, also employing well paid blue collar workers, is now gone, said to be relocating, in a current PDR spot, thus reducing the overall PDR use in the Mission, where blue collar, well paid jobs are so direly needed. 10,000+ square feet of arts and cultural space is now empty, after being in place since 1979. The proposed project developer plans on building just 3983 sq ft of PDR space – although he claims he will be replacing 11,000 sq ft, only 3983 will be built in his plan - and has not committed to renting this space out at affordable rates comparable to the PDR space that is now gone. We are not talking about empty warehouses, work sent off shore and long abandoned. This was a thriving block only 1 year ago, before the evictions and displacement by this developer began.

Impact on Stated Goals of Eastern Neighborhoods Plan.

In addition to its incompatibility with both the Calle 24 Latino Cultural District, and the stated goals of the MAP 2020 plan, (see http://www.sf-planning.org/index.aspx?page=4184), the cumulative imbalance of affordable units v unaffordable units is of particular concern given the Mission's advanced stage gentrification. http://missionlocal.org/2015/09/sf-mission-gentrification-advanced/ Should the project proceed, it will cause significant economic and social changes in the immediate area that will result in physical changes, including impacts on air quality, traffic and transportation, as well as negative impacts on the Cultural District. (See CEQA guidelines, 15604 (e)).

A 2007 Nexus Study, commissioned by the Planning Department, concluded that the production of 100 market rate rental units generates 19.44 lower income households and a total of 33.66 households if direct, indirect, and induced impacts are counted in the analysis. [These conclusions were made in 2007, well before housing prices began their steep upward trajectory. Today, new "market rate" two bedroom apartments rented in the Mission begin at about $6,000 per month – requiring an annual household income of $240,000.] The 19.44 and 33.66 figures would be even higher using today's rents.

The City commissioned an updated Nexus study that is expected to demonstrate a direct impact of 27-29 units (up from 19). Unfortunately, for purely political reasons, the City is withholding the final draft of that study. Regardless of the ultimate number, one is forced to ask: where will the workforce in need of affordable housing live and how will they get to work? And what is the impact on air quality and transportation? These questions should be addressed by the Department with respect to the cumulative impacts that the currently pending projects have on the Mission as a whole and the Cultural District in particular. I live in a complex, that the Planning Commission mandated City Car Share spots in the garage, and a shuttle to the BART station at 16th St. Those mandated requirements never happened, and no staff is assigned to monitor that mitigating impacts ever happen. A thorough review of the actual proposed project is needed, and it should NOT be exempted from a formal Environmental Review.

The project's low affordability, is inconsistent with the Eastern Neighborhoods Plan and the Mission Neighborhood Plan, both of which set for the following policy priorities: 1) preservation and retention of PDR uses and 2) production of a "significant amount" of affordable housing. The EIR for the Eastern Neighborhoods Plan had to have been made with the assumption that the Plan would substantially address the RHNA set by the Association of Bay Area Governments. However, to date, implementation of these priorities has been a complete failure. Not only has there been excessive conversion of PDR uses, but the Mission's affordable housing production has been less than one fifth of ABAG's RHNA.

Accordingly, there is significant new information that was not anticipated at the time the Programmatic EIR was prepared. This includes, but is not limited to: 1) The continuing imbalance of affordable/unaffordable housing (as reflected in the recent Housing Balance Report). An underlying assumption of the Mission Plan was that there would be "significant" affordable housing production. 2) The steep rise in housing prices and the resultant introduction of extensive luxury housing and retail space in the Mission. 3) The increasing pressures to produce affordable housing due to the overproduction of "market rate" housing. 4) The fact that the project is within 3 blocks of the Calle 24 Latino Cultural District, 5) The influx of high paying jobs into the city along with the continued proliferation of "tech shuttles", 6) The failure of the City to produce affordable housing in the Mission since the Eastern Neighborhoods Plan took effect. 7) The Mission's advanced stage of gentrification. 8) The multiple large development project on Bryant St across the street, and within 1 block of this development. All of these projects should be looked at closely for a true impact on the environment and neighborhood quality of life.

Issues Related to Parking/Traffic.

Traffic and parking are also a significant issue. The project site is on Bryant Street, a major thoroughfare used by the increasing commuter shuttle buses, UCSF shuttle, and the 27 Bryant MUNI buses that criss-cross Bryant St. The addition of 196 new households, along with the hundreds of units in the pipeline will significantly increase traffic along these corridors, and exacerbate parking in the neighborhood. The Department should also consider alternative measures for mitigation of these impacts.

Please keep me informed of the progress of your review of these concerns.

Sincerely,

Spike Kahn

cc. United to Save the Mission Our
Mission No Eviction
Calle 24 Latino Cultural District
BeautyOnBryant.org

May 18, 2016

Re: Item 10, 2000-2070 Bryant Street

Planning Commissioners:

As someone who was closely involved in the Eastern Neighborhoods process, and subsequently, have continued to be involved through my participation in the EN CAC and in the MAP2020 process co-led by the Planning Department and Mission community members, I am very concerned about the implementation of the plan, which clearly has major flaws and shortcomings.

I am writing to urge the Planning Commission to deny the Conditional Use authorization for 2000-2070 Bryant Street.

I ask the Commission to postpone any decision on this project until the concerns of the Mission District community (who have organized their own "Beauty on Bryant" vision), the San Francisco Building Trades Council, and the San Francisco Labor Council are addressed. Please ask the developers and the community to return to the Commission when they have come up with a mutually acceptable outcome, one that both retains or replaces one-for-one the existing PDR and cultural/arts spaces and provides a majority of affordable units. This is particularly relevant given the new affordable housing requirements that will be voted on in the election less than three weeks from now.

The cumulative impact of this project and the dozens of others around it must be considered as a whole.

- This project, with 196 luxury units, will take up nearly the entire 2000 Block of Bryant St between 18th St and 19th St. Under the current proposal the project would be mostly luxury apartments with a minimum land dedication to the city with no money to build potential affordable housing units.
- The Bryant Street block—now cleared out by the owners—was home to dozens of blue-collar jobs, PDR, arts and community-serving spaces such as CELLspace, Tortilla Flats Cafe, The ACT Costume and Prop Shop, and San Francisco Auto Body, and has no plans to replace them. The developer proposes to replace the 50,000 sq. ft. of demolished PDR space with only 3,983 sq. ft.
- PDR space is being lost in the Mission at a pace of 213% faster than anticipated by the Eastern Neighborhoods Plan that governs projects like this. The demand for PDR space is growing rather than shrinking as was predicted in the Eastern Neighborhoods Plan.

This project again raises the question for the Commission of the limitations of the current Eastern Neighborhoods zoning requirements in relation to the goals of the area plan process, and the necessity of revisiting the zoning requirements. Much has already been said about the housing affordability needs in the Eastern Neighborhoods, and the nexus between market-rate housing and the demand created for affordable units. Following are some background comments on the tion of PDR-retention policies in the UMU:

1. The Mission, SoMa, and Potrero industrial areas have historically had a "mixed-use" character, where industry had existed adjacent to small working-class residential enclaves, and where, at least since the 1970s, industrial spaces had been adapted for cultural/arts uses. The then-current M zoning allowed residential uses only as a conditional use, and market conditions until the mid-1990 had not created a demand for new housing construction in these industrial areas. Given the lower land values here, the City's Housing Elements of the 1990s had identified the industrial areas as viable areas to promote AFFORDABLE housing construction.

2. In the 1990s, residential builders began to market "live-work" lofts, residential uses illegally sited in the industrial areas, and driving up land values. It was acknowledged that allowing the "highest and best use," ie, housing, as a principally permitted use, would continue to drive up land values.
3. The consensus from the Planning Department, under long-term Planning head Amit Ghosh, was that there was an increasing loss of industrial land in San Francisco, and a need to figure out a way to regulate this loss and plan for areas where loss would be allowed and a certain amount of retention could happen. The "PDR," Production, Distribution, and Repair, designation was developed to identify the kinds of light industrial uses that still had a future within the City limits.
4. The "mixed-use" zoning districts were intended to retain the mixed-use character of the Mission, SoMa, and Potrero industrial areas, where historically industry had existed adjacent to small working-class residential enclaves, and where, at least since the 1970s, industrial spaces had been adapted for cultural/arts uses. Throughout the EN process, the concept was that the new mixed-use zoning districts would include a strategy for PDR retention and/or replacement in any change to allowing residential as a principally permitted use. In fact, Interim Controls and policy resolutions adopted by the Planning Commission included PDR controls, and the Mosaica project conformed to these policies by including on-site PDR in their building.
5. **The 2003 Community Planning in the Eastern Neighborhoods – Rezoning Options Workbook**, calls out a proposed "Residential – Production/Distribution/Repair This new zoning district would create opportunities for housing, while retaining and creating space for PDR businesses that can coexist with residential uses. New developments would be required to provide some space for light and medium PDR businesses, which would be encouraged on the ground floor. Residential and other small commercial uses would also be permitted. This district could support mixed use neighborhoods where housing is constructed on top of or next to light industrial businesses." (http://sf-planning.org/sites/default/files/FileCenter/Documents/3651-cp_dworkbook_part2.pdf, page 33)
6. **The 2004 Planning Commission Resolution No. 16727**, established policies and procedures for development proposals in Eastern Neighborhoods. "Those areas designated... to be a part of the Housing/PDR Overlay... PDR space should be located on the ground floor of the building. Net loss of PDR space is strongly discouraged for projects built on lots greater than 5,000 square feet. For lots less than 5,000 square feet, a ratio of 1 sq. ft. of PDR space is strongly encouraged for every 4 sq. ft of residential or commercial development. If the ratio yields less than 2000 sq. ft of PDR space, then PDR should not be required." (http://sf-planning.org/eastern-neighborhoods-16727).
7. **The June 2007 Eastern Neighborhoods EIR**, on page S-3, describes the new zoning as "Urban Mixed-Use (UMU), which would encourage transitional development patterns… buffering potentially incompatible land uses. Non-PDR development would be required to also provide PDR space, at specified ratio(s)." And in page S-7 and S-8: "Requirements to construct new PDR space in mixed-use districts… would discourage the type of incompatible residential

development that has been the pattern throughout much of the Eastern Neighborhoods, reducing potential land use conflicts." And furthermore in page S-16, "UMU districts would be established where PDR use would be a priority... Much existing PDR activity in the new... UMU districts would be expected to remain, and possibly even increase under these options in the heart of the Northeast Mission Industrial Zone..."

8. In expectation of the need to resolve adjacency issues, in 2007, Asian Neighborhood Design prepared an Industrial Mixed-Use Zoning Analysis, which was shared with Planning staff. (http://static1.1.sqspcdn.com/static/f/633596/8723762/1285611256987/Industrial+Mixed-Use+Zoning.pdf?token=q9lKg8EoRbLrMggh8umsClKttQM%3D)

In 2008, however, after previous Planning staff left the Department (Amit Ghosh, Miriam Chion, Johnny Jaramillo), and with a new Planning Director and new staff assigned to the EN rezoning, the final approved "UMU" zoning did not include PDR replacement.

Clearly the "mixed-use" vision was seriously flawed, as in the absence of strong and prescriptive requirements for retention, replacement (and even expansion) of PDR, the result has in fact been once again "highest and best use" market-driven development outcomes.

Areas which had previously been mixed-use areas, such as Valencia Street which had traditionally had a great deal of auto-related uses, have become boutique retail destinations, with new condos selling at over $2 Million. The loss of PDR continues unabated, with proposals such as the Axis development on Folsom, and the Lennar development on South Van Ness, continuing to deplete the remaining PDR spaces in the Mission District. And the Eastern Neighborhoods compromise, which was to mitigate the cumulative impacts of this loss in other parts of the neighborhood by requiring replacement space in the new "mixed-use zones," was never fulfilled or codified, and continues unabated with projects such as 2000 Bryant.

This needs to stop. The Planning Commission should commit to action, first by denying their approval to the CU for 2000 Bryant St. project, and second by listening to the unprecedented community and labor demands for increased affordability and 1-for-1 PDR retention, and developing new policies and zoning codes to make this a reality as was the original intention of the Eastern Neighborhoods planning process.

Thank you,

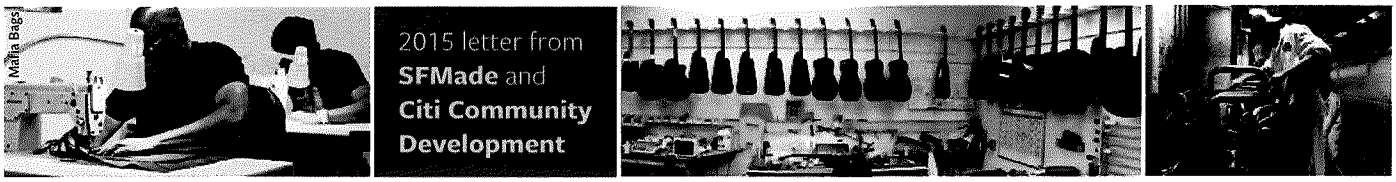
Fernando Martí

Options A, B, and C vary by the degree to which they would permit lands currently zoned for industrial uses to be converted to residential and mixed-use districts: in general, Option A would permit the least amount of such conversion, while Option C would permit the greatest conversion. Under all three options, new single- and mixed-use zoning districts would be introduced to the Planning Code. Most of the existing Heavy Industrial (M-2) and Light Industrial (M-1) use districts in the Eastern Neighborhoods would be replaced with either mixed-use residential districts (MUR), new Urban Mixed-Use (UMU) Districts that would permit residential and PDR uses, or with new Employment and Business Development (EBD) Districts that would permit PDR uses only. These districts would encourage the retention and expansion of PDR uses while in some cases also allowing limited commercial or residential uses. Some existing commercial districts would be replaced, where commercial activity would continue to be permitted, with new mixed-use residential/commercial districts or with mixed-use PDR/commercial districts, although some areas would be designated neighborhood commercial as currently defined in the Planning Code. Finally, existing residential districts could be replaced, generally with new single-use residential districts. Proposed new zoning districts include:

- **Employment and Business Development (EBD)**, in which new construction would be limited to PDR space, housing would be prohibited, and only small office and retail uses would be allowed;
- **Residential-Transit Oriented (RTO)**, which would allow generally moderate-scale residential buildings, with no maximum permitted residential density and reduced parking requirements;
- **Mixed-Use Residential (MUR)**, to promote high-density housing and a flexible mix of smaller neighborhood-serving retail and commercial uses, including some PDR uses;
- **Neighborhood Commercial Transit (NC-T)**, similar to MUR, but would not permit most PDR uses;
- **Neighborhood Commercial (Moderate Scale)**, similar to the existing NC-3 (Neighborhood Commercial-Moderate Scale) district; and
- **Urban Mixed-Use (UMU)**, which would encourage transitional development patterns between EBD and predominantly residential districts, thereby buffering potentially incompatible land uses. Non-PDR development would be required to also provide PDR space, at specified ratio(s).

In addition, the Central Waterfront would include a **Heavy PDR** district, mostly covering land under Port of San Francisco Jurisdiction that is intended to remain in heavy commercial and industrial use, and a **Pier 70 Mixed-Use District**.

The *Rezoning Options Workbook* included a potential Design PDR Use Area overlay zone in the central portion of Showplace Square, where only design-related PDR uses would be permitted, to help preserve the existing cluster of design uses. Further, subsequent drafts of the Showplace Square/Potrero Hill plan delineated a separate Arts District in part of the Seventh Street corridor, near the California College of the Arts campus, to encourage compatible arts (PDR) activities.



Urban Manufacturing: An Equity Engine

For the past 5 years straight, since SFMade's inception, San Francisco has been a leader in the renaissance of US urban manufacturing, posting double-digit job growth year over year. Nationally, manufacturing jobs have also been growing, with the sector adding more than 800,000 jobs since 2010[1]. Yet, as an overall percentage of the economy, modern day manufacturing here and across the US has a more modest place in our economic fabric than in the past: nationally, manufacturing now represents approximately 12% of GDP and provides 8.8% of US employment, down from almost 30% of GDP and 20% of US jobs in 1970.

On the one hand, familiar pro-economic arguments supporting the outsized economic benefits of manufacturing still ring true: Manufacturing pays more than comparable service sector jobs, in particular for entry-level workers. Manufacturing offers training and advancement opportunities for individuals with less traditional education or other barriers to employment that far surpasses those of other industries. And manufacturing's "economic multiplier" effect in the local economy remains greater than any other industry. Conservatively, San Francisco manufacturers, who drove more than $614M into the regional economy in 2014, generated an *additional* $816M[2] in indirect economic impact, back into the Bay Area.

Urban manufacturing is perhaps one of the few sectors capable of moving the needle in a positive direction around economic equity.

But the undisputed economic benefits of a healthy urban manufacturing ecosystem, while impressive, understate an even richer set of societal benefits:

Sustainable Innovation. Local manufacturing is critical to sustained regional innovative capacity. The US, and specifically the Bay Area, remains a global innovation leader, increasingly in *physical* products. A strong local manufacturing ecosystem provides designers the opportunity to rapidly prototype new products, manufacture in small volumes, gain feedback from the local consumer base, and then repeat. This "virtuous cycle" of innovation is equally at play both in San Francisco's emerging advanced manufacturing sector and in more traditional sectors, exemplified by Levi Strauss and Co's recently opened Eureka Innovation Lab, which marries denim product development with manufacturing, steps from Levi's headquarters in San Francisco.

Inclusive Ownership. A thriving local manufacturing "start-up" culture is a powerful gateway to more diverse business ownership. Maker-based businesses—fueled by the democratization of access to capital, markets, equipment, shared space, and most of all information—are providing new pathways to start and own a business. San Francisco has been the birthplace of successful manufacturers owned by artists, skilled union craftspeople, formerly low-income women, immigrant families, and by individuals from other at-risk populations, including a remarkable growing advanced manufacturer launched by a formerly homeless man.

Economic Equity. Above all, urban manufacturing is perhaps one of the few sectors capable of moving the needle in a positive direction around economic equity, in a time when nationally we are seeing more inequitable distribution of income and wealth than ever. No city better understands the perils of this growing inequity than San Francisco: a recent Brooking Institute report found the income gap between San Francisco's rich and poor is growing faster than any other city in the nation. Local and, in particular, urban manufacturing co-locates jobs and companies near and in the very communities of people who can most benefit from them. Urban manufacturing has a unique capacity to knit together diverse neighborhoods, socio-economic groups, and disciplines. Ultimately urban manufacturing provides the possibility for residents from all walks of life to enter the mainstream economy, to advance their skills, their economic self-sufficiency, and to become invested stakeholders and leaders in our communities.

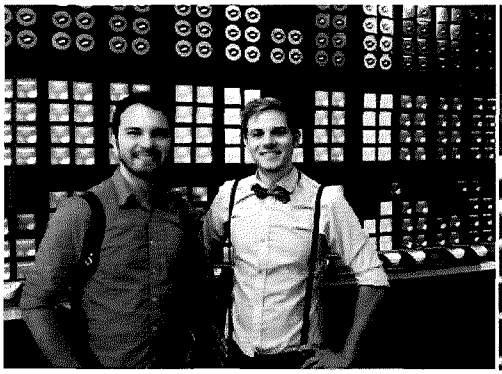
All of these benefits create a powerful argument for cities across the US to actively fight to maintain healthy manufacturing sectors, irrespective of the size or scale relative to other local industries. And while we recognize to do so in San Francisco—one of the most expensive and land-constrained cities in the country—is perhaps an especially daunting task, the economic and societal benefits from a strong local manufacturing ecosystem are simply too important. Urban manufacturing is a unique engine that can power a more equitable economy. And as ever, San Francisco has the potential to lead the way.

Kate Sofis
Founding Executive Director, SFMade

Vicki Joseph
Northern California Region Director, Citi Community Development

1. Source: US Department of Commerce, 2015.
2. Source: Manufacturing Institute, April 2014.

2015 State of Local Manufacturing Report



ENTREPRENEURIAL MANUFACTURING

San Francisco's local manufacturing sector has reached an all time high since the launch of SFMade in 2010, as shown by the results of this year's *Annual SFMade Survey of Manufacturers*.[3] SFMade membership—at 605 companies representing over 90% of the local manufacturing sector—is **up by 11% over last year, the greatest single year of growth in number of SFMade member companies since our launch.** Together, these vibrant companies drove $614M in direct sales into the regional economy.

San Francisco manufacturers reflect the entrepreneurial spirit of the city they call home. 38 companies in the SFMade community launched within the last 18 months, largely on pace with new company formation rates of prior years. Further, a whopping **96% of SFMade's membership started their business from scratch**; the other 4% either inherited a family business or bought an existing business. And these self-starters are vastly self-funded as well—81% utilized savings or loans from personal resources or family and friends to make the first year happen. While home is the place that 45% of the companies launched from, maker-spaces or shared spaces have begun to play a more prominent role: 13% of manufacturers now report starting in a maker-space such as TechShop, Double Union (a new maker-space for women), or private shared spaces.

These vibrant companies drove $614M in direct sales into the regional economy.

Overall, San Francisco manufacturing remains concentrated in consumer products, with growth occurring largely proportionate to the industry sectors reported in our 2014 report: sewn products—including apparel and accessories such as bags—account for over a third of member companies (32%), food and beverage remains second (18%). The remaining half is comprised of home products, jewelry and accessories, and a diverse "Other" category which includes advanced manufacturing companies making technology-enabled products, as well as a range of other products including bikes, sporting goods, and print/media.

There was a slight shift away from sourcing goods in San Francisco, yet the amount of inputs from California in total remained the same, signaling perhaps more robust access to regional supply chains. Tools like BriteHub—an online supply chain management and sourcing platform currently being implemented across the Bay Area—are starting to shift access to source materials as suppliers and manufacturers get networked in a way that provides streamlined information in both directions.

Companies in San Francisco are still largely manufacturing in house—almost 80% of total product value—and overall, we observe a positive trend of companies *increasing* their local manufacturing over time: 44% of companies surveyed now manufacture more in San Francisco than they did five years ago. While a small portion of sub-contracted production moved from San Francisco contract manufacturers to regional contract manufacturers, we see this as a positive reflection of both the increasing strength of regional supply chain offerings and improved access to information about how to locate suppliers across the region. The strength of the region is also a key driver of sales for San Francisco manufacturers, with an estimated 58% of sales attributed to Bay Area and San Francisco customers.

MORE JOBS, SOME CHALLENGES

In 2014, the **manufacturing sector added more jobs for the 5th year in a row, at 12% net new jobs**. Food and beverage remained the powerhouse sector in sheer number of jobs reaching a total of 1,000 jobs, with an 18% growth in net new jobs for the sector. Manufacturers now account for **over 4,400 jobs, with fully 70% of those jobs held by individuals from low-income households**. Looking forward, 36% of the jobs manufacturers plan to add in the next 12 months will be focused on the production or distribution of the products, with another 25% in customer service/sales, 15% in retail, 14% in management, administration or finance, and just 8% in design or engineering positions. Over 60% of the low-income workers currently employed by SFMade companies are persons from minority populations. In addition, **women hold 60% of all manufacturing jobs in San Francisco and continue to represent close to 50% of the ownership of local manufacturers**.

For the first time, however, since SFMade has been reporting on the sector, while the overall number of manufacturing jobs filled has grown, the sector reported a slight slowing down of the pace of job growth as compared to prior years (12.5% in 2012, 13% in 2013, and 15% in 2014). The root cause: while the sector continues to be a robust new job generator, manufacturers are having difficulty filling job openings. Entry-level jobs on SFMade's job board currently are going unfilled for up to 6 months. The main drivers are rising costs (of housing and other expenses) for workers to live locally and increased competition with other sectors for talent. For entry level workers, the manufacturing sector overall continues to start employees at wages above current minimum wage—ranging from $15-$25 per hour—yet it's still not enough for people to support themselves or their families unless they already have stable housing. For more experienced job positions,

3. SFMade's annual survey of local manufacturers was completed by close to 300 member companies.

manufacturers have additional trouble competing with the wages and other benefits offered by sectors like technology and finance.

Local manufacturers have reacted by crafting innovative ways to approach the compensation and retention of employees. Some SFMade companies have engaged in projects to design profit-sharing programs for hourly workers or have incorporated other non-cash benefits such as flexible work hours, providing employees access to equipment for personal projects, or support for education/training. And a few SFMade manufacturers have gone all the way to devise outright employee ownership structures. For example, Heath Ceramics recently converted its business structure to an Employee Stock Ownership Plan (ESOP). Employees are much more invested in the company and Heath has some of the lowest turnover in the sector.

At a civic level, the connection between housing and manufacturing jobs is the place where innovation is needed most. One short-term solution that bears consideration is to specifically market manufacturing job openings to individuals already stabilized in their housing through affordable housing partners. The City should also be looking at its policies to encourage new manufacturing job production and housing production for low-income individuals together on city-owned parcels. This approach, for example, has been taken in planning uses for the Mission Rock development, a mixed office, housing, open space, and manufacturing project on Port property. Imagine the collective economic stability of pursuing manufacturing and other accessible jobs and affordable housing together, rather than considering them as separate, stand-alone initiatives.

ADVANCING MANUFACTURING

Over the course of 2014, San Francisco's advanced manufacturing sector—companies that design and build products that incorporate digital manufacturing technologies and/or advanced materials—has begun to crystallize into a defined component of our local ecosystem. While still modest in size, **the advanced manufacturing sector was the fastest growing of all sectors—more than doubling the number of jobs over the course of the last 12 months**. About 30% of new jobs were production or distribution jobs, demonstrating the capacity for advanced manufacturing, like other sectors, to offer entry-level opportunities. Importantly, SFMade's advanced manufacturing community reports that the majority of new production jobs can accommodate individuals with limited experience and most specific skills are trained on the job. At the same time, 38% of the job growth was in design or engineering positions, demonstrating that these firms are both attracted to—and rely on access to—much of the same talent being sought by the technology sector as a whole.

Consumer product hardware design and engineering has clearly become the engine of San Francisco's emerging advanced manufacturing sector. The city is home to more formal hardware incubators (Highway One, Lemnos Labs), prototyping/engineering/product invention firms (PCHLimeLab, Otherlab) and informal hardware/gadget communities than any other city in the country. While the majority of products being incubated in these "innovation nodes" are either pre-production or have yet to identify local supply chains that support scaled manufacturing, **clearly the great opportunity for San Francisco's emerging advanced manufacturing sector is to capture more market-share of short and medium-run production**. The move of major electronics contract manufacturer Flextronics into SOMA—the first newly arrived electronics manufacturer offering not just prototyping services but actual manufacturing in San Francisco—is an encouraging sign for things to come.

The advanced manufacturing sector also leads the way in equity investment and, in particular, venture funding. In the past year, San Francisco manufacturers overall secured $47M in new capital, up from $41M in 2014. 60% of that capital was in the form of debt, with the remaining 40% comprised of mostly equity and less than 1% of crowd funding. In contrast, the advanced manufacturing sector anticipates 80% of next year's capital to come in the form of equity.

Currently, San Francisco's nascent advanced manufacturing sector has three main impediments to growth. First, and foremost, holes in the local and regional hardware and electronics supply chain make it difficult to manufacture more products locally. Second, early stage advanced manufacturing companies cannot easily find expansion-stage industrial space at an affordable price. And finally, local cost of living pressures equally impact advanced manufacturers who compete with each other and the technology sector for talent.

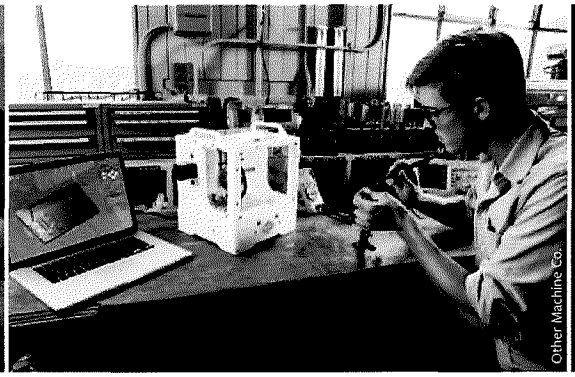
The advanced manufacturing sector was the fastest growing of all sectors—more than doubling the number of jobs over the course of the last 12 months.

In a positive response to the opportunity and the challenges, the Mayor's Office of Civic Innovation, in partnership with the Office of Economic and Workforce Development and SFMade, has launched a concerted Advanced Manufacturing initiative, led by a working group drawn from industry and a unique, full-time *Make to Manufacture Fellow* housed part-time at SFMade and part-time at City Hall. Over the next year—in collaboration with the design and engineering community, existing manufacturers, and anchor educational institutions—the initiative will focus on developing an implementable toolkit of regional solutions to create more fertile soil in which these promising local companies can start, stay, and grow in San Francisco.

MISSING THE MIDDLE

Amid the continued success of San Francisco's local manufacturing sector, a new, more worrying trend has emerged in this year's data: **For the first time in the five years, growth-stage manufacturers with $500K-5M in revenue and 5-20 employees have declined as a percentage of the local manufacturing base in San Francisco—from 15% to 10%**. Companies with 1–4 employees now comprise 83% of SFMade's membership, up from 79% in 2014. Larger, established San Francisco brands with 20 or more employees, comprising 6% of the membership, have remained stable and continue to create jobs. What is the explanation for a shrinking "middle class" of manufacturers? While a few have failed, the **majority of the decline is due to expanding manufacturers— otherwise healthy and profitable—moving production out of the City**. These companies are leaving just as they reach the next level of growth, just as they are ready to find a bigger space, raise capital, and expand their workforce. The trend is worrisome in the near term, as San Francisco is failing to capture all the new manufacturing jobs it could, the very jobs that provide an on-ramp to employment for diverse residents. If this trend continues it will have an adverse impact on the size and number of the most mature manufacturers who are now our largest job generators. **The "middle class" of manufacturing must thrive in order to build the workforce-sustaining large manufacturers of the future**.

Most often, these vibrant producers are thwarted by lack of availability of affordably priced real estate—especially quality industrial space



near public transportation. At the same time, the demographics of where the manufacturing workforce lives has also continued to shift, in large measure in response to surging housing prices in San Francisco and limited availability. **Companies are choosing to relocate not only because of rising real estate prices for production space, but also because increasingly their workforce lives elsewhere**.

At a macro level, housing remains a critical input. Recently San Francisco Mayor Ed Lee announced a plan to create dedicated affordable housing for teachers. Perhaps this same creativity can be applied to the manufacturing workforce. Efforts to better connect the city's industrial areas with public transit will also enable more growing manufacturers to still operate in San Francisco even if they must draw a workforce from the greater Bay Area. And above all, a continued focus on securing flexible, affordable, multi-tenant industrial space for the sector—by better using what we have and by building more of it—is essential now more than ever.

INDUSTRIAL SPACE: BUILDING BLOCKS

Manufacturers continue to feel the oppressive realities of an overheated real estate market, particularly in the transit-accessible industrial districts. For some industrial spaces in San Francisco, annual rents have risen above $50 per square foot—and even more modest rents can exceed $24 per square foot—rates that were previously unheard of for these types of properties. More companies this year than ever before have been forced to move when their lease expired because the new rents and terms were not sustainable for their business—even after considering the costs incurred to undertake a real estate search and move their operations. 85% of SFMade companies lease and with 42% of those leases coming due within the next year, if we don't see a cooling of the market or some other changes soon—we are truly at risk of losing a number of additional companies in the next 12–18 months. Through our *Places to Make* program, which assists manufacturers in looking for space, only 13% of companies who have undertaken a search in 2015 were successfully placed in San Francisco.

However, there are some bright spots on the real estate storm cloud. A number of promising new projects have started in the past 12 months, since the launch of the City's *Five Point PDR Plan*. For the first time in decades, new PDR development is happening in San Francisco. Two projects will deliver smaller footprint industrial spaces within the year as part of mixed-use residential developments: 350 8th Street and Potrero 1010. The City—via the Port—is now an active player in the development of two larger, mixed-use projects at Pier 70 (Forest City) and Mission Rock (San Francisco Giants)—which combined will deliver over 400,000 square feet of light manufacturing space, including providing for the highly anticipated expansion of our largest manufacturer, Anchor Brewers and Distillers. And PlaceMade—San Francisco's first affordable industrial real estate developer born out of a collaboration between SFMade and the City—is poised to release over 55,000 square feet of affordable industrial space at One Hundred Hooper in partnership with Kilroy Realty Corporation. On the same site, Kilroy will build an additional 90,000 square feet of industrial space in a mixed office-industrial project, the first of its kind on the West Coast. This project is noteworthy as the first to take advantage of the City's new "inclusionary industrial" zoning passed in 2014 that allows for the cross-subsidization of new industrial space via the development of co-located new office on previously vacant industrial parcels.

While these new construction initiatives are both laudable and important, the majority of new projects will not come online until 2017 or later. In parallel, a sustained focus on making the best possible use of existing space will be essential. Continued enforcement of industrial zoning is key. The City must also confront the opportunity—and challenge—presented by the emergence of product design-engineering firms, whom we need in our ecosystem but who may not use the required 66% of their space that PDR zoning requires for active production and who can often pay far more in rent than most traditional manufacturers.

DEMOCRATIZATION OF MAKER EDUCATION

The recent explosion of maker-based education opportunities—in particular, for young people—shows promise in the evolving landscape of San Francisco's manufacturing economy. The San Francisco Public Library has included some maker equipment at The Mix—a teen focused program—including a 3D printer and a laser cutter. TechShop and other shared maker-spaces offer classes for all ages with focused events and programs for the younger demographics, clearly stoking the fires of creativity and what's possible for kids to make with their own hands (and a few helpful tools). SFMade's own *Inside Manufacturing* program combines both educational and experiential elements to expose San Francisco public high school students to the possibility of a career in manufacturing and takes it a step further to connect them to internship opportunities at SFMade companies through our youth internship program, *YouthMade*. The Bay Area's Laney College has launched a nationally-watched "Manufacturing 101" program, a great example of a community college refining its offerings to connect more to manufacturing. At the California College of the Arts, the Design MBA program brings in manufacturers from the SFMade network who educate

Securing flexible, affordable, multi-tenant industrial space for the sector is essential now more than ever.

students about how they manufacture locally and conversely the manufacturer hears from students on innovative "design thinking."

All of these programs are deeply interconnected to the growing ecosystem of education that holds the potential to support local manufacturing. The next opportunity is to more intentionally connect these initiatives—and students—to our existing community of manufacturers. Could our own City College play a more explicit role in providing advanced manufacturing skill training to young adults? How can we expand the capacity of manufacturers to host interns and apprentices and how can we inspire more designers and engineers to eschew the benefits of a big company and instead work for a small manufacturer? What would it take to create a full circle of opportunity that connects maker-education with workforce development with manufacturing?

LET'S GET TOGETHER

If there is a theme to how local manufacturers are staying and even thriving in San Francisco during these intense economic times, it is surely in how the sector has been working together to create collective opportunity.

Collaboration among manufacturers. Nearly half of all survey respondents collaborated with each other during the year. 35% of companies report sharing supply chains and recommending contract manufacturers to one another, the top reported collective activity in 2015. Shared retail selling events were equally popular, with 30% of SFMade companies participating in *SFMade Week* and several hundred in the annual *Holiday Sale*. Companies are also sharing production space, and not always out of necessity: local manufacturers Capital Eyewear and Galanter & Jones so enjoy the communal environment of shared space that when the lease was up on their shared production space, they pursued and successfully found new space together. SFMade companies additionally report a number of interesting product development collaborations, such as Etta + Billie's use of T-We Tea and Ritual Coffee in their soaps. Other companies enjoy more traditional B2B collaborations, such as SOMA-based Standard Metal Products making machine parts for Mission-based Other Machine Co. These bonds tie companies not only to each other but more closely to San Francisco as well.

Collaboration with large local non-manufacturers. As locally-made products are being increasingly demanded by residents and visitors alike in cities across the country, finding ways to curate entire sections of local, independent brands is of interest to major retailers as never before. 40% of sales of SFMade manufacturers are now to major wholesale retailers and distributors, including national retailers with local footprints such as Whole Foods and Target. As more national retailers seek to create a unique customer experience, they are seeking out precisely the types of products—and stories behind those products—that SFMade companies represent. In 2013, the San Francisco Westfield Center tailored a kiosk space for SFMade companies featuring a rotating set of manufacturers and now Stonestown Mall is following suit. SFMade recently renewed our partnership with a major retailer at SFO and our creative collaboration with Climb Real Estate. Even our local SF Giants kept it local with their project—The Yard at Mission Rock—which in addition to several other SFMade brands, like Anchor Brewing and Humphry Slocombe, featured a rotation of locally made companies in one of the retail containers.

Collaboration through intentional procurement. Intentional corporate procurement is a significant opportunity to harness the potential for San Francisco to further grow local manufacturing. A growing number of major corporations are directing more of their B2B spend on locally-made products—primarily from small businesses. From Square and Lyft buying their office furniture from Ohio Designs, to DropBox ordering Rickshaw Bags for their annual meeting, to LinkedIn creating customized DodoCase gifts, intentional local corporate procurement can mean major business for local manufacturers, and an even bigger impact on our local workforce. One of our most visible examples: SFMade company Social Imprints—who employs a workforce of 35 men and women who have faced a myriad of life challenges—has built an entire silk-screening business by selling customized printed goods in large part to major tech brands, both local and national. Recognizing the opportunity, in 2015 the San Francisco Chamber of Commerce in partnership with the City, launched SF Biz Connect—a platform connecting larger businesses who have pledged to spend at least 5% more of their total purchases through local purchasing, with smaller San Francisco businesses.

40% of sales of SFMade manufacturers are now to major wholesale retailers and distributors.

The reason local manufacturers report that they continue to start, grow, and stay here, in spite of the challenges, is that they simply want to be in San Francisco. Imagine what more we can do if we fully leverage the richness of our community—across industry lines, across public and private, tech and manufacturing, housing and jobs, office and industrial, large and small—to create a shared future where a robust maker-manufacturing ecosystem is the thread that knits our community together.

SFMADE

Empowering manufacturers. Creating jobs. Transforming our city.

SFMade's mission is to build and support a vibrant manufacturing sector in San Francisco, that sustains companies producing locally-made products, encourages entrepreneurship and innovation, and creates employment opportunities for a diverse local workforce.

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Mission - Projects Completed or Under Environmental Review - 2008 to 2/23/16 (Planning Dept. Data)

Address	Case No.	Date of Document	Status of Document	Net Housing Units	Cultural, Institutional, Educational	Medical	Management, Information, and Professional Services	PDR	Retail and Entertainment
3418 26th Street	2009.0610E	8-Nov-10	Published CPE	13	0	0	0	0	0
80 Julian Avenue	2009.1095E	23-Jun-10	Published CPE	8	0	16,000	0	0	0
411 Valencia	2009.0180E	13-May-10	Published CPE	16	0	0	0	-1,550	1,370
490 South Van Ness Avenue	2010.0043E	24-Jun-14	Published CPE	72	0	0	0	-1,618	1,123
3420 18th Street	2012.1572E	16-Oct-13	Published CPE	16	0	0	0	-4,675	1,000
1875 Mission Street	2010.0787E	14-Oct-10	Published CPE	38	0	0	0	-43,695	2,523
17th Street and Folsom Street Park	2009.1163E	24-Jan-11	Published CPE	0	0	0	0	0	0
1501 15th Street	2008.1395E	27-Jan-11	Published CPE	40	0	0	0	-1,740	9,681
480 Potrero Avenue	2011.0430E	26-Sep-12	Published Other	84	0	0	0	0	0
626 Potrero Avenue/ 2535 18th Street	2011.1279E	16-Jul-12	Published CPE	0	0	15,200	0	-15,000	0
2550-2558 Mission Street	2005.0694E	21-Nov-12	Published Other	114	0	0	0	0	14,750
1450 15th Street	2013.0124E	30-Oct-14	Published CPE	23	0	0	0	-6,088	0
300 South Van Ness Avenue	2011.0953E	29-Nov-12	Published CPE	0	0	0	0	0	20,040
346 Potrero Avenue	2012.0793E	3-Feb-14	Published CPE	72	0	0	0	-1,500	2,760
1785 15th Street	2012.0147E	1-May-13	Published CPE	8	0	0	0	-765	0
1801/1863 Mission Street	2009.1011E	19-Mar-15	Published CPE	54	0	0	740	0	2,125
2600 Harrison St.	2014.0503E	19-Aug-15	Published CPE	20	0	0	0	-7,506	0
1924 Mission St.	2014.0449E	2-Apr-15	Published CPE	12	0	0	0	-1,180	2,315
600 South Van Ness Avenue	2013.0614E	9-Apr-15	Published CPE	27	0	0	0	-1,750	3,060
2000-2070 Bryant St, 2815 18th St, 611 Florida St	2013.0677E	2-Jun-15	Published CPE	274	0	0	-3,540	-64,450	4,105
1298 Valencia Street	2013.1404E	9-Oct-15	Published CPE	35	0	0	0	-2,000	3,770
1198 Valencia Street	2012.0865E	31-Jul-15	Published CPE	52	0	0	0	-440	5,300
1050 Valencia Street	2007.1457E	5-Oct-10	Published Other	16	0	0	0	0	1,830
1419 Bryant Street	2015-005388ENV	6-Jan-16	Published CPE	0	44,600	0	0	-34,350	0
1979 Mission Street	2013.1543E	28-Jan-15	Active Other	331	0	0	0	0	-18,239
2675 Folsom St	2014-000601ENV	TBD	Active CPE	115	0	0	0	-22,111	0
1900 Mission Street	2013.1330E	TBD	Active CPE	11	0	0	0	-2,064	844
645 Valencia St	2013.1339E	TBD	Active CPE	9	0	0	0	0	-4,382
1800 Mission	2014.0154E	TBD	Active CPE	0	0	0	139,607	-138,742	39,000
2750 19th St.	2014.0999E	TBD	Active CPE	60	0	0	0	-10,934	10,112
1515 South Van Ness Ave.	2014.1020E	TBD	Active CPE	160	0	0	0	0	-29,940
3140 16th St	2014.1105ENV	TBD	Active CPE	28	0	0	0	-20,428	7,284
2799 24th St.	2014.1258ENV	TBD	Active CPE	8	0	0	0	0	-269
2435 16th St.	2014.1201ENV	TBD	Active CPE	53	0	0	0	-10,000	4,992
3357-3359 26th St.	2013.0770ENV	TBD	Active CPE	8	0	0	0	0	5,575
1726-1730 Mission St.	2014-002026ENV	TBD	Active CPE	36	0	0	0	-3,500	900
2100 Mission Street	2009.0880E	TBD	Active CPE	29	0	0	0	-7,630	2,640
200 Potrero Ave.	2015-004756ENV	TBD	Active CPE	0	0	0	0	-27,716	30,034
3314 Ceasar Chavez	2014-003160ENV	TBD	Active CPE	52	0	0	-2,500	0	1,740
1798 Bryant St.	2015-006511ENV	TBD	Active CPE	131	0	0	-5,179	0	3,514
2918-2924 Mission St.	2014.0376ENV	TBD	Active CPE	38	0	0	0	0	7,400
793 South Van Ness	2015-001360ENV	TBD	Active CPE	54	0	0	0	-1,966	4,867
1850 Bryant St.	2015-011211ENV	TBD	Active CPE	0	0	0	0	188,994	0
953 Treat Ave	2015-006510ENV	TBD	Active CPE	8	0	0	0	0	0
3620 Cesar Chavez	2015-009459ENV	TBD	Active CPE	28	0	0	-3,200	0	940
344 14th St. & 1463 Stevenson St.	2014.0948ENV	TBD	Active CPE	45	0	0		18,995	5,849
1950 Mission St.	2016-001514ENV	TBD	Active CPE	157	1,236	0	0	0	3,415
1296 Shotwell St.	2015-018056ENV	TBD	Active CPE	96	0	0	850	-11,664	0
				2,451	**45,836**	**31,200**	**126,778**	**-237,073**	**152,028**

Preferred Project (approved 2008) **1696**

Option A	**782**	**104,400**	**37,200**	**422,021**	**422,021**	**114,000**
Option B	**1,118**	**150,300**	**36,900**	**597,242**	**597,242**	**143,400**
Option C	**2,054**	**609,480**	**49,448**	**2,214,011**	**-3,370,350**	**598,323**

The CPE for 2000-2070 Bryant Street notes that 2451 residential units had completed or were under environmental review:
"As of February 23, 2016, projects containing 2,451 dwelling units and 355,842 square feet of non-residential space (excluding PDR loss) have completed or are proposed to complete environmental review within the Mission District subarea."

This is in excess of the number of units in the approved Preferred Project, as well as Options A, B and C from the ENP EIR. As a result, the analysis of cumulative impacts contai within the Eastern Neighborhoods Plan EIR, and referenced in the CPE, for this project is no longer relavant. The PEIR is stale and doesn't reflect current conditions. Among the impacts not adequately studied are recreation and open space, transit, traffic, and air quality.

Exhibit D

Links to Eastern Neighborhoods Area Plan EIR, Motion 17661 of the Planning Commission which adopted CEQA Findings for the Plan EIR, and the Mitigation Monitoring Report

Final PEIR:
http://sf-planning.org/sites/default/files/FileCenter/Documents/3991-EN_Final-EIR_Part-1_Intro-Sum.pdf

Motion and Findings:
http://sf-planning.org/sites/default/files/FileCenter/Documents/1268-EN_BOS_Vol4_CEQA_Part7_Web.pdf

Ordinance on Monitoring Program:
https://law.resource.org/pub/us/code/city/ca/SanFrancisco/Administrative Code/chapter10e.pdf

Eastern Neighborhoods Monitoring Reports 2011-2015 DRAFT Executive Summary

Introduction

After years-long community planning processes and coordination across several city agencies, the San Francisco Board of Supervisors adopted the Eastern Neighborhoods Area Plans in an effort to create a long-term vision for equitable, sustainable, and prosperous communities. The plans for the Mission, East SoMa, Central Waterfront, and Showplace Square/Potrero Hill were adopted in 2009 and Western SoMa in 2013.

The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

In addition to policy goals and objectives outlined in individual plans, all plans are guided by four key principles divided into two broad policy categories:

The Economy and Jobs:

- Reserve sufficient space for production, distribution and repair (PDR) activities, in order to support the city's economy and provide good jobs for residents.
- Take steps to provide space for new industries that bring innovation and flexibility to the city's economy.

People and Neighborhoods:

- Encourage new housing at appropriate locations and make it as affordable as possible to a range of city residents.
- Plan for transportation, open space, community facilities and other critical elements of complete neighborhoods.

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, require that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan

Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern Neighborhoods.

The Economy and Jobs

The five-year monitoring period covered in these reports (2011-2015) span a turbulent moment in San Francisco's economy, from the depths of the "Great Recession" to a rapid expansion since 2012 and 2013. Much of this growth has been driven by high technology industries located in or near the Eastern Neighborhoods, which has intensified pressures on existing businesses and the traditional economic make-up of these communities. Although the plan had not anticipated an influx of firms and jobs of this magnitude, it was largely driven by the need to protect existing businesses – particularly in PDR activities – from such pressures, while transition appropriate lands to other activities.

As Table 1 shows, the Eastern Neighborhoods saw about 1 million square feet of PDR space converted to other activities during the 2011-2015 period. Although an equivalent increase in office square footage has been developed during this period (roughly 950,000), most of the actual spaces formerly occupied by PDR businesses were in fact transitioned to residential uses, many with higher percentage of affordable housing than required by the City. By-and-large, conversions of PDR space did not occur in zoning districts specifically created to exclusive hold those activities (such as PDR-1-G and PDR-2-G in the Mission and SLI in SoMa), but in areas that the City and community defined as "transitional", such as the Urban Mixed Use (UMU) designation and other non-industrial zones (such as Neighborhood Commercial).

TABLE 1. COMMERCIAL DEVELOPMENT BY LAND USE IN THE EASTERN NEIGHBORHOODS, 2011-2015

Plan Area	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
Mission	(25,211)	15,200	108,400	(206,311)	40,119	-	(67,803)
Central Waterfront	3,000	-	-	(25,700)	14,448	-	(8,252)
East SoMa	-	-	605,420	(483,823)	22,933	-	144,530
Western SoMa	-	-	71,676	(92,995)	(3,700)	(3,930)	(28,949)
Showplace/Potrero	419,070	-	157,634	(169,894)	9,603	-	416,413
Total	**396,859**	**15,200**	**943,130**	**(978,723)**	**83,403**	**(3,930)**	**455,939**

The commercial pipeline as of December 31, 2015 shows a continuation of these trends. If all projects that have applied for planning permits are approved, the Eastern Neighborhoods will see another 1,000,000 square feet converted to other uses. However, 60% of that amount is currently under review, so the actual loss of PDR space is uncertain. The pipeline shows roughly 420,000 square feet of PDR conversions that are entitled, either under or awaiting construction.

The other land use category that will see substantial change within the pipeline is office. Table 2 shows that roughly 6,000,000 square feet of office space are proposed in the Eastern Neighborhoods. Of that amount, however, 5,000,000 has not been entitled, and the vast majority of that is located in the proposed Central SoMa Plan Area (which straddles East and Western SoMa) or in the Pier 70 master development in Central Waterfront.

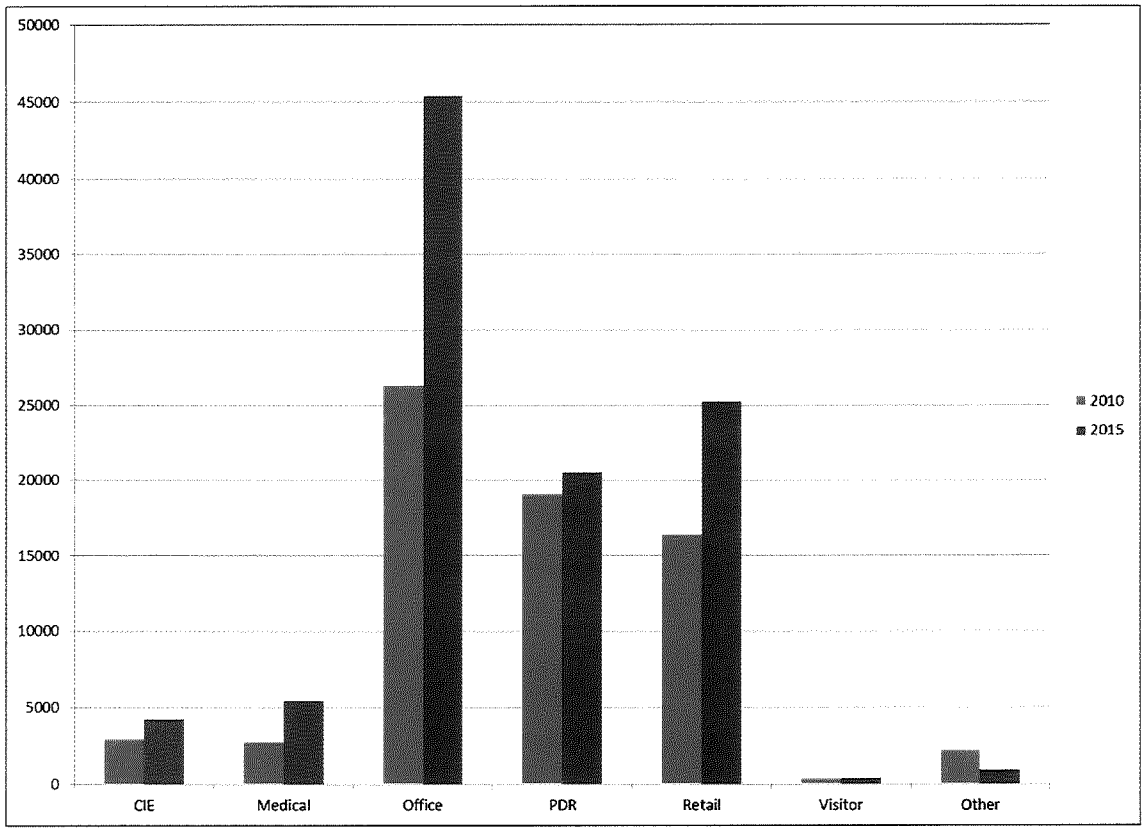
The industrial zoning designations prior to the Eastern Neighborhoods Area Plans – C-M, M-1, and M-2 – permitted a broad range of non-residential uses, with few restrictions on office development. It is quite likely that, absent the rezoning, the Eastern Neighborhoods would have seen a much deeper transition from industrial to office.

TABLE 2. COMMERCIAL PIPELINE BY LAND USE IN THE EASTERN NEIGHBORHOODS, 4TH QUARTER 2015

Plan Area	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
Mission	*250,985*	*16,000*	*163,448*	*(368,698)*	*44,642*	-	*106,377*
Under review	247,028	-	157,051	(339,766)	32,696	-	97,009
Entitled	3,957	16,000	6,397	(16,471)	4,550	-	14,433
Under construction	-	-	-	(12,461)	7,396	-	(5,065)
Central Waterfront	-	-	*2,019,010*	*165,811*	*10,379*	-	*2,195,200*
Under review	-	-	2,014,804	315,770	4,396	-	2,334,970
Entitled	-	-	4,206	(73,032)	1,442	-	(67,384)
Under construction	-	-	-	(76,927)	4,541	-	(72,386)
East SoMa	*(15,022)*	-	*572,787*	*(211,955)*	*(67,492)*	*123,777*	*402,095*
Under review	(16,622)	-	388,032	(139,840)	(93,789)	101,232	239,013
Entitled	1,600	-	37,955	(52,585)	15,762	-	2,732
Under construction	-	-	146,800	(19,530)	10,535	22,545	160,350
Western SoMa	*62,870*	-	*3,046,022*	*(110,766)*	*82,464*	*41,000*	*3,121,590*
Under review	59,070	-	2,203,723	(48,832)	22,725	-	2,236,686
Entitled	3,800	-	809,299	(37,988)	6,739	41,000	822,850
Under construction	-	-	33,000	(23,946)	53,000	-	62,054
Showplace/Potrero	*320,166*	-	*294,108*	*(517,773)*	*71,170*	*545*	*168,216*
Under review	35,695	-	220,497	(409,933)	34,999	-	(118,742)
Entitled	284,471	-	73,611	58,709	1,751	-	418,542
Under construction	-	-	-	(166,549)	34,420	545	(131,584)
Eastern Neighborhoods	***618,999***	***16,000***	***6,095,375***	***(1,043,381)***	***141,163***	***165,322***	***5,993,478***
Under review	325,171	-	4,984,107	(622,601)	1,027	101,232	4,788,936
Entitled	293,828	16,000	931,468	(121,367)	30,244	41,000	1,191,173
Under construction	-	-	179,800	(299,413)	109,892	23,090	13,369

Data from the California Employment Development Department (EDD) shows that the Eastern Neighborhoods, over the past five years, have not lost employment in PDR activities. In the 2011-2015 period, PDR jobs have increased from roughly 19,000 to more than 20,000, as shown on Chart 1. Other land use categories, particularly office and retail, have seen substantial increases in employment during this time, meaning that PDR is relatively a smaller share of the Eastern Neighborhoods labor force. Given the fact that the Plan Areas lost PDR space and only added about 500,000 net square foot of commercial space overall, it is reasonable to assume that much of the added employment has located in spaces that were vacant in 2010 due to the Great Recession, as well as in denser workplaces (more employees within a given square footage).

CHART 1. EMPLOYMENT BY LAND USE IN THE EASTERN NEIGHBORHOODS, 2ND QUARTER 2010 AND 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

People and Neighborhoods

In addition to the stabilization of PDR activities and employment, the Eastern Neighborhoods Area Plans placed a strong focus on expanding the supply of housing, particularly units that are affordable to low and moderate-income households. Additionally, housing is not simply conceived as "four walls and a roof", but as a set of supporting amenities, such as adequate transportation and mobility, parks, community centers, childcare facilities and other important elements of complete neighborhoods. As some of the areas suitable for residential development were formerly dominated by industrial uses, the installation of neighborhood infrastructure to serve new and existing residents was made a priority for the Area Plans.

As Table 3 shows, in the 2011-2015 reporting period, roughly 1,400 units have been developed in the Eastern Neighborhoods, roughly 78% of which were built in the Mission and East SoMa Plan Areas. Of this total, 24% were income-restricted (55% of area median income for rental units and 90% of AMI for ownership units). Of the total number of affordable units (334), two-thirds were developed through the inclusionary housing program, in which developers of market-rate housing set aside a percentage of the units within a development for low- or moderate-income households. Inclusionary units accounted for almost 16% of all units built during the reporting period, a higher percentage than the percentage required by the City for developments of ten or more units (12%). Neighborhoods such as Mission, Western SoMa, and Showplace

Square/Potrero Hill developed a lower percentage of affordable units than the minimum 12% requirement. In these cases, developers may have met their obligations by paying a fee "in lieu" of physically developing the units, equivalent to setting aside 20% of the units as affordable.

The other one-third of affordable units (113) were built by non-profit developers as three 100% affordable developments in East SoMa, using a combination of public subsidies from the City, State, and Federal governments.

TABLE 3. HOUSING DEVELOPMENT IN THE EASTERN NEIGHBORHOODS, 2011-2015

Plan Area	Units from New Development	Publicly Subsidized Units	Inclusionary Units	Total Affordable Units	Percent Affordable
Mission	504	-	56	56	11%
Central Waterfront	203	-	68	68	33%
East SoMa	595	113	89	202	34%
Western SoMa	65	-	6	6	9%
Showplace/Potrero	52	-	2	2	4%
Total	**1,419**	**113**	**221**	**334**	**24%**

As of December 31, 2015, there were an additional 12,000 units slated for development in the Eastern Neighborhoods. Of this total, 64% were under review (including large-scale developments such as Pier 70), 10% were entitled and awaiting construction, and 26% were under construction. Assuming the minimum inclusionary housing requirement (12%) for the pipeline, an additional 1,440 affordable units would be built in the Plan Areas, though the amount would likely be much larger since some projects would achieve higher inclusionary percentages and a few developments would be built as 100% affordable. The breakdown of the pipeline by Plan Area and development status is shown on Table 4.

TABLE 4. RESIDENTIAL DEVELOPMENT PIPELINE, 4TH QUARTER 2015

Plan Area	Number of Units	Number of Projects
Mission	1,852	107
Under review	1,450	61
Entitled	199	29
Under construction	203	17
Central Waterfront	2,689	25
Under review	1,862	15
Entitled	363	5
Under construction	464	5
East SoMa	1,606	48
Under review	717	21
Entitled	533	16
Under construction	356	11
Western SoMa	1,313	48
Under review	890	36
Entitled	7	9
Under construction	416	3
Showplace/Potrero	4,538	62
Under review	2,779	35
Entitled	59	18
Under construction	1,700	9
Eastern Neighborhoods	**11,998**	**290**
Under review	**7,698**	**168**
Entitled	**1,161**	**77**
Under construction	**3,139**	**45**

In order to fund the neighborhood improvements to support new housing and residents, the City established an impact fee program levied on new commercial and residential developments. Prior to adoption of the Plans, the Planning Department conducted a Needs Assessment to establish the amount of infrastructure that would be required, a legally-required Nexus Study to support the adoption of the fees, and feasibility testing to establish a fee that would not block new developments. To date, the City has collected almost $50 million from 150 projects, shown in Table 5. The fees are assigned to funds in five categories: housing, transportation and transit, complete streets, recreation and open space, and child care, as shown in Table 6.

TABLE 5. EASTERN NEIGHBORHOODS INFRASTRUCTURE IMPACT FEES COLLECTED TO DATE BY PLAN AREA

Area	Revenue	Projects
Mission	$5,357,000	58
East SoMa	$14,635,000	35
Western SoMa	$6,940,000	15
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	23
TOTAL	**$48,350,000**	**150**

TABLE 6. EASTERN NEIGHBORHOODS INFRASTRUCTURE IMPACT FEES COLLECTED TO DATE BY CATEGORY

Category	Collected
HOUSING	$4,740,000
TRANSPORTATION / TRANSIT	$16,940,000
COMPLETE STREETS	$6,730,000
RECREATION AND OPEN SPACE	$17,520,000
CHILDCARE	$2,420,000
Total	**$48,350,000**

The impact fees are spent through an implementation program coordinated by the Planning Department in collaboration with the Eastern neighborhoods Citizens' Advisory Committee (CAC). The individual Area Plan reports outline projects that have been funded (partially or completely) by the impact fees and Appendix B includes a list and brief description of priority capital projects. The Planning Department estimates that the City will collect $145 million through fiscal year 2021, as shown on Table 7.

TABLE 7. ESTIMATED EASTERN NEIGHBORHOODS INFRASTRUCTURE IMPACT FEES THROUGH FY 2021 BY CATEGORY

Category	Collected
HOUSING	$26,411,000
TRANSPORTATION / TRANSIT	$30,302,000
COMPLETE STREETS	$38,542,000
RECREATION AND OPEN SPACE	$43,912,000
CHILDCARE	$5,931,000
Total	**$145,098,000**

Eastern Neighborhoods Monitoring Reports 2011-2015

Draft for CAC Review and Discussion

June 14, 2016

Contents:

1. Mission Area Plan Monitoring Report
2. Western SoMa Area Plan Monitoring Report
3. Central Waterfront Area Plan Monitoring Report
4. East SoMa Area Plan Monitoring Report
5. Showplace Square/Potrero Hill Monitoring Report
6. Appendices
    a. Eastern Neighborhoods Monitoring Requirements Ordinance
    b. Eastern Neighborhoods Priority Capital Projects
    c. 2011-2015 Completed Commercial and Residential Projects
    d. Commercial and Residential Pipeline Projects, Q4 2015
    e. Projects Counted Under CEQA Community Plan Exemption
    f. List of Neighborhood Serving Business Codes
    g. San Francisco Mayor's Office of Housing Income and Rent Limits
    h. Single Room Occupancy Hotels and Number of Residential Units

DRAFT Mission Area Plan Monitoring Report 2011-2015

1 INTRODUCTION: MISSION PLAN MONITORING REPORT

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s—C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Moreover, the residential areas in these neighborhoods are well-served by public transportation (including two BART stops in the Mission), have vibrant cultural amenities, and feature many attractive older buildings. These neighborhood assets and new employment opportunities have served as strong magnets for high wages earners and market rate housing developers, creating a strong influx of new, more affluent residents.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize the neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process recognized the need to produce housing opportunities for residents of all income levels, which requires not just the development of new units at market rates, but also opportunities for low and moderate income families. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

The challenges that motivated the Eastern Neighborhoods community planning process were sharply evident in the Mission when the plans were adopted and continue to be relevant today. The boundaries of the *Mission Plan* area, shown in Map 1, run along Duboce/Division to the north, Potrero Avenue to the east, Guerrero Street to the west, and Cesar Chavez Street to the south.

MAP 1 Mission Plan Area Boundaries

The Mission is highly dense with neighborhood amenities, including a variety of shops and restaurants, an architecturally rich and varied housing stock, vibrant cultural resources, and excellent transit access. Traditionally a reservoir of affordable housing relatively accessible to recent immigrants and artists, housing affordability in the Mission has significantly declined in the past decade as demand has rapidly outpaced new housing supply and due to statewide restrictions on tenant protection laws (such as the Ellis Act), which allows landlords to evict residents from rent controlled apartments.

Despite inclusionary housing requirements that mandate that a certain percentage of new units be affordable to low and moderate income households, new housing has been largely unaffordable to existing residents. Mission residents and business owners highlighted a number of policy goals, in addition to the Eastern Neighborhoods-wide objectives, that should be considered for their Area Plan:

- Preserve diversity and vitality of the Mission
- Increase the amount of affordable housing
- Preserve and enhance the existing Production, Distribution and Repair businesses
- Preserve and enhance the unique character of the Mission's distinct commercial areas
- Promote alternative means of transportation to reduce traffic and auto use
- Improve and develop additional community facilities and open space
- Minimize displacement

1.1 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

The *Mission Area Plan Monitoring Report 2011-2015* is part of the set of Eastern Neighborhoods monitoring reports covering the period from January 1, 2011 to December 31, 2015. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Mission area and other Eastern Neighborhoods (including Western SoMa) will be released in years ending in 1 and 6.

While the previous Monitoring Report covered only the small amount of development activities in the years immediately preceding and following the adoption of the *Mission Plan* in 2008, this report contains information and analysis about a period of intense market development and political activity in the Mission. The time series report relies primarily on the *Housing Inventory*, the *Commerce and Industry Inventory*, and the *Pipeline Quarterly Report*, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 COMMERCIAL ACTIVITYAND JOB CREATION

One of the defining characteristics of the Mission neighborhood is its remarkable mix of uses and diversity of businesses, including manufacturing, restaurants and bars, a broad range of retail activities, institutional and educational uses, hospitals, and more. The neighborhood commercial corridors along Mission, Valencia, and 24th Streets support a variety of retail activities including shops and services, housing, and small offices, which serve their immediate neighborhood and also residents from throughout the city and region. Indeed, these commercial corridors have become part of San Francisco's tourism circuit, attracting visitors from around the world.[1]

ADD MISSION PIE PHOTO

The primarily residential portions of the Mission, which occupy the blocks on the southeast and western edges of the neighborhood, are also peppered with neighborhood serving businesses including corner stores, dry cleaning services, restaurants, cafes, and bars. Lastly, the Mission is home to a thriving collection of PDR businesses. The Northeast Mission Industrial Zone (NEMIZ) clusters many of these industrial activities and spaces, but a variety of smaller PDR businesses (such as auto repair garages, light manufacturing work, and the like) are scattered throughout the neighborhood. This mix of uses is an important source of employment opportunity for neighborhood, city and Bay Area residents; contributing to the overall vitality and culture of the Mission.

2.1 Commercial Space Inventory

Table 2.1.1 illustrates the mix of non-residential space in the Mission as of 2015. The table reflects the balanced mix of uses described above, as office, retail, and PDR activities each occupy roughly a quarter of the commercial space in the

[1] For example, a recent New York Times feature highlighting 18 San Francisco attractions to visit on a 36-hour visit to the city included 6 sites within the Mission Plan Area and another 3 within 2 blocks of its boundaries. See http://www.nytimes.com/2015/11/01/travel/what-to-do-in-36-hours-in-san-francisco.html?_r=0

neighborhood. Institutional and medical uses make up roughly another 20% of non-residential buildings and tourist hotels take up about another 1%. The table also shows the importance of the Mission in the San Francisco's stock of industrial lands. Though the neighborhood only accounts for 5% of the City's overall commercial space, its share of PDR space is much higher, at 8%. However, as will be discussed in the sections below, in recent decades PDR space has been subject to intense pressures from uses that are able to pay higher land rents, such as office and market-rate residential.

Table 2.1.1 Commercial Building Space, Mission and San Francisco, 2015

Non-Residential Land Use	Mission		Citywide		Mission as % of San
	Area	%	Area	%	
Cultural, Institution, Educational	1,760,105	15%	29,898,514	13%	6%
Medical	698,877	6%	17,468,039	7%	4%
Office	3,079,231	27%	107,978,954	45%	3%
PDR / Light Industrial	2,896,338	25%	36,265,832	15%	8%
Retail	3,022,780	26%	42,299,526	18%	7%
Visitor / Lodging	92,560	1%	4,053,422	2%	2%
Total	**11,549,891**	**100%**	**237,964,287**	**100%**	**5%**

Table 2.1.2 shows commercial and other non-residential development activity in the Mission Plan area between January 1, 2011 and December 31, 2015 while Table 2.1.3 shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another. Between 2011 and 2015, 206,000 square feet of PDR land was converted to other uses, especially housing, equivalent to roughly 6% of PDR space in the Mission.

Two properties account for more than 75% of the PDR conversion during this period. In 2012, the Planning Department legitimized a conversion of roughly 95,000 square feet of PDR to office at 1550 Bryant; the actual conversion occurred prior to the enactment of Eastern Neighborhoods without the benefit of a permit. The legitimization program (see section 2.3.1), which was enacted concurrently with Eastern Neighborhoods, enabled the space to be legally permitted as office. Another property at Mission Street at 15th Street, a vacant and non-functioning former printing shop, accounted for another 75,000 square feet of PDR conversion. The building was demolished to build a 194-unit residential building, shown in photo XX and completed in 2013, which included 40 affordable units (21% of the total). The property was zoned neighborhood commercial transit (NCT) and urban mixed-use (UMU), designations created by the Eastern Neighborhoods Area Plans specifically to transition struggling industrial properties in transit-rich corridors to dense residential uses.

INSERT PHOTO OF 1880 MISSION

Table 2.1.2 also shows the loss of 25,000 square feet of institutional space in 2015, which took place because the San Francisco SPCA demolished a building on their campus to convert into a dog park in order to better meet their animal rescue activities. The table also shows a modest gain of office and retail space during the reporting period. One illustrative project is the development at 1501 15th Street, which redeveloped a gas station into a mixed-use building with 40 residential units (7 of them below market rate) and roughly 10,000 square feet of professional services office space.

INSERT PHOTO OF SPCA

For comparison purposes, table 2.1.3 shows the commercial development activity throughout San Francisco. Overall, while the Mission saw a decrease of roughly 68,000 square feet, the city gained 2.8 million square feet, mostly serving office and medical uses. The Mission accounted for about 20% of the city's loss of PDR and slightly more than 7% of citywide office development between 2011 and 2015.

Map 2 shows the location of the larger-scale non-residential developments. (See List BL-1 in Appendix B for detailed information.)

Table 2.1.2 Net Change in Commercial Space, Mission 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011				(10,800)			(10,800)
2012	-	-	108,400	(98,326)	4320	-	14,394
2013	-	-	-	(70,762)	0	-	(70,762)
2014	-	15,200	-	(26,423)	-3696	-	(14,919)
2015	(25,211)	-	-	-	39495	-	14,284
Total	**(25,211)**	**15,200**	**108,400**	**(206,311)**	**40,119**	**-**	**(67,803)**

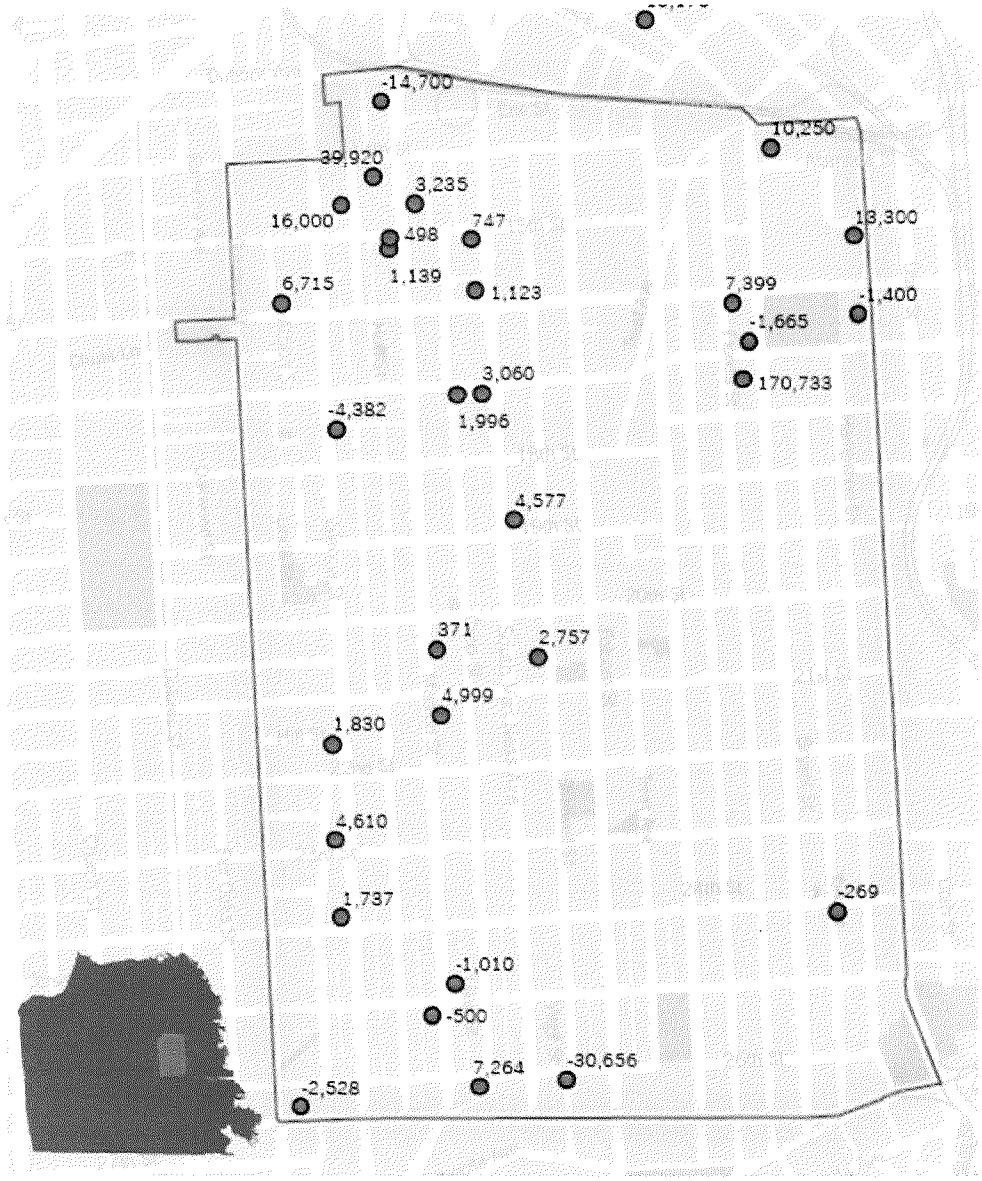
Source: San Francisco Planning Department

Table 2.1.3 Net Change in Commercial Space, San Francisco 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	10,477	0	40,019	(18,075)	16,854	0	**49,275**
2012	(52,937)	0	24,373	(164,116)	32,445	0	**(160,235)**
2013	66,417	0	335,914	(236,473)	5,941	(69,856)	**101,943**
2014	446,803	1,815,700	603,997	(473,337)	60,125	63,286	**2,516,574**
2015	(21,456)	20,000	460,508	(183,775)	65,419	0	**340,696**
Total	**449,304**	**1,835,700**	**1,464,811**	**(1,075,776)**	**180,784**	**(6,570)**	**2,848,253**

Source: San Francisco Planning Department

Map 2 Completed Projects Causing Net Change in Commercial Space, Mission 2011-2015



2.2 Commercial Development Pipeline

The commercial development pipeline in the Mission shows a continuation of the trends that have taken place during the reporting period of 2011-15 (Table 2.2.1). The Mission will continue to see some of its PDR space converted to other uses, particularly residential, as well as the development of some office, medical, and institutional space. However, the City continues to enforce PDR protection policies in specially designated zones in the Mission, such as PDR-1 and PDR-2.

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table 2.2.1 as "Under Review" and "Entitled". Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, Entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction and receive certificates of occupancy.

One example of a project that is currently under review, the "Armory Building" at 1800 Mission, has requested to convert roughly 120,000 square feet of PDR space into office use. If all projects that are under review come to fruition, the Mission will see roughly 350,000 square feet of PDR transition to other uses. Another large-scale project currently under review would build more than 200,000 square feet of non-profit service delivery office space at 1850 Bryant Street.

The projects in the pipeline that have received entitlements show a slight net gain (9,000 square feet) of non-residential uses in the Mission in the near future. If all of these developments are completed, the Planning Department expects a loss of about 30,000 square feet of PDR space and concomitant gain of roughly 40,000 square feet in institutional, medical, office and retail uses. Entitled projects that propose to convert PDR to other uses are mostly small spaces (up to about 6,000 square feet) that will be redeveloped as residential or mixed-use residential buildings. One representative project is at 346 Potrero, currently under construction, where 3,000 square feet of PDR has been converted to a mixed use building with ground floor retail and 70 residential units, 11 of which are affordable.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Mission represents about 4.5% of the citywide pipeline. Map 3 shows the locations of the larger proposed commercial developments in the plan area. (See List BL-2 in Appendix B for detailed information.)

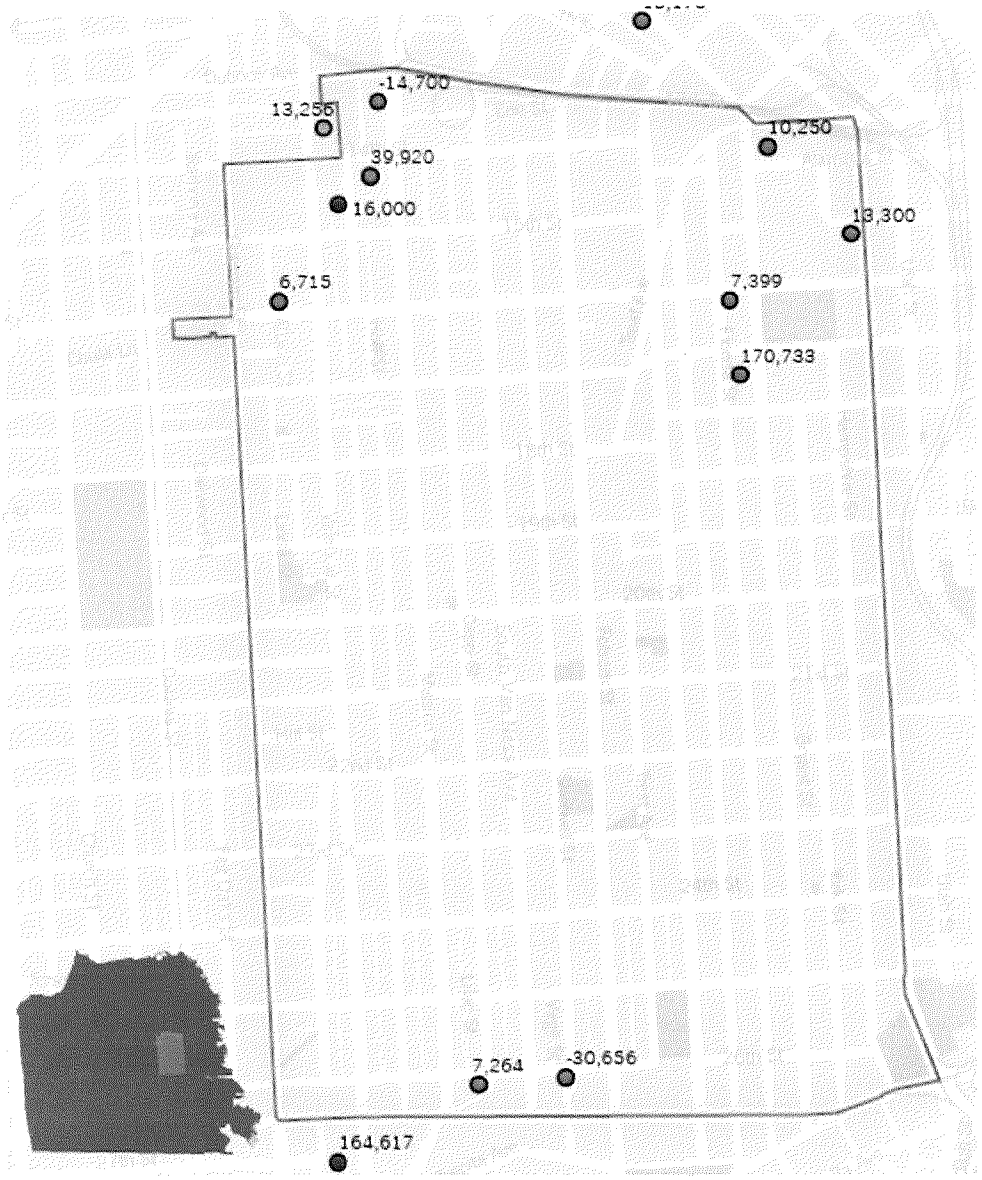
Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Mission Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**(5,065)**	**-**	**-**	**-**	**(12,461)**	**7,396**	**-**
Planning Entitled	**14,433**	**3,957**	**16,000**	**6,397**	**(16,471)**	**4,550**	**-**
Planning Approved	(157)	2,757	-	-	(2,914)	-	-
Building Permit Filed	498	-	-	1,725	(1,939)	712	-
Building Permit Approved/ Issued/ Reinstated	14,092	1,200	16,000	4,672	(11,618)	3,838	-
Under Review	**97,009**	**247,028**	**-**	**157,051**	**(339,766)**	**32,696**	**-**
Planning Filed	119,918	247,028	-	155,848	(323,973)	41,015	-
Building Permit Filed	(22,909)	-	-	1,203	(15,793)	(8,319)	-
Total	**106,377**	**250,985**	**16,000**	**163,448**	**(368,698)**	**44,642**	**-**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2010

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**12,972,978**	**1,411,308**	**(38,206)**	**9,447,328**	**50,471**	**1,771,734**	**330,343**
Construction	4,939,101	1,098,708	(58,871)	3,876,705	(290,327)	502,449	(189,563)
Planning Approved	6,432,299	1,942	4,665	4,564,642	316,417	1,086,079	458,554
Building Permit Filed	(63,752)	4,343	-	(34,830)	(33,939)	674	-
Building Permit Approved/ Issued/ Reinstated	1,665,330	306,315	16,000	1,040,811	58,320	182,532	61,352
Under Review	**10,420,494**	**1,042,013**	**1,875**	**8,565,780**	**(710,730)**	**1,102,999**	**418,557**
Planning Filed	8,754,024	1,084,228	1,875	7,062,107	(665,345)	1,070,412	200,747
Building Permit Filed	1,666,470	(42,215)	-	1,503,673	(45,385)	32,587	217,810
Total	**23,393,472**	**2,453,321**	**(36,331)**	**18,013,108**	**(660,259)**	**2,874,733**	**748,900**

Map 3 Commercial and Other Non-Residential Development Pipeline, Mission Q4 2015



Note: Only includes projects that will add or remove 5,000 net square feet.

2.3 Changes in PDR Uses

As discussed above, the Mission (and the Eastern Neighborhoods more broadly), have experienced economic changes that have made many areas highly attractive to residential and office development. These types of uses are generally able to afford higher land costs, and therefore can outbid PDR businesses for parcels that are not specifically zoned for industrial use. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations – M-1, M-2, and C-M – permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Since the adoption of the Mission Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as Tables 2.1.2 and 2.2.1 illustrate.

A detailed investigation of the conversion of PDR space in the Mission, however, shows that such conversions have occurred largely outside of the zoning districts created specifically to protect PDR uses (in the case of the Mission, PDR-1 and PDR-2). The only project that recorded a loss of PDR space in a PDR protection zone during this period, 1550 Bryant, involved the

legitimization of office conversion undertaken prior to adoption of the plan under an amnesty program that expired in 2013 (discussed in subsection 2.3.1, below). In addition to the project at 1880 Mission, detailed above, other completed projects in the Mission that have converted PDR space have done so in order to build new housing, either with a higher percentage of inclusionary units than required by the City's inclusionary housing ordinance or by paying in-lieu fees, as shown in table 2.3.1. These projects have all been built in either the transitional UMU district or in districts like NCT and RH-3, which were not intended as PDR protection areas under the Mission Area Plan.

Table 2.3.1. Projects Converting PDR Space in Mission Plan Area, 2011-15

Project	Zoning	Net PDR	Net Office	Net Retail	Net Units	Affordable Units	Percent Affordable
1550 Bryant Street	PDR-1-G	(93,400)	108,400	0	0	0	N/A
1880 Mission Street	NCT/UMU	(74,312)	0	0	194	40	21%
2652 Harrison Street	UMU	(7,250)	0	0	20	Fee payment	N/A
2660 Harrison Street	UMU	(11,423)	0	11,423	3	Below threshold	N/A
3135 24th Street	NCT	(15,000)	0	1,360	9	Below threshold	N/A
1501 15th Street	UMU	(11,885)	10,491	9,681	40	7	18%
1280 Hampshire Street	RH-3	(1,060)	0	0	3	Below threshold	N/A

Note: Only developments with ten or more units are subject to the City's inclusionary housing requirements.

2.3.1 PDR Protection Policies and Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 complaints of alleged violation for illegal conversions of PDR space. Most of these cases (42) are in the Eastern Neighborhoods, 20 of which are in the Mission Plan Area. Of these cases, six were found to not be in violation of PDR protection rules, 11 are under or pending review, and three have been found to be in violation. The three cases are on Alabama Street between 16th and Mariposa Streets on parcels zoned PDR-1-G. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix XX.

Table 2.3.2 Enforcement Cases for Illegal PDR Conversions, Mission, 2015

Case Type	Number of Cases		
	Mission	Eastern Neighborhoods	Citywide
Closed - Violation	3	6	7
Closed - No Violation	6	9	9
Under Review	1	4	4
Pending Review	10	23	24
TOTAL	**20**	**42**	**44**

Most of these complaints describe large warehouses converting into office uses. Many of these office tenants are hybrid uses where PDR also takes place, but may not be the principal use of the space. If an office use is confirmed to be in operation, Planning encourages the company to alter their business practice to fit within the PDR zoning categories or vacate the property. The table in Appendix XX shows the enforcement cases that were closed and that were actually found to be in violation of the code. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization to office use; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods

Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired in 2013.

In investigating the alleged violations, the Planning Department discovered that the building permit histories often included interior tenant improvements without Planning Department review. These permits do not authorize a change of use to office. To prevent future unauthorized conversion of PDR space the Planning Department worked proactively with the Department of Building Inspection (DBI). Over the course of 2015, Planning worked with DBI during project intakes to better understand the routing criteria and how to ensure Planning review. Both departments' IT divisions worked together to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

Planning also works collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When Planning receives inquiries or complaints related to either vacant spaces in PDR zones or possible unauthorized spaces, Planning informs the property owner about PDR complying uses and refers them to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a training for real estate brokers was conducted in 2015. The purpose of the voluntary training was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including the process for requesting a Letter of Determination. Future trainings will be held based on interest.

2.4 Employment

The Mission Plan Area added employment across all land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. This growth in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade, but also the robust growth in high technology sectors and related industries in recent years.[2] Altogether, employment in the Mission grew by roughly 18,000 jobs in 2010 to almost 24,000 with a related increase from 2,700 to 3,000 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss the job growth in the Mission by land use category.

Table 2.4.1. Employment, Mission and San Francisco, Q4 2015

Landuse	Mission				San Francisco			
	Establishments	%	Jobs	%	Establishments	%	Jobs	%
Cultural, Institutional, Educational	119	4%	17,454	45%	2,010	3%	73,182	11%
Medical	1,223	41%	2,409	6%	21,833	37%	60,214	9%
Office	511	17%	6,344	16%	15,628	27%	293,014	44%
PDR / Light Industrial	349	12%	3,723	10%	5,280	9%	88,135	13%
Retail	605	20%	8,802	23%	8,241	14%	130,550	20%
Visitor / Lodging	10	0%	41	0%	311	1%	16,688	2%
Other	187	6%	254	1%	4,961	9%	6,953	1%
Total	**3,004**	**100%**	**39,027**	**100%**	**58,264**	**100%**	**668,736**	**100%**

2.4.1 Office Jobs

The largest increase in jobs in the Mission between 2010 and 2015 was in office occupations. According to EDD, the neighborhood experienced an almost 70% increase in office jobs in those 5 years. However, the number of office establishments only increased by about 25%, indicating a shift towards office firms with a larger number of employees. In 2015 the Mission held about 3% of all of the City's office jobs and 2% of its establishments (see Chart 2.4.).

[2] See annual San Francisco Planning Department Commerce & Industry Inventory, 2008 – 2015.

2.4.2 Retail Jobs

As discussed above, the Mission has also emerged as an important retail destination in San Francisco, with the restaurants, cafes, bars, and shops in the main commercial corridors (particularly Valencia, 24th,and 16th Streets) attracting visitors from throughout the City, region, and beyond. The number of retail jobs in the Mission increased by 24% between 2010 and 2015 to about 8,800 in more than 600 establishments. The neighborhood represents 7% of the city's retail jobs and establishments.

2.4.3 PDR Jobs

PDR continues to play a critical role in the City's economy, providing quality jobs to employees with a broad range of educational backgrounds, supporting local businesses up- and downstream (for example, many of the city's top restaurants source products from local PDR businesses), and infusing the region with innovative products. Though the trends in loss of PDR space have been widely documented, the City and the Mission both added PDR jobs since 2010. The Mission experienced a 7% increase in PDR employment (to 3,700 jobs) between 2010 and 2015 and 9% increase in number of firms (to 350). As with other occupations, these increases likely reflect a recovery from the recession as well as the emergence of "maker" businesses and production of customized and high-end consumer products. The success of the Plan in curbing large-scale conversion of PDR space has likely played a key role in ensuring that these re-emergent industrial activities are able to locate within San Francisco. The Mission has roughly 4% of the PDR jobs and 7% of the establishments within the City.

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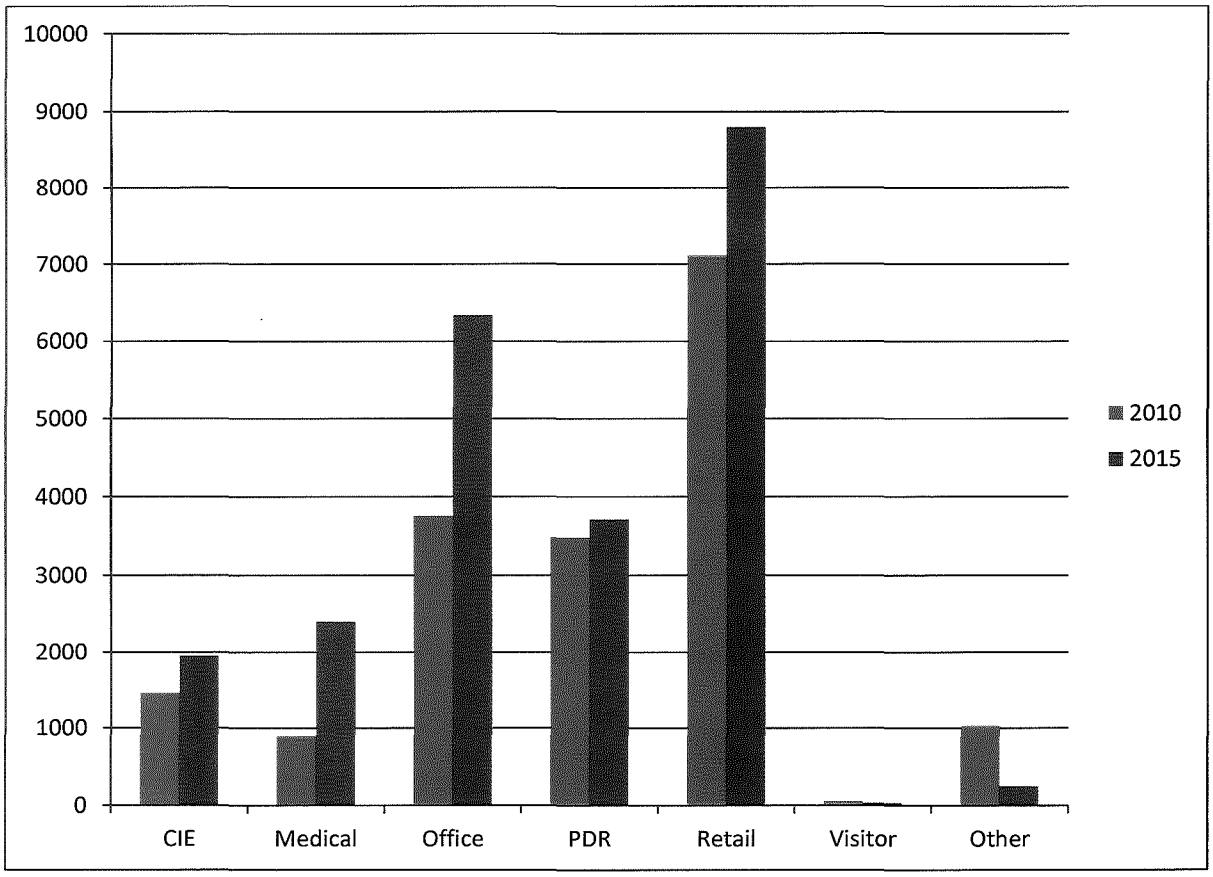
2.4.4 Employment and Commercial Space Trends

Over the past five years, the Mission has added a substantial number of jobs, more than 30% growth, even as its commercial space square footage increased by a small amount (4,000 square feet). In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates.[3] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[4] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

[3] Although data to show vacancy rates for the Mission Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

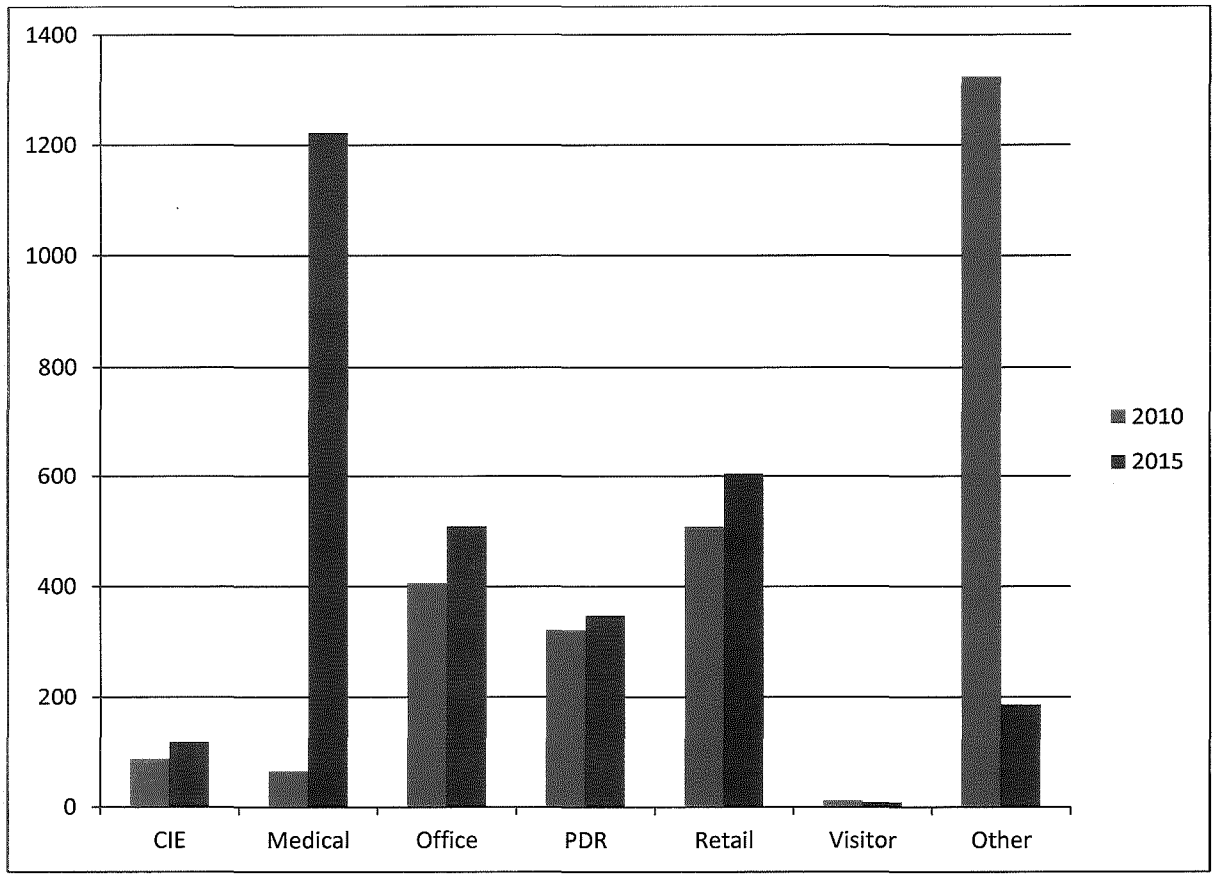
[4] See 2013 US Workplace Survey by Gensler.

Chart 2.4.1 Jobs by Land Use, Mission, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2.4.2 Establishment by Land Use, Mission, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

2.4.5 Sales and Property Taxes

Discusion of sales and property tax data once we can process property tax data from Tax Collector and Assessor's office. This came late despite several requests, so we will not be able to include in the next draft. Can send the tables to the CAC as soon as they are ready.

Table 2.4.2. Sales Taxes Collected in Mission Plan Area, 2011-15

Year	Central Waterfront	% change from previous year	SF	% change from previous year
2011	$ 4,430,411	-	$ 67,537,179	-
2012	$ 4,880,932	10.2%	$ 73,531,098	8.9%
2013	$ 5,267,309	7.9%	$ 76,739,835	4.4%
2014	$ 5,587,324	6.1%	$ 81,442,942	6.1%
2015	N/A	-	N/A	-
TOTAL	**$ 20,165,977**		**$299,251,054**	

Table 2.4.3. Property Taxes Collected in Mission Plan Area, 2008 and 2015

3 HOUSING

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco epitomized the housing affordability crisis afflicting American cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Mission neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the city has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

In the past five years, the Mission has been a focal point of struggles over housing as well as efforts by the City to ensure that its residents can continue to live there. One of the main goals of the *Mission Plan* is to increase the production of housing affordable to a wide-range of incomes. The environmental analysis conducted for the Eastern Neighborhoods Environmental Impact Report estimated that between 800 and 2,000 additional units could be developed as a result of the rezoning associated with the *Mission Plan*.[5] The Plan also recognizes the value of the existing housing stock and calls for its preservation, particularly given that much of it is under rent control. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

The Planning Department's latest housing inventory, using US Census and permit data, shows that the Mission has roughly 25,000 housing units as of the end of 2015; this represents 6.6% of the citywide total.[6] Table 3.1.1 shows that approximately 564 new units were built in the past five years in the Mission, compared with 861 units built between 2006 and 2010. Of the new units produced, 76 were conversions from non-residential uses and the rest were completed from new construction.

During the first two years of the reporting period, 2011 and 2012, the construction sector was still recovering from the slow-down of the recession, and only 43 units were built. Between 2013 and 2015, however, the Mission added 518 new units, or 173 units per year. This yearly average is almost identical to the average between 2006 and 2010, when the Plan Area added 164 units per year. Table 3.1.2 shows the citywide figures for comparison. Nearly 6% of the net increase in the City's housing

[5] Eastern Neighborhoods Rezoning and Area Plans Environmental Impact Report (2005).
[6] 2015 San Francisco Housing Inventory.

stock in the last five years was in the Mission area. Map 4 shows the location of recent housing construction. Additional details about these new development projects can be found in Appendix B, List BL-3.

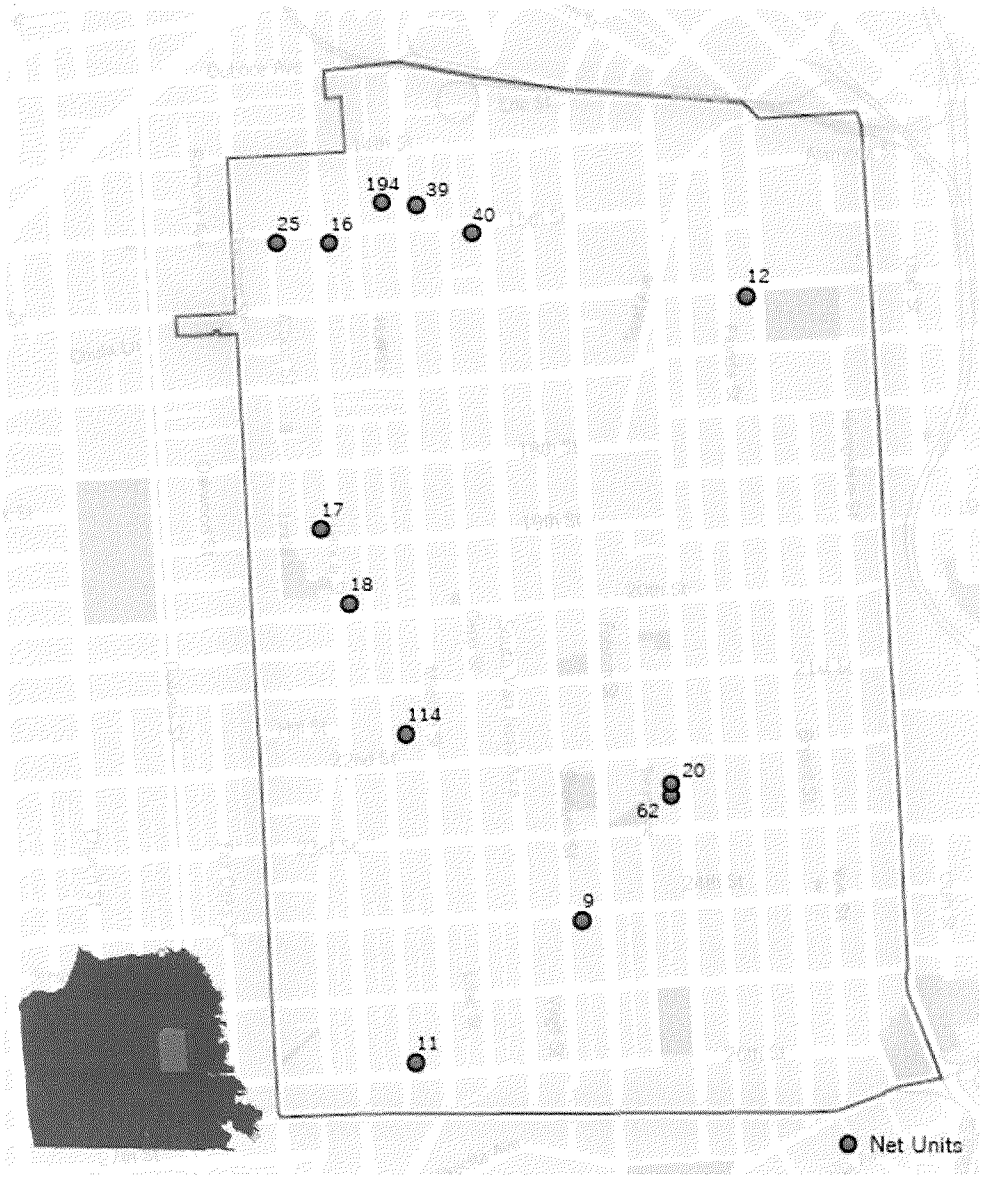
Table 3.1.1 New Housing Production, Mission, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	-	14	(1)	(15)
2012	47	-	11	58
2013	242	1	16	257
2014	75	1	2	76
2015	140	-	48	188
TOTAL	**504**	**16**	**76**	**564**

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

Map 4 New Housing Production Mission 2011-2015



Note: Projects that added 5 or more net new units

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved.

The pipeline for new housing development in the Mission as of the end of 2015 is 1,852 units, of which 1,450 are under review. Roughly 400 units are entitled, of which half are currently under construction, as shown on Table 3.2.1. The pipeline

for the Mission accounts for 8% of the total number of projects in the City, though only 3% of the number of units, which suggests that new projects are of a smaller scale than housing developments in the pipeline for San Francisco as a whole.

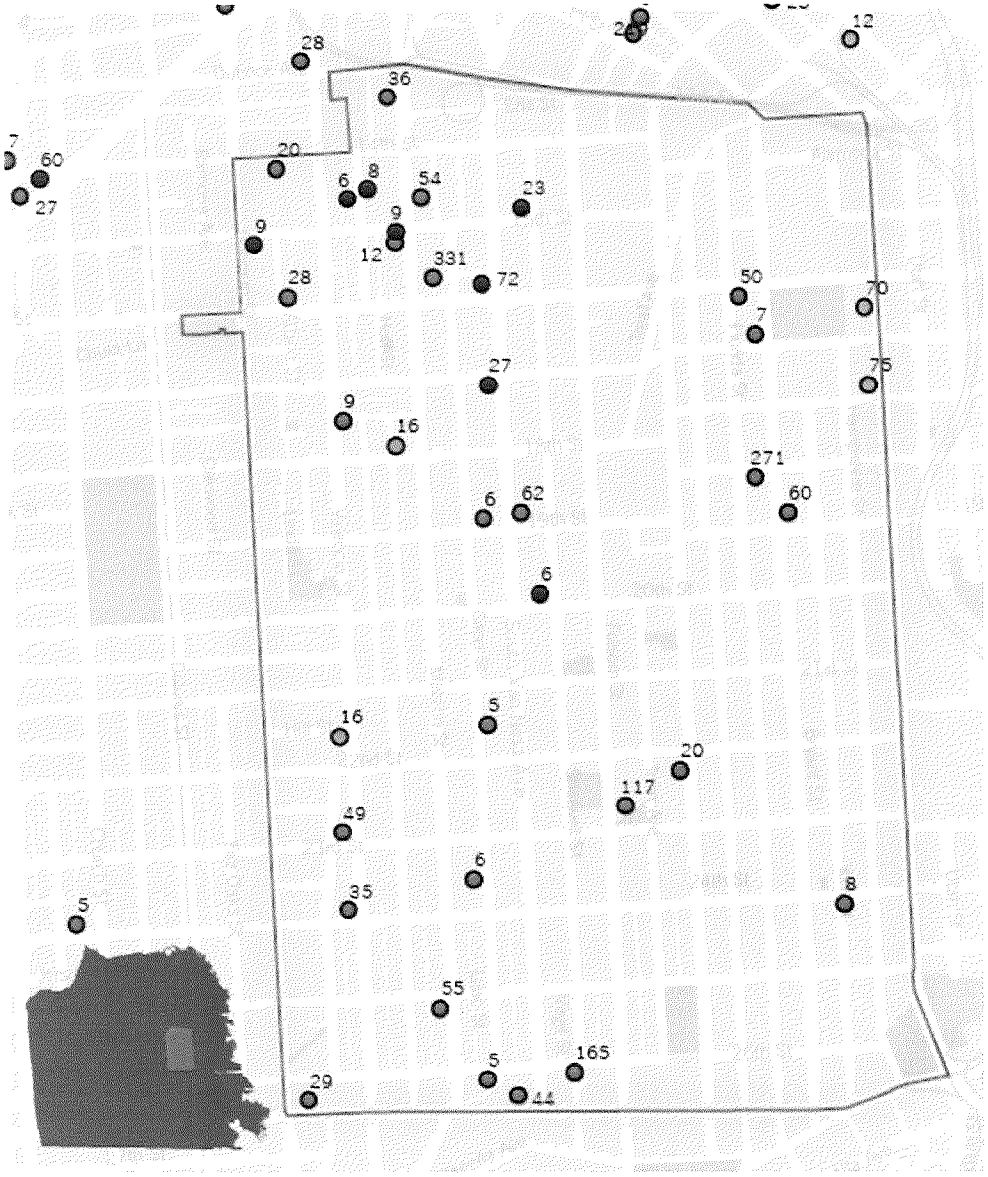
The current housing pipeline is much more robust than it was at the end of 2010, shown in the previous Monitoring Report. In that year, only seven projects (with a total of nine units) were under construction, 25 projects with 422 units were entitled, and 53 projects with 585 units were under review. As of the end of 2015, twice as many projects were under review for more than three times the number of units, reflecting a much stronger market and willingness by developers to build new housing.

Map 5 shows the location of these proposed housing projects by development status. List BL-4 in Appendix B provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Mission, and San Francisco, Q4 2015

Development Status	Mission		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	**203**	**17**	**8,691**	**232**
Planning Entitled	**199**	**29**	**26,063**	**350**
Planning Approved	14	5	23,101	80
Building Permit Filed	13	5	513	31
Building Permit Approved/ Issued/ Reinstated	172	19	2,449	239
Under Review	**1,450**	**61**	**27,760**	**712**
Planning Filed	863	21	17,852	198
Building Permit Filed	587	40	9,908	514
Total	**1,852**	**107**	**62,514**	**1,294**

Map 5 Housing Development Pipeline by Development Status, Mission, Q4 2015



Note: Only includes residential developments with 5 or more units.

3.3 Affordable Housing in the Mission

San Francisco and the Mission Plan Area have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods, and Mission

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000. Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched HOPE SF, a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing

sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in Appendix 8.5.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[7] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district, in exchange for providing additional affordable housing, with a special focus on middle-income households. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. For example, market-rate housing developments in the Urban Mixed Use (UMU) district are required to restrict between 14.4 and 17.6% of their units to families at or below 55% of AMI for rental and 90% of AMI for ownership, depending on the amount of "upzoning" given to the property by the Plans. If these units are provided off-site, the requirement ranges from 23 to 27%. In the UMU and Mission NCT district, developers also have the option of dedicating land to the City that can be developed as 100% affordable projects.

Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. However, 75% of fees collected in the Mission NCT and East SoMa MUR districts are required to be spent within those districts themselves. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

3.4 New Affordable Housing Production, 2011-2015

As discussed in this report's introduction, expanding access to affordable housing opportunities was a high priority for the communities in the Eastern Neighborhoods during the planning process, and it has only gained more urgency in recent years. The Mission in particular has been a symbol of the pressures of exploding housing costs on neighborhood stability and character.

As table 3.4.1 shows, 56 income-restricted affordable units were built during the 2011-15 five-year monitoring period, compared to 446 developed over the previous five years (2006-2010). The main difference between the two periods is that no publicly subsidized developments were built in the Mission in the most recent five-year stretch, while two large, fully affordable projects were built in 2006 and 2009 (Valencia Gardens and 601 Alabama, respectively) with a total of 411 units.

The 56 units built between 2011 and 2015 make up 11% of the 504 newly constructed units built in the Mission (shown on table 3.1.1), slightly lower than the inclusionary housing minimum of 12%. The percentage is lower than the minimum because seven projects (shown on table 3.4.3) choose to pay a fee to the City in lieu of building the units on-site. These fees raised $7.3 million for the City's housing

[7] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

development program managed by MOHCD. New affordable units are estimated to cost roughly $550,000 in construction costs (not including land), towards which MOHCD contributes about $250,000, requiring the developer to raise the rest from Federal, State, and other sources. Therefore, it is estimated that the "in-lieu fees" collected in the Mission in this period, if successfully leveraged into additional external funding and used to build projects on publicly controlled land, could yield an additional 30 units.[8] Moreover, projects with fewer than 10 units are exempt from the inclusionary housing requirement.

Out of the 56 inclusionary units, 40 were rental units targeted to low-income households (55% of AMI) at the 202-unit development at 1880 Mission Street. The rest were either ownership units restricted to moderate-income households (90% AMI) or secondary or "granny" units, which are not restricted by income, but are generally considered "naturally affordable" to moderate-income households. Appendix table BL-5 lists the affordable housing developments completed between 2011 and 2015.

The inclusionary housing production in the Mission accounts for 7% of the citywide production (853 units, as shown in table 3.4.2 between 2011 and 2015). Because no publicly subsidized developments were completed in this period, the Mission only built 2% of the city's income-restricted units (2,497) during the period.

Table 3.4.1 Affordable Housing Production, Mission, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	-	-	5	5
2012	-	2	2	4
2013	-	40	3	43
2014	-	8	3	11
2015	-	6	7	13
TOTAL	**-**	**56**	**20**	**76**

Note: Secondary units are considered "naturally affordable" and are not income restricted like units produced through the inclusionary housing program or through public subsidies.

Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

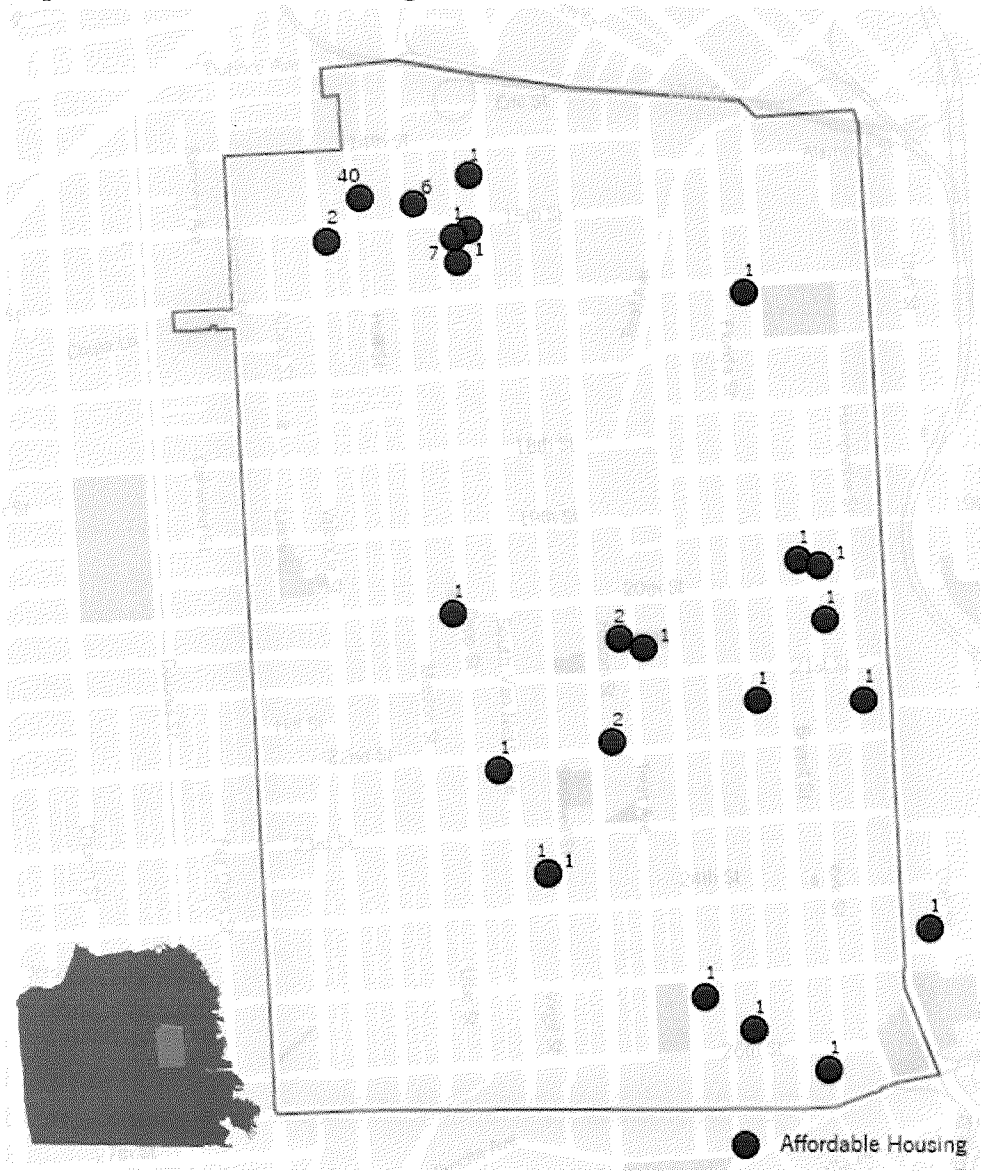
Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

[8] The development costs of affordable housing units are rough estimates based on recent projects that have received assistance from MOHCD.

Table 3.4.3 Housing Developments Opting for Affordable Housing "In-lieu" Fee, Mission, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
3500 19TH ST	2012	$1,119,972
3418 26TH ST	2012	$685,574
2652 HARRISON ST	2012	$975,904
899 VALENCIA ST	2013	$1,119,260
1050 VALENCIA ST	2013	$756,939
3420 18TH ST	2015	$1,001,589
1450 15TH ST	2015	$1,654,354
GRAND TOTAL		**$7,313,592**

Map 6 New Affordable Housing, Mission, 2011-2015



3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. New housing development in San Francisco is costly and preserving homes can prevent displacement of families and disruption in tight-knit communities such as the Mission. The *Mission Plan* supports the preservation of the area's existing housing stock and prohibits residential demolition unless this project ensures sufficient replacement of housing units. Restrictions on demolitions also help to preserve affordable and rent-controlled housing and historic resources.

A neighborhood's housing stock can also change without physical changes to the building structure. Conversions of rental housing to condominiums can turn housing that is rent controlled and potentially accessible to moderate income households to housing that can be occupied by a narrower set of residents, namely, those with access to down payment funds and enough earning power to purchase a home. Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important priority of the Plan's housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, which often serve as a relatively affordable option for low income households. Appendix ## includes a list of SRO properties and number of residential units.

The following subsections document the trends in these various types of changes to the housing stock in the Mission Plan Area and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units lost to alteration or demolition

In this most recent reporting period, 30 units were demolished or lost through alteration in the Mission (Table 3.5.1) or less than 3% of units demolished citywide. In the previous reporting period, 15 units were lost to demolition or alteration. Table 3.5.2 shows San Francisco figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Table 3.5.1 Units Lost, Mission, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	-	7	-	-	7	14	21
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	1	1
2014	3	-	-	-	3	1	4
2015	4	-	-	-	4	-	4
TOTAL	**7**	**7**	**-**	**-**	**14**	**16**	**30**

Table 3.5.2 Units Lost, San Francisco, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	-	110	427	537
2014	24	20	1	-	45	95	140
2015	100	12	1	3	116	25	141
TOTAL	**235**	**115**	**6**	**7**	**363**	**758**	**1,121**

3.5.2 Condo Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the City's rental stock. In 2014, an estimated 76% of households in the Mission were renters. According to the American Community Survey, there was no change in the owner/renter split in the Mission or in San Francisco between 2009 and 2014. Almost 8% of San Francisco's rental units are in the Mission as of 2014, the same figure as in 2009.[9]

[9] San Francisco Neighborhood Profiles, American Community Survey 2010-2014. San Francisco Planning Department 2016. According to the Census, there are roughly 19,000 renter-occupied units in the Mission. The neighborhood boundaries for the Mission in the

Table 3.6.1 shows that in the last five years, 105 units in 284 buildings in the Mission were converted to condominiums, compared to 307 units in 133 buildings between 2006 and 2010. In all, approximately 0.6% of all rental units in the Mission were converted to condominiums between 2011 and 2015. This represents 11% of all condo conversions citywide.

Table 3.6.1 Condo Conversion, Mission, 2011-2015

Year	Mission		San Francisco		Mission as % of Citywide	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	23	55	200	472	12%	12%
2012	18	43	201	488	9%	9%
2013	17	42	147	369	12%	11%
2014	29	81	239	727	12%	11%
2015	18	63	149	500	12%	13%
Totals	**105**	**284**	**936**	**2,556**	**11%**	**11%**

Source: DPW Bureau of Street Use and Mapping

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.6.2 shows that owner move-ins led to evictions in 103 units (compared to 73 units between 2006 and 2010). The annual trend from 2011 and 2014 (between 13 and 22) was similar to the annual evictions for the previous 5-year reporting period, but these types of evictions surged to 35 in 2015. Similarly, Ellis Act withdrawals led to 113 evictions during the most recent reporting period (compared to 71 in the previous period). Owner move-in evictions in the Mission accounted for 8% of the citywide total while the Plan Area accounted for 18% of Ellis Act evictions in San Francisco between 2011 and 2015.

During these five years, an estimated 1% of rental units in the Mission experienced owner move-in and Ellis Act evictions. However, this number may not capture buy-outs or evictions carried out illegally without noticing the San Francisco Rent Board. Other types of evictions, also tabulated in Table 3.6.2, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Neighborhood Profiles do not match perfectly with the Plan Area boundaries, though they are very close. Therefore, these percentages should be read as approximations.

Table 3.6.2 Evictions, Mission, 2011-2015

Year	Mission			San Francisco			Mission as % of Citywide Total		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	13	4	64	123	54	1102	11%	7%	6%
2012	19	23	74	172	99	1343	11%	23%	6%
2013	22	51	95	275	229	1368	8%	22%	7%
2014	14	16	120	315	101	1550	4%	16%	8%
2015	35	19	100	425	142	1518	8%	13%	7%
Totals	**103**	**113**	**453**	**1,310**	**625**	**6,881**	**8%**	**18%**	**7%**

Source: San Francisco Rent Board

Note: Evictions classified under "Other" include "at fault" evictions such as breach of contract or failure to pay rent.

3.6 Jobs Housing Linkage Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011-12 and 2015-16, commercial developments in the Mission Plan Area generated roughly $900,000 to be used for affordable housing development by the city.

Table 3.6.1 Jobs Housing Linkage Fees Collected, Mission, FY 2011/12-2015/16

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	893,542
2013-14	$	-
2014-15	$	6,205
2015-16	$	-
Total	**$**	**899,747**

*Department of Building Inspection as of 6/1/16

4 Accessibility and Transportation

The Mission Plan Area is characterized by a multitude of mobility options and its residents access employment and other destinations through a variety of transport modes. A much lower share of commuters in the Mission travel to work by car than the rest of San Francisco (29% to 44%, respectively), a comparison that is true for people who drive alone as well as those who carpool. As Table 4.1.1 shows, the most widely used commute mode in the Mission is public transit, which is used by 41% of residents (compared to 33% citywide), and other alternative commute modes also play an important role, including biking at 9% (more than twice the citywide share), walking at 11%, and working at home at 8%. In order to maintain this characteristic and move towards lower dependency on private automobiles, the Mission Area Plan's objectives related to transportation all favor continued investments in public transit and improving pedestrian and bicycle infrastructure rather than facilitating auto ownership, circulation, and parking.

Table 3.6.1 Commute Mode Split, Mission and San Francisco

Transport Mode	Mission		San Francisco		Mission as % of San Francisco
	No of Commuters	%	No of Commuters	%	
Car	9,057	29%	199,470	44%	5%
Drove Alone	7,809	25%	165,151	36%	5%
Carpooled	1,248	4%	34,319	8%	4%
Transit	12,942	41%	150,222	33%	9%
Bike	2,852	9%	17,356	4%	16%
Walk	3,532	11%	46,810	10%	8%
Other	844	3%	10,579	2%	8%
Worked at Home	2,410	8%	32,233	7%	7%
Total	**31,637**	**100%**	**456,670**	**100%**	**7%**

Source: 2014 American Community Survey 5-year estimate

4.1 Eastern Neighborhoods TRIPS Program

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

The *Mission Plan* calls for the creation of a network of "Green Connector" streets with wider sidewalks and landscaping improvements that connects open spaces and improves area walkability. The Plan proposes improvements in the vicinity of 16th Street, in the center of the Mission around 20th Street and through the southern part of the Mission including Cesar Chavez Street. Additionally north-south connections are suggested for Potrero Avenue and Folsom Streets. Numerous pedestrian improvements have also been proposed in the *Mission Public Realm Plan.*

The Mission District Streetscape Plan furthered the Mission Area Plan and EN Implementation Document by identifying general district-wide strategies for improving streets and by providing conceptual designs for 28 discreet projects. The Plan looked to create identifiable plazas and gateways, improve alley and small streets, provide traffic calming in the predominately residential neighborhoods, re-envision the Districts throughways, and mixed-use (i.e. light industrial) streets; and further enliven the commercial corridors at key locations. Several of the Mission District Streetscape Plan projects have been implemented including, but not limited to, the Mission District Folsom Street road diet improvements, Bryant Street streetscaping, and the Bartlett Street Streetscape Improvement Project.

In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The first round will include 245 projects, including several in the Mission, shown on Table 4.2.1. Pedestrian safety improvements such as new crosswalks and "daylighting" (increasing the visibility of pedestrian crossings) will be constructed along Mission Street between 18th and 23rd Streets. Additionally, a variety of multimodal improvements, such as daylighting and vehicle turn restriction, are being implemented at the intersection of Valencia Street and Duboce Avenue. A new traffic signal has also recently been installed at the intersection of 16th and Capp Streets.

Lastly, the southwest Bart plaza was reconstructed in 2014 to emphasize flexible open space over the previous cluttered configuration; elements include removed fencing, new paving, landscaping and street furniture.

Table 4.2.1. Vision Zero Projects in Mission Plan Area

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)
16th Street at Capp Street - New Traffic Signal	Winter 2013/2014	Fall 2016	Complete	$350,000
Cesar Chavez SR2S Project	Spring 2014	Winter 2016/17	Design	$385,000
Valencia St./Duboce Ave Multimodal Improvements	Winter 2014/2015	Summer 2015	Design	$5,000,000
11th St./13th St./Bryant St. Bicycle and Pedestrian Spot Improvements	Winter 2014/2015	Fall 2015	Design	$150,000
Potrero Ave., from Division to Cesar Chavez Streetscape Project	Winter 2014/2015	Winter 2017/18	Design	$4,100,000
Mission Street, from 18th to 23rd (Pedestrian Safety Intersection Improvem	Winter 2014/2015	Summer 2015	Design	$86,000
Pedestrian Countdown Signal (3 Signals)	Spring 2015	Winter 2016/17	Design	$417,000

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are

ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks, and Open Space

The *Mission Plan* also calls for the provision of new recreation and park facilities and maintenance of existing resources. Some portions of the Mission historically have been predominantly industrial, and not within walking distance of an existing park and many areas lack adequate places to recreate and relax. Moreover, the Mission has a concentration of family households with children (27% of Mission households), which is higher than most neighborhoods in the city. Specifically, the *Plan* identifies a need for 4.3 acres of new open space to serve both existing and new residents, workers and visitors. The Plan proposes to provide this new open space by creating at least one substantial new park in the Mission.

A parcel at 17th and Folsom Streets owned by the San Francisco Public Utilities Commission was identified as a suitable site for a new park in an underserved area of the Mission. After a series of community meetings in 2010, three design alternatives were merged into one design. The new .8 acre park, shown in figure X, will include a children's play area, demonstration

garden, outdoor amphitheater and seating, among other amenities. The project is under construction and is expected to be completed by winter 2017.

Figure X. Rendering of Park at 17th and Folsom Streets and Adjacent New Housing Development

Source: San Francisco Recreation & Parks.

Another facility planned for the Plan Area, still in conceptual phase, is the Mission Recreation Center. Located on a through block facing both Harrison Street and Treat Avenue between 20th and 21st Street, the facility includes an interior gymnasium and fitness center, along with an outdoor playground located in an interior courtyard. Recreation and Park staff is planning for a major renovation and reconfiguration of the facility that could include relocating the play equipment so that it is visible from the public right-of-way and adding additional courts to the building.

Lastly, Garfield Pool is scheduled to be rehabilitated through the 2012 Park Bond. Recreation and Park staff plan to further enhance the facility to a higher capacity Aquatics Center, which, besides refurbishing the pool, would also include adding

amenities such a multi-purpose room and a slide. Other possible improvements could include a redesign of the pool structure. Design for the pool rehabilitation is expected to be complete by late 2016 with construction bid award and the construction planned to begin in 2017.

5.3 Community Facilities and Services

As a significant amount of new housing development is expected in the Mission, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. Section 5.3 describes efforts to increase and improve the supply of recreation and park space in the Mission. Section 6, below, discusses the process of implementation of the community benefits program, including the collection and management of the impact fees program.

Map 7 shows existing community facilities in the Mission. Community based organizations currently provide a wide range of services at over 50 sites throughout the Mission, ranging from clinics and legal aid, to job and language skills training centers and immigration assistance. Cultural and arts centers are also prominent in the Mission.

Map 7 Community Facilities in the Mission

5.4 Historic Preservation

Historic preservation team could not get information together in time. We can discuss contents at 6/20 meeting.

Since the adoption of the Mission Plan, the Inner Mission North survey has been completed and adopted by the Historic Preservation Commission. The Inner Mission North Survey includes documentation and assessment of more than 2,000 individual buildings and several historic districts that are located within the area that is bounded approximately by Duboce Avenue and Market Street to the north, 20th Street to the south, Folsom Street to the east, and Dolores Street to the west.

The South Mission Survey has also been completed and adopted by the Historic Preservation Commission. The South Mission Survey resulted in documentation and assessment of approximately 3,800 individual buildings, including nearly 1,000 individual historic properties and contributors to 13 historic districts. The South Mission Survey included the area that is bounded approximately by 20th Street to the north, Cesar Chavez Street to the south, Potrero Avenue to the east, and Guerrero Street to the west.

These surveys only identify potential historic resources in the area. Recommendations to establish new historic districts and designate individual structures of merit will follow.

5.5 Neighborhood Serving Establishments

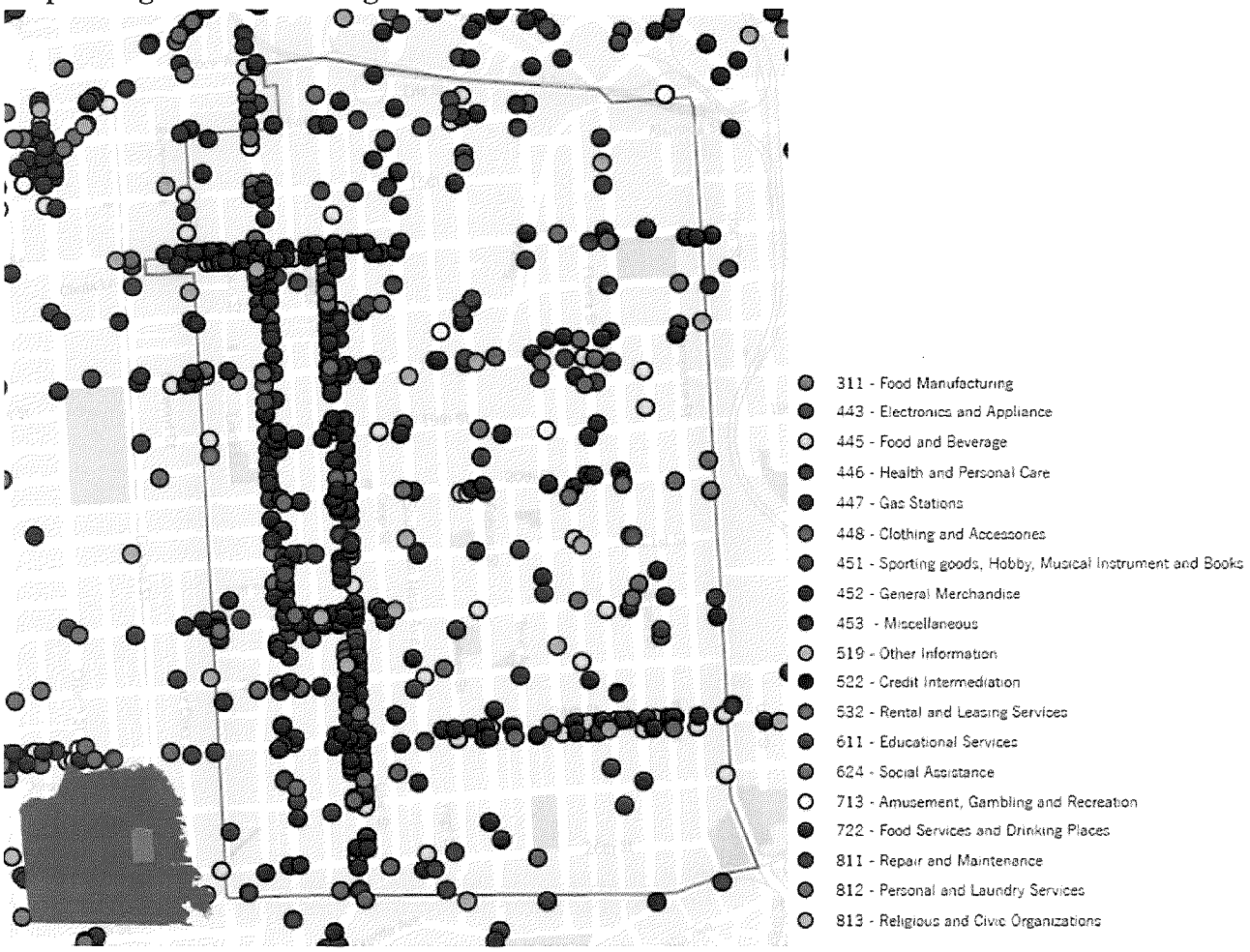
Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see Appendix D for a list of business categories used). Grocery stores, auto shops and gasoline stations, banks and schools which frequently host other activities, among many other uses, can be considered "neighborhood serving."

By this definition, the Mission is home to almost 600 neighborhood serving businesses and establishments employing over 8,000 people. Although these tend to be smaller businesses frequented by local residents and workers, some also serve a larger market (such as popular restaurants). As shown in Table 4.5.1, the top 10 neighborhood serving establishments in the Mission include eating places (full- and limited-service restaurants, bakeries, etc.), schools, grocery stores, bars, and pharmacies. These businesses are typically along the Mission, Valencia, and 24th Street neighborhood commercial districts, as shown on Map 8.

Table 5.5.1 Neighborhood Serving Establishments, Mission

Type	Establishments	Employment
Full-Service Restaurants	155	2,581
Snack and Nonalcoholic Beverage Bars	31	908
Limited-Service Restaurants	62	884
Supermarkets and Other Grocery (except Convenience) Store	36	521
Elementary and Secondary Schools	20	516
Drinking Places (Alcoholic Beverages)	36	388
Electronics Stores	13	246
Retail Bakeries	12	143
Commercial Banking	7	139
Pharmacies and Drug Stores	10	129
Sporting Goods Stores	7	125
Junior Colleges	2	110
Used Merchandise Stores	6	96
All Other Specialty Food Stores	3	87
Fitness and Recreational Sports Centers	5	85
Discount Department Stores	1	76
Civic and Social Organizations	9	64
Drycleaning and Laundry Services (except Coin-Operated)	7	61
General Automotive Repair	20	57
Pet Care (except Veterinary) Services	10	52
Women's Clothing Stores	9	50
Nail Salons	8	48
Office Supplies and Stationery Stores	2	48
Child Day Care Services	10	47
Shoe Stores	5	41
Savings Institutions	4	40
Book Stores	5	39
Men's Clothing Stores	6	38
All Other General Merchandise Stores	6	38
Religious Organizations	5	34
Family Clothing Stores	3	34
Beauty Salons	9	34
Pet and Pet Supplies Stores	3	32
Barber Shops	1	30
Gasoline Stations with Convenience Stores	3	28
Clothing Accessories Stores	5	26
Meat Markets	6	24
Beer, Wine, and Liquor Stores	6	20
Sewing, Needlework, and Piece Goods Stores	2	19
Fruit and Vegetable Markets	4	12
Cosmetics, Beauty Supplies, and Perfume Stores	3	12
Food (Health) Supplement Stores	1	9
Other Automotive Mechanical and Electrical Repair and Main	3	9
Convenience Stores	4	8
Hobby, Toy, and Game Stores	1	8
Other Clothing Stores	3	8
Coin-Operated Laundries and Drycleaners	3	6
Cafeterias, Grill Buffets, and Buffets	1	5
Video Tape and Disc Rental	1	2
Other Personal and Household Goods Repair and Maintenan	2	2
Automotive Transmission Repair	1	1
Libraries and Archives	1	1
TOTAL	578	8,018

Map 8 Neighborhood Serving Businesses in the Mission



6 IMPLEMENTATION OF PROPOSED PROGRAMMING

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) started meeting on a monthly basis in October 2009. The CAC is comprised of 19 members of the public appointed by the Board of Supervisors or the Mayor. The CAC focuses on implementation of the Eastern Neighborhoods Implementation Program and priority projects. Together with the IPIC, discussed below, the CAC determine how revenue from impact fees are spent. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee and Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee includes three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. In the Mission District NCT and MUR (Mixed-Use Residential) Districts, 75% of fees collected from residential development is set aside for affordable housing for the two respective Plan Areas. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected more than $48 million in impact fees, as shown on table 6.2.2.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,742,000
TRANSPORTATION / TRANSIT	$16,936,000
COMPLETE STREETS	$6,733,000
RECREATION AND OPEN SPACE	$17,518,000
CHILDCARE	$2,416,000
Total	**$48,345,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect $145 million from the Eastern Neighborhoods impact fee program, as shown on table 6.2.3.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$26,411,000
TRANSPORTATION / TRANSIT	$30,302,000
COMPLETE STREETS	$38,542,000
RECREATION AND OPEN SPACE	$43,912,000
CHILDCARE	$5,931,000
Total	**$145,098,000**

As shown in Table 5.2.1, approximately $5.4 million have been collected from 58 projects in the Mission Plan Area to date. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods, including Western SoMa.

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-15

Area	Revenue	Projects
Mission	**$5,357,000**	**58**
East SoMa	$14,635,000	35
Western SoMa	$6,940,000	15
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	23
TOTAL	**$48,350,000**	**150**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Planning Efforts

As this report has shown, market pressures and evictions affecting the neighborhood intensified in the Mission District over the six years that followed the adoption of the Eastern Neighborhoods Area Plans and the recovery from the Great Recession. This has necessitated a focused effort to help protect and alleviate the impact on those most affected by the affordability crisis. As a result, the Mission Action Plan 2020 (MAP 2020) was launched in early 2015 to take a closer look at the pressures affecting the neighborhood and generate a set of solutions for implementation to help stabilize housing, employment, and commercial conditions.

MAP 2020 will also set targets and define solutions for neighborhood sustainability for 2020 and beyond. The solutions may encompass land use and zoning, financing, and identification of opportunity sites and programs; monitoring mechanisms will also be put into place. This first phase of MAP 2020 - solutions development - will be completed in June 2016. Implementation of certain measures is already underway, with additional implementation (writing legislation, launching new studies, ramping up programs, etc.) scheduled as a second phase to commence upon completion of the Plan.

To date, the MAP 2020 collaboration includes a broad range of non-profit and advocacy groups as well as public agencies including the Dolores Street Community (DSCS), the Cultural Action Network (CAN), the Mission Economic Development Agency (MEDA), Calle 24, Pacific Felt Factory, members of the Plaza 16 coalition, the Planning Department, the Mayor's Office of Housing and Community Development (MOHCD), the Office and Economic and Workforce Development (OEWD), the Health Services Agency (HSA), Department of Building Inspection (DBI), and the Fire Department. The Mayor's Office and District Supervisor Campos have also supported this effort.

These stakeholders are collaborating through working groups co-led by a both City and community leads. A robust community outreach and engagement process has incorporated focus groups and individual presentations to organizations and coalitions such as: tenants' rights organizations, SRO tenants, Mission Girls, PODER, United to Save the Mission, real estate developers, SPUR, SFHAC, SFBARF, and others, with the goal of informing and including relevant stakeholders affected by and/or responsible for potential solutions.

Topic-specific working groups have collectively drafted short, medium, and long term strategies, including tenant protections and housing access, housing preservation, housing production, economic development, community planning, SRO acquisition

and/or master leasing, and homelessness. Upon completion of the second phase of outreach in May and incorporation of any relevant feedback, the Plan and will be presented to the Planning Commission, with expected endorsement in June 2016.

DRAFT Western SoMa Area Plan Monitoring Report 2011-2015

1 INTRODUCTION

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s—C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Moreover, the residential areas in these neighborhoods are well-served by public transportation (including two BART stops in the Mission), have vibrant cultural amenities, and feature many attractive older buildings. These neighborhood assets and new employment opportunities have served as strong magnets for high wages earners and market rate housing developers, creating a strong influx of new, more affluent residents.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize the neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process recognized the need to produce housing opportunities for residents of all income levels, which requires not just the development of new units at market rates, but also opportunities for low and moderate income families. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

1.1 About the Western SoMa Community Plan

The challenges that motivated the Eastern Neighborhoods community planning process were evident in the Western SoMa area around the time the plans were adopted and continue to be relevant today. The Plan was a direct response to early detection of displacement of small businesses, population shifts, social instability and escalating conflicts between competing uses[1]. As mentioned earlier in this report, the Western SoMa community requested more time to complete their planning process. In doing so, the department partnered with the Western SoMa Citizens Planning Task Force in an eight-year public planning process to create the Western SoMa Community Plan. Drafted in September 2008, updated in October 2011 and adopted in 2013, the plan is a comprehensive vision for shaping growth on the western side of the South of Market area.

Key objectives of the Western SoMa Area Plan include:

- Reducing land use conflicts between industry, entertainment and other competing uses, such as office and housing;
- Protecting existing residential uses on the alleys;
- Retaining existing jobs in the area;
- Improving the public realm for pedestrians and bicyclists; and
- Encouraging diverse and affordable housing.

Achieving these objectives will help create a complete neighborhood with a high diversity of land uses.

The new plan supports and builds on the Eastern Neighborhoods Plans' vision for the traditionally industrial and mixed use areas in the eastern part of the City. It complements the Plans' patterns of land use, urban form, public space, circulation, and historic preservation, while making adjustments based on understanding of key issues through community outreach to the residents and workers in the area. The planning process also included associated legislation to amend the General Plan, Administrative Code, Planning Code, and Zoning Map to implement the Plan over time. An Implementation Document was created to outline the Plan's Public Benefits Program, which addresses the specific public benefit needs of the area and explains the mechanisms to provide the necessary funding for those benefits.

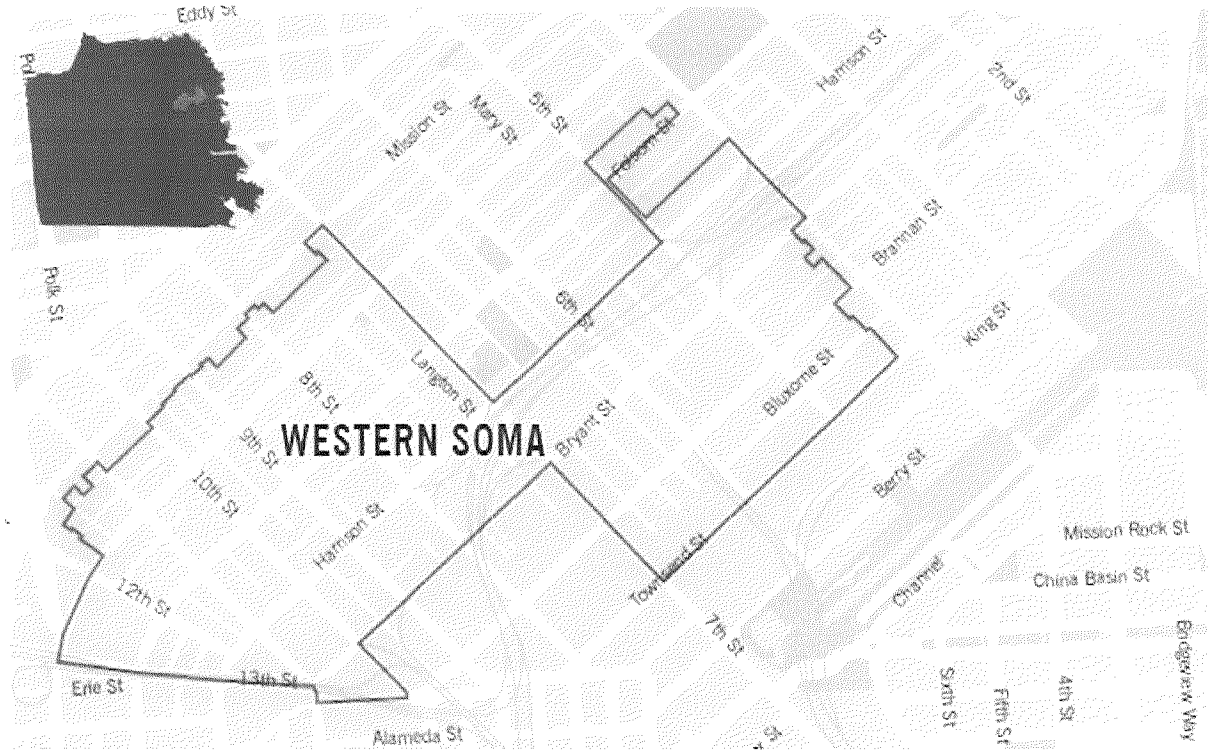
As part of the project, the department completed the environmental impact report that analyzed the potential environmental effects associated with the Western SoMa Community Plan at a program level, and also analyzed impacts of the rezoning of adjacent parcels and the 350 Eighth Street project at a project-specific level. At the time, it would have allowed the demolition of a couple of buildings to accommodate about 634,000 square feet of mixed use in the old SLR zoning, now rezoned as WSoMa Mixed Use-General District (WMUG). The environmental impact report was certified and the Planning Commission adopted the Plan on December 6, 2012. On March 19, 2013, the Board of Supervisors adopted the Western SoMa Area Plan and its associated legislation amendments.

For more information on the Western SoMa Area Plan, visit: http://westernsoma.sfplanning.org.

[1] Western SoMa Area Plan: Introduction: http://www.sf-planning.org/ftp/General_Plan/Western_SoMa_Area_Plan.pdf

Map 1 shows Western SoMa Community Plan area boundaries. The plan area also known as a special use district (SUD), can be described very broadly as progressing from non-residential uses on a Townsend Street high-tech corridor northwards, with diverse local and regional serving job-producing uses to the south side of Harrison Street and the elevated highway. North of Harrison Street, development goals call for an increasingly residential neighborhood character of smaller scale that embraces a "mix of uses" and new mixed-used development.

Map 1 Western SoMa Plan Area



1.2 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans, including Western SoMa, adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Western SoMa area and other Eastern Neighborhoods will be released in years ending in 1 and 6.

While the previous Monitoring Reports covered only the small amount of development activities in the years immediately preceding and following the adoption of the Eastern Neighborhood Plans in 2008, this report

contains information and analysis about a period of intense market development and pending zoning changes in the Western SoMa and the greater Central SoMa area. The time series report relies primarily on the Housing Inventory, the Commerce and Industry Inventory, and the Pipeline Quarterly Report, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 COMMERCIAL ACTIVITY & JOB CREATION

One of the defining characteristics of the Western SoMa neighborhood is its remarkable mix of local and regional uses and diversity of businesses, including manufacturing and other PDR businesses, restaurants and bars, automotive repair shops, institutional and educational uses, and more. Folsom Street has become one of the main commercial corridors of Western SoMa, specifically between 7th and 10th streets (Folsom Street Neighborhood Commercial District). Northward of Townsend Street presents itself as a high-tech corridor, while the south side of Harrison Street focuses on the production of diverse local and regional serving jobs. North of Harrison Street embraces small scale mixing of uses with an increasingly residential-based neighborhood.

2.1 Commercial Space Inventory

Table 2.1.1 illustrates the mix of non-residential space in the Western SoMa as of 2015. The table reflects the mix of uses, noting that office and PDR activities each occupy a little over a third of the commercial space in the neighborhood. Institutional, medical and retail uses together make up another 27% of non-residential buildings and tourist hotels take up about another one percent. The table also shows the importance of the Western SoMa in the San Francisco's stock of industrial and office lands. Though the neighborhood only accounts for two percent of the City's overall commercial space, its share of PDR space is much higher, at five percent. However, as will be discussed in the sections below, in recent years a considerable amount of PDR space in the Western SoMa has been converted to other uses, such as office and housing.

Table 2.1.1 Commercial Building Space, Western SoMa and San Francisco, 2015

Non-Residential Land Use	Western SoMa		Citywide		Western SoMa as % of San Francisco
	Area	%	Area	%	
Cultural, Institution, Educatior	433,728	8%	29,898,514	13%	1%
Medical	149,084	3%	17,468,039	7%	1%
Office	2,143,216	38%	107,978,954	45%	2%
PDR / Light Industrial	1,910,828	34%	36,265,832	15%	5%
Retail	922,642	16%	42,299,526	18%	2%
Visitor / Lodging	65,401	1%	4,053,422	2%	2%
Total	**5,624,899**	**100%**	**237,964,287**	**100%**	**2%**

Table **2.1.2** shows commercial and other non-residential development activity in the Western SoMa Plan area between January 1, 2011 and December 31, 2015 while Table **2.1.3** shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another.

Between 2011 and 2015, almost 93,000 square feet of PDR land was converted to other uses, especially office and housing. In 2015, one property located at 410 Townsend Street was a direct subject of the Western SoMa

Plan rezoning. The use of the building was changed from PDR to Office; and no actual work was done to require a permit. The property was zoned West SoMa Mixed Use-Office (WMUO), a designation created by the Western SoMa Plan to encourage office uses along with small-scale light industrial and arts activities, specifically to establish an explicit preference for 21st Century high tech and digital-media uses. Two projects that lost PDR space constructed new dwelling units, including the construction of new affordable dwelling units. In 2015, the existing 6,120 square feet of PDR space located at 870 Harrison Street was demolished for the new construction of 26 dwelling units, including 4 inclusionary affordable units (15% of the total). An existing building with 5,775 square feet of PDR space, located at 121 9th Street, was demolished and replaced by a mixed-use 20 unit building, including 2 inclusionary units made affordable to households earning between 80 and 120% of the area median income of 2011.

Map 2 shows the location of the larger-scale non-residential developments (more than 5,000 square feet net loss or gain. (See **List BL-1 in Appendix E** for detailed information.)

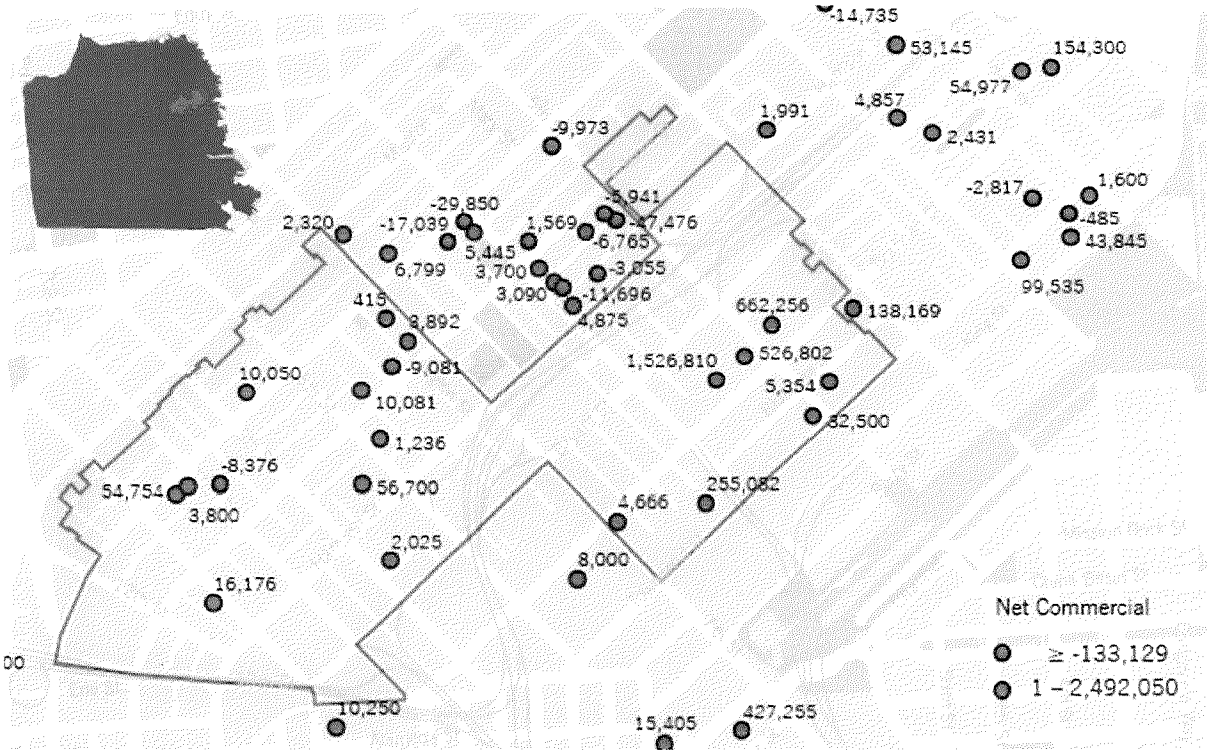
Table 2.1.2 New Commercial Development, Western SoMa, 2011-2015

Year	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	-	-	-	(5,775)	800	-	(4,975)
2012	-	-	(11,600)	-	0	-	(11,600)
2013			(7,550)	(100)		(3,930)	(11,580)
2014							-
2015	-	-	90,826	(87,120)	-4500	-	(794)
Total	**-**	**-**	**71,676**	**(92,995)**	**(3,700)**	**(3,930)**	**(28,949)**

Table 2.1.3 New Commercial Development, San Francisco 2011-2015

Year	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	51,074	-	278,214	1,000	52,131	-	382,419
2012	69,845	-	206,231	35,905	129,425	-	441,406
2013	316,621	-	349,792	120,357	99,336	-	886,106
2014	553,136	1,815,700	694,785	148,330	139,946	63,286	3,415,183
2015	47,829	20,000	978,067	65,640	99,564	-	1,211,100
Total	**1,038,505**	**1,835,700**	**2,507,089**	**371,232**	**520,402**	**63,286**	**6,336,214**

Map 2 Commercial Development Trends, Western SoMa, 2011-2015



2.2 Commercial Development Pipeline

The commercial development pipeline in the Western SoMa shows a different take on development than that of what has taken place during the reporting period of 2011-15 (**Table 2.2.1**). The Western SoMa will still see a significant amount of PDR space, as well as the development of some retail, institutional and visitor space; and larger amounts of office space.

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table **2.2.1** as "Under Review" and "Entitled." Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction and receive certificates of occupancy.

Projects that are under review total about 2.2 million in new square footage. A majority of this gain will potentially come in the form of office space. Consequently the biggest loss in square footage will potentially come in the form of PDR space. One example of a project that is currently under review, 598 Brannan Street, has requested to convert roughly 30,300 square feet of PDR space into office use. Adjacent to this site is the San Francisco Flower Mart, located at 630-698 Brannan Street that will potentially see a loss of 15,000 square feet of PDR space to be replaced by about 15 million square feet of office space and about 30,000 square feet of retail space. If all of these projects come to fruition, Western SoMa will see roughly 116,600 square feet of PDR transition to other uses.

The projects in the pipeline that have been entitled show about an 823,000 square footage gain of non-residential uses in Western SoMa in the near future. If all of these developments are completed, the Planning Department expects about a 810,000 square footage gain is office space and a loss of about 40,000 square feet of PDR space. There will also be a modest gain in institutional and retail space, including a net gain in visitor space with the potential development of 690 5th Street located in the designated area that supports 21st Century high tech industry. Entitled projects that propose to convert PDR to other uses are mostly medium-sized spaces (up to about 28,000 square feet) that will be redeveloped as office predominant buildings. The largest single entitled project is a proposed 526,802 square foot office building that will be developed at 610-620 Brannan Street.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Western SoMa represents about half of the citywide pipeline. **Map 3** shows the locations of the larger proposed commercial developments in the plan area. (See **List BL-2 in Appendix E** for detailed information.)

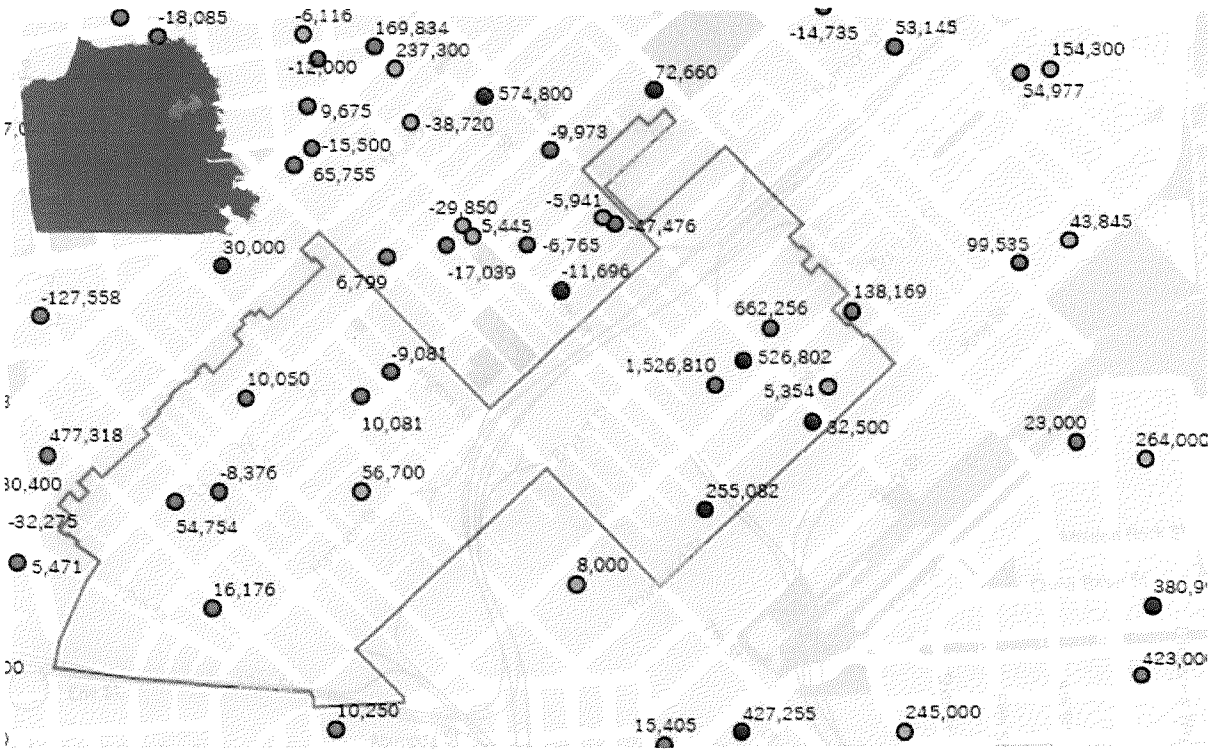
Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Western SoMa Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**62,054**			**33,000**	**(23,946)**	**53,000**	
Planning Entitled	**822,850**	**3,800**	**-**	**809,299**	**(37,988)**	**6,739**	**41,000**
Planning Approved	814,384			809,299	(37,988)	2,073	41,000
Building Permit Filed	-						
Building Permit Approved/ Issued/ Reinstated	8,466	3,800				4,666	
Under Review	**2,236,686**	**59,070**	**-**	**2,203,723**	**(48,832)**	**22,725**	**-**
Planning Filed	(7,833)			2,025	-	(9,858)	
Building Permit Filed	2,244,519	59,070		2,201,698	(48,832)	32,583	
Total	**3,121,590**	**62,870**	**-**	**3,046,022**	**(110,766)**	**82,464**	**41,000**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**1,304,886**	**22,257**	**-**	**1,405,630**	**(298,146)**	**111,600**	**63,545**
Construction	134,467	-	-	173,550	(155,622)	61,594	54,945
Planning Approved	826,904	2,757	-	889,850	(99,654)	25,351	8,600
Building Permit Filed	(29,902)	1,600	-	1,725	(33,939)	712	-
Building Permit Approved/ Issued/ Reinstated	373,417	17,900	-	340,505	(8,931)	23,943	-
Under Review	**4,787,019**	**263,661**	**-**	**4,687,363**	**(348,149)**	**83,019**	**101,125**
Planning Filed	4,792,743	280,283	-	4,649,021	(269,771)	32,085	101,125
Building Permit Filed	(5,724)	(16,622)	-	38,342	(78,378)	50,934	-
Total	**6,091,905**	**285,918**	**-**	**6,092,993**	**(646,295)**	**194,619**	**164,670**

Map 3 Commercial and Other Non-Residential Development Pipeline, Western SoMa, Q4 2015



2.3 Changes in PDR Uses

As discussed above, the Western SoMa (and the Eastern Neighborhoods more broadly), have experienced economic changes that have made many areas highly attractive to residential and office development. These types of uses are generally able to afford higher land costs than industrial uses, and therefore can outbid PDR businesses for industrially-zoned land. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations – M-1, M-2, and C-M – permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Since the adoption of the Western SoMa Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as **Tables 2.1.2 and 2.2.1** illustrate.

A detailed investigation of the conversion of PDR space in the Western SoMa, however, shows that such conversions have occurred largely outside of the zoning districts created specifically to protect PDR uses (in the case of the Western SoMa, PDR-1 and PDR-2). In addition to the project at 410 Townsend Street, detailed above, other completed projects in the Western SoMa that have converted PDR space have largely done so in order to build new housing, either with a higher percentage of inclusionary units than required by the Area Plan or by paying in-lieu fees, as shown in **Table 2.3.1**.

Table 2.3.1 Conversion of PDR Space in Western SoMa, 2011-15

Project	Zoning	Net PDR	Net Office	Net Retail	Net Units	Affordable Units	Percent Affordable
410 TOWNSEND ST	WMUO	-76,000	76000	0	0	Below threshold	
870 HARRISON ST	WMUG	-6,120	0	0	26	4	15%
121 09TH ST	RCD	-5,775	0	800	20	20	100%
248 - 252 09TH ST	RCD	-5,000	14826	-4,500	15		
234 09TH ST	RCD	-100	-7,550	0	1	Below threshold	
	Total	**(92,995)**	**83,276**	**(3,700)**	**62**	**24**	**39%**

2.3.1 PDR Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 alleged complaints of violation for illegal conversions from PDR to Office use in the city (**Table 2.3.2**). **Table 2.3.2** shows the number of cases closed and found to be in violation, the cases closed and not found to be in violation, the cases under review and the cases still pending review. Forty-two of these cases were found in the Eastern Neighborhoods. Out of the 42 total alleged complaints, nine of the cases were not found to be in violation and six were found to be in violation. In the Western SoMa there was only one illegal conversion from PDR to office space on a parcel zoned SALI, where office is not permitted per the Planning Code. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in **Appendix X. Appendix X** shows the enforcement cases that were closed and that were actually found to be in violation of the code.

Many of these office tenants are hybrid uses where PDR also takes place, but may not be the principal use of the space. If an office use is confirmed to be in operation, Planning encourages the company to alter their business practice to fit within the PDR zoning categories or vacate the property. **Appenidx X** shows the enforcement cases that were closed and that were actually found to be in violation of the code. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired in 2013.

In investigation of the alleged violations, the Planning Department discovered that the building permit histories often included interior tenant improvements without Planning Department review. These permits do not authorize a change of use to office. To prevent future unauthorized conversions of PDR space the Planning Department worked proactively with the Department of Building Inspection (DBI). Over the course of 2015, Planning worked with DBI during project intakes to better understand the routing criteria and how to ensure Planning review. Both departments' IT divisions worked together to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

Planning works collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When Planning receives inquiries or complaints related to either vacant spaces in PDR zones or possible unauthorized spaces, requiring a PDR tenant. Planning informs the property owner about PDR complying uses and refers them

to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a training for real estate brokers was conducted in 2015. The purpose of the voluntary training was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including the process for requesting a Letter of Determination. Future trainings will occur based on interest.

Table 2.3.2 Enforcement Cases for Illegal PDR Conversions, Western SoMa, 2015

Case Type	Number of Cases		
	Western SoMa	Eastern Neighborhoods	Citywide
Closed - Violation	1	6	7
Closed - No Violation	1	9	9
Under Review	2	4	4
Pending Review	3	23	24
TOTAL	**7**	**42**	**44**

2.4 Employment

The Western SoMa Plan Area added employment across all land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. This growth in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade, but also the robust growth in high technology sectors and related industries in recent years.[2] Altogether, employment in the Western SoMa grew by roughly 15,470 jobs in 2010 to almost 23,740 in 2015 with a related increase from 1,006 to 1,234 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss job growth in Western SoMa by land use category.

Table 2.4.1 Employment, Western SoMa and San Francisco, Q2 2015

Landuse	Western SoMa				San Francisco			
	Establishments	%	Jobs	%	Establishments	%	Jobs	%
Cultural, Institutional, Edut	30	2%	512	2%	2,010	3%	73,182	11%
Medical	263	21%	1,142	5%	21,833	37%	60,214	9%
Office	363	29%	13,194	56%	15,628	27%	293,014	44%
PDR / Light Industrial	268	22%	4,198	18%	5,280	9%	88,135	13%
Retail	226	18%	4,327	18%	8,241	14%	130,550	20%
Visitor / Lodging	7	1%	195	1%	311	1%	16,686	2%
Other	77	6%	168	1%	4,961	9%	6,953	1%
Total	**1,234**	**100%**	**23,736**	**100%**	**58,264**	**100%**	**668,736**	**100%**

2.4.1 Office Jobs

The largest increase in jobs in Western SoMa between 2010 and 2015 was in office occupations. According to EDD, the neighborhood experienced an almost 72% increase in office jobs in those 5 years. However, the number of office establishments only increased by about 43%, indicating a shift towards office firms with a larger number of employees. In 2015 Western SoMa held about 5% of all of the City's office jobs and 2% of its establishments (**Table 2.4.1**).

[2] See annual San Francisco Planning Department Commerce & Industry Inventory, 2008 – 2015.

2.4.2 Retail Jobs

As discussed above, the Western SoMa has also emerged as somewhat of a retail destination in San Francisco, with the restaurants, bars, regional shopping and grocery stores in the main commercial corridors (particularly throughout the Folsom Street Commercial District and Regional Commercial District zoned areas along 9th and 10th streets) attracting visitors from throughout the City, region, and beyond. The number of retail jobs in the Western SoMa increased by 42% between 2010 and 2015 to about 4,330 jobs in almost 230 establishments. The neighborhood represents 3% of the city's retail jobs and establishments.

2.4.3 PDR Jobs

PDR continues to play a critical role in the City's economy, providing quality jobs to employees with a broad range of educational backgrounds, supporting local businesses up- and downstream (for example, many of the city's top restaurants source products from local PDR businesses), and infusing the region with innovative products. Though the trends in loss of PDR space have been widely documented, the City and the Western SoMa both added PDR jobs since 2010. Western SoMa experienced a 34% increase in PDR employment (to almost 4,200 jobs) between 2010 and 2015 and 6% decrease in number of firms (to 268). The number of establishments has decreased, which possibly indicates a densification of the jobs per establishment ratio. Western SoMa has roughly 5% of the PDR jobs and 5% of the establishments in the City.

2.4.4 Employment and Commercial Space Trends

Over the past five years, Western SoMa has added a substantial number of jobs, more than 50% growth, even as its commercial space square footage increased by a small amount (about 8,270 square feet). In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates.[3] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[4] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

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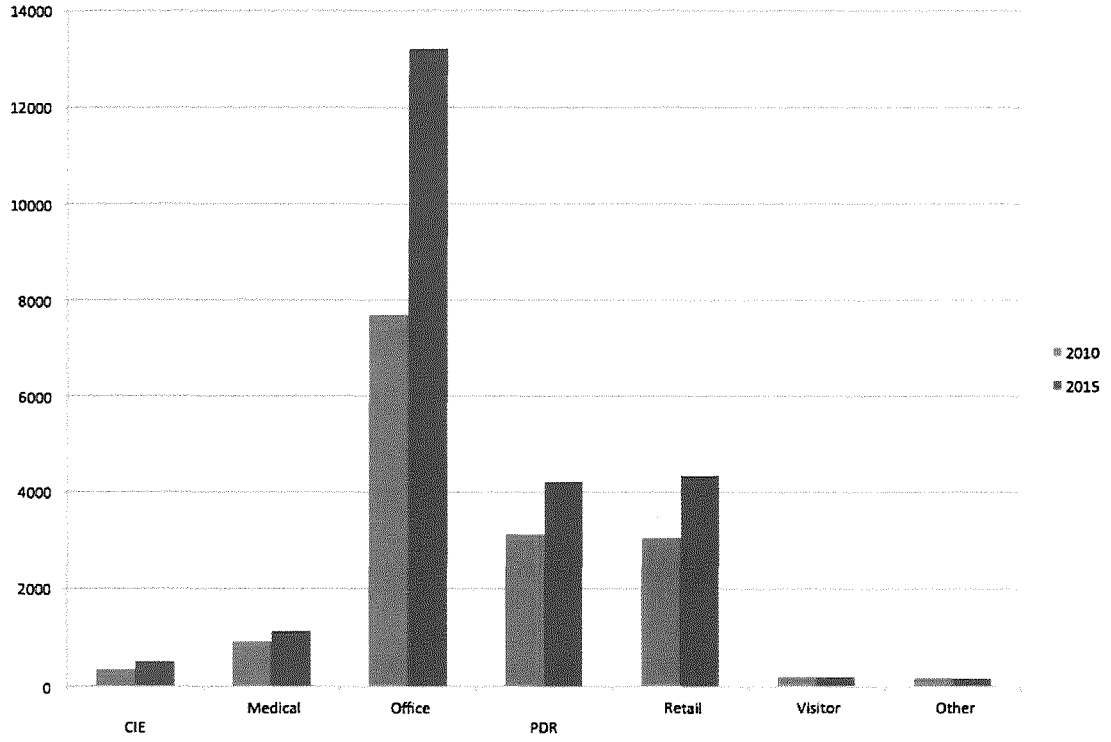
[3] Although data to show vacancy rates for the Western SoMa Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

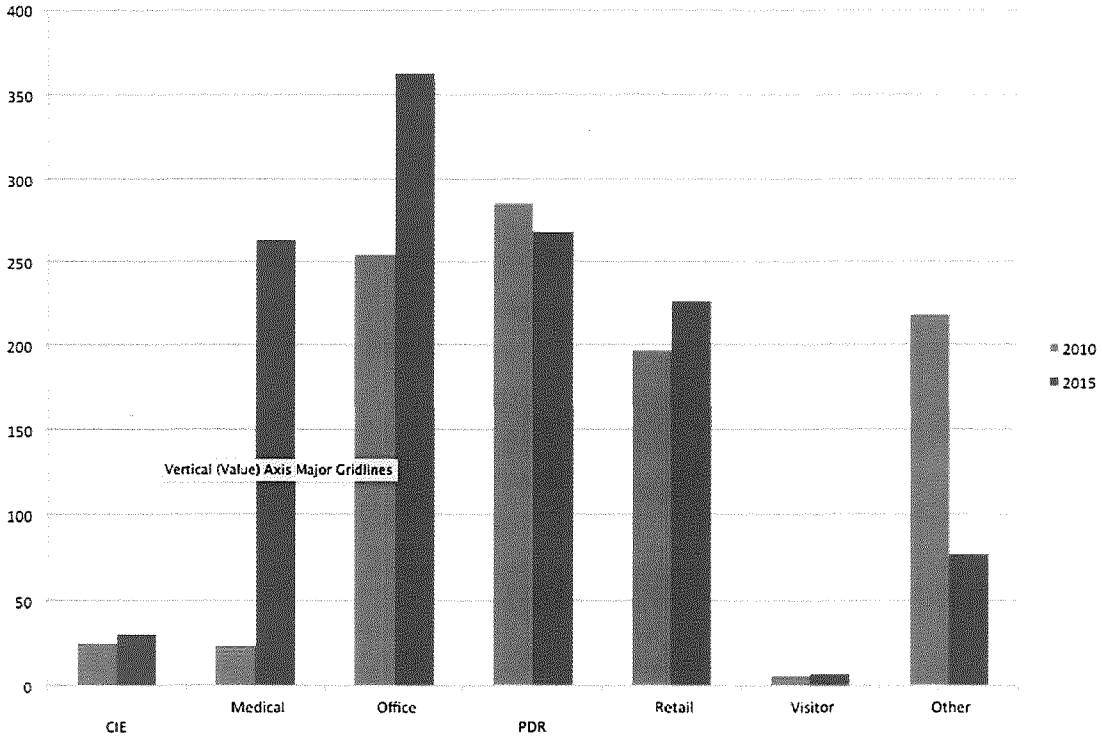
[4] See 2013 US Workplace Survey by Gensler.

Chart 1 Jobs by Land Use, Western SoMa, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2 Establishment by Land Use, Western SoMa, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

2.4.5 Sales and Property Taxes

[context]

Table 2.4.2 Sales Tax Collected, Western SoMa, 2011-2015

Year	Western SoMa	% change from previous year	San Francisco	% change from previous year
2011	$ 3,403,789	-	$ 67,537,179	-
2012	$ 3,684,029	8.2%	$ 73,531,098	8.9%
2013	$ 3,934,468	6.8%	$ 76,739,835	4.4%
2014	$ 4,219,825	7.3%	$ 81,442,942	6.1%
2015	N/A	-	N/A	-
TOTAL	**$ 15,242,111**		**$ 299,251,054**	

3 HOUSING

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco epitomized the housing affordability crisis afflicting American cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Western SoMa neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the city has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

In the past five years, the Western SoMa has been a focal point of preserving neighborhood resources and housing as well as efforts by the City to ensure that its residents can continue to live there. One of the main goals of the *Western SoMa Community Plan* is to encourage diverse and affordable housing. The Plan also recognizes the value of the existing housing stock and calls for its preservation. The Plan's Task Force called on the Planning Department's staff and consultants to conduct a unique housing opportunities site analysis ("Western SoMa Housing Strategic Analysis Memo") with a goal of identifying development sites in the zoning districts for formal Residential Enclave (RED) zoning in the West SoMa SUD. Under the SUD, if new housing is to be built, it has to be an integral part of the existing neighborhoods. This means that housing production should support the existing neighborhood pattern, residential services and amenities. Dwelling unit mergers and residential conversions of rent-controlled units are strongly discouraged; and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

The Planning Department's latest housing inventory, using US Census and permit data, shows that all of South of Market has roughly 11,380 housing units as of the end of 2015; this represents 3% of the citywide total.[5] **Table 3.1.1** shows that 76 net new units were built in the past five years in the Western SoMa, compared with approximately 497 units built between 2006 and 2010. Of the net new units produced, 14 were conversions from non-residential uses and the rest were completed from new construction. During the first two years of the reporting period, 2011 and 2012, the construction sector was still recovering from the slow-down of the recession, and only 28 net units were built. Between 2013 and 2015, however, Western SoMa added 48 new units, or about 16 units per year. This yearly average is almost identical to the average between 2006 and 2010, when the Plan Area added 164 units per year. **Table 3.1.2** shows the citywide figures for comparison. About one percent of the net increase in the City's housing stock in the last five years was in the Western SoMa area. **Map 4** shows the location of recent housing construction. Additional details about these new development projects can be found in **Appendix E, List BL-3**.

Table 3.1.1 New Housing Production, Western SoMa, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	24	-	-	24
2012	-	-	4	4
2013	-	-	(12)	(12)
2014	-	-	5	5
2015	41	-	14	55
TOTAL	**65**	**-**	**11**	**76**

[5] 2015 San Francisco Housing Inventory.

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

Map 4 New Housing Production Western SoMa, 2011-2015

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved. The pipeline for new housing development in the Western SoMa as of the end of 2015 is 1,313 units, of which 890 are under review. Roughly 423 units are entitled, of which 98% are currently under construction, as shown on **Table 3.2.1**.The pipeline for the Western SoMa accounts for four percent of the total number of projects in the City, though only two percent of the number of units, which

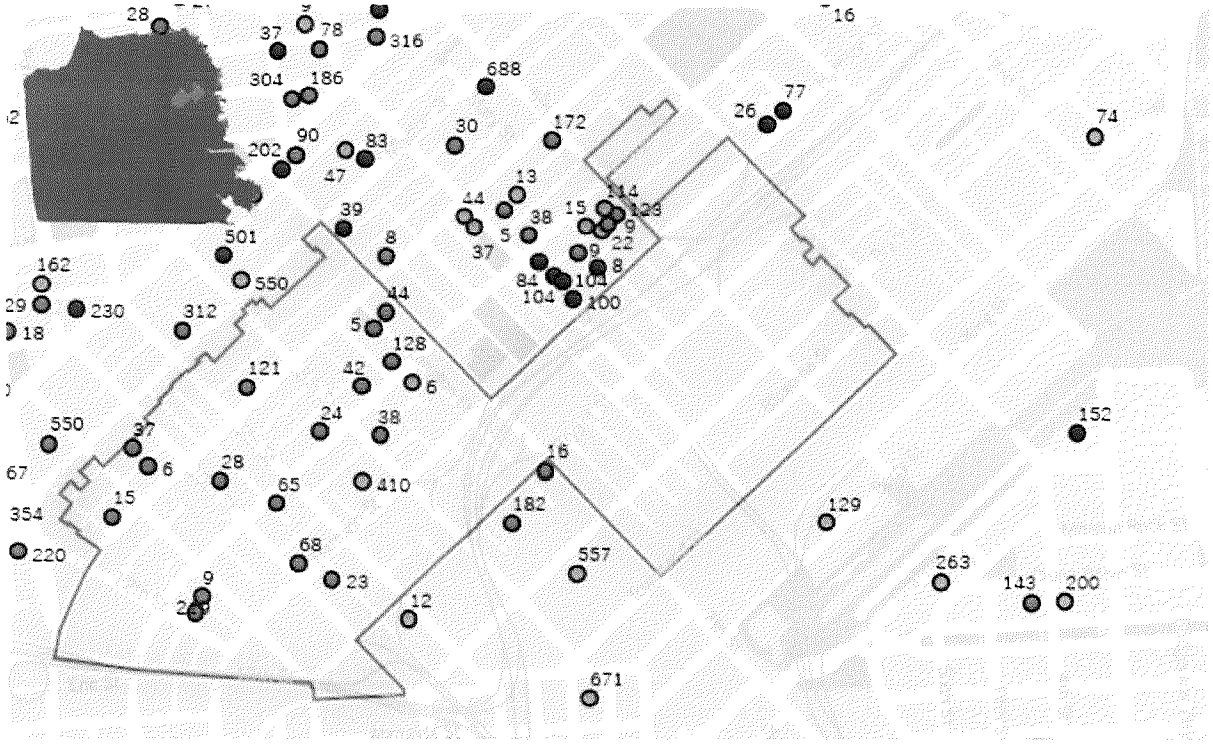
suggests that new projects are of a smaller scale than housing developments in the pipeline for San Francisco as a whole.

Map 5 shows the location of these proposed housing projects by development status. **List BL-4 in Appendix E** provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Western SoMa, and San Francisco, Q4 2015

Development Status	Western SoMa		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	**416**	**3**	**8,691**	**232**
Planning Entitled	**7**	**9**	**26,063**	**350**
Planning Approved	4	4	23,101	80
Building Permit Filed	1	1	513	31
Building Permit Approved/ Issued/ Reinstated	2	4	2,449	239
Under Review	**890**	**36**	**27,760**	**712**
Planning Filed	734	20	17,852	198
Building Permit Filed	156	16	9,908	514
Total	**1,313**	**48**	**62,514**	**1,294**

Map 5 Housing Development Pipeline by Development Status, Western SoMa, Q4 2015



3.3 Affordable Housing in Western SoMa

San Francisco and the Western SoMa Plan Area have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods, and Western SoMa

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000.Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must include restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in **Appendix 8.5**.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[6] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district,

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[6] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

in exchange for providing additional affordable housing, with a special focus on middle-income families that currently cannot access housing through the market. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. Project sponsors in the certain parts of the Eastern Neighborhoods Plan Areas may also apply for the alternative of dedicating land for affordable housing. However, this does not apply to the Western SoMa Plan Area. Most units sold under the Inclusionary Program sell for 90% of Area Median Income (AMI) and most rental units rent for 55% of AMI. Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

3.4 New Affordable Housing Production , 2011-2015

As discussed in this report's introduction, expanding access to affordable housing opportunities was a high priority for the communities in the Eastern Neighborhoods during the planning process, and it has only gained more urgency in recent years. Western SoMa, along with the other Eastern Neighborhood Plan Areas has been a symbol of the pressures of exploding housing costs on neighborhood stability and character.

As **Table 3.4.1** shows, only eight affordable units were built during the 2011-15 five-year monitoring period. Two of these units are considered to be only "naturally affordable." Typically, these are smaller units and are sometimes referred to as "granny units" and are affordable to households with moderate incomes (80-120% AMI), however, these units are not income-restricted. The eight units built between 2011 and 2015 make up eight percent of the 76 net new units built in Western SoMa (shown in **Table 3.1.1**), lower than the inclusionary housing minimum of 12%. The percentage is lower than the minimum because one project (shown on **Table 3.4.3**) chose to pay a fee to the City equivalent to 20% of the total number of units rather than building the units on-site. This fee raised $917,881 for the City's housing development program managed by MOHCD. New affordable units are estimated to cost roughly $550,000 in construction costs (not including land), towards which MOHCD contributes about $250,000, requiring the developer to raise the rest from Federal, State, and other sources. Therefore, it is estimated that the "in-lieu fees" collected in Western SoMa in this period, if successfully leveraged into additional external funding and used to build projects on publicly controlled land, could yield an additional three to four units.[7] Moreover, projects with fewer than 10 units are exempt from the inclusionary housing requirement, which may skew the percentage below the minimum. Out of the 24 affordable units, 20 were paid for by public subsidies and were made affordable to moderate households (80-120% AMI) located at 121 9th Street and 4 inclusionary units were made affordable to moderate households as a part of the 26 dwelling units constructed at 870 Harrison Street, as shown on **Appendix E, Table BL-5.**

The inclusionary housing production in Western SoMa accounts for about one percent of the citywide production (853 units, as shown in **Table 3.4.2** between 2011 and 2015). Because no publicly subsidized

[7] The development costs of affordable housing units are rough estimates based on recent projects that have received assistance from MOHCD.

developments were completed in this period, Western SoMa only built 0.22% of the city's affordable units (2,735) during the period.

Table 3.4.1 Affordable Housing Production, Western SoMa, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011		2		2
2012			1	1
2013		-		-
2014			1	1
2015		4		4
TOTAL	**-**	**6**	**2**	**8**

* Secondary Units are not income restricted

Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

* Secondary Units are not income restricted

Table 3.4.3 Housing Developments Opting for Affordable Housing "In-lieu" Fee, Western SoMa, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
248 09TH ST	2014	$917,881

Map 6 New Affordable Housing, Western SoMa, 2011-2015

3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. New housing development in San Francisco is costly and preserving homes can prevent displacement of existing residents and workers in Western SoMa. The *Western SoMa Plan* supports the preservation of the area's existing housing stock and prohibits residential demolition unless this project ensures sufficient replacement of housing units. Restrictions on demolitions also help to preserve affordable, rent-controlled housing and historic resources.

A neighborhood's housing stock can also change without physical changes to the building structure. Conversions of rental housing to condominiums can turn housing that is rent controlled and potentially accessible to moderate income households to housing that can be occupied by a narrower set of residents, namely, those with access to down payment funds and enough earning power to purchase a home. Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important priority of the Plan's housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, which typically serve as a relatively affordable option for low income households. Appendix ## includes a list of SRO properties and number of residential units. There are four SRO hotels in Western SoMa, which provide a total of 107 units.

The following subsections document the trends in these various types of changes to the housing stock in the Western SoMa Plan Area and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units Lost to Alteration or Demolition

In this most recent reporting period, 14 units were lost in the Western SoMa (**Table 3.5.1**) or about 1% of units lost citywide. All of the units lost in Western SoMa we lost due to an alteration and none due to demolitions. Thirteen were lost to units merging into larger units and one was a correction to official records. **Table 3.5.2** shows San Francisco figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Table 3.5.1 Units Lost, Western South of Market, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-
2013	-	13	1	-	14	-	14
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
TOTAL	**-**	**13**	**1**	**-**	**14**	**-**	**14**

Table 3.5.2 Units Lost, San Francisco, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	-	110	427	537
2014	24	20	1	-	45	95	140
2015	100	12	1	3	116	25	141
TOTAL	**235**	**115**	**6**	**7**	**363**	**758**	**1,121**

3.5.2 Condominium Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the city's rental stock. Compared to the rest of the city's share of renters (67%), the Western SoMa area has a comparable share of renters. In 2014, an estimated 74% of households in the Western SoMa were renters. Almost 7% of San Francisco's rental units are in Western SoMa as of 2014, about the same figure as in 2010.[8]

Table 3.5.3 shows that in the last five years, 28 units in eight buildings in the Western SoMa were converted to condominiums. In all, approximately 1% of all rental units in the Western SoMa were converted to condominiums between 2011 and 2015. This represents one percent of all condo conversions citywide.

[8] The following 2010 census tracts were used to approximate the Western SoMa Plan Area boundaries: 178.02 and 180.00. According to the 2006-2010 American Community Survey, there are roughly 2,550 renter-occupied units in the Western SoMa.

Table 3.5.3 Condo Conversion, Western SoMa, 2011-2015

Year	Western SoMa		San Francisco		Western SoMa as % of Citywide Total	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	-	-	200	472	0%	0%
2012	5	17	201	488	2%	3%
2013	-	-	147	369	0%	0%
2014	1	2	239	727	0%	0%
2015	2	9	149	500	1%	2%
Totals	**8**	**28**	**936**	**2,556**	**1%**	**1%**

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.5.4 shows that owner move-ins led to evictions in four units. Similarly, Ellis Act withdrawals led to 12 evictions during the most recent reporting period. Owner move-in evictions in Western SoMa accounted for 0.3% of the citywide total while the Plan Area accounted for about two percent of Ellis Act evictions in San Francisco between 2011 and 2015. During these five years, an estimated 2.3% of rental units in Western SoMa experienced owner move-in and Ellis Act evictions. Other types of evictions, also tabulated in **Table 3.5.4**, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.5.4 Evictions, Western South of Market, 2011-2015

Year	Western SoMa			San Francisco			Western SoMa as % of Citywide Total		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	0	0	16	123	54	1102	0%	0%	1%
2012	1	0	5	172	99	1343	1%	0%	0%
2013	0	9	20	275	229	1368	0%	4%	1%
2014	2	3	26	315	101	1550	1%	3%	2%
2015	1	0	23	425	142	1518	0%	0%	2%
Totals	**4**	**12**	**90**	**1,310**	**625**	**6,881**	**0.3%**	**2%**	**1%**

3.6 Jobs Housing Linkage Fee Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011/12 and 2015/16, commercial developments in the Western SoMa Plan Area generated roughly $1.3 million to be used for affordable housing development by the city, as shown in **Table 3.6.1**. Based on the MOHCD estimate of

$550,000 (not including the cost of land) required to build one affordable housing unit, the fees collected in the 2014-2015 fiscal year could potentially create about two to three affordable units.

Table 3.6.1 Jobs Housing Linkage Fees Collected, Western SoMa, FY 2011/12-2015/16

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	-
2013-14	$	-
2014-15	$	1,343,710
2015-16	$	-
Total	**$**	**1,343,710**

*Department of Building Inspection as of 6/1/16

4 Accessibility and Transportation

The Western SoMa Plan Area is characterized by a multitude of mobility options and its resident's access to employment and other destinations through a variety of transport modes. Since the construction of the Central Freeway in the 1950s, the transportation system has been heavily oriented toward auto-related facilities and activities, however, the Western SoMa Plan has policies to move away from that trend and is doing so. A little over a third of commuters in Western SoMa travel to work by car, similar to the rest of San Francisco (36% to 44%, respectively). As **Table 4.1.1** shows, another widely used commute mode in Western SoMa is public transit, which is used by another 36% of residents (compared to 33% citywide), and other alternative commute modes also play an important role, including biking at seven percent walking at 11%, and working at home at 10%. In order to maintain this characteristic and move towards lower dependency on private automobiles, the Western SoMa Area Plan's objectives related to transportation all favor continued investments to tie land use intensities and local travel patterns together. While Western SoMa has streets connecting the city to major on and off ramps to the Central Freeway, hosting regional traffic, most of the residents and workforce takes public transit or walks to and from where they need to go.

Table 4.1.1 Commute Mode Split, Western South of Market and San Francisco, 2011-2015

Transport Mode	Western SoMa		San Francisco		Western SoMa as % of San Francisco
	No of Commuters	%	No of Commuters	%	
Car	999	36%	199,470	44%	1%
Drove Alone	689	25%	165,151	36%	0%
Carpooled	310	11%	34,319	8%	1%
Transit	1,004	36%	150,222	33%	1%
Bike	189	7%	17,356	4%	1%
Walk	303	11%	46,810	10%	1%
Other	9	0%	10,579	2%	0%
Worked at Home	289	10%	32,233	7%	1%
Total	**2,793**	**100%**	**456,670**	**100%**	**1%**

4.1 Transportation Improvements – EN Trips

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

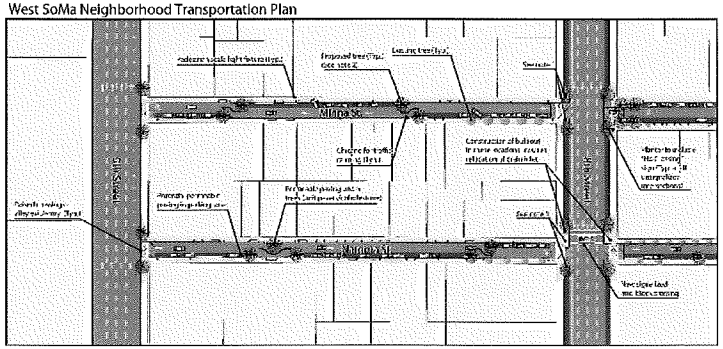
Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

Western SoMa is faced with difficult challenges that require the need address the travel needs of its residents and businesses, while maintaining and improving the area as a desirable place to live. With the Central Freeway cutting through the area and the heavy auto-oriented traffic behavior in the surrounding streets, the *Western SoMa Plan* calls for the preservation and improvements to the existing alleys that provide an escape from the long and wide street network, and neighborhood-serving streets. The alleys serve as a safer and more direct route to destinations and improve area walkability and bike-ability. The Plan proposes improvements in the vicinity of and along Folsom Street. The Plan calls for low cost, demand management measures that reduce automobile independence and promotes transit, bicycling and walking. In general, the Plan calls for improved connectivity and safety for pedestrians and bicyclists; and seamless pass through of automobiles and goods through the area to and from the freeway.

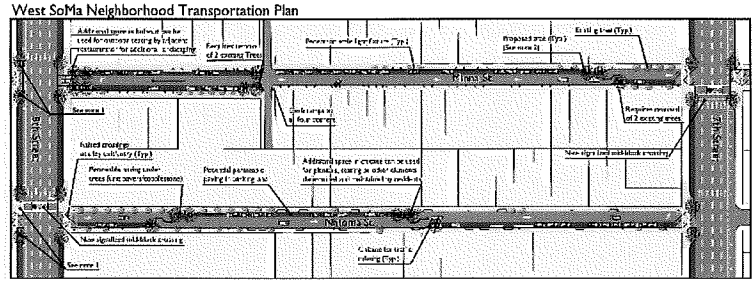
In March 2012, the Western SoMa Neighborhood Transportation Plan was completed and adopted. In support of the implementation of the Western SoMa Community Plan, the San Francisco County Transportation Authority (SFCTA) conducted a Western SoMa Neighborhood Transportation Plan (NTP) process. The NTP sought to move selected improvement ideas from the Community Plan to implementation-ready status by providing cost estimates, conceptual designs, and other relevant project development work. Using a technical assessment and input from the community, the Study developed conceptual designs for improvements to three of Western SoMa's alleys for traffic calming and streetscape improvements, including mid-block crossings of the numbered streets, including Minna and Natoma between 7th and 9th Streets, and Ringold between 8th and 9th Streets (shown below).

West SoMa Neighborhood Transportation Plan

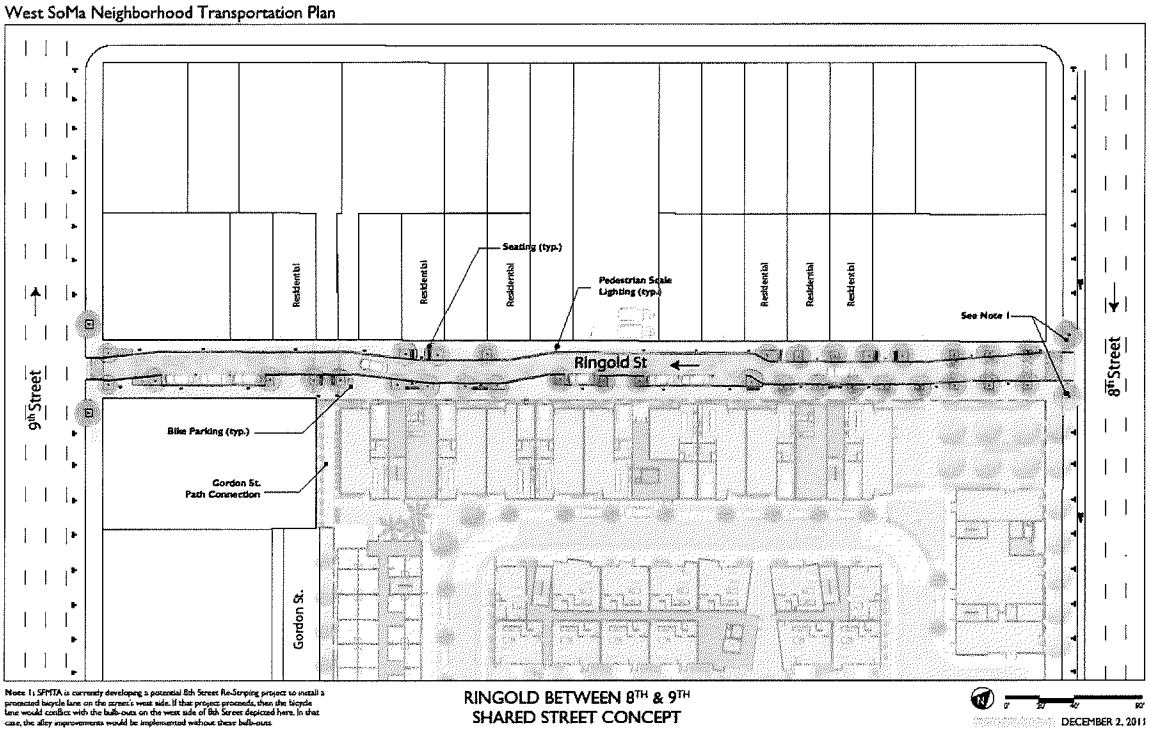


MINNA & NATOMA STREETS (BETWEEN 6TH & 9TH)
CONCEPT PLAN OF PROPOSED IMPROVEMENTS

West SoMa Neighborhood Transportation Plan



MINNA & NATOMA STREETS (BETWEEN 7TH & 8TH)
CONCEPT PLAN OF PROPOSED IMPROVEMENTS



In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The first round will include 245 projects, including several in the Western SoMa area, shown on **Table 4.2.1**. One major project is the Folsom Street/Howard Street Streetscape Project. The goal is to provide a more pedestrian-friendly and multimodal street. Bicycle and pedestrian safety improvements such as cycle tracks, or other bicycle facility, widened sidewalks, additional crossings, bus and corner bulbouts and new streetscape landscaping will be constructed along the two streets between 2nd and 13th Streets. This project is also a "Priority Project" for Eastern Neighborhood implementation

Table 4.2.1. Vision Zero Projects in Western SoMa Plan Area

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)	
Bicycle and pedestrian intersection spot improvements (11th St./13th St./Bryant St.)	Winter 2014/15	Fall 2015	DESIGN	$	150,000
8th/Natoma New Signal	Spring 2014	Fall 2015	CONST	$	365,000
Howard Streetscape Project	Summer 2014	Spring 2019	DESIGN	$	2,135,000
Bessie Carmichael Elementary School	Winter 2014/15	Fall 2017	DESIGN	$	792,000
Howard Street Pilot	Winter 2014/15	Winter 2015/16	DESIGN	$	300,000
7th Street Streetscape	TBD	TBD	CONST	$	1,411,000
8th Street Streetscape	TBD	TBD	CONST	$	1,436,000

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks and Open Space

A new public plaza in Western SoMa to be called Eagle Plaza is proposed to be constructed within the 12th Street right-of-way between Bernice Street and Harrison Street. As an in-kind improvement for the development project at 1532 Harrison Street, a proposed mixed-use building, this plaza will be constructed within the same time frame as the project. The plaza will feature a single-surface shared public way treatment for the sidewalk and roadway portions of the right-of-way with a single lane of travel reconfigured for in a curvilinear pattern to slow traffic and define to distinct zones for the plaza. The open space will feature custom made planters, seating, and a green knoll, among other features. The construction is expected to begin in 2016 with completion expected in 2018.

5.3 Community Facilities and Services

As a significant amount of new housing development is expected in Western SoMa, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. Section 6, below, discusses the process of implementation of the community benefits program, including the collection and management of the impact fees program.

Map 7 shows existing community facilities in Western SoMa. Community based organizations currently provide a wide range of services at over 50 sites throughout Western SoMa, ranging from [examples].

Map 7 Community Facilities in Western SoMa

5.3 Historic Preservation

[context]

5.4 Neighborhood Serving Establishments

Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see **Appendix G** for a list of business categories used). Grocery stores, auto shops and gasoline stations, banks and schools that frequently host other activities, among many other uses, can be considered "neighborhood serving." By this definition, the Western SoMa is home to about 175 neighborhood serving businesses and establishments employing almost 3,000 people.

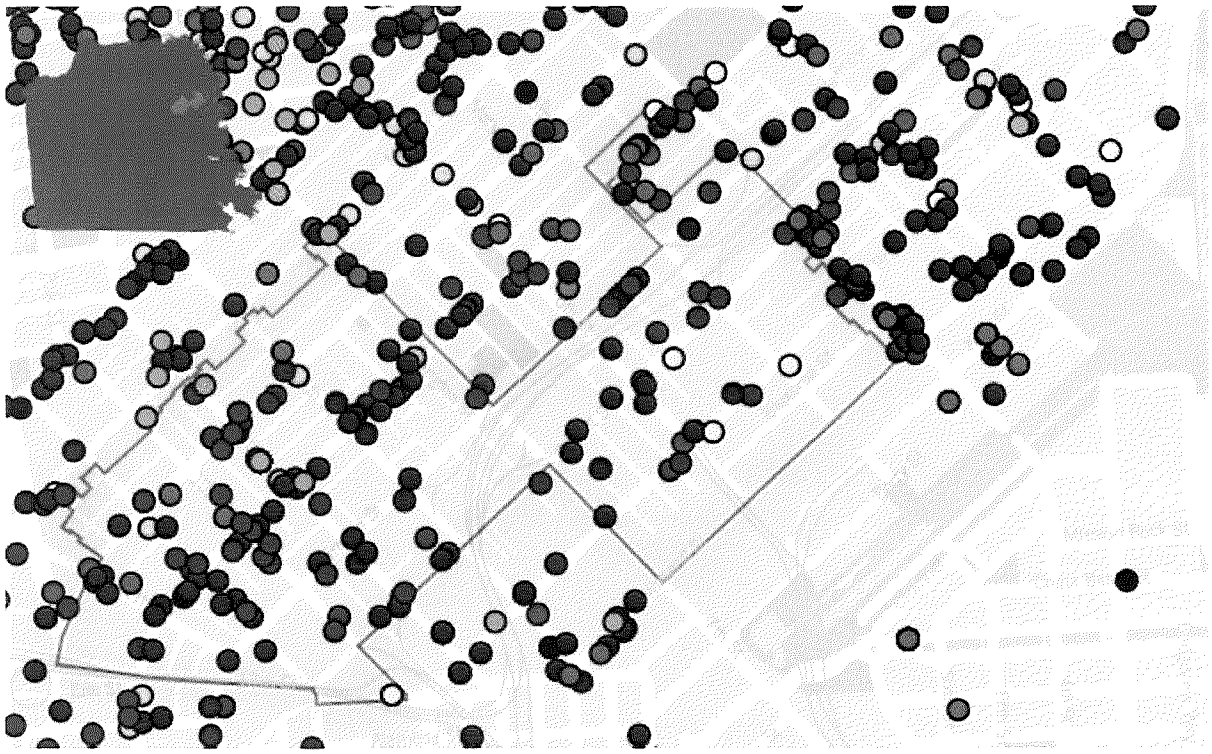
As shown in **Table 5.4.1**, the top 10 neighborhood serving establishments in the Western SoMa include eating places (full- and limited-service restaurants), bars, schools, grocery stores, gasoline stations, automotive repair

shops, gyms and family clothing stores. These businesses are typically along Folsom, Harrison and Bryant Streets as shown on **Map 8**.

Table 5.4.1 Neighborhood Serving Establishments, Western SoMa

Type	Establishments	Employment
Full-Service Restaurants	32	633
Limited-Service Restaurants	19	469
Drinking Places (Alcoholic Beverages)	19	309
Elementary and Secondary Schools	1	224
Gasoline Stations with Convenience Stores	4	168
Supermarkets and Other Grocery (except Convenience) Stores	4	165
Snack and Nonalcoholic Beverage Bars	9	149
General Automotive Repair	22	126
Family Clothing Stores	4	108
Fitness and Recreational Sports Centers	4	104
Child Day Care Services	3	84
Sporting Goods Stores	6	74
Electronics Stores	7	65
Beer, Wine, and Liquor Stores	3	62
Other Clothing Stores	2	50
Florists	5	31
Civic and Social Organizations	3	27
Cosmetics, Beauty Supplies, and Perfume Stores	1	26
Other Personal and Household Goods Repair and Maintenance	2	16
Used Merchandise Stores	4	13
Food (Health) Supplement Stores	1	10
Nail Salons	2	9
Shoe Stores	2	8
Automotive Transmission Repair	1	8
Automotive Exhaust System Repair	1	6
Beauty Salons	3	6
Car Washes	1	5
Pet Care (except Veterinary) Services	1	5
Commercial Banking	1	3
Sewing, Needlework, and Piece Goods Stores	2	3
Retail Bakeries	1	2
Convenience Stores	1	2
Other Automotive Mechanical and Electrical Repair and Maintenance	1	2
Discount Department Stores	1	1
Coin-Operated Laundries and Drycleaners	1	1
Drycleaning and Laundry Services (except Coin-Operated)	1	1
TOTAL	175	2,975

Map 8 Neighborhood Serving Businesses in Western SoMa



- 311 - Food Manufacturing
- 443 - Electronics and Appliance
- 445 - Food and Beverage
- 446 - Health and Personal Care
- 447 - Gas Stations
- 448 - Clothing and Accessories
- 451 - Sporting goods, Hobby, Musical Instrument and Books
- 452 - General Merchandise
- 453 - Miscellaneous
- 519 - Other Information
- 522 - Credit Intermediation
- 532 - Rental and Leasing Services
- 611 - Educational Services
- 624 - Social Assistance
- 713 - Amusement, Gambling and Recreation
- 722 - Food Services and Drinking Places
- 811 - Repair and Maintenance
- 812 - Personal and Laundry Services
- 813 - Religious and Civic Organizations

6 IMPLEMENTATION OF PROPOSED PROGRAMMING

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) is the central community advisory body charged with providing input to City agencies and decision makers with regard to all activities related to implementation of the Eastern Neighborhoods Area Plans. It was established for the purposes of providing input on the prioritization of Public Benefits, updating the Public Benefits program, relaying information to community members in each of the four neighborhoods regarding the status of development proposals in the Eastern Neighborhoods, and providing input to plan area monitoring efforts as appropriate. The EN CAC is composed of 15 voting members – nine appointed by the Board of Supervisors, and six appointed by the Mayor. In addition, there are four non-voting members representing Western SoMa, two appointed by the Board of Supervisors, and two by the Mayor. These non-voting members with attain voting status upon the adoption and integration of the Western SoMa Impact Fees into the Eastern Neighborhoods Public Benefits Fund. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009, before the adoption of the Western SoMa Community Plan. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee & Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee includes three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning, later including the Western SoMa rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected nearly $48.4 million in impact fees, as shown on **Table 6.2.2**.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,742,000
TRANSPORTATION / TRANSIT	$16,936,000
COMPLETE STREETS	$6,733,000
RECREATION AND OPEN SPACE	$17,518,000
CHILDCARE	$2,416,000
Total	**$48,345,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect a little over $145 million from the Eastern Neighborhoods impact fee program, as shown on **Table 6.2.3**.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$26,411,000
TRANSPORTATION / TRANSIT	$30,302,000
COMPLETE STREETS	$38,542,000
RECREATION AND OPEN SPACE	$43,912,000
CHILDCARE	$5,931,000
Total	**$145,098,000**

As shown in **Table 6.2.4**, approximately $6.94 million were collected from 15 projects in the Western SoMa Plan Area between 2011 and 2015. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods.

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-2015

Area	Revenue	Projects
Western SoMa	**$6,940,000**	**11**
East SoMa	$14,635,000	39
Mission	$5,357,000	43
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	26
TOTAL	**$48,350,000**	**138**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring Program

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

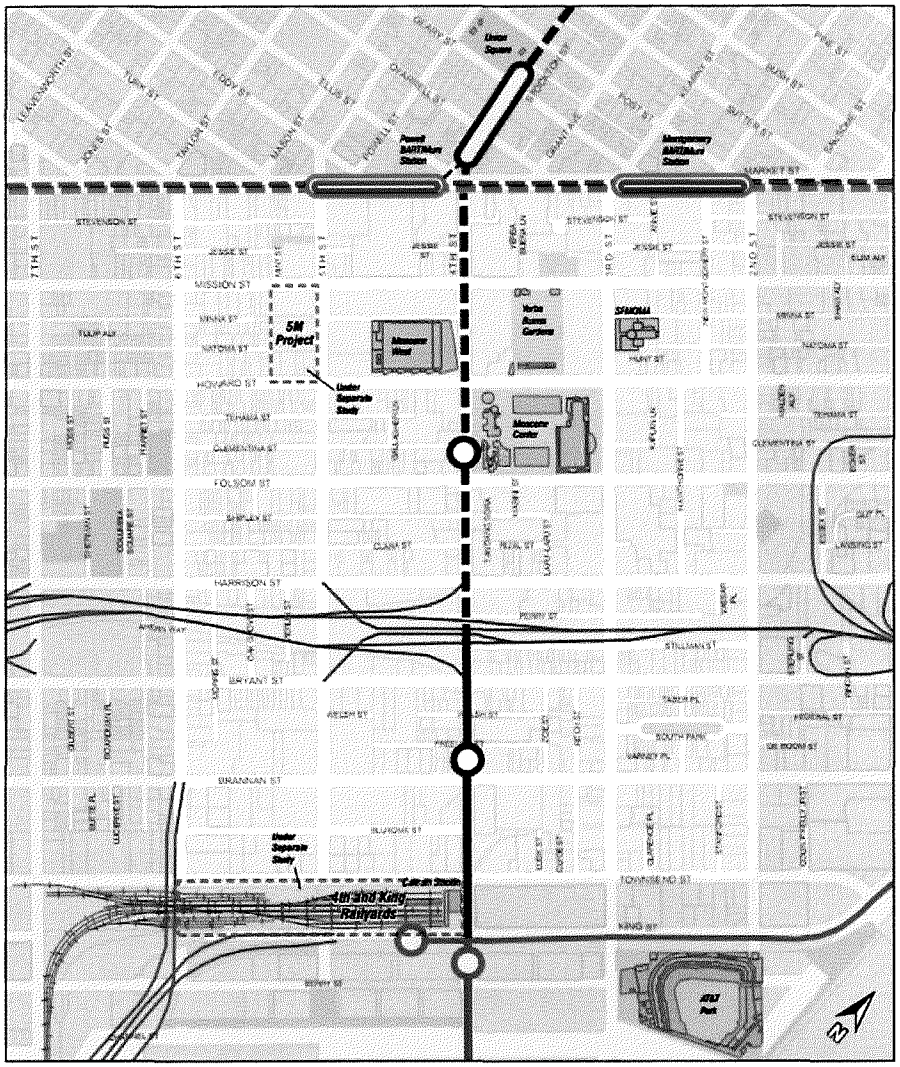
Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

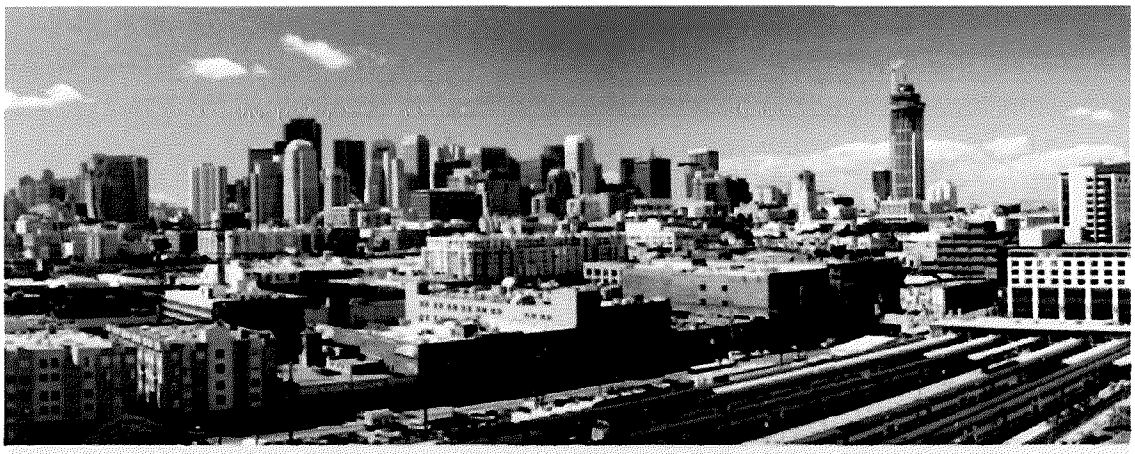
In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Efforts

At the time of the Western SoMa Plan's adoption, consensus had not been reached on how to prepare the neighborhood for the arrival of the Central Subway, a 1.7 mile transit investment connecting the Caltrain station to Chinatown. The Western SoMa Plan did not include rezoning of the industrial-protection Service Light Industrial (SLI) district in the area, and explicitly deferred land use change in the SLI to a subsequent, more focused, planning process that takes into account a comprehensive study of the City's growth needs, as well as the transportation opportunity represented by the Central Subway. The Central SOMA Plan continues many of the goals of the Western SoMa Plan, and proposes changes to land use and development controls in that area of overlap.

The Central Subway is expected to move 76,000 daily riders through the corridor by 2030, with a peak hourly capacity of almost 5,000 riders in each direction. Stations will include new underground facilities in Chinatown, at Union Square/Market Street, and at Moscone Center/Folsom Street, with a new above-ground station at Brannan Street. In addition to the subway, other transportation improvements are planned to address SoMa circulation needs including the Downtown Rail Extension which will extend Caltrain underground through the study area to the Transbay Transit Center, MUNI improvements such as transit-only lanes along Mission Street, and anticipated improvements to the Bicycle Network such as new cycle lanes along 2nd and 5th Streets.


Caltrain
BART
Muni
Central Subway
Solid lines represent surface rail, dashed lines represent subway.
CENTRAL CORRIDOR PLAN AREA



GROWTH POTENTIAL
UNDER THE CENTRAL CORRIDOR PLAN

Growth Potential[1]	*Residential Square Feet*	*Residential Units*	*Commercial Square Feet*	*Jobs*
Potential Under Existing Zoning[2]	**9,872,355**	**8,225**	**3,827,445**	**19,140**
Growth Potential Under Plan	**4,185,900**	**3,490**	**5,563,700**	**27,820**
TOTAL GROWTH	**14,058,255** SQ. FT.	**11,715** UNITS	**9,391,145** SQ. FT.	**46,960** JOBS

1 Note that growth potential varies according to height alternative and land use mix assumptions; the above table represents an average of potential heights and use mixes. The Plan's environmental analysis will review the greatest number of both jobs and housing that is likely to occur under all height alternative and mix assumptions.
2 Note that a significant portion of the existing growth potential lies in the C-3 (downtown) districts in the northern part of the Plan area, including a substantial portion of overlap with the recently rezoned Transit Center District Plan area between 2nd and 3rd Streets.

DRAFT Central Waterfront Area Plan Monitoring Report 2011-2015

1 Introduction: Central Waterfront Plan Monitoring Report

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s— C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize these neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process also recognized the need to produce housing opportunities for residents across all income levels. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

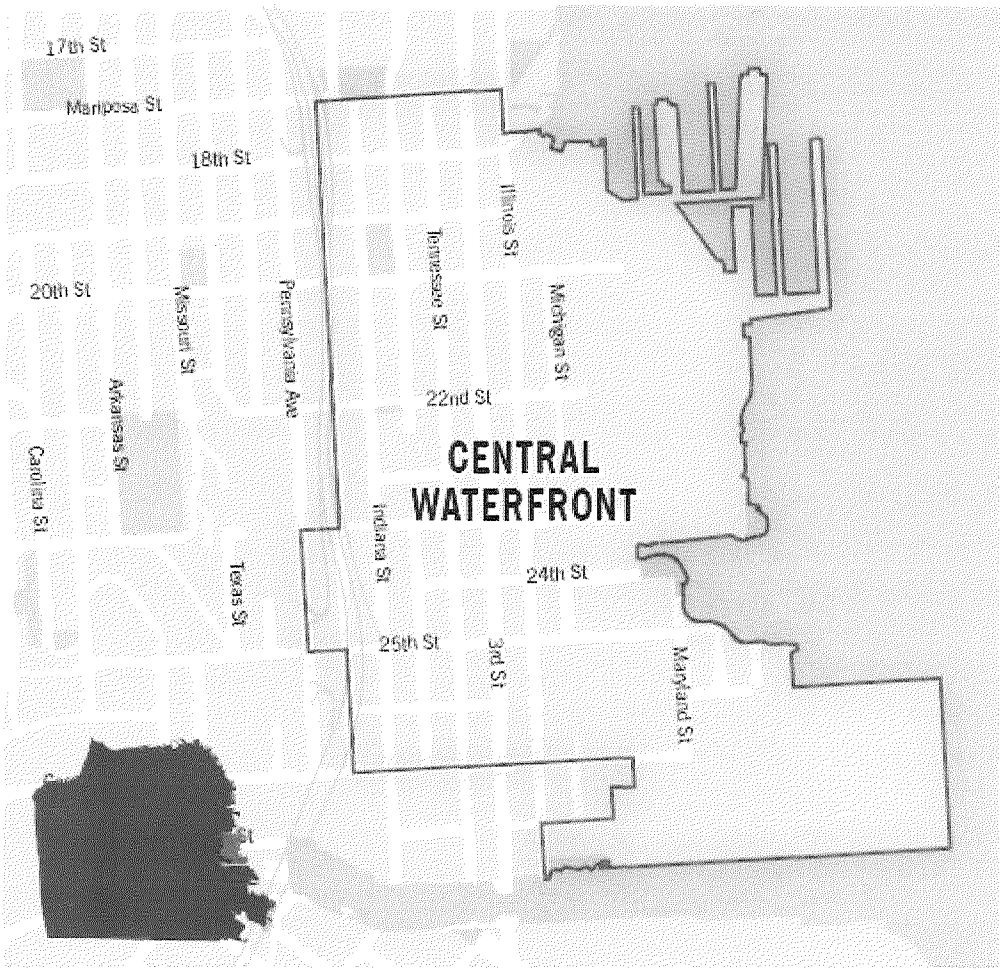
The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

Map 1 shows the *Central Waterfront Plan* area as generally bounded by Mariposa Street on the north, San Francisco Bay on the east, Islais Creek on the south, and Highway I-280 on the west.

Map 1 Central Waterfront Plan Area



The challenges that motivated the Eastern Neighborhoods community planning process were sharply evident in the Central Waterfront when the plans were adopted and continue to be relevant today.

Specifically, the *Central Waterfront Plan* calls for the following:

- maintaining Central Waterfront's established character as mixed use, working neighborhood with strong ties to the city's industrial economy;
- strategically increasing housing in the Central Waterfront;
- establishing a land use pattern that supports and encourages transit use, walking, and biking;
- connecting the neighborhood with its neighbors and the water's edge, and improving the public realm so that it better supports new development and the residential and working population of the neighborhood.

1.1 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

The *Central Waterfront Area Plan Monitoring Report 2011-2015* is part of the set of Eastern Neighborhoods monitoring reports covering the period from January 1, 2011 to December 31, 2015. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Central Waterfront area and other Eastern Neighborhoods (including Western SoMa) will be released in years ending in 1 and 6.

While the previous Monitoring Report covered only the small amount of development activities in the years immediately preceding and following the adoption of the *Central Waterfront Plan* in 2008, this report contains information and analysis about a period of strong market development and activity in the Central Waterfront. The time series report relies primarily on the *Housing Inventory*, the *Commerce and Industry Inventory*, and the *Pipeline Quarterly Report*, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 Commercial Activity and Job Creation

While the area is itself diverse, Central Waterfront has traditionally been characterized by industrial uses with residential enclaves interspersed between Mariposa and 23rd Street or what is roughly known as the Dogpatch neighborhood. Commercial land uses take up almost two thirds of the land area, with light industrial or production, distribution and repair (PDR) uses being the largest single category. Schools and cultural destinations comprise a marginal portion of the land use, as does retail and entertainment. (See Appendix B, Table BT-1 for land use distribution tables for Central Waterfront and San Francisco).

INSERT APPROPRIATE PHOTO

The *Central Waterfront Plan* supports small and moderate size retail establishments in neighborhood commercial areas, while allowing larger retail in the new Urban Mixed Use districts only when part of a mixed-use development. The Plan also encourages life science development in the vicinity of Mission Bay and, in the core PDR area generally south of 23rd Street, contains controls that protect PDR businesses by prohibiting new residential development and limiting new office and retail.

2.1 Commercial Space Inventory

Table 2.1.1 below is an inventory of non-residential space in Central Waterfront as of 2015. Nearly 50% of commercial land use in the Central Waterfront is PDR and almost 30% office. The table also shows the importance of the Central Waterfront in the San Francisco's stock of industrial lands. Though the neighborhood only accounts for 1% of the City's overall commercial building space, its share of citywide PDR space is 3%. However, a significant amount of PDR space in the Central Waterfront has been converted to other uses in recent years, which will be discussed in the coming sections.

Table 2.1.1 Commercial Building Space, Central Waterfront and San Francisco, 2015

Non-Residential Land Use	Central Waterfront		Citywide		Central Waterfront
	Area	%	Area	%	
Cultural, Institution, Educational	114,370	5%	29,898,514	13%	0%
Medical	35,498	2%	17,468,039	7%	0%
Office	656,628	29%	107,978,954	45%	1%
PDR / Light Industrial	1,045,713	46%	36,265,832	15%	3%
Retail	425,343	19%	42,299,526	18%	1%
Visitor / Lodging	5,219	0%	4,053,422	2%	0%
Total	**2,282,771**	**100%**	**237,964,287**	**100%**	**1%**

Table 2.1.2 shows commercial and other non-residential development activity in the *Central Waterfront Plan* area between 2011 and 2015 while Table 2.1.3 shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another. Non-residential development in the Central Waterfront made up about 1% of citywide total commercial projects completed in the last five years. Between 2011 and 2015, 25,700 square feet of PDR land was converted to other uses, such as mixed-use residential. The table also shows a modest gain of retail space during the reporting period. Commercial projects recently completed in the Central Waterfront are part of mixed-residential developments. One illustrative project is the development at 2235 Third Street, which redeveloped two vacant buildings into a mixed-use building with 196 residential units (39 of them below market rate) and roughly 10,000 square feet of ground floor space for retail, storage and day care.

Map 2 shows the location of the larger-scale non-residential developments. (See List BL-1 in Appendix B for detailed information.)

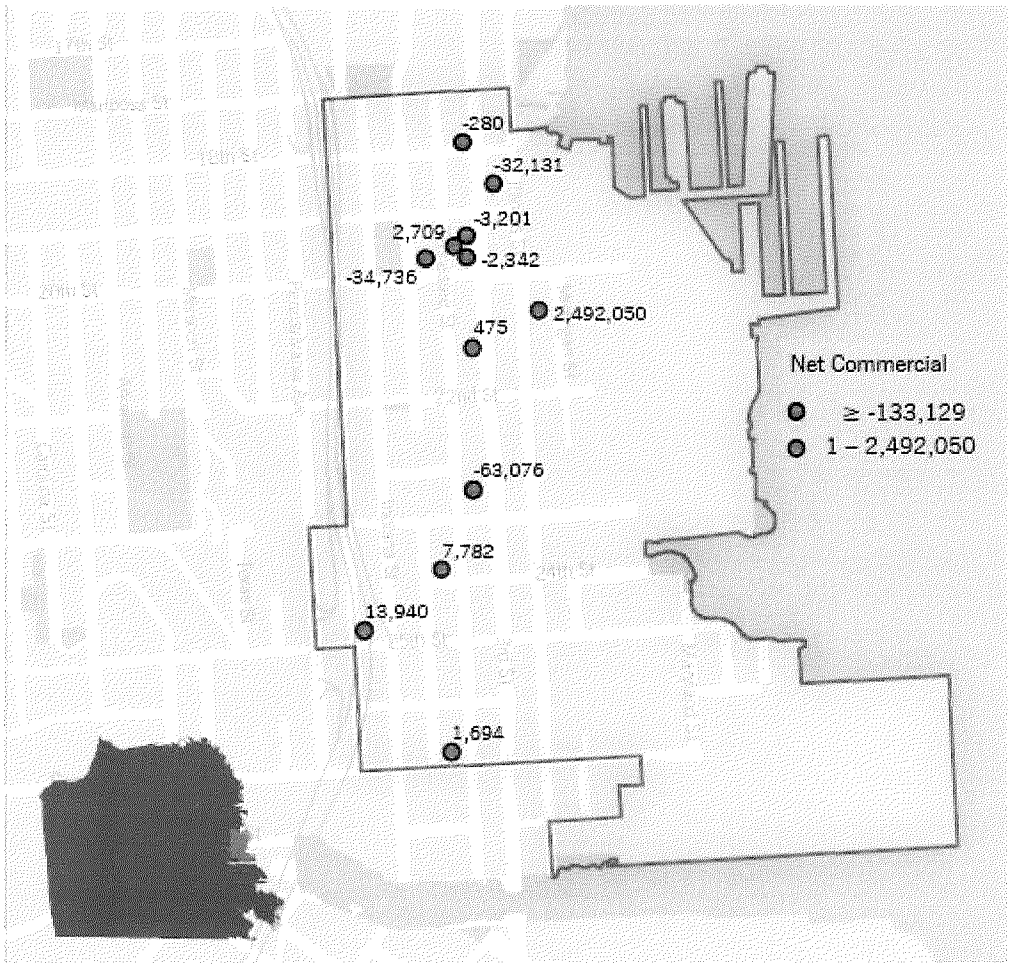
Table 2.1.2 Net Change in Commercial Space, Central Waterfront 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011							-
2012	-	-	-	-	5339	-	5,339
2013					-1000		(1,000)
2014	-	-	-	(25,700)	10109	-	(15,591)
2015	3,000	-	-	-	0	-	3,000
Total	**3,000**	**-**	**-**	**(25,700)**	**14,448**	**-**	**(8,252)**

Table 2.1.3 Net Change in Commercial Space, San Francisco 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	10,477	0	40,019	(18,075)	16,854	0	**49,275**
2012	(52,937)	0	24,373	(164,116)	32,445	0	**(160,235)**
2013	66,417	0	335,914	(236,473)	5,941	(69,856)	**101,943**
2014	446,803	1,815,700	603,997	(473,337)	60,125	63,286	**2,516,574**
2015	(21,456)	20,000	460,508	(183,775)	65,419	0	**340,696**
Total	**449,304**	**1,835,700**	**1,464,811**	**(1,075,776)**	**180,784**	**(6,570)**	**2,848,253**

Map 2 Completed Projects Causing Net Change in Commercial Space, Central Waterfront 2011-2015



2.2 Commercial Development Pipeline

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table 2.2.1 as "Under Review" and "Entitled". Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, Entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction.

The commercial development pipeline in the Central Waterfront shows a continuation of the trends that have taken place during the reporting period of 2011-15 (Table 2.2.1). The Central Waterfront continues to be the city's center for PDR as more pipeline projects with intent to continue the PDR use in the neighborhood come through in recent years. Additionally, the area is also expecting some development of office and retail space.

One example of a project that is currently under review is the Pier 70 Waterfront Site, a 28-acre stretch of industrial land.The developer (Forest City) has entered into an agreement with the Port to develop the former shipbuilding and repair space into a mix of office, retail, residential, PDR and open space through a Master Plan. Under the current proposed Pier 70 Waterfront development, more than 1,100,000 square feet will be allocated to office use and 460,000 square feet for commercial use. Adjacent to Pier 70, the now non-operational Potrero Power Plant, is a 21-acre site ripe for mixed development in the coming years. Although both Pier 70 and the Potrero Power Plant will see major changes, which will ultimately affect the neighborhood character, separate planning processes are in place to ensure a balanced mix of uses. Another large-scale project under review will provide almost 14,000 square feet of enterprise workspace at 1228 25th Street. If all of these projects come to fruition, the Central Waterfront will see roughly more than 240,000 square feet of PDR transition to other uses.

The projects in the pipeline that have not yet been entitled show no net gain of non-residential uses in the Central Waterfront in the near future. If all of these developments are completed, the Planning Department expects a net gain of about more than 165,000 square feet of PDR space and concomitant gain of roughly 2,000,000 square feet in office space and 10,000 square feet in retail space. Entitled projects that propose to convert PDR to other uses are mostly smaller spaces that will be redeveloped as residential or mixed-use residential buildings. Outside of the Pier 70 Waterfront Site, the largest single entitled project proposes to construct almost 35,000 square foot PDR and retail at 1275 Minnesota Street.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Central Waterfront represents less than 1 percent of the citywide pipeline. Map 3 shows the locations of the larger proposed commercial developments in the plan area. (See List BL-2 in Appendix B for detailed information.)

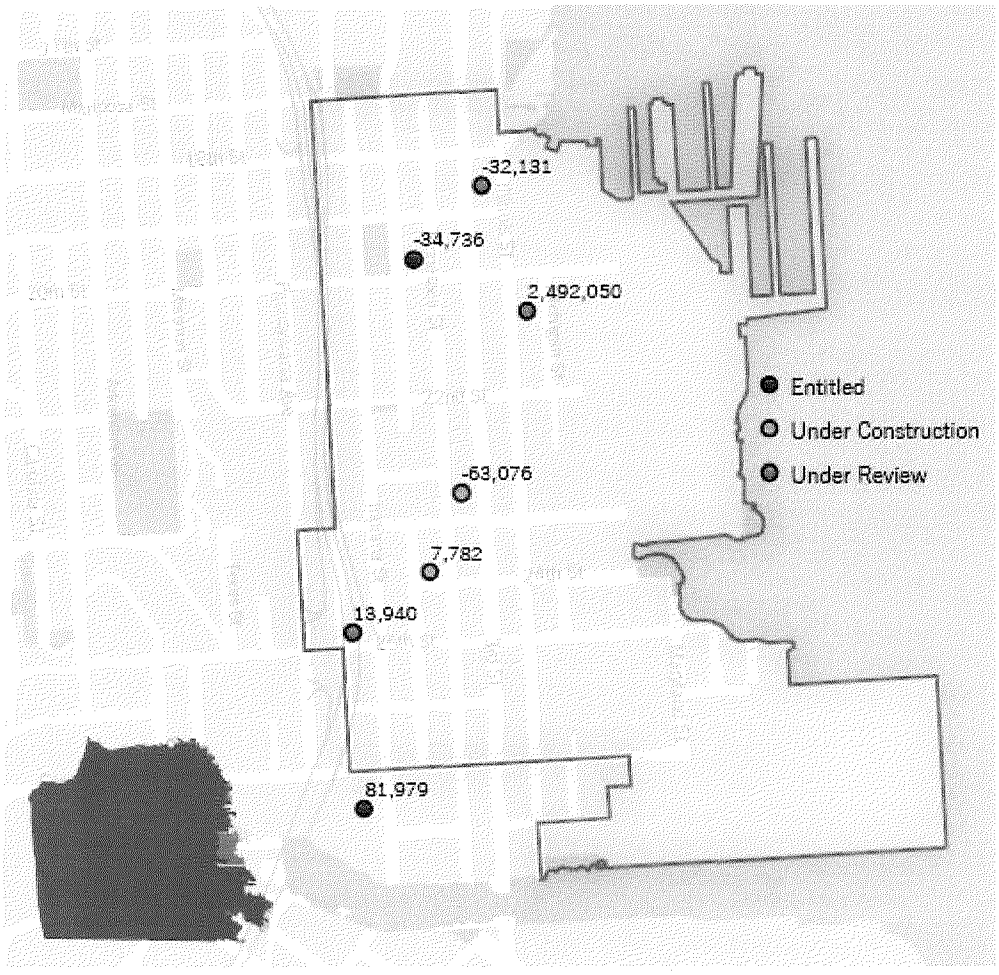
Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Central Waterfront Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**(72,386)**	**-**	**-**	**-**	**(76,927)**	**4,541**	**-**
Planning Entitled	**(67,384)**	**-**	**-**	**4,206**	**(73,032)**	**1,442**	**-**
Planning Approved	(33,042)	-	-	4,206	(41,032)	3,784	-
Building Permit Filed	(32,000)	-	-	-	(32,000)	-	-
Building Permit Approved/ Issued/ Reinstated	(2,342)	-	-	-	-	(2,342)	-
Under Review	**2,334,970**	**-**	**-**	**2,014,804**	**315,770**	**4,396**	**-**
Planning Filed	2,366,626	-	-	2,014,804	351,044	778	-
Building Permit Filed	(31,656)	-	-	-	(35,274)	3,618	-
Total	**2,195,200**	**-**	**-**	**2,019,010**	**165,811**	**10,379**	**-**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**12,972,978**	**1,411,308**	**(38,206)**	**9,447,328**	**50,471**	**1,771,734**	**330,343**
Construction	4,939,101	1,098,708	(58,871)	3,876,705	(290,327)	502,449	(189,563)
Planning Approved	6,432,299	1,942	4,665	4,564,642	316,417	1,086,079	458,554
Building Permit Filed	(63,752)	4,343	-	(34,830)	(33,939)	674	-
Building Permit Approved/ Issued/ Reinstated	1,665,330	306,315	16,000	1,040,811	58,320	182,532	61,352
Under Review	**10,420,494**	**1,042,013**	**1,875**	**8,565,780**	**(710,730)**	**1,102,999**	**418,557**
Planning Filed	8,754,024	1,084,228	1,875	7,062,107	(665,345)	1,070,412	200,747
Building Permit Filed	1,666,470	(42,215)	-	1,503,673	(45,385)	32,587	217,810
Total	**23,393,472**	**2,453,321**	**(36,331)**	**18,013,108**	**(660,259)**	**2,874,733**	**748,900**

Map 3 Commercial and Other Non-Residential Development Pipeline, Central Waterfront Q4 2015



Note: Only includes projects that added or removed 5,000 net square feet.

2.3 Changes in PDR Uses

As discussed above, the Central Waterfront (and the Eastern Neighborhoods more broadly), have experienced significant economic growth that have made many areas highly attractive to residential developments. This is especially true of the northern part of the Central Waterfront where the shift from PDR to a more mixed-residential character. These types of uses are generally able to afford higher land costs than industrial uses, and therefore can outbid PDR businesses for industrially-zoned land. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations - M-1, M-2, and C-M - permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Since the adoption of the Central Waterfront Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as Tables 2.1.2 and 2.2.1 illustrate.

Over the five year period between 2011 and 2015, there have been a few projects that converted PDR uses to other uses. A PUD (planned unit development) at 1275 - 1301 Indiana Street which converted a 14,800 square feet warehouse in a M-2 zoning district into two buildings consisting of residential and retail use on the ground floor. The project was permitted to construct 71 units, 9 of which are affordable. Another project, 2121 Third Street, demolished a fueling and storage building from the early 1900s to construct 106 units, 18 of which (or 17%) are below market-rate, with ground floor active uses in Urban Mixed Use (UMU) zoning district. The project was also required to seek a Large Project Authorization under the Eastern Neighborhoods Controls. These projects have all been built in either the transitional UMU district or in districts like NCT and P, which were never intended as PDR protection areas. Another project converted about 2,400 square feet of PDR space to a brewery and full-service restaurant called Magnolia Brewing Company on the ground floor of the American Industrial Complex (at 2505 Third Street).

Lastly, another project, not shown on the list below, was a special case. The project is located at 1011 Tennessee St, which was developed from two lots— a vacant lot and a building that burned down in 2007. The parcels were formerly zoned M-2 and rezoned to UMU as part of the planning approval process. The result of the rezoning allowed the project to construct 3 units.

Project	Zoning	Net PDR	Net Retail	Net Units	Affordable Units	Percent Affordable
740 Illinois / 2121 Third St	UMU	-8,500		105	18	17%
1275 - 1301 Indiana St	PDR-1-G	-14,800	5,000	71	9	13%
2505 Third St	PDR-1-G	-2,400	2,400	NA	NA	NA

Note: Only developments with ten or more units are subject to the inclusionary housing requirements.

2.3.1 PDR Protection Policies and Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 70 complaints of violation for illegal conversions from PDR to Office use. Two of the cases in the Central Waterfront during this period were conversions from PDR to office on parcels zoned UMU. Owners were issued notices of enforcement in 2015. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix XX. Appendix XX shows the enforcement cases that were closed and that were actually found to be in violation of the code.

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 alleged complaints of violation for illegal conversions from PDR to Office use in the city (Table 2.3.2). Table 2.3.2 shows the number of cases closed and found to be in violation, the cases closed and not found to be in violation, the cases under review and the cases still pending review. Forty-two of these cases were found in the Eastern Neighborhoods. Out of the 42 total alleged complaints, nine of the cases were not found to be in violation and six were found to be in violation. Two of the cases in the Central Waterfront during this period were conversions from PDR to office on parcels zoned UMU. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix XX. An additional six cases in the Mission were found to not be in violation.

Most of these complaints describe large warehouses converting into office uses. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired 2013.

To resolve and better investigate these complaints, the Planning Department in collaboration with the Department of Building Inspection (DBI) have committed to figure out how to work together to prevent future illegal conversion. Over the course of 2015, Planning worked with DBI during project intakes to better understand where Planning could potentially find out about the violations. Planning worked with DBI's IT division to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

In the case of complaints found not yet to be in violation yet, some complaints received are regarding real estate advertisements for spaces that are currently vacant. These situations allowed for Planning to work collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When complaints related to vacant spaces on the market in PDR zones are filed, Planning works with the property owner to inform them about PDR complying uses and then refer them to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a real estate brokers training was conducted in 2015. This voluntary training's purpose was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including potential need to file Letter of Determinations.

Table 2.3.2 Enforcement Cases for Illegal PDR Conversions, Central Waterfront, 2015

Case Type	Number of Cases		
	Western SoMa	Eastern Neighborhoods	Citywide
Closed - Violation	2	6	7
Closed - No Violation	0	9	9
Under Review	0	4	4
Pending Review	6	23	24
TOTAL	**8**	**42**	**44**

2.4 Employment

The *Central Waterfront Plan* area added employment across most land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. The uptick in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade and robust growth in the "Knowledge Sector," which consists of financial services, professional services, information technology, publishing, digital media, multimedia, life sciences (including biotechnology), and environmental products and technologies. Altogether, employment in the Central Waterfront grew by almost 1,000 jobs over the span of five years to almost 5,300 with a related increase from 350 to over 410 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss the job growth in the Central Waterfront by land use category.

2.4.1 Office Jobs

The Central Waterfront remained at roughly 18% for office jobs, as it is the third major employment sector. According to EDD, the plan area did not see major fluctuations in office jobs in those 5 years. The job count increased from 772 to 952. Additionally, the number of office establishments increased slightly from 106 to 122, indicating a shift towards "flex space" office format with the ability to accommodate a larger number of employees. This is likely true of "Knowledge Sector" office spaces. The Central Waterfront Area Plan supports the office component towards space above ground floor in buildings in the Central Waterfront's UMU and PDR-1 districts, with office use restricted to supporting the PDR use above the ground floor.

2.4.2 Retail Jobs

The number of retail jobs in the Central Waterfront increased slightly by three percent between 2010 and 2015 to about 1,500 and more than 80 establishments. The retail sector represents about a little more than a quarter of the plan area's non-residential use, but only accounts for about one percent of the city's retail jobs and establishments. Many of these retail jobs are along the 22nd Street corridor in the Dogpatch neighborhood and some new retail on Third Street. As a growing residential neighborhood, many of these retail establishments serve food and drinks. A variety of specialty shops, from gourmet chocolates to artisanal cheese, are found in the neighborhood. Furthermore, some retail jobs happen in the same space as businesses take advantage of their factory location and include a retail component on the ground floor. Rickshaw Bagworks, a local manufacturing and retail company, is one such example.

2.4.3 PDR Jobs

PDR continues to play a critical role in the City's economy, providing quality jobs to employees with a broad range of educational backgrounds, supporting local businesses up- and downstream (for example, many of the city's top restaurants source products from local PDR businesses), and infusing the region with innovative products. Though the trends in loss of PDR space have been widely documented, the City and the Central Waterfront both added PDR jobs since 2010. The Central Waterfront's role as an important location for PDR has continued to build on the "makers" movement with local design and manufacturing businesses leading the way.

The Central Waterfront experienced about 7% increase in PDR employment (to more than 2,500 jobs) between 2010 and 2015 and about 3.5% increase in number of firms (to more than 140). As with other occupations, these increases likely reflect a recovery from the recession as well as the emergence of "maker" businesses and production of customized and high-end consumer products. An often cited example in the Dogpatch is the American Industrial Center– the A.I.C. complex is home to over a couple hundred of small- and medium-sized businesses with manufacturing and retail hosted on-site. The Central Waterfront has roughly three percent of the PDR jobs establishments within the City.

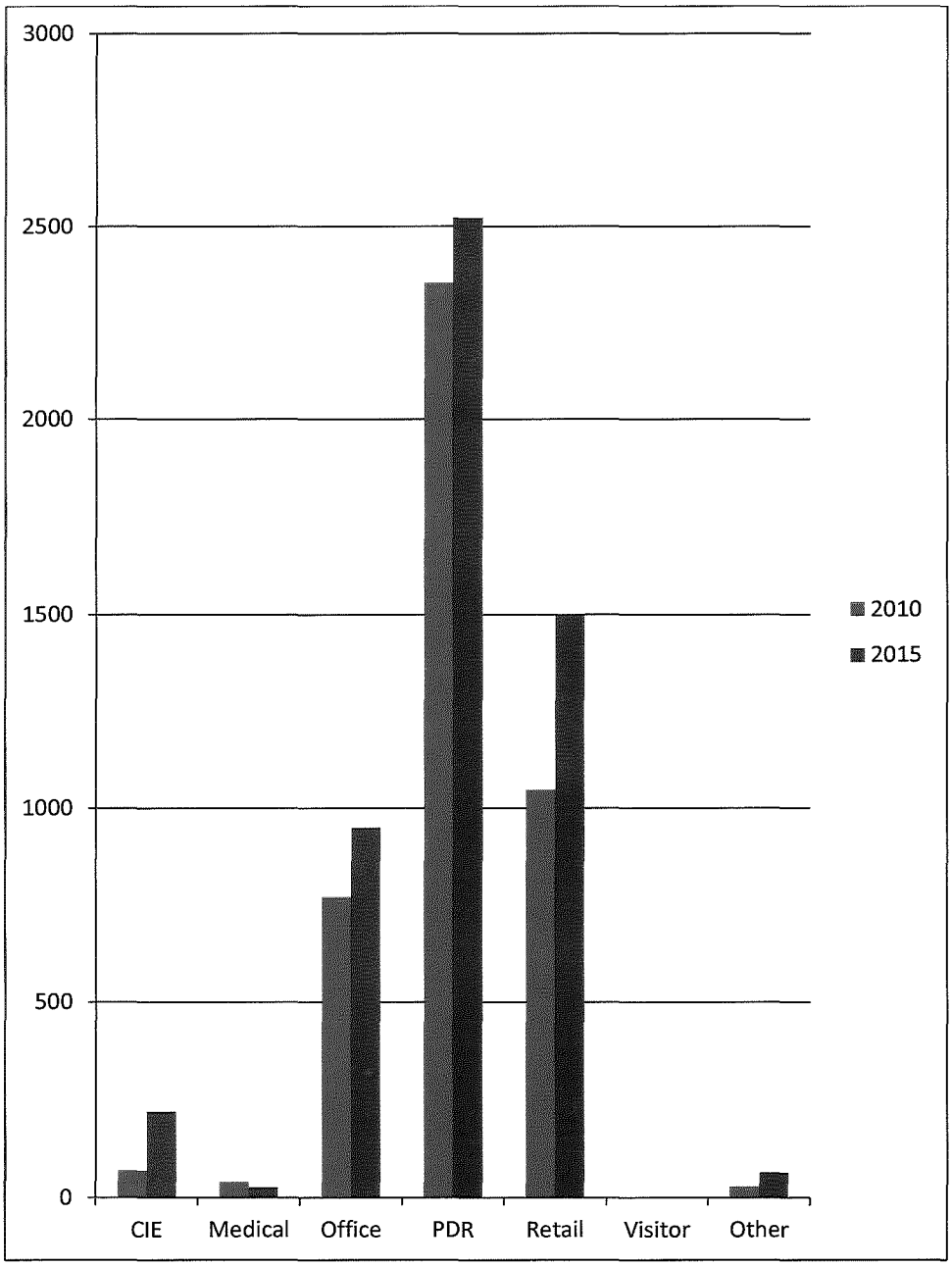
2.4.4 Employment and Commercial Space Trends

Over the past five years, the Central Waterfront has added a considerable number of jobs, almost 20% growth. In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates [1] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). Several important features such as large floor plates, clerestory structures, and loading docks provide a healthy dose of flexibility, which could make PDR space favorable for various industries. With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[2] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

[1] Although data to show vacancy rates for the Mission Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

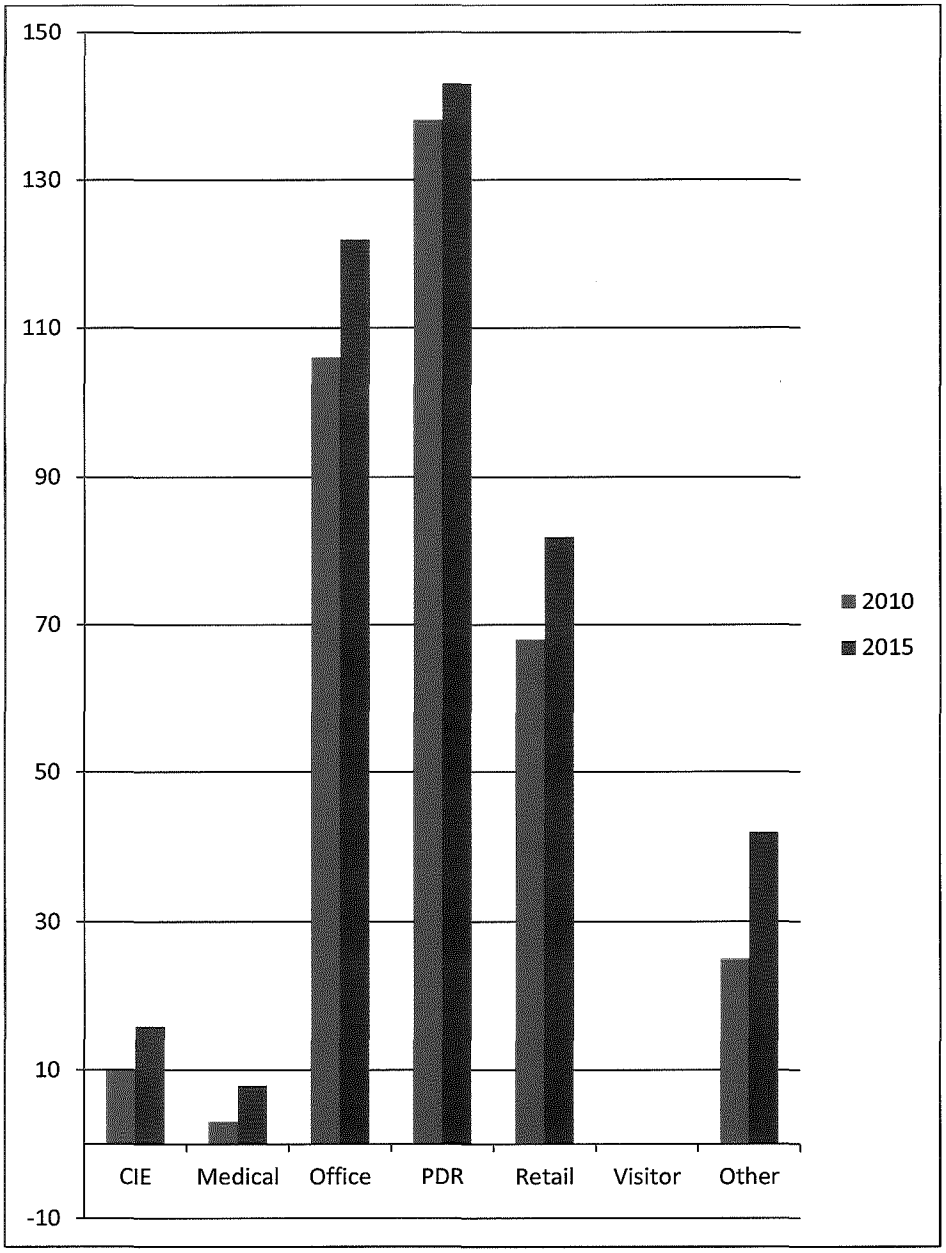
[2] See 2013 US Workplace Survey by Gensler.

Chart 2.3.1 Jobs by Land Use, Central Waterfront, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2.3.2 Establishment by Land Use, Central Waterfront, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".Sales and Property Taxes

Discusion of sales and property tax data once we can process property tax data from Tax Collector and Assessor's office

3 Housing

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco has become poster child for the housing affordability crisis afflicting America's cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Central Waterfront neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the City has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

The *Central Waterfront Plan* calls for housing affordable to a wide range of incomes that enhance the mixed-use character of designated areas. The *Plan* also encourages housing compatible with the historic Dogpatch area, especially in scales and densities that reflect the area's fine-grained fabric. The *Plan* envisioned that as many as 2,000 additional housing units can be accommodated within the plan boundaries. Mindful of the area's industrial character, new housing will be permitted only in the UMU district, generally north of 23rd Street.

The *Plan* also recognizes the value of sound, existing housing stock and call for its preservation. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

The Planning Department's latest housing inventory, using US Census and permit data, shows that the South of Market planning district, which includes Central Waterfront, has roughly 26,000 housing units as of the end of 2015; this represents about 7% of the citywide total.[3] Table 3.1.1 shows that approximately 399 new units were built in the past five years in the Central Waterfront, compared with 200 units built between 2006 and 2010. Of the new units produced, 196 were conversions from non-residential uses and the rest were completed from new construction. The yearly average, at about 80 units, has almost doubled when compared with the average between 2009 and 2010, at an average of 40 units per year. Table 3.1.2 shows the citywide figures for comparison. Map 4 shows the location of recent housing construction. Additional details about these new development projects can be found in Appendix B, List BL-3.

[3] 2015 San Francisco Housing Inventory.

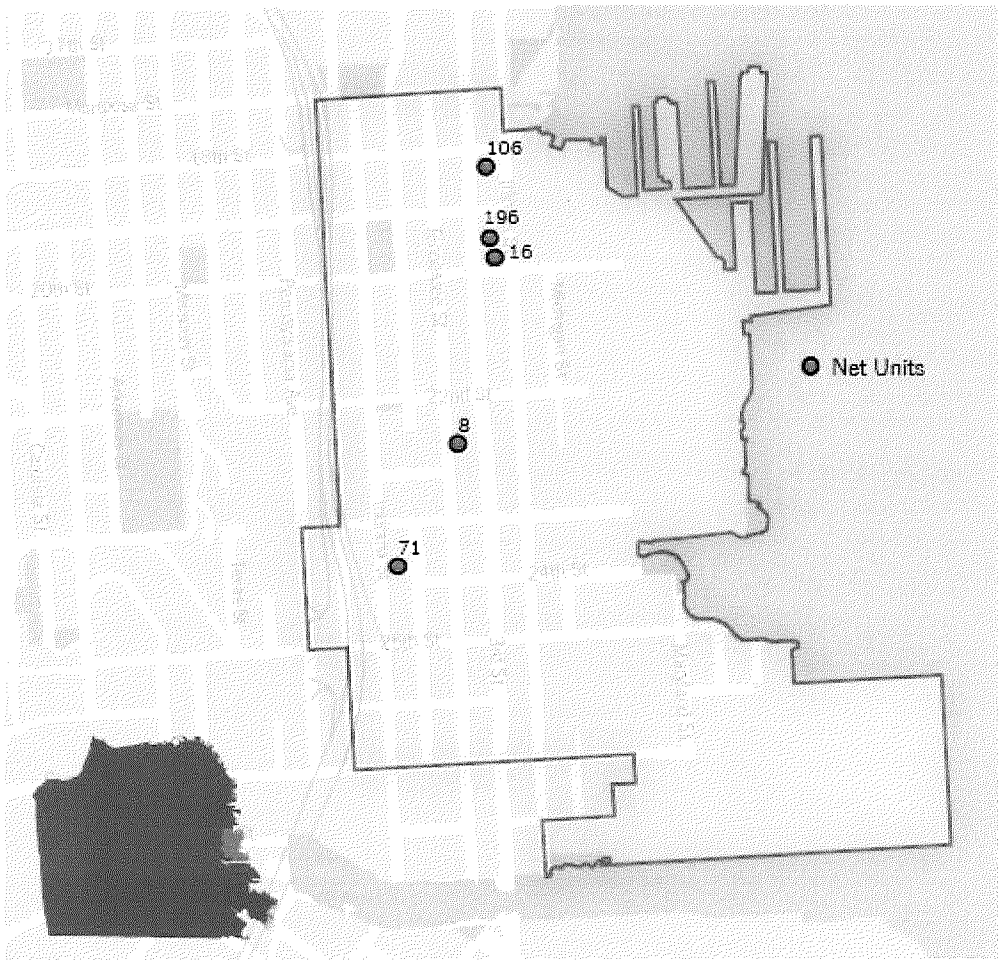
Table 3.1.1 New Housing Production, Central Waterfront, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	3	-	-	3
2012	32	-	196	228
2013	16	-	-	16
2014	144	-	-	144
2015	8	-	-	8
TOTAL	**203**	**-**	**196**	**399**

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

Map 4 New Housing Production Central Waterfront 2011-2015



Note: Projects that added 5 or more net new units

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved.

The pipeline for new housing development in the Central Waterfront as of the end of 2015 is 2,588 units, of which 1,870 are under review. Roughly 310 units are entitled, and a little over 400 units are currently under construction, as shown on Table 3.2.1. The pipeline for the Central Waterfront accounts for about 2% of the total number of projects in the City, though only 4.7% of the number of units, which suggests that some of the new projects pending approval, such as the Pier 70 project, are of larger scale than housing developments in the pipeline for San Francisco as a whole.

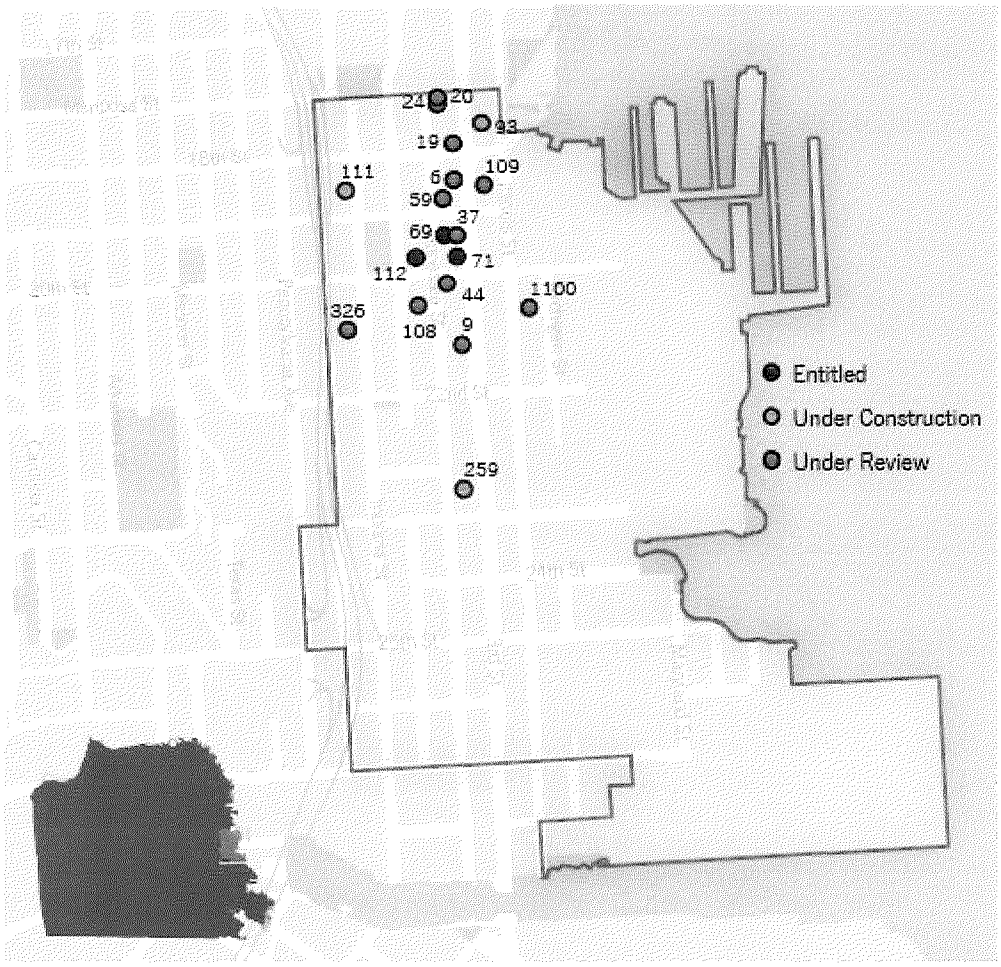
The current housing pipeline is much more robust than it was at the end of 2010, shown in the previous Monitoring Report. In that year, only three projects (with a total of 269 units) were under construction, two projects with 10 units were entitled, and four projects with 127 units were under review. As of the end of 2015,the number of entitled projects tripled for more than 30 times the number of units, reflecting a much stronger market and willingness by developers to build new housing.

Map 5 shows the location of these proposed housing projects by development status. List BL-4 in Appendix B provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Central Waterfront, and San Francisco, Q4 2015

Development Status	Central Waterfront		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	**408**	**5**	**8,691**	**232**
Planning Entitled	**310**	**6**	**26,063**	**350**
Planning Approved	110	2	23,101	80
Building Permit Filed	69	1	513	31
Building Permit Approved/ Issued/ Reinstated	131	3	2,449	239
Under Review	**1,870**	**15**	**27,760**	**712**
Planning Filed	1,751	12	17,852	198
Building Permit Filed	119	3	9,908	514
Total	**2,588**	**26**	**62,514**	**1,294**

Map 5 Housing Development Pipeline by Development Status, Central Waterfront, Q4 2015



Note: Only includes residential developments with 5 or more units.

3.3 Affordable Housing in the Central Waterfront

San Francisco and the *Central Waterfront Plan* have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

The *Central Waterfront Plan* recognizes that housing affordability, together with a mix of housing types, fosters a diverse and vibrant community. The *Plan* relies on three mechanisms to provide affordable housing in the plan area:

a) Providing a high percentage of affordable units, above and beyond the City's Inclusionary Program, in new mixed income projects;

b) Allowing developers of market-rate housing to dedicate land for the development of 100 percent affordable housing available to very low and low-income households;

c) Encouraging the provision of moderate affordable units on-site, as housing available to middle income households (those making below 150 percent of the median income).

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods, and Central Waterfront

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000. Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched HOPE SF, a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in Appendix 8.5.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[4] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district, in exchange for providing additional affordable housing, with a special focus on middle-income households. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. For example, market-rate housing developments in the Urban Mixed Use (UMU) district are required to restrict between 14.4 and 17.6% of their units to families at or below 55% of AMI for rental and 90% of AMI for ownership, depending on the amount of "upzoning" given to the property by the Plans. If these units are provided off-site, the requirement ranges from 23 to 27%. In the UMU and Mission NCT district, developers also have the option of dedicating land to the City that can be developed as 100% affordable projects.

Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. However, 75% of fees collected in the Mission NCT and East SoMa MUR districts are required to be spent within those districts themselves. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

[4] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

3.4 New Affordable Housing Production, 2011-2015

Affordable housing was a high community priority during the Eastern Neighborhood planning process. The Eastern Neighborhood Plans aim to provide new housing to meet the needs of low, moderate and middle income households. Higher percentages of affordable inclusionary units are required of market-rate developments larger than 10 units.

As table 3.4.1 shows, 68 affordable units were built during the 2011-15 five-year monitoring period, compared to 2 developed in the previous five years (2006-2010). The 68 units built between 2011 and 2015 make up 33.5% of the 203 newly constructed units built in the Central Waterfront (shown on table 3.1.1), substantially greater than the inclusionary housing minimum of 12%. The percentage is greater than the minimum because many residential development projects choose to provide on-site units, with two projects providing more than the minimum requirement. Only one project choose to pay a fee to the City in lieu of building the units on-site. The project which opted to pay the "in-lieu" fee (shown on table 3.4.3) brought in over $21,000,000 for the City's housing development program, managed by MOHCH. By comparison, the citywide share of new affordable housing construction was 27%, over 3,300 units (Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015. Additional details about these affordable housing projects can be found in *Appendix B, List BL-5*.

Table 3.4.1 Affordable Housing Production, Central Waterfront, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	-	-	-	-
2012	-	43	-	43
2013	-	2	-	2
2014	-	23	-	23
2015	-	-	-	-
TOTAL	**-**	**68**	**-**	**68**

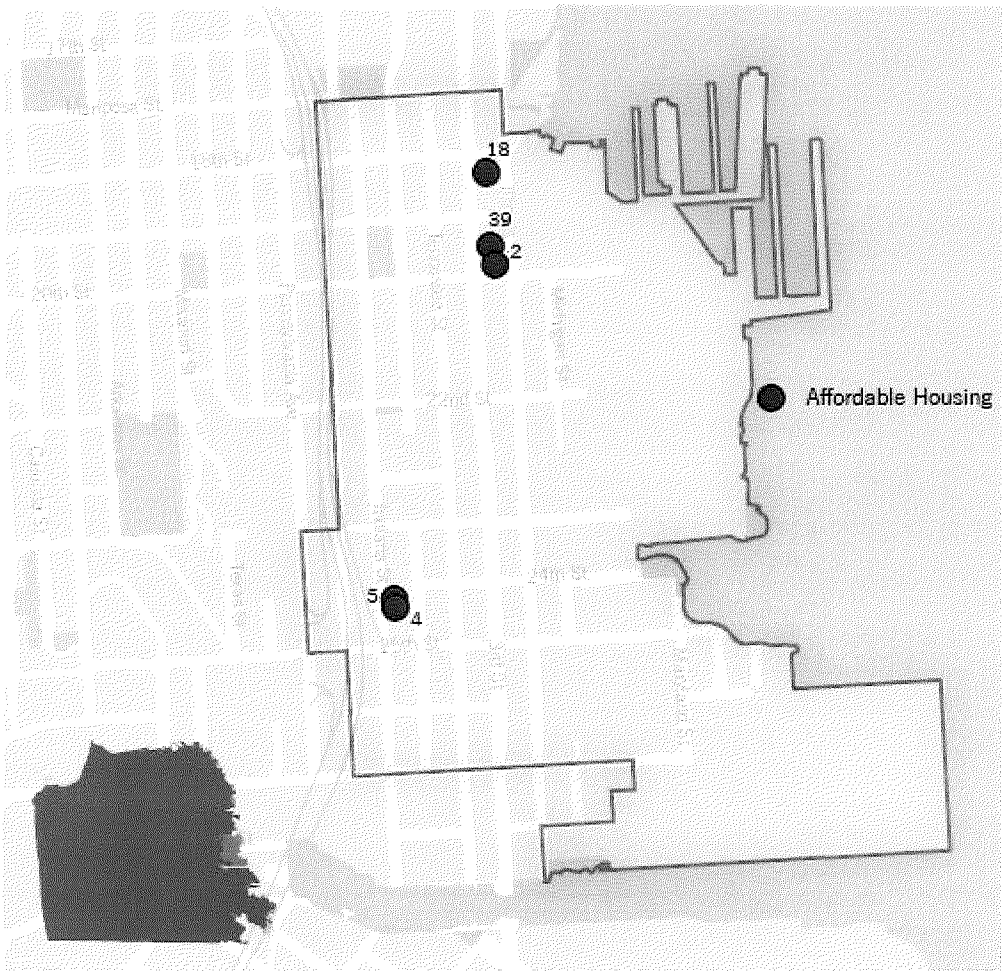
Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

Table 3.4.3. Housing Developments Opting for Affordable Housing "In-lieu" Fee, Central Waterfront, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
800 INDIANA ST	2015	$21,503,695

Map 6 New Affordable Housing, Central Waterfront, 2011-2015



3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. The *Central Waterfront Plan* supports the preservation of the area's existing housing stock and prohibits the residential demolition unless these would result in sufficient replacement of housing units. Demolitions are also restricted to ensure the preservation of affordable housing and historic resources. A neighborhood's housing stock can also change without physical changes to the building structure.

In the reporting period, only one unit in the *Central Waterfront Plan* area was demolished (Table 3.5.1). Citywide, the number of units lost through demolition totaled 572. Table 3.5.2 shows citywide figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important element of housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, The SRO, with 49 units, in the Central Waterfront provide housing affordable to lower income, single-person households. These SROs units within the Central Waterfront Plan area make up less than one percent of the citywide total of SROs. Appendix H includes a list of SRO properties and number of residential units.

The following subsections document the trends in these various types of changes to the housing stock in the *Central Waterfront Plan* and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units lost to alteration or demolition

In this most recent reporting period, no units were demolished or lost through alteration in the Central Waterfront. In the previous reporting period, 1 unit was lost to demolition.

3.5.2 Condo Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the City's rental stock. In 2014, an estimated 58% of households in the Central Waterfront were renters, which reflects 10% more than 2009. About 1% of San Francisco's rental units are in the Central Waterfront as of 2014, the same figure as in 2009.[5]

Table 3.6.1 shows that in the last five years, one unit in one building in the Central Waterfront was converted to condominiums, compared to eight units in four buildings between 2006 and 2010. This represents less than 1% of all condo conversions citywide.

[5] San Francisco Neighborhood Profiles, American Community Survey 2010-2014. San Francisco Planning Department 2016. The neighborhood boundaries for the Central Waterfront in the Neighborhood Profiles do not match perfectly with the Plan Area boundaries, though they are very close. Therefore, these percentages should be read as approximations.

Table 3.6.1 Condo Conversion, Central Waterfront, 2011-2015

Year	Central Waterfront		San Francisco		Central Waterfront as	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	-	-	200	472	0%	0%
2012	1	1	201	488	0.50%	0.20%
2013	-	-	147	369	0%	0%
2014	-	-	239	727	0%	0%
2015	-	-	149	500	0%	0%
Totals	**1**	**1**	**936**	**2,556**	**0.11%**	**0.04%**

Source: DPW Bureau of Street Use and Mapping

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.6.2 shows that owner move-ins led to evictions in four units (compared to no loss of units between 2006 and 2010). Owner move-in evictions in the Central Waterfront accounted for less than 1% of the citywide total between 2011 and 2015. Other types of evictions, also tabulated in Table 3.6.2, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.6.2 Evictions, Central Waterfront, 2011-2015

Year	Central Waterfront			San Francisco			Central Waterfront as % of		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	2	0	2	123	54	1102	2%	0%	0%
2012	1	0	0	172	99	1343	1%	0%	0%
2013	0	0	0	275	229	1368	0%	0%	0%
2014	0	0	1	315	101	1550	0%	0%	0%
2015	1	0	0	425	142	1518	0%	0%	0%
Totals	**4**	**-**	**3**	**1,310**	**625**	**6,881**	**0%**	**0%**	**0%**

Source: SF Rent Board

3.6 Jobs Housing Linkage Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011-12 and 2015-16, commercial developments in the Mission Plan Area generated over $900,000 to be used for affordable housing development by the city.

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	-
2013-14	$	608,160
2014-15	$	303,688
2015-16	$	-
Total	**$**	**911,848**

*Department of Building Inspection as of 6/1/16

4 Accessibility, Transportation, and Parking

In recent years, the City has invested heavily in the T-Third Street light rail service to improve transit accessibility in the Central Waterfront. While there are multiple Muni stops and a light rail line along Third Street, transit use is only the second most prominent mode of travel to work for employed residents of the area (Table 4.1.1). Compared to city figures, Central Waterfront commuters travelled by alternative modes at slightly lower rates. The 2005-2009 American Community Survey estimated that 43% of Central Waterfront residents used transit to work while 42% commuted by car; 35% took public transportation to work; 4% walked to work and 5% reported biking to work. The number of people working from home was estimated at 5%. Citywide, 47% of commuters travel by car and 32% by transit; 10% walked to work, 3% biked, and 2% commuted by other means; 7%, however, worked from home.

Table 4.1.1 Commute Mode Split, Central Waterfront and San Francisco, 2011-2015

Transport Mode	Central Waterfront		San Francisco		Central Waterfront as % of San
	No of Commuters	%	No of Commuters	%	
Car	598	42%	199,470	44%	0%
Drove Alone	459	32%	165,151	36%	0%
Carpooled	139	10%	34,319	8%	0%
Transit	493	35%	150,222	33%	0%
Bike	63	4%	17,356	4%	0%
Walk	77	5%	46,810	10%	0%
Other	67	5%	10,579	2%	1%
Worked at Home	126	9%	32,233	7%	0%
Total	**1,424**	**100%**	**456,670**	**100%**	**0%**

Source: 2005-2009 American Community Survey

4.1 Eastern Neighborhoods TRIPS Program

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

The *Central Waterfront Plan* calls for the creation of a network of "Green Connector" streets with wider sidewalks and landscaping improvements that connects open spaces and improves area walkability. Specifically, the Plan proposes to create a greenway along 22nd Street that will connect Warm Water Cove to Dogpatch's commercial core. Additional greenways are proposed along Minnesota Street to connect Esprit Park to Muni Park. These and other specific streetscape improvements remain under study as of the writing of this report.

In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The T-Third Street light rail service will see some upgrades to its traffic signal detection system this coming winter. The first of three phases along 3rd Street will begin to replace 12 of 67 intersection video detection systems with wireless technology, which will improve reliability, accuracy and offer easier maintenance. The cross-traffic detection system will be sensitive to both motor vehicles and bicycles. As for bicycle improvements, a new stretch of bike route is planned for Minnesota Street, parallel to 3rd Street, between 23rd St and Cesar Chavez Street.

Table 4.2.1. Vision Zero Projects in Central Waterfront Plan Area

Table 4.2.1. Vision Zero Projects in Central Waterfront

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)
Green Connections - 22nd Street	Summer 2014	Winter 2017/18	DESIGN	$ 1,075,000.00
Replace Video Detection on 3rd Street Phase 1	Winter 2015/16	Winter 2015/16	CONST	$ 300,000.00

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks, and Open Space

The maintenance of existing, and provision of new, recreation and park facilities are also called for by the *Central Waterfront Plan.* As an industrial area, many parts of the Central Waterfront Plan Area are not within walking distance of an existing park or other open space that serves workers and residents. Specifically, the *Plan* identifies a need for 1.9 acres of new open space to serve both existing and new residents, workers and visitors.

One of the major developments for open space and recreation identified in the *Plan* is the development of Crane Cove Park on Pier 70 and the expansion of Warm Water Cove. This component of the Blue Greenway/Bay Trail– a project to improve the City's southerly portion of the 500 mile, nine-county, region-wide Bay Trail– would create nine acres for open space and recreation, making it the largest park within the plan area. The completed park will include a variety of landscape and plaza areas, public accessibility to the Bay's thousand feet of shoreline, adaptive reuse of historic resources, and views of the city skyline.

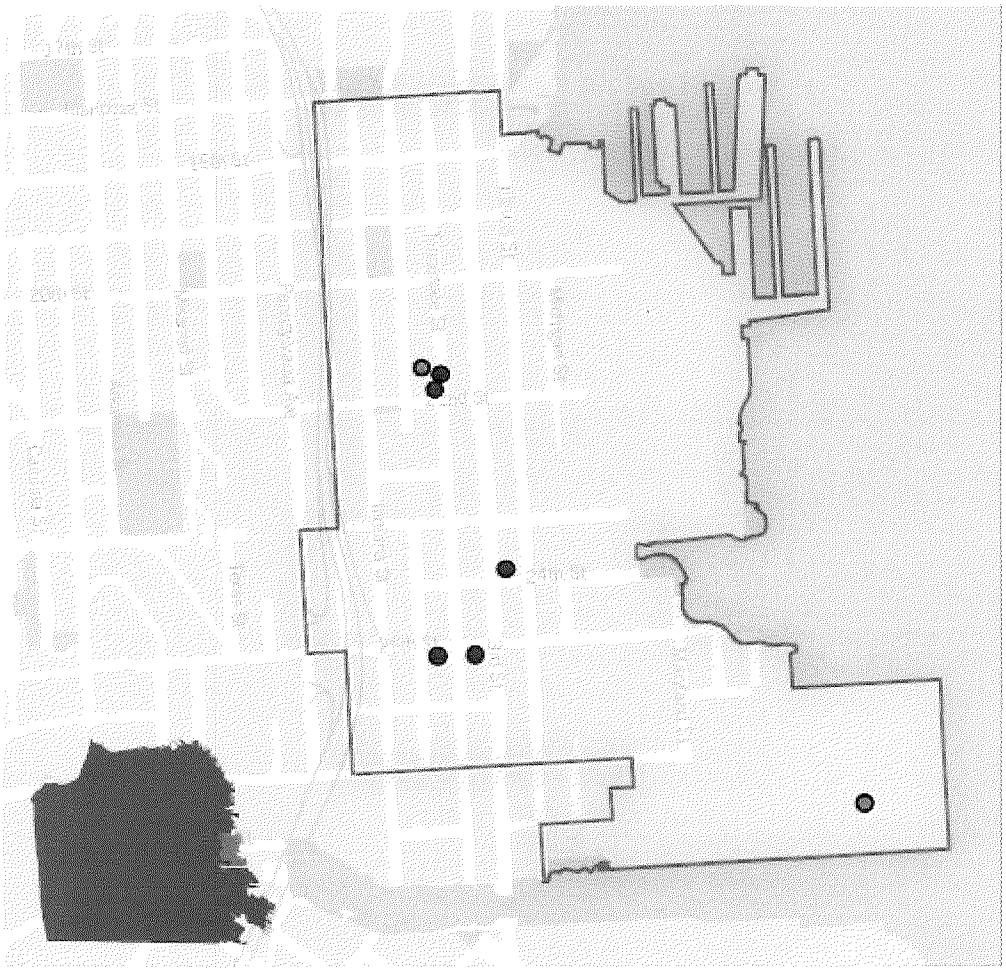
Additionally, the *Plan* proposes to encourage some private open space in residential neighborhoods and utilization of existing rights-of-ways to provide pocket parks. In addition to Crane Cove Park, the City has been working with the Port of San Francisco on the expansion of Warm Water Cove. Located at 19th and Illinois Street, Crane Cove Park may bring over 1,200 feet of Bay edge access, and a small boat/aquatic center.

5.3 Community Facilities and Services

As more new housing development is expected in the Central Waterfront, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. One example in the Dogpatch neighborhood is Alive & Free (formerly called the Omega Boys Club) a non-profit center aimed at youth development and violence prevention.

The Central Waterfront is expected to increase its limited housing supply in the future. There are few neighborhood services and amenities however, to meet the needs of residents or workers (Map 7). As new housing development is expected in the Central Waterfront, new residents will increase the need to add new community facilities and to maintain and expand existing ones.

Map 7: Community Facilities, Central Waterfront



- Hospitals
- Libraries
- Community Based Organizations
- Child CareFacilites
- Schools
- Fire Stations
- Churches

5.4 Historic Preservation

Historic preservation team could not get information together in time. We can discuss contents at 6/20 meeting.

The Central Waterfront historic survey has been completed and adopted by the Historic Preservation Commission. The *Central Waterfront Plan* boundary is from Mariposa Street south to Islais Creek and from the I-280 east to the Bay. The Planning Department and the Dogpatch Neighborhood Association surveyed the plan area in 2000 and 2001. All properties built before 1956 within the *Central Waterfront Plan* Area were surveyed. A significant residential enclave has since been listed in Article 10 of the Planning Code as the Dogpatch Historic District. The Port of San Francisco has independently opted to seek consultant services to focus on Pier 70 Port-owned properties for more intensive historical analysis.

The Department's 2001 survey was updated in 2007 and 2008 to include the completion of a historic district record for the industrial area outside of both Pier 70 and Dogpatch. Recommendations to establish new historic districts and designate individual structures of merit will follow.

5.5 Neighborhood Serving Establishments

Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. Everything from grocery stores, auto shops and gas stations, to banks and schools which frequently host other activities, can be considered "neighborhood serving." This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see Appendix D for a list of business categories used).

By this definition, the Central Waterfront is home to almost 50 neighborhood serving businesses and establishments employing over 520 people. Many of these businesses are estimated to have been established since 2006. These tend to be smaller businesses frequented by local residents and workers.

As shown in Table 5.4.1, neighborhood serving businesses in the Central Waterfront are mostly restaurants and a variety of other food and drink establishments. These businesses are located throughout the Central Waterfront but concentrated along 3rd Street (Map 8).

Table 5.4.1 Neighborhood Serving Establishments, Central Waterfront

Type	Establishments	Employment
Full-Service Restaurants	8	183
Snack and Nonalcoholic Beverage Bars	5	58
All Other Specialty Food Stores	3	42
Limited-Service Restaurants	4	42
Drinking Places (Alcoholic Beverages)	4	29
Sporting Goods Stores	1	26
Cafeterias, Grill Buffets, and Buffets	1	26
General Automotive Repair	3	19
Electronics Stores	3	17
Gasoline Stations with Convenience Stores	1	15
Pet Care (except Veterinary) Services	1	12
Retail Bakeries	2	11
Fitness and Recreational Sports Centers	1	11
Family Clothing Stores	1	8
Beauty Salons	2	8
Baked Goods Stores	1	7
Civic and Social Organizations	1	6
Nail Salons	1	5
Florists	1	2
Beer, Wine, and Liquor Stores	1	2
Fruit and Vegetable Markets	1	1
Used Merchandise Stores	1	1
Total	**47**	**528**

Map 8 Neighborhood Serving Businesses in the Central Waterfront

- 311 - Food Manufacturing
- 443 - Electronics and Appliance
- 445 - Food and Beverage
- 446 - Health and Personal Care
- 447 - Gas Stations
- 448 - Clothing and Accessories
- 451 - Sporting goods, Hobby, Musical Instrument and Books
- 452 - General Merchandise
- 453 - Miscellaneous
- 519 - Other Information
- 522 - Credit Intermediation
- 532 - Rental and Leasing Services
- 611 - Educational Services
- 624 - Social Assistance
- 713 - Amusement, Gambling and Recreation
- 722 - Food Services and Drinking Places
- 811 - Repair and Maintenance
- 812 - Personal and Laundry Services
- 813 - Religious and Civic Organizations

6 Implementation of Proposed Programming

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) started meeting on a monthly basis in October 2009. The CAC is comprised of 19 members of the public appointed by the Board of Supervisors or the Mayor. The CAC focuses on implementation of the Eastern Neighborhoods Implementation Program and priority projects. Together with the IPIC, discussed below, the CAC determine how revenue from impact fees are spent. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee and Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee include three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. In the Mission District NCT and MUR (Mixed-Use Residential) Districts, 75% of fees collected from residential development is set aside for affordable housing for the two respective Plan Areas. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected nearly $47 million in impact fees, as shown on table 6.2.2.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,535,000
TRANSPORTATION / TRANSIT	$16,306,000
COMPLETE STREETS	$6,709,000
RECREATION AND OPEN SPACE	$16,937,000
CHILDCARE	$2,361,000
Total	**$46,848,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect $140 million from the Eastern Neighborhoods impact fee program, as shown on table 6.2.3.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$23,244,000
TRANSPORTATION / TRANSIT	$28,940,000
COMPLETE STREETS	$8,065,000
RECREATION AND OPEN SPACE	$3,906,000
CHILDCARE	$5,976,000
Total	**$140,131,000**

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-15

Area	Revenue	Projects
Mission	$5,357,000	58
East SoMa	$14,635,000	35
Showplace/Potrero	$11,384,000	23
Central Waterfront	$10,034,000	19
Western SoMa	$6,940,000	15
TOTAL	**$48,350,000**	**150**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

As shown in Table 5.2.1, approximately $5.4 million have been collected from 58 projects in the Mission Plan Area to date. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods, including Western SoMa.

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6.5 First Source Hiring

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Planning Efforts

As this report has shown, market pressures and evictions affecting the neighborhood intensified in the Mission District over the six years that followed the adoption of the Eastern Neighborhoods Area Plans and the recovery from the Great Recession. This has necessitated a focused effort to help protect and alleviate the impact on those most affected by the affordability crisis. As a result, the Mission Action Plan 2020 (MAP 2020) was launched in early 2015 to take a closer look at the pressures affecting the neighborhood and generate a set of solutions for implementation to help stabilize housing, employment, and commercial conditions.

MAP 2020 will also set targets and define solutions for neighborhood sustainability for 2020 and beyond. The solutions may encompass land use and zoning, financing, and identification of opportunity sites and programs; monitoring mechanisms will also be put into place. This first phase of MAP 2020 - solutions development - will be completed in June 2016. Implementation of certain measures is already underway, with additional implementation (writing legislation, launching new studies, ramping up programs, etc.) scheduled as a second phase to commence upon completion of the Plan.

To date, the MAP 2020 collaboration includes a broad range of non-profit and advocacy groups as well as public agencies including the Dolores Street Community (DSCS), the Cultural Action Network (CAN), the Mission Economic Development Agency (MEDA), Calle 24, Pacific Felt Factory, members of the Plaza 16 coalition, the Planning Department, the Mayor's Office of Housing and Community Development (MOHCD), the Office and Economic and Workforce Development (OEWD), the Health Services Agency (HSA), Department of Building Inspection (DBI), and the Fire Department. The Mayor's Office and District Supervisor Campos have also supported this effort.

These stakeholders are collaborating through working groups co-led by a both City and community leads. A robust community outreach and engagement process has incorporated focus groups and individual presentations to organizations and coalitions such as: tenants' rights organizations, SRO tenants, Mission Girls, PODER, United to Save the Mission, real estate developers, SPUR, SFHAC, SFBARF, and others, with the goal of informing and including relevant stakeholders affected by and/or responsible for potential solutions.

Topic-specific working groups have collectively drafted short, medium, and long term strategies, including tenant protections and housing access, housing preservation, housing production, economic development, community planning, SRO acquisition

and/or master leasing, and homelessness. Upon completion of the second phase of outreach in May and incorporation of any relevant feedback, the Plan and will be presented to the Planning Commission, with expected endorsement in June 2016.

DRAFT Western SoMa Area Plan Monitoring Report 2011-2015

1 INTRODUCTION

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s—C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Moreover, the residential areas in these neighborhoods are well-served by public transportation (including two BART stops in the Mission), have vibrant cultural amenities, and feature many attractive older buildings. These neighborhood assets and new employment opportunities have served as strong magnets for high wages earners and market rate housing developers, creating a strong influx of new, more affluent residents.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize the neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process recognized the need to produce housing opportunities for residents of all income levels, which requires not just the development of new units at market rates, but also opportunities for low and moderate income families. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

1.1 About the Western SoMa Community Plan

The challenges that motivated the Eastern Neighborhoods community planning process were evident in the Western SoMa area around the time the plans were adopted and continue to be relevant today. The Plan was a direct response to early detection of displacement of small businesses, population shifts, social instability and escalating conflicts between competing uses[1]. As mentioned earlier in this report, the Western SoMa community requested more time to complete their planning process. In doing so, the department partnered with the Western SoMa Citizens Planning Task Force in an eight-year public planning process to create the Western SoMa Community Plan. Drafted in September 2008, updated in October 2011 and adopted in 2013, the plan is a comprehensive vision for shaping growth on the western side of the South of Market area.

Key objectives of the Western SoMa Area Plan include:

- Reducing land use conflicts between industry, entertainment and other competing uses, such as office and housing;
- Protecting existing residential uses on the alleys;
- Retaining existing jobs in the area;
- Improving the public realm for pedestrians and bicyclists; and
- Encouraging diverse and affordable housing.

Achieving these objectives will help create a complete neighborhood with a high diversity of land uses.

The new plan supports and builds on the Eastern Neighborhoods Plans' vision for the traditionally industrial and mixed use areas in the eastern part of the City. It complements the Plans' patterns of land use, urban form, public space, circulation, and historic preservation, while making adjustments based on understanding of key issues through community outreach to the residents and workers in the area. The planning process also included associated legislation to amend the General Plan, Administrative Code, Planning Code, and Zoning Map to implement the Plan over time. An Implementation Document was created to outline the Plan's Public Benefits Program, which addresses the specific public benefit needs of the area and explains the mechanisms to provide the necessary funding for those benefits.

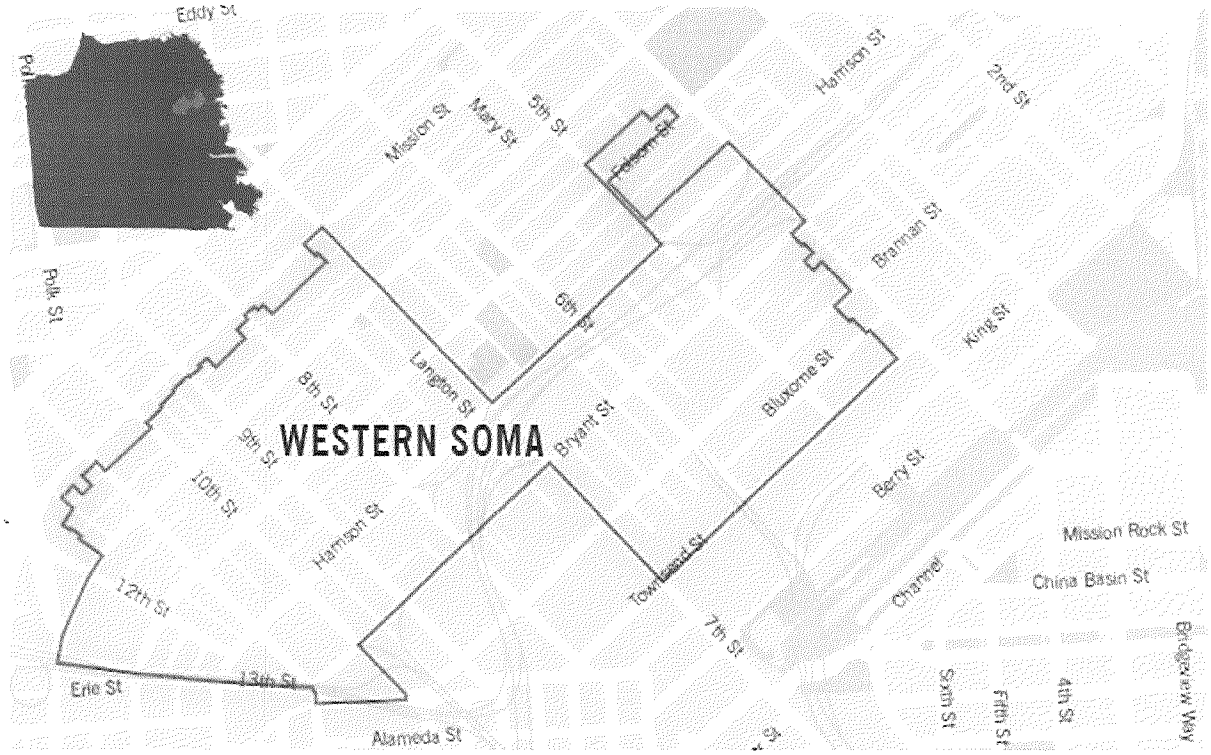
As part of the project, the department completed the environmental impact report that analyzed the potential environmental effects associated with the Western SoMa Community Plan at a program level, and also analyzed impacts of the rezoning of adjacent parcels and the 350 Eighth Street project at a project-specific level. At the time, it would have allowed the demolition of a couple of buildings to accommodate about 634,000 square feet of mixed use in the old SLR zoning, now rezoned as WSoMa Mixed Use-General District (WMUG). The environmental impact report was certified and the Planning Commission adopted the Plan on December 6, 2012. On March 19, 2013, the Board of Supervisors adopted the Western SoMa Area Plan and its associated legislation amendments.

For more information on the Western SoMa Area Plan, visit: http://westernsoma.sfplanning.org.

[1] Western SoMa Area Plan: Introduction: http://www.sf-planning.org/ftp/General_Plan/Western_SoMa_Area_Plan.pdf

Map 1 shows Western SoMa Community Plan area boundaries. The plan area also known as a special use district (SUD), can be described very broadly as progressing from non-residential uses on a Townsend Street high-tech corridor northwards, with diverse local and regional serving job-producing uses to the south side of Harrison Street and the elevated highway. North of Harrison Street, development goals call for an increasingly residential neighborhood character of smaller scale that embraces a "mix of uses" and new mixed-used development.

Map 1 Western SoMa Plan Area



1.2 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans, including Western SoMa, adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Western SoMa area and other Eastern Neighborhoods will be released in years ending in 1 and 6.

While the previous Monitoring Reports covered only the small amount of development activities in the years immediately preceding and following the adoption of the Eastern Neighborhood Plans in 2008, this report

contains information and analysis about a period of intense market development and pending zoning changes in the Western SoMa and the greater Central SoMa area. The time series report relies primarily on the Housing Inventory, the Commerce and Industry Inventory, and the Pipeline Quarterly Report, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 COMMERCIAL ACTIVITY & JOB CREATION

One of the defining characteristics of the Western SoMa neighborhood is its remarkable mix of local and regional uses and diversity of businesses, including manufacturing and other PDR businesses, restaurants and bars, automotive repair shops, institutional and educational uses, and more. Folsom Street has become one of the main commercial corridors of Western SoMa, specifically between 7th and 10th streets (Folsom Street Neighborhood Commercial District). Northward of Townsend Street presents itself as a high-tech corridor, while the south side of Harrison Street focuses on the production of diverse local and regional serving jobs. North of Harrison Street embraces small scale mixing of uses with an increasingly residential-based neighborhood.

2.1 Commercial Space Inventory

Table 2.1.1 illustrates the mix of non-residential space in the Western SoMa as of 2015. The table reflects the mix of uses, noting that office and PDR activities each occupy a little over a third of the commercial space in the neighborhood. Institutional, medical and retail uses together make up another 27% of non-residential buildings and tourist hotels take up about another one percent. The table also shows the importance of the Western SoMa in the San Francisco's stock of industrial and office lands. Though the neighborhood only accounts for two percent of the City's overall commercial space, its share of PDR space is much higher, at five percent. However, as will be discussed in the sections below, in recent years a considerable amount of PDR space in the Western SoMa has been converted to other uses, such as office and housing.

Table 2.1.1 Commercial Building Space, Western SoMa and San Francisco, 2015

Non-Residential Land Use	Western SoMa		Citywide		Western SoMa as % of San Francisco
	Area	%	Area	%	
Cultural, Institution, Educatior	433,728	8%	29,898,514	13%	1%
Medical	149,084	3%	17,468,039	7%	1%
Office	2,143,216	38%	107,978,954	45%	2%
PDR / Light Industrial	1,910,828	34%	36,265,832	15%	5%
Retail	922,642	16%	42,299,526	18%	2%
Visitor / Lodging	65,401	1%	4,053,422	2%	2%
Total	**5,624,899**	**100%**	**237,964,287**	**100%**	**2%**

Table **2.1.2** shows commercial and other non-residential development activity in the Western SoMa Plan area between January 1, 2011 and December 31, 2015 while Table **2.1.3** shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another.

Between 2011 and 2015, almost 93,000 square feet of PDR land was converted to other uses, especially office and housing. In 2015, one property located at 410 Townsend Street was a direct subject of the Western SoMa

Plan rezoning. The use of the building was changed from PDR to Office; and no actual work was done to require a permit. The property was zoned West SoMa Mixed Use-Office (WMUO), a designation created by the Western SoMa Plan to encourage office uses along with small-scale light industrial and arts activities, specifically to establish an explicit preference for 21st Century high tech and digital-media uses. Two projects that lost PDR space constructed new dwelling units, including the construction of new affordable dwelling units. In 2015, the existing 6,120 square feet of PDR space located at 870 Harrison Street was demolished for the new construction of 26 dwelling units, including 4 inclusionary affordable units (15% of the total). An existing building with 5,775 square feet of PDR space, located at 121 9th Street, was demolished and replaced by a mixed-use 20 unit building, including 2 inclusionary units made affordable to households earning between 80 and 120% of the area median income of 2011.

Map 2 shows the location of the larger-scale non-residential developments (more than 5,000 square feet net loss or gain. (See **List BL-1 in Appendix E** for detailed information.)

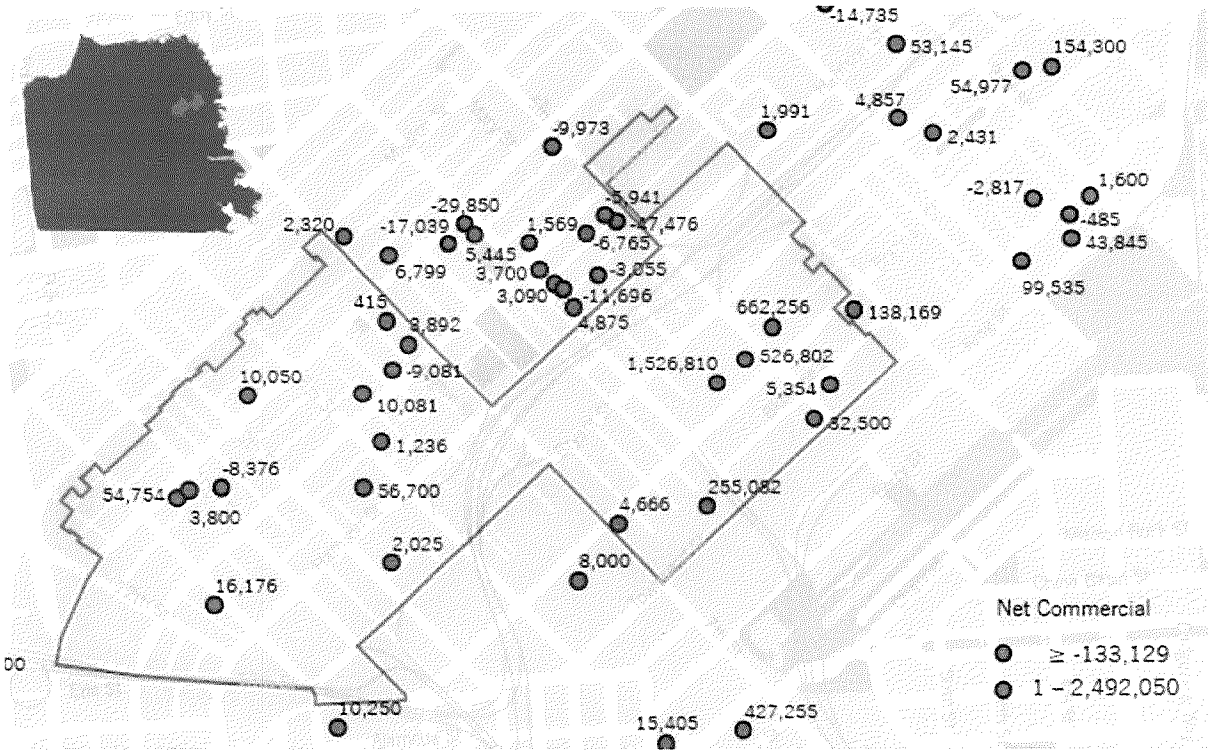
Table 2.1.2 New Commercial Development, Western SoMa, 2011-2015

Year	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	-	-	-	(5,775)	800	-	(4,975)
2012	-	-	(11,600)	-	0	-	(11,600)
2013			(7,550)	(100)		(3,930)	(11,580)
2014							-
2015	-	-	90,826	(87,120)	-4500	-	(794)
Total	**-**	**-**	**71,676**	**(92,995)**	**(3,700)**	**(3,930)**	**(28,949)**

Table 2.1.3 New Commercial Development, San Francisco 2011-2015

Year	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	51,074	-	278,214	1,000	52,131	-	382,419
2012	69,845	-	206,231	35,905	129,425	-	441,406
2013	316,621	-	349,792	120,357	99,336	-	886,106
2014	553,136	1,815,700	694,785	148,330	139,946	63,286	3,415,183
2015	47,829	20,000	978,067	65,640	99,564	-	1,211,100
Total	**1,038,505**	**1,835,700**	**2,507,089**	**371,232**	**520,402**	**63,286**	**6,336,214**

Map 2 Commercial Development Trends, Western SoMa, 2011-2015



2.2 Commercial Development Pipeline

The commercial development pipeline in the Western SoMa shows a different take on development than that of what has taken place during the reporting period of 2011-15 (**Table 2.2.1**). The Western SoMa will still see a significant amount of PDR space, as well as the development of some retail, institutional and visitor space; and larger amounts of office space.

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table **2.2.1** as "Under Review" and "Entitled." Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction and receive certificates of occupancy.

Projects that are under review total about 2.2 million in new square footage. A majority of this gain will potentially come in the form of office space. Consequently the biggest loss in square footage will potentially come in the form of PDR space. One example of a project that is currently under review, 598 Brannan Street, has requested to convert roughly 30,300 square feet of PDR space into office use. Adjacent to this site is the San Francisco Flower Mart, located at 630-698 Brannan Street that will potentially see a loss of 15,000 square feet of PDR space to be replaced by about 15 million square feet of office space and about 30,000 square feet of retail space. If all of these projects come to fruition, Western SoMa will see roughly 116,600 square feet of PDR transition to other uses.

The projects in the pipeline that have been entitled show about an 823,000 square footage gain of non-residential uses in Western SoMa in the near future. If all of these developments are completed, the Planning Department expects about a 810,000 square footage gain is office space and a loss of about 40,000 square feet of PDR space. There will also be a modest gain in institutional and retail space, including a net gain in visitor space with the potential development of 690 5th Street located in the designated area that supports 21st Century high tech industry. Entitled projects that propose to convert PDR to other uses are mostly medium-sized spaces (up to about 28,000 square feet) that will be redeveloped as office predominant buildings. The largest single entitled project is a proposed 526,802 square foot office building that will be developed at 610-620 Brannan Street.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Western SoMa represents about half of the citywide pipeline. **Map 3** shows the locations of the larger proposed commercial developments in the plan area. (See **List BL-2 in Appendix E** for detailed information.)

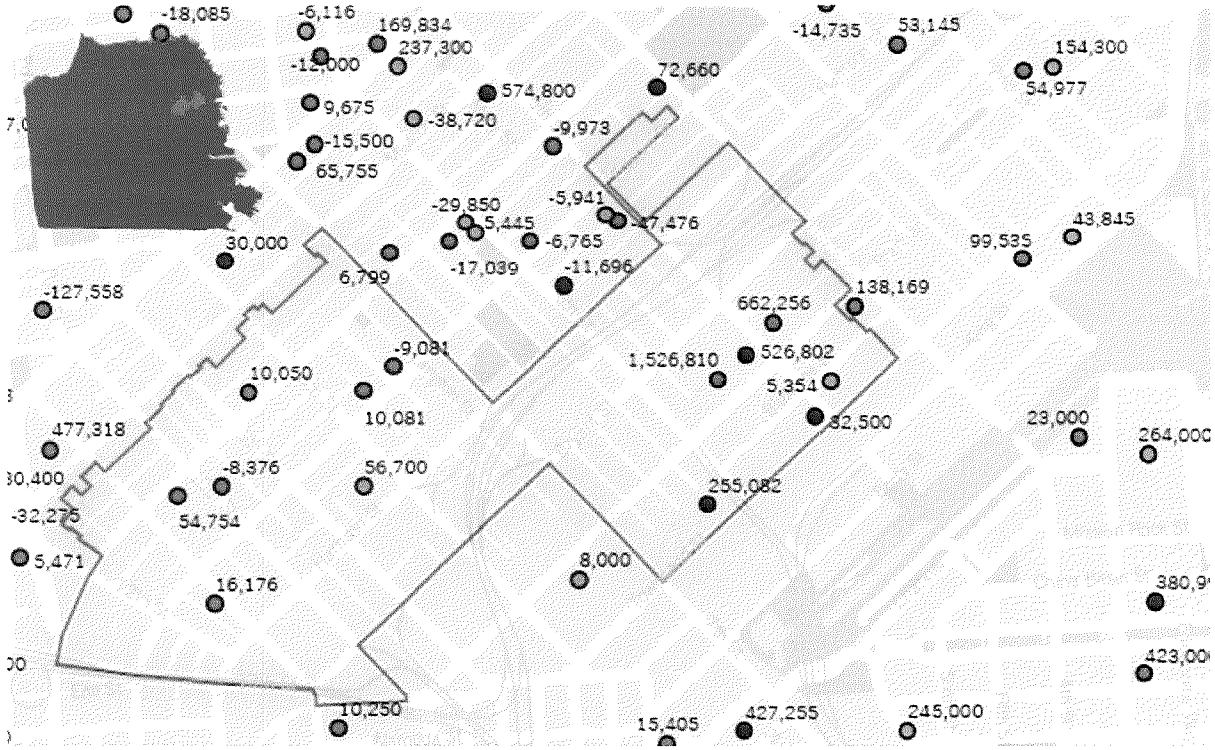
Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Western SoMa Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**62,054**			**33,000**	**(23,946)**	**53,000**	
Planning Entitled	**822,850**	**3,800**	**-**	**809,299**	**(37,988)**	**6,739**	**41,000**
Planning Approved	814,384			809,299	(37,988)	2,073	41,000
Building Permit Filed	-						
Building Permit Approved/ Issued/ Reinstated	8,466	3,800				4,666	
Under Review	**2,236,686**	**59,070**	**-**	**2,203,723**	**(48,832)**	**22,725**	**-**
Planning Filed	(7,833)			2,025	-	(9,858)	
Building Permit Filed	2,244,519	59,070		2,201,698	(48,832)	32,583	
Total	**3,121,590**	**62,870**	**-**	**3,046,022**	**(110,766)**	**82,464**	**41,000**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**1,304,886**	**22,257**	**-**	**1,405,630**	**(298,146)**	**111,600**	**63,545**
Construction	134,467	-	-	173,550	(155,622)	61,594	54,945
Planning Approved	826,904	2,757	-	889,850	(99,654)	25,351	8,600
Building Permit Filed	(29,902)	1,600	-	1,725	(33,939)	712	-
Building Permit Approved/ Issued/ Reinstated	373,417	17,900	-	340,505	(8,931)	23,943	-
Under Review	**4,787,019**	**263,661**	**-**	**4,687,363**	**(348,149)**	**83,019**	**101,125**
Planning Filed	4,792,743	280,283	-	4,649,021	(269,771)	32,085	101,125
Building Permit Filed	(5,724)	(16,622)	-	38,342	(78,378)	50,934	-
Total	**6,091,905**	**285,918**	**-**	**6,092,993**	**(646,295)**	**194,619**	**164,670**

Map 3 Commercial and Other Non-Residential Development Pipeline, Western SoMa, Q4 2015



2.3 Changes in PDR Uses

As discussed above, the Western SoMa (and the Eastern Neighborhoods more broadly), have experienced economic changes that have made many areas highly attractive to residential and office development. These types of uses are generally able to afford higher land costs than industrial uses, and therefore can outbid PDR businesses for industrially-zoned land. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations – M-1, M-2, and C-M – permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Since the adoption of the Western SoMa Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as **Tables 2.1.2 and 2.2.1** illustrate.

A detailed investigation of the conversion of PDR space in the Western SoMa, however, shows that such conversions have occurred largely outside of the zoning districts created specifically to protect PDR uses (in the case of the Western SoMa, PDR-1 and PDR-2). In addition to the project at 410 Townsend Street, detailed above, other completed projects in the Western SoMa that have converted PDR space have largely done so in order to build new housing, either with a higher percentage of inclusionary units than required by the Area Plan or by paying in-lieu fees, as shown in **Table 2.3.1**.

Table 2.3.1 Conversion of PDR Space in Western SoMa, 2011-15

Project	Zoning	Net PDR	Net Office	Net Retail	Net Units	Affordable Units	Percent Affordable
410 TOWNSEND ST	WMUO	-76,000	76000	0	0	Below threshold	
870 HARRISON ST	WMUG	-6,120	0	0	26	4	15%
121 09TH ST	RCD	-5,775	0	800	20	20	100%
248 - 252 09TH ST	RCD	-5,000	14826	-4,500	15		
234 09TH ST	RCD	-100	-7,550	0	1	Below threshold	
	Total	**(92,995)**	**83,276**	**(3,700)**	**62**	**24**	**39%**

2.3.1 PDR Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 alleged complaints of violation for illegal conversions from PDR to Office use in the city (**Table 2.3.2**). **Table 2.3.2** shows the number of cases closed and found to be in violation, the cases closed and not found to be in violation, the cases under review and the cases still pending review. Forty-two of these cases were found in the Eastern Neighborhoods. Out of the 42 total alleged complaints, nine of the cases were not found to be in violation and six were found to be in violation. In the Western SoMa there was only one illegal conversion from PDR to office space on a parcel zoned SALI, where office is not permitted per the Planning Code. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in **Appendix X. Appendix X** shows the enforcement cases that were closed and that were actually found to be in violation of the code.

Many of these office tenants are hybrid uses where PDR also takes place, but may not be the principal use of the space. If an office use is confirmed to be in operation, Planning encourages the company to alter their business practice to fit within the PDR zoning categories or vacate the property. **Appenidx X** shows the enforcement cases that were closed and that were actually found to be in violation of the code. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired in 2013.

In investigation of the alleged violations, the Planning Department discovered that the building permit histories often included interior tenant improvements without Planning Department review. These permits do not authorize a change of use to office. To prevent future unauthorized conversions of PDR space the Planning Department worked proactively with the Department of Building Inspection (DBI). Over the course of 2015, Planning worked with DBI during project intakes to better understand the routing criteria and how to ensure Planning review. Both departments' IT divisions worked together to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

Planning works collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When Planning receives inquiries or complaints related to either vacant spaces in PDR zones or possible unauthorized spaces, requiring a PDR tenant. Planning informs the property owner about PDR complying uses and refers them

to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a training for real estate brokers was conducted in 2015. The purpose of the voluntary training was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including the process for requesting a Letter of Determination. Future trainings will occur based on interest.

Table 2.3.2 Enforcement Cases for Illegal PDR Conversions, Western SoMa, 2015

Case Type	Number of Cases		
	Western SoMa	Eastern Neighborhoods	Citywide
Closed - Violation	1	6	7
Closed - No Violation	1	9	9
Under Review	2	4	4
Pending Review	3	23	24
TOTAL	**7**	**42**	**44**

2.4 Employment

The Western SoMa Plan Area added employment across all land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. This growth in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade, but also the robust growth in high technology sectors and related industries in recent years.[2] Altogether, employment in the Western SoMa grew by roughly 15,470 jobs in 2010 to almost 23,740 in 2015 with a related increase from 1,006 to 1,234 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss job growth in Western SoMa by land use category.

Table 2.4.1 Employment, Western SoMa and San Francisco, Q2 2015

Landuse	Western SoMa				San Francisco			
	Establishments	%	Jobs	%	Establishments	%	Jobs	%
Cultural, Institutional, Educ	30	2%	512	2%	2,010	3%	73,182	11%
Medical	263	21%	1,142	5%	21,833	37%	60,214	9%
Office	363	29%	13,194	56%	15,628	27%	293,014	44%
PDR / Light Industrial	268	22%	4,198	18%	5,280	9%	88,135	13%
Retail	226	18%	4,327	18%	8,241	14%	130,550	20%
Visitor / Lodging	7	1%	195	1%	311	1%	16,688	2%
Other	77	6%	168	1%	4,961	9%	6,953	1%
Total	**1,234**	**100%**	**23,736**	**100%**	**58,264**	**100%**	**668,736**	**100%**

2.4.1 Office Jobs

The largest increase in jobs in Western SoMa between 2010 and 2015 was in office occupations. According to EDD, the neighborhood experienced an almost 72% increase in office jobs in those 5 years. However, the number of office establishments only increased by about 43%, indicating a shift towards office firms with a larger number of employees. In 2015 Western SoMa held about 5% of all of the City's office jobs and 2% of its establishments (**Table 2.4.1**).

[2] See annual San Francisco Planning Department Commerce & Industry Inventory, 2008 – 2015.

2.4.2 Retail Jobs

As discussed above, the Western SoMa has also emerged as somewhat of a retail destination in San Francisco, with the restaurants, bars, regional shopping and grocery stores in the main commercial corridors (particularly throughout the Folsom Street Commercial District and Regional Commercial District zoned areas along 9th and 10th streets) attracting visitors from throughout the City, region, and beyond. The number of retail jobs in the Western SoMa increased by 42% between 2010 and 2015 to about 4,330 jobs in almost 230 establishments. The neighborhood represents 3% of the city's retail jobs and establishments.

2.4.3 PDR Jobs

PDR continues to play a critical role in the City's economy, providing quality jobs to employees with a broad range of educational backgrounds, supporting local businesses up- and downstream (for example, many of the city's top restaurants source products from local PDR businesses), and infusing the region with innovative products. Though the trends in loss of PDR space have been widely documented, the City and the Western SoMa both added PDR jobs since 2010. Western SoMa experienced a 34% increase in PDR employment (to almost 4,200 jobs) between 2010 and 2015 and 6% decrease in number of firms (to 268). The number of establishments has decreased, which possibly indicates a densification of the jobs per establishment ratio. Western SoMa has roughly 5% of the PDR jobs and 5% of the establishments in the City.

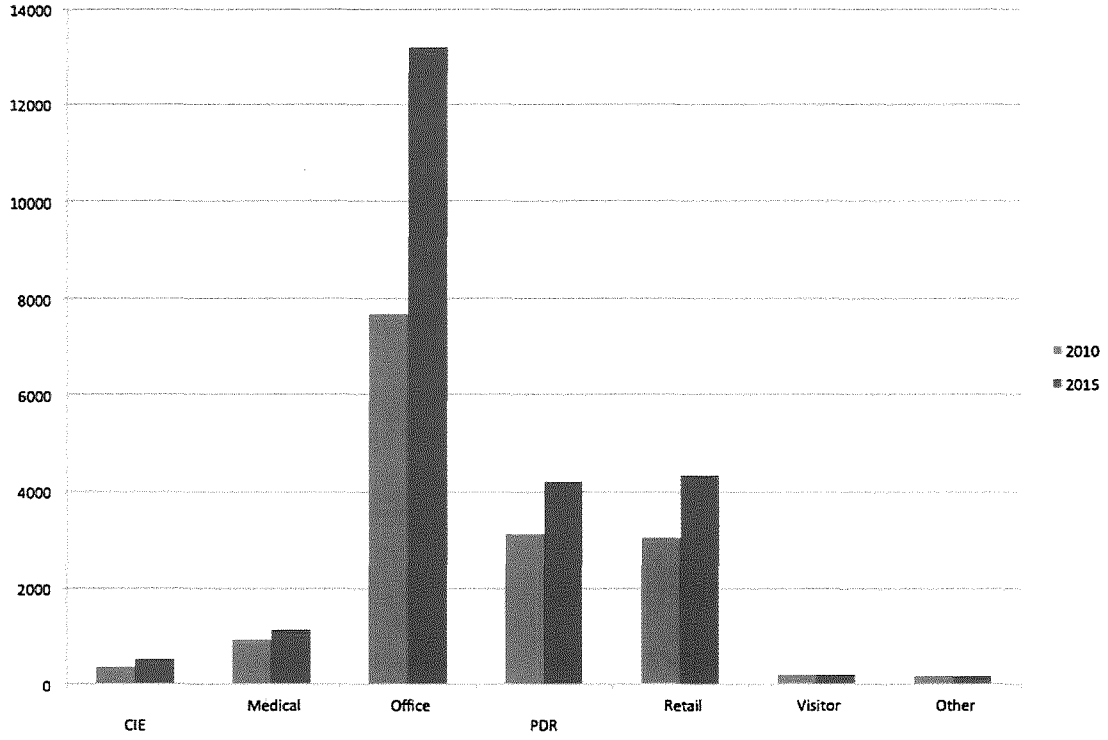
2.4.4 Employment and Commercial Space Trends

Over the past five years, Western SoMa has added a substantial number of jobs, more than 50% growth, even as its commercial space square footage increased by a small amount (about 8,270 square feet). In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates.[3] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[4] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

[3] Although data to show vacancy rates for the Western SoMa Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

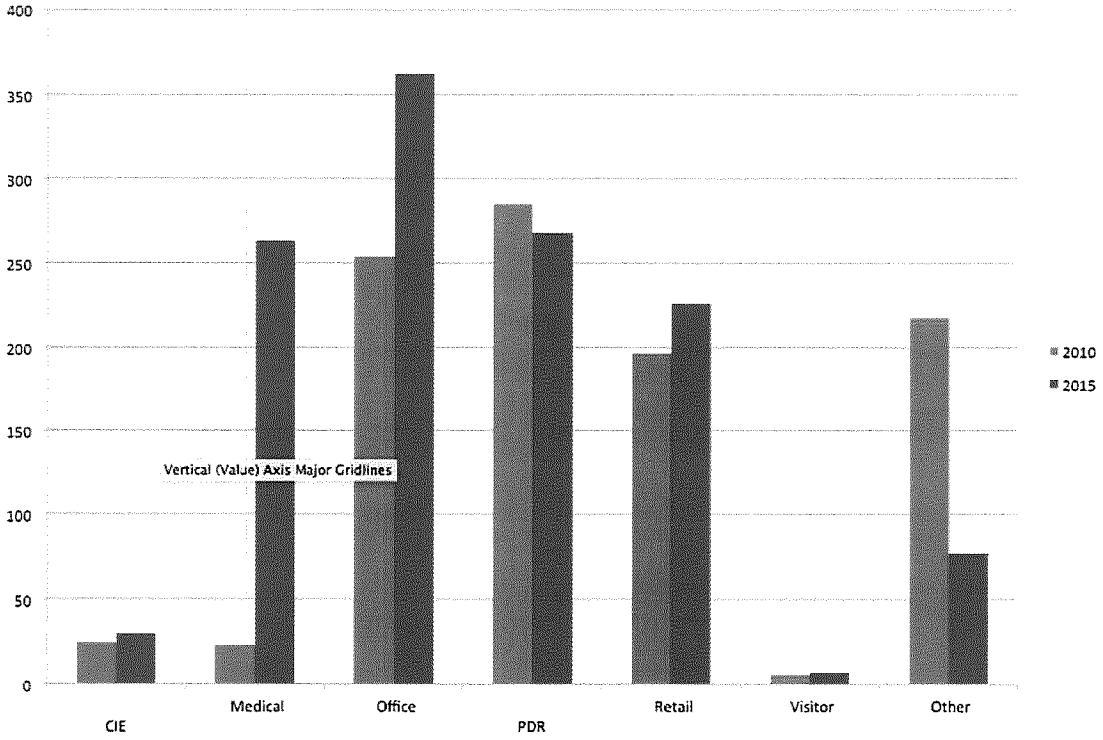
[4] See 2013 US Workplace Survey by Gensler.

Chart 1 Jobs by Land Use, Western SoMa, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2 Establishment by Land Use, Western SoMa, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

2.4.5 Sales and Property Taxes

[context]

Table 2.4.2 Sales Tax Collected, Western SoMa, 2011-2015

Year	Western SoMa	% change from previous year	San Francisco	% change from previous year
2011	$ 3,403,789	-	$ 67,537,179	-
2012	$ 3,684,029	8.2%	$ 73,531,098	8.9%
2013	$ 3,934,468	6.8%	$ 76,739,835	4.4%
2014	$ 4,219,825	7.3%	$ 81,442,942	6.1%
2015	N/A	-	N/A	-
TOTAL	**$ 15,242,111**		**$ 299,251,054**	

3 HOUSING

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco epitomized the housing affordability crisis afflicting American cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Western SoMa neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the city has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

In the past five years, the Western SoMa has been a focal point of preserving neighborhood resources and housing as well as efforts by the City to ensure that its residents can continue to live there. One of the main goals of the *Western SoMa Community Plan* is to encourage diverse and affordable housing. The Plan also recognizes the value of the existing housing stock and calls for its preservation. The Plan's Task Force called on the Planning Department's staff and consultants to conduct a unique housing opportunities site analysis ("Western SoMa Housing Strategic Analysis Memo") with a goal of identifying development sites in the zoning districts for formal Residential Enclave (RED) zoning in the West SoMa SUD. Under the SUD, if new housing is to be built, it has to be an integral part of the existing neighborhoods. This means that housing production should support the existing neighborhood pattern, residential services and amenities. Dwelling unit mergers and residential conversions of rent-controlled units are strongly discouraged; and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

The Planning Department's latest housing inventory, using US Census and permit data, shows that all of South of Market has roughly 11,380 housing units as of the end of 2015; this represents 3% of the citywide total.[5] **Table 3.1.1** shows that 76 net new units were built in the past five years in the Western SoMa, compared with approximately 497 units built between 2006 and 2010. Of the net new units produced, 14 were conversions from non-residential uses and the rest were completed from new construction. During the first two years of the reporting period, 2011 and 2012, the construction sector was still recovering from the slow-down of the recession, and only 28 net units were built. Between 2013 and 2015, however, Western SoMa added 48 new units, or about 16 units per year. This yearly average is almost identical to the average between 2006 and 2010, when the Plan Area added 164 units per year. **Table 3.1.2** shows the citywide figures for comparison. About one percent of the net increase in the City's housing stock in the last five years was in the Western SoMa area. **Map 4** shows the location of recent housing construction. Additional details about these new development projects can be found in **Appendix E, List BL-3**.

Table 3.1.1 New Housing Production, Western SoMa, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	24	-	-	24
2012	-	-	4	4
2013	-	-	(12)	(12)
2014	-	-	5	5
2015	41	-	14	55
TOTAL	**65**	**-**	**11**	**76**

[5] 2015 San Francisco Housing Inventory.

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

Map 4 New Housing Production Western SoMa, 2011-2015

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved. The pipeline for new housing development in the Western SoMa as of the end of 2015 is 1,313 units, of which 890 are under review. Roughly 423 units are entitled, of which 98% are currently under construction, as shown on **Table 3.2.1**.The pipeline for the Western SoMa accounts for four percent of the total number of projects in the City, though only two percent of the number of units, which

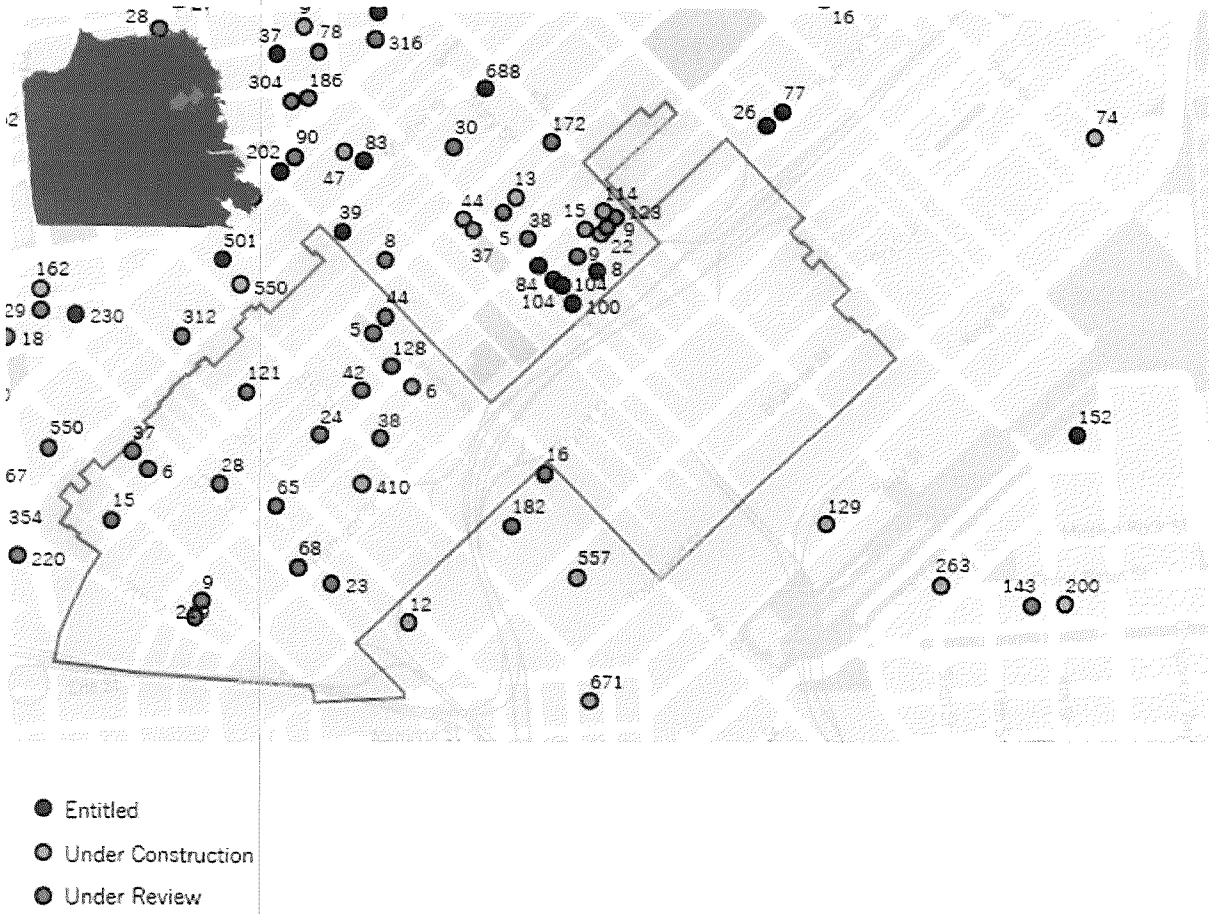
suggests that new projects are of a smaller scale than housing developments in the pipeline for San Francisco as a whole.

Map 5 shows the location of these proposed housing projects by development status. **List BL-4 in Appendix E** provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Western SoMa, and San Francisco, Q4 2015

Development Status	Western SoMa		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	**416**	**3**	**8,691**	**232**
Planning Entitled	**7**	**9**	**26,063**	**350**
Planning Approved	4	4	23,101	80
Building Permit Filed	1	1	513	31
Building Permit Approved/ Issued/ Reinstated	2	4	2,449	239
Under Review	**890**	**36**	**27,760**	**712**
Planning Filed	734	20	17,852	198
Building Permit Filed	156	16	9,908	514
Total	**1,313**	**48**	**62,514**	**1,294**

Map 5 Housing Development Pipeline by Development Status, Western SoMa, Q4 2015



3.3 Affordable Housing in Western SoMa

San Francisco and the Western SoMa Plan Area have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods, and Western SoMa

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000.Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must include restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in **Appendix 8.5**.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[6] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district,

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[6] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

in exchange for providing additional affordable housing, with a special focus on middle-income families that currently cannot access housing through the market. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. Project sponsors in the certain parts of the Eastern Neighborhoods Plan Areas may also apply for the alternative of dedicating land for affordable housing. However, this does not apply to the Western SoMa Plan Area. Most units sold under the Inclusionary Program sell for 90% of Area Median Income (AMI) and most rental units rent for 55% of AMI. Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

3.4 New Affordable Housing Production , 2011-2015

As discussed in this report's introduction, expanding access to affordable housing opportunities was a high priority for the communities in the Eastern Neighborhoods during the planning process, and it has only gained more urgency in recent years. Western SoMa, along with the other Eastern Neighborhood Plan Areas has been a symbol of the pressures of exploding housing costs on neighborhood stability and character.

As **Table 3.4.1** shows, only eight affordable units were built during the 2011-15 five-year monitoring period. Two of these units are considered to be only "naturally affordable." Typically, these are smaller units and are sometimes referred to as "granny units" and are affordable to households with moderate incomes (80-120% AMI), however, these units are not income-restricted. The eight units built between 2011 and 2015 make up eight percent of the 76 net new units built in Western SoMa (shown in **Table 3.1.1**), lower than the inclusionary housing minimum of 12%. The percentage is lower than the minimum because one project (shown on **Table 3.4.3**) chose to pay a fee to the City equivalent to 20% of the total number of units rather than building the units on-site. This fee raised $917,881 for the City's housing development program managed by MOHCD. New affordable units are estimated to cost roughly $550,000 in construction costs (not including land), towards which MOHCD contributes about $250,000, requiring the developer to raise the rest from Federal, State, and other sources. Therefore, it is estimated that the "in-lieu fees" collected in Western SoMa in this period, if successfully leveraged into additional external funding and used to build projects on publicly controlled land, could yield an additional three to four units.[7] Moreover, projects with fewer than 10 units are exempt from the inclusionary housing requirement, which may skew the percentage below the minimum. Out of the 24 affordable units, 20 were paid for by public subsidies and were made affordable to moderate households (80-120% AMI) located at 121 9th Street and 4 inclusionary units were made affordable to moderate households as a part of the 26 dwelling units constructed at 870 Harrison Street, as shown on **Appendix E, Table BL-5.**

The inclusionary housing production in Western SoMa accounts for about one percent of the citywide production (853 units, as shown in **Table 3.4.2** between 2011 and 2015). Because no publicly subsidized

[7] The development costs of affordable housing units are rough estimates based on recent projects that have received assistance from MOHCD.

developments were completed in this period, Western SoMa only built 0.22% of the city's affordable units (2,735) during the period.

Table 3.4.1 Affordable Housing Production, Western SoMa, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011		2		2
2012			1	1
2013		-		-
2014			1	1
2015		4		4
TOTAL	**-**	**6**	**2**	**8**

* Secondary Units are not income restricted

Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

* Secondary Units are not income restricted

Table 3.4.3 Housing Developments Opting for Affordable Housing "In-lieu" Fee, Western SoMa, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
248 09TH ST	2014	$917,881

Map 6 New Affordable Housing, Western SoMa, 2011-2015

3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. New housing development in San Francisco is costly and preserving homes can prevent displacement of existing residents and workers in Western SoMa. The *Western SoMa Plan* supports the preservation of the area's existing housing stock and prohibits residential demolition unless this project ensures sufficient replacement of housing units. Restrictions on demolitions also help to preserve affordable, rent-controlled housing and historic resources.

A neighborhood's housing stock can also change without physical changes to the building structure. Conversions of rental housing to condominiums can turn housing that is rent controlled and potentially accessible to moderate income households to housing that can be occupied by a narrower set of residents, namely, those with access to down payment funds and enough earning power to purchase a home. Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important priority of the Plan's housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, which typically serve as a relatively affordable option for low income households. **Appendix ##** includes a list of SRO properties and number of residential units. There are four SRO hotels in Western SoMa, which provide a total of 107 units.

The following subsections document the trends in these various types of changes to the housing stock in the Western SoMa Plan Area and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units Lost to Alteration or Demolition

In this most recent reporting period, 14 units were lost in the Western SoMa (**Table 3.5.1**) or about 1% of units lost citywide. All of the units lost in Western SoMa we lost due to an alteration and none due to demolitions. Thirteen were lost to units merging into larger units and one was a correction to official records. **Table 3.5.2** shows San Francisco figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Table 3.5.1 Units Lost, Western South of Market, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-
2013	-	13	1	-	14	-	14
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
TOTAL	**-**	**13**	**1**	**-**	**14**	**-**	**14**

Table 3.5.2 Units Lost, San Francisco, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	-	110	427	537
2014	24	20	1	-	45	95	140
2015	100	12	1	3	116	25	141
TOTAL	**235**	**115**	**6**	**7**	**363**	**758**	**1,121**

3.5.2 Condominium Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the city's rental stock. Compared to the rest of the city's share of renters (67%), the Western SoMa area has a comparable share of renters. In 2014, an estimated 74% of households in the Western SoMa were renters. Almost 7% of San Francisco's rental units are in Western SoMa as of 2014, about the same figure as in 2010.[8]

Table 3.5.3 shows that in the last five years, 28 units in eight buildings in the Western SoMa were converted to condominiums. In all, approximately 1% of all rental units in the Western SoMa were converted to condominiums between 2011 and 2015. This represents one percent of all condo conversions citywide.

[8] The following 2010 census tracts were used to approximate the Western SoMa Plan Area boundaries: 178.02 and 180.00. According to the 2006-2010 American Community Survey, there are roughly 2,550 renter-occupied units in the Western SoMa.

Table 3.5.3 Condo Conversion, Western SoMa, 2011-2015

Year	Western SoMa		San Francisco		Western SoMa as % of Citywide Total	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	-	-	200	472	0%	0%
2012	5	17	201	488	2%	3%
2013	-	-	147	369	0%	0%
2014	1	2	239	727	0%	0%
2015	2	9	149	500	1%	2%
Totals	**8**	**28**	**936**	**2,556**	**1%**	**1%**

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.5.4 shows that owner move-ins led to evictions in four units. Similarly, Ellis Act withdrawals led to 12 evictions during the most recent reporting period. Owner move-in evictions in Western SoMa accounted for 0.3% of the citywide total while the Plan Area accounted for about two percent of Ellis Act evictions in San Francisco between 2011 and 2015. During these five years, an estimated 2.3% of rental units in Western SoMa experienced owner move-in and Ellis Act evictions. Other types of evictions, also tabulated in **Table 3.5.4**, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.5.4 Evictions, Western South of Market, 2011-2015

Year	Western SoMa			San Francisco			Western SoMa as % of Citywide Total		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	0	0	16	123	54	1102	0%	0%	1%
2012	1	0	5	172	99	1343	1%	0%	0%
2013	0	9	20	275	229	1368	0%	4%	1%
2014	2	3	26	315	101	1550	1%	3%	2%
2015	1	0	23	425	142	1518	0%	0%	2%
Totals	**4**	**12**	**90**	**1,310**	**625**	**6,881**	**0.3%**	**2%**	**1%**

3.6 Jobs Housing Linkage Fee Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011/12 and 2015/16, commercial developments in the Western SoMa Plan Area generated roughly $1.3 million to be used for affordable housing development by the city, as shown in **Table 3.6.1**. Based on the MOHCD estimate of

$550,000 (not including the cost of land) required to build one affordable housing unit, the fees collected in the 2014-2015 fiscal year could potentially create about two to three affordable units.

Table 3.6.1 Jobs Housing Linkage Fees Collected, Western SoMa, FY 2011/12-2015/16

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	-
2013-14	$	-
2014-15	$	1,343,710
2015-16	$	-
Total	**$**	**1,343,710**

*Department of Building Inspection as of 6/1/16

4 Accessibility and Transportation

The Western SoMa Plan Area is characterized by a multitude of mobility options and its resident's access to employment and other destinations through a variety of transport modes. Since the construction of the Central Freeway in the 1950s, the transportation system has been heavily oriented toward auto-related facilities and activities, however, the Western SoMa Plan has policies to move away from that trend and is doing so. A little over a third of commuters in Western SoMa travel to work by car, similar to the rest of San Francisco (36% to 44%, respectively). As **Table 4.1.1** shows, another widely used commute mode in Western SoMa is public transit, which is used by another 36% of residents (compared to 33% citywide), and other alternative commute modes also play an important role, including biking at seven percent walking at 11%, and working at home at 10%. In order to maintain this characteristic and move towards lower dependency on private automobiles, the Western SoMa Area Plan's objectives related to transportation all favor continued investments to tie land use intensities and local travel patterns together. While Western SoMa has streets connecting the city to major on and off ramps to the Central Freeway, hosting regional traffic, most of the residents and workforce takes public transit or walks to and from where they need to go.

Table 4.1.1 Commute Mode Split, Western South of Market and San Francisco, 2011-2015

Transport Mode	Western SoMa		San Francisco		Western SoMa as % of San Francisco
	No of Commuters	%	No of Commuters	%	
Car	999	36%	199,470	44%	1%
Drove Alone	689	25%	165,151	36%	0%
Carpooled	310	11%	34,319	8%	1%
Transit	1,004	36%	150,222	33%	1%
Bike	189	7%	17,356	4%	1%
Walk	303	11%	46,810	10%	1%
Other	9	0%	10,579	2%	0%
Worked at Home	289	10%	32,233	7%	1%
Total	**2,793**	**100%**	**456,670**	**100%**	**1%**

4.1 Transportation Improvements – EN Trips

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

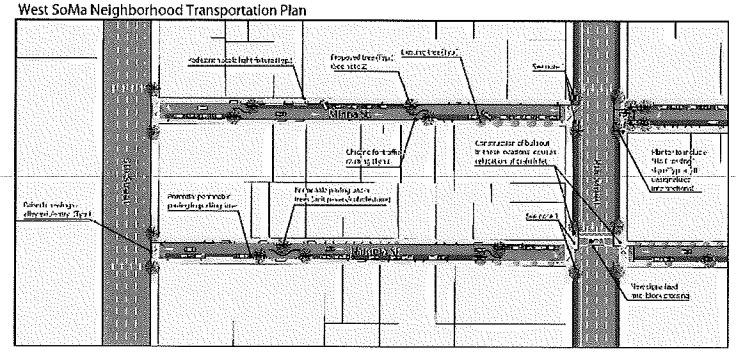
Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

Western SoMa is faced with difficult challenges that require the need address the travel needs of its residents and businesses, while maintaining and improving the area as a desirable place to live. With the Central Freeway cutting through the area and the heavy auto-oriented traffic behavior in the surrounding streets, the *Western SoMa Plan* calls for the preservation and improvements to the existing alleys that provide an escape from the long and wide street network, and neighborhood-serving streets. The alleys serve as a safer and more direct route to destinations and improve area walkability and bike-ability. The Plan proposes improvements in the vicinity of and along Folsom Street. The Plan calls for low cost, demand management measures that reduce automobile independence and promotes transit, bicycling and walking. In general, the Plan calls for improved connectivity and safety for pedestrians and bicyclists; and seamless pass through of automobiles and goods through the area to and from the freeway.

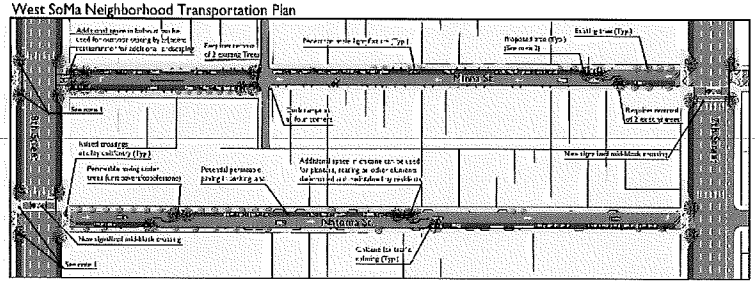
In March 2012, the Western SoMa Neighborhood Transportation Plan was completed and adopted. In support of the implementation of the Western SoMa Community Plan, the San Francisco County Transportation Authority (SFCTA) conducted a Western SoMa Neighborhood Transportation Plan (NTP) process. The NTP sought to move selected improvement ideas from the Community Plan to implementation-ready status by providing cost estimates, conceptual designs, and other relevant project development work. Using a technical assessment and input from the community, the Study developed conceptual designs for improvements to three of Western SoMa's alleys for traffic calming and streetscape improvements, including mid-block crossings of the numbered streets, including Minna and Natoma between 7th and 9th Streets, and Ringold between 8th and 9th Streets (shown below).

West SoMa Neighborhood Transportation Plan



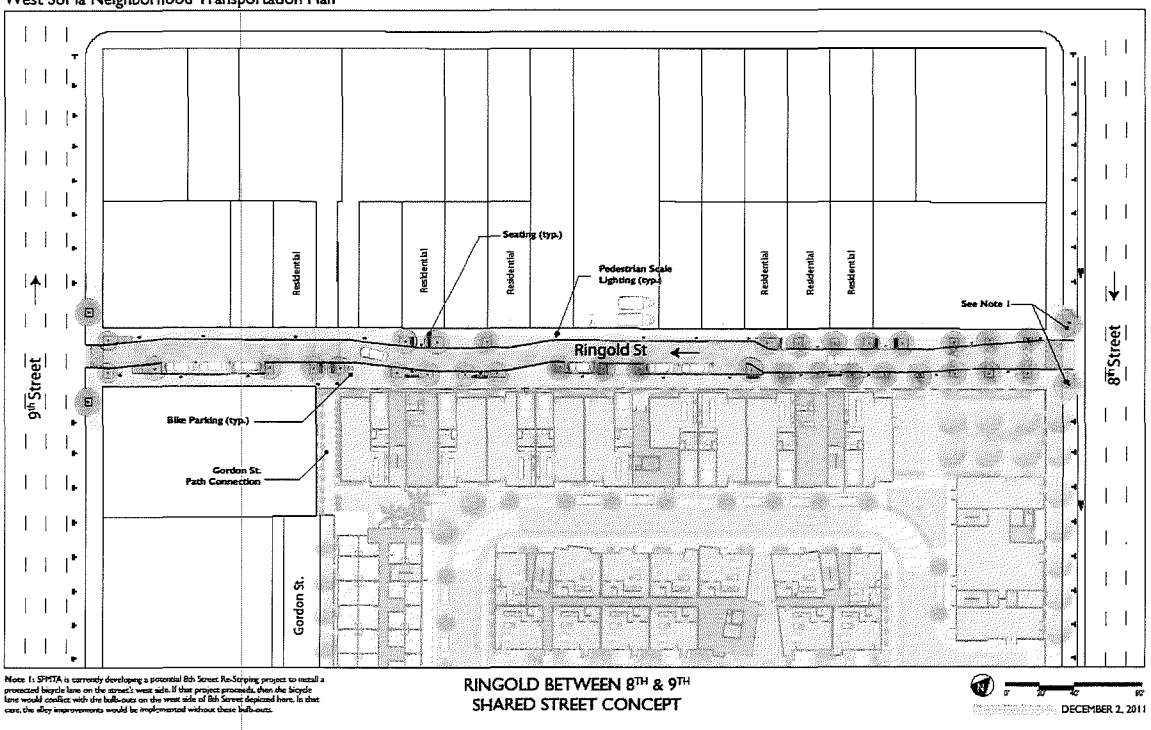
MINNA & NATOMA STREETS (BETWEEN 6 TH & 9TH)
CONCEPT PLAN OF PROPOSED IMPROVEMENTS

West SoMa Neighborhood Transportation Plan



MINNA & NATOMA STREETS (BETWEEN 7TH & 8TH)
CONCEPT PLAN OF PROPOSED IMPROVEMENTS

West SoMa Neighborhood Transportation Plan



In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The first round will include 245 projects, including several in the Western SoMa area, shown on **Table 4.2.1**. One major project is the Folsom Street/Howard Street Streetscape Project. The goal is to provide a more pedestrian-friendly and multimodal street. Bicycle and pedestrian safety improvements such as cycle tracks, or other bicycle facility, widened sidewalks, additional crossings, bus and corner bulbouts and new streetscape landscaping will be constructed along the two streets between 2nd and 13th Streets. This project is also a "Priority Project" for Eastern Neighborhood implementation

Table 4.2.1. Vision Zero Projects in Western SoMa Plan Area

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)
Bicycle and pedestrian intersection spot improvements (11th St./13th St./Bryant St.)	Winter 2014/15	Fall 2015	DESIGN	$ 150,000
8th/Natoma New Signal	Spring 2014	Fall 2015	CONST	$ 365,000
Howard Streetscape Project	Summer 2014	Spring 2019	DESIGN	$ 2,135,000
Bessie Carmichael Elementary School	Winter 2014/15	Fall 2017	DESIGN	$ 792,000
Howard Street Pilot	Winter 2014/15	Winter 2015/16	DESIGN	$ 300,000
7th Street Streetscape	TBD	TBD	CONST	$ 1,411,000
8th Street Streetscape	TBD	TBD	CONST	$ 1,436,000

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks and Open Space

A new public plaza in Western SoMa to be called Eagle Plaza is proposed to be constructed within the 12th Street right-of-way between Bernice Street and Harrison Street. As an in-kind improvement for the development project at 1532 Harrison Street, a proposed mixed-use building, this plaza will be constructed within the same time frame as the project. The plaza will feature a single-surface shared public way treatment for the sidewalk and roadway portions of the right-of-way with a single lane of travel reconfigured for in a curvilinear pattern to slow traffic and define to distinct zones for the plaza. The open space will feature custom made planters, seating, and a green knoll, among other features. The construction is expected to begin in 2016 with completion expected in 2018.

5.3 Community Facilities and Services

As a significant amount of new housing development is expected in Western SoMa, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. Section 6, below, discusses the process of implementation of the community benefits program, including the collection and management of the impact fees program.

Map 7 shows existing community facilities in Western SoMa. Community based organizations currently provide a wide range of services at over 50 sites throughout Western SoMa, ranging from [examples].

Map 7 Community Facilities in Western SoMa

5.3 Historic Preservation

[context]

5.4 Neighborhood Serving Establishments

Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see **Appendix G** for a list of business categories used). Grocery stores, auto shops and gasoline stations, banks and schools that frequently host other activities, among many other uses, can be considered "neighborhood serving." By this definition, the Western SoMa is home to about 175 neighborhood serving businesses and establishments employing almost 3,000 people.

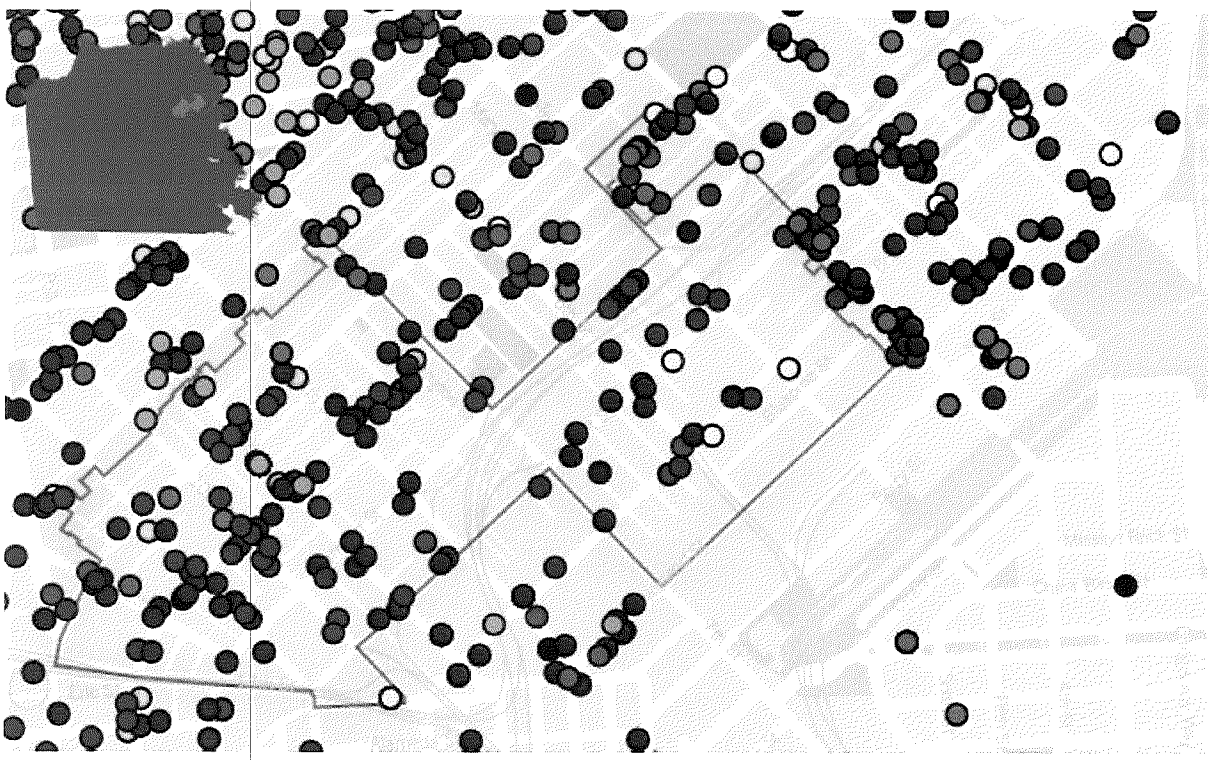
As shown in **Table 5.4.1**, the top 10 neighborhood serving establishments in the Western SoMa include eating places (full- and limited-service restaurants), bars, schools, grocery stores, gasoline stations, automotive repair

shops, gyms and family clothing stores. These businesses are typically along Folsom, Harrison and Bryant Streets as shown on **Map 8**.

Table 5.4.1 Neighborhood Serving Establishments, Western SoMa

Type	Establishments	Employment
Full-Service Restaurants	32	633
Limited-Service Restaurants	19	469
Drinking Places (Alcoholic Beverages)	19	309
Elementary and Secondary Schools	1	224
Gasoline Stations with Convenience Stores	4	168
Supermarkets and Other Grocery (except Convenience) Stores	4	165
Snack and Nonalcoholic Beverage Bars	9	149
General Automotive Repair	22	126
Family Clothing Stores	4	108
Fitness and Recreational Sports Centers	4	104
Child Day Care Services	3	84
Sporting Goods Stores	6	74
Electronics Stores	7	65
Beer, Wine, and Liquor Stores	3	62
Other Clothing Stores	2	50
Florists	5	31
Civic and Social Organizations	3	27
Cosmetics, Beauty Supplies, and Perfume Stores	1	26
Other Personal and Household Goods Repair and Maintenance	2	16
Used Merchandise Stores	4	13
Food (Health) Supplement Stores	1	10
Nail Salons	2	9
Shoe Stores	2	8
Automotive Transmission Repair	1	8
Automotive Exhaust System Repair	1	6
Beauty Salons	3	6
Car Washes	1	5
Pet Care (except Veterinary) Services	1	5
Commercial Banking	1	3
Sewing, Needlework, and Piece Goods Stores	2	3
Retail Bakeries	1	2
Convenience Stores	1	2
Other Automotive Mechanical and Electrical Repair and Maintenance	1	2
Discount Department Stores	1	1
Coin-Operated Laundries and Drycleaners	1	1
Drycleaning and Laundry Services (except Coin-Operated)	1	1
TOTAL	175	2,975

Map 8 Neighborhood Serving Businesses in Western SoMa



- 311 - Food Manufacturing
- 443 - Electronics and Appliance
- 445 - Food and Beverage
- 446 - Health and Personal Care
- 447 - Gas Stations
- 448 - Clothing and Accessories
- 451 - Sporting goods, Hobby, Musical Instrument and Books
- 452 - General Merchandise
- 453 - Miscellaneous
- 519 - Other Information
- 522 - Credit Intermediation
- 532 - Rental and Leasing Services
- 611 - Educational Services
- 624 - Social Assistance
- 713 - Amusement, Gambling and Recreation
- 722 - Food Services and Drinking Places
- 811 - Repair and Maintenance
- 812 - Personal and Laundry Services
- 813 - Religious and Civic Organizations

6 IMPLEMENTATION OF PROPOSED PROGRAMMING

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) is the central community advisory body charged with providing input to City agencies and decision makers with regard to all activities related to implementation of the Eastern Neighborhoods Area Plans. It was established for the purposes of providing input on the prioritization of Public Benefits, updating the Public Benefits program, relaying information to community members in each of the four neighborhoods regarding the status of development proposals in the Eastern Neighborhoods, and providing input to plan area monitoring efforts as appropriate. The EN CAC is composed of 15 voting members – nine appointed by the Board of Supervisors, and six appointed by the Mayor. In addition, there are four non-voting members representing Western SoMa, two appointed by the Board of Supervisors, and two by the Mayor. These non-voting members with attain voting status upon the adoption and integration of the Western SoMa Impact Fees into the Eastern Neighborhoods Public Benefits Fund. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009, before the adoption of the Western SoMa Community Plan. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee & Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee includes three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning, later including the Western SoMa rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected nearly $48.4 million in impact fees, as shown on **Table 6.2.2**.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,742,000
TRANSPORTATION / TRANSIT	$16,936,000
COMPLETE STREETS	$6,733,000
RECREATION AND OPEN SPACE	$17,518,000
CHILDCARE	$2,416,000
Total	**$48,345,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect a little over $145 million from the Eastern Neighborhoods impact fee program, as shown on **Table 6.2.3**.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$26,411,000
TRANSPORTATION / TRANSIT	$30,302,000
COMPLETE STREETS	$38,542,000
RECREATION AND OPEN SPACE	$43,912,000
CHILDCARE	$5,931,000
Total	**$145,098,000**

As shown in **Table 6.2.4**, approximately $6.94 million were collected from 15 projects in the Western SoMa Plan Area between 2011 and 2015. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods.

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-2015

Area	Revenue	Projects
Western SoMa	**$6,940,000**	**11**
East SoMa	$14,635,000	39
Mission	$5,357,000	43
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	26
TOTAL	**$48,350,000**	**138**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring Program

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

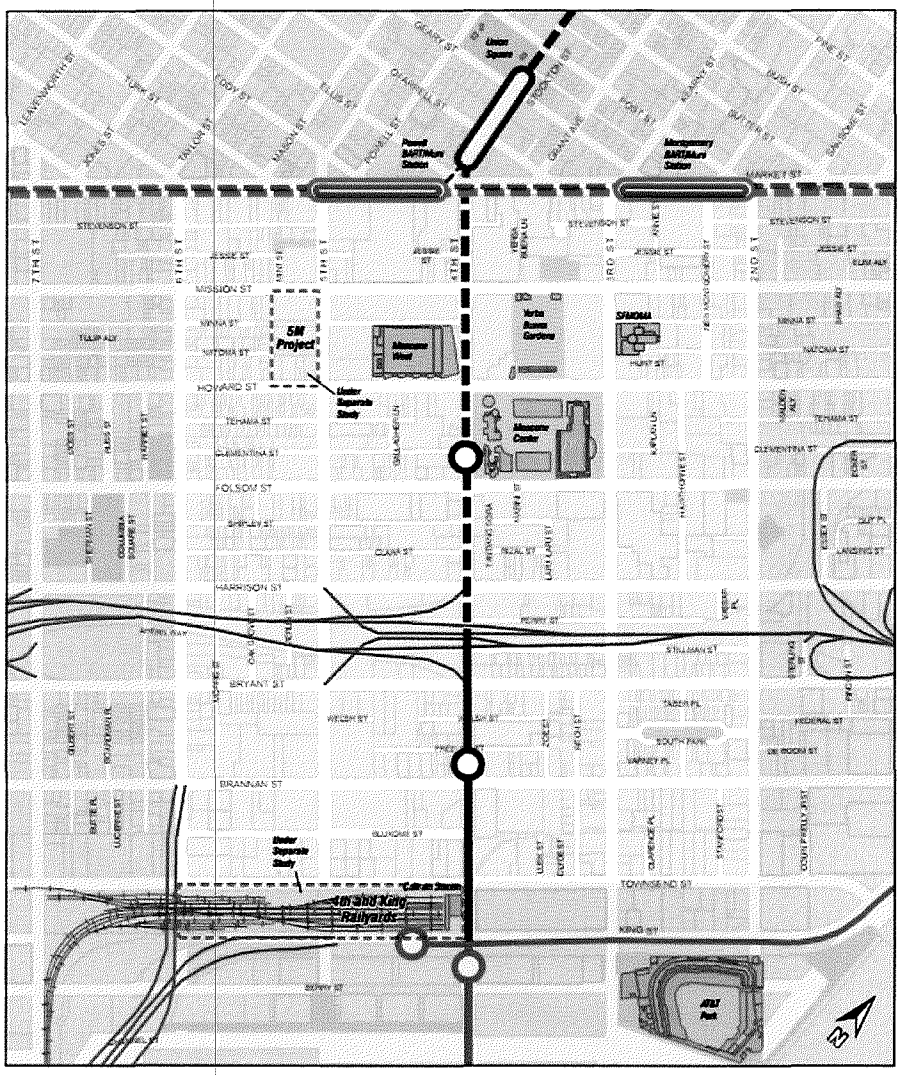
Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

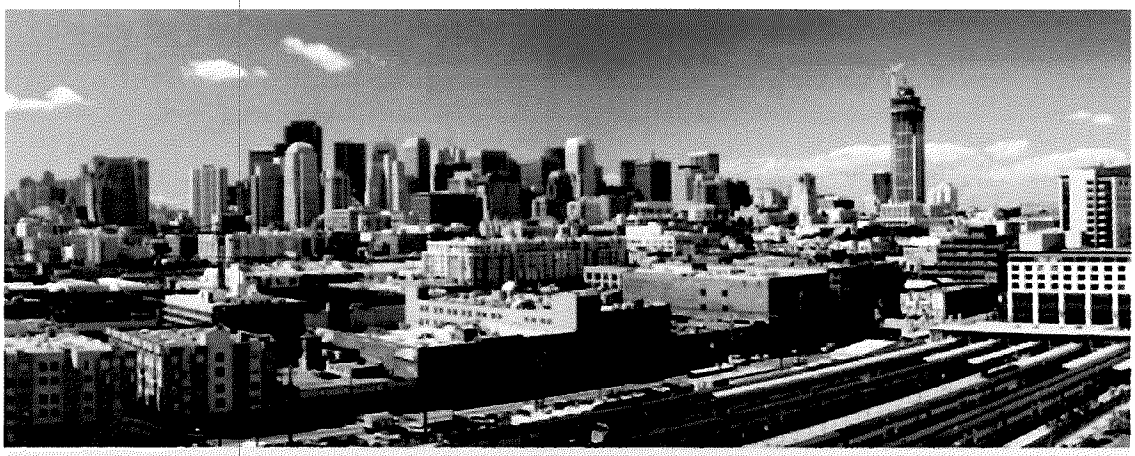
In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Efforts

At the time of the Western SoMa Plan's adoption, consensus had not been reached on how to prepare the neighborhood for the arrival of the Central Subway, a 1.7 mile transit investment connecting the Caltrain station to Chinatown. The Western SoMa Plan did not include rezoning of the industrial-protection Service Light Industrial (SLI) district in the area, and explicitly deferred land use change in the SLI to a subsequent, more focused, planning process that takes into account a comprehensive study of the City's growth needs, as well as the transportation opportunity represented by the Central Subway. The Central SOMA Plan continues many of the goals of the Western SoMa Plan, and proposes changes to land use and development controls in that area of overlap.

The Central Subway is expected to move 76,000 daily riders through the corridor by 2030, with a peak hourly capacity of almost 5,000 riders in each direction. Stations will include new underground facilities in Chinatown, at Union Square/Market Street, and at Moscone Center/Folsom Street, with a new above-ground station at Brannan Street. In addition to the subway, other transportation improvements are planned to address SoMa circulation needs including the Downtown Rail Extension which will extend Caltrain underground through the study area to the Transbay Transit Center, MUNI improvements such as transit-only lanes along Mission Street, and anticipated improvements to the Bicycle Network such as new cycle lanes along 2nd and 5th Streets.


Caltrain
BART
Muni
Central Subway
Solid lines represent surface rail, dashed lines represent subway.
CENTRAL CORRIDOR PLAN AREA



GROWTH POTENTIAL UNDER THE CENTRAL CORRIDOR PLAN

Growth Potential[1]	Residential Square Feet	Residential Units	Commercial Square Feet	Jobs
Potential Under Existing Zoning[2]	**9,872,355**	**8,225**	**3,827,445**	**19,140**
Growth Potential Under Plan	**4,185,900**	**3,490**	**5,563,700**	**27,820**
TOTAL GROWTH	**14,058,255** SQ. FT.	**11,715** UNITS	**9,391,145** SQ. FT.	**46,960** JOBS

1 Note that growth potential varies according to height alternative and land use mix assumptions; the above table represents an average of potential heights and use mixes. The Plan's environmental analysis will review the greatest number of both jobs and housing that is likely to occur under all height alternative and mix assumptions.

2 Note that as significant portion of the existing growth potential lies in the C-3 (downtown) districts in the northern part of the Plan area, including a substantial portion of overlap with the recently rezoned Transit Center District Plan area between 2nd and 3rd Streets.

DRAFT Central Waterfront Area Plan Monitoring Report 2011-2015

1 Introduction: Central Waterfront Plan Monitoring Report

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s— C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize these neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process also recognized the need to produce housing opportunities for residents across all income levels. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

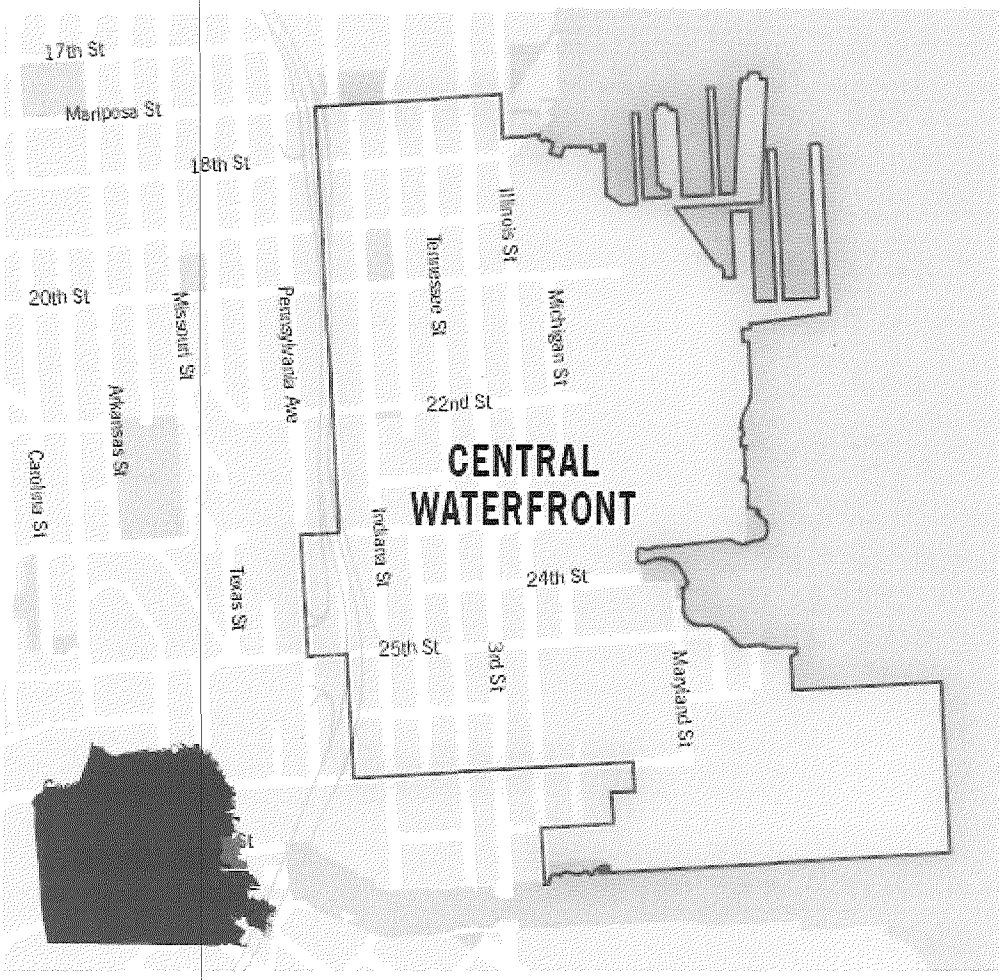
The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

Map 1 shows the *Central Waterfront Plan* area as generally bounded by Mariposa Street on the north, San Francisco Bay on the east, Islais Creek on the south, and Highway I-280 on the west.

Map 1 Central Waterfront Plan Area



The challenges that motivated the Eastern Neighborhoods community planning process were sharply evident in the Central Waterfront when the plans were adopted and continue to be relevant today.

Specifically, the *Central Waterfront Plan* calls for the following:

- maintaining Central Waterfront's established character as mixed use, working neighborhood with strong ties to the city's industrial economy;
- strategically increasing housing in the Central Waterfront;
- establishing a land use pattern that supports and encourages transit use, walking, and biking;
- connecting the neighborhood with its neighbors and the water's edge, and improving the public realm so that it better supports new development and the residential and working population of the neighborhood.

1.1 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

The *Central Waterfront Area Plan Monitoring Report 2011-2015* is part of the set of Eastern Neighborhoods monitoring reports covering the period from January 1, 2011 to December 31, 2015. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Central Waterfront area and other Eastern Neighborhoods (including Western SoMa) will be released in years ending in 1 and 6.

While the previous Monitoring Report covered only the small amount of development activities in the years immediately preceding and following the adoption of the *Central Waterfront Plan* in 2008, this report contains information and analysis about a period of strong market development and activity in the Central Waterfront. The time series report relies primarily on the *Housing Inventory*, the *Commerce and Industry Inventory*, and the *Pipeline Quarterly Report*, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 Commercial Activity and Job Creation

While the area is itself diverse, Central Waterfront has traditionally been characterized by industrial uses with residential enclaves interspersed between Mariposa and 23rd Street or what is roughly known as the Dogpatch neighborhood. Commercial land uses take up almost two thirds of the land area, with light industrial or production, distribution and repair (PDR) uses being the largest single category. Schools and cultural destinations comprise a marginal portion of the land use, as does retail and entertainment. (See Appendix B, Table BT-1 for land use distribution tables for Central Waterfront and San Francisco).

INSERT APPROPRIATE PHOTO

The *Central Waterfront Plan* supports small and moderate size retail establishments in neighborhood commercial areas, while allowing larger retail in the new Urban Mixed Use districts only when part of a mixed-use development. The Plan also encourages life science development in the vicinity of Mission Bay and, in the core PDR area generally south of 23rd Street, contains controls that protect PDR businesses by prohibiting new residential development and limiting new office and retail.

2.1 Commercial Space Inventory

Table 2.1.1 below is an inventory of non-residential space in Central Waterfront as of 2015. Nearly 50% of commercial land use in the Central Waterfront is PDR and almost 30% office. The table also shows the importance of the Central Waterfront in the San Francisco's stock of industrial lands. Though the neighborhood only accounts for 1% of the City's overall commercial building space, its share of citywide PDR space is 3%. However, a significant amount of PDR space in the Central Waterfront has been converted to other uses in recent years, which will be discussed in the coming sections.

Table 2.1.1 Commercial Building Space, Central Waterfront and San Francisco, 2015

Non-Residential Land Use	Central Waterfront		Citywide		Central Waterfront
	Area	%	Area	%	
Cultural, Institution, Educational	114,370	5%	29,898,514	13%	0%
Medical	35,498	2%	17,468,039	7%	0%
Office	656,628	29%	107,978,954	45%	1%
PDR / Light Industrial	1,045,713	46%	36,265,832	15%	3%
Retail	425,343	19%	42,299,526	18%	1%
Visitor / Lodging	5,219	0%	4,053,422	2%	0%
Total	**2,282,771**	**100%**	**237,964,287**	**100%**	**1%**

Table 2.1.2 shows commercial and other non-residential development activity in the *Central Waterfront Plan* area between 2011 and 2015 while Table 2.1.3 shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another. Non-residential development in the Central Waterfront made up about 1% of citywide total commercial projects completed in the last five years. Between 2011 and 2015, 25,700 square feet of PDR land was converted to other uses, such as mixed-use residential. The table also shows a modest gain of retail space during the reporting period. Commercial projects recently completed in the Central Waterfront are part of mixed-residential developments. One illustrative project is the development at 2235 Third Street, which redeveloped two vacant buildings into a mixed-use building with 196 residential units (39 of them below market rate) and roughly 10,000 square feet of ground floor space for retail, storage and day care.

Map 2 shows the location of the larger-scale non-residential developments. (See List BL-1 in Appendix B for detailed information.)

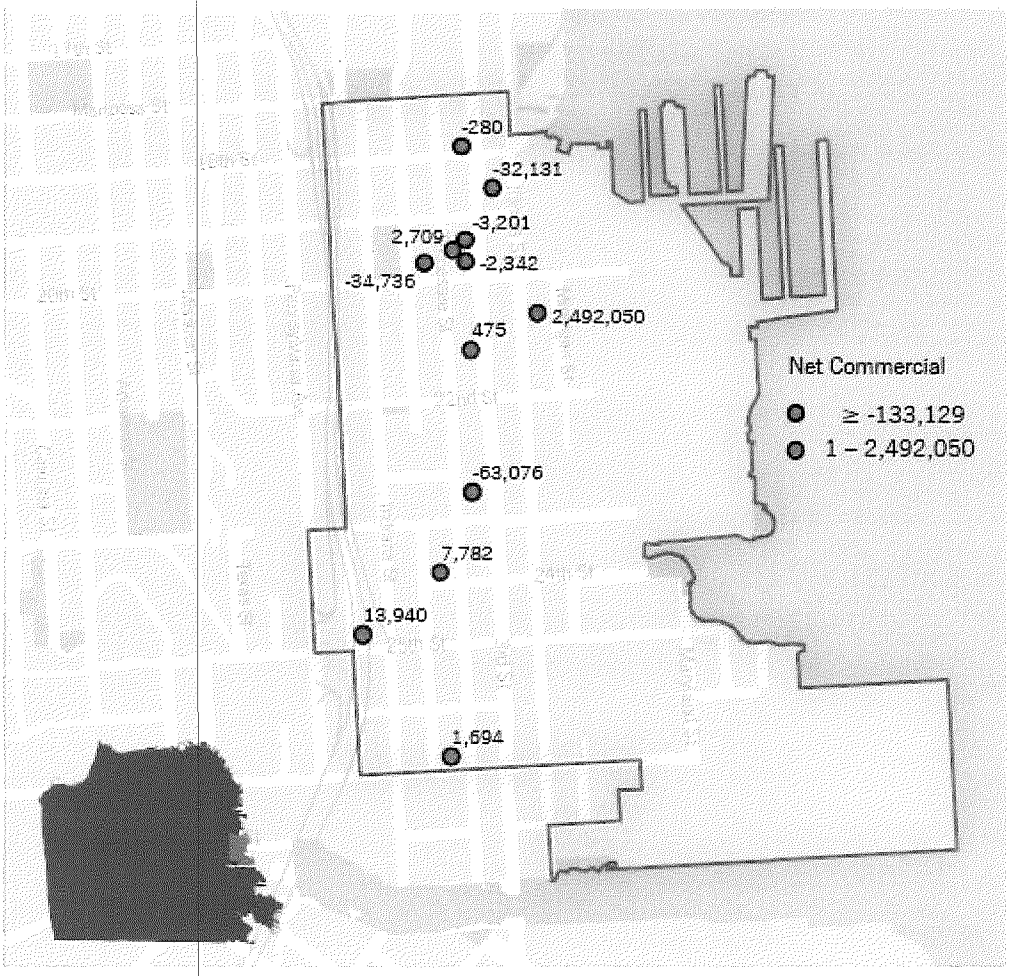
Table 2.1.2 Net Change in Commercial Space, Central Waterfront 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011							-
2012	-	-	-	-	5339	-	5,339
2013					-1000		(1,000)
2014	-	-	-	(25,700)	10109	-	(15,591)
2015	3,000	-	-	-	0	-	3,000
Total	**3,000**	**-**	**-**	**(25,700)**	**14,448**	**-**	**(8,252)**

Table 2.1.3 Net Change in Commercial Space, San Francisco 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	10,477	0	40,019	(18,075)	16,854	0	**49,275**
2012	(52,937)	0	24,373	(164,116)	32,445	0	**(160,235)**
2013	66,417	0	335,914	(236,473)	5,941	(69,856)	**101,943**
2014	446,803	1,815,700	603,997	(473,337)	60,125	63,286	**2,516,574**
2015	(21,456)	20,000	460,508	(183,775)	65,419	0	**340,696**
Total	**449,304**	**1,835,700**	**1,464,811**	**(1,075,776)**	**180,784**	**(6,570)**	**2,848,253**

Map 2 Completed Projects Causing Net Change in Commercial Space, Central Waterfront 2011-2015



2.2 Commercial Development Pipeline

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table 2.2.1 as "Under Review" and "Entitled". Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, Entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction.

The commercial development pipeline in the Central Waterfront shows a continuation of the trends that have taken place during the reporting period of 2011-15 (Table 2.2.1). The Central Waterfront continues to be the city's center for PDR as more pipeline projects with intent to continue the PDR use in the neighborhood come through in recent years. Additionally, the area is also expecting some development of office and retail space.

One example of a project that is currently under review is the Pier 70 Waterfront Site, a 28-acre stretch of industrial land.The developer (Forest City) has entered into an agreement with the Port to develop the former shipbuilding and repair space into a mix of office, retail, residential, PDR and open space through a Master Plan. Under the current proposed Pier 70 Waterfront development, more than 1,100,000 square feet will be allocated to office use and 460,000 square feet for commercial use. Adjacent to Pier 70, the now non-operational Potrero Power Plant, is a 21-acre site ripe for mixed development in the coming years. Although both Pier 70 and the Potrero Power Plant will see major changes, which will ultimately affect the neighborhood character, separate planning processes are in place to ensure a balanced mix of uses. Another large-scale project under review will provide almost 14,000 square feet of enterprise workspace at 1228 25th Street. If all of these projects come to fruition, the Central Waterfront will see roughly more than 240,000 square feet of PDR transition to other uses.

The projects in the pipeline that have not yet been entitled show no net gain of non-residential uses in the Central Waterfront in the near future. If all of these developments are completed, the Planning Department expects a net gain of about more than 165,000 square feet of PDR space and concomitant gain of roughly 2,000,000 square feet in office space and 10,000 square feet in retail space. Entitled projects that propose to convert PDR to other uses are mostly smaller spaces that will be redeveloped as residential or mixed-use residential buildings. Outside of the Pier 70 Waterfront Site, the largest single entitled project proposes to construct almost 35,000 square foot PDR and retail at 1275 Minnesota Street.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Central Waterfront represents less than 1 percent of the citywide pipeline. Map 3 shows the locations of the larger proposed commercial developments in the plan area. (See List BL-2 in Appendix B for detailed information.)

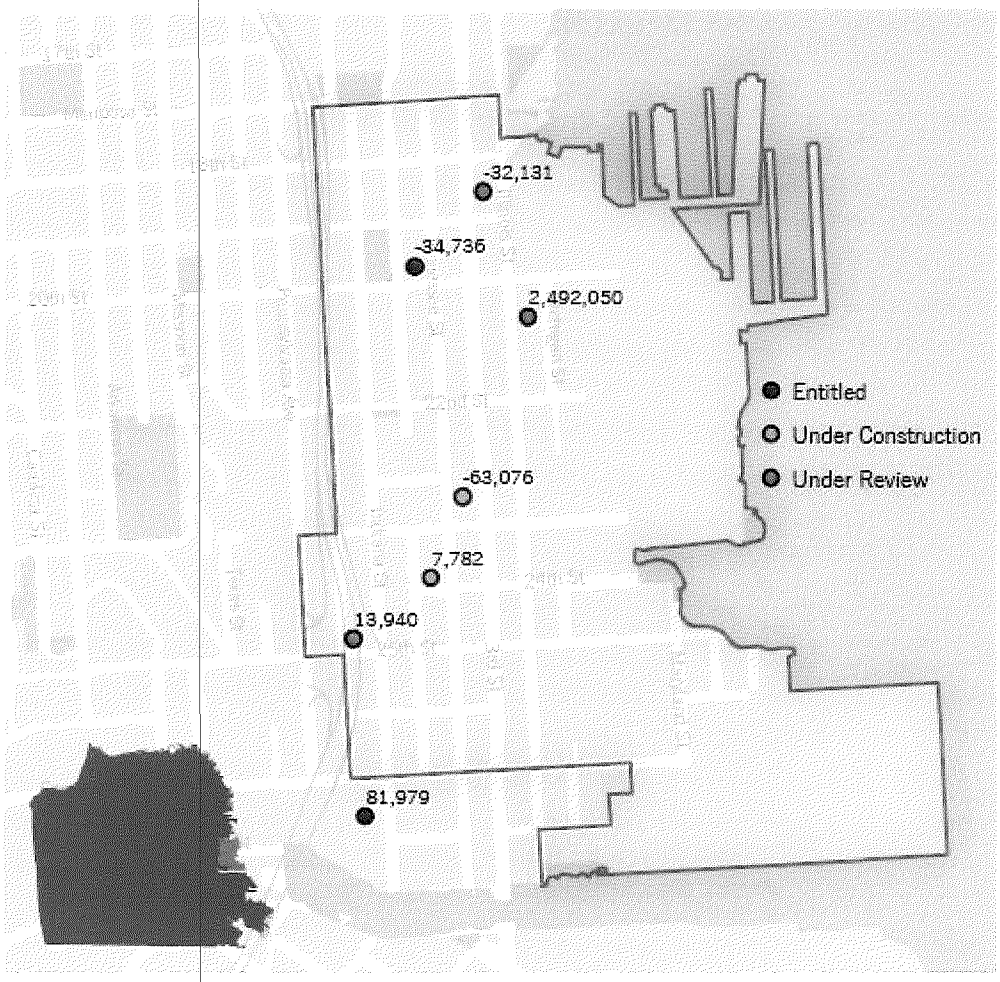
Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Central Waterfront Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**(72,386)**	**-**	**-**	**-**	**(76,927)**	**4,541**	**-**
Planning Entitled	**(67,384)**	**-**	**-**	**4,206**	**(73,032)**	**1,442**	**-**
Planning Approved	(33,042)	-	-	4,206	(41,032)	3,784	-
Building Permit Filed	(32,000)	-	-	-	(32,000)	-	-
Building Permit Approved/ Issued/ Reinstated	(2,342)	-	-	-	-	(2,342)	-
Under Review	**2,334,970**	**-**	**-**	**2,014,804**	**315,770**	**4,396**	**-**
Planning Filed	2,366,626	-	-	2,014,804	351,044	778	-
Building Permit Filed	(31,656)	-	-	-	(35,274)	3,618	-
Total	**2,195,200**	**-**	**-**	**2,019,010**	**165,811**	**10,379**	**-**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**12,972,978**	**1,411,308**	**(38,206)**	**9,447,328**	**50,471**	**1,771,734**	**330,343**
Construction	4,939,101	1,098,708	(58,871)	3,876,705	(290,327)	502,449	(189,563)
Planning Approved	6,432,299	1,942	4,665	4,564,642	316,417	1,086,079	458,554
Building Permit Filed	(63,752)	4,343	-	(34,830)	(33,939)	674	-
Building Permit Approved/ Issued/ Reinstated	1,665,330	306,315	16,000	1,040,811	58,320	182,532	61,352
Under Review	**10,420,494**	**1,042,013**	**1,875**	**8,565,780**	**(710,730)**	**1,102,999**	**418,557**
Planning Filed	8,754,024	1,084,228	1,875	7,062,107	(665,345)	1,070,412	200,747
Building Permit Filed	1,666,470	(42,215)	-	1,503,673	(45,385)	32,587	217,810
Total	**23,393,472**	**2,453,321**	**(36,331)**	**18,013,108**	**(660,259)**	**2,874,733**	**748,900**

Map 3 Commercial and Other Non-Residential Development Pipeline, Central Waterfront Q4 2015



Note: Only includes projects that added or removed 5,000 net square feet.

2.3 Changes in PDR Uses

As discussed above, the Central Waterfront (and the Eastern Neighborhoods more broadly), have experienced significant economic growth that have made many areas highly attractive to residential developments. This is especially true of the northern part of the Central Waterfront where the shift from PDR to a more mixed-residential character. These types of uses are generally able to afford higher land costs than industrial uses, and therefore can outbid PDR businesses for industrially-zoned land. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations - M-1, M-2, and C-M - permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Since the adoption of the Central Waterfront Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as Tables 2.1.2 and 2.2.1 illustrate.

Over the five year period between 2011 and 2015, there have been a few projects that converted PDR uses to other uses. A PUD (planned unit development) at 1275 - 1301 Indiana Street which converted a 14,800 square feet warehouse in a M-2 zoning district into two buildings consisting of residential and retail use on the ground floor. The project was permitted to construct 71 units, 9 of which are affordable. Another project, 2121 Third Street, demolished a fueling and storage building from the early 1900s to construct 106 units, 18 of which (or 17%) are below market-rate, with ground floor active uses in Urban Mixed Use (UMU) zoning district. The project was also required to seek a Large Project Authorization under the Eastern Neighborhoods Controls. These projects have all been built in either the transitional UMU district or in districts like NCT and P, which were never intended as PDR protection areas. Another project converted about 2,400 square feet of PDR space to a brewery and full-service restaurant called Magnolia Brewing Company on the ground floor of the American Industrial Complex (at 2505 Third Street).

Lastly, another project, not shown on the list below, was a special case. The project is located at 1011 Tennessee St, which was developed from two lots— a vacant lot and a building that burned down in 2007. The parcels were formerly zoned M-2 and rezoned to UMU as part of the planning approval process. The result of the rezoning allowed the project to construct 3 units.

Project	Zoning	Net PDR	Net Retail	Net Units	Affordable Units	Percent Affordable
740 Illinois / 2121 Third St	UMU	-8,500		105	18	17%
1275 - 1301 Indiana St	PDR-1-G	-14,800	5,000	71	9	13%
2505 Third St	PDR-1-G	-2,400	2,400	NA	NA	NA

Note: Only developments with ten or more units are subject to the inclusionary housing requirements.

2.3.1 PDR Protection Policies and Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 70 complaints of violation for illegal conversions from PDR to Office use. Two of the cases in the Central Waterfront during this period were conversions from PDR to office on parcels zoned UMU. Owners were issued notices of enforcement in 2015. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix XX. Appendix XX shows the enforcement cases that were closed and that were actually found to be in violation of the code.

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 alleged complaints of violation for illegal conversions from PDR to Office use in the city (Table 2.3.2). Table 2.3.2 shows the number of cases closed and found to be in violation, the cases closed and not found to be in violation, the cases under review and the cases still pending review. Forty-two of these cases were found in the Eastern Neighborhoods. Out of the 42 total alleged complaints, nine of the cases were not found to be in violation and six were found to be in violation. Two of the cases in the Central Waterfront during this period were conversions from PDR to office on parcels zoned UMU. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix XX. An additional six cases in the Mission were found to not be in violation.

Most of these complaints describe large warehouses converting into office uses. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired 2013.

To resolve and better investigate these complaints, the Planning Department in collaboration with the Department of Building Inspection (DBI) have committed to figure out how to work together to prevent future illegal conversion. Over the course of 2015, Planning worked with DBI during project intakes to better understand where Planning could potentially find out about the violations. Planning worked with DBI's IT division to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

In the case of complaints found not yet to be in violation yet, some complaints received are regarding real estate advertisements for spaces that are currently vacant. These situations allowed for Planning to work collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When complaints related to vacant spaces on the market in PDR zones are filed, Planning works with the property owner to inform them about PDR complying uses and then refer them to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a real estate brokers training was conducted in 2015. This voluntary training's purpose was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including potential need to file Letter of Determinations.

Table 2.3.2 Enforcement Cases for Illegal PDR Conversions, Central Waterfront, 2015

Case Type	Number of Cases		
	Western SoMa	Eastern Neighborhoods	Citywide
Closed - Violation	2	6	7
Closed - No Violation	0	9	9
Under Review	0	4	4
Pending Review	6	23	24
TOTAL	**8**	**42**	**44**

2.4 Employment

The *Central Waterfront Plan* area added employment across most land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. The uptick in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade and robust growth in the "Knowledge Sector," which consists of financial services, professional services, information technology, publishing, digital media, multimedia, life sciences (including biotechnology), and environmental products and technologies. Altogether, employment in the Central Waterfront grew by almost 1,000 jobs over the span of five years to almost 5,300 with a related increase from 350 to over 410 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss the job growth in the Central Waterfront by land use category.

2.4.1 Office Jobs

The Central Waterfront remained at roughly 18% for office jobs, as it is the third major employment sector. According to EDD, the plan area did not see major fluctuations in office jobs in those 5 years. The job count increased from 772 to 952. Additionally, the number of office establishments increased slightly from 106 to 122, indicating a shift towards "flex space" office format with the ability to accommodate a larger number of employees. This is likely true of "Knowledge Sector" office spaces. The Central Waterfront Area Plan supports the office component towards space above ground floor in buildings in the Central Waterfront's UMU and PDR-1 districts, with office use restricted to supporting the PDR use above the ground floor.

2.4.2 Retail Jobs

The number of retail jobs in the Central Waterfront increased slightly by three percent between 2010 and 2015 to about 1,500 and more than 80 establishments. The retail sector represents about a little more than a quarter of the plan area's non-residential use, but only accounts for about one percent of the city's retail jobs and establishments. Many of these retail jobs are along the 22nd Street corridor in the Dogpatch neighborhood and some new retail on Third Street. As a growing residential neighborhood, many of these retail establishments serve food and drinks. A variety of specialty shops, from gourmet chocolates to artisanal cheese, are found in the neighborhood. Furthermore, some retail jobs happen in the same space as businesses take advantage of their factory location and include a retail component on the ground floor. Rickshaw Bagworks, a local manufacturing and retail company, is one such example.

2.4.3 PDR Jobs

PDR continues to play a critical role in the City's economy, providing quality jobs to employees with a broad range of educational backgrounds, supporting local businesses up- and downstream (for example, many of the city's top restaurants source products from local PDR businesses), and infusing the region with innovative products. Though the trends in loss of PDR space have been widely documented, the City and the Central Waterfront both added PDR jobs since 2010. The Central Waterfront's role as an important location for PDR has continued to build on the "makers" movement with local design and manufacturing businesses leading the way.

The Central Waterfront experienced about 7% increase in PDR employment (to more than 2,500 jobs) between 2010 and 2015 and about 3.5% increase in number of firms (to more than 140). As with other occupations, these increases likely reflect a recovery from the recession as well as the emergence of "maker" businesses and production of customized and high-end consumer products. An often cited example in the Dogpatch is the American Industrial Center– the A.I.C. complex is home to over a couple hundred of small- and medium-sized businesses with manufacturing and retail hosted on-site. The Central Waterfront has roughly three percent of the PDR jobs establishments within the City.

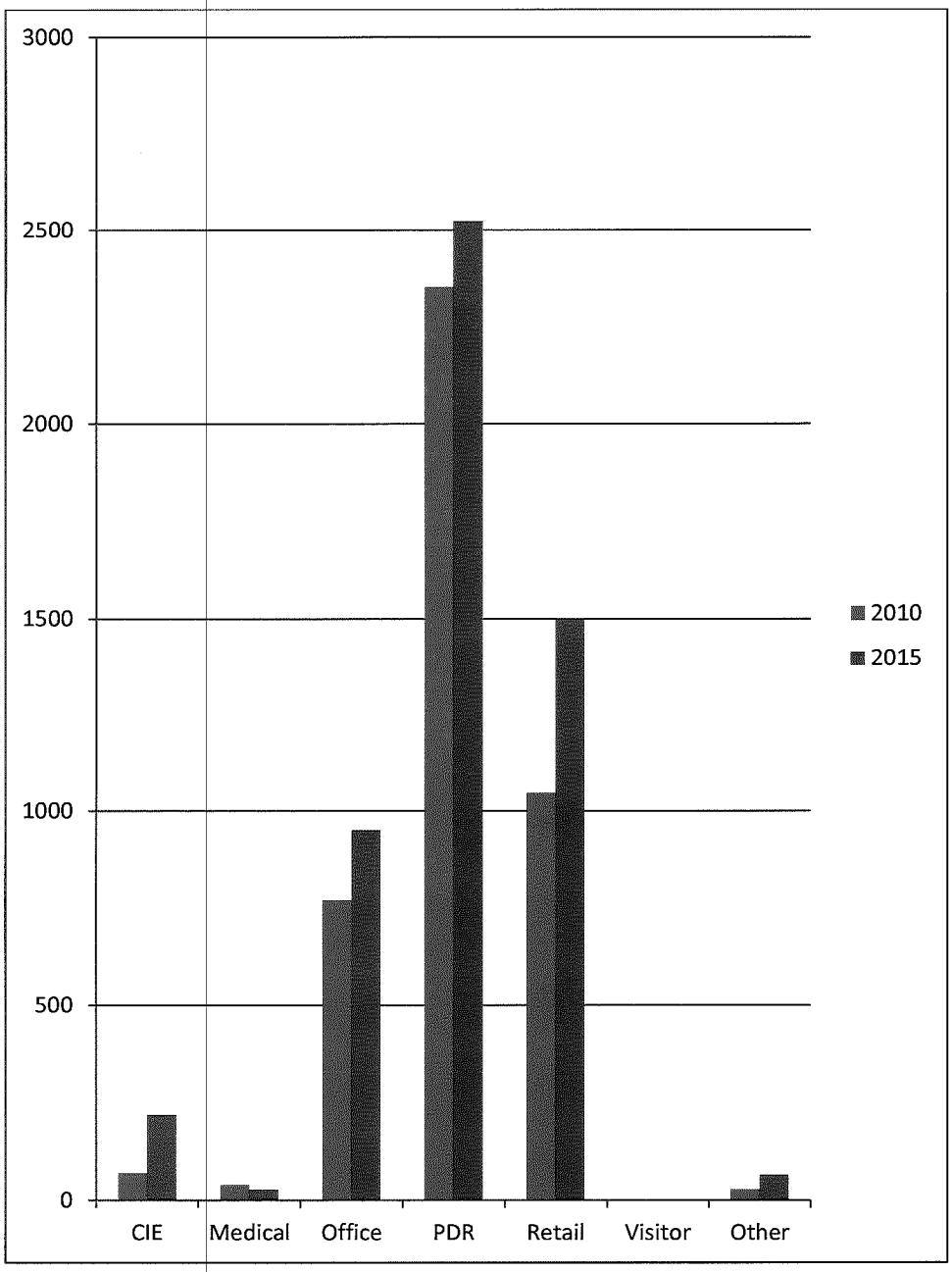
2.4.4 Employment and Commercial Space Trends

Over the past five years, the Central Waterfront has added a considerable number of jobs, almost 20% growth. In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates [1] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). Several important features such as large floor plates, clerestory structures, and loading docks provide a healthy dose of flexibility, which could make PDR space favorable for various industries. With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[2] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

[1] Although data to show vacancy rates for the Mission Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

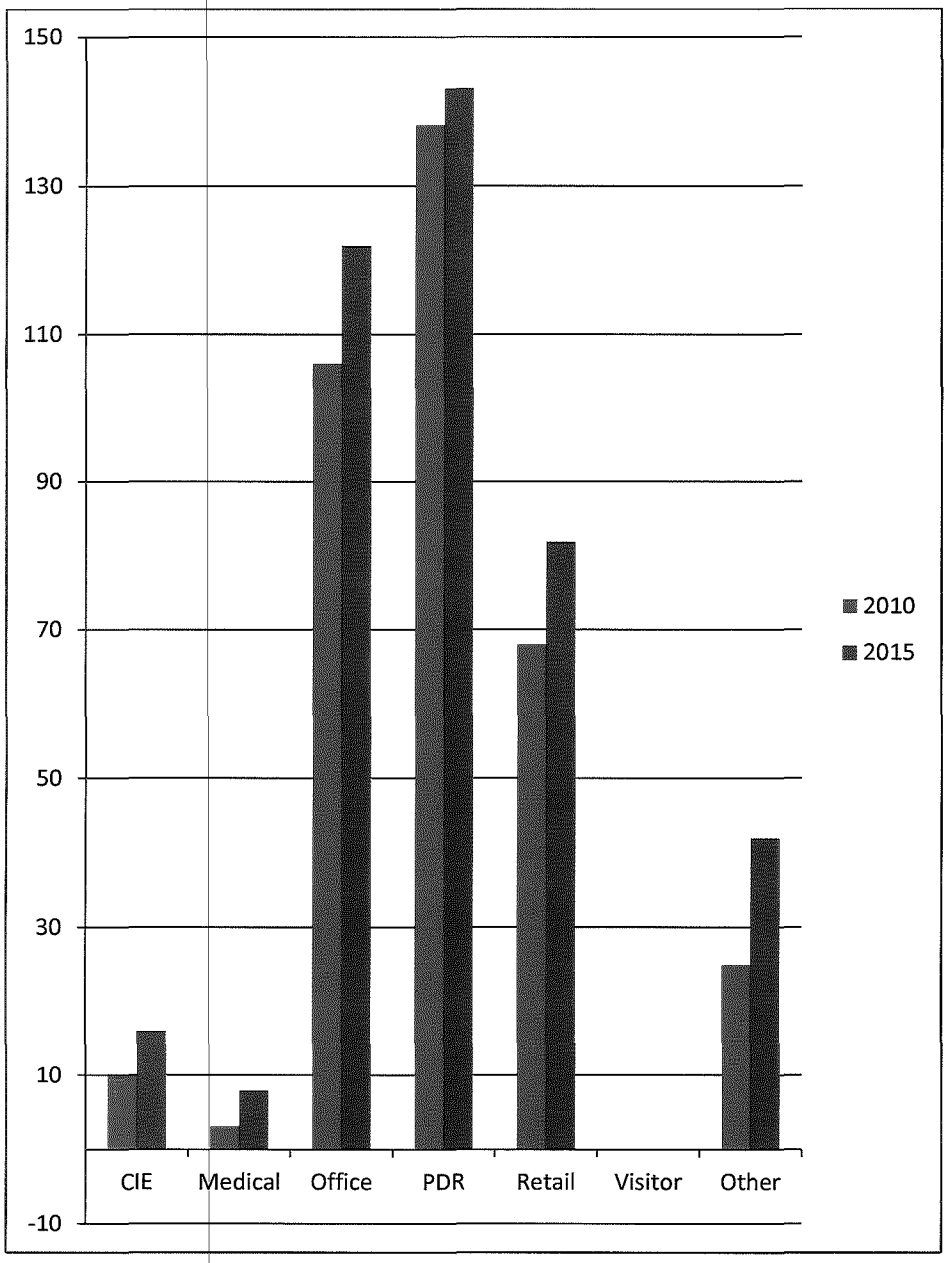
[2] See 2013 US Workplace Survey by Gensler.

Chart 2.3.1 Jobs by Land Use, Central Waterfront, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2.3.2 Establishment by Land Use, Central Waterfront, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".Sales and Property Taxes

Discusion of sales and property tax data once we can process property tax data from Tax Collector and Assessor's office

3 Housing

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco has become poster child for the housing affordability crisis afflicting America's cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Central Waterfront neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the City has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

The *Central Waterfront Plan* calls for housing affordable to a wide range of incomes that enhance the mixed-use character of designated areas. The *Plan* also encourages housing compatible with the historic Dogpatch area, especially in scales and densities that reflect the area's fine-grained fabric. The *Plan* envisioned that as many as 2,000 additional housing units can be accommodated within the plan boundaries. Mindful of the area's industrial character, new housing will be permitted only in the UMU district, generally north of 23rd Street.

The *Plan* also recognizes the value of sound, existing housing stock and call for its preservation. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

The Planning Department's latest housing inventory, using US Census and permit data, shows that the South of Market planning district, which includes Central Waterfront, has roughly 26,000 housing units as of the end of 2015; this represents about 7% of the citywide total.[3] Table 3.1.1 shows that approximately 399 new units were built in the past five years in the Central Waterfront, compared with 200 units built between 2006 and 2010. Of the new units produced, 196 were conversions from non-residential uses and the rest were completed from new construction. The yearly average, at about 80 units, has almost doubled when compared with the average between 2009 and 2010, at an average of 40 units per year. Table 3.1.2 shows the citywide figures for comparison. Map 4 shows the location of recent housing construction. Additional details about these new development projects can be found in Appendix B, List BL-3.

[3] 2015 San Francisco Housing Inventory.

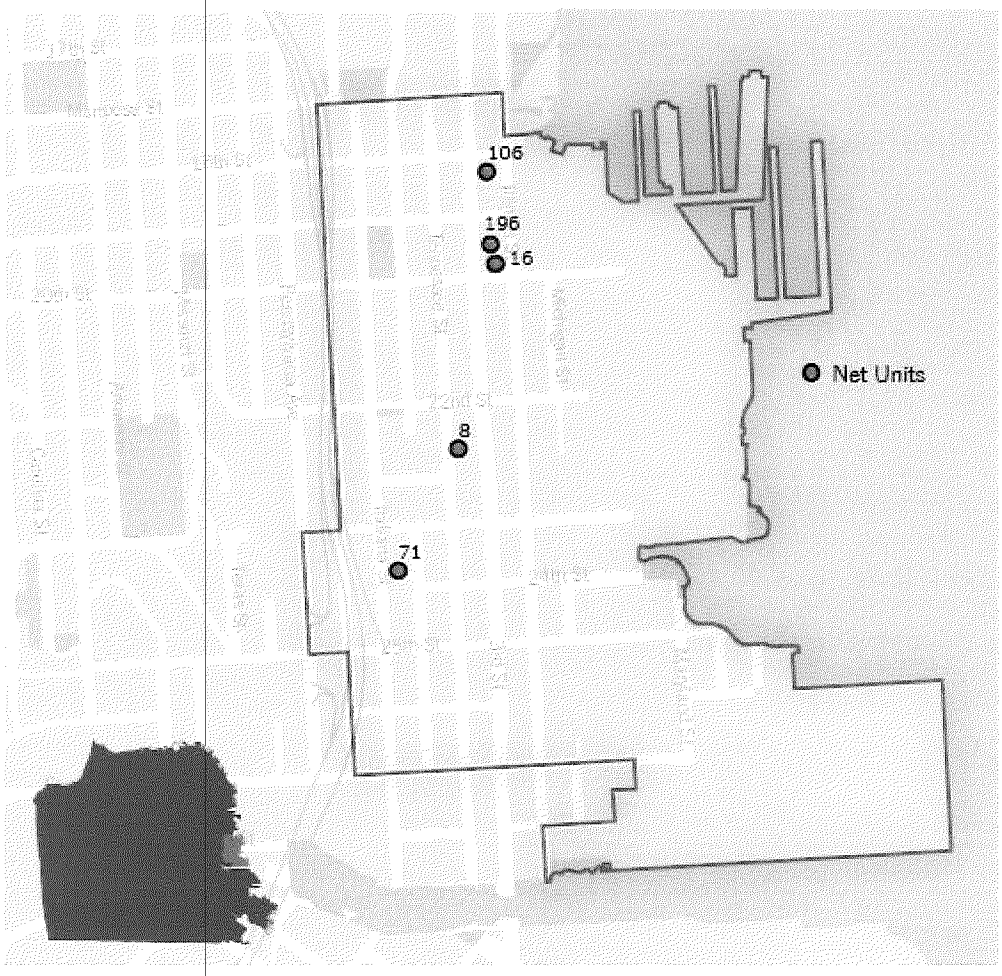
Table 3.1.1 New Housing Production, Central Waterfront, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	3	-	-	3
2012	32	-	196	228
2013	16	-	-	16
2014	144	-	-	144
2015	8	-	-	8
TOTAL	**203**	**-**	**196**	**399**

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

Map 4 New Housing Production Central Waterfront 2011-2015



Note: Projects that added 5 or more net new units

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved.

The pipeline for new housing development in the Central Waterfront as of the end of 2015 is 2,588 units, of which 1,870 are under review. Roughly 310 units are entitled, and a little over 400 units are currently under construction, as shown on Table 3.2.1. The pipeline for the Central Waterfront accounts for about 2% of the total number of projects in the City, though only 4.7% of the number of units, which suggests that some of the new projects pending approval, such as the Pier 70 project, are of larger scale than housing developments in the pipeline for San Francisco as a whole.

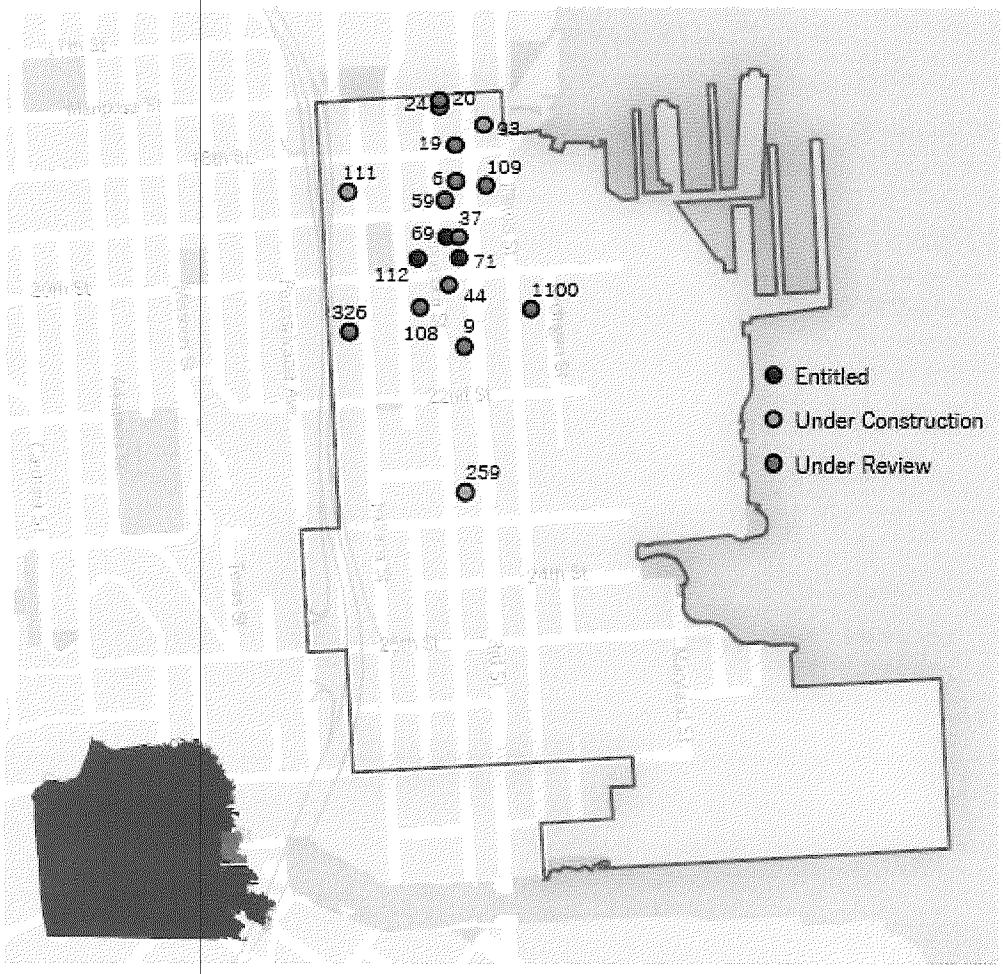
The current housing pipeline is much more robust than it was at the end of 2010, shown in the previous Monitoring Report. In that year, only three projects (with a total of 269 units) were under construction, two projects with 10 units were entitled, and four projects with 127 units were under review. As of the end of 2015,the number of entitled projects tripled for more than 30 times the number of units, reflecting a much stronger market and willingness by developers to build new housing.

Map 5 shows the location of these proposed housing projects by development status. List BL-4 in Appendix B provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Central Waterfront, and San Francisco, Q4 2015

Development Status	Central Waterfront		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	**408**	**5**	**8,691**	**232**
Planning Entitled	**310**	**6**	**26,063**	**350**
Planning Approved	110	2	23,101	80
Building Permit Filed	69	1	513	31
Building Permit Approved/ Issued/ Reinstated	131	3	2,449	239
Under Review	**1,870**	**15**	**27,760**	**712**
Planning Filed	1,751	12	17,852	198
Building Permit Filed	119	3	9,908	514
Total	**2,588**	**26**	**62,514**	**1,294**

Map 5 Housing Development Pipeline by Development Status, Central Waterfront, Q4 2015



Note: Only includes residential developments with 5 or more units.

3.3 Affordable Housing in the Central Waterfront

San Francisco and the *Central Waterfront Plan* have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

The *Central Waterfront Plan* recognizes that housing affordability, together with a mix of housing types, fosters a diverse and vibrant community. The *Plan* relies on three mechanisms to provide affordable housing in the plan area:

a) Providing a high percentage of affordable units, above and beyond the City's Inclusionary Program, in new mixed income projects;

b) Allowing developers of market-rate housing to dedicate land for the development of 100 percent affordable housing available to very low and low-income households;

c) Encouraging the provision of moderate affordable units on-site, as housing available to middle income households (those making below 150 percent of the median income).

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods, and Central Waterfront

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000. Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched HOPE SF, a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in Appendix 8.5.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[4] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district, in exchange for providing additional affordable housing, with a special focus on middle-income households. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. For example, market-rate housing developments in the Urban Mixed Use (UMU) district are required to restrict between 14.4 and 17.6% of their units to families at or below 55% of AMI for rental and 90% of AMI for ownership, depending on the amount of "upzoning" given to the property by the Plans. If these units are provided off-site, the requirement ranges from 23 to 27%. In the UMU and Mission NCT district, developers also have the option of dedicating land to the City that can be developed as 100% affordable projects.

Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. However, 75% of fees collected in the Mission NCT and East SoMa MUR districts are required to be spent within those districts themselves. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

[4] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

3.4 New Affordable Housing Production, 2011-2015

Affordable housing was a high community priority during the Eastern Neighborhood planning process. The Eastern Neighborhood Plans aim to provide new housing to meet the needs of low, moderate and middle income households. Higher percentages of affordable inclusionary units are required of market-rate developments larger than 10 units.

As table 3.4.1 shows, 68 affordable units were built during the 2011-15 five-year monitoring period, compared to 2 developed in the previous five years (2006-2010). The 68 units built between 2011 and 2015 make up 33.5% of the 203 newly constructed units built in the Central Waterfront (shown on table 3.1.1), substantially greater than the inclusionary housing minimum of 12%. The percentage is greater than the minimum because many residential development projects choose to provide on-site units, with two projects providing more than the minimum requirement. Only one project choose to pay a fee to the City in lieu of building the units on-site. The project which opted to pay the "in-lieu" fee (shown on table 3.4.3) brought in over $21,000,000 for the City's housing development program, managed by MOHCH. By comparison, the citywide share of new affordable housing construction was 27%, over 3,300 units (Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015. Additional details about these affordable housing projects can be found in *Appendix B, List BL-5.*

Table 3.4.1 Affordable Housing Production, Central Waterfront, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	-	-	-	-
2012	-	43	-	43
2013	-	2	-	2
2014	-	23	-	23
2015	-	-	-	-
TOTAL	**-**	**68**	**-**	**68**

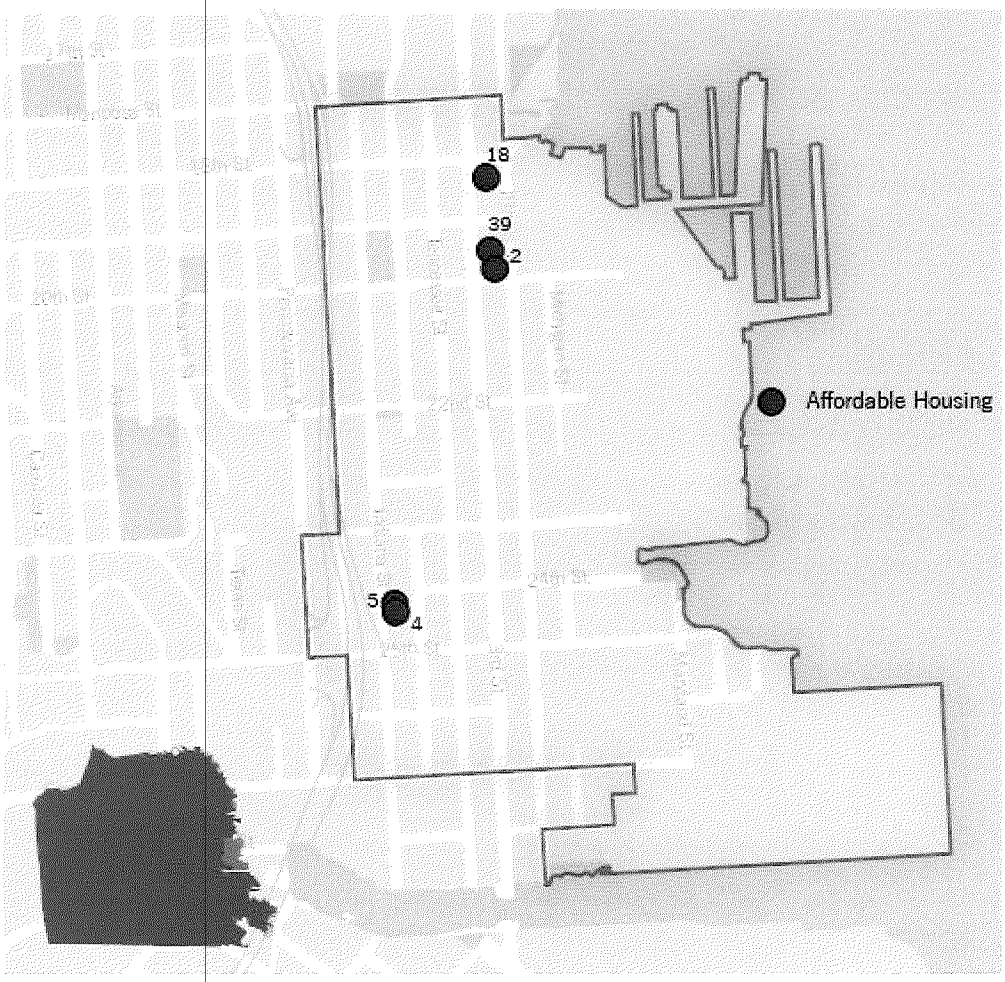
Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

Table 3.4.3. Housing Developments Opting for Affordable Housing "In-lieu" Fee, Central Waterfront, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
800 INDIANA ST	2015	$21,503,695

Map 6 New Affordable Housing, Central Waterfront, 2011-2015



3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. The *Central Waterfront Plan* supports the preservation of the area's existing housing stock and prohibits the residential demolition unless these would result in sufficient replacement of housing units. Demolitions are also restricted to ensure the preservation of affordable housing and historic resources. A neighborhood's housing stock can also change without physical changes to the building structure.

In the reporting period, only one unit in the *Central Waterfront Plan* area was demolished (Table 3.5.1). Citywide, the number of units lost through demolition totaled 572. Table 3.5.2 shows citywide figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important element of housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, The SRO, with 49 units, in the Central Waterfront provide housing affordable to lower income, single-person households. These SROs units within the Central Waterfront Plan area make up less than one percent of the citywide total of SROs. Appendix H includes a list of SRO properties and number of residential units.

The following subsections document the trends in these various types of changes to the housing stock in the *Central Waterfront Plan* and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units lost to alteration or demolition

In this most recent reporting period, no units were demolished or lost through alteration in the Central Waterfront. In the previous reporting period, 1 unit was lost to demolition.

3.5.2 Condo Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the City's rental stock. In 2014, an estimated 58% of households in the Central Waterfront were renters, which reflects 10% more than 2009. About 1% of San Francisco's rental units are in the Central Waterfront as of 2014, the same figure as in 2009.[5]

Table 3.6.1 shows that in the last five years, one unit in one building in the Central Waterfront was converted to condominiums, compared to eight units in four buildings between 2006 and 2010. This represents less than 1% of all condo conversions citywide.

[5] San Francisco Neighborhood Profiles, American Community Survey 2010-2014. San Francisco Planning Department 2016. The neighborhood boundaries for the Central Waterfront in the Neighborhood Profiles do not match perfectly with the Plan Area boundaries, though they are very close. Therefore, these percentages should be read as approximations.

Table 3.6.1 Condo Conversion, Central Waterfront, 2011-2015

Year	Central Waterfront		San Francisco		Central Waterfront as	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	-	-	200	472	0%	0%
2012	1	1	201	488	0.50%	0.20%
2013	-	-	147	369	0%	0%
2014	-	-	239	727	0%	0%
2015	-	-	149	500	0%	0%
Totals	**1**	**1**	**936**	**2,556**	**0.11%**	**0.04%**

Source: DPW Bureau of Street Use and Mapping

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.6.2 shows that owner move-ins led to evictions in four units (compared to no loss of units between 2006 and 2010). Owner move-in evictions in the Central Waterfront accounted for less than 1% of the citywide total between 2011 and 2015. Other types of evictions, also tabulated in Table 3.6.2, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.6.2 Evictions, Central Waterfront, 2011-2015

Year	Central Waterfront			San Francisco			Central Waterfront as % of		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	2	0	2	123	54	1102	2%	0%	0%
2012	1	0	0	172	99	1343	1%	0%	0%
2013	0	0	0	275	229	1368	0%	0%	0%
2014	0	0	1	315	101	1550	0%	0%	0%
2015	1	0	0	425	142	1518	0%	0%	0%
Totals	**4**	**-**	**3**	**1,310**	**625**	**6,881**	**0%**	**0%**	**0%**

Source: SF Rent Board

3.6 Jobs Housing Linkage Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011-12 and 2015-16, commercial developments in the Mission Plan Area generated over $900,000 to be used for affordable housing development by the city.

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	-
2013-14	$	608,160
2014-15	$	303,688
2015-16	$	-
Total	**$**	**911,848**

*Department of Building Inspection as of 6/1/16

4 Accessibility, Transportation, and Parking

In recent years, the City has invested heavily in the T-Third Street light rail service to improve transit accessibility in the Central Waterfront. While there are multiple Muni stops and a light rail line along Third Street, transit use is only the second most prominent mode of travel to work for employed residents of the area (Table 4.1.1). Compared to city figures, Central Waterfront commuters travelled by alternative modes at slightly lower rates. The 2005-2009 American Community Survey estimated that 43% of Central Waterfront residents used transit to work while 42% commuted by car; 35% took public transportation to work; 4% walked to work and 5% reported biking to work. The number of people working from home was estimated at 5%. Citywide, 47% of commuters travel by car and 32% by transit; 10% walked to work, 3% biked, and 2% commuted by other means; 7%, however, worked from home.

Table 4.1.1 Commute Mode Split, Central Waterfront and San Francisco, 2011-2015

Transport Mode	Central Waterfront		San Francisco		Central Waterfront as % of San
	No of Commuters	%	No of Commuters	%	
Car	598	42%	199,470	44%	0%
Drove Alone	459	32%	165,151	36%	0%
Carpooled	139	10%	34,319	8%	0%
Transit	493	35%	150,222	33%	0%
Bike	63	4%	17,356	4%	0%
Walk	77	5%	46,810	10%	0%
Other	67	5%	10,579	2%	1%
Worked at Home	126	9%	32,233	7%	0%
Total	**1,424**	**100%**	**456,670**	**100%**	**0%**

Source: 2005-2009 American Community Survey

4.1 Eastern Neighborhoods TRIPS Program

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

The *Central Waterfront Plan* calls for the creation of a network of "Green Connector" streets with wider sidewalks and landscaping improvements that connects open spaces and improves area walkability. Specifically, the Plan proposes to create a greenway along 22nd Street that will connect Warm Water Cove to Dogpatch's commercial core. Additional greenways are proposed along Minnesota Street to connect Esprit Park to Muni Park. These and other specific streetscape improvements remain under study as of the writing of this report.

In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The T-Third Street light rail service will see some upgrades to its traffic signal detection system this coming winter. The first of three phases along 3rd Street will begin to replace 12 of 67 intersection video detection systems with wireless technology, which will improve reliability, accuracy and offer easier maintenance. The cross-traffic detection system will be sensitive to both motor vehicles and bicycles. As for bicycle improvements, a new stretch of bike route is planned for Minnesota Street, parallel to 3rd Street, between 23rd St and Cesar Chavez Street.

Table 4.2.1. Vision Zero Projects in Central Waterfront Plan Area

Table 4.2.1. Vision Zero Projects in Central Waterfront

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)
Green Connections - 22nd Street	Summer 2014	Winter 2017/18	DESIGN	$ 1,075,000.00
Replace Video Detection on 3rd Street Phase 1	Winter 2015/16	Winter 2015/16	CONST	$ 300,000.00

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks, and Open Space

The maintenance of existing, and provision of new, recreation and park facilities are also called for by the *Central Waterfront Plan.* As an industrial area, many parts of the Central Waterfront Plan Area are not within walking distance of an existing park or other open space that serves workers and residents. Specifically, the *Plan* identifies a need for 1.9 acres of new open space to serve both existing and new residents, workers and visitors.

One of the major developments for open space and recreation identified in the *Plan* is the development of Crane Cove Park on Pier 70 and the expansion of Warm Water Cove. This component of the Blue Greenway/Bay Trail— a project to improve the City's southerly portion of the 500 mile, nine-county, region-wide Bay Trail— would create nine acres for open space and recreation, making it the largest park within the plan area. The completed park will include a variety of landscape and plaza areas, public accessibility to the Bay's thousand feet of shoreline, adaptive reuse of historic resources, and views of the city skyline.

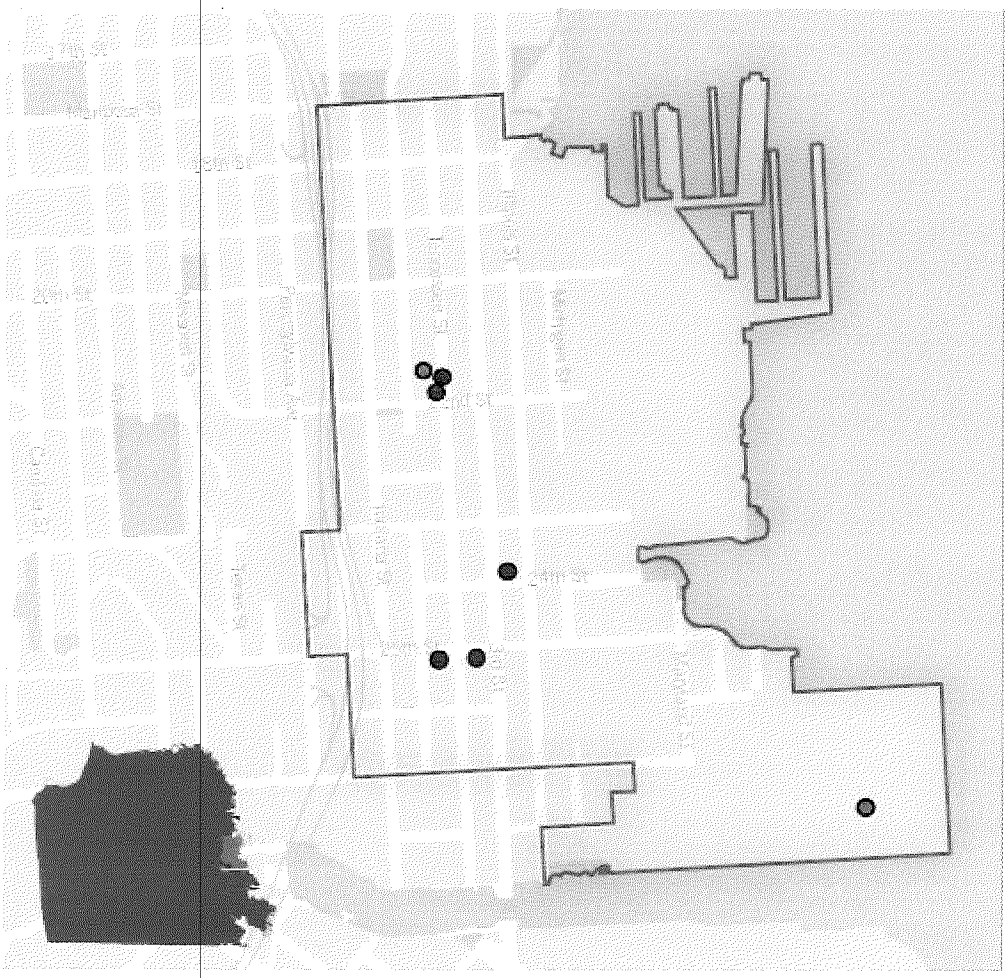
Additionally, the *Plan* proposes to encourage some private open space in residential neighborhoods and utilization of existing rights-of-ways to provide pocket parks. In addition to Crane Cove Park, the City has been working with the Port of San Francisco on the expansion of Warm Water Cove. Located at 19th and Illinois Street, Crane Cove Park may bring over 1,200 feet of Bay edge access, and a small boat/aquatic center.

5.3 Community Facilities and Services

As more new housing development is expected in the Central Waterfront, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. One example in the Dogpatch neighborhood is Alive & Free (formerly called the Omega Boys Club) a non-profit center aimed at youth development and violence prevention.

The Central Waterfront is expected to increase its limited housing supply in the future. There are few neighborhood services and amenities however, to meet the needs of residents or workers (Map 7). As new housing development is expected in the Central Waterfront, new residents will increase the need to add new community facilities and to maintain and expand existing ones.

Map 7: Community Facilities, Central Waterfront



- Hospitals
- Libraries
- Community Based Organizations
- Child CareFacilites
- Schools
- Fire Stations
- Churches

5.4 Historic Preservation

Historic preservation team could not get information together in time. We can discuss contents at 6/20 meeting.

The Central Waterfront historic survey has been completed and adopted by the Historic Preservation Commission. The *Central Waterfront Plan* boundary is from Mariposa Street south to Islais Creek and from the I-280 east to the Bay. The Planning Department and the Dogpatch Neighborhood Association surveyed the plan area in 2000 and 2001. All properties built before 1956 within the *Central Waterfront Plan* Area were surveyed. A significant residential enclave has since been listed in Article 10 of the Planning Code as the Dogpatch Historic District. The Port of San Francisco has independently opted to seek consultant services to focus on Pier 70 Port-owned properties for more intensive historical analysis.

The Department's 2001 survey was updated in 2007 and 2008 to include the completion of a historic district record for the industrial area outside of both Pier 70 and Dogpatch. Recommendations to establish new historic districts and designate individual structures of merit will follow.

5.5 Neighborhood Serving Establishments

Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. Everything from grocery stores, auto shops and gas stations, to banks and schools which frequently host other activities, can be considered "neighborhood serving." This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see Appendix D for a list of business categories used).

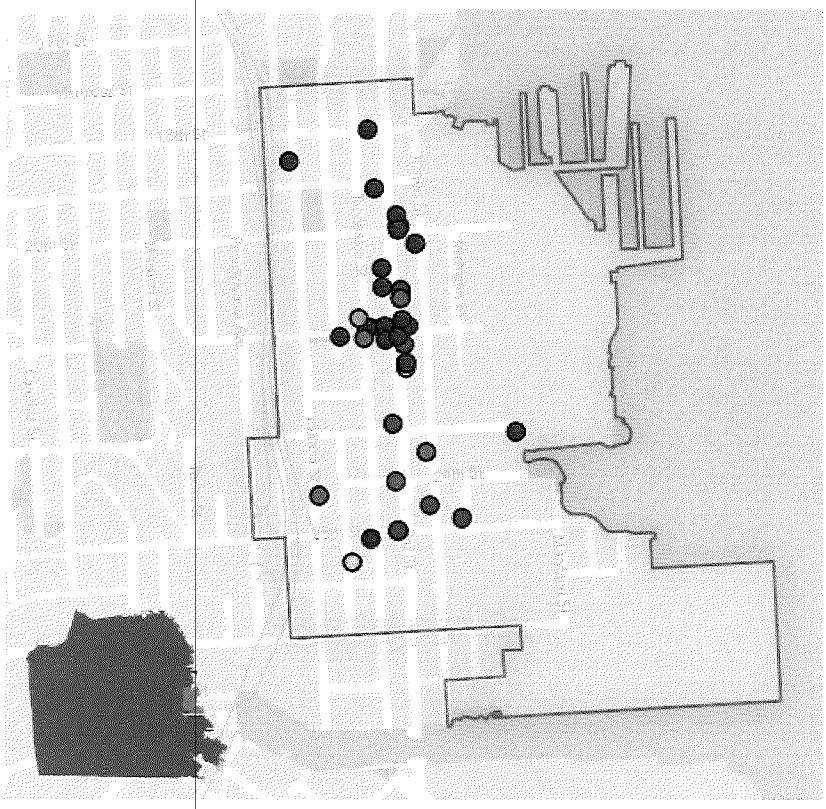
By this definition, the Central Waterfront is home to almost 50 neighborhood serving businesses and establishments employing over 520 people. Many of these businesses are estimated to have been established since 2006. These tend to be smaller businesses frequented by local residents and workers.

As shown in Table 5.4.1, neighborhood serving businesses in the Central Waterfront are mostly restaurants and a variety of other food and drink establishments. These businesses are located throughout the Central Waterfront but concentrated along 3rd Street (Map 8).

Table 5.4.1 Neighborhood Serving Establishments, Central Waterfront

Type	Establishments	Employment
Full-Service Restaurants	8	183
Snack and Nonalcoholic Beverage Bars	5	58
All Other Specialty Food Stores	3	42
Limited-Service Restaurants	4	42
Drinking Places (Alcoholic Beverages)	4	29
Sporting Goods Stores	1	26
Cafeterias, Grill Buffets, and Buffets	1	26
General Automotive Repair	3	19
Electronics Stores	3	17
Gasoline Stations with Convenience Stores	1	15
Pet Care (except Veterinary) Services	1	12
Retail Bakeries	2	11
Fitness and Recreational Sports Centers	1	11
Family Clothing Stores	1	8
Beauty Salons	2	8
Baked Goods Stores	1	7
Civic and Social Organizations	1	6
Nail Salons	1	5
Florists	1	2
Beer, Wine, and Liquor Stores	1	2
Fruit and Vegetable Markets	1	1
Used Merchandise Stores	1	1
Total	**47**	**528**

Map 8 Neighborhood Serving Businesses in the Central Waterfront



- 311 - Food Manufacturing
- 443 - Electronics and Appliance
- 445 - Food and Beverage
- 446 - Health and Personal Care
- 447 - Gas Stations
- 448 - Clothing and Accessories
- 451 - Sporting goods, Hobby, Musical Instrument and Books
- 452 - General Merchandise
- 453 - Miscellaneous
- 519 - Other Information
- 522 - Credit Intermediation
- 532 - Rental and Leasing Services
- 611 - Educational Services
- 624 - Social Assistance
- 713 - Amusement, Gambling and Recreation
- 722 - Food Services and Drinking Places
- 811 - Repair and Maintenance
- 812 - Personal and Laundry Services
- 813 - Religious and Civic Organizations

6 Implementation of Proposed Programming

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) started meeting on a monthly basis in October 2009. The CAC is comprised of 19 members of the public appointed by the Board of Supervisors or the Mayor. The CAC focuses on implementation of the Eastern Neighborhoods Implementation Program and priority projects. Together with the IPIC, discussed below, the CAC determine how revenue from impact fees are spent. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee and Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee include three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. In the Mission District NCT and MUR (Mixed-Use Residential) Districts, 75% of fees collected from residential development is set aside for affordable housing for the two respective Plan Areas. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected nearly $47 million in impact fees, as shown on table 6.2.2.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,535,000
TRANSPORTATION / TRANSIT	$16,306,000
COMPLETE STREETS	$6,709,000
RECREATION AND OPEN SPACE	$16,937,000
CHILDCARE	$2,361,000
Total	**$46,848,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect $140 million from the Eastern Neighborhoods impact fee program, as shown on table 6.2.3.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$23,244,000
TRANSPORTATION / TRANSIT	$28,940,000
COMPLETE STREETS	$8,065,000
RECREATION AND OPEN SPACE	$3,906,000
CHILDCARE	$5,976,000
Total	**$140,131,000**

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-15

Area	Revenue	Projects
Mission	$5,357,000	58
East SoMa	$14,635,000	35
Showplace/Potrero	$11,384,000	23
Central Waterfront	$10,034,000	19
Western SoMa	$6,940,000	15
TOTAL	**$48,350,000**	**150**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Planning Efforts

The Central Waterfront of San Francisco continues to grow, accommodating both new housing and neighborhood commercial services, while maintaining many historic industrial marine functions. As more development is realized in the neighborhood, the public realm of the Central Waterfront should receive appropriate improvements that better serve residents and employees.

The *Central Waterfront / Dogpatch Public Realm Plan* will set the framework for public space improvements in the neighborhood, guiding the investment of impact fees and other sources in the streetscapes and parks which tie the area together. The Plan consists of three components: Through a robust community engagement process, the plan will finalize a prioritized list of streetscape, open space, and other public realm projects. Working with neighborhood residents, businesses, and property owners, the plan will produce detailed design for the highest priority projects, with conceptual designs for the remaining projects. Finally, the Plan will provide robust cost estimates for each of the projects. As of writing, the *Public Realm Plan* is engaging with residents and neighborhood groups to gather feedback regarding streetscape design opportunities in the corridor through public workshops.

In addition to streetscape design and improvements, the City has already invested heavily in the T-Third Street light rail service in the Central Waterfront. Expected growth in travel demand however, may result in substantially increased travel volumes on Third Street due to its growing residential population and expansion of "knowledge sector" jobs in the area, especially considering its proximity to Mission Bay, and other Muni connections. The T-Third Street light rail will add new rail cars as well as increase weekday peak hours service to accommodate for the travel volumes. Other lines, such as the 33, will also see increase frequency to support service improvements. A new route, line number 58, will be considered to supplement route 48 services by spring 2017. The new 58 route will run on 24th Street between Connecticut and Diamond during AM and PM peak hours.

DRAFT East SoMa Area Plan Monitoring Report 2011-2015

1 INTRODUCTION: EAST SOMA PLAN MONITORING REPORT

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s—C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Moreover, the residential areas in these neighborhoods are well-served by public transportation (including two BART stops in the Mission), have vibrant cultural amenities, and feature many attractive older buildings. These neighborhood assets and new employment opportunities have served as strong magnets for high wage earners and market rate housing developers, creating a strong influx of new, more affluent residents.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize the neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process recognized the need to produce housing opportunities for residents of all income levels, which requires not just the development of new units at market rates, but also opportunities for low and moderate income families. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

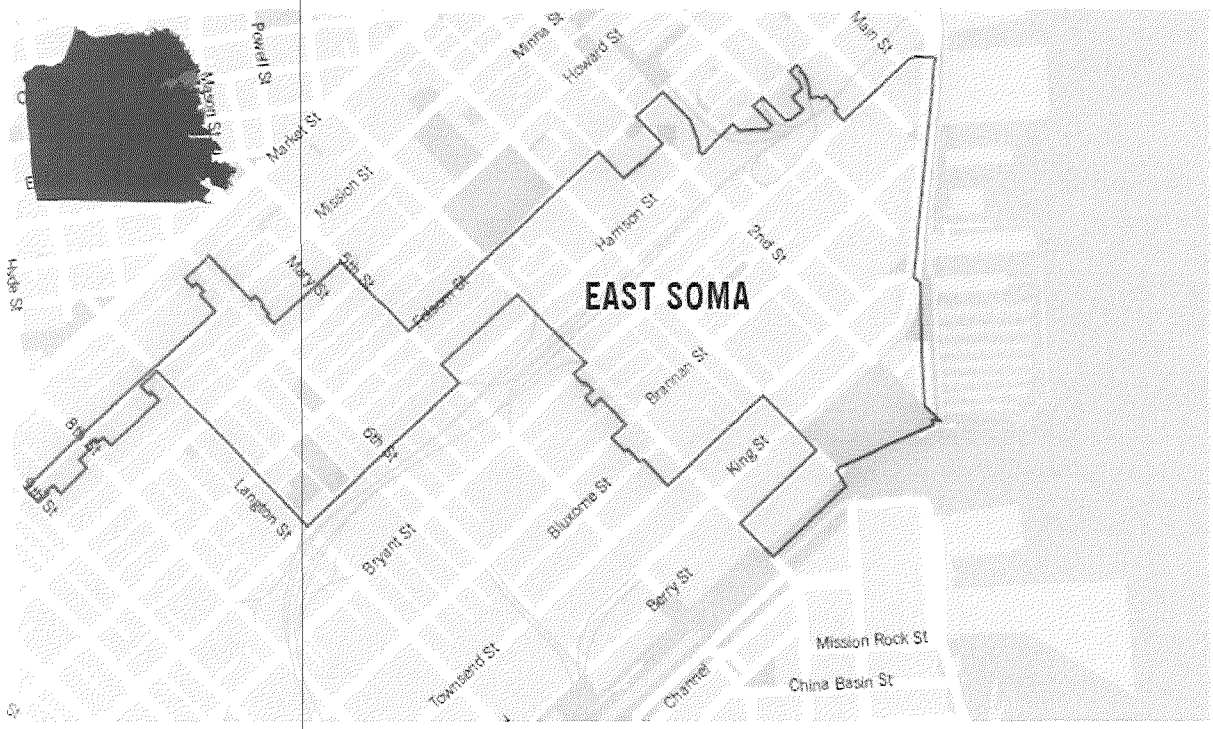
The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

The boundaries of the *East SoMa Plan* area are shown in Map 1.

MAP 1



East SoMa has always been a mixed-use neighborhood, with small-scale residential areas like South Park nestled in among industrial uses. The neighborhood's proximity to downtown San Francisco and its historic stock of large industrial buildings made it an ideal candidate for redevelopment, and indeed the neighborhood saw significant change in the 1990s; first with the development of thousands of live-work units, and then as demand for office space swept through the neighborhood during the "dot com boom". In response to the rapid changes taking place in neighborhood, the East SoMa Area Plan set out to continue to allow housing and job growth, but shape that growth in a way that met the needs of existing and future residents; by ensuring a mix of uses, neighborhood amenities, and affordable housing. In addition to the Eastern Neighborhoods-wide objectives, the following community-driven goals were developed specifically for East SoMa:

- encourage an appropriate mix of uses in East SoMa
- retain and promote businesses and organizations that contribute to the diversity of the neighborhood
- encourage more neighborhood-serving businesses
- attract jobs for local residents
- encourage a mix of incomes in renter- and owner-occupied households
- increase affordable household opportunities
- improve the character of streets and encourage pedestrian safety
- improve community facilities and enhance open space
- offer a variety of transportation options

1.1 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

The *East SoMa Area Plan Monitoring Report 2011-2015* is part of the set of Eastern Neighborhoods monitoring reports covering the period from January 1, 2011 to December 31, 2015. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Mission area and other Eastern Neighborhoods (including Western SoMa) will be released in years ending in 1 and 6.

While the previous Monitoring Report covered only the small amount of development activities in the years immediately preceding and following the adoption of the *East SoMa Plan* in 2008, this report contains information and analysis about a period of intense market development and political activity in East SoMa. The time series report relies primarily on the *Housing Inventory*, the *Commerce and Industry Inventory*, and the *Pipeline Quarterly Report*, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 COMMERCIAL ACTIVITYAND JOB CREATION

East SoMa has long been a mixed-use neighborhood, with commercial and residential uses located side-by-side. Though the nature of commercial uses present in the neighborhood have changed over time, especially in recent years, the East SoMa Plan generally supports a mix of uses, including new affordable and market rate housing, offices and retail. Because of East SoMa's proximity to the city center, the Plan did not strongly protect area PDR businesses, anticipating that a number of establishments would remain, while a variety of new uses would add to the unique mix of activities in the area.

East SoMa largely lacks the type of neighborhood commercial districts found in San Francisco's more traditional residential neighborhoods. One notable exception is the SoMa Neighborhood Commercial Transit (NCT) district along 6th Street and parts of Folsom Street. Instead, neighborhood serving businesses are scattered throughout, with clusters along 2nd Street, 4th Street adjacent to the Caltrain station, and near the AT&T Ballpark.

ADD PHOTO OF ATT PARK?

2.1 Commercial Space Inventory

Table 2.1.1 is an inventory of non-residential space in East SoMa as of 2015. Generally the mix of non-commercial uses in East SoMa mirrors that of the city overall. Over half of the commercial space in East SoMa area is used for offices, not surprising given the neighborhood's location adjacent to downtown. A further 18% of commercial building space is devoted to PDR and light industrial uses, while 14% contains retail uses. Relative to the city as a whole, CIE, Medical and Visitor/Lodging uses are underrepresented in East SoMa.

Table 2.1.1 Commercial Building Space, East SoMa and San Francisco, 2015

Non-Residential Land Use	East SoMa		Citywide		East SoMa as % of San Francisco
	Area	%	Area	%	
Cultural, Institution, Educational	716,755	10%	29,898,514	13%	2%
Medical	228,042	3%	17,468,039	7%	1%
Office	3,923,974	54%	107,978,954	45%	4%
PDR / Light Industrial	1,335,278	18%	42,299,526	18%	3%
Retail	1,060,381	14%	36,265,832	15%	3%
Visitor / Lodging	69,954	1%	4,053,422	2%	2%
Total	**7,334,384**	**100%**	**237,964,287**	**100%**	**3%**

Table 2.1.2 New Commercial Development, East SoMa 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	-	-		(2,500)			(2,500)
2012	-	-	-	(82,995)	-1785	-	(84,780)
2013	-	-	48,411	(53,836)	0	-	(5,425)
2014	-	-	179,799	(231,277)	15525	-	(35,953)
2015	-	-	377,210	(113,215)	9193	-	273,188
Total	**-**	**-**	**605,420**	**(483,823)**	**22,933**	**-**	**144,530**

Table 2.1.3 New Commercial Development, San Francisco 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	10,477	0	40,019	(18,075)	16,854	0	49,275
2012	(52,937)	0	24,373	(164,116)	32,445	0	(160,235)
2013	66,417	0	335,914	(236,473)	5,941	(69,856)	101,943
2014	446,803	1,815,700	603,997	(473,337)	60,125	63,286	2,516,574
2015	(21,456)	20,000	460,508	(183,775)	65,419	0	340,696
Total	**449,304**	**1,835,700**	**1,464,811**	**(1,075,776)**	**180,784**	**(6,570)**	**2,848,253**

Table 2.1.2 shows commercial and other non-residential development activity in the East SoMa Plan area between January 1, 2011 and December 31, 2015 while Table 2.1.3 shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to

another. East SoMa gained roughly 605,000 square feet of office space and 23,000 square feet of retail space from 2011 to 2015, while losing almost 484,000 square feet of PDR space.

Three large office projects accounted for roughly two-thirds of the 605,000 net new square feet of office space developed in East Soma from 2011 to 2015: 333 Brannan Street, a 176,000 sf office building which replaced a surface parking lot and two industrial buildings totaling 13,740 square feet of PDR space, 345 Brannan Street, an adjacent 103,000-square foot office building which replaced a surface parking lot, and 665 3rd Street, an adaptive reuse project which converted 124,000 square foot of PDR space to office. A more detailed discussion of the projects involving PDR loss follows in section 2.3. The roughly 23,000 square feet of new retail space was added in largely the ground floors of new residential or office buildings.

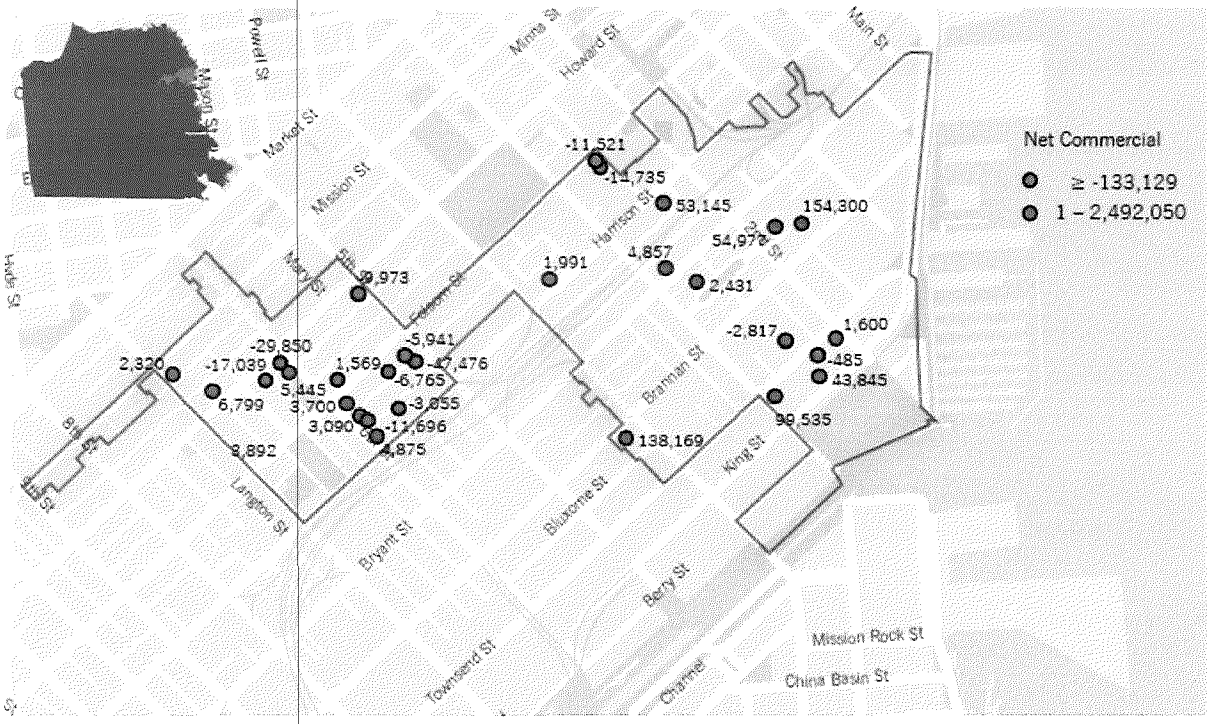
333 and 345 Brannan Street (2016) Google Streetview

333 and 345 Brannan Street (2011) Google Streetview

665 Third Street (2016) Google Streetview

Map 2 shows the location of the larger-scale non-residential developments. (See List BL-1 in Appendix B for detailed information.)

Map 2 New Commercial and Other Non-Residential Development, East SoMa 2011-2015



2.2 Commercial Development Pipeline

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table 2.2.1 as "Under Review" and "Entitled". Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, Entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction and receive certificates of occupancy.

The overall commercial development pipeline in East SoMa shows a slight shift compared to what took place during the reporting period of 2011-15 (Table 2.2.1). East SoMa will continue to see PDR space converted to other uses; more to residential uses than in previous years, but also to office uses. For the first time since the Eastern Neighborhoods plans were adopted, East SoMa will see a significant amount of Visitor/Lodging space constructed.

Entitled projects include 270 Brannan Street, a 154,000 square foot office project, and several mixed-use residential buildings that will add small ground floor retail spaces. Entitled projects that propose to convert PDR to other uses are mostly small spaces (up to about 7,000 square feet) that will be redeveloped as residential or mixed-use residential buildings. One exception is 340 Bryant Street, which will convert 45,000 square feet of PDR space to office space.

The projects in the pipeline that have not yet been entitled show a net gain of 239,000 square feet of non-residential uses in East SoMa in the near future. If all of these developments are completed, the Planning Department expects losses of about

140,000 square feet of PDR space, 94,000 sf of retail space and 17,000 sf of CIE space, but gains of 388,000 sf of office space and 101,000 sf of visitor/lodging space. The large loss in retail is somewhat surprising, given recent trends, and is largely attributable to two projects, 135 and 144 Townsend Street, which both propose to replace large retail and storage buildings with office space.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the East SoMa represents less than 2% of the citywide pipeline. Map 3 shows the locations of the larger proposed commercial developments in the plan area. (See List BL-2 in Appendix B for detailed information.)

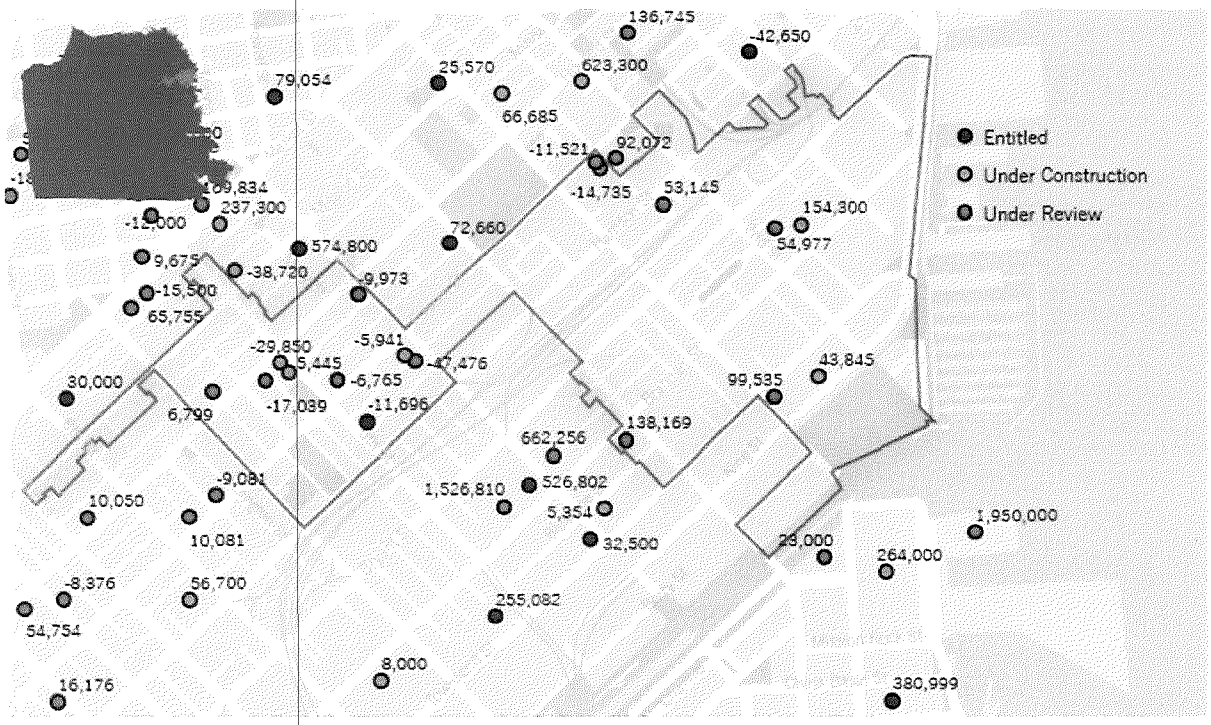
Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, East SoMa Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical Office	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**163,082**	**1,600**	**-**	**184,755**	**(72,115)**	**26,297**	**22,545**
Construction	160,350	-	-	146,800	(19,530)	10,535	22,545
Planning Approved	1,756	-	-	(12,396)	(1,610)	15,762	-
Building Permit Filed	1,600	1,600	-	-	-	-	-
Building Permit Approved/ Issued/ Reinstated	(624)	-	-	50,351	(50,975)	-	-
Under Review	**239,013**	**(16,622)**	**-**	**388,032**	**(139,840)**	**(93,789)**	**101,232**
Planning Filed	190,801	-	-	355,418	(132,310)	(133,539)	101,232
Building Permit Filed	48,212	(16,622)	-	32,614	(7,530)	39,750	-
Grand Total	**402,095**	**(15,022)**	**-**	**572,787**	**(211,955)**	**(67,492)**	**123,777**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2015

Development Status	Total Commercial Sq Ft	Retail	Cultural, Educational, Institutional	Office	Medical Office	PDR/Light Industrial	Visitor/ Lodging
Planning Entitled	**12,972,978**	**1,411,308**	**(38,206)**	**9,447,328**	**50,471**	**1,771,734**	**330,343**
Construction	4,939,101	1,098,708	(58,871)	3,876,705	(290,327)	502,449	(189,563)
Planning Approved	6,432,299	1,942	4,665	4,564,642	316,417	1,086,079	458,554
Building Permit Filed	(63,752)	4,343	-	(34,830)	(33,939)	674	-
Building Permit Approved/ Issued/ Reinstated	1,665,330	306,315	16,000	1,040,811	58,320	182,532	61,352
Under Review	**10,420,494**	**1,042,013**	**1,875**	**8,565,780**	**(710,730)**	**1,102,999**	**418,557**
Planning Filed	8,754,024	1,084,228	1,875	7,062,107	(665,345)	1,070,412	200,747
Building Permit Filed	1,666,470	(42,215)	-	1,503,673	(45,385)	32,587	217,810
Total	**23,393,472**	**2,453,321**	**(36,331)**	**18,013,108**	**(660,259)**	**2,874,733**	**748,900**

Map 3 Commercial and Other Non-Residential Development Pipeline, East SoMa Q4 2015



2.3 Changes in PDR Uses

As discussed above, East SoMa (and the Eastern Neighborhoods more broadly), have experienced economic changes that have made many areas highly attractive to residential and office development. These types of uses are generally able to afford higher land costs than industrial uses, and therefore can outbid PDR businesses for industrially-zoned land. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations – M-1, M-2, and C-M – permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. The Eastern Neighborhoods planning process involved long deliberations over where to focus efforts on preserving PDR activities, ultimately deciding that East SoMa, with its close proximity to downtown and the waterfront, was no longer an ideal location for PDR activities. This is reflected in the zoning districts that were created for East SoMa, which generally encourage a mix of uses and do not restrict residential development, unlike the PDR districts created in the Mission, Showplace Square/Potrero Hill, and Central Waterfront.

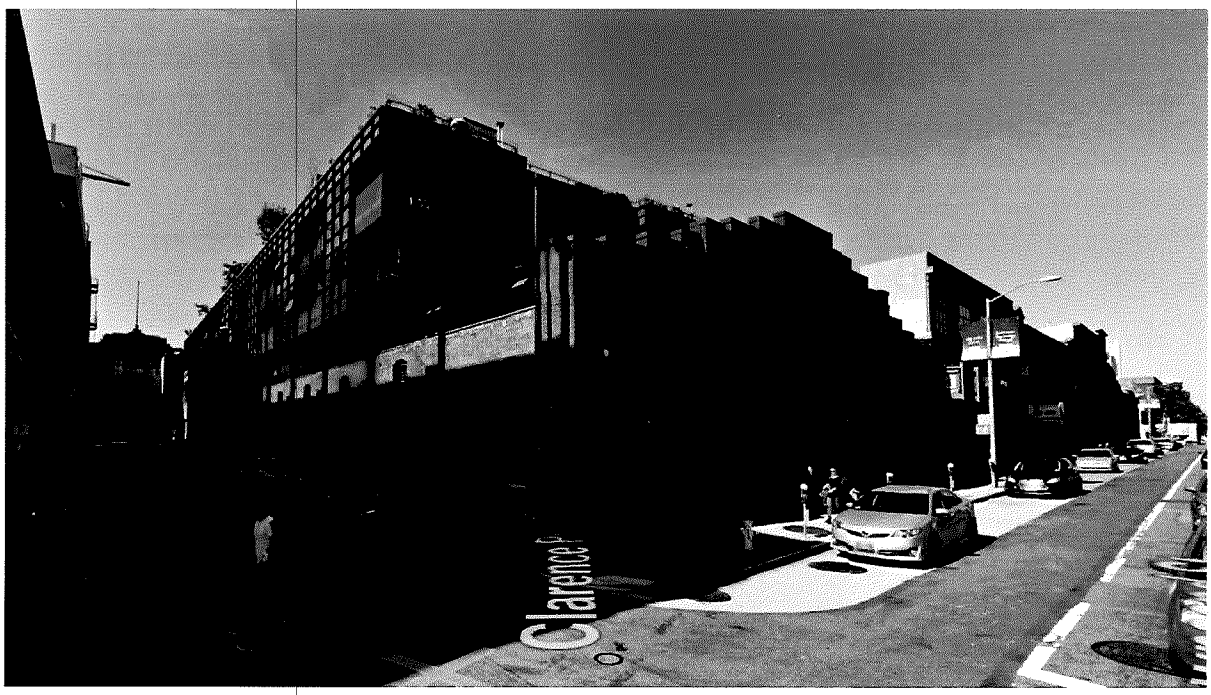
Since the adoption of the East SoMa Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as Tables 2.1.2 and 2.2.1 above illustrate. A detailed investigation of the conversion of PDR space in East SoMa shows that the vast majority of such conversions have been to office space, and that PDR loss occurred throughout the neighborhood.

The bulk of PDR space lost in the Plan Area over the reporting period was replaced by office projects, either in conversions of existing PDR buildings, or demolition of smaller PDR buildings and replacement with new construction. Between 2011 and 2015, two projects in East SoMa replaced PDR space with residential mixed-use projects: 260 5th street (MUR), which demolished a 41,600 square foot warehouse to construct a 151-unit mixed-use residential project, of which 15% of units are affordable to families earning less than 55%AMI, and 166 Townsend Street (SLI), which combined adaptive reuse of an

existing industrial building with new construction for 94 residential units, of which 19 (20%) are affordable to households earning up to 55% of AMI.

260 5th Street (2016) Google Streetview

260 5th Street (2009) Google Streetview



166 Townsend St (2016) Google Streetview

166 Townsend St (2009) Google Streetview

As mentioned in previous sections, all of the 212,000 square feet of PDR space anticipated to lost in pipeline projects in the coming years is to be replaced by mixed-use residential or office buildings, with other commercial uses (primarily retail) occupying the ground floor.

Table 2.3.1. Conversion of PDR Space in East SoMa Plan Area, 2011-15

Project	Zoning	Net PDR	Net Office	Net Retail	Net Units	Affordable Units	Percent Affordable
665 03RD ST	SLI	(123,700)	123,700	-	-	N/A	N/A
178 TOWNSEND ST	SLI	(75,340)	-	1,715	94	19	20%
460 - 462 BRYANT ST	MUO	(59,475)	59,475	-	-	N/A	N/A
275 BRANNAN ST	MUO	(48,411)	48,411	-	-	N/A	N/A
260 05TH ST	MUR	(41,250)	-	5,281	179	27	15%
660 03RD ST	SLI	(40,000)	40,000	-	-	N/A	N/A
938 HOWARD ST	MUR	(25,430)	25,430	-	-	N/A	N/A
111 TOWNSEND ST	MUO	(22,884)	16,786	6,098	-	N/A	N/A
500 2ND ST	MUO	(13,883)	13,883	-	-	N/A	N/A
333 BRANNAN ST	MUO	(13,740)	175,450	3,050	-	N/A	N/A

2.3.1 PDR Protection Policies and Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 complaints of alleged violation for illegal conversions from PDR to Office use in the city. 42 of these cases were found in the Eastern Neighborhoods, six of which were located in the East SoMa Plan Area. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix XX.

Table 2.3.2. Enforcement Cases for Illegal PDR Conversions, East SoMa, 2015

Case Type	Number of Cases		
	East SoMa	Eastern Neighborhoods	Citywide
Closed - Violation	0	6	7
Closed - No Violation	1	9	9
Under Review	1	4	4
Pending Review	4	23	24
TOTAL	**6**	**42**	**44**

Most of these complaints describe large warehouses converting into office uses. Many of these office tenants are hybrid uses where PDR also takes place, but may not be the principal use of the space. If an office use is confirmed to be in operation, Planning encourages the company to alter their business practice to fit within the PDR zoning categories or vacate the property. The table in Appendix XX shows the enforcement cases that were closed and that were actually found to be in violation of the code. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses

to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization to office use; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired in 2013.

In investigating the alleged violations, the Planning Department discovered that the building permit histories often included interior tenant improvements without Planning Department review. These permits do not authorize a change of use to office. To prevent future unauthorized conversion of PDR space the Planning Department worked proactively with the Department of Building Inspection (DBI). Over the course of 2015, Planning worked with DBI during project intakes to better understand the routing criteria and how to ensure Planning review. Both departments' IT divisions worked together to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

Planning also works collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When Planning receives inquiries or complaints related to either vacant spaces in PDR zones or possible unauthorized spaces, Planning informs the property owner about PDR complying uses and refers them to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a training for real estate brokers was conducted in 2015. The purpose of the voluntary training was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including the process for requesting a Letter of Determination. Future trainings will be held based on interest.

2.4 Employment

The East SoMa Plan Area added employment across all land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. This growth in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade, but also the robust growth in high technology sectors and related industries in recent years.[1] Altogether, employment in East SoMa grew from roughly 18,900 jobs in 2010 to almost 33,700 in 2015, with a related increase from 2,000 to 2,200 total establishments, according to the California Employment and Development Department (EDD). Overall, employment in East SoMa grew by 78% from 2010 to 2015. The subsections below discuss the job growth in East SoMa by land use category.

Table 2.4.1. Employment, East SOMA and San Francisco, Q4 2015

	East SOMA				San Francisco			
Landuse	**Establishments**	**Estab. % of Total**	**Jobs**	**Jobs % of Total**	**Establishments**	**Estab. % of Total**	**Jobs**	**Jobs % of Total**
Cultural, Institutional, Educational	36	2%	271	1%	2,010	3%	73,182	11%
Medical	843	38%	1,332	4%	21,833	37%	60,214	9%
Office	709	32%	18,166	54%	15,628	27%	293,014	44%
PDR / Light Industrial	224	10%	5,684	17%	5,280	9%	88,135	13%
Retail	230	10%	7,806	23%	8,241	14%	130,550	20%

[1] See annual San Francisco Planning Department Commerce & Industry Inventory, 2008 – 2015.

Visitor / Lodging	14	1%	156	0%	311	1%	16,688	2%
Other	157	7%	288	1%	4,961	9%	6,953	1%
Total	2,213	100%	33,702	100%	58,264	100%	668,736	100%

2.4.1 Office Jobs

San Francisco is a regional employment hub, with the largest concentration of office jobs in the Bay Area including financial, legal, and other specialized business services. According to the state Employment Development Department (EDD), there were about 293,000 office jobs in San Francisco at the end of June 2015 (Q2). Of these jobs, about 18,170 (about 6% of the citywide total) were in the East SoMa Plan area. Office jobs represent a higher proportion of employment in the East SoMa Plan Area than citywide (see Over the past five years, East SoMa has seen impressive employment growth - 15,000 new jobs almost 80% growth - despite only adding approximately 145,000 square footage of commercial space. In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates. Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country. This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

East SoMa, like the city overall, has seen significant employment growth since 2010, adding jobs in all sectors. Retail and office jobs have grown particularly quickly in East SoMa, by 156% and 97%

). Office jobs have almost doubled in East SoMa from 2010 to 2015.

2.4.2 Retail Jobs

San Francisco is also a regional shopping destination and 20% of all city jobs are in retail/entertainment (see Over the past five years, East SoMa has seen impressive employment growth - 15,000 new jobs almost 80% growth - despite only adding approximately 145,000 square footage of commercial space. In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates. Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country. This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

East SoMa, like the city overall, has seen significant employment growth since 2010, adding jobs in all sectors. Retail and office jobs have grown particularly quickly in East SoMa, by 156% and 97%

). There were about 7,800 retail jobs in the East SoMa Plan area, about 23% of total jobs in the area; this represents almost 6% of all citywide retail jobs.

2.4.3 PDR Jobs

Although no longer a center for industry, 13% of San Francisco jobs are in production, distribution, or repair (PDR) related businesses. These light industrial businesses contribute to the city's economy by providing stable and relatively well-paying jobs for the many San Franciscans without a four-year college degree and by supporting various sectors of the city's economy. There were almost 5,700 PDR jobs in the East SoMa Plan area. A much higher proportion of jobs in East SoMa are in the

PDR sectors (23%) compared to citywide (13%). Despite the loss of hundreds of thousands of square feet of PDR space in East SoMA, PDR jobs have actually held steady (5,700 in 2015 vs. 5,300 in 2010) in absolute terms, though they have declined as a proportion of all jobs in the Plan Area.

2.4.4 Employment and Commercial Space Trends

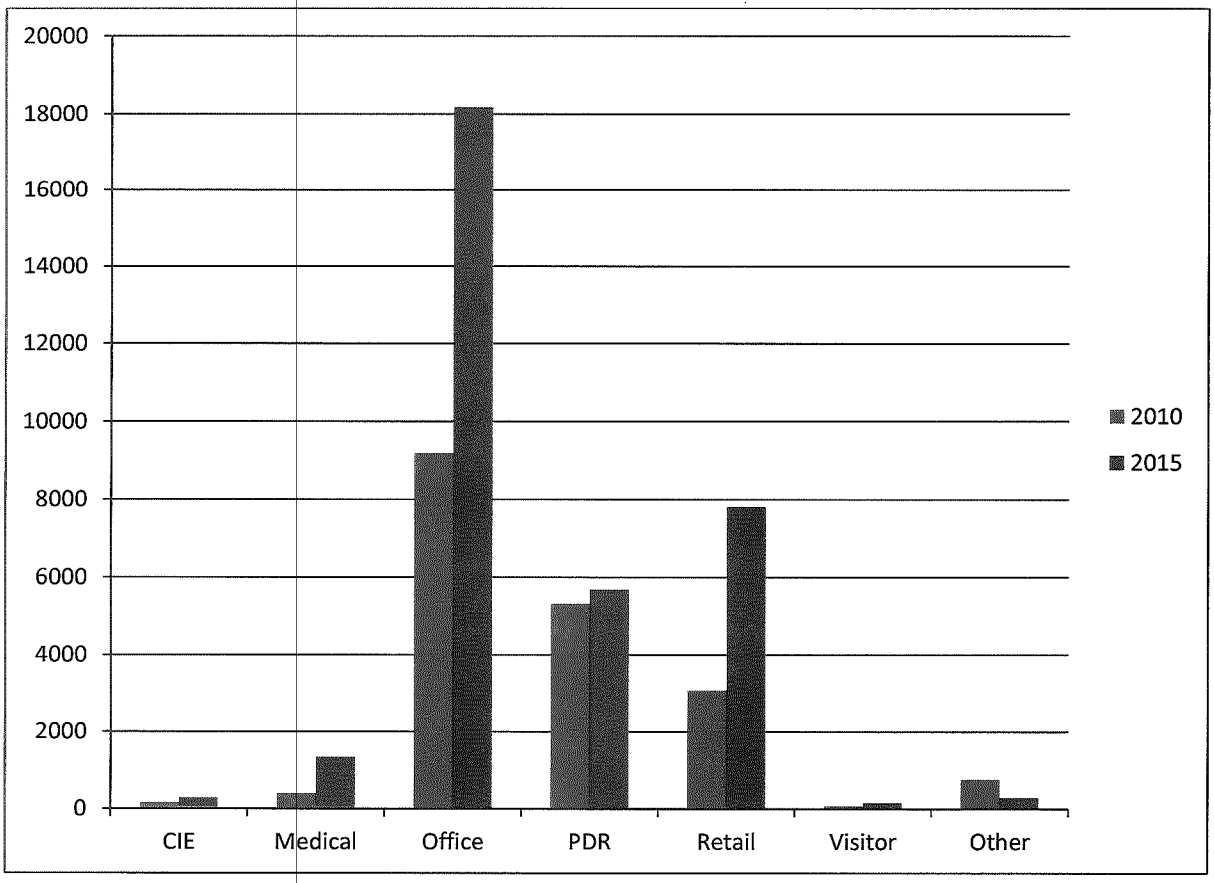
Over the past five years, East SoMa has seen impressive employment growth - 15,000 new jobs almost 80% growth - despite only adding approximately 145,000 square footage of commercial space. In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates.[2] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[3] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

East SoMa, like the city overall, has seen significant employment growth since 2010, adding jobs in all sectors. Retail and office jobs have grown particularly quickly in East SoMa, by 156% and 97%

[2] Although data to show vacancy rates for the East SoMa Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

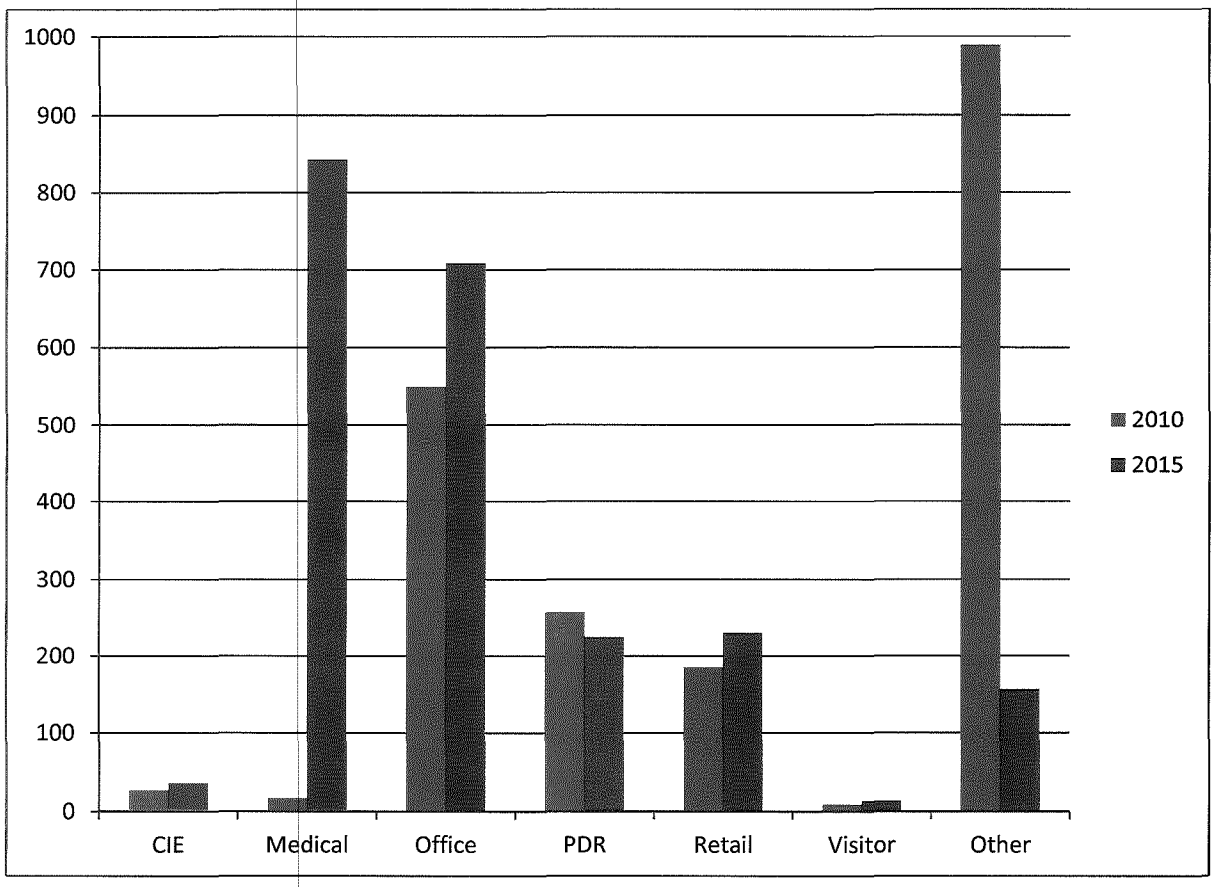
[3] See 2013 US Workplace Survey by Gensler.

Chart 2.44.1 Jobs by Land Use, East SOMA, Q3 2010 and Q2 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2.44.2 Establishments by Land Use, East SOMA, Q3 2010 and Q2 2015



Source: California Employment Development Department Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

2.4.5 Sales Taxes

Discusion of sales and property tax data once we can process property tax data from Tax Collector and Assessor's office. This came late despite several requests, so we will not be able to include in the draft. Can send the tables to the CAC as soon as they are ready.

Table 2.4.2. Sales Taxes Collected in East SoMa Plan Area, 2011-15

Calendar Year	East SOMA	% change from previous year	SF	% change from previous year
2011	$ 3,248,039	-	$ 67,537,179	-
2012	$ 3,462,247	6.6%	$ 73,531,098	8.9%
2013	$ 3,345,460	-3.4%	$ 76,739,835	4.4%
2014	$ 3,532,216	5.6%	$ 81,442,942	6.1%
2015	N/A	-	N/A	-
TOTAL	$ 13,587,962		$ 299,251,054	

Table 2.4.2. Property Taxes Collected in East SoMa Plan Area, 2011-15

3 HOUSING

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco has become poster child for the housing affordability crisis afflicting America's cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and East SoMa neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the city has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

In the past five years, neighborhoods adjacent to East SoMa (Rincon Hill and Downtown) have seen the construction of thousands of housing units, leading the city in housing production at a time of unprecedented demand for new housing. East SoMa itself has seen relatively less housing construction. The environmental analysis conducted for the Eastern Neighborhoods Environmental Impact Report estimated that up to 2,500 additional units could be developed as a result of the rezoning associated with the *East SoMa Plan*.[4] The Plan also recognizes the value of the existing housing stock and calls for its preservation, particularly given that much of it is under rent control. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

According to the 2010 Census, there were almost 8,550 units in the *East SoMa Plan* boundaries in April 2010; this represents 2% of the citywide total. Table 3.1.1 shows that approximately 800 new units were built in the past five years in East SoMa. Table 3.1.2 shows the citywide figures for comparison. Almost 8% of the net increase in the city's housing stock in the last five years was in the East SoMa area. Map 4 shows the location of recent housing construction. Additional details about these new development projects can be found in Appendix B, List BL-3.

[4] Eastern Neighborhoods Rezoning and Area Plans Environmental Impact Report (2005).

Table 3.1.1 New Housing Production, East SoMa Plan Area, 2011-2015

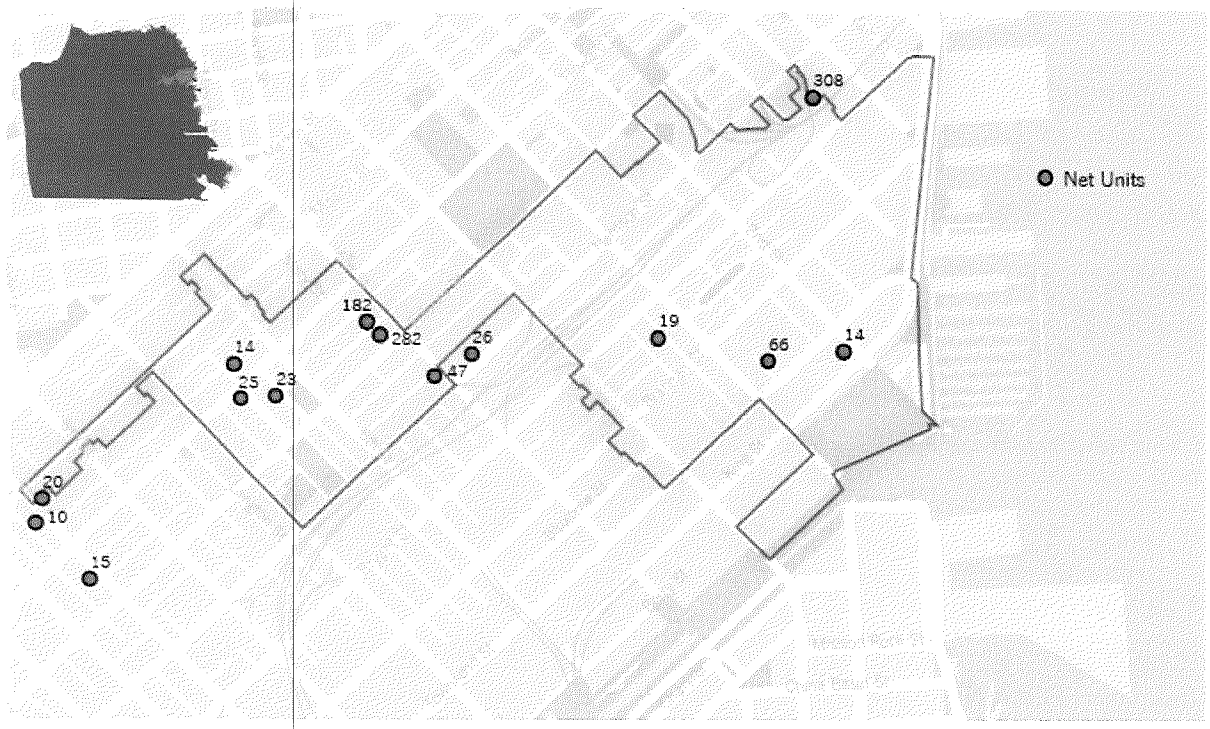
Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change In Number of Units
2011	-	-	-	-
2012	25	-	123	148
2013	36	-	48	84
2014	513	-	44	557
2015	4	2	1	3
TOTAL	**578**	**2**	**216**	**792**

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change In Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

East SoMa led the Eastern Neighborhoods plan areas in housing production between 2011 and 2015, with eleven projects and a total of 751 housing units. The three largest projects by far were 900 Folsom Street, a 282 unit building with 40 BMRs (14%) constructed on a surface parking lot, 260 5th Street, a 182 unit building with 27 BMRs (15%) which replaced a small PDR building and surface parking lot, and 178 Townsend Street, a partial conversion and partial new-construction project which produced a 94 unit building with 19 BMRs (20%). Included in the 751 new housing units produced in East SoMa over the period are 113 permanently affordable units in three 100% affordable housing projects: at 1049 Howard Street (25 units), 374 5th Street (44 units) and 378 5th Street (44 units).

Map 4 New Housing Production East Soma 20011-2015



900 Folsom Street

260 5th Street

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved.

At the end of 2015, there were about 1,600 units in 48 projects in the housing development pipeline for East SoMa (Table 3.2.1). The pipeline for East SoMa accounts for 4% of the total number of projects in the city but less than 3% of the number of units, which suggests that new projects are of a smaller scale than housing developments in the pipeline for San Francisco as a whole.

Table 3.2.1 shows that over 350 units in 11 projects- about 22% of East SoMa pipeline projects - are under construction and will likely be completed within the next two years. A further 530 units in 16 projects – 33% of the pipeline - have received Planning Department entitlements and could see completion within the next two to seven years. The remaining 45% of units in the residential development pipeline in East SoMa are in the early stages of the process and are expected to be completed in the next five to ten years. Just 3% of the 62,636 units in the citywide housing development pipeline are located in East SoMa.

The current housing pipeline in East SoMa is slightly more robust than it was at the end of 2010, shown in the previous Monitoring Report. In that year, only three projects (with a total of 40 units) were under construction, 13 projects with 754 units were entitled, and 13 projects with 474 units were under review. As of the end of 2015, East SoMa has more units in more projects in all stages of the pipeline than there were in 2010.

Map 5 shows the location of these proposed housing projects by development status. List BL-4 in Appendix B provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, East SOMA and San Francisco, Q4 2015

Development Status	East SoMa		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	356	11	8,691	232
Planning Entitled	533	16	26,063	350
Planning Approved	520	8	23,101	80
Building Permit Filed	2	3	513	31
Building Permit Approved/ Issued/Reinstated	11	5	2,449	239
Under Review	717	21	27,760	712
Planning Filed	661	13	17,852	198
Building Permit Filed	56	8	9,908	514
Grand Total	1,606	48	62,514	1,294

Map 5 Housing Development Pipeline by Development Status, East SoMa, Q4 2015

Note: Only includes residential developments with 5 or more units.

3.3 Affordable Housing in East SoMa

San Francisco and the Mission Plan Area have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods and East SoMa

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program outlined in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must include restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in Appendix ##.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of

accessory dwelling units (ADUs) within existing residential buildings in supervisor districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[5] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district, in exchange for providing additional affordable housing, with a special focus on middle-income families that currently cannot access housing through the market. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. In addition to the Citywide inclusionary program described above, which applies throughout the Eastern Neighborhoods, market-rate housing developments in the Urban Mixed Use (UMU) district are required to restrict between 14.4 and 17.6% of their units to families at or below 55% of AMI for rental and 90% of AMI for ownership, depending on the amount of "upzoning" given to the property by the Plans. If these units are provided off-site, the requirement ranges from 23 to 27%. In the UMU and Mission NCT district, developers also have the option of dedicating land to the City that can be developed as 100% affordable projects.

Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. However, 75% of fees collected in the Mission NCT and East SoMa MUR districts are required to be spent within those districts themselves. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

3.4 New Affordable Housing Production, 2011-2015

As discussed in this report's introduction, expanding access to affordable housing opportunities was a high priority for the communities in the Eastern Neighborhoods during the planning process, and it has only gained more urgency in recent years.

As table 3.4.1 shows, 204 affordable units were built in East SoMa during the 2011-15 five-year monitoring period, more than double the 99 affordable units developed in the previous five years (2006-2010). The 204 units built between 2011 and 2015 make up 34% of the 595 newly constructed units built in East SoMa (shown on table 3.1.1), almost three times higher than the inclusionary housing minimum of 12%. East SoMa saw three 100% affordable housing projects completed between 2011 and 2015, and the two largest mixed-income residential projects completed during the period in East SoMa both provided around 15% of units on-site as BMRs. All of the 89 inclusionary units opened in East SoMa during the period were rental units targeted to low-income households (55% of AMI), as shown on appendix table BL-5.

[5] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

374 and 378 5th Street are both 100% Affordable Housing projects opened in 2013 and 2014

Several residential projects elected to pay an in-lieu fee rather than provide affordable units on-site, as is allowed under the City's inclusionary program. These fees raised $11.5 million for the City's housing development program managed by MOHCD. New affordable units are estimated to cost roughly $550,000 in construction costs (not including land), towards which MOHCD contributes about $250,000, requiring the developer to raise the rest from Federal, State, and other sources. Therefore, it is estimated that the "in-lieu fees" collected in East SoMa in this period, if successfully leveraged into additional external funding and used to build projects on publicly controlled land, could yield an additional 45 units.[6]

The inclusionary housing production in East SoMa accounts for 10.4% of the citywide production (853 units, as shown in table 3.4.2 between 2011 and 2015). Roughly 8% of the 1,644 publicly subsidized affordable units constructed in San Francisco during the period were located in East SoMa.

Table 3.4.1 Affordable Housing Production, East SoMa, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	-	-	1	1
2012	25	21	-	46
2013	44	1	-	45
2014	44	67	-	111
2015	-	-	1	1
TOTAL	**113**	**89**	**2**	**204**

Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

[6] The development costs of affordable housing units are rough estimates based on recent projects that have received assistance from MOHCD.

Table 3.4.3 Housing Developments Opting for Affordable Housing "In-lieu" Fee, East SoMa, 2011-2015

YEAR	ADDRESS	TOTAL FEE AMOUNT
2012	246 RITCH ST	$739,207
2013	468 CLEMENTINA ST	$491,808
2015	119 07TH ST	$2,440,158
2015	237 SHIPLEY ST	$838,732
2015	923 FOLSOM ST	$7,001,838
TOTAL		**$11,511,743**

Map 6 New Affordable Housing, East SoMa, 2011-2015

3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. New housing development in San Francisco is costly and preserving homes can prevent displacement of vulnerable households. The *East SoMa Plan* supports the preservation of the area's existing housing stock and prohibits residential demolition unless this project ensures sufficient replacement of housing units. Restrictions on demolitions also help to preserve affordable and rent-controlled housing and historic resources.

A neighborhood's housing stock can also change without physical changes to the building structure. Conversions of rental housing to condominiums can turn housing that is rent controlled and potentially accessible to moderate income households to housing that can be occupied by a narrower set of residents, namely, those with access to down payment funds and enough earning power to purchase a home. Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important priority of the Plan's housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, which often serve as a relatively affordable option for low income households. Appendix ## includes a list of SRO properties and number of residential units.

The following subsections document the trends in these various types of changes to the housing stock in the East SoMa Plan Area and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units lost to alteration or demolition

In this most recent reporting period, only two units were demolished or lost through alteration in East SoMa (Table 3.5.1), less than 0.3% of units demolished citywide. In the previous reporting period, 7 units were lost to demolition or alteration. Table 3.5.2 shows San Francisco figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Table 3.5.1 Units Lost, East SoMa, 2011-2015

Planning Area	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0
2015	0	0	0	0	0	2	2
TOTAL	**0**	**0**	**0**	**0**	**0**	**2**	**2**

Table 3.5.2 Units Lost, San Francisco, 2011-2015

Planning Area	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	0	110	427	537
2014	24	20	1	0	45	95	140
2015	100	12	1	3	116	25	141
TOTAL	**235**	**115**	**6**	**7**	**363**	758	1,121

3.5.2 Condo Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the city's rental stock. In 2014, an estimated 78% of households in East and West SoMa

were renters. According to the American Community Survey, there was no change in the owner/renter split in East SoMa or in San Francisco between 2009 and 2014.[7]

In the last five years, no units in East SoMa were converted to condominiums.

3.5.3 Evictions

Another indicator of change in the existing housing stock, are owner move-in and Ellis Act evictions. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.5.4 shows that in the last five years in East SoMa, there were owner move-in evictions in three units and no units were withdrawn from the rental stock under the Ellis Act. Owner move-in and Ellis Act evictions in East SoMa are extremely rare, compared to other areas of the city. Other types of evictions, noted in Table 3.6.2, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.5.4 Evictions, East SoMa, 2011-2015

Year	East SoMa			San Francisco			East SoMa as % of Citywide Total		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	0	0	7	123	54	1102	0%	0%	1%
2012	0	0	21	172	99	1343	0%	0%	2%
2013	1	0	11	275	229	1368	0%	0%	1%
2014	0	0	20	315	101	1550	0%	0%	1%
2015	2	0	18	425	142	1518	0%	0%	1%
Totals	**3**	**-**	**77**	**1,310**	**625**	**6,881**	**0%**	**0%**	**1%**

Source: SF Rent Board

3.6 Jobs Housing Linkage Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011/12 and 2015/16, commercial developments in the East SoMa Plan Area generated roughly $15,200,000 to be used for affordable housing development by the city.

[7] San Francisco Neighborhood Profiles, American Community Survey 2010-2014. San Francisco Planning Department 2016. According to the Census, there are roughly 19,000 renter-occupied units in the Mission. The neighborhood boundaries for the Mission in the Neighborhood Profiles do not match perfectly with the Plan Area boundaries, though they are very close. Therefore, these percentages should be read as approximations.

Table 3.6.1 Jobs Housing Linkage Fees Collected, East SoMa, FY 2011/12-2015/16

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	2,037,266
2013-14	$	7,407,153
2014-15	$	5,430,135
2015-16	$	345,646
Total	**$**	**15,220,199**

*Department of Building Inspection as of 6/1/16

4 Accessibility and Transportation

The East Soma Plan Area is characterized by a multitude of mobility options and its residents access employment and other destinations through a variety of transport modes. A much lower share of commuters in the East SoMa travel to work by car than the rest of San Francisco (27% to 44%, respectively), a comparison that is true for people who drive alone as well as those who carpool. As Table 4.1.1 shows, the most popular means of commuting among East SoMa residents is on foot; 37% of residents (compared to just 10% citywide) walk to work, not surprising given East SoMa's proximity to the largest concentration of jobs in the Bay Area in downtown San Francisco. Other non-auto commute modes also play an important role, including transit at 24% and biking at 4%. Approximately 6% of East SoMa residents work from home. In order to maintain this characteristic and move towards lower dependency on private automobiles, the East SoMa Area Plan's objectives related to transportation all favor continued investments in public transit and improving pedestrian and bicycle infrastructure rather than facilitating auto ownership, circulation, and parking.

Table 3.6.1 Commute Mode Split, East SoMa and San Francisco, 2011-2015

	East SoMa		San Francisco		
Transport Mode	No of Commuters	%	No of Commuters	%	East SoMa compared to San Francisco
Car	2,926	27%	199,470	44%	-16%
Drove Alone	2,601	24%	165,151	36%	-12%
Carpooled	325	3%	34,319	8%	-4%
Transit	2,538	24%	150,222	33%	-9%
Bike	384	4%	17,356	4%	0%
Walk	3,909	37%	46,810	10%	26%
Other	194	2%	10,579	2%	0%
Worked at Home	690	6%	32,233	7%	-1%
Total	**10,641**	**100%**	**456,670**	**100%**	

Source: 2009-2014 American Community Survey

4.1 Eastern Neighborhoods TRIPS Program

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

The *East SoMa Plan* calls for the creation of a network of "Green Connector" streets with wider sidewalks and landscaping improvements that connects open spaces and improves area walkability. The Plan proposes to enhance Folsom Street to connect the emerging Transbay and Rincon Hill areas, East and West SoMa, and the Mission District. Additional street improvements are proposed for lightly used alleyways with a more mixed-use or commercial character

In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The first round will include 245 projects, including several in East SoMa, shown on Table 4.2.1. 2nd Street and 6th Street will receive the most significant improvements, with traffic calming, bike lanes and other streetscape improvements currently in design or under construction.

Table 4.2.1. Vision Zero Projects in East SoMa Plan Area

Project Name	Start Date (EST)	Current Phase	Total Budget (EST)
Folsom and Essex Protected Bikeway	Winter 2013-14	Construction	$ 174,000
Embarcadero Enhancement Project	Summer 2014	Design	$ 4,710,000
Market and Mission Road Diet Treatments	Winter 2014-15	Design	$ 198,000
2nd Street Improvement Project Early Implementation	Summer 2015	Construction	$ 160,000
2nd Street Improvement Project Early Implementation	Fall 2016	Construction	$ 15,620,000
5th Street Green Backed Sharrows	Spring 2015	Construction	$ 93,000
Howard Streetscape Project	Summer 2014	Design	$ 2,135,000
6th Street & Minna Street New Signal	Winter 2014-15	Completed	$ 350,000
6th Street Improvements Project	Winter 2014-15	Design	$ 3,992,000
Pedestrian Countdown Signal 3 Signals	Spring 2015	Design	$ 2,500,000
6th Street & Howard Street	Winter 2014-15	Completed	$ 26,000
HSIP New Signals	Winter 2014-15	Design	$ 1,125,000

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks, and Open Space

The *East SoMa Plan* also calls for the provision of new recreation and park facilities and maintenance of existing resources. East SoMa's historically industrial nature has resulted in relatively few neighborhood open spaces, and many areas lack adequate access to places to recreate and relax. The *Plan* specifically calls for the Planning Department to work with the Recreation and Parks Department (RPD) to identify a site in East SoMa for a new public park. While efforts to secure land for a new open space continue, RPD is currently undertaking a major renovation project on South Park, in the heart of East SoMa. Scheduled for completion in Fall of 2016, the multi-million dollar renovation will include upgrades to the park's infrastructure, including new paths, irrigation, drainage, site lighting, site furnishings, 24 mature trees and landscaping.

Design renderings of South Park renovation (currently underway)
Source: San Francisco Recreation & Parks.

Another facility renovation planned for the Plan Area, still in planning phase, is the Gene Friend Recreation Center. Located on the corner of 6th and Folsom Streets, the facility includes an interior gymnasium and fitness center as well as and outdoor lawn and play area for children. RPD is partnering with the Trust for Public Land to undertake a major renovation and refurbishment of the facility, one of the few serving all of SoMa.

5.3 Community Facilities and Services

As a significant amount of new housing development is expected East SoMa, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. Section 5.3 describes efforts to increase and improve the supply of recreation and park space in East SoMa. Section 6, below, discusses the process of implementation of the community benefits program, including the collection and management of the impact fees program.

Map 7 shows existing community facilities in East SoMa. Community based organizations currently provide a wide range of services at over 20 sites throughout East SoMa, ranging from clinics and legal aid, to job and language skills training centers and immigration assistance.

Map 7 Community Facilities in East SoMa

- Hospitals
- Libraries
- Community Based Organizations
- Child CareFacilites
- Schools
- Fire Stations
- Churches

5.4 Historic Preservation

Historic preservation team could not get information together in time. We can discuss contents at 6/20 meeting.

5.5 Neighborhood Serving Establishments

Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see Appendix D for a list of business categories used). Grocery stores, auto shops and gasoline stations, banks and schools which frequently host other activities, among many other uses, can be considered "neighborhood serving."

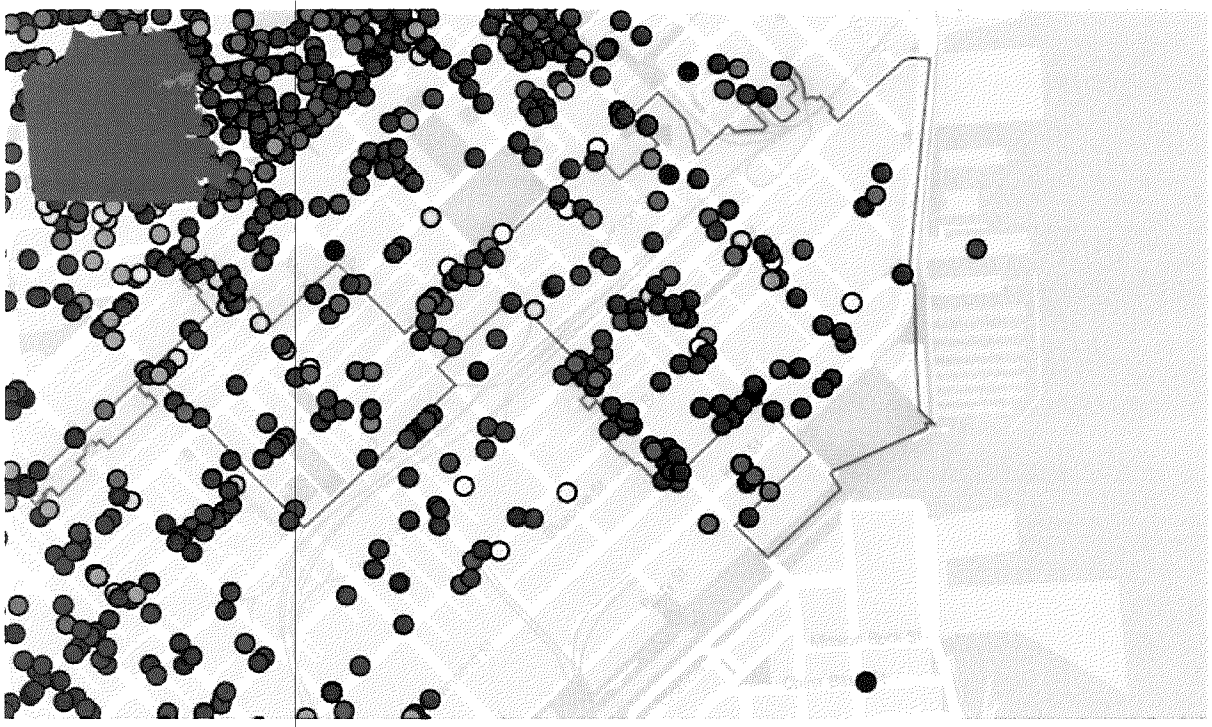
By this definition, East SoMa is home to almost 150 neighborhood serving businesses and establishments employing roughly 3,400 people. Since 2010, East SoMa has gained almost 630 full-service restaurant jobs, though the number of restaurant establishments has remained roughly the same. In general, places to eat and drink are the most common neighborhood serving establishments in the plan area. East SoMa's relative lack of typical neighborhood commercial strips is evident in the few retail and personal service establishments present throughout the neighborhood.

As shown in Table 4.5.1, the top 10 neighborhood serving establishments in East SoMa include eating places (full- and limited-service restaurants, bakeries, etc.), bars, grocery stores, banks, and auto repair shops. These businesses are spread throughout the Plan Area, as shown on Map 8.

Table 5.55.1 Neighborhood Serving Establishments, East SoMa, 2015

Type	Establishments	Employment
Full-Service Restaurants	37	1,494
Drinking Places (Alcoholic Beverages)	14	350
Snack and Nonalcoholic Beverage Bars	9	237
Limited-Service Restaurants	19	233
Supermarkets and Other Grocery (except Convenience) Stores	5	225
Commercial Banking	4	178
General Automotive Repair	12	115
Children's and Infants' Clothing Stores	1	80
Elementary and Secondary Schools	1	59
Shoe Stores	1	43
Beauty Salons	3	43
Cosmetics, Beauty Supplies, and Perfume Stores	3	43
Pharmacies and Drug Stores	3	42
Video Tape and Disc Rental	2	33
Women's Clothing Stores	1	29
Convenience Stores	2	28
Gasoline Stations with Convenience Stores	3	24
Fitness and Recreational Sports Centers	5	22
Pet Care (except Veterinary) Services	4	20
Sporting Goods Stores	1	12
Clothing Accessories Stores	2	10
Pet and Pet Supplies Stores	1	7
Automotive Exhaust System Repair	1	5
Cafeterias, Grill Buffets, and Buffets	1	4
Other Personal and Household Goods Repair and Maintenance	1	4
Electronics Stores	4	4
Child Day Care Services	1	2
Car Washes	1	2
Religious Organizations	1	1
Retail Bakeries	1	-
Other Automotive Mechanical and Electrical Repair and Maintenance	1	-
Total	**145**	**3,349**

Map 8 Neighborhood Serving Businesses in the Mission



- 311 - Food Manufacturing
- 443 - Electronics and Appliance
- 445 - Food and Beverage
- 446 - Health and Personal Care
- 447 - Gas Stations
- 448 - Clothing and Accessories
- 451 - Sporting goods, Hobby, Musical Instrument and Books
- 452 - General Merchandise
- 453 - Miscellaneous
- 519 - Other Information
- 522 - Credit Intermediation
- 532 - Rental and Leasing Services
- 611 - Educational Services
- 624 - Social Assistance
- 713 - Amusement, Gambling and Recreation
- 722 - Food Services and Drinking Places
- 811 - Repair and Maintenance
- 812 - Personal and Laundry Services
- 813 - Religious and Civic Organizations

6 IMPLEMENTATION OF PROPOSED PROGRAMMING

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) started meeting on a monthly basis in October 2009. The CAC is comprised of 19 members of the public appointed by the Board of Supervisors or the Mayor. The CAC focuses on implementation of the Eastern Neighborhoods Implementation Program and priority projects. Together with the IPIC, discussed below, the CAC determine how revenue from impact fees are spent. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee and Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee includes three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. In the Mission District NCT and MUR (Mixed-Use Residential) Districts, 75% of fees collected from residential development is set aside for affordable housing for the two respective Plan Areas. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected nearly $47 million in impact fees, as shown on table 6.2.2.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,535,000
TRANSPORTATION / TRANSIT	$16,306,000
COMPLETE STREETS	$6,709,000
RECREATION AND OPEN SPACE	$16,937,000
CHILDCARE	$2,361,000
Total	**$46,848,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect $140 million from the Eastern Neighborhoods impact fee program, as shown on table 6.2.3.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$23,244,000
TRANSPORTATION / TRANSIT	$28,940,000
COMPLETE STREETS	$8,065,000
RECREATION AND OPEN SPACE	$3,906,000
CHILDCARE	$5,976,000
Total	**$140,131,000**

As shown in Table 5.2.1, approximately $14.6 million were collected from 39 projects in the East SoMa Plan Area between 2011 and 2015. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods, including Western SoMa.

Table 5.2.1 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-15

Area	Revenue	Projects
East SoMa	**$14,635,000**	**39**
Western SoMa	$6,940,000	11
Mission	$5,357,000	43
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	26
TOTAL	**$48,350,000**	**138**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is

specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

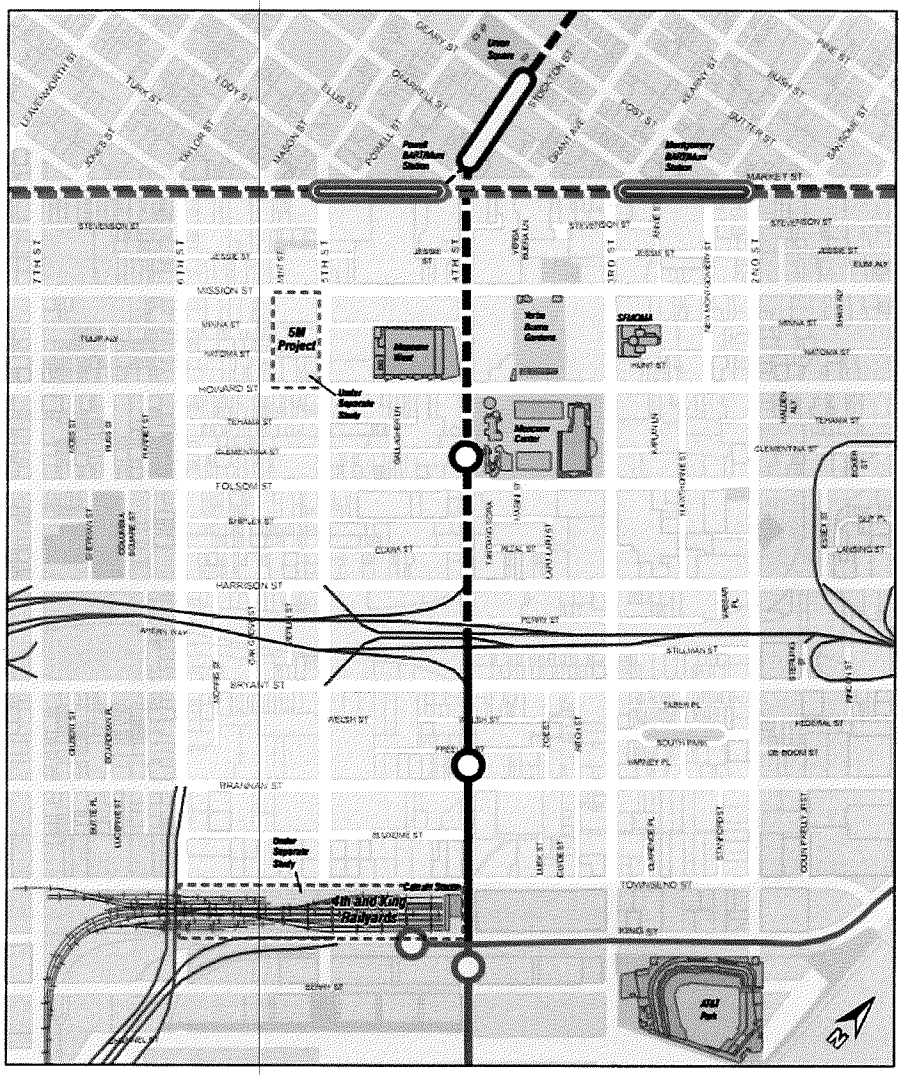
Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

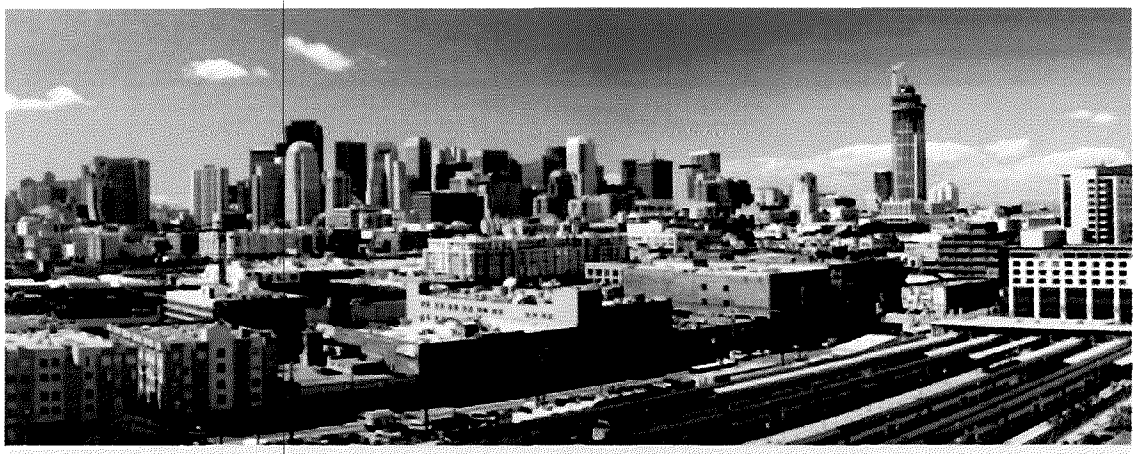
In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Planning Efforts

At the time of the East SoMa Plan's adoption, consensus had not been reached on how to prepare the neighborhood for the arrival of the Central Subway, a 1.7 mile transit investment connecting the Caltrain station to Chinatown. The East SoMa Plan did not include rezoning of the industrial-protection Service Light Industrial (SLI) district in the area, and explicitly deferred land use change in the SLI to a subsequent, more focused, planning process that takes into account a comprehensive study of the City's growth needs, as well as the transportation opportunity represented by the Central Subway. The Central SOMA Plan continues many of the goals of the East SoMa Plan, and proposes changes to land use and development controls in that area of overlap.

The Central Subway is expected to move 76,000 daily riders through the corridor by 2030, with a peak hourly capacity of almost 5,000 riders in each direction. Stations will include new underground facilities in Chinatown, at Union Square/Market Street, and at Moscone Center/Folsom Street, with a new above-ground station at Brannan Street. In addition to the subway, other transportation improvements are planned to address SoMa circulation needs including the Downtown Rail Extension which will extend Caltrain underground through the study area to the Transbay Transit Center, MUNI improvements such as transit-only lanes along Mission Street, and anticipated improvements to the Bicycle Network such as new cycle lanes along 2nd and 5th Streets.


Caltrain
BART
Muni
Central Subway
Solid lines represent surface rail, dashed lines represent subway.
CENTRAL CORRIDOR PLAN AREA



GROWTH POTENTIAL
UNDER THE CENTRAL CORRIDOR PLAN

Growth Potential[1]	*Residential Square Feet*	*Residential Units*	*Commercial Square Feet*	*Jobs*
Potential Under Existing Zoning[2]	**9,872,355**	**8,225**	**3,827,445**	**19,140**
Growth Potential Under Plan	**4,185,900**	**3,490**	**5,563,700**	**27,820**
TOTAL GROWTH	**14,058,255** *SQ. FT.*	**11,715** *UNITS*	**9,391,145** *SQ. FT.*	**46,960** *JOBS*

1 Note that growth potential varies according to height alternative and land use mix assumptions; the above table represents an average of potential heights and use mixes. The Plan's environmental analysis will review the greatest number of both jobs and housing that is likely to occur under all height alternative and mix assumptions.

2 Note that a significant portion of the existing growth potential lies in the C-3 (downtown) districts in the northern part of the Plan area, including a substantial portion of overlap with the recently renamed Transit Center District Plan area between 2nd and 3rd Streets.

DRAFT Showplace Square/Potrero Hill Monitoring Report 2011-2015

1 INTRODUCTION

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s—C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Moreover, the residential areas in these neighborhoods are well-served by public transportation (including two BART stops in the Mission), have vibrant cultural amenities, and feature many attractive older buildings. These neighborhood assets and new employment opportunities have served as strong magnets for high wages earners and market rate housing developers, creating a strong influx of new, more affluent residents.
Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize the neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process recognized the need to produce housing opportunities for residents of all income levels, which requires not just the development of new units at market rates, but also opportunities for low and moderate income families. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Showplace Square/Potrero Hill community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.
The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

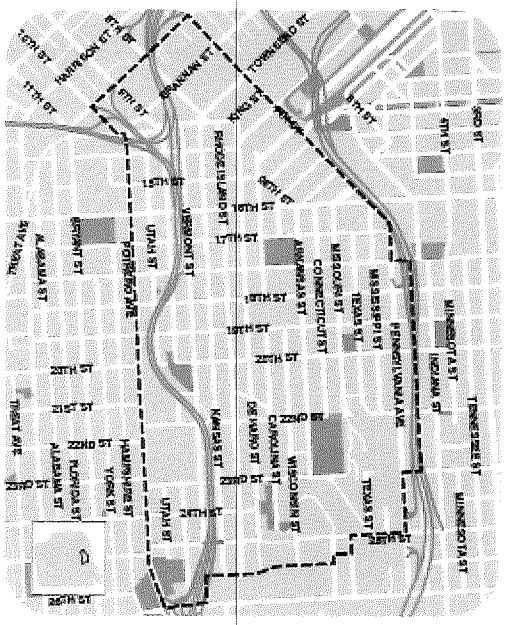
1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

The vitality and strength of Showplace Square/Potrero Hill as a mixed use neighborhood requires appropriate spaces for a range of land uses. The *Showplace Square/Potrero Hill Plan* calls for the following: a) build on the existing character of the area and stabilize it as a place for living and working; b) retain Showplace Square's role as an important location for PDR activities; c) strengthen and expand Showplace Square/Potrero Hill as a residential, mixed-use neighborhood; and d) ensure the provision of a comprehensive package of public benefits as part of rezoning.

Map 1 shows the *Showplace Square/Potrero Hill Plan* area boundaries as generally along Potrero Avenue to the west, Bryant and 7th Streets to the north, Highway 280 to the east, and 26th Street to the south. While the area is itself diverse, Showplace Square is a center for commerce with an important furniture and interior design center that serves a national market. A number of light industrial production, distribution and repair (PDR) businesses continue to operate in Showplace Square. By contrast, Potrero Hill south of Mariposa Street is largely residential.

Map 1 Showplace Square/Potrero Hill Plan Area



1.1 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans, including Showplace Square/Potrero Hill, adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

The *Showplace Square/Potrero Hill Area Plan Monitoring Report 2011-2015* is part of the set of Eastern Neighborhoods monitoring reports covering the period from January 1, 2011 to December 31, 2015. Because Showplace Square/Potrero Hill was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern

Neighborhoods, Planning Department staff in consultation with the CAC, has shifted the reporting timeline such that the Showplace Square/Potrero Hill Community Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern neighborhoods. Subsequent time series monitoring reports for the Showplace Square/Potrero Hill area and other Eastern Neighborhoods will be released in years ending in 1 and 6.

While the previous Monitoring Reports covered only the small amount of development activities in the years immediately preceding and following the adoption of the Eastern Neighborhood Plans in 2008, this report contains information and analysis about a period of intense market development in the Showplace Square/Potrero Hill area. The time series report relies primarily on the Housing Inventory, the Commerce and Industry Inventory, and the Pipeline Quarterly Report, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 COMMERCIAL SPACE & EMPLOYMENT

The Showplace Square/Potrero Hill Plan supports small and moderate size retail establishments in neighborhood commercial areas, including 18th and 20th Streets, while allowing larger retail in the new Urban Mixed Use districts only when part of a mixed-use development. The PDR district contains controls that protect PDR businesses, especially design related establishments, by prohibiting new residential development and limiting new office and retail. The Plan also allows for "Knowledge Sector" PDR businesses in the PDR district generally north of 17th Street, as well as the Urban Mixed use district.

2.1 Commercial Space Inventory

Table 2.1.1 below is an inventory of non-residential space in the Showplace Square/Potrero Hill area as of 2015. The table reflects the mix of uses, noting that office and PDR activities each occupy a little over a third of the commercial space in the neighborhood each. Institutional, medical and retail uses together make up another third of non-residential buildings. The table also shows the importance of the Showplace Square/Potrero Hill in the San Francisco's stock of industrial and office lands. Though the neighborhood only accounts for 3% of the City's overall commercial space, its share of PDR space is much higher, at 6%. However, as will be discussed in the sections below, in recent decades PDR space has been subject to intense pressures from uses that are able to pay higher land rents, such as office and market-rate residential.

Table 2.1.1 Commercial Building Space, Showplace Square/Potrero Hill and San Francisco, 2015

Non-Residential Land Use	Showplace Square/ Potrero Hill		Citywide		Western SoMa as % of San Francisco
	Area	%	Area	%	
Cultural, Institution, Educational	684,895	11%	29,898,514	13%	2%
Medical	352,229	6%	17,468,039	7%	2%
Office	2,087,455	34%	107,978,954	45%	2%
PDR / Light Industrial	2,032,761	34%	36,265,832	15%	6%
Retail	899,825	15%	42,299,526	18%	2%
Visitor / Lodging	2,770	0%	4,053,422	2%	0%
Total	**6,059,935**	**100%**	**237,964,287**	**100%**	**3%**

Table 2.1.2 below shows commercial and other non-residential development activity in the Showplace Square/Potrero Hill Plan area between January 1, 2011 and December 31, 2015 while **Table 2.1.3** shows

corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another. Between 2011 and 2015, a significant amount of PDR land, nearly 207,600 square feet, was converted to other uses, especially office.

In 2013 alone, the 43,881 square feet of PDR space lost, was the same square footage that got converted into office space. The property at 808 Brannan Street, converted its previously existing PDR space into new offices, complete with conference areas, breakrooms and additional restrooms. The year 2014 included a similar case with the conversion of 113,753 square feet of PDR space into office space. The property located at 888 Bryant, completed the PDR to office space conversion with an additional loss in retail space (4,397 square feet). The Planning Department designated this property a historical resource as part of the Showplace/Square/Northeast Mission Historic Resource Survey and made office use principally permitted without vertical controls. In both case, the properties were located in the UMU zoning districts, districts that are intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrially-zoned area. **Table 2.1.2** also shows the considerable gain in institutional space (419,070 square feet) with the completion of SF General Hospital, located at 1001 Potrero Avenue.

Non-residential development in Showplace Square made about 15% over of the Citywide total commercial projects completed in the last five years, nearly the same proportion that the Plan area had in comparison to the city between 2006 and 2010. **Map 2** shows the location of the latest completed projects. **Table BL-1 in Appendix E** provides details on these recently completed commercial projects in Showplace Square/Potrero Hill.

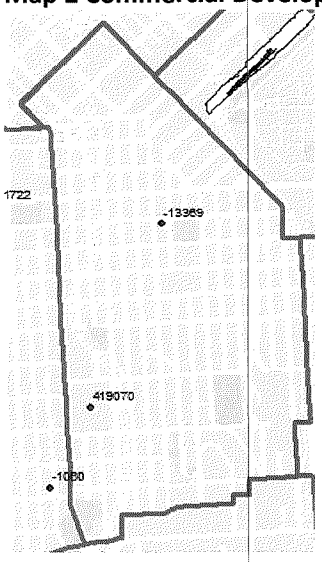
Table 2.1.2 New Commercial Development, Showplace Square/Potrero Hill, 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	-	-	-	-	0	-	-
2012	-	-	-	-	0	-	-
2013			43,881	(43,881)			-
2014	419,070	-	157,634	(163,764)	2603	-	415,543
2015							-
Total	**419,070**	**-**	**201,515**	**(207,645)**	**2,603**	**-**	**415,543**

Table 2.1.3 New Commercial Development, San Francisco 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	10,477	0	40,019	(18,075)	16,854	0	**49,275**
2012	(52,937)	0	24,373	(164,116)	32,445	0	**(160,235)**
2013	66,417	0	335,914	(236,473)	5,941	(69,856)	**101,943**
2014	446,803	1,815,700	603,997	(473,337)	60,125	63,286	**2,516,574**
2015	(21,456)	20,000	460,508	(183,775)	65,419	0	**340,696**
Total	**449,304**	**1,835,700**	**1,464,811**	**(1,075,776)**	**180,784**	**(6,570)**	**2,848,253**

Map 2 Commercial Development Trends, Showplace Square/Potrero Hill Plan Area, 2011-2015



Commercial Development Pipeline

The commercial development pipeline in the Showplace Square/Potrero Hill shows a continuation of the trends that have taken place during the reporting period of 2011-15 (**Table 2.2.1**). The Showplace Square/Potrero Hill area will continue to see some of its PDR space converted to other uses, but instead may see it turn into residential, retail and some office space. It is important to interpret the pipeline numbers as two separate subcategories, shown in **Table 2.2.1** as "Under Review" and "Entitled." Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction and receive certificates of occupancy.

Projects that are under review total over 118,740 loss in square footage. The biggest loss in square footage will potentially come in the form of PDR space (409,933 square feet). Live Potrero Hill located at 1200 17th Street, has requested to convert roughly 105,000 square feet of PDR space into office use. Another large-scale project currently under review would loss about 62,700 square feet of PDR space and 8,000 square feet of office space to build 320 dwelling units at 1601-1677 Mariposa Street, also known as 485 Carolina. If all of these projects come to fruition, the Showplace Square/Potrero Hill will see the PDR space lost transition mostly into mixed-use residential buildings (see **Appendix E, List BL-2**).

The projects in the pipeline that have been entitled show about a 418,540 square footage gain of non-residential uses in the Showplace Square/Potrero Hill area in the near future. If all of these developments are completed, the Planning Department expects about a 73,600 square footage gain is office space and a loss of about 58,700 square feet of PDR space. There will also be a modest gain in retail space (1,751 square feet) with the potential construction of 1512 20thStreet. The largest single entitled project is the new construction of 100 Hooper Street, a campus for designers, makers and small-scale manufacturers (427,255 square feet of PDR and Institutional space).

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Showplace Square/Potrero Hill area represents less than one percent of the citywide pipeline. **Map 3** shows the locations of the larger proposed commercial developments in the plan area. (See **List BL-2 in Appendix E** for detailed information.)

Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Showplace Square/Potrero Hill Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**(131,584)**	**-**	**-**	**-**	**(166,549)**	**34,420**	**545**
Planning Entitled	**418,542**	**284,471**	**-**	**73,611**	**58,709**	**1,751**	**-**
Planning Approved	-	-	-	72,600	(72,600)	-	-
Building Permit Filed	-	-	-	-	-	-	-
Building Permit Approved/ Issued/ Reinstated	418,542	284,471	-	1,011	131,309	1,751	-
Under Review	**(118,742)**	**35,695**	**-**	**220,497**	**(409,933)**	**34,999**	**-**
Planning Filed	(101,211)	35,695	-	220,497	(383,158)	25,755	-
Building Permit Filed	(17,531)	-	-	-	(26,775)	9,244	-
Total	**168,216**	**320,166**	**-**	**294,108**	**(517,773)**	**71,170**	**545**

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco, Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Planning Entitled	**12,972,978**	**1,411,308**	**(38,206)**	**9,447,328**	**50,471**	**1,771,734**	**330,343**
Construction	4,939,101	1,098,708	(58,871)	3,876,705	(290,327)	502,449	(189,563)
Planning Approved	6,432,299	1,942	4,665	4,564,642	316,417	1,086,079	458,554
Building Permit Filed	(63,752)	4,343	-	(34,830)	(33,939)	674	-
Building Permit Approved/ Issued/ Reinstated	1,665,330	306,315	16,000	1,040,811	58,320	182,532	61,352
Under Review	**10,420,494**	**1,042,013**	**1,875**	**8,565,780**	**(710,730)**	**1,102,999**	**418,557**
Planning Filed	8,754,024	1,084,228	1,875	7,062,107	(665,345)	1,070,412	200,747
Building Permit Filed	1,666,470	(42,215)	-	1,503,673	(45,385)	32,587	217,810
Total	**23,393,472**	**2,453,321**	**(36,331)**	**18,013,108**	**(660,259)**	**2,874,733**	**748,900**

Map 3 Commercial and Other Non-Residential Development Pipeline, Showplace Square/Potrero Hill, Q4 2015

2.3 Changes in PDR Uses

As discussed above, the Showplace Square/Potrero Hill (and the Eastern Neighborhoods more broadly), has experienced economic changes that have made many areas highly attractive to residential and office development. These types of uses are generally able to afford higher land costs than industrial uses, and therefore can outbid PDR businesses for industrially-zoned land. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations – M-1, M-2, and C-M – permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Since the adoption of the Showplace Square/Potrero Hill Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as **Tables 2.1.2 and 2.2.1** illustrate.

An investigation of the conversion of PDR space in the Showplace Square/Potrero Hill area, however, shows that such conversion had occurred largely outside of the zoning districts created specifically to protect PDR uses (in the case of the Showplace Square/Potrero Hill, PDR-1 and PDR-2), as detailed in **Table 2.3.1**. In addition to the

project at 808 Brannan Street, detailed above, another project is the conversion of PDR space located at 888 Brannan Street into the equivalent PDR psace to office space (These projects have all been built in either the transitional UMU district, which were never intended as PDR protection areas.

Table 2.3.1 Conversion of PDR Space in Showplace Square/Potrero Hill, 2011-15

Project	Zoning	Net PDR	Net Office	Net Retail	Net Units	Affordable Units	Percent Affordable
850-870 BRANNAN ST (AKA 888 BRANNAN ST)	UMU	-113,753	113753	-4397	0	Below threshold	0%
808 BRANNAN ST	UMU	-43,881	43881	0	0	Below threshold	0%
1717 17TH ST & 310 CAROLINA ST	UMU	-6,130	0	7,000	2	Below threshold	0%
	Total	**(163,764)**	**157,634**	**2,603**	**2**		**0%**

2.3.1 PDR Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 alleged complaints of violation for illegal conversions from PDR to Office use in the city (**Table 2.3.2**). **Table 2.3.2** shows the number of cases closed and found to be in violation, the cases closed and not found to be in violation, the cases under review and the cases still pending review. Forty-two of these cases were found in the Eastern Neighborhoods. Out of the 42 total alleged complaints, nine of the cases were not found to be in violation and six were found to be in violation. In Showplace Square/Potrero Hill there were no illegal conversions from PDR uses.

Many of these office tenants are hybrid uses where PDR also takes place, but may not be the principal use of the space. If an office use is confirmed to be in operation, Planning encourages the company to alter their business practice to fit within the PDR zoning categories or vacate the property. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization; additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired in 2013.

In investigation of the alleged violations, the Planning Department discovered that the building permit histories often included interior tenant improvements without Planning Department review. These permits do not authorize a change of use to office. To prevent future unauthorized conversions of PDR space the Planning Department worked proactively with the Department of Building Inspection (DBI). Over the course of 2015, Planning worked with DBI during project intakes to better understand the routing criteria and how to ensure Planning review. Both departments' IT divisions worked together to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

Planning works collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When Planning receives inquiries or complaints related to either vacant spaces in PDR zones or possible unauthorized spaces, requiring a PDR tenant. Planning informs the property owner about PDR complying uses and refers them to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San

Francisco. Additionally, a training for real estate brokers was conducted in 2015. The purpose of the voluntary training was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including the process for requesting a Letter of Determination. Future trainings will occur based on interest.

2.4 Employment

The Showplace Square/Potrero Hill Plan Area added employment across all land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. This growth in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade, but also the robust growth in high technology sectors and related industries in recent years.[1] Altogether, employment in the Showplace Square/Potrero Hill Plan Area grew by roughly 13,000 jobs in 2010 to almost 16,000 in 2015 with a related increase from 1,045 to 1,090 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss the job growth in the Showplace Square/Potrero Hill Plan Area by land use category.

Table 2.4.1 Employment, Showplace Square/Potrero Hill Plan Area and San Francisco, Q2 2015

Landuse	Western SoMa				San Francisco			
	Establishments	%	Jobs	%	Establishments	%	Jobs	%
Cultural, Institutional, Educational	41	4%	1,294	8%	2,010	3%	73,182	11%
Medical	157	14%	529	3%	21,833	37%	60,214	9%
Office	337	31%	6,754	42%	15,628	27%	293,014	44%
PDR / Light Industrial	242	22%	4,380	28%	5,280	9%	88,135	13%
Retail	202	19%	2,792	18%	8,241	14%	130,550	20%
Visitor / Lodging	1	0%	1	0%	311	1%	16,688	2%
Other	110	10%	148	1%	4,961	9%	6,953	1%
Total	**1,090**	**100%**	**15,899**	**100%**	**58,264**	**100%**	**668,736**	**100%**

2.4.1 Office Jobs

The largest increase in jobs in Showplace Square/Potrero Hill between 2010 and 2015 was in institutional occupations. According to EDD, the neighborhood experienced a 50% increase in institutional jobs in those 5 years. Second to institutional occupations was office occupation. The neighborhood experienced a 40% increase in office jobs in the last 5 years. However, the number of institutional and office establishments only increased by about 28% and 18% (respectively), indicating a shift towards institutional and office workplaces with a larger number of employees. In 2015, Showplace Square/Potrero Hill held about 44% of all of the City's office jobs and 27% of its establishments (see **Table 2.4.1**).

2.4.2 Retail Jobs

San Francisco is also a regional shopping destination and 20% of all city jobs are in retail/entertainment (see
Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".
Chart). There were about 2,800 retail jobs in the Showplace Square/Potrero Hill Plan area, about 18% of total jobs in the area; this also represented 2% of all citywide retail jobs.

2.4.3 PDR/Light Industrial Jobs

Although no longer a center for industry, 13% of San Francisco jobs are in light industrial production, distribution, or repair (PDR) businesses. These businesses contribute to the city's economy by providing stable and well-paying jobs for the 49% of San Franciscans without a four-year college degree (29% only have a high

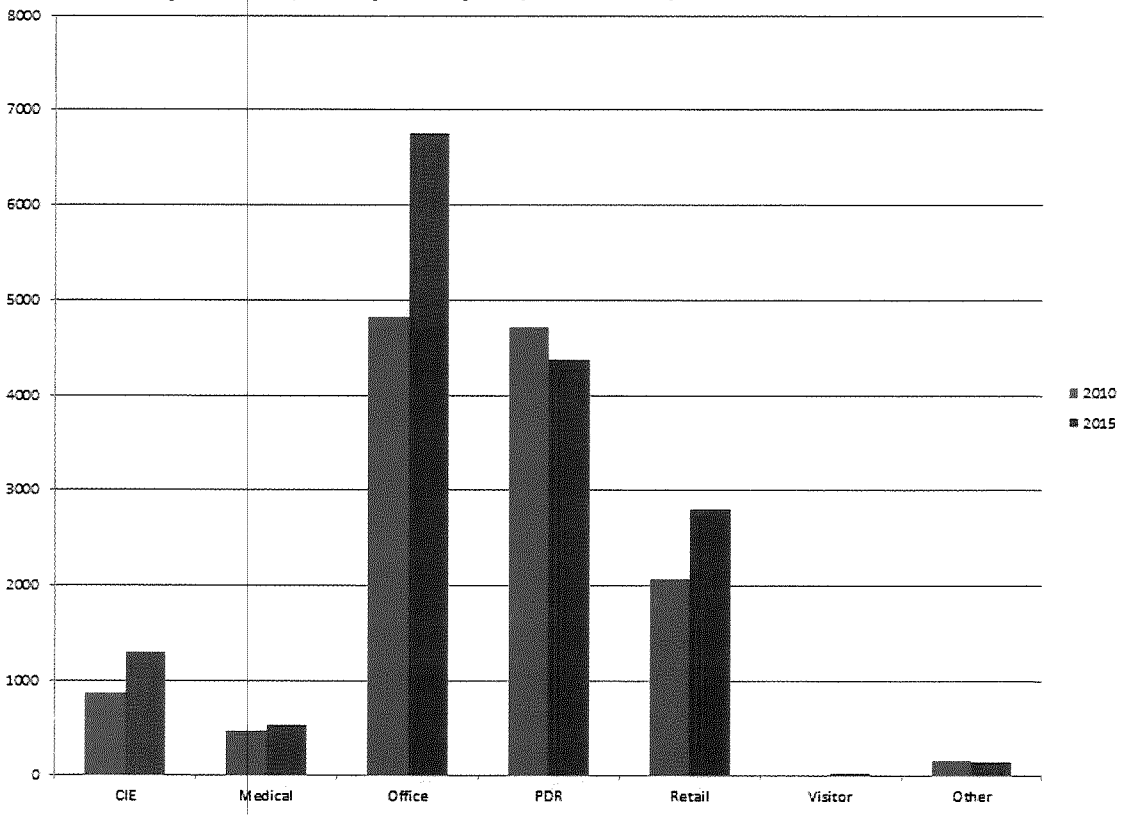
[1] See annual San Francisco Planning Department Commerce & Industry Inventory, 2008 – 2015.

school diploma or less) and by supporting various sectors of the economy. There were 4,380 PDR jobs in Showplace Square/Potrero Hill, about 28% of total jobs in the area or less than 1% of all citywide PDR jobs.

2.4.4 Estimated New Jobs in the Commercial Pipeline

As discussed in the previous section, there is approximately 388,000 net square feet in the commercial development pipeline. In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates. Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country. This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space. Assuming an average employee density of 350 square feet, this new commercial space can accommodate around 1,100 net jobs when completed, almost all of which are institutional jobs related to 100 Hooper Street, a campus for designers, makers and small-scale manufacturers.

Chart 1 Jobs by Land Use, Showplace Square/Potrero Hill, Q3 2010 and 2015

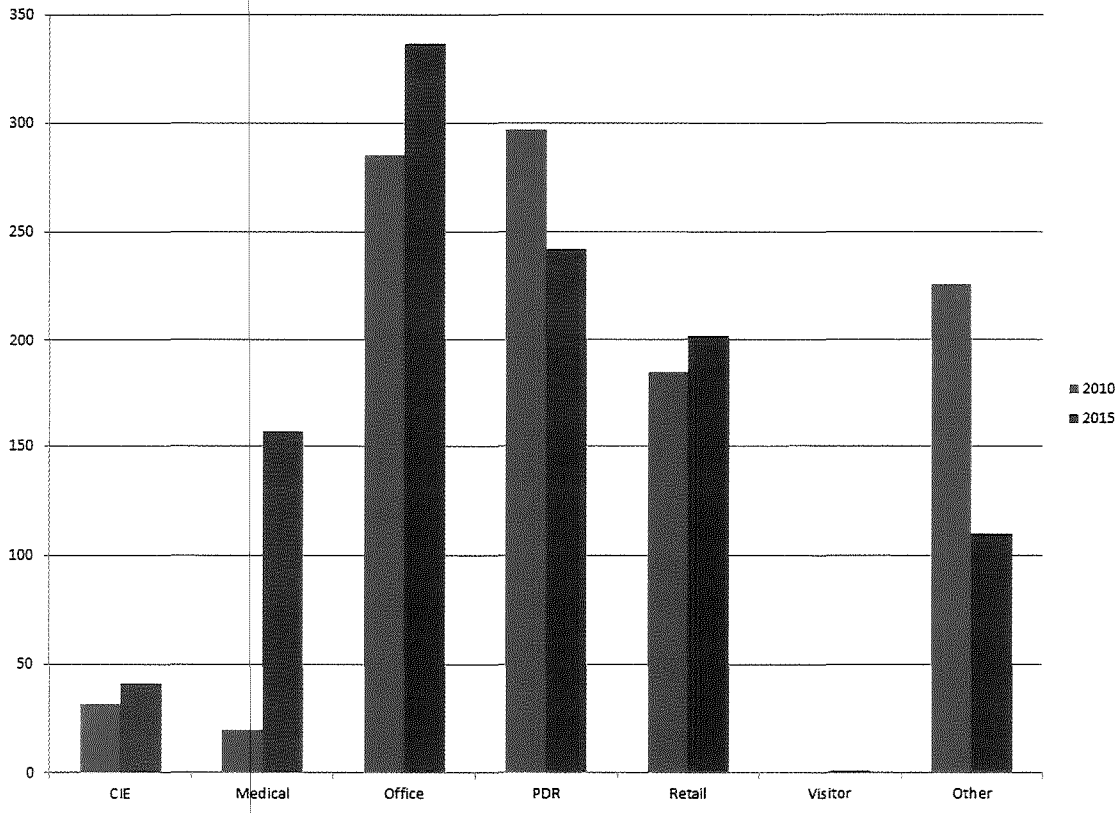


Source: California Employment Development Department

Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000

jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

Chart 2 Establishment by Land Use, Showplace Square/Potrero Hill, Q3 2010 and 2015



Source: California Employment Development Department

Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

2.4.5 Sales and Property Taxes

[context]

Table 2.4.2 Sales Tax Collected, Showplace Square/Potrero, 2011-2015

Year	Showplace Square/Potrero Hill	% change from previous year	San Francisco	% change from previous year
2011	$ 3,023,617	-	$ 67,537,179	-
2012	$ 3,417,790	13.0%	$ 73,531,098	8.9%
2013	$ 3,484,255	1.9%	$ 76,739,835	4.4%
2014	$ 3,713,883	6.6%	$ 81,442,942	6.1%
2015	N/A	-	N/A	-
TOTAL	**$ 18,555,430**		**$ 299,251,054**	

3 HOUSING

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco epitomized the housing affordability crisis afflicting American cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Mission neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the city has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

The Showplace Square/Potrero Hill Plan calls for housing affordable to a wide range of incomes that enhance the mixed-use character of the area. The Plan also encourages housing compatible with the lower density dwellings on Potrero Hill, in scales and densities that reflect the area's finer-grained fabric. The Plan envisioned that as many as 2,700 additional units can be accommodated within the plan boundaries. The Showplace Square/Potrero Hill Plan also recognizes the value of sound, existing housing stock and call for its preservation. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Inventory and New Housing Production

According to the 2010 Census, there were almost 6,400 units in the *Showplace Square/Potrero Hill Plan* boundaries in April 2010; this represents less than 2% of the citywide total. **Table 3.1.1** shows that 58 net new units were built in the past five years in the Showplace Square/Potrero, compared with approximately 643 units built between 2006 and 2010 . Of the net new units produced, 2 were conversions from non-residential uses and the rest were completed from new construction or alterations. During the first two years of the reporting period, 2011 and 2012, the construction sector was still recovering from the slow-down of the recession, and only 3 net units were built. Between 2013 and 2015, however, Showplace Square/Potrero added 55 new units, or about 18 units per year. This yearly average is almost identical to the average between 2006 and 2010, when the Plan Area added 129 units per year. **Table 3.1.2** shows the citywide figures for comparison. About 1% of the net increase in the City's housing stock in the last five years was in the Showplace Square/Potrero area. **Map 4** shows the location of recent housing construction. Additional details about these new development projects can be found in **Appendix E, List BL-3**.

Table 3.1.1 New Housing Production, Showplace Square/Potrero, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	5	2	3	6
2012	-	2	(1)	(3)
2013	-	(1)	1	2
2014	20	-	7	27
2015	27	1	-	26
TOTAL	**52**	**4**	**10**	**58**

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

Map 4 New Housing Production, Showplace Square/Potrero, 2011-2015

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved.

The pipeline for new housing development in the Showplace Square/Potrero as of the end of 2015 is 4,538 units, of which 2,779 are under review. Roughly 60 units are entitled and 1,700 are currently under construction, as shown on **Table 3.2.1**. The pipeline for the Showplace Square/Potrero accounts for 5% of the total number of projects in the City and 7% of the number of units, which suggests that new projects are of a slightly bigger scale than housing developments in the pipeline for San Francisco as a whole.

The current housing pipeline is much more robust than it was at the end of 2010, shown in the previous Monitoring Report. In that year, only 9 projects (with a total of nine units) were under construction, 11 projects with 81 units were entitled, and 8 projects with 1,651 units were under review. As of the end of 2015, four times as many projects were under review for more than two times the number of units, reflecting a much stronger market and willingness by developers to build new housing.

Map 5 shows the location of these proposed housing projects by development status. **List BL-4 in Appendix E** provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Showplace Square/Potrero Hill, and San Francisco, Q4 2015

Development Status	Western SoMa		San Francisco	
	No. of Units	No. of Projects	No. of Units	No. of Projects
Construction	**1,700**	**9**	**8,691**	**232**
Planning Entitled	**59**	**18**	**26,063**	**350**
Planning Approved	2	3	23,101	80
Building Permit Filed	-	-	513	31
Building Permit Approved/ Issued/ Reinstated	57	15	2,449	239
Under Review	**2,779**	**35**	**27,760**	**712**
Planning Filed	2,667	14	17,852	198
Building Permit Filed	112	21	9,908	514
Total	**4,538**	**62**	**62,514**	**1,294**

Map 5 Housing Development Pipeline by Development Status, Showplace Square/Potrero Hill, Q4 2015

3.3 Affordable Housing in Showplace Square/Potrero Hill

San Francisco and the Showplace Square/Potrero Hill Plan Area have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

3.3.1 New Affordable Housing Production

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000. Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched HOPE SF, a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two

projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in **Appendix 8.5.**

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space. A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. The program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district, in exchange for providing additional affordable housing, with a special focus on middle-income households. By-and-large, the Bonus Program does not apply to parcels in the Eastern Neighborhoods.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. For example, market-rate housing developments in the Urban Mixed Use (UMU) district are required to restrict between 14.4 and 17.6% of their units to families at or below 55% of AMI for rental and 90% of AMI for ownership, depending on the amount of "upzoning" given to the property by the Plans. If these units are provided off-site, the requirement ranges from 23 to 27%. In the UMU and Mission NCT district, developers also have the option of dedicating land to the City that can be developed as 100% affordable projects.

Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. However, 75% of fees collected in the Mission NCT and East SoMa MUR districts are required to be spent within those districts themselves. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

3.4 New Affordable Housing Production , 2011-2015

As discussed in this report's introduction, expanding access to affordable housing opportunities was a high priority for the communities in the Eastern Neighborhoods during the planning process, and it has only gained more urgency in recent years. Showplace Square/Potrero Hill, along with the other Eastern Neighborhood Plan Areas has been a symbol of the pressures of exploding housing costs on neighborhood stability and character.

As **Table 3.4.1** shows, only seven affordable units were built during the 2011-15 five-year monitoring period. Five of these units are considered to be only "naturally affordable." Typically, these are smaller units and are sometimes referred to as "granny units" and are affordable to households with moderate incomes (80-120% AMI), however, these units are not income-restricted. The two inclusionary units built between 2011 and 2015, as a part of the construction of 1717 17th Street with 20 units, make up about 3% of the 58 net new units built in

Showplace Square/Potrero Hill (shown in **Table 3.1.1 and Appendix E, Table BL-5**), lower than the inclusionary housing minimum of 12%. The two units were made affordable to moderate households (80-120% AMI). The percentage is lower than the minimum because three projects, including 1717 17th Street (shown on **Table 3.4.3**), chose to pay a fee to the City equivalent to 20% of the total number of units rather than building the units on-site. This fee raised nearly $1.3 million for the City's housing development program managed by MOHCD. New affordable units are estimated to cost roughly $550,000 in construction costs (not including land), towards which MOHCD contributes about $250,000, requiring the developer to raise the rest from Federal, State, and other sources. Therefore, it is estimated that the "in-lieu fees" collected in Showplace Square/Potrero Hill in this period, if successfully leveraged into additional external funding and used to build projects on publicly controlled land, could yield an additional two to three units.[2] Moreover, projects with fewer than 10 units are exempt from the inclusionary housing requirement.

The inclusionary housing production in Showplace Square/Potrero Hill accounts for less than 1% of the citywide production (853 units, as shown in **Table 3.4.2** between 2011 and 2015). Because no publicly subsidized developments were completed in this period, Showplace Square/Potrero Hill only built 0.3% of the city's affordable units (2,735) during the period.

Table 3.4.1 Affordable Housing Production, Showplace Square/Potrero Hill, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	-	-	1	1
2012	-	-	-	-
2013	-	-	1	1
2014	-	2	3	5
2015	-	-	-	-
TOTAL	**-**	**2**	**5**	**7**

* Secondary Units are not income restricted

Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

* Secondary Units are not income restricted

[2] The development costs of affordable housing units are rough estimates based on recent projects that have received assistance from MOHCD.

Table 3.4.3 Housing Developments Opting for Affordable Housing "In-lieu" Fee, Showplace Square/Potrero Hill, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
1717 17TH ST	2012	$174,697
310 CAROLINA ST	2013	$1,119,205
520 9TH ST	2015	$589,802
GRAND TOTAL		**$1,293,902**

Map 6 New Affordable Housing, Showplace Square/Potrero Hill, 2011-2015

3.5 Housing Stock Preservation

The *Showplace Square/Potrero Hill Plan* supports the preservation of the area's existing housing stock and prohibits residential demolitions unless these would result in sufficient replacement of housing units. Demolitions are also restricted to ensure the preservation of affordable housing and historic resources.

A neighborhood's housing stock can also change without physical changes to the building structure. Conversions of rental housing to condominiums can turn housing that is rent controlled and potentially accessible to moderate income households to housing that can be occupied by a narrower set of residents, namely, those with access to down payment funds and enough earning power to purchase a home. Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important priority of the Plan's housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, which often serve as a relatively affordable option for low income households. **Appendix ##** includes a list of SRO properties and number of residential units.

The following subsections document the trends in these various types of changes to the housing stock in the Showplace Square/Potrero Hill Plan Area and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units Lost to Alteration or Demolition

In this most recent reporting period, seven units were lost in Showplace Square/Potrero Hill (**Table 3.5.1**) or about 0.6% of units lost citywide. All of the units lost in Showplace Square/Potrero Hill we lost due to one correction to official records and six due to demolitions. **Table 3.5.2** shows San Francisco figures for comparison.

Table 3.5.1 Units Lost, Showplace Square/Potrero Hill, 2011-2015

Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	-	-	-	-	-	2	2
2012	-	-	-	-	-	2	2
2013	-	-	1	-	1	1	2
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	1	1
TOTAL	**-**	**-**	**1**	**-**	**1**	**6**	**7**

Table 3.5.2 Units Lost, San Francisco, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	-	110	427	537
2014	24	20	1	-	45	95	140
2015	100	12	1	3	116	25	141
TOTAL	**235**	**115**	**6**	**7**	**363**	**758**	**1,121**

3.5.2 Condominium Conversions

The type of housing opportunities determines the type of people who live in the neighborhood. For example, single-family homes tend to support families and/or larger households, which are typically homeowners, while flats or apartments tend to be occupied by a single-person or smaller households, which are largely renters; group housing and assisted living quarter are housing types available for the elderly and people who have disabilities.

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014, about the same in 2010. However, condo conversions also mean a reduction in the city's rental stock. Compared to the rest of the city's share of renters (67%), the Showplace Square/Potrero Hill area has a comparable share of renters. In 2014, an estimated 74% of households in the Showplace Square/Potrero Hill were renters. Almost 7% of San Francisco's rental units are in Showplace Square/Potrero Hill as of 2014, about the same figure as in 2010.[3]

Table 3.5.3 shows that in the last five years, 64 units in 25 buildings in the Showplace Square/Potrero Hill were converted to condominiums. In all, approximately 3% of all rental units in the Showplace Square/Potrero Hill were converted to condominiums between 2011 and 2015. This represents one percent of all condo conversions citywide.

[3] The following 2010 census tracts were used to approximate the Showplace Square/Potrero Hill Plan Area boundaries: 178.02 and 180.00. According to the 2006-2010 American Community Survey, there are roughly 2,550 renter-occupied units in the Showplace Square/Potrero Hill.

Table 3.5.3 Condo Conversion, Showplace Square/Potrero Hill, 2011-2015

Year	Showplace Square/Potrero		San Francisco		Showplace Square/Potrero	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	3	7	200	472	2%	1%
2012	8	18	201	488	4%	4%
2013	2	5	147	369	1%	1%
2014	7	18	239	727	3%	2%
2015	5	16	149	500	3%	3%
Totals	**25**	**64**	**936**	**2,556**	**3%**	**3%**

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.5.4 shows that owner move-ins led to evictions in 39 units. Similarly, Ellis Act withdrawals led to 17 evictions during the most recent reporting period. Owner move-in evictions and Ellis Act evictions in Showplace Square/Potrero Hill accounted for 3% each of the citywide total between 2011 and 2015. Other types of evictions, also tabulated in **Table 3.5.4**, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.5.4 Evictions, Western South of Market, 2011-2015

Year	Western SoMa			San Francisco			Western SoMa as % of Citywide		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	4	4	16	123	54	1102	3%	7%	1%
2012	8	2	13	172	99	1343	5%	2%	1%
2013	7	1	15	275	229	1368	3%	0%	1%
2014	9	5	16	315	101	1550	3%	5%	1%
2015	11	5	12	425	142	1518	3%	4%	1%
Totals	**39**	**17**	**72**	**1,310**	**625**	**6,881**	**3%**	**3%**	**1%**

3.6 Jobs Housing Linkage Fee Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011/12 and 2015/16, commercial developments in the Showplace Square/Potrero Hill Plan Area generated roughly $478,500 to be used for affordable housing development by the city, as shown in **Table 3.6.1**. Based on the MOHCD estimate of $550,000 (not including the cost of land) required to build one affordable housing unit, the fees collected in the 2014-2015 fiscal year could potentially contribute to one affordable unit.

Table 3.6.1 Jobs Housing Linkage Fees Collected, Showplace Square/Potrero Hill, FY 2011/12-2015/16

Fiscal Year	Revenue	
2011-12	$	-
2012-13	$	414,222
2013-14	$	-
2014-15	$	64,287
2015-16	$	-
Total	**$**	**478,509**

*Department of Building Inspection as of 6/1/16

4 Accessibility and Transportation

As the only arterial that runs in the east-west direction and connects the North Mission, Showplace Square, and Mission Bay, the 16th Street corridor is the focus of a number of competing demands. At present, car use remains the predominant mode of travel to work for employed residents of Showplace Square and Potrero Hill (**Table 4.1.1**). The 2010-2014 American Community Survey estimated that 47% of Showplace Square/Potrero Hill residents commuted by car, while 24% used transit. About 8% walked to work and 8% reported biking. The number of people working from home was estimated at 9%.

Compared to the City as a while, Showplace Square/Potrero Hill commuters travelled by car more and less by transit. Citywide, 44% of commuters travel by car and 33% by transit; 10% walked to work, 4% biked, and 2% commuted by other means; only 7% however worked from home.

Table 4.1.1 Commute Mode Split, Showplace Square/Potrero Hill and San Francisco, 2011-2015

Transport Mode	Showplace Square/Potrero		San Francisco		Showplace Square/Potrero Hill as % of San
	No of Commuters	%	No of Commuters	%	
Car	4,234	47%	199,470	44%	2%
Drove Alone	3,675	41%	165,151	36%	2%
Carpooled	559	6%	34,319	8%	2%
Transit	2,132	24%	150,222	33%	1%
Bike	752	8%	17,356	4%	4%
Walk	703	8%	46,810	10%	2%
Other	306	3%	10,579	2%	3%
Worked at Home	843	9%	32,233	7%	3%
Total	**8,970**	**100%**	**456,670**	**100%**	**2%**

4.1 Transportation Improvements – EN Trips

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

The Potrero Hill Neighborhood Transportation Plan (Potrero NTP) developed a community-based transportation plan for the southern Potrero Hill neighborhood of San Francisco, identifying multimodal transportation priorities at the neighborhood scale and working with stakeholders to prioritize near and mid-term improvements. A central component of the Potrero Hill Neighborhood Transportation Plan addresses traffic calming and pedestrian realm improvements. The preliminary design for these improvements focused on five priority intersections in the Potrero Terrace and Annex site. Selected in part because they lie on the Walking School Bus routes to Daniel Webster and Starr King Elementary Schools, these five intersections are critical to safe pedestrian circulation on the site. Preliminary design calls for bulb outs and other traffic calming measures that will improve safety while reclaiming significant street space for pedestrian use.

In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The first round will include 245 projects, including several in the Showplace Square/Potrero Hill area, shown on **Table 4.2.1**. One major set of projects is the streetscape & transit enhancements to Potrero Avenue from Division to Cesar Chavez. The goal is to provide a more pedestrian-friendly and multimodal street. Bicycle and pedestrian safety improvements such as cycle tracks, or other bicycle facility, widened sidewalks, additional crossings, bus and corner bulbouts and new streetscape landscaping will be constructed along the two streets between 2nd and 13th Streets. This project is also a "Priority Project" for Eastern Neighborhood implementation

Table 4.2.1. Vision Zero Projects in Showplace Square/Potrero Hill Plan Area

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)
Bicycle and pedestrian improvements (Division St. at 9th)	Winter 2014/15	Summer 2015	DESIGN	$ 300,000
Bicycle intersection treatments (Division St. at 8th/Townsend)	Winter 2014/15	Fall 2015	DESIGN	$ 200,000
Streetscape & Transit enhancements (Potrero Ave. from Division to Cesar Chavez)	Winter 2014/15	Winter 2015/16	DESIGN	$ 4,100,000
Pedestrian Safety Improvements	Winter 2014/15	Winter 2015/16	DESIGN	TBD
Division St., 8th and 9th Bike & Ped Spot Improvements	Winter 2014/15	Winter 2015/16	DESIGN	$ 300,000

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated.

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development. Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis"). Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established the below metrics that establishes what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City:

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

5.2 Recreation, Parks and Open Space

[context]

5.3 Community Facilities and Services

As a significant amount of new housing development is expected in Showplace Square/Potrero Hill, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. Section 6, below, discusses the process of implementation of the community benefits program, including the collection and management of the impact fees program.

Map 7 shows existing community facilities in Showplace Square/Potrero Hill. Community based organizations currently provide a wide range of services at over 50 sites throughout Showplace Square/Potrero Hill, ranging from [examples].

Map 7 Community Facilities in Showplace Square/Potrero Hill

5.3 Historic Preservation

[context]

5.4 Neighborhood Serving Establishments

Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see **Appendix G** for a list of business categories used). Grocery stores, auto shops and gasoline stations, banks and schools that frequently host other activities, among many other uses, can be considered "neighborhood serving." By this definition, the Showplace Square/Potrero Hill is home to about 127 neighborhood serving businesses and establishments employing a little over 2,000 people.

As shown in **Table 5.4.1**, the top 10 neighborhood serving establishments in the Showplace Square/Potrero Hill include grocery store, eating places (full- and limited-service restaurants), schools, gyms, community organizations and various retail stores. These businesses are typically along XXX Streets as shown on **Map 8**.

Table X Neighborhood Serving Establishments, Showplace Square/Potrero Hill

Type	Establishments	Employment
Supermarkets and Other Grocery (except Convenience)	6	426
Full-Service Restaurants	23	392
Elementary and Secondary Schools	8	250
Snack and Nonalcoholic Beverage Bars	11	149
Limited-Service Restaurants	11	112
Fitness and Recreational Sports Centers	4	100
Sporting Goods Stores	3	99
Civic and Social Organizations	4	98
Child Day Care Services	11	89
Discount Department Stores	1	77
Cafeterias, Grill Buffets, and Buffets	3	66
Pharmacies and Drug Stores	2	49
Drinking Places (Alcoholic Beverages)	2	21
Nail Salons	3	20
Beauty Salons	5	18
Commercial Banking	3	14
Used Merchandise Stores	5	12
Pet Care (except Veterinary) Services	3	11
General Automotive Repair	2	8
Retail Bakeries	1	7
Book Stores	1	6
Religious Organizations	1	5
Beer, Wine, and Liquor Stores	1	5
Gasoline Stations with Convenience Stores	1	5
Clothing Accessories Stores	2	5
Convenience Stores	1	3
Women's Clothing Stores	1	3
Drycleaning and Laundry Services (except Coin-Operate	1	3
Electronics Stores	1	2
Other Clothing Stores	2	2
Coin-Operated Laundries and Drycleaners	1	2
Libraries and Archives	1	1
Hobby, Toy, and Game Stores	1	1
All Other General Merchandise Stores	1	1
Total	**127**	**2,062**

Map 8 Neighborhood Serving Businesses in Showplace Square/Potrero Hill

6 IMPLEMENTATION OF PROPOSED PROGRAMMING

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) is the central community advisory body charged with providing input to City agencies and decision makers with regard to all activities related to implementation of the Eastern Neighborhoods Area Plans. It was established for the purposes of providing input on the prioritization of Public Benefits, updating the Public Benefits program, relaying information to community members in each of the four neighborhoods regarding the status of development proposals in the Eastern Neighborhoods, and providing input to plan area monitoring efforts as appropriate. The EN CAC is composed of 15 voting members – nine appointed by the Board of Supervisors, and six appointed by the Mayor. In addition, there are four non-voting members representing Showplace Square/Potrero Hill, two appointed by the Board of Supervisors, and two by the Mayor. These non-voting members with attain voting status upon the adoption and integration of the Showplace Square/Potrero Hill Impact Fees into the Eastern Neighborhoods Public Benefits Fund. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.
The EN CAC has held monthly public meetings since October, 2009, before the adoption of the Showplace Square/Potrero Hill Community Plan. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee & Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee includes three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning, later including the Showplace Square/Potrero Hill rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected nearly $48.4 million in impact fees, as shown on

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,742,000
TRANSPORTATION / TRANSIT	$16,936,000
COMPLETE STREETS	$6,733,000
RECREATION AND OPEN SPACE	$17,518,000
CHILDCARE	$2,416,000
Total	**$48,345,000**

Note: Amount collected includes in-kind improvements.
Over the 2016-2020 period, the City is projected to collect a little over $145 million from the Eastern Neighborhoods impact fee program, as shown on

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$26,411,000
TRANSPORTATION / TRANSIT	$30,302,000
COMPLETE STREETS	$38,542,000
RECREATION AND OPEN SPACE	$43,912,000
CHILDCARE	$5,931,000
Total	**$145,098,000**

As shown in **Table 6.2.4**, approximately $6.94 million were collected from 15 projects in the Showplace Square/Potrero Hill Plan Area between 2011 and 2015. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods.

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-2015

Area	Revenue	Projects
Western SoMa	**$6,940,000**	**11**
East SoMa	$14,635,000	39
Mission	$5,357,000	43
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	26
TOTAL	**$48,350,000**	**138**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring Program

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Efforts

Showplace Open Space Plan. The Showplace Open Space Plan provided conceptual designs for eight possible open space projects including Daggett Park and the expansion and improvement of Jackson Square Playground. The purpose of the Plan was to find open space projects of which one would be chosen as a priority. Of the eight projects, Daggett is under construction, and a more specific scope for Jackson Playground is being developed.

16th Street / 17th Street 22-Fillmore Improvements. The 16th Street Improvement Project envisions the transformation of the 16th Street corridor into a highly efficient transit corridor along with pedestrian and streetscape improvements. The project includes transit, bicycle and pedestrian improvements on 16th Street between Church Street and 3rd Street, and bicycle improvements on 16th Street between San Bruno and Mississippi. The Project will improve transit by rerouting the 22-Fillmore, and providing enhanced pedestrian connectivity between the many neighborhoods along its length and to the Bay. Key to the 16th Street improvements is installing trolley bus overhead wiring for the 22-Fillmore. The configuration of 16th Street will feature both center running transit-only lanes and side running lanes along its length. The Project is being implemented in two phases with increased headways already implemented and road re-stripping to happen in the near future. Construction of hard improvements is planned to start in 2018.

Potrero Avenue Streetscape Improvement Project. The project includes repaving and utility upgrades from Alameda to 25th Street along with bus bulbs pedestrian and bicycle improvements along the entire segment. Focused pedestrian streetscape improvements are planned for the segment between 21st and 25th Streets, which will include a median, widened sidewalks and lighting. The project is currently under construction.

22nd Street Stair. The project is to construct a publicly accessible stair and open space on the steep grade between Pennsylvania and Missouri Street on the east slope of Potrero Hill. The stair would include both hardscaping and improved landscaping at the upper slope and will act as a key access point between Potrero Hill and Dogpatch. The project will be constructed by a private developer in conjunction with the development project at [address]. Delivery is dependent of the development project moving forward.

Daggett Park. The park is located on the previous Daggett paper-street right-of-way at 16th Street and 7th Street. The .9 acre park, currently under construction is being constructed as part of an in-kind agreement of the Daggett Triangle Development. The park will feature a large unprogrammed lawn area, ample seating, architectural play features, dog run, drought-resistant trees and landscaping and other storm runoff features. The park, initially conceived as part of the Showplace Square Open Space Plan, was prioritized for implementation by the EN CAC. This will serve as the new park for Showplace Square / Potrero originally envisioned in the Eastern Neighborhoods Plan(s). The park is currently under construction and is expected to be complete by winter 2017.

Jackson Playground. Jackson Playground is generally bounded by 17th Street, Carolina Street, Mariposa Street and Arkansas Street within the Showplace Square / Potrero Hill neighborhood. It currently features a clubhouse, play equipment, picnic areas, tennis courts, basketball courts and two ball fields. The Showplace Square Open Space Plan envisioned extending the boundaries of the park into Carolina Street and Arkansas Street to enable additional usable space. Rec and Park with the Friends of Jackson Playground, Live Oak School and other stakeholders are currently working on conceptual ideas for park improvements including the possibility of extending the boundaries of the park into the right-of-way.

Arts and Design Educational Special Use District. On November 22, 2011, Supervisor Malia Cohen introduced a proposed ordinance which would amend the San Francisco Planning Code by adding Section 249.67 to create

the Art & Design Educational Special Use District ("SUD") and the City's zoning map to reflect this new SUD to permit postsecondary educational institutions without use size limitations, to allow student housing and to allow the Zoning Administrator to authorize temporary structures without public hearing provided the structure is occupied by a use allowed by the Special Use District at 1111 8th Street, The California College of the Arts. The SUD area is bounded by the east side of De Haro Street, the northside of 151hStreet, the east side of 8th Street, the north side of Irwin Street, the west side of 7th Street, the south side of Hooper Street and the south side of Channel Street (**Map X**).

The purpose of creating the Art & Design Educational Special Use District is to facilitate the continued operation of the California College of the Arts and to provide a regulatory scheme for potential future expansion of the California College of the Arts. The Art and Design Educational Special Use District permits as of right and without use size limits Post-Secondary Educational Institutions, allows Student Housing and allows the Zoning Administrator to authorize temporary structures without public hearing provided the structure is occupied by a use allowed by the Special Use District. Adopt April 25, 2013, this SUD provides a regulatory scheme for potential and future phased expansion of the campus.

Map X. Arts and Design Educational Special Use District

Appendices

A. Eastern Neighborhoods Monitoring Reports Ordinance
B. Priority Capital Projects
C. 2011-2015 Completed Commercial and Residential Projects
D. Commercial and Residential Pipeline Projects, Q4 2015
E. Projects Counted Under CEQA Community Plan Exemption
F. List of Neighborhood Serving Business Codes
G. San Francisco Mayor's Office of Housing Income and Rent Limits
H. Single Room Occupancy Hotels and Number of Residential Units

A. Eastern Neighborhoods Monitoring Requirements Ordinance

(5) Development Activity. The report shall detail all development activity in the Plan Area over the Monitoring Period, including additions and deletions of residential and commercial space, and shall include unit size and bedroom count of units constructed, retail space and employment generated, conversions and other development statistics. The monitoring program shall include the following categories of information:

(A) Office Space. Amount of office space constructed in preceding years and related employment.

(B) Visitor and Hotel Space. Amount of hotel rooms constructed in preceding years and related employment.

(C) Retail Space. Amount of retail space constructed in preceding years and related employment.

(D) Business Formation and Relocation. An estimate of the rate of the establishment of new businesses and business and employment relocation trends and patterns within the City and the Bay Area.

(E) Housing. An estimate of the number of housing units newly constructed, demolished, or converted to other uses.

(6) Public Benefit. The report shall detail the construction of any improvements or infrastructure as described in the Eastern Neighborhoods Public Benefits Program, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 081155 and is incorporated herein by reference. The report shall include the following categories of information:

(A) Inclusionary Housing Program. A summary of the number and income mix of units constructed or assisted through this program, an analysis of units constructed within each alternative, including new alternatives established for the Eastern Neighborhoods UMU districts.

(B) Jobs/Housing Linkage Program. A summary of the operation of the Jobs/Housing Linkage Program (formerly the Office Affordable Housing Production Program) and the Housing Affordability Fund, identifying the number and income mix of units constructed or assisted with these monies.

(C) Streetscape, Transportation, and Public Realm. A detailed description of any transportation serving infrastructure completed in the preceding five years, including transit, pedestrian, bike, traffic and other modes of transportation.

(D) Open Space and Recreational Facilities. A summary of new parks, trails, public rights-of-way, recreational facilities or activity space completed to serve the purposes of recreation in the preceding five years, as well as any improvements to parks or recreational facilities.

(E) Community facilities. An assessment of the existing service capacity of community services and facilities, and of any new services or facilities joining the neighborhood in the past five years. This shall include a review of child care, library services and any other categories deemed relevant, such as health care centers, human services, and cultural centers.

(F) Neighborhood Serving Businesses. An assessment of neighborhood serving businesses in the area, including their establishment, displacement, and economic health.

(7) Fees and Revenues. The report shall monitor expenditure of all implemented fees, including the Eastern Neighborhoods Impact Fee and all Citywide fees, and tax revenue, as listed below. It shall report on studies and implementation strategies for additional fees and programming.

(A) Impact Fee. A summary of the collected funds from the Eastern Neighborhoods Impact Fee collected from development, and a detailed accounting of its expenditure over that same period.

(B) Fiscal Revenues. An estimate of the net increment of revenues by type (p)roperty tax, business taxes, hotel and sales taxes) from all uses.

(C) Fee Adjustments.

(i) The Planning Department shall review the amount of the Eastern Neighborhoods fee against any increases in construction costs, according to changes published in the Construction Cost Index published by Engineering News Record, or according to another similar cost index should there be improvements to be funded through the Eastern Neighborhoods Impact Fee as listed in the Eastern Neighborhoods Program.

(ii) The Planning Department shall review the level of the Eastern Neighborhoods housing requirements and fees to ensure they are not so high as to prevent needed housing or commercial development.

(8) Agency Responsibilities. All implementing agencies identified in the Eastern Neighborhoods Implementation Matrix shall be responsible for:

(A) Reporting to the Planning Department, for incorporation into the Monitoring report, on action undertaken in the previous reporting period to complete the implementation actions under their jurisdiction, as referenced in the Eastern Neighborhoods Implementation Matrix.

(B) Providing an analysis of the actions to be completed in the next reporting period, for incorporation into the Monitoring report, including a description of the integrated approach that will be used to complete those tasks.

(i) To the extent the Agencies identified in the Implementation Matrix are outside the jurisdiction of this Board, this Board hereby urges such Agencies to participate in this process.

(9) Budget Implications. In cooperation with the Annual Progress reports required by Administrative Code Chapter 36.4, and prior to the annual budget process, the Board shall receive a presentation by the Interagency Planning and Implementation Committee and its member agencies to describe how each agency's proposed annual budget advances the Plans' objectives, including specific projects called for by this section. The Board of Supervisors shall give particular consideration to proposed agency budgets that meet the implementation responsibilities as assigned by the City's General Plan, including the Eastern Neighborhoods Implementation Matrix. Budget proposals that do not include items to meet these implementation responsibilities shall respond to Board inquiries as to why inclusion was not possible.

B. Eastern Neighborhoods Priority Capital Projects

B.1 Category: Complete Streets

B.1.1 Folsom Street/Howard Street Streetscape Project

Neighborhoods: East SoMa, Western SoMa

Description: The Folsom Street/Howard Street Improvement Project envisions the transformation of Folsom Street to a more pedestrian-friendly, multimodal street. Howard Street would be improved at the same time as a couplet to Folsom. Improvements would be between 2nd and 13th Street and could include cycle tracks, or other bicycle facility, widened sidewalks, additional crossings, bus and corner bulbouts and new streetscape landscaping. Two configurations are currently being considered; one which would change both streets into two-way boulevards; the other would maintain them as one way streets but include inventions that would calm traffic and make them more friendly to pedestrians and bicyclists. The Folsom Street Improvements Project is a "Priority Project" for EN implementation.

Delivery: The project is currently partially funded. Environmental clearance is expected winter 2016-2017. Community engagement is planned for 2017 with MTA and other approvals expected in 2018; construction is expected to commence in 2019.

B.1.2 2nd Street Improvement Project

Neighborhood: East SoMa

Description: The 2nd Street Improvement Project extends from Market Street to King Street; the portion south of Folsom is within the Eastern Neighborhoods Plan area. The project is to transform 2nd Street into a primary pedestrian, bicycle and transit route by constructing wider sidewalks, cycle tracks, street trees, new lighting and other amenities.

Delivery: The project is fully planned, approved and funded. Construction is expected to start fall 2016.

B.1.3 7th Street/8th Street Streetscape Project.

Description: The 7th and 8th Street Streetscape Project is being implemented in two phases. The scope includes the portions of 7th and 8th Streets between Market and Harrison Streets. The initial phase, which included restriping to include buffered bike lanes, has been complete. The second phase, which could include corner bulb-outs, bus bulb-outs, widened sidewalks, among other interventions, is currently undergoing conceptual design.

Delivery: TBD.

B.1.4 6th Street Improvement Project

Neighborhood(s): East SoMa and Western SoMa

Description: The project looks to construct robust pedestrian safety and aesthetic improvements to this high injury corridor between Market Street and Bryant Street. The central component of this project is a suite of proposed pedestrian safety and streetscape improvements on 6th Street from Market Street to Bryant Street including pedestrian safety bulb-outs, raised crosswalks, landscaping, and streetscape improvements. On 6th Street between Market Street and Howard Street, sidewalks on both sides of the street will be widened and corner bulb-outs will shorten crossing distances for pedestrians. The 2 lanes of vehicle traffic in each direction on 6th Street between Market Street and Bryant Street will be reduced to one lane in each direction. On 6th Street between Folsom Street and Bryant Street, the Project will remove peak-hour towaway lanes that restrict parking from 7-9AM and 3-7PM and restore full-time parking lanes. (source: https://www.sfmta.com/projects-planning/projects/6th-street-improvement-project)

Delivery: Environmental review is expected to be complete fall 2017, with detailed design complete by summer 2018. Construction is expected to begin spring 2019. [note: this is from the website; still need to confirm with staff]

B.1.5 SoMa Alleys

Neighborhood: East SoMa

Description: The SoMa Alleys project was completed to two phases. The first phase included traffic calming and pedestrian improvements on Harriet Street (Folsom Street to Howard Street), Moss Street (Folsom Street to Howard Street), Russ Street (Folsom Street to Howard Street), Natoma Street (6th Street to 7th Street), Minna Street (6th Street to 7th Street). The second phase included Minna and Natoma Streets from 6th to Mary St; Tehama, Clementina, Shipley and Clara Streets from 6th to 5th Streets with traffic calming and pedestrian improvements.

Delivery: Complete

B.1.6 16th Street/17th Street 22-Fillmore Improvements

Neighborhood(s): Showplace Square/Potrero Hill; Mission

Description: The 16th Street Improvement Project envisions the transformation of the 16th Street corridor into a highly efficient transit corridor along with pedestrian and streetscape improvements. The project includes transit, bicycle and pedestrian improvements on 16th Street between Church Street and 3rd Street, and bicycle improvements on 17th Street between San Bruno and Mississippi. The Project will improve transit by rerouting the 22-Fillmore, and providing enhanced pedestrian connectivity between the many neighborhoods along its length and to the Bay. Key to the 16th Street improvements is installing trolley bus overhead wiring for the 22-Fillmore. The configuration of 16th Street will feature both center running transit-only lanes and side running lanes along its length.

Delivery: The Project is being implemented in two phases with increased headways already implemented and road re-stripping to happen in the near future. Construction of hard improvements is planned to start in 2018.

B.1.7 Potrero Avenue Streetscape Improvement Project

Neighborhood(s): Showplace Square/Potrero Hill; Mission

Description: The project includes repaving and utility upgrades from Alameda to 25th Street along with bus bulbs pedestrian and bicycle improvements along the entire segment. Focused pedestrian streetscape improvements are planned for the segment between 21st and 25th Streets, which will include a median, widened sidewalks and lighting.

Delivery: The project is currently under construction.

B.1.8 22nd Street Green Connections

Neighborhood: Central Waterfront

Description: 22nd Street acts as the "Main Street" of the Dogpatch neighborhood (aka Central Waterfront). The project proposes sidewalk widening at corner bulbouts, replacement of sidewalk paving, installation of turf block treatments, infill tree planting and understory planting, new pedestrian lights, new painted crosswalks and bike route markings (sharrows). All of these elements are designed to enhance this vibrant Dogpatch commercial corridor and strengthen the connection for people walking, cycling and taking transit. The 22nd Street Green Connection Streetscape project will coordinate with Public Works paving program's repaving of 22nd Street.

Delivery: The Project is fully funded. Designs are expected to be completed in winter 2016 with construction beginning spring or summer 2017 [confirm timing].

B.1.9 22nd Street Stair

Neighborhood(s): Central Waterfront; Showplace Square/Potrero Hill

Scope: The project is to construct a publicly accessible stair and open space on the steep grade between Pennsylvania and Missouri Streets on the east slope of Potrero Hill. The stair would include both hardscaping and improved landscaping at the upper slope and will act as a key access point between Potrero Hill and Dogpatch.

Delivery: The project will be constructed by a private developer. Delivery is dependent of the development project moving forward.

B.1.10 Other Streetscape in Central Waterfront (The Central Waterfront Public Realm Plan)

Description: As of the date of this Report, the Planning Department is completing the Central Waterfront/Dogpatch Public Realm Plan. The purpose of the Plan is to identify streetscape and open space projects throughout Dogpatch and to prioritize them for implementation.

Delivery: The Public Realm Plan is expected to be complete by summer 2016 with environmental clearance needed thereafter. Implementation of Project's described within the Plan will depend of availability of funding.

B.1.11 Bartlett Street Pedestrian Improvements

Neighborhood: Mission

Description: The Bartlett Streetscape Project transforms an underutilized portion of Bartlett Street into a safer and more welcoming pedestrian realm. A key impetus for creating this plaza-like space was the establishment of the Mission Mercado Community Market, which has been held every Thursday since 2010. The Bartlett Streetscape Project not only serves the Mission Mercado Community Market along with other community uses and events. Improvements include widened sidewalk and single-surface treatments, landscaping, seating and lighting. The project is completing construction. Among other features, the project will include the fabrication and installation of eight custom-made pergola structures.

Delivery: Soon to be complete.

B.1.12 Ringold Alley

Neighborhood: Western SoMa

Description: The 17th Street and Folsom Park project will include a children's play area, demonstration garden, outdoor amphitheater and seating, among other amenities.

Delivery: The project is currently under construction and is expected to be complete and open by winter 2017.

B.1.13 Folsom Street Improvements (Mission)

Neighborhood: Mission

Description: A road diet reducing the travel lanes to one in each direction, establishing bike lanes and bus bulb-outs and other pedestrian amenities between 13th Street and Cesar Chavez Street have been completed.

Delivery: Complete

B.1.14 Cesar Chavez Street Streetscape Improvements.

Neighborhood: Mission

Description: The Cesar Chavez Street project has transformed this once bleak stretch of roadway to one that is safer, greener, and more environmentally sustainable. Cesar Chavez improvements ran from Hampshire to Guerrero and included road diet reconfiguration of travel lanes, wider planting medians, bike lanes, corner bulb-outs featuring storm water features.

Delivery: Completed 2014

B.2 Category: Transportation

B.2.1 Victoria Manolo Draves Mid-Block Crossing.

Neighborhood: East SoMa

Description: Addition of pedestrian signal between 6th and 7th Street at Victoria Manalo Draves Park.

Delivery: Completed.

B.2.2 Vision Zero Streetscape Improvements.

Neighborhood(s): All

Description: As part of the City's Vision Zero effort, MTA and DPW will develop pedestrian-safety improvements along the City's high-injury network that were identified through WalkFirst. This project implements pedestrian safety improvements at the following eleven intersections: Howard and 6th; Mission and 6th, 7th, 9th, 13th, 14th, 16th, 18th, 19th, 22nd; and South Van Ness and 16th. Proposed improvements include three painted safety zones, seven temporary medians, four turn prohibitions, one protected left turn pocket, four leading pedestrian intervals, three daylighting locations, seven signal timing changes, and seven locations with reduced lane widths.

Delivery: Ongoing.

B.3 Category: Parks and Open Space

B.3.1 Brannan Street Wharf

Location: East SoMa

Description: Located on The Embarcadero Promenade between Pier 30-32 and Pier 38, the Brannan Street Wharf is a new 57,000 square foot public park over the water and parallel to the Embarcadero Promenade.

Delivery: Completed summer 2013

B.3.2 Cesar Chavez Street Streetscape Improvements.

Neighborhood: Mission

Description: The Cesar Chavez Street project has transformed this once bleak stretch of roadway to one that is safer, greener, and more environmentally sustainable. Cesar Chavez improvements ran from Hampshire to Guerrero and included road diet reconfiguration of travel lanes, wider planting medians, bike lanes, corner bulb-outs featuring storm water features.

Delivery: Completed 2014

B.3.3 24th Street Bart Plaza

Neighborhood: Mission

Description: The southwest Bart plaza was reconstructed to emphasize flexible open space over the previous cluttered configuration; elements include removed fencing, new paving, landscaping and street furniture.

Delivery: Completed 2014

B.3.4 17th and Folsom Park

Neighborhood: Mission

Description: The new .8 acre park at 17th Street and Folsom Park project will include a children's play area, demonstration garden, outdoor amphitheater and seating, among other amenities.

Delivery: The project is currently under construction and is expected to be complete and open by winter 2017.

B.3.5 Daggett Park

Neighborhood: Showplace Square/Potrero

Description: The park is located on the previous Daggett paper-street right-of-way at 16th Street and 7th Street. The .9 acre park, currently under construction, is being constructed as part of an in-kind agreement of the Daggett Triangle Development. The park will feature a large unprogrammed lawn area, ample seating, architectural play features, dog run, drought-resistant trees and landscaping and other storm runoff features. The park, initially conceived as part of the Showplace Square Open Space Plan, was prioritized for implementation by the EN CAC. This will serve as the new park for Showplace Square/Potrero originally envisioned in the Eastern Neighborhoods Plan(s)

Delivery: The park is currently under construction and is expected to be complete by winter 2017 (confirm)

B.3.6 Crane Cove Park

Neighborhood: Central Waterfront

Scope: Crane Cove Park. It is located within the Union Iron Works Historic District at Pier 70 (PDF) and adjacent to the Port's large and active ship repair yard. The project will include preservation of the historic ship building slip-way and two historic cranes. Community planning and design is funded from the 2008 and 2012 Neighborhood Parks Bond, which will also fund the first phase of construction. The completed park will include a variety of landscape and plaza areas, 1,000 feet of Bay shoreline open to the public, adaptive reuse of historic resources, including slipway 4 and the cranes, and views of the dry dock, city skyline and Bay.

Delivery: Community outreach and conceptual design are complete. Initial construction phase is currently out to bid. Completion is expected 2017.

B.3.7 Dogpatch Art Plaza

Neighborhood: Central Waterfront

Scope: Located at the dead-end portion of 19th Street just west of Indiana Street and east of the I-280, the Dogpatch Arts Plaza envisions a pedestrian plaza that would include an 8,000 square foot level plaza designed to accommodate special events and rotating art exhibits, Indiana Street bulb-outs, cafe and other movable seating, and bleacher seating.

Delivery: The project is expected to complete design by December 2016 and begin construction shortly after, with a planned opening sometime in 2017.

B.3.8 Eagle Plaza

Neighborhood: Western SoMa

Scope: Eagle Plaza is proposed to be constructed within the 12th Street right-of-way between Bernice Street and Harrison Street. As an in-kind improvement for the development project at 1532 Harrison Street, this plaza will be constructed within the same time frame as the project. The plaza will feature a single-surface shared public way treatment for the sidewalk and roadway portions of the right-of-way with a single lane of travel reconfigured for in a curvilinear pattern to slow traffic and define to distinct zones for the plaza. The open space will feature custom made planters, seating, and a green knoll, among other features.

Delivery: Construction is expected to begin in 2016 with completion expected in 2018.

B.3.9 South Park

Neighborhood: East SoMa

Scope: South Park is currently being rehabilitated. New park features will include a variety of different programmatic spaces, including a children's play area, a large open meadow, plazas of varying scales, and a variety of areas designed for sitting and/or picnicking to increase park capacity. Additional improvements will include bulb-outs and chicanes for traffic calming, bio-infiltration swales, and possibly a rainwater cistern for irrigation usage.

Delivery: The project is under construction and expected to be complete 2017 (confirm)

B.3.10 Gene Friend/South of Market Recreation Center

Neighborhood: East SoMa

Scope: Gene Friend Recreation Center (aka SoMa Recreation Center), currently includes exterior play equipment and basketball court, along with indoor weight room and multipurpose room. Recreation and Park staff is planning for a long term total rehabilitation of the center that would include demolishing the existing structure and constructing a new multi-story recreation center. The proposal looks to make the center a stronger architectural presents while providing greatly improved facilities for the local community , which currently features a heavy blank wall and safety fencing. An envisioned new building could be designed with modular rooms that could be programmed for a wide variety of purposes.

Delivery: The project is currently undergoing feasibility analysis and concept plan development. Actual design is scheduled for mid 2016 to mid 2017 with actual construction happening afterward.

B.3.11 Mission Recreation Center

Neighborhood: Mission

Scope: Located on a through block facing both Harrison Street and Treat Avenue between 20th and 21st Street, the facility includes an interior gymnasium and fitness center, along with an outdoor playground located in an interior courtyard. Recreation and Park staff is planning for a major renovation and reconfiguration of the facility that could include relocating the play equipment so that it is visible from the public right-of-way and adding additional courts to the building.

Delivery: This project is still in its conceptual phase.

B.3.12 Jackson Playground

Neighborhood: Showplace Square/Potrero Hill

Scope: Jackson Playground is generally bounded by 17th Street, Carolina Street, Mariposa Street and Arkansas Street within the Showplace Square/Potrero Hill neighborhood. It currently features a clubhouse, play equipment, picnic areas, tennis courts, basketball courts and two ball fields. The Showplace Square Open Space Plan envisioned extending the boundaries of the park into Carolina Street and Arkansas Street to enable additional usable space.

Delivery: Rec and Park with the Friends of Jackson Playground, Live Oak School and other stakeholders are currently working on conceptual ideas for park improvements including the possibility of extending the boundaries of the park into the right-of-way. Delivery or improvements to Jackson Playground will be known when the scope is complete and fuller understanding of the project's funding needs.

B.3.13 Garfield Aquatic Center

Neighborhood: Mission

Description: Garfield Pool is scheduled to be rehabilitated through the 2012 Park Bond. However, Recreation and Park staff plan to further enhance the facility to a higher capacity Aquatics Center, which, besides refurbishing the pool, would also include adding additional amenities such a multi-purpose room and a slide. Other possible improvements could include a redesign of the pool structure.

Delivery: Design for the pool rehabilitation is expected to be complete by late 2016 with construction bid award and the construction planned to begin in 2017.

B.3.14 Juri Commons

Neighborhood: Mission.

Description: Juri Commons is a small park located on a previous railroad right-of-way in the southwestern portion of the Mission. The Recreation and Parks Department is proposing to rebuild the existing play equipment.

Delivery: TBD.

B.3.15 Jose Coronado Playground

Neighborhood: Mission.

Description: Jose Coronado Playground, located at 21st and Folsom Street includes basketball courts, tennis courts, play equipment, and a clubhouse. The proposal is to resurface the courts and provide more inviting fencing for the park.

Delivery: TBD.

B.4 Category: Child Care

B.4.1 Potrero Kids Child Care

Neighborhood: Showplace Square/Potrero Hill.

Description: The child care component on the Eastern Neighborhoods Impact Fee Program has been partially realized through the establishment of a new child care center at 2235 Third Street, as part of the Potrero Launch mixed-use development, which opened two years ago. The center serves roughly 66 children.

Delivery: Complete

C. 2011-2015 Completed Commercial and Residential Projects

List BL-1 Commercial Development Projects Completed, Central Waterfront, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2015	1179 TENNESSEE ST	8	0	0	0	0	0	0	0
2015	616 20TH ST	0	3000	3000	0	0	0	0	0
2014	1275 -1301 INDIANA ST	71	-9800	0	0	0	-14800	5000	0
2014	740 ILLINOIS ST AND 2121 03RD ST	106	-8500	0	0	0	-8500	0	0
2014	851 TENNESSEE ST	0	2709	0	0	0	0	2709	0
2014	25050 03RD ST	0	0	0	0	0	-2400	2400	0
2013	616 20TH ST	16	-1000	0	0	0	0	-1000	0
2012	2235 03RD ST	196	5339	0	0	0	0	5339	0
2011	1011 TENNESSEE ST	2	0	0	0	0	0	0	0
Total		***399***	***-8252***	***3000***	***0***	***0***	***-25700***	***14448***	***0***

List BL-1 Commercial Development Projects Completed, East SoMa, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2015	460 - 462 BRYANT ST	0	0	0	0	59475	-59475	0	0
2015	147 SOUTH PARK AV	1	1286	0	0	0	0	1286	0
2015	333 BRANNAN ST	0	164760	0	0	175450	-13740	3050	0
2015	660 03RD ST	0	0	0	0	40000	-40000	0	0
2015	482 BRYANT ST	0	4857	0	0	0	0	4857	0
2015	345 BRANNAN ST	0	102285	0	0	102285	0	0	0
2015	12 SHERMAN ST	3	900	0	0	0	900	0	0
2014	111 TOWNSEND ST	0	0	0	0	16786	-22884	6098	0
2014	500 2ND ST	0	0	0	0	13883	-13883	0	0
2014	665 03RD ST	0	0	0	0	123700	-123700	0	0
2014	938 HOWARD ST	0	0	0	0	25430	-25430	0	0
2014	900 FOLSOM ST	269	4146	0	0	0	0	4146	0
2014	260 05TH ST	179	-35969	0	0	0	-41250	5281	0
2014	374 5TH ST	47	0	0	0	0	0	0	0
2014	246 RITCH ST	19	-4130	0	0	0	-4130	0	0
2013	275 BRANNAN ST	0	0	0	0	48411	-48411	0	0
2013	42 HARRIET ST	23	0	0	0	0	0	0	0
2013	537 NATOMA ST	14	-5425	0	0	0	-5425	0	0
2012	166 TOWNSEND ST	66	-73625	0	0	0	-75340	1715	0
2012	1049 HOWARD STREET	25	0	0	0	0	0	0	0
2012	750 02ND ST	14	-7155	0	0	0	-7655	500	0
2012	960 HARRISON ST	4	-4000	0	0	0	0	-4000	0
2012	105 HARRISON ST	308	0	0	0	0	0	0	0
2011	425 BRYANT ST	1	-2500	0	0	0	-2500	0	0
Total		***973***	***145430***	***0***	***0***	***605420***	***-482923***	***22933***	***0***

List BL-1 Commercial Development Projects Completed, Mission, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2015	2500 16TH ST	0	-25211	-25211	0	0	0	0	0
2015	1069 CAPP ST	2	0	0	0	0	0	0	0
2015	500 CAPP ST	1	0	0	0	0	0	0	0
2015	2938 23RD ST	1	0	0	0	0	0	0	0
2015	949 HAMPSHIRE ST	1	0	0	0	0	0	0	0
2015	858 FLORIDA ST	1	0	0	0	0	0	0	0
2015	1340 ALABAMA ST	1	0	0	0	0	0	0	0
2015	748 TREAT AV	2	0	0	0	0	0	0	0
2015	2986 22ND ST	2	0	0	0	0	0	0	0
2015	141 ALBION ST	3	0	0	0	0	0	0	0
2015	300 SOUTH VAN NESS AVE	0	20040	0	0	0	0	20040	0
2015	2558 MISSION ST	114	14750	0	0	0	0	14750	0
2015	1875 MISSION ST	39	0	0	0	0	0	0	0
2015	39 SAN CARLOS ST	3	0	0	0	0	0	0	0
2015	899 VALENCIA ST	18	4705	0	0	0	0	4705	0
2014	1432 YORK ST	1	0	0	0	0	0	0	0
2014	2660 HARRISON ST	3	-11423	0	0	0	-11423	0	0
2014	2923 HARRISON ST	1	0	0	0	0	0	0	0
2014	3135 24TH ST	9	-13640	0	0	0	-15000	1360	0
2014	263 LEXINGTON ST	1	0	0	0	0	0	0	0
2014	2401 16TH ST	12	1722	0	0	0	0	1722	0
2014	1501 15TH ST	40	8222	0	0	0	0	8222	0
2014	3418 26TH ST	11	0	0	0	0	0	0	0
2014	626 POTRERO AV	0	200	0	15200	0	0	-15000	0
2013	1880 MISSION ST	194	-63512	0	0	0	-63512	0	0
2013	3120 23RD ST	1	0	0	0	0	0	0	0
2013	817 YORK ST	1	0	0	0	0	0	0	0
2013	2652 HARRISON ST	20	-7250	0	0	0	-7250	0	0
2013	1731 15TH ST	25	0	0	0	0	0	0	0
2013	915 FLORIDA ST	1	0	0	0	0	0	0	0
2013	1340 NATOMA ST	2	0	0	0	0	0	0	0
2012	1550 BRYANT ST	0	15000	0	0	108400	-93400	0	0
2012	857 ALABAMA ST	2	-3866	0	0	0	-3866	0	0
2012	3500 19TH ST	17	2950	0	0	0	0	2950	0
2012	1376 FLORIDA ST	1	0	0	0	0	0	0	0
2012	277 SAN CARLOS ST	2	0	0	0	0	0	0	0
2012	411 VALENCIA ST	16	1370	0	0	0	0	1370	0
2012	179 SAN CARLOS ST	3	0	0	0	0	0	0	0
2012	1280 HAMPSHIRE ST	3	-1060	0	0	0	-1060	0	0
2011	769 TREAT AV	1	0	0	0	0	0	0	0
2011	19 CAPP ST	1	0	0	0	0	0	0	0
2011	37 WOODWARD ST	-6	0	0	0	0	0	0	0
2011	1650 15TH ST	0	-10800	0	0	0	-10800	0	0
Total		***550***	***-67803***	***-25211***	***15200***	***108400***	***-206311***	***40119***	***0***

List BL-1 Commercial Development Projects Completed, Showplace Square/Potrero Hill, 2011-2015

Year	Address	Mixed Use No of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2015	251 ARKANSAS ST	2	0	0	0	0	0	0	0
2015	455 POTRERO AV	2	0	0	0	0	0	0	0
2015	838 KANSAS ST	1	0	0	0	0	0	0	0
2014	1368 UTAH ST	1	0	0	0	0	0	0	0
2014	850-870 BRANNAN ST (AKA 888 BRANNAN ST)	0	-4397	0	0	113753	-113753	-4397	0
2014	1001 POTRERO AV	0	419070	419070	0	0	0	0	0
2014	1717 17TH ST & 310 CAROLINA ST	41	870	0	0	0	-6130	7000	0
2013	808 BRANNAN ST	0	0	0	0	43881	-43881	0	0
2013	1022 RHODE ISLAND ST	1	0	0	0	0	0	0	0
2012	341 MISSISSIPPI ST	-1	0	0	0	0	0	0	0
2012	466 MISSOURI ST	1	0	0	0	0	0	0	0
2012	1028 WISCONSIN ST	1	0	0	0	0	0	0	0
2011	542 KANSAS ST	1	0	0	0	0	0	0	0
2011	1030-38 MISSISSIPPI ST	2	0	0	0	0	0	0	0
2011	1200 19TH ST	1	0	0	0	0	0	0	0
2011	791 SAN BRUNO AV	1	0	0	0	0	0	0	0
Total		***54***	***415543***	***419070***	***0***	***157634***	***-163764***	***2603***	***0***

List BL-1 Commercial Development Projects Completed, Western SoMa, 2011-2015

Year	Address	Mixed Use No of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2015	140 09TH ST	10	0	0	0	0	0	0	0
2015	248 - 252 09TH ST	15	5326	0	0	14826	-5000	-4500	0
2015	870 HARRISON ST	26	-6120	0	0	0	-6120	0	0
2015	410 TOWNSEND ST	0	0	0	0	76000	-76000	0	0
2015	639 NATOMA ST	1	0	0	0	0	0	0	0
2015	56 RINGOLD ST	2	0	0	0	0	0	0	0
2014	230 11TH ST	5	0	0	0	0	0	0	0
2013	234 09TH ST	1	-7650	0	0	-7550	-100	0	0
2013	1123 FOLSOM ST	2	-3930	0	0	0	0	0	-3930
2012	209 09TH ST	3	-11600	0	0	-11600	0	0	0
2011	149 DORE STREET	4	0	0	0	0	0	0	0
2011	121 09TH ST	20	-4975	0	0	0	-5775	800	0
Total		***89***	***-28949***	***0***	***0***	***71676***	***-92995***	***-3700***	***-3930***

List BL-3 Major Residential Development Projects Completed, Western SoMa, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units	Household AMI for Affordable Units	Type of Housing for Affordable Units	Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2011	121 9th Street	20	2			One Bedroom Two Bedroom Three Bedroom	Rental / Ownership	$399,000 - $524,000
2015	870 Harrison Street	26	4			N/A	Ownership	N/A
2015	252 9th Street	15	-			One Bedroom: 8 Two Bedroom: 7	Ownership	From $739,000 From $799,000
2015	140 9th Street	10	Below Threshold			N/A	Ownership	N/A
Total		**71**	**6**					

List BL-3 Major Residential Development Projects Completed, Showplace Square/Potrero Hill, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units			Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2014	1717 17th Street	20	2			One Bedroom: 10 Two Bedroom: 10	Ownership	From $1,000,000
2015	310 Carolina Street	21	-			N/A	Ownership	N/A
Total		**41**	**2**					

List BL-3 Major Residential Development Projects Completed, Mission, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units			Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2012	3500 19th Street	17	Fee payment			One Bedroom: 5 Two Bedroom: 12	Ownership	N/A
2012	411 Valenica Street	16	2			One Bedroom: 8 Two Bedroom: 8	Ownership	From $495,000 From $695,000
2013	1880 Mission Street	202	40			Studio: 28 One Bedroom: 118 Two Bedroom: 45 Three Bedroom : 14	Rental	From $2,800 From $3,250 From $4,375 From $5,000
2013	2625 Harrison Street	20	Fee payment			One Bedroom: 11 Two Bedroom: 9	Rental	From $ 3,100 From $ 4,195
2013	3500 19th STreet	17	Fee payment			One Bedroom: 1 Two Bedroom: 12	N/A	N/A
2014	400 South Van Ness	40	7			Studio: 8 One Bedroom: 8 Two Bedroom: 24	Ownership	From $1,000,000 to $3,000,000
2014	2421 16th Street	12	1			Two Bedroom:	Ownership	From $1,000,000
2014	3418 26th Street	11	Fee payment			One Bedroom: Two Bedroom:	Ownership	From $700,000
2015	2558 Mission Street	114	Land Dedication			One Bedroom: 63 Two Bedroom: 51	Ownership	From $628K - $1.2 M
2015	1875 Mission Street	39	6			Studio: 10 One Bedroom: 14 Two Bedroom: 15	Ownership	$675,000 From $745,000 - $905,000 From $865,000 - $1.25M
2015	899 Valencia Street	18	Fee payment			N/A	Ownership	N/A
Total		**506**	**56**					

List BL-3 Major Residential Development Projects Completed, East SoMa, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units	Household AMI for Affordable Units	Type of Housing for Affordable Units	Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2012	178 TOWNSEND ST	94	19	LI		Studio: 9 One Bedroom: 35 Two Bedroom: 30 Three Bedroom: 1	Rental	N/A
2012	1049 HOWARD ST	25	25	LI	Family	N/A	Rental	N/A
2012	750 SECOND ST	14	Fee payment			Two Bedroom: 8 Three Bedroom: 5	Ownership	N/A
2012	574 NATOMA ST	11	2	MOD		N/A	Ownership	N/A
2013	374 05TH ST	44	44	VLI	Individual / SRO	Studio: 44	Rental	From $1,300
2013	48 HARRIET ST	23	-			N/A	Rental	N/A
2013	537 NATOMA ST	13	1			One Bedroom Two Bedroom	Ownership	N/A
2014	900 FOLSOM ST	282	40			Studio: 27 One Bedroom: 131 Two Bedroom: 111	Rental	From $3,045 - $3,400 From $3,390 - $6,214 From $4,396 - $7,242
2014	260 05TH ST	182	27			Studio: 35 One Bedroom: 65 Two Bedroom: 80 Three Bedroom: 1	Ownership	From $ 500,000 - $1,200,000
2014	378 05TH ST	44	44	VLI		N/A	Rental	N/A
2014	246 RITCH ST	19	Fee payment			One Bedroom: 19	Rental	From $2,895 - $3,400
Total		**751**	**202**					

List BL-3 Major Residential Development Projects Completed, Central Waterfront, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units			Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2012	2225 3rd Street	196	39			Studio: 33 One Bedroom: 81 Two Bedroom: 81	Rental	From $2,801
2012	1301 Indiana Street	32	4			One Bedroom: 1 Two Bedroom: 14 Three Bedroom: 17	Ownership	From $569,000 From $649,000 From $729,000
2013	616 20th Street	16	2			One Bedroom Two Bedroom	Ownership	N/A
2014	2121 3rd Street	105	18			Studio: 12 One Bedroom: 45 Two Bedroom: 42 Three Bedroom: 6	Rental	From $2,700 - $2,900 From $ 3,200 - $3,800 From $ 3,900 - $4,900 From $ 5,200 - $5,600
2014	1275 Indiana Street	39	5			One Bedroom: 2 Two Bedroom: 28 Three Bedroom: 9	Ownership	From $999,000- $1.4M From $1.295M - $1.5M
Total		**388**	**68**					

D. Commercial and Residential Pipeline Projects, Q4 2015

List BL-1 Commercial Development Pipeline, Central Waterfront, 2011-2015

Development Status	Address	Planned Units (No. of Units)	Gross Sq. Ft.	Net Office	Net Medical	Net Retail	Net PDR	Net Hotel	Net Visitor
CONSTRUCTION	1275 MINNESOTA ST	0	7782	0	0	0	5501	2281	0
CONSTRUCTION	2538 03RD ST	1	-2051	0	0	0	-2051	0	0
CONSTRUCTION	650 INDIANA ST	111	0	0	0	0	0	0	0
CONSTRUCTION	2051 03RD ST	93	-15041	0	0	0	-15041	0	0
CONSTRUCTION	1201 - 1225 TENNESSEE ST	259	-63076	0	0	0	-65336	2260	0
PL APPROVED	1100 CESAR CHAVEZ ST	0	1694	0	0	4206	-2512	0	0
PL APPROVED	888 TENNESSEE ST	112	-34736	0	0	0	-38520	3784	0
BP REINSTATED	1067 TENNESSEE ST	2	0	0	0	0	0	0	0
BP ISSUED	650 INDIANA ST	111	0	0	0	0	0	0	0
BP FILED	815 TENNESSEE ST	69	-32000	0	0	0	-32000	0	0
BP APPROVED	2290 03RD ST	71	-2342	0	0	0	0	-2342	0
Entitled Sub-Total		***829***	***(139,770)***	**-**	**-**	***4,206***	***(149,958)***	***5,983***	**-**
PL FILED	851 TENNESSEE ST	0	2709	0	0	0	0	2709	0
PL FILED	1228 25TH ST	0	13940	0	0	0	11475	2465	0
PL FILED	2146 3RD ST	6	-2265	0	0	0	0	-2265	0
PL FILED	2092 03RD ST / 600 18TH ST	19	-280	0	0	-1350	0	1070	0
PL FILED	595 MARIPOSA ST	20	0	0	0	0	0	0	0
PL FILED	603 TENNESSEE ST	24	-6000	0	0	0	-6000	0	0
PL FILED	2230 3RD ST	37	-3201	0	0	0	0	-3201	0
PL FILED	901 TENNESSEE ST	44	-9000	0	0	0	-9000	0	0
PL FILED	777 TENNESSEE ST	59	-11424	0	0	0	-11424	0	0
PL FILED	950 TENNESSEE ST	108	-31663	0	0	-7896	-23767	0	0
PL FILED	800 INDIANA ST	326	-78240	0	0	0	-78240	0	0
PL FILED	PIER 70	1100	2492050	0	0	2024050	468000	0	0
BP FILED	1133 TENNESSEE ST	1	0	0	0	0	0	0	0
BP FILED	2420 03RD ST	9	475	0	0	0	0	475	0
BP FILED	2171 03RD ST	109	-32131	0	0	0	-35274	3143	0
Under Review Sub-Total		***1,862***	***2,334,970***	**-**	**-**	***2,014,804***	***315,770***	***4,396***	**-**
Total		**2,691**	**2,195,200**	**-**	**-**	**2,019,010**	**165,811**	**10,379**	**-**

List BL-1 Commercial Development Pipeline, East SoMa, 2011-2015

Development Status	Address	Net # Dwelling Units	Total Net Sq Ft	Net GFA	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
CONSTRUCTION	144 KING ST	0	43845	0	0	0	-5655	0	49500
CONSTRUCTION	482 BRYANT ST	0	4857	0	0	0	0	4857	0
CONSTRUCTION	270 BRANNAN ST	0	154300	0	0	154300	0	0	0
CONSTRUCTION	49 MOSS ST	1	-5000	0	0	0	-5000	0	0
CONSTRUCTION	236 - 238 SHIPLEY ST / 77 FALMOUTH ST	15	1569	0	0	0	0	1569	0
CONSTRUCTION	233-237 SHIPLEY ST	22	-1875	0	0	0	-1875	0	0
CONSTRUCTION	468 CLEMENTINA ST	13	-7000	0	0	0	-7000	0	0
CONSTRUCTION	226 06TH ST	37	5445	0	0	0	0	0	5445
CONSTRUCTION	200 - 214 06TH ST	44	-29850	0	0	0	0	2550	-32400
CONSTRUCTION	72 TOWNSEND ST	74	0	0	0	0	0	0	0
CONSTRUCTION	923 FOLSOM ST	114	-5941	0	0	-7500	0	1559	0
PL APPROVED	272 CLARA ST	2	0	0	0	0	0	0	0
PL APPROVED	345 06TH ST	104	3090	0	0	0	0	3090	0
PL APPROVED	363 06TH ST	104	-11696	0	0	-12396	0	700	0
PL APPROVED	301 06TH ST	84	3700	0	0	0	0	3700	0
PL APPROVED	750 HARRISON ST	77	-2524	0	0	0	0	-2524	0
PL APPROVED	119 07TH ST	39	2320	0	0	0	0	2320	0
PL APPROVED	377 06TH ST	100	4875	0	0	0	-1610	6485	0
PL APPROVED	768 HARRISON ST	26	1991	0	0	0	0	1991	0
BP REINSTATED	457 TEHAMA ST	1	0	0	0	0	0	0	0
BP ISSUED	136 SOUTH PARK AV	1	2431	0	0	3861	-1430	0	0
BP ISSUED	532 NATOMA ST	1	0	0	0	0	0	0	0
BP ISSUED	340 BRYANT ST	0	0	0	0	45545	-45545	0	0
BP ISSUED	259 CLARA ST	8	-3055	0	0	945	-4000	0	0
BP FILED	101 TOWNSEND ST	0	1600	1600	0	0	0	0	0
BP FILED	268 CLARA ST.	1	0	0	0	0	0	0	0
BP FILED	534 - 536 NATOMA ST	1	0	0	0	0	0	0	0
Entitled Sub-Total		***869***	***163,082***	***1,600***	***-***	***184,755***	***(72,115)***	***26,297***	***22,545***
PL FILED	144 TOWNSEND ST	0	-2817	0	0	39505	0	-42322	0
PL FILED	667 FOLSOM ST, 120 HAWTHORNE ST, 126 HAWTHC	16	-14735	0	0	-21914	-4000	11179	0
PL FILED	909-921 HOWARD ST & 206 05TH ST	172	-9973	0	0	0	-19868	9895	0
PL FILED	5TH ST / CLARA ST / SHIPLEY ST	123	-47476	0	0	0	-18000	-29476	0
PL FILED	655 FOLSOM ST	89	-11521	0	0	0	0	-11521	0
PL FILED	265 SHIPLEY ST	9	0	0	0	0	0	0	0
PL FILED	1082 HOWARD ST	8	-2801	0	0	0	0	-2801	0
PL FILED	1076 HOWARD ST	0	6799	0	0	15580	-8781	0	0
PL FILED	1125 MISSION ST	0	0	0	0	35842	-35842	0	0
PL FILED	645 HARRISON ST	0	53145	0	0	98964	-45819	0	0
PL FILED	1025 HOWARD ST	0	-17039	0	0	0	0	-17220	181
PL FILED	501 BRANNAN ST	0	138169	0	0	137446	0	723	0
PL FILED	701 03RD ST	0	99535	0	0	0	0	-1516	101051
PL FILED	135 TOWNSEND ST	0	-485	0	0	49995	0	-50480	0
BP FILED	77 & 85 FEDERAL ST	0	54977	0	0	32614	0	22363	0
BP FILED	481 TEHAMA ST	5	0	0	0	0	0	0	0
BP FILED	225 SHIPLEY ST	9	0	0	0	0	0	0	0
BP FILED	980 FOLSOM ST	38	-6765	0	0	0	-7530	765	0
BP FILED	9 FREELON ST	0	0	0	0	0	0	0	0
BP FILED	300 04TH ST	0	0	-16622	0	0	0	16622	0
BP FILED	48 HARRIET ST	4	0	0	0	0	0	0	0
Under Review Sub-Total		***473***	***238,013***	***(16,622)***	***-***	***388,032***	***(138,840)***	***(93,788)***	***101,232***
Total		**1,342**	**402,095**	**(15,022)**	**-**	**572,787**	**(211,955)**	**(67,492)**	**123,777**

List BL-1 Commercial Development Pipeline, Mission, 2011-2015

Development Status	Address	Net # Dwelling Units	Total Net Sq Ft	Net GFA	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
CONSTRUCTION	2374 FOLSOM ST	2	0	0	0	0	0	0	0
CONSTRUCTION	346 POTRERO AV	70	-1400	0	0	0	-3000	1600	0
CONSTRUCTION	3420 18TH ST	16	-3675	0	0	0	-4675	1000	0
CONSTRUCTION	1050 VALENCIA ST	16	1830	0	0	0	0	1830	0
CONSTRUCTION	685 FLORIDA ST	4	0	0	0	0	0	0	0
CONSTRUCTION	353 SAN JOSE AV	3	0	0	0	0	0	0	0
CONSTRUCTION	930 SHOTWELL ST	2	0	0	0	0	0	0	0
CONSTRUCTION	480 POTRERO AV	75	970	0	0	0	0	970	0
CONSTRUCTION	857 ALABAMA ST	2	-3866	0	0	0	-3866	0	0
CONSTRUCTION	2356 BRYANT ST	1	0	0	0	0	0	0	0

CONSTRUCTION	1076 HAMPSHIRE ST	2	-920	0	0	0	-920	0	0
CONSTRUCTION	2830 22ND ST	1	0	0	0	0	0	0	0
CONSTRUCTION	35 LEXINGTON ST	1	0	0	0	0	0	0	0
CONSTRUCTION	1196 HAMPSHIRE ST	1	0	0	0	0	0	0	0
CONSTRUCTION	1302 YORK ST	1	0	0	0	0	0	0	0
CONSTRUCTION	1340 ALABAMA ST	1	0	0	0	0	0	0	0
CONSTRUCTION	3249 17TH ST	2	1996	0	0	0	0	1996	0
PL APPROVED	658-666 SHOTWELL ST	1	2757	2757	0	0	0	0	0
PL APPROVED	3527 18TH ST	2	0	0	0	0	0	0	0
PL APPROVED	811 TREAT AV	2	0	0	0	0	0	0	0
PL APPROVED	49 JULIAN AV	8	-2914	0	0	0	-2914	0	0
PL APPROVED	1125 HAMPSHIRE ST	1	0	0	0	0	0	0	0
BP ISSUED	1450 15TH ST	23	-6088	0	0	0	-6088	0	0
BP ISSUED	80 JULIAN AV	6	16000	0	16000	0	0	0	0
BP ISSUED	811 CAPP ST	1	0	0	0	0	0	0	0
BP ISSUED	161 SAN CARLOS ST	1	0	0	0	0	0	0	0
BP ISSUED	1330 HAMPSHIRE ST	1	0	0	0	0	0	0	0
BP ISSUED	1181 VALENCIA ST	1	0	0	0	0	0	0	0
BP ISSUED	787 TREAT AV	1	0	0	0	0	0	0	0
BP ISSUED	1785 15TH ST	9	-780	0	0	0	-780	0	0
BP ISSUED	2525 MISSION ST	0	4999	0	0	4999	0	0	0
BP ISSUED	777 VALENCIA ST	3	1738	0	0	683	0	1055	0
BP ISSUED	490 SOUTH VAN NESS AV	72	1123	0	0	0	0	1123	0
BP ISSUED	2495 HARRISON ST	1	-200	1200	0	0	0	-1400	0
BP ISSUED	2881 MISSION ST	2	-1010	0	0	-1010	0	0	0
BP ISSUED	600 SOUTH VAN NESS AV	27	3060	0	0	0	0	3060	0
BP FILED	1900 MISSION ST	9	498	0	0	1725	-1939	712	0
BP FILED	355 CAPP ST	1	0	0	0	0	0	0	0
BP FILED	80 SYCAMORE ST	1	0	0	0	0	0	0	0
BP FILED	25 ALVARADO ST	1	0	0	0	0	0	0	0
BP FILED	144 LEXINGTON ST	1	0	0	0	0	0	0	0
BP APPROVED	3360 20TH ST	6	-4750	0	0	0	-4750	0	0
BP APPROVED	720 YORK ST	1	0	0	0	0	0	0	0
BP APPROVED	1150 SOUTH VAN NESS AV	1	0	0	0	0	0	0	0
BP APPROVED	1936 FOLSOM ST	1	0	0	0	0	0	0	0
BP APPROVED	1318 HAMPSHIRE ST	1	0	0	0	0	0	0	0
Entitled Sub-Total		***385***	***9,368***	***3,957***	***16,000***	***6,307***	***(28,932)***	***11,848***	***-***

PL FILED	1198 VALENCIA ST	49	4610	0	0	0	-440	5050	0
PL FILED	1798 BRYANT ST	7	-1665	0	0	-5179	0	3514	0
PL FILED	3357 26TH ST	5	7264	0	0	0	6631	633	0
PL FILED	1801 AND 1863 MISSION ST	54	3235	0	0	0	0	3235	0
PL FILED	2799 24TH ST	8	-269	0	0	0	0	-269	0
PL FILED	645 VALENCIA ST	9	-4382	0	0	0	0	-4382	0
PL FILED	1924 MISSION ST	12	1139	0	0	0	-1176	2315	0
PL FILED	2600 HARRISON ST	20	0	0	0	0	0	0	0
PL FILED	3140 16TH ST	28	6715	0	0	0	0	6715	0
PL FILED	3620 CESAR CHAVEZ ST	29	-2528	0	0	0	-3200	672	0
PL FILED	1726 - 1730 MISSION ST	36	-14700	0	0	0	-15600	900	0
PL FILED	793 SOUTH VAN NESS AV	62	4577	0	0	0	0	4577	0
PL FILED	2750 19TH ST	60	-3463	0	0	0	-10934	7471	0
PL FILED	2525 16TH ST	0	0	0	0	49999	-49999	0	0
PL FILED	2918 MISSION ST	55	-500	0	0	0	0	-500	0
PL FILED	1800 MISSION ST	0	39920	0	0	119600	-119600	39920	0
PL FILED	200 POTRERO AV	0	13300	30034	0	0	-16734	0	0
PL FILED	2441 MISSION ST	0	371	0	0	-432	0	803	0
PL FILED	1850 BRYANT ST	0	170733	172394	0	-4600	0	2939	0
PL FILED	2675 FOLSOM ST	117	-22411	0	0	0	-22411	0	0
PL FILED	1401 - 1419 BRYANT ST	0	10250	44600	0	0	-34350	0	0
PL FILED	1528 15TH ST	1	-1142	0	0	0	0	-1142	0
PL FILED	2643 FOLSOM ST	1	0	0	0	0	0	0	0
PL FILED	2070 BRYANT ST	271	-60480	0	0	-3540	-56160	-780	0
PL FILED	1515 SOUTH VAN NESS AV	165	-30656	0	0	0	0	-30656	0
BP FILED	1979 MISSION ST	331	-18239	0	0	0	0	-18239	0
BP FILED	1278 - 1298 VALENCIA ST	35	1737	0	0	0	-2000	3737	0
BP FILED	2829 25TH ST	4	0	0	0	0	0	0	0
BP FILED	3314 CESAR CHAVEZ ST	44	-14553	0	0	-2500	-13793	1740	0
BP FILED	1100 POTRERO AV	3	0	0	0	0	0	0	0
BP FILED	3324 19TH ST	6	0	0	0	0	0	0	0
BP FILED	854 CAPP ST	6	0	0	0	0	0	0	0
BP FILED	657 CAPP ST	5	0	0	0	0	0	0	0
BP FILED	2435 - 2445 16TH ST	50	7399	0	0	0	0	7399	0
BP FILED	657 VALENCIA ST	4	0	0	0	0	0	0	0
BP FILED	2782 FOLSOM ST	4	0	0	0	0	0	0	0
BP FILED	449 14TH ST	20	0	0	0	0	0	0	0
BP FILED	659 GUERRERO ST	1	0	0	0	0	0	0	0
BP FILED	1511 15TH ST	0	747	0	0	3703	0	-2956	0
BP FILED	3040 24TH ST	1	0	0	0	0	0	0	0
BP FILED	267 SAN CARLOS ST	1	0	0	0	0	0	0	0
BP FILED	824 FLORIDA ST	1	0	0	0	0	0	0	0
BP FILED	1274 HAMPSHIRE ST	1	0	0	0	0	0	0	0
BP FILED	963 ALABAMA ST	1	0	0	0	0	0	0	0
BP FILED	1110 YORK ST	1	0	0	0	0	0	0	0
BP FILED	3252 19TH ST	1	0	0	0	0	0	0	0
BP FILED	943 YORK ST	1	0	0	0	0	0	0	0
BP FILED	2877 FOLSOM ST	1	0	0	0	0	0	0	0
BP FILED	2138 FOLSOM ST	1	0	0	0	0	0	0	0
BP FILED	44 WOODWARD ST	3	0	0	0	0	0	0	0
BP FILED	2855 FOLSOM ST	1	0	0	0	0	0	0	0
BP FILED	953 TREAT AV	4	0	0	0	0	0	0	0
BP FILED	1 HORACE ST	1	0	0	0	0	0	0	0
BP FILED	13 LUCKY ST	1	0	0	0	0	0	0	0
BP FILED	333 SAN CARLOS ST	1	0	0	0	0	0	0	0
BP FILED	8 RONDEL PL	2	0	0	0	0	0	0	0
BP FILED	1152 POTRERO AV	2	0	0	0	0	0	0	0
BP FILED	2944 21ST ST	2	0	0	0	0	0	0	0
BP FILED	3312 17TH ST	2	0	0	0	0	0	0	0
BP FILED	2621 HARRISON ST	2	0	0	0	0	0	0	0
BP FILED	835 SOUTH VAN NESS AV	3	0	0	0	0	0	0	0
BP FILED	33 DEARBORN ST	3	0	0	0	0	0	0	0
BP FILED	2830 24TH ST	3	0	0	0	0	0	0	0
BP FILED	315 SOUTH VAN NESS AV	4	0	0	0	0	0	0	0
BP FILED	1342 YORK ST	1	0	0	0	0	0	0	0
Under Review Sub-Total		***1,547***	***97,000***	***247,028***	***-***	***157,051***	***(339,766)***	***32,696***	***-***
Total		**1,932**	**106,377**	**250,985**	**16,000**	**163,448**	**(369,698)**	**44,842**	**-**

List BL-1 Commercial Development Pipeline, Showplace Square/Potrero Hill, 2011-2015

Development Status	Address	Status Months Since Application	Total Net Sq Ft	Net PDR	Net Medical	Net Office	Net Retail	Net Hotel	Net Other
CONSTRUCTION	238 MISSOURI ST	1	0	0	0	0	0	0	0
CONSTRUCTION	2207 25TH ST	1	0	0	0	0	0	0	0
CONSTRUCTION	746 CAROLINA ST	2	0	0	0	0	0	0	0
CONSTRUCTION	946 RHODE ISLAND ST	3	0	0	0	0	0	0	0
CONSTRUCTION	520 09TH ST	12	0	0	0	0	0	0	0
CONSTRUCTION	645 TEXAS ST	91	-29455	0	0	0	-10000	-20000	545
CONSTRUCTION	1000 16TH ST	470	23000	0	0	0	8000	15000	0
CONSTRUCTION	801 BRANNAN ST	557	8000	0	0	0	0	8000	0
CONSTRUCTION	1 HENRY ADAMS ST	671	-133129	0	0	0	-164549	31420	0
PL APPROVED	601 TOWNSEND ST	0	0	0	0	72600	-72600	0	0
PL APPROVED	1036 WISCONSIN ST	1	0	0	0	0	0	0	0
PL APPROVED	605 MISSISSIPPI ST	1	0	0	0	0	0	0	0
BP REINSTATED	1087 MISSISSIPPI ST	1	0	0	0	0	0	0	0
BP REINSTATED	333 PENNSYLVANIA AV	2	0	0	0	0	0	0	0
BP ISSUED	1451 MARIPOSA ST	1	0	0	0	0	0	0	0
BP ISSUED	140 PENNSYLVANIA AV	37	-11475	0	0	0	-11475	0	0
BP ISSUED	910 CAROLINA ST	2	0	0	0	0	0	0	0
BP ISSUED	1914 20TH ST	2	0	0	0	0	0	0	0
BP ISSUED	526 UTAH ST	1	0	0	0	0	0	0	0
BP ISSUED	100 HOOPER ST	0	427255	284471	0	0	142784	0	0
BP ISSUED	1510 25TH ST	1	0	0	0	0	0	0	0
BP ISSUED	1512 20TH ST	0	2762	0	0	1011	0	1751	0
BP ISSUED	896 DE HARO ST	2	0	0	0	0	0	0	0
BP APPROVED	1004 MISSISSIPPI ST	28	0	0	0	0	0	0	0
BP APPROVED	1321 DE HARO ST	2	0	0	0	0	0	0	0
BP APPROVED	1036 MISSISSIPPI ST	2	0	0	0	0	0	0	0
BP APPROVED	1115 POTRERO AV	1	0	0	0	0	0	0	0
Entitled Sub-Total		***1,892***	***286,958***	***284,471***	***-***	***73,611***	***(107,840)***	***36,771***	***545***
PL FILED	88 ARKANSAS ST	127	-22442	0	0	0	-25560	3118	0
PL FILED	HOPE SF POTRERO	994	30000	0	0	10000	0	20000	0
PL FILED	2 HENRY ADAMS ST	0	0	0	0	245697	-245697	0	0
PL FILED	1210 UTAH ST	2	0	0	0	0	0	0	0
PL FILED	540 DE HARO ST	17	-7147	0	0	0	-7147	0	0
PL FILED	98 PENNSYLVANIA AV	46	0	0	0	0	0	0	0
PL FILED	580 DE HARO ST	3	0	0	0	0	0	0	0
PL FILED	75 ARKANSAS ST	50	8179	0	0	0	0	8179	0
PL FILED	975 BRYANT ST	182	-30010	0	0	0	0	-30010	0
PL FILED	1395 22ND ST	250	47575	0	0	0	47575	0	0
PL FILED	1301 16TH STREET	176	0	0	0	0	0	0	0
PL FILED	1601 - 1677 MARIPOSA STREET / 485 CAROLINA	320	-70734	0	0	-8000	-62734	0	0
PL FILED	1240 & 1250 17TH ST	0	12995	12995	0	0	0	0	0
PL FILED	1200 17TH ST	395	-85032	0	0	-4500	-105000	24468	0
PL FILED	155 DE HARO ST	0	15405	0	0	0	15405	0	0
PL FILED	1501 MARIPOSA	0	0	22700	0	-22700	0	0	0
BP FILED	935 KANSAS ST	9	0	0	0	0	0	0	0
BP FILED	502 07TH ST	16	0	0	0	0	0	0	0
BP FILED	131 MISSOURI ST	9	-4500	0	0	0	-4500	0	0
BP FILED	1239 17TH ST	3	0	0	0	0	0	0	0
BP FILED	249 PENNSYLVANIA AV	59	-13031	0	0	0	-19125	6094	0
BP FILED	1123 CAROLINA ST	1	0	0	0	0	0	0	0
BP FILED	979 BRYANT ST	0	0	0	0	0	-3150	3150	0
BP FILED	2018 19TH ST	1	0	0	0	0	0	0	0
BP FILED	1331 SAN BRUNO AV	1	0	0	0	0	0	0	0
BP FILED	1076 RHODE ISLAND ST	1	0	0	0	0	0	0	0
BP FILED	1019 KANSAS ST	1	0	0	0	0	0	0	0
BP FILED	929 KANSAS ST	9	0	0	0	0	0	0	0
BP FILED	891 CAROLINA ST	1	0	0	0	0	0	0	0
BP FILED	201 MISSOURI ST	2	0	0	0	0	0	0	0
BP FILED	153 ARKANSAS ST	2	0	0	0	0	0	0	0
BP FILED	1058 MISSISSIPPI ST	2	0	0	0	0	0	0	0
BP FILED	1016 DE HARO ST	2	0	0	0	0	0	0	0
BP FILED	534 TEXAS ST	2	0	0	0	0	0	0	0
BP FILED	931 KANSAS ST	9	0	0	0	0	0	0	0
BP FILED	925 KANSAS ST	9	0	0	0	0	0	0	0
BP FILED	749 WISCONSIN ST	1	0	0	0	0	0	0	0
Under Review Sub-Total		***2,702***	***(118,742)***	***35,695***	***-***	***220,497***	***(408,933)***	***34,999***	***-***
Total		**4,594**	**168,216**	**320,166**	**-**	**294,108**	**(517,773)**	**71,170**	**545**

List BL-1 Commercial Development Pipeline, Western SoMa 2011-2015

Development Status	Address	Affordable Units Per Planning	Net New Sq Ft	Net Office Sq Ft	Net Medical	Net Office	Net PDR	Net Retail	Net Hotel
CONSTRUCTION	85 BLUXOME ST	0	5354	0	0	33000	-27646	0	0
CONSTRUCTION	5 HALLAM ST	6	0	0	0	0	0	0	0
CONSTRUCTION	350 08TH ST	410	56700	0	0	0	3700	53000	0
PL APPROVED	510 TOWNSEND ST	0	255082	0	0	295992	-20455	-20455	0
PL APPROVED	690 05TH ST	0	32500	0	0	-13500	0	5000	41000
PL APPROVED	610 - 620 BRANNAN ST	0	526802	0	0	526807	-17533	17528	0
PL APPROVED	35-41 LAFAYETTE ST	4	0	0	0	0	0	0	0
BP ISSUED	1401 HOWARD ST	0	3800	3800	0	0	0	0	0
BP ISSUED	603 7TH STREET	0	4666	0	0	0	0	4666	0
BP ISSUED	854 FOLSOM ST	1	0	0	0	0	0	0	0
BP ISSUED	615 MINNA	1	0	0	0	0	0	0	0
BP FILED	721 CLEMENTINA ST	1	0	0	0	0	0	0	0
Entitled Sub-Total		***423***	***884,904***	***3,800***	***-***	***842,299***	***(81,934)***	***59,739***	***41,000***
PL FILED	230 07TH ST	44	415	0	0	0	0	415	0
PL FILED	33 NORFOLK ST	9	0	0	0	0	0	0	0
PL FILED	333 12TH ST	219	-21630	0	0	-21630	0	0	0
PL FILED	915 - 935 MINNA ST	37	0	0	0	0	0	0	0
PL FILED	349 08TH ST	38	1236	0	0	0	0	1236	0
PL FILED	280 07TH ST	2	3892	0	0	-183	0	4075	0
PL FILED	1174 - 1178 FOLSOM ST	42	10081	0	0	3493	2180	4408	0
PL FILED	32 HERON ST	1	-2120	0	0	-2187	0	67	0
PL FILED	222 DORE ST	23	0	0	0	0	0	0	0
PL FILED	618 NATOMA ST	1	0	0	0	0	0	0	0
PL FILED	630 NATOMA ST	3	-2620	0	0	-2620	0	0	0
PL FILED	1335 FOLSOM ST	65	-5700	0	0	0	-5700	0	0
PL FILED	340 11TH ST	0	16176	0	0	14263	0	1913	0
PL FILED	221 11TH ST	0	0	4316	0	-4316	0	0	0
PL FILED	630-698 BRANNAN ST	0	1526810	0	0	1512260	-15000	29550	0
PL FILED	598 BRANNAN ST	0	662256	0	0	692568	-30312	0	0
PL FILED	1298 HOWARD ST	121	10050	0	0	10050	0	0	0
PL FILED	250 10TH ST	0	54754	54754	0	0	0	0	0
PL FILED	1140 FOLSOM ST	128	-9081	0	0	0	0	-9081	0
PL FILED	215 - 217 DORE ST	1	0	0	0	0	0	0	0
BP FILED	1394 HARRISON ST	68	0	0	0	0	0	0	0
BP FILED	241 10TH ST	28	-8376	0	0	0	0	-8376	0
BP FILED	1228 FOLSOM ST	24	0	0	0	0	0	0	0
BP FILED	1532 HOWARD ST	15	-1482	0	0	0	0	-1482	0
BP FILED	949 NATOMA ST	6	0	0	0	0	0	0	0
BP FILED	34 LANGTON ST	5	0	0	0	0	0	0	0
BP FILED	767 TEHAMA ST	3	0	0	0	0	0	0	0
BP FILED	466 TOWNSEND ST	0	0	0	0	0	0	0	0
BP FILED	716 CLEMENTINA ST	2	0	0	0	0	0	0	0
BP FILED	1117 HOWARD ST	1	0	0	0	0	0	0	0
BP FILED	1455 FOLSOM ST	0	0	17650	0	0	-15510	0	0
BP FILED	735 BRYANT ST	0	0	0	0	0	0	0	0
BP FILED	405 10TH ST	0	0	0	0	5280	0	0	0
BP FILED	44 MCLEA CT	0	2025	0	0	2025	0	0	0
BP FILED	1695 FOLSOM ST	4	0	0	0	0	0	0	0
Under Review Sub-Total		***890***	***2,236,686***	***76,720***	***-***	***2,209,003***	***(54,342)***	***22,725***	***-***
Total		**1,313**	**3,121,590**	**80,520**	**-**	**3,051,302**	**(136,276)**	**82,464**	**41,000**

List BL-1 Residential Development Pipeline, Central Waterfront, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
CONSTRUCTION	1201 - 1225 TENNESSEE ST	259	MU
CONSTRUCTION	2051 03RD ST	93	
CONSTRUCTION	650 INDIANA ST	111	
PL APPROVED	888 TENNESSEE ST	112	MU
BP ISSUED	650 INDIANA ST	111	
BP FILED	815 TENNESSEE ST	69	
BP APPROVED	2290 03RD ST	71	MU
Entitled Sub-Total		***826***	
PL FILED	2146 3RD ST	6	
PL FILED	2092 03RD ST / 600 18TH ST	19	MU
PL FILED	595 MARIPOSA ST	20	
PL FILED	603 TENNESSEE ST	24	
PL FILED	2230 3RD ST	37	MU
PL FILED	901 TENNESSEE ST	44	
PL FILED	777 TENNESSEE ST	59	
PL FILED	950 TENNESSEE ST	108	
PL FILED	800 INDIANA ST	326	
PL FILED	PIER 70	1100	MU
BP FILED	2420 03RD ST	9	MU
BP FILED	2171 03RD ST	109	MU
Entitled Sub-Total		***1,861***	
Total		**2,687**	

List BL-1 Residential Development Pipeline, East SoMa, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
CONSTRUCTION	923 FOLSOM ST	114	MU
CONSTRUCTION	72 TOWNSEND ST	74	
CONSTRUCTION	200 - 214 06TH ST	44	MU
CONSTRUCTION	226 06TH ST	37	MU
CONSTRUCTION	468 CLEMENTINA ST	13	
CONSTRUCTION	233-237 SHIPLEY ST	22	
CONSTRUCTION	236 - 238 SHIPLEY ST / 77 FALMOUTH ST	15	MU
PL APPROVED	768 HARRISON ST	26	MU
PL APPROVED	119 07TH ST	39	MU
PL APPROVED	750 HARRISON ST	77	
PL APPROVED	301 06TH ST	84	MU
PL APPROVED	363 06TH ST	104	MU
PL APPROVED	345 06TH ST	104	MU
PL APPROVED	377 06TH ST	100	MU
BP ISSUED	259 CLARA ST	8	MU
Entitled Sub-Total		***861***	
PL FILED	2146 3RD ST	6	
PL FILED	2092 03RD ST / 600 18TH ST	19	MU
PL FILED	595 MARIPOSA ST	20	
PL FILED	603 TENNESSEE ST	24	
PL FILED	2230 3RD ST	37	MU
PL FILED	901 TENNESSEE ST	44	
PL FILED	777 TENNESSEE ST	59	
PL FILED	950 TENNESSEE ST	108	
PL FILED	800 INDIANA ST	326	
PL FILED	PIER 70	1100	MU
BP FILED	2420 03RD ST	9	MU
BP FILED	2171 03RD ST	109	MU
Entitled Sub-Total		***1,861***	
Total		**2,722**	

List BL-1 Residential Development Pipeline, Mission, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
CONSTRUCTION	480 POTRERO AV	75	MU
CONSTRUCTION	346 POTRERO AV	70	MU
CONSTRUCTION	3420 18TH ST	16	
CONSTRUCTION	1050 VALENCIA ST	16	MU
PL APPROVED	49 JULIAN AV	8	
BP ISSUED	1785 15TH ST	9	
BP ISSUED	80 JULIAN AV	6	MU
BP ISSUED	1450 15TH ST	23	
BP ISSUED	600 SOUTH VAN NESS AV	27	MU
BP ISSUED	490 SOUTH VAN NESS AV	72	MU
BP FILED	1900 MISSION ST	9	MU
BP APPROVED	3360 20TH ST	6	
Entitled Sub-Total		***337***	
PL FILED	3140 16TH ST	28	MU
PL FILED	2070 BRYANT ST	271	
PL FILED	1515 SOUTH VAN NESS AV	165	MU
PL FILED	2675 FOLSOM ST	117	
PL FILED	2750 19TH ST	60	
PL FILED	793 SOUTH VAN NESS AV	62	MU
PL FILED	1198 VALENCIA ST	49	MU
PL FILED	1726 - 1730 MISSION ST	36	MU
PL FILED	1798 BRYANT ST	7	MU
PL FILED	3620 CESAR CHAVEZ ST	29	MU
PL FILED	1801 AND 1863 MISSION ST	54	MU
PL FILED	2600 HARRISON ST	20	
PL FILED	1924 MISSION ST	12	MU
PL FILED	645 VALENCIA ST	9	MU
PL FILED	2799 24TH ST	8	MU
PL FILED	3357 26TH ST	5	MU
PL FILED	2918 MISSION ST	55	MU
BP FILED	449 14TH ST	20	
BP FILED	3314 CESAR CHAVEZ ST	44	
BP FILED	2435 - 2445 16TH ST	50	MU
BP FILED	3324 19TH ST	6	
BP FILED	854 CAPP ST	6	
BP FILED	657 CAPP ST	5	
BP FILED	1979 MISSION ST	331	
BP FILED	1278 - 1298 VALENCIA ST	35	MU
Entitled Sub-Total		***1,484***	
Total		**1,821**	

List BL-1 Residential Development Pipeline, Showplace Square/Potrero Hill 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
CONSTRUCTION	1 HENRY ADAMS ST	671	
CONSTRUCTION	801 BRANNAN ST	557	MU
CONSTRUCTION	1000 16TH ST	470	MU
CONSTRUCTION	645 TEXAS ST	91	
CONSTRUCTION	520 09TH ST	12	
BP ISSUED	140 PENNSYLVANIA AV	37	
BP APPROVED	1004 MISSISSIPPI ST	28	
Entitled Sub-Total		***1,866***	
PL FILED	98 PENNSYLVANIA AV	46	
PL FILED	1200 17TH ST	395	MU
PL FILED	1601 - 1677 MARIPOSA STREET / 485 CAROLINA	320	MU
PL FILED	1301 16TH STREET	176	
PL FILED	1395 22ND ST	250	MU
PL FILED	975 BRYANT ST	182	
PL FILED	88 ARKANSAS ST	127	MU
PL FILED	HOPE SF POTRERO	994	MU
PL FILED	75 ARKANSAS ST	50	MU
PL FILED	540 DE HARO ST	17	
BP FILED	935 KANSAS ST	9	
BP FILED	502 07TH ST	16	
BP FILED	131 MISSOURI ST	9	
BP FILED	925 KANSAS ST	9	
BP FILED	929 KANSAS ST	9	
BP FILED	931 KANSAS ST	9	
BP FILED	249 PENNSYLVANIA AV	59	MU
Entitled Sub-Total		***2,677***	
Total		**4,543**	

List BL-1 Residential Development Pipeline, Western SoMa, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
CONSTRUCTION	350 08TH ST	410	MU
CONSTRUCTION	5 HALLAM ST	6	
Entitled Sub-Total		***416***	
PL FILED	915 - 935 MINNA ST	37	
PL FILED	1140 FOLSOM ST	128	MU
PL FILED	1298 HOWARD ST	121	MU
PL FILED	1335 FOLSOM ST	65	
PL FILED	230 07TH ST	44	MU
PL FILED	333 12TH ST	219	
PL FILED	349 08TH ST	38	MU
PL FILED	222 DORE ST	23	
PL FILED	33 NORFOLK ST	9	
PL FILED	1174 - 1178 FOLSOM ST	42	MU
BP FILED	34 LANGTON ST	5	
BP FILED	241 10TH ST	28	MU
BP FILED	1228 FOLSOM ST	24	
BP FILED	1532 HOWARD ST	15	
BP FILED	1394 HARRISON ST	68	
BP FILED	949 NATOMA ST	6	
Entitled Sub-Total		***872***	
Total		**1,288**	

E. Projects Counted Under CEQA Community Plan Exemption

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
815-825 Tennessee Street	4059/001A 4059/001B	Central Waterfront	Closed	CPC Motion 19263	69	0	0	0	-32,000	0	0
1201 - 1225 Tennessee Street	4172/002	Central Waterfront	Closed	CPC Motion 19138	259	0	0	0	-65,336	2,340	0
2290-2298 Third Street	4059/009	Central Waterfront	Closed	CPC Motion 18946	71	0	0	0	0	-2,342	0
Pier 70 - Orton, 400-600 20th Street (Historic Core)	4046/001 4111/003 4111/004 4052/001	Central Waterfront			1	0	0	63,582	200,061	14,231	0
2051-2065 Third Street/650 Illinois Street	3994/001B 3994/001C 3994/006	Central Waterfront	Closed	CPC Motion 19165	94	0	0	0	-15,041	0	0
777 Tennessee Street	4044/013	Central Waterfront	Closed	CPC Motion 19366	60	0	0	0	-15,500	0	0
800 Indiana Street	4105/009	Central Waterfront	Closed	CPC Motion 19305	338	0	0	0	-78,240	0	0
650 Indiana Street	4041/009	Central Waterfront	Closed	CPC Motion 19137	111	0	0	0	0	-12,910	0
2146-2148 Third Street	4044/003	Central Waterfront	Closed	Discretionary Review 0423	6	0	0	0	0	-2,265	0
901 Tennessee Street	4108/017	Central Waterfront	Closed	CPC Motion 19377	44	0	0	0	-9,000	0	0
595 Mariposa Street	3995/022	Central Waterfront	Active	Bldn Permit 201508063607	20	0	0	0	0	0	0
Crane Cove Park	4046/001 4046/002 9900/068 3941/001	Central Waterfront			0	0	0	0	-41,390	0	0
2092 Third Street/600 18th Street	3995/007	Central Waterfront	Active	Building Permit 201507171867	19	0	0	-1,350	0	935	0
2177 Third Street/ 590 19th Street	4045/003 4045/003B	Central Waterfront	Active	Building Permit 201306210213	109	0	0	-5,300	-19,300	3,100	0
2230 3rd Street	4059/001C	Central Waterfront	Active	TBD	37	0	0	0	0	-3,201	0
888 Tennessee Street	4060/001	Central Waterfront	Active	TBD	112	0	0	0	-38,520	3,784	0
550 Indiana Street	3998/021	Central Waterfront	Active	TBD	17	0	0	0	0	-151,372	0
1228 25th Street	4227/012 4227/013A	Central Waterfront	Active	TBD	0	0	0	0	11,475	2,465	0
2420 3rd Street	4108/003F	Central Waterfront	Active	TBD	9	0	0	0	0	475	0
950 Tennessee St.	4107/001B	Central Waterfront	Active	TBD	108	0	0	-7,896	-23,767	0	0
603 Tennessee St.	3995/015	Central Waterfront	Active	TBD	24	0	0	0	-6,000	0	0
625 Mariposa Street	3996/013	Central Waterfront	Active	TBD	35	0	0	0	-7,500	3,500	0
900 Folsom Street	3732/009 3732/018 3732/048 3732/147 3732/271	East SoMa	Closed	CPC Motion 18088	271	0	0	0	0	4,279	0
260 Fifth Street	3732/008 3732/150 3732/561	East SoMa	Closed	CPC Motion 18089	179	0	0	0	0	5,173	0
119 Seventh Street	3726/103	East SoMa	Closed	CPC Motion 19179	39	0	0	0	0	2,423	0
259 Clara Street	3753/042	East SoMa	Closed	Building Permit 201305167075	8	0	0	0	-5,622	0	0
501-505 Brannan Street	3786/038	East SoMa	Closed	CPC Motion 19293	0	0	0	153,117	0	674	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
500 Second Street	3775/001	East SoMa	Closed	Building Permit 201307303077	0	0	0	13,883	-13,883	0	0
482 Bryant Street	3763/017	East SoMa	Closed	Building Permit 201211083830	0	0	0	0	0	4,900	0
233-237 Shipley Street	3753/095 3753/096	East SoMa	Closed	Building Permit 201401247066	22	0	0	0	-1,875	0	0
36-38 Harriet Street	3731/101 3731/102	East SoMa	Closed	Building Permit 201006295585	23	0	0	0	0	0	0
665 Third Street	3788/041	East SoMa	Closed	CPC Moition 19012	0	0	0	123,700	-123,700	0	0
270 Brannan Street	3774/026	East SoMa	Closed	CPC Motion 18989	0	0	0	171,650	0	0	0
938 Howard Street	3725/015	East SoMa	Closed	Building Permit 201206223263	0	0	0	25,430	-25,430	0	0
200-214 6th Street	3731/001	East SoMa	Closed	CPC Motion 18938	44	0	0	0	0	2,845	-32,400
111 Townsend Street	3794/014	East SoMa	Closed	Building Permit 201202274914	0	0	0	16,786	-22,884	6,098	0
923 Folsom Street	3753/106 3753/141 3753/142	East SoMa	Closed	CPC Motion 19205	115	0	0	-3,750	0	1,900	0
340 Bryant Street	3764/061	East SoMa	Closed	CPC Motion 19311	0	0	0	45,545	-47,536	0	0
460-462 Bryant Street	3763/015A 3763/015C	East SoMa	Closed	CPC Motion 18685	0	0	0	60,280	-73,570	0	0
333 Brannan Street	3788/042	East SoMa	Closed	CPC Motion 18953	0	0	0	175,050	-13,660	3,450	0
363 Sixth Street	3753/079	East SoMa	Closed	CPC Motion 19492	104	0	0	0	-12,800	700	0
246 Ritch Street	3776/092	East SoMa	Closed	CPC Motion 18108	19	0	0	0	-4,130	0	0
465 Tehama/ 468 Clementina Street	3732/071	East SoMa	Cancelled	Building Permit 200507208146 Cancelled	13	0	0	0	-7,000	0	0
750 Harrison Street	3751/029	East SoMa	Closed	CPC Motion 19384	77	0	0	0	0	-2,400	0
377 6th St./988 Harrison	3753/148	East SoMa	Closed	CPC Motion 19574	112	0	0	0	-1,610	6,915	0
345 Brannan St.	3788/039	East SoMa	Closed	CPC Motion 19001	0	0	0	102,285	0	0	0
750 2nd St.	3794/002A	East SoMa	Closed	CPC Motion 17949	17	0	0	0	-7,655	500	0
135 Townsend St.	3794/022	East SoMa	Closed	CPC Motion 19517	0	0	0	49,995	0	-48,600	0
645 Harrison Street	3763/105	East SoMa	Closed	CPC Motion 19524	0	0	0	30,993	-30,992	0	0
1125 Mission St.	3727/091	East SoMa	Closed	Building Permit 201511021472	0	0	0	38,153	-36,000	0	0
345 6th Street	3753/081	East SoMa	Active	TBD	89	0	0	0	-2,973	3,090	0
909-921 Howard Street	3732/003 3732/004 3732/005 3732/099 3732/100 3732/145A 3732/146	East SoMa	TBD	TBD	172	0	0	0	-19,868	9,895	0
77-85 Federal Street	3774/444	East SoMa	Active	TBD	0	0	0	32,262	0	21,608	0
999 Folsom/ 301 6th Street	3753/122	East SoMa	Active	TBD	84	0	0	0	-1,000	4,700	0
768 Harrison St.	3751/033	East SoMa	Active	TBD	26	0	0	0	-3,090	7,351	0
980 Folsom	3732/028	East SoMa	Active	TBD	34	0	0	0	-6,836	777	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
265 Shipley St.	3753/089 3753/090	East SoMa	Active	TBD	9	0	0	0	0	0	0
655 Folsom St.	3750/050	East SoMa	Closed	CPC Motion 19589	89	0	0	0	0	-11,100	0
701 3rd St.	3794/006	East SoMa	Active	TBD	0	0	0	0	0	-1,230	116,124
667 Folsom St./ 120 Hawthorne/126 Hawthrone Street	3750/081	East SoMa	Active	TBD	240	0	0	-21,914	-4,000	11,179	0
1082 Howard St.	996 Missio	East SoMa	TBD	TBD	8	0	0	0	-2,801	0	0
598 Bryant St.	3762/121	East SoMa	TBD	TBD	0	0	0	49,980	-1,000	2,300	0
1025 Howard St.	3731/095	East SoMa	Active	TBD	0	0	0	0	0	780	71,800
360 5th St. (210/212 Clara St. & 215/219/220/221 Shipley St.)	3753/005 3753/147 3753/06A 3753/007 3753/057 3753/058 3753/100 3753/101	East SoMa	Active		146	0	0	0	-18,000	0	0
144 Townsend St.	3788/009A	East SoMa	Active	TBD	0	0	0	39,505	0	-42,322	0
1052-1060 Folsom Street/ 190-194 Russ Street	3731/021 3731/023 3731/087	East SoMa	TBD	TBD	42	0	0	-5,659	0	-385	0
996 Mission St.	3704/025	East SoMa	TBD	TBD	76	0	0	0	0	-355	39,302
3418 26th Street	6529/034	Mission	Closed	Building Permit 200706204573	13	0	0	0	0	0	0
80 Julian Avenue	3547/027	Mission	Closed	CPC Motion 18162	8	0	16,000	0	0	0	0
411 Valencia	3554/027	Mission	Closed	Building Permit 200510135500	16	0	0	0	-1,550	1,370	0
490 South Van Ness Avenue	3553/008	Mission	Closed	Building Permit	72	0	0	0	-1,618	1,123	0
3420 18th Street	3576/090	Mission	Closed	Building Permit 201311041054	16	0	0	0	-4,675	1,000	0
1875 Mission Street	3548/032	Mission	Closed	Building Permit 201012237367	38	0	0	0	-43,695	2,523	0
17th Street and Folsom Street Park	3571/018	Mission	Closed	Building Permit 201601217608	0	0	0	0	0	0	0
1501 15th Street	3553/054	Mission	Closed	CPC Motion 18459	40	0	0	0	-1,740	9,681	0
480 Potrero Avenue	3973/002C	Mission	Closed	CPC Motion 18945	77	0	0	0	0	973	0
626 Potrero Avenue/ 2535 18th Street	4025/001 4025/002 4025/013 4025/014	Mission	Closed	CPC Motion 18684	Published Other	0	15,200	0	-15,000	0	0
2550-2558 Mission Street	3616/007	Mission	Closed	CPC Motion 18775	114	0	0	0	0	14,750	0
1450 15th Street	3549/064	Mission	Closed	CPC Motino 19292	23	0	0	0	-8,088	0	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
300 South Van Ness Avenue	3548/001	Mission	Closed	CPC Motion 18767	0	0	0	0	0	20,040	0
346 Potrero Avenue	3962/008	Mission	Closed	CPC Motion 19201	72	0	0	0	-1,500	2,760	0
1785 15th Street	3555/036	Mission	TBD	Building Permit 201401065589	9	0	0	0	-780	0	0
1801 and 1863 Mission Street	3548/039 3548/033	Mission	Active	TBD	54	0	0	740	0	2,125	0
2600 Harrison Street	3639/001	Mission	Active	TBD	20	0	0	0	-7,506	0	0
1924 Mission St.	3554/003A	Mission	Active	TBD	12	0	0	0	-1,180	2,315	0
600 South Van Ness Avenue	3575/070	Mission	Closed	CPC Motion 19378	27	0	0	0	-1,750	3,060	0
2000-2070 Bryant Street, 2815 18th Street, and 611 Florida Street	4022/001 4022/002 4022/021	Mission	Active	TBD	335	-32833	0	0	-20732	7,007	0
1298 Valencia Street	3644/021	Mission	Active	TBD	35	0	0	0	-2000	3770	0
1198 Valencia Street	3635/0114	Mission	Closed	CPC Motion 19487	52	0	0	0	-440	5,300	0
1050 Valencia Street	3617/008	Mission	Closed	CPC Motion M-18185	16	0	0	0	0	1,830	0
1419 Bryant Street	3904/002	Mission	Active	TBD	0	44,600	0	0	-34,350	0	0
1979 Mission Street	3553-052	Mission	Active	TBD	331	0	0	0	0	-18,239	0
2675 Folsom Street	3639/006 3639/007 3963/024	Mission	Active	TBD	115	0	0	0	-22,111	0	0
1900 Mission Street	3554/001	Mission	Active	TBD	11	0	0	0	-2,064	844	0
645 Valencia Street	3576/062	Mission	TBD	TBD	9	0	0	0	0	-4,382	0
1800 Mission Street	3547/001	Mission	TBD	TBD	0	0	0	119,600	-119,600	39,920	0
2750 19th Street	4023/004A	Mission	TBD	TBD	60	0	0	0	-10,934	7,471	0
1515 South Van Ness Ave	6571/008	Mission	Active	TBD	160	0	0	0	0	-29,940	0
2799 24th Street	4266/035	Mission	Active	TBD	8	0	0	0	0	-269	0
2435 16th Street	3965/021 3965/031 3965/032	Mission	Active	TBD	53	0	0	0	-10,000	3,265	0
3357-3359 26th Street	6570/002	Mission	Closed	Building Permit 201511021420	7	0	0	0	0	5,575	0
1726-1730 Mission Street	3532/004 3521/004A 3532/005	Mission	Active	TBD	36	0	0	0	-3,500	900	0
2100 Mission Street	3576/001	Mission	Active	TBD	29	0	0	0	-7,630	2,640	0
200 Potrero Ave	3931A/001	Mission	Active	TBD	0	0	0	0	-27,716	30,034	0
3314 Ceasar Chavez	6571/012	Mission	TBD	TBD	52	0	0	0	-13,793	1,740	0
1798 Bryant Street	3965/010	Mission	TBD	TBD	131	0	0	-5,179	0	3,514	0
2918-2924 Mission St.	6529/002	Mission	TBD	TBD	38	0	0	0	0	7,400	0
793 South Van Ness	3591/024	Mission	TBD	TBD	54	0	0	0	-1,966	4,867	0
1850 Bryant St.	3970/006	Mission	TBD	TBD	0	0	0	0	188,994	0	0
3620 Cesar Chavez	6568/032	Mission	TBD	TBD	28	0	0	-3,200	0	940	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
344 14th St. & 1463 Stevenson St.	3532/013 3532/021	Mission	TBD	TBD	45	0	0	0	18,995	5,849	0
1950 Mission St.	3554/005	Mission	TBD	TBD	157	1,236	0	0	0	3,415	0
720 & 740 Illinois Street; 2121 Third Street	4045/006 4045/021	Showplace Square/Potrero Hill	Closed	CPC Motion 18444	104	0	0	0	0	0	0
801 Brannan/1 Henry Adams	3783/001 3911/001	Showplace Square/Potrero Hill	Closed	CPC Motion 18793 CPC Motion 18794	824	0	0	-1,615	-164,549	50,087	0
1001 17th Street/ 140 Pennsylvania Avenue	3987/009 3987/010	Showplace Square/Potrero Hill	Closed	CPC Motion 18979	48	0	0	0	-11,475	4,380	0
1111 8th Street	3808/004 3820/002 3820/003 3913/002 3913/003	Showplace Square/Potrero Hill	Closed	CPC Resolution 18850	0	0	0	0	0	0	0
1000 16th Street (Daggett Triangle)	3833/001	Showplace Square/Potrero Hill	Closed	CPC Motion 18419	470	0	0	0	8,000	15,000	0
520 9th Street	3526/005	Showplace Square/Potrero Hill	Closed	Building Permit 201312124038	12	0	0	0	0	0	0
601 Townsend Street	3799/001	Showplace Square/Potrero Hill	Closed	CPC Moition 18619	0	0	0	72,600	-64,608	0	0
444 DeHaro Street	3979/001	Showplace Square/Potrero Hill	Closed	CPC Motion 18653	0	0	0	90,500	0	-60,500	0
752 Carolina Street	4096/110	Showplace Square/Potrero Hill	Closed	Building Permit 201109164799	0	0	0	0	0	0	0
645 Texas Street	4102/026	Showplace Square/Potrero Hill	Closed	Building Permit 201312093691	93	0	0	-10,000	-20,000	545	0
100 Hooper	3808/003	Showplace Square/Potrero Hill	Closed	CPC Motion 19314	1	0	0	206,500	153,700	5,000	0
850-870 Brannan Street (AKA 888 Brannan)	3780/006 3780/007 3780/007A 3780/072	Showplace Square/Potrero Hill	Closed	CPC Moition 18527	0	0	0	252,333	-259,079	-4,682	0
1717 17th Street	3980/007	Showplace Square/Potrero Hill	Closed	CPC Motion 18144	41	0	0	-1,000	-5,000	7,000	0
1395 22nd Street/ 790 Pennsylvania Avenue	4167/011 4167/013	Showplace Square/Potrero Hill	Active	TBD	251	0	0	0	47,800	0	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
131 Missouri Street	3985/024	Showplace Square/Potrero Hill	Closed	Building Permit 201306199977	9	0	0	0	-4,500	0	0
540-552 De Haro St.	4008/002	Showplace Square/Potrero Hill	Active	TBD	17	0	0	0	-7,147	0	0
155 De Haro St.	3913/005	Showplace Square/Potrero Hill	Active	TBD	0	0	0	0	15,405	0	0
1601 Mariposa	4005/001B 4006/006 4006/010 4006/019 4006/020	Showplace Square/Potrero Hill	Active	TBD	320	0	0	0	-64,608	10,000	0
502 7th Street	3780/001	Showplace Square/Potrero Hill	Active		16	0	0	0	0	-3,870	0
88 Arkansas Street/ 1500 & 1530 17th Street	3953/002 3953/002A	Showplace Square/Potrero Hill	Closed	2015-000453ENX	127	0	0	0	-25,560	3,275	0
98 Pennsylvania Avenue	3948/002	Showplace Square/Potrero Hill	Active	TBD	46	0	0	0	0	0	0
2 Henry Adams	3910/001	Showplace Square/Potrero Hill	TBD	TBD	0	0	0	245,697	-245,697	0	0
1301 16th Street	3954/016	Showplace Square/Potrero Hill	Active	TBD	176	0	0	0	-35,300	3,600	0
901 16th Street and 1200 17th Street	3949/001 3949/001A 3949/002 3950/001	Showplace Square/Potrero Hill	Active	TBD	395	0	0	-4,500	-105,000	25,000	0
923-939 Kansas St (951 Kansas St)	4094/044 4094/045 4094/046 4094/047 4094/048	Showplace Square/Potrero Hill	Active	TBD	9	0	0	0	0	0	0
1501 Mariposa Street	4008/003	Showplace Square/Potrero Hill	Active	TBD	0	22,700	0	-22,700	0	0	0
1240 & 1250 17th Street	3950/002	Showplace Square/Potrero Hill	Active	TBD	0	12,995	0	0	-12,995	0	0
75 Arkansas Street	3952/001B	Showplace Square/Potrero Hill	Active	TBD	50	0	0	0	-19,250	10,513	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (CEQA Document)	Cultural, Institutional, Educational (CEQA Document)	Medical (CEQA Document)	Management, Information, and Professional Services (CEQA Document)	Production, Distribution, and Repair (CEQA Document)	Retail and Entertainment (CEQA Document)	Visitor-Lodging (CEQA Document)
249 Pennsylvania Ave.	3999/002	Showplace Square/Potrero Hill	Active	TBD	59	0	0	0	-15,300	1,201	0
975 Bryant Street	3780/044	Showplace Square/Potrero Hill	Active	TBD	184	0	0	0	0	-32,407	0
828 Brannan Street	3780/004E	Showplace Square/Potrero Hill	TBD	TBD	60	0	0	0	-12,605	2,800	0
552 Berry Street	3800/003	Showplace Square/Potrero Hill	Active	TBD	0	0	0	115,200	47,160	0	0
184-188 Hooper Street	3808/004	Showplace Square/Potrero Hill	TBD	TBD	0	115,000	0	0	-4,000	5,000	0
1400 16th Street	3938/001	Showplace Square/Potrero Hill	TBD	TBD	0	0	0	16,045	-19,886	0	0

F. List of Neighborhood Serving Business Codes

NAICS	Label
311811	Retail Bakeries
445110	Supermarkets and Other Grocery (except Convenience) Stores
445120	Convenience Stores
445210	Meat Markets
445220	Fish and Seafood Markets
445230	Fruit and Vegetable Markets
445291	Baked Goods Stores
445299	All Other Specialty Food Stores
445310	Beer, Wine, and Liquor Stores
446110	Pharmacies and Drug Stores
446120	Cosmetics, Beauty Supplies, and Perfume Stores
446191	Food (Health) Supplement Stores
447110	Gasoline Stations with Convenience Stores
447190	Other Gasoline Stations
448110	Men's Clothing Stores
448120	Women's Clothing Stores
448130	Children's and Infants' Clothing Stores
448140	Family Clothing Stores
448150	Clothing Accessories Stores
448190	Other Clothing Stores
448210	Shoe Stores
451110	Sporting Goods Stores
451120	Hobby, Toy, and Game Stores
451130	Sewing, Needlework, and Piece Goods Stores
451211	Book Stores
451212	News Dealers and Newsstands
451220	Prerecorded Tape, Compact Disc, and Record Stores
452112	Discount Department Stores
452990	All Other General Merchandise Stores
453110	Florists
453210	Office Supplies and Stationery Stores
453310	Used Merchandise Stores
453910	Pet and Pet Supplies Stores
519120	Libraries and Archives
522110	Commercial Banking
522120	Savings Institutions
532230	Video Tape and Disc Rental
611110	Elementary and Secondary Schools
611210	Junior Colleges
624410	Child Day Care Services
713940	Fitness and Recreational Sports Centers
722110	Full-Service Restaurants
722211	Limited-Service Restaurants
722212	Cafeterias, Grill Buffets, and Buffets
722213	Snack and Nonalcoholic Beverage Bars
722410	Drinking Places (Alcoholic Beverages)
811111	General Automotive Repair
811112	Automotive Exhaust System Repair
811113	Automotive Transmission Repair
811118	Other Automotive Mechanical and Electrical Repair and Maintenance

811192	Car Washes
811430	Footwear and Leather Goods Repair
811490	Other Personal and Household Goods Repair and Maintenance
812111	Barber Shops
812112	Beauty Salons
812113	Nail Salons
812310	Coin-Operated Laundries and Drycleaners
812320	Drycleaning and Laundry Services (except Coin-Operated)
812910	Pet Care (except Veterinary) Services
812922	One-Hour Photofinishing
813110	Religious Organizations
813410	Civic and Social Organizations

G. San Francisco Mayor's Office of Housing Income and Rent Limits

2016
MAXIMUM INCOME BY HOUSEHOLD SIZE
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco

Income Definition	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	9 Person
20% OF MEDIAN	$15,100	$17,250	$19,400	$21,550	$23,250	$25,000	$26,700	$28,450	$29,300
25% OF MEDIAN	$18,850	$21,550	$24,250	$26,950	$29,100	$31,250	$33,400	$35,550	$36,600
30% OF MEDIAN	$22,600	$25,850	$29,100	$32,300	$34,900	$37,500	$40,050	$42,650	$43,950
40% OF MEDIAN	$30,150	$34,450	$38,800	$43,100	$46,500	$50,000	$53,400	$56,850	$58,600
50% OF MEDIAN	$37,700	$43,100	$48,500	$53,850	$58,150	$62,500	$66,800	$71,100	$73,250
55% OF MEDIAN	$41,450	$47,400	$53,300	$59,250	$63,950	$68,700	$73,450	$78,200	$80,550
60% OF MEDIAN	$45,250	$51,700	$58,150	$64,600	$69,800	$74,950	$80,150	$85,300	$87,850
70% OF MEDIAN	$52,800	$60,300	$67,850	$75,400	$81,400	$87,450	$93,500	$99,500	$102,500
72% OF MEDIAN	$54,300	$62,050	$69,800	$77,550	$83,750	$89,950	$96,150	$102,350	$105,450
75% OF MEDIAN	$56,550	$64,600	$72,700	$80,800	$87,250	$93,700	$100,150	$106,600	$109,850
80% OF MEDIAN	$60,300	$68,900	$77,550	$86,150	$93,050	$99,950	$106,850	$113,700	$117,150
90% OF MEDIAN	$67,850	$77,550	$87,250	$96,950	$104,650	$112,450	$120,200	$127,950	$131,800
100% OF MEDIAN	$75,400	$86,150	$96,950	$107,700	$116,300	$124,950	$133,550	$142,150	$146,450
110% OF MEDIAN	$82,950	$94,750	$106,650	$118,450	$127,950	$137,450	$146,900	$156,350	$161,100
120% OF MEDIAN	$90,500	$103,400	$116,350	$129,250	$139,550	$149,950	$160,250	$170,600	$175,750
135% OF MEDIAN	$101,800	$116,300	$130,900	$145,400	$157,000	$168,700	$180,300	$191,900	$197,700
140% OF MEDIAN	$105,550	$120,600	$135,750	$150,800	$162,800	$174,950	$186,950	$199,000	$205,050
150% OF MEDIAN	$113,100	$129,250	$145,450	$161,550	$174,450	$187,450	$200,350	$213,250	$219,700
175% OF MEDIAN	$131,950	$150,750	$169,650	$188,500	$203,550	$218,650	$233,700	$248,750	$256,300
200% OF MEDIAN	$150,800	$172,300	$193,900	$215,400	$232,600	$249,900	$267,100	$284,300	$292,900

San Francisco Mayor's Office of Housing and Community Development

Notes:
1. Source: U.S. Dept. of Housing and Urban Development, published March 28, 2016.
2. Figures derived by SF MOH from HUD's 2016 Median Family Income for a 4 person HouseHold for San Francisco ('HMFA'), unadjusted for high housing costs, and are rounded to the nearest $50.
3. Additional information on HUD's defined income limits can be found at: http://www.huduser.org/portal/datasets/il.html

Effective Date: 3/28/2016

2016
MAXIMUM MONTHLY RENT BY UNIT TYPE
With and Without Utilities - for MOH singlefamily programs
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco
Published by the San Francisco Mayor's Office of Housing and Community Development

*As published by the San Francisco Housing Authority on 12/1/2015	SRO	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
	$45	$45	$52	$69	$90	$111	$134
20% OF MEDIAN							
With Utilities	$283	$378	$431	$485	$539	$581	$625
Without Utilities	$238	$333	$379	$416	$449	$470	$491
25% OF MEDIAN							
With Utilities	$353	$471	$539	$606	$674	$728	$781
Without Utilities	$308	$426	$487	$537	$584	$617	$647
30% OF MEDIAN							
With Utilities	$424	$565	$646	$728	$808	$873	$938
Without Utilities	$379	$520	$594	$659	$718	$762	$804
40% OF MEDIAN							
With Utilities	$565	$754	$861	$970	$1,078	$1,163	$1,250
Without Utilities	$520	$709	$809	$901	$988	$1,052	$1,116
50% OF MEDIAN							
With Utilities	$707	$943	$1,078	$1,213	$1,346	$1,454	$1,563
Without Utilities	$662	$898	$1,026	$1,144	$1,256	$1,343	$1,429
55% OF MEDIAN							
With Utilities	$777	$1,036	$1,185	$1,333	$1,481	$1,599	$1,718
Without Utilities	$732	$991	$1,133	$1,264	$1,391	$1,488	$1,584
60% OF MEDIAN							
With Utilities	$848	$1,131	$1,293	$1,454	$1,615	$1,745	$1,874
Without Utilities	$803	$1,086	$1,241	$1,385	$1,525	$1,634	$1,740
70% OF MEDIAN							
With Utilities	$990	$1,320	$1,508	$1,696	$1,885	$2,035	$2,186
Without Utilities	$945	$1,275	$1,456	$1,627	$1,795	$1,924	$2,052
72% OF MEDIAN							
With Utilities	$1,018	$1,358	$1,551	$1,745	$1,939	$2,094	$2,249
Without Utilities	$973	$1,313	$1,499	$1,676	$1,849	$1,983	$2,115
75% OF MEDIAN							
With Utilities	$1,060	$1,414	$1,615	$1,818	$2,020	$2,181	$2,343
Without Utilities	$1,015	$1,369	$1,563	$1,749	$1,930	$2,070	$2,209
80% OF MEDIAN							
With Utilities	$1,131	$1,508	$1,723	$1,939	$2,154	$2,326	$2,499
Without Utilities	$1,086	$1,463	$1,671	$1,870	$2,064	$2,215	$2,365
90% OF MEDIAN							
With Utilities	$1,272	$1,696	$1,939	$2,181	$2,424	$2,616	$2,811
Without Utilities	$1,227	$1,651	$1,887	$2,112	$2,334	$2,505	$2,677
100% OF MEDIAN							
With Utilities	$1,414	$1,885	$2,154	$2,424	$2,693	$2,908	$3,124
Without Utilities	$1,369	$1,840	$2,102	$2,355	$2,603	$2,797	$2,990
110% OF MEDIAN							
With Utilities	$1,555	$2,074	$2,369	$2,666	$2,961	$3,199	$3,436
Without Utilities	$1,510	$2,029	$2,317	$2,597	$2,871	$3,088	$3,302
120% OF MEDIAN							
With Utilities	$1,697	$2,263	$2,585	$2,909	$3,231	$3,489	$3,749
Without Utilities	$1,652	$2,218	$2,533	$2,840	$3,141	$3,378	$3,615
135% OF MEDIAN							
With Utilities	$1,909	$2,545	$2,908	$3,273	$3,635	$3,925	$4,218
Without Utilities	$1,864	$2,500	$2,856	$3,204	$3,545	$3,814	$4,084
140% OF MEDIAN							
With Utilities	$1,979	$2,639	$3,015	$3,394	$3,770	$4,070	$4,374
Without Utilities	$1,934	$2,594	$2,963	$3,325	$3,680	$3,959	$4,240
150% OF MEDIAN							
With Utilities	$2,121	$2,828	$3,231	$3,636	$4,039	$4,361	$4,686
Without Utilities	$2,076	$2,783	$3,179	$3,567	$3,949	$4,250	$4,552

	SRO	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
FAIR MRKT:	**$1,059**	**$1,412**	**$1,814**	**$2,289**	**$2,987**	**$3,556**	**$4,089**

Source: HUD, effective 10/01/2014

https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2016_code/2016summary.odn

See also SFHA Payment Standards:

Source: SFHA, effective 1/1/2016	SRO	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
SFHA Payment Standard:	**$1,164**	**$1,553**	**$1,995**	**$2,517**	**$2,987**	**$3,556**	**$4,089**

http://www.sfha.org/SFHA_Payment_Standards_1-1-2016.pdf

		STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
LOW HOME RENTS		**$1,026**	**$1,099**	**$1,318**	**$1,523**	**$1,700**	**$1,876**
HIGH HOME RENTS		**$1,256**	**$1,409**	**$1,693**	**$1,947**	**$2,153**	**$2,357**

https://www.hudexchange.info/resource/reportmanagement/published/HOME_RentLimits_State_CA_2015.pdf

Assumptions/Notes:
1. Rents Calculated at 30% of corresponding monthly income limit amount.
2. Utility allowances were determined by the San Francisco Housing Authority, effective 12/1/2015. For more information, see http://sfha.org/FY2016_SFHA_Utility_Allowance_Schedule.pdf and http://www.hud.gov/offices/pih/programs/ph/phecc/allowances.cfm.
3. Occupancy Standard is one person per bedroom plus one additional person.

Effective Date: 3/28/2016

H. Single Room Occupancy Hotels and Number of Residential Units

H.1 Mission

Address	Residential Units
1941 MISSION ST	39
3562 20TH ST	22
37 WOODWARD ST	59
422 VALENCIA ST	80
3048 16TH ST	87
179 JULIAN AV	27
30 SYCAMORE ST	24
1906 MISSION ST	28
520 SOUTH VAN NESS	188
2135 MISSION ST	46
215 14TH ST	13
3032 16TH ST	18
405 VALENCIA ST	47
447 VALENCIA ST	42
3143 16TH ST	20
2791 16TH ST	86
3161 16TH ST	54
504 VALENCIA ST	63
528 VALENCIA ST	49
3444 18TH ST	14
2030 MISSION ST	13
2032 MISSION ST	18
2042 MISSION ST	12
2056 MISSION ST	20
2072 MISSION ST	16
2084 MISSION ST	50
2284 MISSION ST	10
2126 MISSION ST	40
2176 MISSION ST	43
559 VALENCIA ST	63
663 VALENCIA ST	40
2370 MISSION ST	12
1041 VALENCIA ST	12
2522 MISSION ST	9
2361 MISSION ST	64
3061 16TH ST	20
3491 20TH ST	41
2477 MISSION ST	15
868 VALENCIA ST	24
2438 MISSION ST	5
3270 21ST ST	11
2697 MISSION ST	14
2766 MISSION ST	31
2901 MARIPOSA ST	46
1462 VALENCIA ST	7
3550 CESAR CHAVEZ	49
3414 25TH ST	20

H.2 Western SoMa

Address	Number of Residential Units
251 09TH ST	16
205 09TH ST	32
42 WASHBURN	24
1554 HOWARD ST	35

H.3 Central Waterfront

Address	Number of Residential Units
732 22ND ST	31
2342 03RD ST	18

H.4 East SoMa

Address	Number of Residential Units
1040 FOLSOM ST	38
172 06TH ST	10
170 06TH ST	25
152 06TH ST	15
136 06TH ST	12
106 06TH ST	100
102 06TH ST	14
226 06TH ST	11
1011 HOWARD ST	55
1095 MISSION ST	14
42 06TH ST	21
34 06TH	120
88 6TH ST	180
74 06TH ST	167
68 06TH ST	29
48 06TH ST	41

H.5 Showplace Square/Potrero Hill

Address	Number of Residential Units
1312 UTAH ST	16

I. Abated Illegal Conversions from PDR

I.1 Mission

Address	Status	Closed Date	Description	Zoning	Entitlement
ALABAMA ST, 94110	Closed - Abated	11/9/2015	Conversion from PDR to office	PDR-1-G	Office use is not permitted in the PDR-1-G Zoning District. Office use must cease all operations.
ALABAMA ST, 94110	Closed - Abated	12/10/2015	Alleged loss of PDR space	PDR-1-G	Office use is not permitted in the PDR-1-G Zoning District. Office use must cease all operations.
ALABAMA ST, 94110	Closed - Abated	7/20/2015	conversion of industrial space to headquarters for tech start up. No permit for conversion to professional/business offices and not permitted in PDR 1-G zoning district	PDR-1-G	Office use is not permitted in the PDR-1-G Zoning District. Office use must cease all operations.

I.2 Western SoMa

Address	Closed Date	Description	Zoning	Entitlement
BRYANT ST 94107	5/12/2015	Conversion of building use from PDR to Office without approval, in district that does not permit office.	SALI	Office use is not permitted in the SALI Zoning District

I.3 Central Waterfront

Address	Enforcement Result	Case Closed Date	Description	Zoning	Entitlement
03RD ST, 94107	Closed - Abated	12/10/2015	Illegal change of use to office	UMU	All work done without permits
19TH ST, 94107	Closed	4/13/2015	Alleged conversion of PDR to Office use.	UMU	Office use not permitted on ground floor of UMU Zoning District. Office permitted on upper floors if building is registered for office.

Exhibit E

CEQA Fee

Attached is the check for $562

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 JUL -5 PM 3:39
BY

RICHARD L. HALL
423 TEHAMA ST
SAN FRANCISCO, CA 94103-4111

6343
89-5/1252 3401
0003237036

7/5/16
DATE

PAY TO THE ORDER OF SAN FRANCISCO PLANNING DEPT. $562.00

FIVE HUNDRED SIXTY TWO AND NO/100 DOLLARS

Security Features Details on Back.

WELLS FARGO
Wells Fargo Bank, N.A.
Alaska
wellsfargo.com

FOR CEQA APPEAL FEE ADMIN CODE 31.16

Exhibit F

Notice to Board of Supervisors of Appeal From Action of the City Planning Commission

NOTICE TO BOARD OF SUPERVISORS OF APPEAL
FROM ACTION OF THE CITY PLANNING COMMISSION

Notice is hereby given of an appeal to the Board of Supervisors from the following action of the City Planning Commission.

The property is located at **2000-2070 Bryant Street**.

June 2, 2016

Date of City Planning Commission Action
(Attach a Copy of Planning Commission's Decision)

July 5, 2016

Appeal Filing Date

_____ The Planning Commission disapproved in whole or in part an application for reclassification of property, Case No._____ .

_____ The Planning Commission disapproved in whole or in part an application for establishment, abolition or modification of a set-back line, Case No._____.

X The Planning Commission approved in whole or in part an application for conditional use authorization, Case No. 2013.0677CUA .

_____ The Planning Commission disapproved in whole or in part an application for conditional use authorization, Case No._____.

Statement of Appeal:

1. Set forth the part(s) of the decision the appeal is taken from:
See Attached Letter

2. Set forth the reasons in support of your appeal:
See Attached Letter

Person to Whom Notices Shall Be Mailed	Name and Address of Person Filing Appeal:
Rachel Mansfield-Howlett **PROVENCHER & FLATT, LLP**	**Peter J Papadopoulos**
Name	Name
823 Sonoma Ave. Santa Rosa, CA 95404	**1379 10th Ave #19, San Francisco Ca 94122**
Address	Address
707-284.2380	**860-655-0290**
Telephone Number	Telephone Number

Signature of Appellant or
Authorized Agent

V:\Clerk's Office\Appeals Information\Condition Use Appeal Process6
August 2011

Pursuant to Planning Code Section 308.1(b), the undersigned members of the Board of Supervisors believe that there is sufficient public interest and concern to warrant an appeal of the Planning Commission on Case No. 2013.0677CUA, a conditional use authorization regarding (address) 2000-2070 Bryant St. San Francisco, CA 94110, District 9. The undersigned members respectfully request the Clerk of the Board to calendar this item at the soonest possible date.

SIGNATURE	DATE
	6/27/16
	6/27/16
	6/27/16
	6/29/16
	7/5/16

RECEIVED
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SAN FRANCISCO
2016 JUL -5 PM 3:36
BY

(Attach copy of Planning Commission's Decision)

See exhibit A

Carroll, John (BOS)

From: BOS Legislation, (BOS)
Sent: Monday, July 25, 2016 1:19 PM
To: svettel@fbm.com; 'Linsey Perlov'; 'Nick Podell'; Rclistad@gmail.com; papadooloo@gmail.com; rzoia@sbcglobal.net
Cc: rhowlettlaw@gmail.com; Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Jones, Sarah (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); Ionin, Jonas (CPC); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS); Rahaim, John (CPC); hestor@earthlink.net; BOS Legislation, (BOS)
Subject: RE: Appeal Supplements - CEQA Exemption Determination and Conditional Use Authorization Appeals - 2000-2070 Bryant Street Appeals - Hearing on August 2, 2016

Categories: 160773, 160777

Good afternoon,

I'm sending this follow-up email to update the link in the message below. The following link distributes the correct supplement for the Bryant Street Appeals; the previous link was to a portion of tomorrow's 16th Street Appeal.

Appellant Supplemental Brief - July 22, 2016 - LARGE FILE

The appeal hearing for this matter is scheduled for a 3:00 p.m. special order before the Board on August 2, 2016.

I invite you to review the entire matter on our Legislative Research Center by following the links below:

Board of Supervisors File No. 160773 - Exemption Determination Appeal
Board of Supervisors File No. 160777 - Conditional Use Authorization Appeal

Thank you,

John Carroll
Legislative Clerk
Board of Supervisors
San Francisco City Hall, Room 244
San Francisco, CA 94102
(415)554-4445 - Direct | (415)554-5163 - Fax
john.carroll@sfgov.org | bos.legislation@sfgov.org

Click here to complete a Board of Supervisors Customer Service Satisfaction form.

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation and archived matters since August 1998.

Disclosures: *Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.*

Ex 067

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SAN FRANCISCO
2016 JUL 22 AM 11:27

Law Office of Rose M. Zoia

50 Old Courthouse Square, Suite 401
Santa Rosa, California 95404
707.526.5894 . fax 707.540.6249
rzoia@sbcglobal.net

July 22, 2016

via hand delivery

President London Breed and San Francisco Board of Supervisors
San Francisco City Hall
1 Dr Carlton B Goodlett Pl #244
San Francisco, CA 94102

RE: 2000-2070 BRYANT STREET Project
Case No. 2013.0677CUA

Dear President Breed and Supervisors:

On behalf of appellant Peter Papadopoulos, please accept these comments on the above-referenced project relative to the Community Plan Exemption (CPE) from the California Environmental Quality Act (CEQA) and the Conditional Use (CU) authorization.

The project is zoned Urban Mixed Use (UMU) and includes the demolition of six existing buildings, merging three lots into two new parcels, the construction of a six-story, 68-foot tall mixed-use building of approximately 203,656 square feet with a ground-level garage on the north parcel, and the construction of an eight-story, 85-foot tall, 136-unit affordable residential and arts activity building of approximately 127,983 square feet, with a ground-level car-share garage.

The proposed project would be the largest market-rate housing project in the Mission and would stand as a permanent fixture in the community. Yet, the Planning Commission employed a routine approval process utilizing a CPE based on an outdated Eastern Neighborhoods Area Plan Program EIR that is no longer viable because it has been exceeded in scope and pace in the areas of housing development and loss of Production, Distribution and Repair uses (PDR). The outdated EIR also does not account for significant and unforeseen changes in the areas of direct, indirect, and cumulative population, housing and displacement and traffic commutes and congestion. This project is also

inconsistent with the General Plan and the Mission Area Plan and is ineligible for the CPE.

The project was granted a CU Authorization and numerous building and code exceptions in conjunction with an affordable housing development whose plans are not yet even finalized as well as the replacement of only three (3) dwelling units instead of the actual eight (8) units that were on site historically.

Appellant is seeking reversal of: 1) the Planning Commission's adoption of a CPE and CEQA findings under Section 15183 of the CEQA Guidelines (14 Cal. Code Regs.) and Public Resources Code Section 21083.3, and 2) CU approval.

The Project is Not Exempt from CEQA

The Law

The Planning Commission relied on Public Resources Code section 21083.3, subdivision (a) to find the project exempt from CEQA. That section provides

> If a parcel has been zoned to accommodate a particular density of development or has been designated in a community plan to accommodate a particular density of development and an environmental impact report was certified for that zoning or planning action, the application of this division to the approval of any subdivision map or other project that is consistent with the zoning or community plan shall be limited to effects upon the environment which are peculiar to the parcel or to the project and which were not addressed as significant effects in the prior environmental impact report, or which substantial new information shows will be more significant than described in the prior environmental impact report.

The implementing regulation, Guideline section 15183, provides that

> (a) . . . projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site

(b) In approving a project meeting the requirements of this section, a public agency shall limit its examination of environmental effects to those which the agency determines, in an initial study or other analysis:

(1) Are peculiar to the project or the parcel on which the project would be located,

(2) Were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent,

(3) Are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan, community plan or zoning action, or

(4) Are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR.

The approval is based upon an out-of-date 2008 Program EIR prepared for the Eastern Neighborhoods Area Plan. There are impacts that were not analyzed as significant effects in the EIR, including potentially significant off-site impacts and cumulative impacts, and there is substantial new information which shows that previously identified significant effects are more adverse. (Guidelines, §§ 15183(b), 15183(j))

Based on the Evidence, the Exemption is Not Warranted

The EIR projections for housing, including this project and those in the pipeline, have been exceeded when cumulative impacts are considered, i.e., "past, present, and reasonably foreseeable probable future projects." (Guidelines, § 15355) The projections for the Mission show 2,451 units built or in the pipeline, which is in excess of the number of units in the Preferred Project, as well as Options A, B and C from the EIR (Mission Projects Completed or Under Environmental Review 2008 to 2/23/16 (Planning Department Data), Exhibit Section A).

The EIR cites the Mission as having a population of greater than 50% Latinos. By 2013, the Mission District population had fallen to 39% Latinos according to An Assessment of Housing and Housing Affordability in the Mission Promise Neighborhood. (p.6, Exhibit Section B) A 2015 study by the Board of Supervisors' Budget and Legislative Analyst predicted that if current trends continue, the Latino population will fall to 31% by 2025. (Policy Analysis Report, October 27, 2015, p.12, Exhibit Section B)

This project approval represents the first major project of roughly 50 projects in the pipeline of projects proposed in the Mission, bringing more than 2,000 luxury housing units to the Mission. In the aggregate, these projects will have significant detrimental impacts. This trend also demands a significant change in policy. (Luxury Developments Map, Exhibit Section B) (Analysis of Q1 2016 SF Planning Department "Pipeline Report", Exhibit Section E)

Significant new developments that were not anticipated at the time the EIR was prepared include, but are not limited to:

- The continuing imbalance of affordable/unaffordable housing, as reflected in the recent Housing Balance Report (Housing Balance Report, Planning Department Report - Memo - March 2016 Report (corrected), Exhibit Section E);

- The steep rise in housing prices and concomitant introduction of luxury housing and retail space in the Mission (Priceonomics, *The San Francisco Rent Explosion*, p.3 "One Bedroom Price by Neighborhood", Exhibit Section B);

- Increasing pressures to produce affordable housing due to the overproduction of "market rate" housing;

- The influx of high paying jobs along with the proliferation of "tech shuttles" (Community Organizing and Resistance in SF's Mission District, p.3, Figure 4, Exhibit Section B);

- The failure of the City to produce adequate affordable housing in the Mission since the Eastern Neighborhoods Plan was approved;

- The continuing and alarming gentrification of the Mission at a level unforeseen by the EIR (Community Organizing and Resistance in SF's Mission District, p.2, Exhibit Section B);

- The disappearance of redevelopment agency money to fund affordable housing, without new resources compensating for the loss (*Cities Struggle with Ending Redevelopment Money*, San Francisco Chronicle, Jan 17, 2012. http://www.sfgate.com/bayarea/article/Cities-struggle-with-ending-redevelopment-agencies-2572818.php, Exhibit Section E); and

- Major unforeseen development projects in the Eastern Neighborhoods such as the UCSF Hospital buildout, Pier 70 buildout, 5M project, Mission Bay buildout, Warriors Stadium, and the Armory's new "Madison Square Garden of the West" entertainment space.

Similarly, the loss of PDR including projects in the pipeline has exceeded the EIR's 25-year pace by 178% for the Eastern Neighborhoods, and by 186% for the Mission (Eastern Neighborhoods PDR Loss, Planning Data, April 5, 2016, Exhibit Section C). This proposed market rate project will eradicate another 44,000 square feet of PDR use. The proposed meager 12,000 square feet of PDR space will do little to mitigate the impact.

There are also substantial traffic and transportation impacts not foreseen in the EIR. It is no surprise that the EIR was unable to foresee significant changes to travel conditions in 2016 because it used a baseline based on a series of land use and growth studies written in 2002. As stated in the EIR:

> This analysis of travel demand is based on assumptions about future land uses (e.g., anticipated development) prepared by the Planning Department as part of its Land Use Allocation 2002 forecasting process, the same forecasting effort that was the basis of the three rezoning options developed for the 2003 *Rezoning Options Workbook* that form the basis of the project description in this EIR.

(EIR, p. 268)

Below the "three rezoning options" is the so-called "2025 No Project" baseline:

> Assumes future development and growth consistent with the forecasts by the Association of Bay Area Governments (ABAG) for San Francisco and the Bay Area based on ABAG's *Projections 2002,* the current regional growth forecast at the time that the Land Use Allocation 2002 was developed.

(*Ibid.*)

While the EIR presumed some increase in traffic, it did not anticipate any of the following transportation scenarios:

- The sky-rocketing of housing rental prices, including a 71% increase in the Mission between 2011-2014 alone, that has resulted in a level of displacement of the Mission working class that was unforeseen by the EIR. (Priceonomics, *The San Francisco Rent Explosion*, p.3, Exhibit Section B). These displacements were not only due to the unaffordability of the rental units for its existing residents, many of them working-class Latino families, but also from Ellis-Act and No Fault Evictions.

- "Between 2009 and 2013, of the seven neighborhoods with the most Ellis Act evictions, the Mission continued to exhibit the highest number of evictions with 71 evictions, a demonstration of its lucrative housing market." (Case Studies on Gentrification and Displacement in the Bay Area, p.33, Table 4.6, Exhibit Section B)

- This has been accompanied by an influx of unanticipated luxury renters who are far more likely to own more than one car and drive more often (Transit Oriented Development and Affordable Housing, p.15, Figure 5, Exhibit Section D). These higher-income earners also drive more miles per day. (Why Creating and Preserving Affordable Homes Near Transit is a Highly Effective Climate Protection Strategy, p. 8, Figure 1, Exhibit Section D). Many of these new residents now commute *out* of the city to Silicon Valley, thus creating the additional unanticipated scenario where San Francisco has become a bedroom community for Silicon Valley.

- Simultaneous with this influx of new wealthier residents who own more cars and drive more often, is the phenomenon of the displacement of local, mostly Latino residents forced to vacate their homes in the city in search of more affordable housing in outlying areas, such as Vacaville, and put in the position of having to commute back into the city to continue their former lives at work and taking their children to school.

The EIR did not take into account the disparate impact on racial minorities and lower-income residents displaced by market rate gentrification and forced to relocate and commute long distances daily. It did not discuss or anticipate the proliferation of new tech shuttles, the rise of reverse commutes out of the city, nor San Francisco's internationally recognized displacement crisis which has resulted in long commutes for the newly displaced.

Existing revenue sources for transportation infrastructure are stretched to the limit as evidenced by the fact that the city is proposing a new sales tax increase to help cover this shortfall. Further, major reverse commutes of double decker shuttle busses were not anticipated, and the fact that the Supervisors' Budget & Legislative Analyst is currently conducting a study on the socioeconomic impacts of these busses indicates that these reverse commutes have real and undetermined impacts.

Recent increases in congestion, however, are now recognized through a detailed analysis in the 2015 Congestion Management Program study by the San Francisco County Transportation Authority. The report showed that the evening commute speed in San Francisco decreased 21% from 2013-2015 (p.21, Table 4-1, Exhibit Section D). Also, the INRIX 2015 Traffic Scorecard ranked San Francisco's commute the 3rd worst in the country. (Exhibit Section D, p. 2)

The CPE also cannot be approved because Planning has no objective criteria to determine when CPEs cannot be approved under the EIR. At the May 12, 2016, Planning Commission hearing, Commissioner Dennis Richards asked Environmental Review Officer Sara Jones whether there was a formula her office used to decide that an EIR was outdated. She answered, "We do not have a clear bright line for saying this EIR is no good anymore." (SFGovTV, May 12, 2016, 2:29)
http://sanfrancisco.granicus.com/MediaPlayer.php?view_id=20&clip_id=25373)

In addition, the community benefits promised in the Eastern Neighborhoods Area Plan are underfunded, implemented, and/or are underperforming. Overall, the mitigations in the EIR have not kept pace with the building of luxury housing and their impacts. (SF Planning Department Housing Balance Report No. 3, p.10, Table 7, Exhibit Section E).

Further, in order to qualify for a CPE, the project must be shown not to "conflict with any applicable land use plan, policy, or regulation." (Bryant St CPE Checklist, p. 20) There are significant inconsistencies between the project, the General Plan, and the Mission Area Plan. The destruction of the decades-old CELLspace/Inner Mission building is inconsistent with objective 7.1.2 of the Mission Area Plan: "recognize the value of existing facilities, including recreational and cultural facilities, and support their expansion and continued use."

Additionally, the demolition of this performance space is inconsistent with Goal 6 of the SF General Plan Arts Element to "Enhance, Develop, and Protect the Physical Environment of the Arts in San Francisco and Policy VI-1.4 to "Preserve existing performing spaces in San Francisco." CELLspace is such a prominent building in the Mission arts scene that its image is featured in the Mission Area Plan. (Pp. 11, 68, 75).

This project, which eliminates 44,000 sf of PDR on the North portion of the site, is also inconsistent with the following Mission Area Plan sections:

1.7: "Retain the Mission's Role as an Important Location for Production, Distribution, and Repair (PDR) Activities"; and

2.1: "Ensure that a significant percentage of new housing created in the Mission is affordable to people with a wide range of incomes." From 2006 to first quarter 2015 only 7.8% of new housing built in the Mission was Affordable. (SF Planning Department Housing Balance Report No. 3, p.10, Table 7, Exhibit Section E)

Finally, this project will also contribute to significant impacts in the areas of population and housing and general welfare of the population as the result of displacement and increased traffic congestion as a result of such displacement. The Centers for Disease Control and Prevention website states that "displacement has many health implications that contribute to disparities among

special populations, including the poor, women, children, the elderly, and members of racial/ethnic minority groups." (Health Effects of Gentrification, https://www.cdc.gov/healthyplaces/healthtopics/gentrification.htm, Exhibit Section B)

The Story of the Mission Promise Neighborhood Community Baseline Results from the 2014 Neighborhood Survey notes:

> Historically, the Mission has been a central location for gentrification and the displacement of low-income communities of color in the city. More recently (post-Great Recession), dynamic market forces—driven by the thriving regional technology economy—continue to accelerate the changing landscape of this formerly affordable neighborhood, tightening the squeeze on low-income families.

(Exhibit Section B, p. 8)

This survey also notes that "Families forced out of the city to find affordable housing may lose health benefits (Healthy SF) which are critical for their well-being." (*Id.*, p.7) The Harvard Center for Risk Analysis recently summarized the findings of an expert committee convened by the Health Effects Institute in Boston as follows: "They find strong evidence on exposure to traffic-generated pollution and negative health effects. They find strong evidence for a causative role for traffic related air pollution and premature death, particularly from heart attacks and strokes." (The Public Health Costs of Traffic Congestion, A Health Risk Assessment, Exhibit Section D, p. 1)

This same Harvard analysis estimates that residents of San Francisco and Oakland would suffer approximately 90 premature deaths as a result of traffic congestion in 2015. (Exhibit Section D, p. 7)

An exemption is not proper and review of this project must be based on updated information.

The CU Approval is Not Warranted

The Planning Commission issued a CU Authorization to permit the removal of three (3) residential units for new construction of a six-story, 68-foot tall, mixed-use building of approximately 203,656 square feet with 199 dwelling units,

ground floor retail/trade shop spaces, 12,000 square feet of ground floor Production, Distribution, and Repair space, one car-share parking space, 84 off-street parking spaces, 128 Class 1 bicycle parking spaces, and 18 Class 2 bicycle parking spaces.

The Commission relied on incorrect assumptions regarding the benefit of the land dedication and its accompanying number of affordable housing units. Rather than the 136 affordable units estimated by the developer and Mayor's Office of Housing (MOH), it appears the total number of affordable units that could be built on this site is only about 80. (Bryant St Affordable Housing Calculations, Exhibit Section F)

The affordable housing aspect was not adequately designed before approval of the CU. There appears to be no convincing evidence that 98 "by right" units of affordable housing can be built on this site. The Planning report references a "Letter provided by MOHCD" which states 98 units can fit into the land dedication. While there is a letter from Mayor's Office of Housing Director Olson Lee, on the very last page of the case file (pp. 507-509), it makes no reference to analysis of unit counts.

There is no MOH letter contained in the file that provides an analysis of the ability of the land dedication site to hold this number of units. It appears possible to fit 70 small units (using TCAC minimum sizes) within 5 residential floors and maintaining 25% setback. This is exactly 35% of market-rate 199 units. However, the 98 units "by right" appears grossly exaggerated, unless a rear yard reduction is granted, or a senior building with all studios is assumed.

Thus, the CU Approval is not warranted because the project relies on too many unsupported assumptions regarding the affordable housing design and layout, made worse by the lack of a final design. Reliance on the yet-to-be designed future affordable housing component of the south building is misplaced. It is not known or guaranteed that the south building, once set-backs and other zoning restrictions, including open space requirements, are imposed, will accommodate the promised 136 affordable housing units.

This CU approval also improperly relies on the adoption of the state density bonus, which is not used in San Francisco. Historically, the result is achieved by the adoption of a special use district.

Moreover, achieving 136 units of affordable housing with the density bonus program seems unlikely given the small portion of the lot left over for the affordable development, the required rear yard setbacks (based on even more requests for reductions), the expectation of upper floor setbacks in this taller affordable building to the south of a narrow alley, and the fact that this greater than 68 foot-high building would require more expensive concrete construction. CU approvals should only be deemed as necessary and desirable on the basis of a project's own merits and not unforeseeable, long-term conditions.

In addition, in order to fit 136 units the building height is proposed to be two stories higher than the six stories permitted by zoning, based on the application of the state density bonus. However, the state density bonus applies to areas with density limits. The Eastern Neighborhoods Area Plan does not contain density limits but envelope building limits. Thus, the reliance on the state density bonus is improper.

The applicant admits the project meets the open space requirements only when considered along with the open space that may be provided by the affordable project. By counting the mid-block alley as open space, the applicant makes unsupported assumptions about the design of the affordable housing project, as well as directly contradicts the mid-block alley's stated and intended use as a freight loading zone. In order to count this mid-block alley as open space, this project must include design elements that bar traffic and invite residential recreation. It is not permissible to qualify one area as both the off-street loading area as well as recreational open space.

Planning Code section 317 recognizes that "San Francisco faces a continuing shortage of affordable housing" and thus establishes detailed procedures for the loss of such housing. Section 101.1(b) states that the Master Plan of the City of San Francisco establishes Priority Policies, some of which are to preserve and enhance the City's supply of affordable housing and that to maintain a diverse economic base by "protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced."

Thus, the findings required by Planning Code section 303 cannot be made because the proposed use at the size and intensity proposed at this location will not provide a development that is necessary or desirable for, and compatible

with, the neighborhood; the proposed use will not serve the neighborhood, in whole or in significant part, and the nature of the use does not require a larger size in order to function; and the use and mass of the structures will be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity.

Finally, this project's CU approval mandates that it include three (3) replacement Below Market Rate units in compensation for the current three dwelling units proposed for demolition. However, this figure ignores another five (5) documented dwelling units inside of CELLspace that are also slated for demolition.

Based on substantial evidence in the record, the project is not exempt from CEQA review. In addition, the findings required for the CU approval cannot be made.

Thank you for your close attention to this matter.

Very truly yours,

Rose M. Zola

Encl.

Exhibit A

Death of the Mission by 2000 Cuts

2000 Luxury Units in Planning's Pipeline

It's a Gentrification Crisis - Not a Housing Crisis In the Mission

They are Killing our Culture - Join Mission Warriors at CANsf.Org

Mission - Projects Completed or Under Environmental Review - 2008 to 2/23/16 (Planning Dept. Data)

Address	Case No.	Date of Document	Status of Document	Net Housing Units	Cultural, Institutional, Educational	Medical	Management, Information, and Professional Services	PDR	Retail and Entertainment
3418 26th Street	2009.0610E	8-Nov-10	Published CPE	13	0	0	0	0	0
80 Julian Avenue	2009.1095E	23-Jun-10	Published CPE	8	0	16,000	0	0	0
411 Valencia	2009.0180E	13-May-10	Published CPE	16	0	0	0	-1,550	1,370
490 South Van Ness Avenue	2010.0043E	24-Jun-14	Published CPE	72	0	0	0	-1,618	1,123
3420 18th Street	2012.1572E	16-Oct-13	Published CPE	16	0	0	0	-4,675	1,000
1875 Mission Street	2010.0787E	14-Oct-10	Published CPE	38	0	0	0	-43,695	2,523
17th Street and Folsom Street Park	2009.1163E	24-Jan-11	Published CPE	0	0	0	0	0	0
1501 15th Street	2008.1395E	27-Jan-11	Published CPE	40	0	0	0	-1,740	9,681
480 Potrero Avenue	2011.0430E	26-Sep-12	Published Other	84	0	0	0	0	0
626 Potrero Avenue/ 2535 18th Street	2011.1279E	16-Jul-12	Published CPE	0	0	15,200	0	-15,000	0
2550-2558 Mission Street	2005.0694E	21-Nov-12	Published Other	114	0	0	0	0	14,750
1450 15th Street	2013.0124E	30-Oct-14	Published CPE	23	0	0	0	-6,088	0
300 South Van Ness Avenue	2011.0953E	29-Nov-12	Published CPE	0	0	0	0	0	20,040
346 Potrero Avenue	2012.0793E	3-Feb-14	Published CPE	72	0	0	0	-1,500	2,760
1785 15th Street	2012.0147E	1-May-13	Published CPE	8	0	0	0	-765	0
1801/1863 Mission Street	2009.1011E	19-Mar-15	Published CPE	54	0	0	740	0	2,125
2600 Harrison St.	2014.0503E	19-Aug-15	Published CPE	20	0	0	0	-7,506	0
1924 Mission St.	2014.0449E	2-Apr-15	Published CPE	12	0	0	0	-1,180	2,315
600 South Van Ness Avenue	2013.0614E	9-Apr-15	Published CPE	27	0	0	0	-1,750	3,060
2000-2070 Bryant St, 2815 18th St, 611 Florida St	2013.0677E	2-Jun-15	Published CPE	274	0	0	-3,540	-64,450	4,105
1298 Valencia Street	2013.1404E	9-Oct-15	Published CPE	35	0	0	0	-2,000	3,770
1198 Valencia Street	2012.0865E	31-Jul-15	Published CPE	52	0	0	0	-440	5,300
1050 Valencia Street	2007.1457E	5-Oct-10	Published Other	16	0	0	0	0	1,830
1419 Bryant Street	2015-005388ENV	6-Jan-16	Published CPE	0	44,600	0	0	-34,350	0
1979 Mission Street	2013.1543E	28-Jan-15	Active Other	331	0	0	0	0	-18,239
2675 Folsom St	2014-000601ENV	TBD	Active CPE	115	0	0	0	-22,111	0
1900 Mission Street	2013.1330E	TBD	Active CPE	11	0	0	0	-2,064	844
645 Valencia St	2013.1339E	TBD	Active CPE	9	0	0	0	0	-4,382
1800 Mission	2014.0154E	TBD	Active CPE	0	0	0	139,607	-138,742	39,000
2750 19th St.	2014.0999E	TBD	Active CPE	60	0	0	0	-10,934	10,112
1515 South Van Ness Ave.	2014.1020E	TBD	Active CPE	160	0	0	0	0	-29,940
3140 16th St	2014.1105ENV	TBD	Active CPE	28	0	0	0	-20,428	7,284
2799 24th St.	2014.1258ENV	TBD	Active CPE	8	0	0	0	0	-269
2435 16th St.	2014.1201ENV	TBD	Active CPE	53	0	0	0	-10,000	4,992
3357-3359 26th St.	2013.0770ENV	TBD	Active CPE	8	0	0	0	0	5,575
1726-1730 Mission St.	2014-002026ENV	TBD	Active CPE	36	0	0	0	-3,500	900
2100 Mission Street	2009.0880E	TBD	Active CPE	29	0	0	0	-7,630	2,640
200 Potrero Ave.	2015-004756ENV	TBD	Active CPE	0	0	0	0	-27,716	30,034
3314 Ceasar Chavez	2014-003160ENV	TBD	Active CPE	52	0	0	-2,500	0	1,740
1798 Bryant St.	2015-006511ENV	TBD	Active CPE	131	0	0	-5,179	0	3,514
2918-2924 Mission St.	2014.0376ENV	TBD	Active CPE	38	0	0	0	0	7,400
793 South Van Ness	2015-001360ENV	TBD	Active CPE	54	0	0	0	-1,966	4,867
1850 Bryant St.	2015-011211ENV	TBD	Active CPE	0	0	0	0	188,994	0
953 Treat Ave	2015-006510ENV	TBD	Active CPE	8	0	0	0	0	0
3620 Cesar Chavez	2015-009459ENV	TBD	Active CPE	28	0	0	-3,200	0	940
344 14th St. & 1463 Stevenson St.	2014.0948ENV	TBD	Active CPE	45	0	0		18,995	5,849
1950 Mission St.	2016-001514ENV	TBD	Active CPE	157	1,236	0	0	0	3,415
1296 Shotwell St.	2015-018056ENV	TBD	Active CPE	96	0	0	850	-11,664	0
				2,451	**45,836**	**31,200**	**126,778**	**-237,073**	**152,028**

Preferred Project (approved 2008) **1696**

Option A	**782**	**104,400**	**37,200**	**422,021**	**422,021**	**114,000**
Option B	**1,118**	**150,300**	**36,900**	**597,242**	**597,242**	**143,400**
Option C	**2,054**	**609,480**	**49,448**	**2,214,011**	**-3,370,350**	**598,323**

The CPE for 2000-2070 Bryant Street notes that 2451 residential units had completed or were under environmental review:
"As of February 23, 2016, projects containing 2,451 dwelling units and 355,842 square feet of non-residential space (excluding PDR loss) have completed or are proposed to complete environmental review within the Mission District subarea."

This is in excess of the number of units in the approved Preferred Project, as well as Options A, B and C from the ENP EIR. As a result, the analysis of cumulative impacts contai within the Eastern Neighborhoods Plan EIR, and referenced in the CPE, for this project is no longer relavant. The PEIR is stale and doesn't reflect current conditions. Among the impacts not adequately studied are recreation and open space, transit, traffic, and air quality.

For Immediate Release: July 20, 2015

Jonny Knucklz, CellspaceSF tenant — (415)235-2002 —jayemk1@gmail.com
Tommi Avicolli Mecca, Housing Rights Committee — (415)361-2940 — tmecca@hrcsf.org

TENANTS LIVING IN HISTORICAL ART SPACE TO HOLD PRESS CONFERENCE AGAINST IMPENDING EVICTION AND TO STOP A PROPOSED DEVELOPMENT IN THE MISSION

Press Conference 12:00 Noon, Wednesday, July 22, 2015, 2048 Bryant St, San Francisco

Save our Home! Save CellspaceSF! Save the Soul of San Francisco!

SAN FRANCISCO — A small group of artists living in an historic San Francisco institution may be the best chance for a growing coalition of long-time residents to beat the Beast on Bryant and the more than 250 luxury apartments planned at the site.

Established in 1996 by Jonathan Youtt, CELLspace is a community arts space that has served an integral role in the community over more than 15 years of continuous operation. During that time, CELLspace hosted countless events, nurtured hundreds of community members, and served as the home to dozens of rotating artists as part of its mission "to provide a safe and supportive public environment for the exploration of art, education, performance and community building."

In 2012, Eric Reid and Mike Gaines secured the lease to the building and renamed their endeavor Inner Mission. Last month, Inner Mission negotiated a settlement with the building's owner to make way for the Beast on Bryant and both the owner and Inner Mission are now trying to illegally push out the tenants.

"We're not going anywhere," said Jonny Knucklz, a longtime resident. "We're back after a brief intermission and CellspaceSF is here to stay."

On Wednesday, at noon, in front of their home at 2048 Bryant St, the residents of CellspaceSF will hold a press conference with the Housing Rights Committee and other community supporters to publicly announce their campaign to save their home and the community arts space they maintain.

"If you push the artists out of San Francisco, you're pushing out the art," said resident Jade Miller "Push out the art, and soon you won't have much left that's truly San Francisco."

##########

The Outsider
HOME

Clashing missions: CellSpace vs. The Beast on Bryant

Submitted by Shawn Gaynor on Mon, 07/27/2015 - 4:25pm
San Francisco, CA

12

Still Standing. Residential tenants of CellSpace SF, whose home is under threat of demolition from developers, are saying that their housing rights are being ignored by the building's owners. Photo by Shawn Gaynor.

By Shawn Gaynor

The demolition of the iconic Mission District arts space, CellSpace, has run into trouble, as a group of artists currently living in the historic San Francisco institution as subtenants, have stepped forward to assert their rights to remain in the space.

The proposed demolition of the cultural landmark, being pushed by the owners of 2050 Bryant St. to make way for 250 new units of luxury housing, in what some are saying is potentially the last fight to save the character and heart of San Francisco.

"It's our home today and it has been a continuously active space for artist and visionaries and their supporters since 1992," said Jade Miller, who resides in the building. "People have been living and working and making art here for over two decades. It has been a mainstay for the Mission's culture of art and has made the city what it is."

In 2012 CellSpace, a non-profit, turned over control of the space to the for-profit group Inner Mission who focused on a theater troupe, while still hosting occasional CellSpace style community event. But when the new lease was up, developer Nick Podell decided that the building and everything else on the block will be demolished for condo development.

The project has emerged as one of the most controversial in the rapidly changing Mission district, directly pitting the cultural legacy of the San Francisco arts community against unchecked development in the neighborhood priced well beyond the reach of the area's current residents. Anti-gentrification activists have dubbed the proposed condo project the "Beast on Bryant."

Inner Mission's acceptance of a buy out from Podell seemed to seal the building's fate, but the newly raised issue of residential tenants currently living the building adds a new legal twist to the conflict over the future of CellSpace.

According to Miller and her housemates, they were never given any formal notice of eviction when Inner Mission negotiated a buyout of its rights to the building. The residents had been paying residential sub-tenants of Inner Mission at the time.

"Here in San Francisco eviction is a legal process and the process starts with a legal notice. You can never be verbally evicted here in San Francisco," said housing rights advocate Tommi Avicolli Mecca from San Francisco's Housing Rights Committee at a press conference last week in front of the space. "It appears to us that every step along the way there has been a violation of tenants rights."

Avicolli Mecca said that the building's owner appeared to lack the legal "just cause" necessary to evict residential tenants in San Francisco.

Mission residence are increasingly worried that the rapid pace of new development in the area is killing the neighborhoods cultural and historic heritage.

"Every time you uproot a native culture, it dies," said 2048 Bryant St. tenant Johnny Knucklz at the press conference. "That's not what we want to happen to the Mission."

A longtime Mission artist, Knucklz has been involved in the building as a volunteer for over nine years and for a time coordinated CellSpace's artist residency program, which hosted visiting artists from around the world. "We are trying to preserve this asset for everyone who wants to come to San Francisco and make a life for themselves as a creative. So it is not as much about us, as about the treasure here that we are protecting. The end goal is to preserve and protect the treasure of art and access to it."

The issue of cultural preservation has been on the mind of CellSpace's original founder Johnathan Youtt. Though Youtt has moved on to other projects, he as been a vocal proponent for the preservation of the space. Youtt has proposed that the city planning department adopt what he characterized as a "cultural impact statement" in the building permit application process, in order to codify a mechanism for preserving the city's important cultural institutions.

During a widely attended meeting about the fate of the building on April 18, Youtt said, "The idea of a cultural impact statement is not absurd. We didn't used to have environmental impact statements. People fought to have that included in the planning process."

San Francisco mayoral candidate Francisco Herrera, who was on hand for the press conference, lamented a lack of political will at city hall to protect cultural and artistic centers like CellSpace. "We need to save, not destroy these places. They give life to the community. We urge all the people of San Francisco to defend CellSpace as it is – a cultural center."

The proposed "Beast on Bryant" project that would replace CellSpace, along with a proposed development at 16th and Mission, dubbed by housing rights activists the "Monster in the Mission," have been the most contested projects of the neighborhood's luxury development boom.

"This isn't just a fight for these people's homes. I'm here to protect the city of San Francisco," said local journalist Josh Wolf, who has become an advocate for preserving CellSpace. Inspired to take action himself to protect the space he credits as his entry into the fabric of San Francisco art and political culture years ago, Wolf struck a cord that many longtime San Franciscans are feeling.

"We are seeing the headlines every day: displacement, eviction, closing down of cultural institutions that matter the most to us. This is not going to be the San Francisco we all came for; that all of the new inhabitants that are bring the money with them actually came for. They came for the city they grew up dreaming about, and before long it's not going to be the city of their dreams any more."

The planning commission will take up the issue of what will become of 2050 Bryant St. on September 10.

"We are not going to lose this fight," said Wolf. "We are here, CellSpace SF is back, and it's time to kick some ass."

7/20/2016

Peter:
Here's what I know about the tenants above CELLspace.

One of the tenants, I think it was Johnny, contacted me last summer about an eviction notice all the tenants above CELLspace received. I went to visit them and had a meeting with three of them and observed the space which had a kitchen, bathroom and five bedrooms, it was an apartment from what I could see. Each bedroom, they said, was occupied by a tenant who was paying rent to a master tenant. I remember Johnny Knucklz and Jade Miller as two of the tenants who lived there and who were at the meeting.

We decided to do a press conference (press release attached as pdf) to draw attention to the evictions. I wasn't sure if they were protected by rent control, but felt fairly certain that they were covered by just cause as the building was built before 1979.

For coverage of that press conference, see the Outsider piece. https://theoutsidernews.com/articles/2015/07/27/clashing-missions-cellspace-vs-beast-bryant

The tenants obtained a lawyer and tried to fight, but ultimately lost. They were evicted. I was there the afternoon they moved out. All their stuff was on the street. I took photos. See attached.

From what I understand, those rooms above CELLspace had been rented out for years to various artists, providing valuable affordable living spaces for artists in our expensive city. The loss of those units is a loss of artists that have helped make the Mission the vibrant neighborhood it is.

Tommi Avicolli Mecca
Housing Rights Committee

TONG'S BAKERY
FORTUNE COOKIES
255 -9-ST., OAKLAND, CALIF. 94607

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RACING

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4650

Hi Peter,

As far as I know there were 2 units in the victorian house that the Handa's owned and one unit above the Tortilla Flats. CELLspace had 5 bedrooms that were built into the "office" above the main space. Technically, we never received residential status, although we had folks living there from 1994 until just recently when Johnny Knuckles and the other residents took a buyout of $30,000 when they settled with Podell. So the framing could refer to the other effective residential unit that was above CELLspace and was home to 5 artists from 1994 -2016.

Other than that, the other buildings were mostly commercial/industrial.
Let me know if you need any more clarification.

Jonathan Youtt
Co-Founder, CELLSpace

Death of the Mission by 2000 Cuts

2000 Luxury Units in Planning's Pipeline

It's a Gentrification Crisis - Not a Housing Crisis In the Mission

They are Killing our Culture - Join Mission Warriors at CANsf.Org

City and County of San Francisco

Office of the Controller - Office of Economic Analysis

Potential Effects of Limiting Market-Rate Housing in the Mission

September 10, 2015

Main Conclusions

The Office of Economic Analysis (OEA) was requested by Supervisors Mark Farrell and Scott Wiener to prepare a report on the effects of a temporary moratorium, and an indefinite prohibition, on market-rate housing in the Mission district of San Francisco. As requested, this report focuses on the effects of such actions on the price of housing, the City's efforts to produce new housing at all income levels, eviction pressures, and affordable housing. It also addresses some potential benefits of a moratorium, including reducing tenant displacement, discouraging gentrification, preventing nearby existing housing from becoming unaffordable, and preserving sites for permanently affordable housing.

The City currently has extensive controls regarding the location and scale of new housing construction. There are several neighborhoods in the city where no market rate construction is planned or feasible. In the Mission, however, several thousand new units are planned. An 18-month moratorium in the Mission has been placed on the November 2015 ballot. No legislative proposal has been made for an indefinite or permanent moratorium.

Concern over new market-rate housing in the Mission has intensified with the pace of social and economic change in the neighborhood. Home to a Latino community since the 1930s, the Mission's Latino population has declined from 60% of the area's total population in 2000 to 47% over the 2008-12 five-year period. During this period, the overall Latino percentage of the population in San Francisco has remained steady. The change in the Mission's ethnic composition has occurred at the same time as a decline in the neighborhood's number of lower-income households, and families with children, and a rising number of upper-income households without children. These trends have also been more strongly felt in the Mission than in the rest of San Francisco.

The report assesses a number of potential costs, and benefits, of temporary and indefinite moratoria. In terms of the potential costs, the report finds that a temporary, 18-month moratorium would lead to slightly higher housing prices across the city, have no appreciable effect on no-fault eviction pressures, and have a limited impact on the city's ability to produce affordable housing during the moratorium period. At the end of the moratorium, these effects would be reversed, through a surge of new building permits and construction, and there would be no long-term lasting impacts of a temporary moratorium.

In terms of the potential benefits, the report finds no evidence that a temporary moratorium would prevent the demolition of existing housing and direct displacement of current residents, discourage upper-income households from moving into the Mission, or ease rising rents and housing prices in the neighborhood. It would temporarily preserve sites that could later be acquired for affordable housing, but it is highly unlikely that it would reduce the cost of any such site.

Over an indefinite period, a prohibition on market-rate housing in the Mission would, in general, affect more sites, place greater upward pressure on city housing prices, and reduce affordable housing resources to a greater extent. On the other hand, there would also a reduced risk, over the long term, of residents being evicted and existing homes being demolished. The report finds no evidence that even a permanent prohibition on market-rate housing would reverse the trend of upper-income households moving into the neighborhood. The report also finds that new market rate housing tends to lower, rather than raise, the value of nearby properties, and therefore a moratorium on market-rate housing would not protect nearby existing housing from rising prices.

Finally, the report concludes that the strategy of using an indefinite market-rate housing moratorium to create sites for affordable housing is likely to be significantly more costly than alternative approaches, such as increasing affordable housing subsidies, and liberalizing land-use controls in the Mission and elsewhere in the city.

The findings related to costs and benefits of are summarized in the table below.

Potential Costs	Short-Term Moratorium	Indefinite Moratorium
Higher housing prices	Slight over the moratorium period, diminishing to none afterwards	Moderate
Loss of affordable housing	Slight over the moratorium period, diminishing to none afterwards	Moderate
More No-Fault eviction	No evidence of more evictions	No evidence of more evictions

Potential Benefits	Short-Term Moratorium	Indefinite Moratorium
Reduced direct displacement	None	Some
Reduced gentrification	None	None
Reduced indirect displacement	None	None
Sites for affordable housing	None	Some, though economic costs would be high relative to other approaches

INTRODUCTION

Purpose of this Report

In May, 2015, the Office of Economic Analysis was requested by Supervisor Farrell and Supervisor Wiener to conduct an analysis of the impact of limiting new market area housing development in the Mission district of San Francisco.

Specifically, the Supervisors requested:

> *the Chief Economist, through the Controller's office, to produce an economic report and analysis on what the effects of a moratorium on market-rate housing in the Mission District would be for an indefinite and two-year period:*
>
> *• The effect the moratorium will have on housing and rental prices in the Mission and across San Francisco*
>
> *• The effect on the City's efforts to produce more new housing at all income levels*
>
> *• The effect the moratorium will have on eviction and buy-out pressures for tenants and homeowners*
>
> *• A detailed analysis on the amount of resources that the City would lose for affordable housing production.*
>
> *• Other areas deemed important for the public interest and good.*

This report is the Office's response to this Supervisorial request. To prevent confusion with an upcoming ballot measure, discussed below, this report assesses the impact of a temporary moratorium that lasts 18 months, instead of two years.

Temporary Moratorium and Indefinite Prohibition

The City currently has extensive controls regarding the location and scale of new housing construction. There are several neighborhoods in the city where no market rate construction is planned or feasible. In the Mission neighborhood, however, several thousand new units are planned, as a result of the Eastern Neighborhoods planning effort concluded in 2008.

A 18-month moratorium on new market-rate housing development in the Mission has been placed on the City's

November 2015 ballot.

As outlined above, the two Supervisors also requested that this report consider the impact of an indefinite prohibition on market-rate housing development in the Mission. The proposed ballot measure *does not* include such an indefinite prohibition, and only provides for an extension of the moratorium for up to a total of 30 months. *No legislative proposal has been made for an indefinite moratorium on market-rate housing in the Mission.*

However, nothing legally prevents the City, in the future, from changing land use controls to effectively prohibit new market-rate housing in the Mission indefinitely. Because of that fact, and the Supervisors' request, this report considers an indefinite as well as a temporary moratorium.

SOCIAL AND ECONOMIC CHANGE IN THE MISSION, 1970-2012

Background

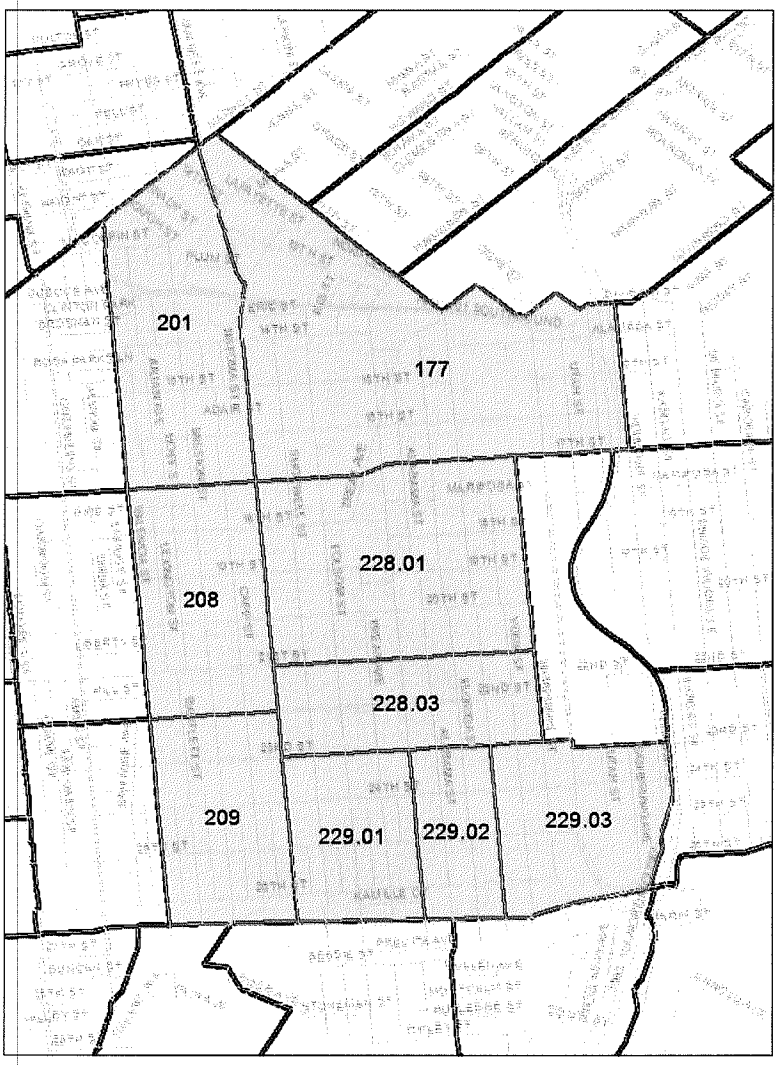
Concern over new market-rate housing in the Mission has intensified with the pace of social and economic change in the neighborhood.

20th century Mexican immigration to San Francisco began in earnest in the 1930s. By 1940, the first year that Census tract-level information is available for the city, natives of Mexico comprised about a quarter of the population in what was once the primarily industrial areas of western SoMa south of Harrison Street, and the Mission north of 17th Street.

1960 is the first year that the Census uses a Latino ethnic category in its tract-level data for the city. The 1960 Census map for San Francisco shows Latinos forming over a third of the population in the Mission, and over 15% of the population in a wide area reaching from SoMa to Portola, and Duboce Triangle, the Castro, and Noe Valley east to the Bay.

This section reviews later Census data, from 1970 to 2012, for a set of Census tracts that closely correspond to the Planning Department's definition of the Mission District. These tracts (as they are used in the 2010 Census) are shown in Figure 1 below. Their boundaries have not changed during the 1970-2010 period, which facilitates a review of different socio-economic indicators over time. To provide context, the same indicators are also detailed for the City as a whole.

FIGURE 1 **Mission Census Tracts Used in This Report**



Population by Ethnicity

According to Census data from 1970 through 2008-2012[1], the Latino population of the Mission increased through the 1970s and 1980s, reaching 60% of the total population in both the 1990 and 2000 Censuses. Since 2000, the decline in the area's Latino population has been rapid, with 47% reported as Latino in the 5-year American Communities Survey for 2008-12. By contrast, the city's overall Latino population has remained relatively steady, at 12-15% of San Francisco's population since 1970.

[1] The 2008-2012 period here refers to the 5-year American Communities Survey, produced by the Census Bureau.

TABLE 1 **Latino Percentage of the Population: Mission Census Tracts, and Citywide, 1970-2012**

	Mission census tracts	Entire City
1970	50%	14%
1980	53%	12%
1990	60%	14%
2000	60%	14%
2008-12	47%	15%

Source: U.S. Census/Social Explorer

Household Structure

The Mission has also changed more rapidly than the city in terms of the structure of its households. In 1970, 34% of households in the area were families with children, compared to 24% for the city as a whole. By the 2008-2012 period, only 20% of Mission households had children, roughly the same as the average for the city as a whole.

TABLE 2 **Households with Children Under 18 as a Percent of All Households, 1970-2012**

	Mission census tracts	Entire City
1970	34%	24%
1990	38%	21%
2000	31%	19%
2008-12	20%	19%

Source: U.S. Census/Social Explorer

Income Inequality Trends

Citywide trends in income have also been more strongly felt in the Mission than in other parts of San Francisco. Table 3 below shows the distribution of household income, in constant 2015 dollars, for the Mission census tracts and the city as a whole. In 1980, over half of the households of the Mission earned less than $50,000 (in today's dollars), compared with 33% in the city as a whole. By the 2008-2012 period, only 37% of Mission households were in that category.

For San Francisco as a whole, the percentage of households in the lowest income category has actually not changed from 1980 to 2008-12. Citywide, the more notable trend has been the decline of middle-income households and the growth of upper-income households. In the Mission, however, both low-income and (to a far lesser extent) middle-income households have declined,

as the number of upper-income households have grown.

In the Mission and across San Francisco, the growth in the number of upper income households may reflect both relocation patterns, and increases in the real incomes of residents. However, the far greater decline in low-income households in the Mission than in the rest of the city suggests that it is the movement of low-income households out, and upper-income households in, that is accounting for the bulk of the change in that neighborhood.

TABLE 3 **Distribution of Households by Household Income (in $2015), 1980-2012**

	Mission census tracts			Entire City		
	<$50k	$50-150k	$150k+	<$50k	$50-150k	$150k+
1980	53%	45%	3%	33%	54%	13%
1990	50%	44%	5%	37%	49%	14%
2000	41%	49%	17%	28%	43%	28%
2008-12	37%	41%	22%	33%	43%	28%

Source: U.S. Census/Social Explorer

Change in the Area's Housing Stock

Although the composition of the Mission's population has evidently experienced considerable change since 1970, the neighborhood's housing supply has not. From 1970 to 2000, the Mission actually saw a net decline in housing units, while the city added 36,000 units during the same period. Only since 2000 has appreciable amounts of new housing been built in the Mission, with the housing supply growing by about 193, or 1.3%, per year (2000 – 2010).

TABLE 4 **Number of Housing Units, 1970-2012**

	Mission census tracts	Annual Growth Rate	Entire City	Annual Growth Rate
1970	13,742		310,406	
1980	13,715	-0.02%	316,274	0.19%
1990	13,335	-0.28%	328,471	0.38%
2000	13,539	0.15%	346,527	0.54%
2008-12	15,464	1.34%	375,861	0.82%

Source: U.S. Census/Social Explorer

According to data from the Planning Department, the new housing in the Mission over the 2001-2013 period has been split roughly 50:50 between market-rate and affordable.

TABLE 5 Housing Development in the Mission Neighborhood, 2001-2013

Market Rate Units	721
Affordable Units in Market Rate Projects	97
Units in 100% Affordable Projects	646
Total units constructed	1,464
% affordable	51%

Source: San Francisco Planning Department, *Annual Housing Inventory*, various years

Population Change and Frequency of Movement

Rather than the construction of new and demolition of old housing, the population change in the Mission since the 1990s has largely occurred through changes in the occupancy of the existing housing stock. The Census reports the number of tract residents who lived in the same house one year previously. Since everyone who did not live in the same house moved from another location (which is generally specified in the Census), this data can provide a sense of the population churn in the neighborhood and in the city.

The most recent 5-year Census data, collected over the 2009 to 2013 period, shows that 87% of Mission residents lived in the same house one year previously, and 13% moved from another location. More than half of the movers – 8% of the total in the Mission, moved from somewhere else in San Francisco into the Mission[2]. While this rate of population churn is somewhat lower than the citywide average – 16% of San Francisco residents lived in their current house less than a year – it does indicate the movement of 5,000 new residents to the Mission per year, out of a population of 37,976. As discussed above, the neighborhood has only been adding 193 new housing units per year since 2000.

[2] the Census does not report how many moved within the Mission itself, only from somewhere within the city to a Mission tract.

TABLE 6 Population by Residence One Year Previously, 2009-2013

	Mission census tracts	Entire City
Living in same house 1 year previously	87%	84%
Lived elsewhere in San Francisco 1 year previously	8%	8%
Lived elsewhere in California 1 year previously	3%	4%
Lived elsewhere in the U.S. 1 year previously	1%	2%
Lived elsewhere in the World 1 year previously	1%	2%
New residents as percent of current population	13%	16%
Annual number of new residents	5,095	128,712

Source: U.S. Census, *American Communities Survey*

PLANNED HOUSING DEVELOPMENT IN THE MISSION

Current Development Pipeline in the Mission

Estimating the economic impact of an 18-month moratorium must begin with estimating the number of market-rate housing units that might be constructed in the Mission over that period in the absence of any moratorium. In order to do this, in this section we examine data on planned housing projects provided by the Planning department's pipeline report, for the 2nd quarter of 2015.

Housing construction projects must receive permits from the Planning and Building Inspection (DBI) departments before construction can begin. The pipeline database classifies projects into six main stages:

- Application filed with Planning
- Projects approved by Planning
- Application filed with DBI
- Projects approved by DBI
- Projects issued a building permit
- Projects under construction

The units under construction, or that have already received a building permit, would not be affected by a moratorium, but the other projects could be. Based on the pipeline data through June 30th, 2015, there are 2,117 such units in the Mission.

However, given the length of the approval process, a project that is not been approved may still not be affected by an 18-month moratorium. The issue is made even more complex because the length of time between project initiation and construction is not only a function of the City's permitting process, but also the state of the housing and capital markets, and the developer's strategy.

Consequently, the number of those projects, and the housing units they would produce, cannot be estimated with certainty. Considering the number of units in the pipeline in the Mission, when each project entered the pipeline, and a range of potential approval periods, we estimate the number of affected units will range between 752 (delayed by an average of 10.1 months) and 807 (delayed by an average of 17.3 months).

Development Capacity in the Mission

Considering a longer-term, indefinite prohibition of market-rate housing requires going beyond the projects currently in the pipeline, to the totality of future projects that could be built, given the zoning controls in place in the

neighborhood.

The Mission was one of four city neighborhoods that underwent major rezoning through the Eastern Neighborhoods Planning Process, which concluded in 2008. Many parcels in the area received significant increases in allowable heights, and loosening of density controls, while land use controls on other parcels were tightened. Parcels where development capacity was increased are likely to be redeveloped as housing in the future.

Notwithstanding the rapid rise of housing prices in the city in recent years, and the relatively large amount of new housing that has been developed in the city, only a small fraction of the planned development capacity in the Mission is currently in the development pipeline.

The Eastern Neighborhoods planning process provided for 15,005 new housing units in the Mission, of which approximately 500 are either under construction or have been built since 2008, when the Plan was passed.

The remaining 14,500, which would be the maximum number of housing units not built in the event of an indefinite prohibition of market-rate housing, represents 3.8% of the city's current housing stock.

POTENTIAL COSTS OF A MORATORIUM

Introduction

This section estimates the costs associated with the short-term and long-term removal of market-rate housing from the city as detailed in the previous section. It considers three potential costs:

1. Higher housing prices
2. Lost resources for affordable housing
3. Higher risk of evictions

Impact on Housing Prices

The assessment of the impact of a moratorium on housing prices begins by estimating a housing price index for San Francisco, and then statistically assesses how that index would change if the future housing supply was constrained during the period of a moratorium.

One of the most challenging things about studying the economics of housing is the fact that every house is different. Economics tries to explain and predict how and why prices change - but because every house is different, the price of every house are generally different as well - even in the same city at the same time. .

The solution that economists have developed to study the price of housing is to start by recognizing that a given housing unit offers many things that consumers are willing to pay for: space for living, structural features like bedrooms, bathrooms, and appliances, a location that is more or less accessible to jobs and other trip destinations, a neighborhood with amenities, etc.

The sales price of a house, or the market rent of a vacant apartment, will reflect the house's quality along all of these dimensions, to the extent that consumers value them and are willing to pay for them.

An econometric technique called hedonic price analysis can be used to break down the value of a house into the values of its constituent characteristics, and in, in so doing, reveal their market prices. The OEA employed this method along with data from the real estate analytics firm CoreLogic. More details about the methodology, and the results, can be found in the Appendix.

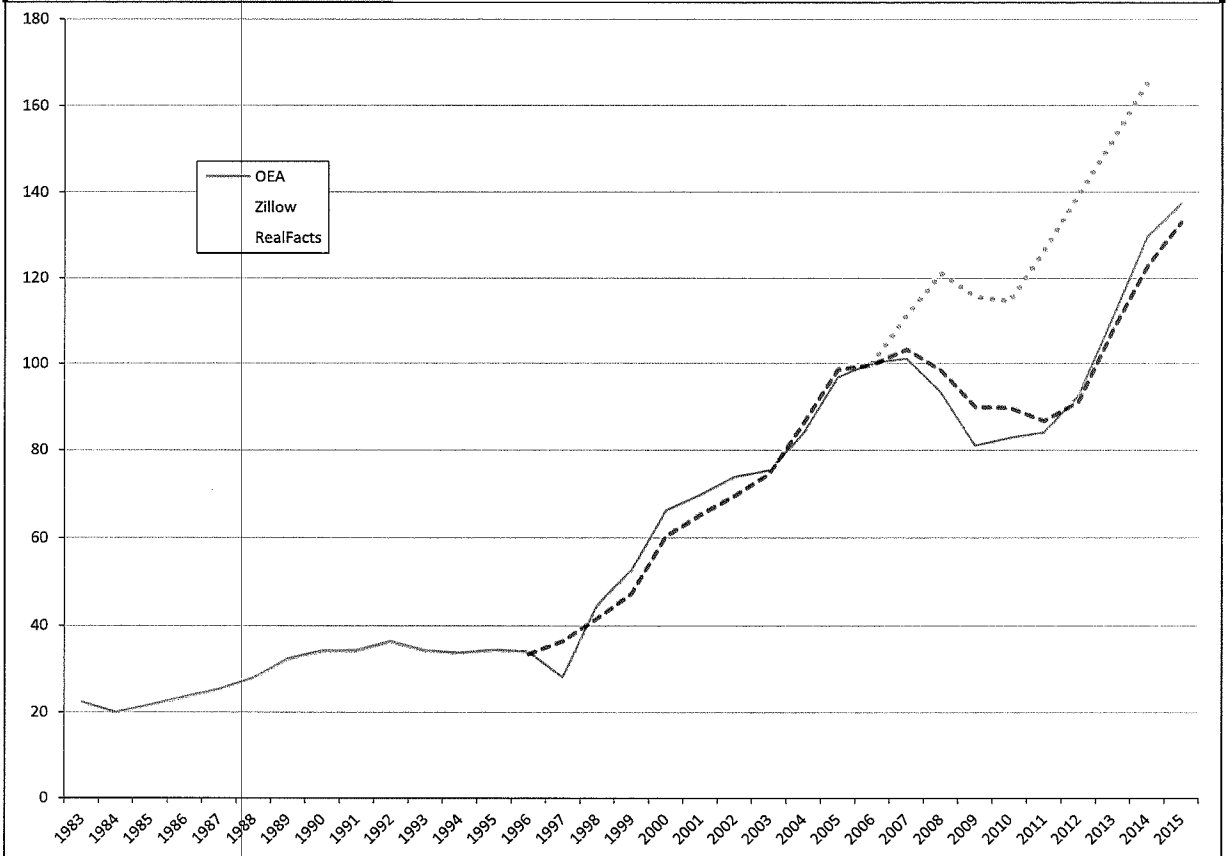
Among the characteristics that affect housing prices, the most ones that for this report concern the housing unit's year of sale. Similar to the way that a change in the consumer price index creates a measure of the inflation rate, the coefficients on time variables in an hedonic price

analysis can create a housing price index.

Figure 2 below indicates the price index that resulted from our analysis. For the sake of comparison, a housing index provided by Zillow for owner-occupied housing, and one generated from RealFacts data for residential rent, are also provided. The OEA index, like Zillow's, is drawn from home sale data, so these two indices are fairly similar. The RealFacts Index is constructed from annual changes in the asking rents of vacant units listed on RealFacts, a consistent sample of residential properties in San Francisco that are surveyed over time. While the RealFacts index generally moves in the same direction as the two indices based on home sales, its rises are faster and its drops are less steep, indicating a generally hotter market for rentals than homes for sale.

The data we have acquired from CoreLogic, which has comprehensive sales information dating back to the early 1980s, allows more historical perspective on San Francisco housing prices than Zillow's index, which only dates from 1996. It was around that year, in fact, that San Francisco began the period of rapidly-rising housing prices that it is still experiencing. Over the 14-year period from 1983 to 1997, city housing prices grew by only 1.6% per year – less than the rate of inflation. Since 1997, the OEA's housing price index has grown at 9.2% per year – more than 3 times the rate of inflation.

FIGURE 2 **Housing Price Indices for San Francisco: OEA-Generated, Zillow, and RealFacts (2006=100)**



Source: Zillow, RealFacts, OEA analysis based on CoreLogic data (see Appendix)

Impact of Constraining the Housing Supply on Housing Prices

With an understanding of San Francisco's housing price trends, and of how a moratorium and indefinite prohibition would constrain supply, we can investigate the role that these potential changes in housing supply would have on housing prices.

The simplest point that can be made about housing prices, in economic theory, is that they reflect what consumers are willing to pay for housing. When there are more people in a housing market, or they have more income, they are likely to bid up home sales prices and rents.

However, if we were to control for the number and income of consumers, another factor that is thought to affect the price of housing is the supply available in the market. In particular, according to economic theory, if there was an increase in the supply because of new construction, home-seekers would have more choice, and the housing market would be more of a "buyer's market", and prices would be lower than they otherwise would be.

Conversely, if a policy change, such a moratorium or prohibition on market rate housing, restricted the supply of housing on the market, then the market would become more of a "seller's market". Housing prices would be higher in this case; sellers would receive higher-prices, landlords would reap higher rents, and home-seekers would pay more for housing.

This line of reasoning is fairly simple economic theory. But is there any evidence to support it? Our statistical analysis, discussed in the Appendix, leads us to the conclusion that there, in fact, is a clear relationship between the supply of housing in San Francisco, and what households are willing to pay for it.

As shown in Table 7 below, given the number of housing units involved in a moratorium or indefinite prohibition, the sensitivity of consumer's willingness to pay, to constrained supply, can be expected to lead to a 0.3% increase in housing prices from a moratorium, or a 5.5% increase in prices from an indefinite prohibition.

TABLE 7

Impact on Housing Prices of a Moratorium and Indefinite Prohibition on Market-Rate Housing in the Mission

	Number of Units Affected	% Change in the City's Housing Stock	Impact on Prices
18-Month Moratorium	752-807	-0.2%	0.3%
Indefinite Prohibition	15,005	-3.9%	5.5%

Source: San Francisco Planning Department, Pipeline Data, OEA Analysis

The impact of a moratorium would be significantly less than an indefinite prohibition for two reasons. First, most of the development capacity in the Mission is not far advanced in the pipeline, and we project that only between 752 and 807 units would be affected in the next 18 months.

Secondly, the vast majority of those units that are affected would be delayed for less than 18 months, so at the expiration of the moratorium, the housing supply would increase and prices should quickly return to their pre-moratorium level. The 0.3% price effect would be a temporary phenomenon, and there would be no longer-term impact on prices. In fact, the expiration of the moratorium would lead to a surge in building permits being issued, most likely followed by a surge in construction, higher supply, and a return to the status quo ante situation.

An indefinite prohibition, on the other hand, would lead to longer-term price increase that would be much larger than the temporary one created by a moratorium, because it would affect more sites for a longer period of time.

What does this projected price increase mean in tangible terms? Over the 2006-13 period, an average of 50,685 households reportedly lived in their their unit for less than a year, according to Census data, meaning they had recently either purchased a house or began renting a vacant place. This represents between 12 – 15% of all households in the city, depending on the year.

When a household moves, either to the city or within the city, it faces the prices set by the housing market. As shown above, a constraint of housing supply raises these prices. Table 8 below quantifies the higher out-of-pocket expense that a household moving into a vacant unit would face because of the price effects detailed in Table 7.

TABLE 8 **Impact on Aggregate Housing Costs of a Moratorium and Indefinite Prohibition on Market-Rate Housing in the Mission**

	Number of households moving annually	Annual housing costs (2015 estimate)	Additional annual payment due to price effect	Aggregate ($M)
18-Month Moratorium	50,684	$32,542	$96	$4.1 - $7.0
Indefinite prohibition	50,684	$32,542	$1,794	$91 p/a

Source: US Census/IPUMS[3], OEA Analysis

A moratorium can be expected to lead to an increased annual housing payment of $8 per month, for every household that moves into a new residence.

In aggregate, given that we the average project delay will range between 10.1 and 17.3 months, these higher housing costs will lead moving households to pay an aggregate of $4.1 million and $7.0 million, while the moratorium is in effect. At the end of the moratorium, all of the housing that had been delayed would move forward, the housing supply would expand, and there would be an equivalent decline in housing expenses, for households seeking a house in the period after a moratorium.

In other words, people moving within the city during a moratorium would suffer higher housing costs, while those moving immediately after a moratorium would benefit from the surge in construction and, in effect, from the moratorium itself.

Under an indefinite prohibition scenario, because more units would eventually be affected, the price effect would be much larger, rising to $1,794 per household per year, or $91 million per year in aggregate. This effect wouldn't materialize immediately, because not all 15,005 potential market-rate units in the Mission will be built immediately. Instead, this number should be seen as a long-term annual impact that would phase in over time, and, once it does, higher prices would last as long as the prohibition.

It is also important to state that these estimates are based on today's housing prices, which will likely rise in the future based both on inflation, and the underlying imbalance between supply and demand that has led to the city's

[3] IPUMS-USA, University of Minnesota, www.ipums.org.

housing prices to rise much faster than inflation since the mid-1990s.

Impact on Resources for Affordable Housing

Under the City's inclusionary housing program, market-rate housing developers are required to either dedicate a certain percentage of the project's units as affordable, builld affordable units off-site, or pay an in-lieu fee to the Mayor's Office of Housing for affordable housing[4].

In the Mission, sites that are zoned as Urban Mixed Use (UMU) also received an additional affordable housing requirement. For UMU parcels that received no right to add additional stories (known Tier A pacels) under the Eastern Neighborhoods rezoning, the affordable housing requirement increased from the city-wide 12% to 14.4% for on-site or 23% for off-site units. If the UMU parcel was given the right to add 1 or 2 stories (Tier B), the affordable requirements was raised to 16% or 25%, and if the parcel would given the right to add more than 2 stories (Tier C), the requirements were set at 17.6% and 27% respectively. At present, all of the UMU parcels in the development pipeline are Tier A, according to information provided by the Planning Department.

Table 9 below indicates what the total on-site or off-site affordable housing requirements would be, for the 752-807 units in the Mission that we project would be affected by a temporary moratorium. The temporary moratorium would delay the provision of between 97 and 104 on-site affordable units, or 122 to 131 off-site units, depending on developers' decisions.

[4] Some projects additionally have the option of meeting their affordable housing requirement through a middle-income or land dedication option. Since information on the choices made by each project sponsor is not available, the use of these options is not estimated. Additionally, since unit sizes in the pipeline are not comprehensively known, in-lieu totals cannot be calculated.

TABLE 9 **Affordable Housing Requirements for Projects in the Mission Affected by an 18-Month Moratorium**

		Requirement		Affordable Units	
	Units	On-Site	Off-Site	All On-Site	All Off-Site
Urban Mixed-Use					
Tier A	286-306	14.4%	23.0%	41-44	66-70
Tier B	0	16.0%	25.0%	0	0
Tier C	0	17.6%	27.0%	0	0
Other Zoning	466-501	12.0%	12.0%	56-60	56-60
Total	752-807			97-104	122-131

Source: San Francisco Planning Department, OEA Analysis

Impact on Eviction Pressures

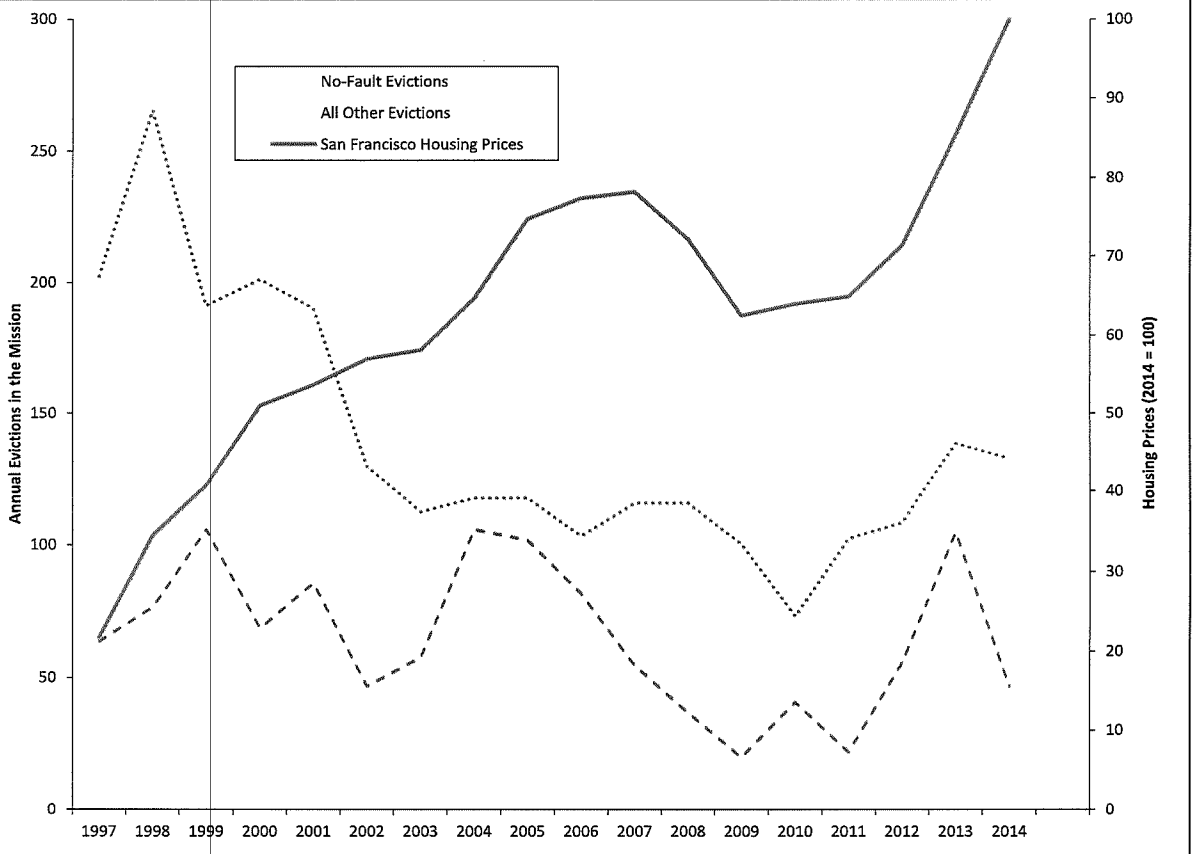
This report was requested to also consider the impact of a 2 year or indefinite moratorium on eviction pressures. The potential that fewer people might be evicted because of a moratorium is considered in the next section.

It is often believed, reasonably, that eviction pressures rise along with housing prices. The more a house is worth or can be rented for, the greater the financial incentive for an owner to evict the current tenant and sell the property, find a new tenant able to pay market-rate rents, or change the property's use.

Despite these beliefs, which reflect common-sense economics, our analysis do not find statistical relationship between housing prices and evictions, in the Mission or in the city as a whole. As Figure 3 shows, while housing prices have risen rapidly, and fairly consistently except for the 2007-2010 period, no-fault evictions in the Mission have been volatile, and other evictions have shown a general downward trend. The citywide trends are similar.

This lack of statistical correlation not necessarily mean the basic intuition is incorrect. There are many other things affecting eviction numbers in the city during this time period, particularly changing regulations, that cannot be accounted for statistically. It does mean, however, that we cannot use the estimate of higher housing prices above to estimate an increase in evictions in this report.

FIGURE 3 **Housing Prices Compared to No-Fault Evictions, and Other Evictions, in the Mission 1997-2014**



Source: San Francisco Rent Board, OEA Analysis

Summary of Potential Costs of a Moratorium

To summarize, it is likely that a moratorium on market-rate housing development in the Mission would slightly raise housing prices during and briefly after the period that it was in effect. We project that households renting or buying new housing during this period would pay an average of $8 per month, leading to aggregate increase in housing payments of between $4 and $7 million across the city. After the expiration of a moratorium, housing production in the Mission can be expected to begin to grow at elevated levels, as the pent-up demand in the pipeline is worked through. Households moving into a new house after the moratorium expires can be expected to pay relatively less for housing, because of this expanded supply. Over the long term, a temporary moratorium on market-rate housing would not affect the supply or price of housing in San Francisco.

An indefinite prohibition on market rate housing would lead to higher housing prices for a longer period of time. While

it would take several years for the full impact to materialize, if the city never built the 15,005 new units that are zoned for development in the Mission, future renters and homeowners could pay up to $1,794 per year for housing, on average.

An 18-month moratorium is also estimated to defer between 96-131 affordable housing units, depending on the precise number of market-rate units affected by the moratorium, and how developers choose between on-site and off-site production. Like the market-rate construction, these resources would become available at the expiration of a temporary moratorium.

Lastly, while it is reasonable to believe that higher housing prices caused by a temporary or an indefinite moratorium could lead to greater eviction pressures, we find no statistical evidence that the two are closely related. Consequently, we do not project any greater number of evictions associated with a temporary or indefinite moratorium.

POTENTIAL BENEFITS OF A MORATORIUM

Introduction

The previous section of the report dealt with the potential costs of limiting market-rate housing in the Mission. This section addresses and attempts to evaluate some potential benefits.

Four potential benefits of a moratorium and indefinite prohibition on market-rate housing in the Mission are considered in this section:

1. Preventing the displacement of existing residents
2. Discouraging gentrification
3. Preventing indirect displacement
4. Preserving sites for affordable housing development

Preventing Direct Displacement

By "direct displacement" we mean the no-fault eviction of a household in order to demolish its housing unit, so that new market-rate housing may be constructed on the parcel. If new market-rate housing development could only proceed after an occupied residential building was demolished, then the cost of eviction imposed on tenants would need to be weighed against the benefits outlined in the previous section.

Evictions for the purposes of demolishing a unit do occur in San Francisco. Of the 3,835 eviction notices that have been filed for properties in the Mission since 1997, 96, or 2.6% have been for the demolition of the unit. The citywide percentage of evictions for demolition is somewhat higher, 3.5%.

The City's eviction data does not permit a direct association of evictions with projects in the development pipeline, but it is possible to gain an upper-end estimate of potential eviction risk by examining the project's descriptions in the pipeline, and assessing how many involve the demolition of existing housing.

Based on a review of the 2015, 2nd quarter pipeline data from the Planning Department, the 752-807 new housing units that would be affected by an 18-month moratorium would not require the potential demolition of any existing residential units. Moreover, regardless of whether a pipeline project would be affected by an 18-month moratorium or not, we could not identify any new housing development project in the Mission awaiting a building permit that would require the demolition of a housing unit.

On this basis, we conclude that an 18-month moratorium

on market-rate housing development in the Mission would not lead to reduced direct displacement of existing residents.

For an indefinite prohibition on development, we examined the Planning Department's "soft sites" database, which contains Planning's estimates of the potential development capacity associated with every recently rezoned parcel in the city, and its relatively likelihood of redeveloping in the near future.

An indefinite prohibition would, of course, prevent new market rate anywhere in the Mission. But the soft sites database is important because it is Planning's estimate of what would actually develop under reasonable market conditions.

The database indicates that 8,885 new housing units could be built in the Mission on sites that Planning sees as relatively ripe for development. These sites currently contain 1,233 housing units, at least some of which would likely need to be demolished to produce the new units.

Both demolitions, and residential mergers that result in the loss of a unit, require Planning Commission approval. Moreover, tenants evicted for demolition, like other no-fault evictions, are entitled to a relocation payment.

Notwithstanding these requirements, however, demolition evictions do occur, and when they do they impose a cost on tenants that likely far exceeds the value of their required relocation payment. It is, therefore, fair to say that, over the longer term, continued market rate housing development in the Mission does carry the risk of further evictions for demolition, as has been seen, to some extent, in the past.

Discouraging Gentrification

Market-rate housing development often attracts opposition, particularly in low-income neighborhoods, because it is perceived to change the composition of the neighborhood, in ways that are undesirable or threatening to existing residents. As upper-income households have increasingly preferred an urban lifestyle to a suburban one, low-income neighborhoods have become subject to gentrification. Over time, as neighborhoods become more attractive to upper-income residents, new businesses arise to serve them, rents rise, and low income residents are pushed out, priced out, or forced to find a new community.

The Census data examined earlier clearly demonstrate that this process has happened in the Mission, particularly over the past ten to fifteen years. But what is the relationship between gentrification and new market-rate

housing development?

In an earlier section, we noted that the upper income population in the Mission has risen more quickly than it has in the city as a whole, over several decades, despite very low levels of market-rate housing construction. This fact alone could cast doubt on the idea that market-rate housing is largely responsible for the clear evidence of gentrification that the neighborhood has experienced.

In San Francisco, a large swath of the city's rental housing stock is rent controlled, and the region's knowledge-based economy has attracted many upper-income migrants from other cities and regions. When market rents rise rapidly, the benefits of staying in a rent-controlled unit rise as well, creating a greater incentive for tenants to remain in these units and potentially reducing the rental vacancy rate. Yet it is precisely during these economic boom periods that demand from upper-income movers to the area is high.

It is sometimes argued, on this basis, that new market rate housing, which is generally only affordable to upper-income households, actually creates housing vacancies for those upper-income households that would otherwise not exist, because current tenants have such an incentive to stay in their unit. If this were true, new market-rate housing would promote gentrification, by housing more upper-income residents than could be accommodated by the existing housing stock.

More detailed Census data from the I-PUMS system allows us to directly examine who lives in new housing in San Francisco, in terms of their income and when they moved to the city. Table 10 below cross-tabulates existing city residents, new upper-income movers, and other new movers based on the age of the housing that they live in.

Upper-income movers are somewhat more likely to live in new housing, which is unsurprising because, by definition, they are looking for housing and are more likely to find new housing affordable than lower-income movers. Nevertheless, over 97% of upper-income movers to San Francisco do not move into new housing. They instead occupy units from the existing housing stock, whose natural turnover process creates far more vacancies than the production of new housing does.

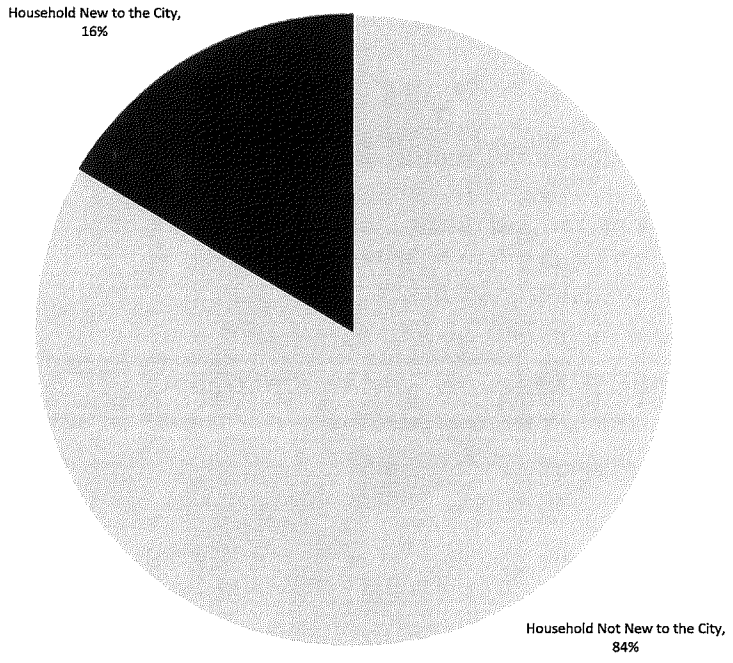
TABLE 10 **Existing San Francisco Residents, Upper-Income Newcomers, and Other Newcomers, by Age of Their House**

	Households living in SF more than 1 Year	Households new to SF - High Income	Households new to SF - not High Income
% Living in Existing Housing	99.6%	97.1%	99.5%
% Living in New Housing	0.4%	2.9%	0.5%
Total	100%	100%	100%

Source: US Census/IPUMS

To look at the question the other way, new movers to the City are not actually the primary occupants of new housing. As Figure 4 shows, the vast majority of the people who *do* live in new housing in San Francisco are not new residents of San Francisco – whether high-income or otherwise. 84% of the occupants of new housing lived in another residence in San Francisco one year previously.

FIGURE 4 **Occupants of New Housing in San Francisco**



Source: US Census/IPUMS

While this data is not available for the specific Census tracts in the Mission that we examined earlier, given the lower levels of new housing construction in the Mission compared to the rest of the city, the percentages for the Mission are likely to be at least as high as for the city as a whole.

Market-rate housing probably has contributed to gentrification in many cities in the past. But the data shows clearly that, in San Francisco in 2015, market-rate housing development is not accommodating upper-income movers who would otherwise be somehow shut out of the city's housing market. On the contrary, the overwhelming majority of wealthy new residents do not live in new housing, and conversely, the vast majority of new market rate construction creates housing opportunities for existing city residents.

For this reason, we find no reason to believe that either a temporary moratorium, or an indefinite prohibition, of market rate housing will reduce the number of upper-income residents in the Mission, or slow the process of gentrification that the neighborhood has been experiencing.

Preventing Indirect Displacement Effects

Another potential benefit of a housing moratorium could be to prevent "indirect displacement", or housing price inflation caused by the development of new housing. It is sometimes argued that the construction of new market rate housing raises the price of nearby housing. This might happen if, for example, the new housing was of higher quality than the existing housing, or offered amenities that were available to the entire neighborhood, or, as discussed above, attracted wealthy new residents that otherwise would not move into the neighborhood.

Alternatively, it is also sometimes claimed that new construction reduces the value of nearby housing, because it affects the quality of life in neighborhoods, increases congestion, or otherwise affects the local environment in a negative way.

To our knowledge, the issue has never been directly studied in San Francisco. In this section, we present the results of a second round of hedonic price analysis, that analyzes the effects that new market-rate developments, have had on the sales prices of nearby housing units. More details on the analysis are provided in the Appendix.

These models added to the hedonic price analysis discussed earlier an indicator that reflects the relative proximity of each existing home sale to new market rate

developments in the Mission built between 2001 and 2013.

3 models were run, with different lag periods. In the first, the impact of proximity to market-rate housing built in Mission in the previous year on home sale was tested for its impact on home sale prices. In the second and third models, the impact of proximity to market-rate housing built in the Mission 2 and 3 years previously was examined.

The results were consistent: proximity to market-rate housing had a statistically-significant negative effect on housing prices, in all three models[5].

The effects, while significant, were not large. A property 250 feet from 75 units of new market rate housing would have, at maximum, a 5.9% lower price (2 years after construction), and this effect would decline to 4.1% in the subsequent year.

The reason for this finding of a negative impact of market-rate housing development on home sales is not immediately obvious, and would require investigation that goes beyond the scope of this report. It is possible that increased population leads home buyers to perceive a lower neighborhood quality. The City charges impact fees to new development to offset environmental impacts that may negatively affect property values. It is also possible that, with a long enough time horizon, analysis would reveal this negative effect diminishing or reversing. This might happen if the neighborhood investments that are funded by impact fees improve the area, and restore or enhance buyers' valuation of homes in the area.

Regardless of the reason for the negative impact, the data is clear that new market-rate housing did not make nearby housing more expensive, in San Francisco during the 2001-2013 period. For this reason, we conclude that preventing indirect displacement would not be a benefit of either a 18-month housing moratorium, or an indefinite prohibition.

Maintaining Sites for Affordable Housing

One of the stated reasons for proposing a market-rate housing moratorium is to preserve sites in the Mission for affordable housing. Given the pace of gentrification in the neighborhood, affordable housing is an obvious priority, and affordable housing developers have to compete with market-rate developers to obtain sites on which to build affordable housing. In June, the Board's Budget and Legislative Analyst issued a report that identified five sites

[5] The analysis was then repeated using all market-rate construction in the city, not just new market-rate developments in the Mission. Again, the results showed statistically-significant negative effects on housing prices.

in particular that are at risk for market-rate development, that would be suitable for affordable housing.

On its face, it is clear that a moratorium on market-rate development would prevent market-rate development during the period is in effect. In that sense, it would preserve soft sites for potential development as affordable housing.

It is far less clear that a moratorium would actually induce a property owner to sell to an affordable housing developer, however. An 18 month moratorium would increase a developer's cost of holding developable land during that period. But, at the same time, housing prices may well continue to rise faster than construction and carrying costs anyway during the period. If that happens, the owner of a developable parcel may well be better off after a moratorium, and even less inclined to sell to an affordable housing developer at a pre-moratorium price.

Over the longer term, decisions would likely change. With an indefinite prohibition of market rate housing, land values would be likely to decline, since new market rate housing is the highest and best use in many cases.

New affordable housing has powerful effects on affordability for low-income residents, both those low-income households that receive a unit, and those others that face less competition in the private housing market, because new affordable housing has absorbed some of that demand.

The benefits of investing in affordable housing are clear. What is less clear is the relative costs of different approaches to funding it. The root of the issue is why affordable housing developers cannot compete with market-rate developers for sites. The City currently subsidizes new affordable housing to the tune of approximately $200,000 per unit. Presumably, there is some additional subsidy that could be provided that would allow affordable housing developers to compete on a level playing field with market-rate developers, if that was a policy priority for the City. Is that additional subsidy more, or less, than the fiscal and economic cost of using land use policy to drive down land values to the point where affordable housing can compete with current levels of subsidy?

At this point, the OEA lacks sufficient data on site acquisition costs by market-rate and affordable housing developers to fully quantify this trade-off. But there are three reasons why we believe it is very unlikely that

prohibiting market rate housing, as opposed to increasing affordable housing subsidies, is the most economical way to produce more affordable housing:

1. First, market rate housing construction drives down housing prices and, by itself, increases the number of housing units that are affordable.
2. Market rate housing also generates funding for affordable housing, through the inclusionary housing fee.
3. Perhaps most importantly, affordable housing developers do not only compete for sites with market-rate housing developers. They must also compete with an existing land use, which is, in the vast majority of cases, generating income and rents for the property owner. If an affordable housing developer cannot offer more than the land is worth at the current use, then it will not be used for affordable housing, whether market-rate housing is permitted or not.

This last point is critical, because it suggests that a prohibition will not lead to a one-to-one replacement of market-rate housing with affordable housing at the same time. Rather, it would most likely slow down the overall production of housing in the city, potentially in a way that causes the city's housing affordability challenges to get worse.

Summary of Potential Benefits of a Moratorium

After reviewing four the potential benefits of a temporary moratorium on market-rate housing in the Mission, we find little evidence that any of them would materialize. The 752-807 housing units that could potentially affected by a moratorium would not require the demolition of any existing housing units. Thus, we find no evidence that anyone would be evicted so that market-rate housing could be built in the Mission over the next 18 to 30 months.

Our research further finds no reason to believe that upper-income people are moving into the Mission because market-rate housing is being built; on the contrary, the overwhelming majority of upper-income movers to the city move into vacancies in the existing housing stock, created by the 15% of city residents who move each year.

We further find no evidence that new market-rate housing contributes to indirect displacement in the Mission, by driving up the value of nearby properties. On the contrary, both in the Mission and across the city, new market rate housing tends to depress, not raise, the value of existing properties.

Finally, while a moratorium would preserve sites for affordable housing development, it is unlikely that it would provide any greater incentive to a property owner to sell to an affordable housing developer.

In the case of an indefinite prohibition, the evidence is somewhat more mixed. Evictions for the purposes of housing demolition do occur, and the soft sites in the Mission do contain existing housing units that could be lost through demolition in the future. Absent policy changes, those evictions would impose a cost on tenants that almost certainly exceeds their mandatory relocation payment. Additionally, an indefinite prohibition could depress land values to the point where more affordable housing could be financially feasible without additional subsidy. However, it is likely that it would be far less costly, financially and economically, for the City to expand the amount of affordable housing by relaxing land use controls and increasing funding, and not by prohibiting market rate housing.

APPENDIX: HOUSING PRICES AND SUPPLY

Hedonic Price Analysis

An hedonic pricing model statistically breaks down the observed price of a heterogeneous good like housing into the separate prices of its constituent parts.

For housing, we begin with presuming that the sales price of a single-family residence is a function of its size (in square footage of living area), age (years since construction), whether the unit is a condominium, its number of bedrooms and bathrooms, the neighborhood it was located in, and the year it was sold. Using linear regression, we can estimate separate values for each of these characteristics.

To estimate the parameters in the hedonic mode, we acquired a data set from the real estate firm CoreLogic, which consists of sales of condominiums, and single family homes in San Francisco, from 1967 to 2015. Each sale record also includes information about the property, including its address, square footage of living area, number of bedrooms and baths, type (single-family or condominium), along with the sales price, and the date of sale.

Using the City's Enterprise GIS system we were able to geo-locate each address into a city neighborhood, as defined by the Planning Department. We could then estimate a multiple regression equation that estimates the parameters. The results are shown in Table 11. The model was specified in logarithmic form, so the different effects need to be multiplied together to get a housing price estimate: the examples following the table illustrate how this can be done.

TABLE 11 Hedonic Prices for San Francisco House Sale Characteristics

Baseline	$8,949

Base variables (exponential):

Square feet	0.657
Age in years	-0.036

Structure Modifiers:		Neighborhood Modifiers:		Year of Sale Modifiers:	
Single-family	36%	Bayview	-44%	1983	-84%
Studio	-4%	Bernal Heights	-9%	1984	-86%
2 bedroom	9%	Castro/Upper Market	33%	1985	-84%
3 bedroom	5%	Chinatown	42%	1986	-83%
4 bedroom	-1%	Crocker Amazon	-33%	1987	-82%
5 bedroom	-2%	Diamond Heights	-12%	1988	-80%
6 bedroom	-7%	Downtown/Civic Center	5%	1989	-77%
2 baths	9%	Excelsior	-30%	1990	-75%
3 baths	13%	Financial District	79%	1991	-75%
4 baths	9%	Glen Park	11%	1992	-74%
		Haight Ashbury	24%	1993	-75%
		Inner Richmond	17%	1994	-76%
		Inner Sunset	0%	1995	-75%
		Lakeshore	-4%	1996	-75%
		Marina	64%	1997	-80%
		Mission	0%	1998	-68%
		Nob Hill	-21%	1999	-62%
		Noe Valley	34%	2000	-52%
		North Beach	51%	2001	-49%
		Ocean View	-30%	2002	-46%
		Outer Mission	-22%	2003	-45%
		Outer Richmond	-3%	2004	-39%
		Outer Sunset	-17%	2005	-30%
		Pacific Heights	64%	2006	-27%
		Parkside	-15%	2007	-26%
		Potrero Hill	7%	2008	-32%
		Presidio	273%	2009	-41%
		Presidio Heights	80%	2010	-40%
		Russian Hill	66%	2011	-39%
		Seacliff	78%	2012	-33%
		South of Market	20%	2013	-19%
		Twin Peaks	14%	2014	-6%
		Visitacion Valley	-40%	2015	0%

Starting with the baseline, the variable modifiers in the table above can be used to estimate the sale price of any particular housing of a specified size, type, neighborhood, and year sold.

For example, consider a 3 bedroom, 1 bath single family house, built 60 years ago in the Outer Sunset, that had 1,100 square feet of space. If it sold in 2014, the price could be estimated at:

$8,949	Baseline
x 1,100^(0.657)	Square feet
x 60^(-0.036)	Age
x (1 + 36%)	Single-family house
x (1 + 5%)	Three bedroom
x (1 – 17%)	Outer Sunset
x (1 – 6%)	Sold in 2014
$861,931	Sale price estimate

As another example, a 1 bedroom, 1 bath condo in the South of Market, with 700 square feet, built 7 years ago and also sold in 2014, would be priced at:

$8,949	Baseline
x 700^(0.657)	Square feet
x 7^(-0.036)	Age
x (1 – 17%)	South of Market
x (1 – 6%)	Sold in 2014
$641,863	Sale price estimate

Among these regression coefficients, the ones that are most important for the questions in this report are the ones dealing with the year of sale. Note that if both homes sold in 2015 instead of 2014, the respective sale prices would be $911,512 and $740,903, respectively. In both cases, the estimated sales prices would rise by 6%. This 6% is the change in the housing price index referred to in the report; it is annually change in that part of the sales price which depends on the year sold.

Impact of Constrained Housing Supply on Housing Prices

In a market for a simpler commodity, like orange juice, it's relatively easy to look at the connection between the amount of orange juice that the market supplies, and how much consumers are willing to pay for it. Adjusting for consumer characteristics, and accounting for how suppliers react to price changes, the relationship between supply and price can be used to estimate how much the price per gallon of orange juice will change, when the supply of orange juice changes.

But because housing is heterogeneous, it is harder to study. How do we know much "quantity" of housing is on the market? We know the number of housing units in the

city, of course, but based on the previous section, we also know that all housing units are not economically the same.

The hedonic price analysis can be provide an answer. Because the housing market creates a "price" for each of the features of the house, the actual sales price of a house - or the market rent of an apartment - represents a product of those hedonic quantities and prices that the housing unit contains, in the same way that an expenditure on a carton of orange juice equals the volume of juice, multiplied by the price per ounce.

To put it more succinctly, the sales price of a house is a function of three things:

1. the quantity of the characteristics that the house contain (square feet, number of bedrooms, neighborhood, etc.), which vary from house to house.
2. The hedonic prices of those characteristics, which are constant.
3. The housing price index, which is the same for every house in every year, but varies from year to year.

In other words, while we can't simply statistically relate the housing price index to the quantity of housing to see how supply affects prices, we can relate sales prices to something close: that quantity of housing, a set of constant hedonic prices for structural characteristics, and the housing price index.

This makes the math slightly more complicated, but modeling how transaction prices affect price indices is very similar to modeling how quantities affect prices. A standard demand function—that might be used to model a simple commodity—is:

$$Q_d = \propto p^{\beta} y^{\gamma}$$

Where Q_d is the quantity demanded, p is the price, y is consumer income, and β is the price elasticity of demand. In this case, we can't observe Q_d because housing is a complex good, but we do have data on the housing sales price.[6] Based on the above discussion, $S = phQ_d$, where S is the sales price and h is the constant structural prices, then by multiplying both sides of the above equation by p,

[6] Through the Census, we have both the owner's estimate of the value of their home, or the contract rent paid by renting household. In either case, the sample is restricted to households that moved to their home within the previous year, so their reported totals will closely reflect the market.

it is mathematically identical to:

$$S = phQ_d = h \propto p^{\beta+1} y^{\gamma}$$

Since we have a housing price index and can obtain household income and individual housing values from the Census public micro-data, this equation can be modelled using linear regression, once both sides are logged, and we can estimate $\beta + 1$ and hence β, the elasticity of demand for housing.

The OEA used individual household Census returns, retrieved through the I-PUMS system, to relate the amounts paid for housing, housing price indices, and household income. To account for the fact that most homes are purchased with a mortgage, and mortgage rates affect how much a home-seeker can bid for a house, we also included mortgage rates in the model for owner-occupied housing.

Specifically, we created two logarithmic regression models:

1. For owner-occupied housing, the first model examined the relationship between the OEA home price index for the year in question, the home value and household income reported to the Census, and the average 30-year fixed mortgage rate for the year. This model was restricted to households that owned their home.
1. For rental housing, the second model examined the relationship between the RealFacts Rent Index, and the household's reported monthly rent payment and annual household income.

Both models used annual Census data for the 2006-2013 period. Also in both cases, the sample was restricted to households that moved into their house less than 1 year previously (and thus were paying market prices for housing), and reported non-zero household income.

As above, with this data we can estimate the elasticity of demand. However, we are interested in what economists call the *inverse elasticity of demand*: how much does a consumer's willingness to pay for something increase with a 1% increase in the quantity in the market? The equation above can be re-arranged show that the inverse elasticity is simply one divided by the elasticity.

The results of the two regressions, shown in Table 12 below, indicate that, in both models, a 1% reduction in supply, due to constraining change in land use policy, would lead to approximately a 1.4% increase in price.

TABLE 12	Results for the Two Housing Demand Models	
Owner model		
Dependent Variable:	Home Value	
		Variable Exponent
Independent Variables:	Annual Household Income	0.25
	OEA Price Index	0.30
	30-year fixed mortgage rate	-0.04
Price elasticity of demand = Price Index Exponent - 1 =		-0.70
Inverse price elasticity of demand = 1 / price elasticity =		-1.44
Renter Model		
Dependent Variable:	Monthly Rent	
		Variable Exponent
Independent Variables:	Annual Household Income	0.28
	RealFacts Rent Index	0.42
Price elasticity of demand = Price Index Exponent - 1 =		-0.72
Inverse price elasticity of demand = 1 / price elasticity =		-1.39
% of households renting		64%
Weighted inverse price elasticity of demand		**-1.41**

Supply Effect Elsewhere in the City

An increase in the price of a commodity generally leads to producers to supply more of it. In housing terms, this means that the increase in households' willingness to pay for housing, created by restricting supply in one part of the city, can make development projects elsewhere in the city more feasible. This additional supply tends to dampen the price effect, and the loss of housing supply, resulting from a moratorium in one part of the city. Estimating this supply effect is an important part of understanding the full effect of a supply constraint.

Land use and new housing development is very heavily regulated everywhere in San Francisco, and the responsiveness of housing supply to price increases in the past has been extremely low. Using annual data, over the 1983-2014 period, on the number of housing units in the city from Moody's Analytics (based on Census and HUD housing completions data), the cost of building construction (based on an index from Engineering News Record), and the housing price index we created from the hedonic price analysis, we estimated the following equation:

$$\ln(Q_s) = \alpha + \beta \ln(p) + \gamma \ln(BCI)$$

Where Qs is the quantity supplied, the number of housing units in San Francisco, p is the housing price index, BCI is the building cost index, and ln indicates the natural logarithm function.

The β represents the price elasticity of supply of housing: the percentage increase in housing that would be produced in response to a 1% increase in housing prices, holding construction costs constant.

The result, unsurprisingly, was a significant but very low level of price responsiveness of supply. A 1% increase in housing price leads developers to raise the supply of housing in the city by only 0.02%.

Thus, while the supply effect needs to be accounted for, it has a very small compensatory downward effect on housing prices.

Estimating the Price Effect

The ultimate price effect of a housing supply constraint is a function of three things: the size of the constraint, the degree to which consumers are willing to pay more for housing in the face of that constraint (the inverse elasticity of demand), and the degree to which developers will build more housing elsewhere in the city, given consumer's willingness to pay more (the elasticity of supply).

Where ε_s is the elasticities of supply and σ_d is the inverse elasticity of demand, we can write the relevant equation as:

$$\left(\frac{\Delta p}{p}\right) = \frac{\left(\frac{\Delta Q_s}{Q_s}\right)}{\varepsilon_s - \frac{1}{\sigma_d}}$$

The price effect is therefore a function of the percentage reduction in the city's housing stock ($\frac{\Delta Q_s}{Q_s}$), the price elasticity of supply (0.02, per the previous section), and the inverse elasticity of demand (-1.41, per the first section of the appendix). The price effect—the final percentage change in housing prices—equals the percentage change in housing supply, divided by 0.02 – (1/-1.41) or 0.73.

Impact of New Market-Rate Housing on the Sales Price of Existing Units

We tested for the effect of proximity to new market-rate housing on existing home sales prices by extending the hedonic price model discussed in the first part of the Appendix, added a variable expressing proximity to new market rate housing built in the Mission at different points in time.

For a home sale *i* occurring in year *t*, its proximity to market rate housing built in a year *(t-k)* that had *m(t-k)* market-rate projects built in the Mission, (*j = 1..m(t-k)*) is defined as:

$$P_{it;k} = \sum_{j=1}^{m(t-k)} \frac{u_j}{d_{ij}^2}$$

where:

u_j is the number of market-rate housing units in development j

dij is the distance (in feet) between the home that sold and development j

k is a lag variable, k = {1,2,3}

The proximity variable, like the other variable, was logged, and the model was run separately for each value of k.

For k = 1, the effect was significantly negative at the 99% level, with a coefficient of -.011.

For k = 2, the effect was significantly negative at the 99% level, with a coefficient of -.016.

For k = 3, the effect was significantly negative at the 99% level, with a coefficient of -.011.

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CITY AND COUNTY OF SAN FRANCISCO
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Policy Analysis Report

To: **Supervisor Campos**

From: **Budget and Legislative Analyst's Office**

Re: **Displacement in the Mission District**

Date: **October 27, 2015**

Summary of Requested Action

Your office requested the Budget and Legislative Analyst produce a report on demographic and housing price trends in San Francisco's Mission District. Specifically, you requested:

(1) Two-year, five-year, and ten-year projections of the Mission District's economic and racial diversity if current demographic trends continue, including a specific focus on the Mission District's Hispanic/Latino population, families, and low-and-middle income households;

(2) The number of new housing units needed to lower housing prices in San Francisco; and

(3) Two-year, five-year, and ten-year projections of the price of one- and two-bedroom units in the Mission District if current price housing trends continue.

For further information about this report, contact Fred Brousseau at the Budget and Legislative Analyst's Office.

Executive Summary

Changes in Mission District Demographics

- The City's total population grew from 776,733 in 2000 to 817,501 in the five year 2009-2013 period, an increase of five percent.[1] On the contrary, the population of the Mission District decreased between 2000 and the 2009-2013 period from 42,266 to 38,287, a reduction of 3,979, or nine percent. [2]

[1] The five year period between 2009 and 2013 is compared to 2000 as it was taken from the American Community Survey five year average as reported by the U.S. Census Bureau. It was the most recent data available at the Census tract level for the characteristics reported. The 2000 data is from the 2000 decennial Census.

[2] The Mission District is defined for purposes of this report as the area bounded roughly by Market Street, Valencia Street, Cesar Chavez Street, U.S. 101, 23rd Street, Hampshire Street, 17th Street, Vermont Street, Division Street, and 11th Street. These boundaries correspond to Census tracts 177, 201, 208, 209, 228.01, 228.03, 228.09, 229.02, and 229.03.

- An even greater population reduction occurred in the Mission District's Hispanic/Latino population, which decreased from 25,180 in 2000 to 18,372 in the 2009-2013 period, a 27 percent reduction. Exhibit A presents this and other information about changes in the neighborhood.
- The 27 percent decrease in the Mission District's Hispanic/Latino population diverged from the City as a whole, where the Hispanic/Latino population increased between 2000 and 2009-2013 from 109,504 to 124,167, an increase of 13 percent, and grew slightly from 14 to 15 percent of the City's total population. In the Mission District, the Hispanic/Latino population decreased from 60 percent of the neighborhood's total population to 48 percent during the same time period.

Exhibit A: Population and Demographic Changes, City and Mission District

	City			Mission		
	2000	2009-2013	% Change	2000	2009-2013	% Change
Total Population	776,733	817,501	5%	42,266	38,287	-9%
Hispanic/Latino	109,504	124,167	13%	25,180	18,372	-27%
Hispanic/Latino % Total	14%	15%	-	60%	48%	-
# Households	329,700	345,344	5%	13,071	14,454	11%
Average Household Size	2.30	2.31	0.4%	3.2	2.6	-19%
Households w/ Children	63,867	64,694	1%	4,088	3,041	-26%
% Total	19%	19%	-	31%	21%	-
# Households: Related Individuals	145,186	156,742	8%	6,655	6,263	-6%
% Total	44%	45%	-	51%	43%	-
# Households: Unrelated Individuals	184,514	188,602	2%	6,416	8,191	28%
% Total	56%	55%	-	49%	57%	-
Owner-occupied Units	115,391	126,394	10%	2,482	3,655	48%
% Total	35%	37%	-	19	25	-
Renter-occupied Units	214,309	218,950	2%	10,589	10,789	2%
% Total	65%	63%	-	81%	75%	-

Sources: Census 2000, American Community Survey 2013 (5-Year Estimate), Social Explorer.

- The number of households in the Mission District increased between 2000 and 2009-2013, but households with children decreased by 26 percent during that period, from 4,088 households, or 31 percent of all households, to 3,041, or 21 percent of all households. Contrary to this decline in the Mission District, households with children Citywide remained constant during the review period, at 19 percent of all households.
- Changes in Income distribution in the Mission District followed Citywide patterns, but experienced more extreme reductions in middle income households and larger increases in upper income households than the City as a whole. Exhibit B presents

these changes. The largest change in the Mission District was in households with annual incomes of $150,000 or more, which grew by 65 percent between 2000 and 2009-2013, substantially higher than the 10 percent growth rate for the City as a whole.

Exhibit B: Changes in Household Income, City and Mission District

Annual Household Income	City			Mission		
	2000	2009-2013	% Change	2000	2009-2013	% Change
Less than $35,000	76,797	95,258	24%	3,682	4,592	25%
$35,000 - 99,999	123,669	114,154	-8%	5,798	5,060	-13%
$100,000 - 149,999	55,903	55,168	-1%	1,972	2,100	6%
More than $150,000	73,481	80,764	10%	1,633	2,702	65%
Total	329,850	345,344	5%	13,085	14,454	10%

Sources: Census 2000, American Community Survey 2013 (5-Year Estimate), Social Explorer.
*Total households reported by the U.S. Census Bureau for household income in 2000 are 150 households higher for the City and 14 households higher for the Mission District than total households reported for population and demographic purposes.

- Lower income households earning less than $35,000 per year increased Citywide by 24 percent between 2000 and 2009-2013; the Mission District followed suit with such households increasing by 25 percent during that time period. Middle income households earning between $35,000 and $99,999 decreased Citywide by eight percent; in the Mission District, the rate of decrease was higher, at 13 percent.
- Other changes in the Mission District between 2000 and 2009-2013, as shown in Exhibit A, include:
  - An increase in total households, but a decrease in average household size. Average household size Citywide remained largely unchanged.
  - A six percent decrease in households populated with related individuals and a 28 percent increase in households populated with unrelated individuals or singles, significantly more than the Citywide increase of two percent for such households.[3]
  - A 48 percent increase in owner-occupied households, significantly more than the Citywide rate of increase of ten percent.

[3] The Census Bureau uses the term Family Households for households composed of related individuals living together. Family households include households composed of unrelated individuals living with related individuals. Households composed of single occupants or unrelated individuals living together are called Non-family Households by the Census Bureau.

Projected Changes through 2025

- The Budget and Legislative Analyst projects that, if trends since 2000 continue over the next ten years through 2025, the Hispanic/Latino population will continue to decline as a proportion of the Mission District's total population, from 48 percent of the population in the 2009-2013 five year period to 31 percent by 2025. The number of households with children would decrease from 21 to 11 percent of all households by 2025, assuming continuation of present trends.
- The Budget and Legislative Analyst also prepared Income distribution projections in the Mission District, assuming a continuation of trends from 2000 through 2009-2013. Modest changes are projected in the number of households earning less than $35,000 and between $100,000 and $149,999. A significant decline is projected, however, for households earning between $35,000 and $99,999 and a significant increase is projected for households earning more than $150,000.

Impact of Changes in Housing Supply on Potentially Lowering Housing Prices

- Between 1980 and 2010, the median value of owner-occupied housing units in San Francisco increased by 175 percent, significantly more than the 75 percent rate of increase for California as a whole and the 52 percent rate of increase for the U.S.
- For California to have achieved lower housing prices and a rate of housing price appreciation at parity with the U.S., the California Legislative Analyst's Office estimated that over the 30 years between 1980 and 2010, the state needed significantly more housing units added annually to its housing stock. Of the additional statewide housing need estimated by the California Legislative Analyst's Office, San Francisco would have needed an average of 15,300 housing units per year added to its housing stock, or 13,289 more units than the actual average of 2,011 units added per year.
- If all the additional housing units estimated by the Legislative Analyst's Office had been added, San Francisco would have built a total of 459,000 units between 1980 and 2010 instead of the actual total of 60,334 units, an increase of 561 percent over the amount built. Under this scenario, by 2010 there would have been a total of 775,608 housing units in San Francisco, or over twice as many as the actual 376,942 housing units estimated by the U.S. Census in 2010.
- Had an average of 15,300 housing units been added each year over the 30 year period instead of 2,011, the median 2010 housing value in San Francisco would have been approximately $525,000 (in 2015 inflation-adjusted dollars) instead of the actual median of $839,357, according to the Legislative Analyst's Office. However, even this lower median price would have represented an increase in housing prices in San Francisco over the 30 year period, though the rate of price appreciation would have been lower than the actual rate experienced.
- Any short-term price decreases that occurred during the 30 year period, such as those caused by the economic recession that began in 2008 or those due to one-time larger than average increases in supply, could not be sustained without annual average

increases of at least 15,300 housing units over the 30 year period, as estimated by the Legislative Analyst's Office's analysis.

- Had an average of 15,300 housing units been added annually in San Francisco between 1980 and 2010 to slow the rate of housing price appreciation, the City's population in 2010 would have been 1.7 million instead of the actual 805,195 and housing density would have been 35-40 units per acre instead of the actual 18 units per acre.
- The analysis by the Legislative Analyst's Office did not incorporate the desirability of this level of additional construction or the feasibility of adding so much housing relative to local land use and zoning controls, land availability, or community density preferences. To the extent the LAO's estimated housing needed to have achieved lower prices in San Francisco was infeasible between 1980 and 2010, and continues to be so for the future, the analysis does not present alternative methods of providing more affordable housing, particularly for low and moderate income households.
- For the future, assuming trends over the 30 years between 1980 and 2010 continue for the next 30 years, a supply-induced short-term reduction in housing prices in San Francisco would require an increase in housing units added to the City's housing stock every year greatly in excess of the average of the 2,011 added each year between 1980 and 2010. Further, average prices would still increase over the 30 years unless significantly more than 15,300 housing units per year are added, or at least 13,289 more per year than the actual 2,011 added between 1980 and 2010. These estimates do not consider the feasibility or desirability of such an increase in housing, population and density in San Francisco relative to factors such as local land use and zoning controls.

Impact of Changes in Housing Demand on Potentially Lowering Housing Prices

- San Francisco housing cost increases have been fueled by increases in demand due to an increase in the City's population and growth in upper income households. Between 1980 and 2013, Citywide inflation-adjusted median household income grew by 62 percent whereas growth in income for households in the 90th percentile grew by 116 percent.[4]
- Citywide rent paid between 1980 and 2013 grew faster at upper levels than at median or lower levels, with a 69 percent increase in median rent paid compared to a 91 percent increase at the 90th percentile of rent paid. However, income growth has been greater for upper income households than the rate of increase in upper level rents, resulting in a higher degree of housing affordability for high-income households and lower affordability for median or low income households.

[4] The median represents the point at which 50 percent of all City households have higher incomes and 50 percent have lower. The 90th percentile is the income point at which 90 percent of all City households have incomes lower than this amount.

- Exhibit C shows that the changes between 1980 and 2013 in household income for upper income households grew faster than rent paid for higher income households compared to those at the median and below. While the distribution of household income and rent paid do not align for all households, the changes captured in Exhibit C show that housing is less affordable for households with median or lower incomes and that higher rents are relatively more affordable for upper income households.

Exhibit C: Changes in Citywide Rent Paid and Household Income 1980 - 2013		
	Change in Rent Paid	**Change in Household Income**
10th percentile	+17%	-4%
50th percentile (median)	+69%	+62%
90th percentile	+91%	+116%
95th percentile	+97%	+127%
99th percentile	+93%	+140%

Sources: Budget and Legislative Analyst estimates from 1980 Decennial Census PUMS files, and 2013 1-Year American Community Survey PUMS files. Dataset obtained from IPUMS-USA, University of Minnesota, www.ipums.org.

- In 2013, median rent paid in San Francisco for all housing types was approximately $1,655 per month whereas the median market rate for a one-bedroom unit was $2,800 per month, or 69 percent higher. In 2015, the median market rate had increased to $3,620 for a one bedroom apartment. The large gap between median market rent and median rent paid appears to represent a scarcity of housing and a willingness and ability on the part of some residents to pay higher rental rates, resulting in a likely continuation of increases in market rate rents, if present trends continue.
- The Budget and Legislative Analyst concludes that the Citywide trends above regarding housing demand are applicable to the Mission District and will persist if present trends continue. Specifically, the decreasing number of households in the Mission District with incomes between $35,000 and $99,999 and the increasing number of households with incomes over $100,000 will mean that more neighborhood residents will be able to pay higher rents, making housing less accessible and affordable to those with relatively lower incomes. Decreases in housing prices in the Mission District do not seem likely from the trends in demand for housing and changes in household income.

Projected changes in Mission District housing prices if present trends continue

- The Budget and Legislative Analyst prepared projections of Mission District housing prices for two, five and ten years out from 2015 based on historical price trends. Three projection scenarios were prepared using two, five and nine years' worth of historical Mission District housing price data. The projection results show that the further back the historical data used as the basis of the projections, the lower the rate of projected housing price increase since greater variation in economic cycles is incorporated.

- Using nine years' worth of historical Mission District housing data, which incorporates the effects of the economic recession that started in 2008, housing prices in the Mission District would experience a downturn during the ten year projection period, but would ultimately still increase through 2025. Exhibit D presents the results of the projections. If historical data from five and two years prior to 2015 is used, prices are projected to continually increase over the next ten years.

Exhibit D: Projected Changes to Median Price for All Types of Mission District Housing* through 2025 Based on Continuation of Historical Trends (July 2015 Dollars)

Projection Basis: # Years	2015 Base Year	2017 Projected	2020 Projected	2025 Projected	% Change
9 Years Historical	$1,210,400	$1,085,654	$1,173,257	$1,319,262	9.0%
5 Years Historical	$1,210,400	$1,371,296	$1,689,465	$2,219,747	83.4%
2 Years Historical	$1,210,400	$1,538,987	$2,008,485	$2,790,982	130.6%

Sources: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst.
*All homes include single-family homes, condominium, and co-operative homes.

Project Staff: Fred Brousseau, Chirag Rabari, Mina Yu, and Jennifer Millman

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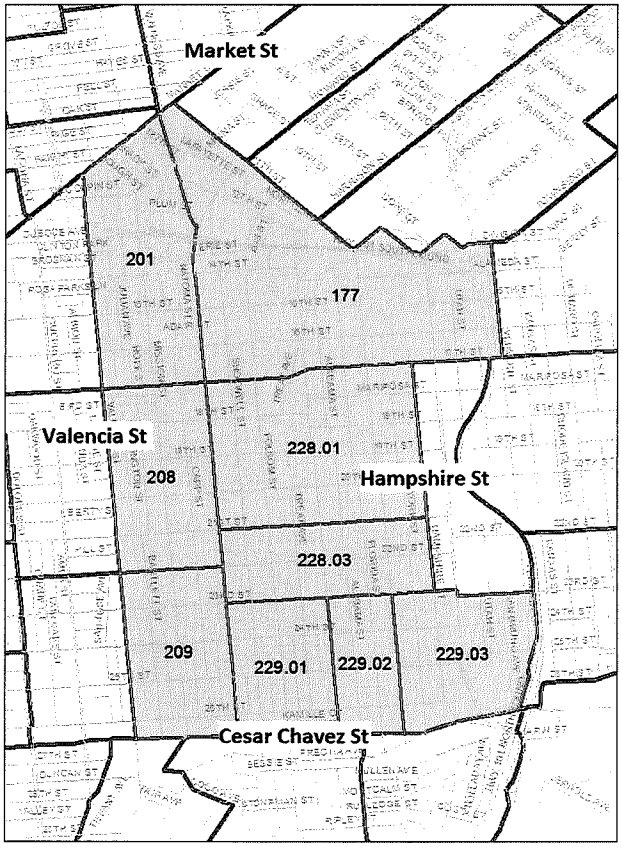
1. Demographic Trends in San Francisco's Mission District

This report section presents changes in the Mission District's Hispanic/Latino population, household/family population, and household income.

In order to analyze changes in the Mission District, Census tract level data was used that roughly corresponds to the City Planning Department's definition of the Mission District, as seen in Exhibit 1 below. The nine Census tracts used for this analysis are: 177, 201, 208, 209, 228.01, 228.03, 228.09, 229.02, and 229.03.

Exhibit 1: Census Tracts in the Mission District



Source: Office of Economic Analysis, San Francisco Controller's Office, 2015

Census tract level data is available in the decennial U.S. Census released every ten years and the 5-Year American Community Survey (ACS), which provides five year averages of annual samples taken each year since 2005. Comparisons between the 2000 decennial census and the most recently available 5-Year ACS (2009-2013) formed the basis of this analysis and the two, five, and ten year projections presented below.

Although changes between 2000 and the 2009-2013 average are sufficient to describe the basic magnitude and direction of recent demographic trends, use of

this information has limitations. More recent comparison data would be desirable in order to understand whether and how demographic trends accelerated, moderated, or stayed the same over time, and to inform more robust statistical projections. However, despite the fact that ACS data is available going back to 2005, the California State Census Data Center, among others, strongly advise against comparing overlapping sample periods, particularly at small geographic scales such as a neighborhood or district. For this analysis, all sampling periods between 2005 and 2013 overlapped, so only the most recent results from the 2009-2013 5-Year ACS were used.

The 2009-2013 data set averages results from the economic recession that began in 2008, the immediate post-recessionary environment and the more recent period of economic recovery in San Francisco, but does not include data from 2014 or 2015. For this reason, we believe the estimates presented below are conservative and may understate the scale of recent demographic changes.

Finally, all ACS data are sample data based on surveys, and do not represent actual, comprehensive population counts of persons or households. The figures should therefore be understood as estimates within a range of probable values.

The Mission District's Hispanic/Latino Population

Since 2000 there has been a significant decline, in both numeric and percentage terms, of the Mission District's Hispanic/Latino population. As seen in Exhibit 2 below, in 2000, the Hispanic/Latino population, at 25,180, comprised nearly 60 percent of the Mission District's total population of 42,266. By the 2009-2013 period, the Hispanic/Latino population decreased by 6,808 individuals, or 27 percent, to 18,732 and comprised approximately 48 percent of the Mission District's population of 38,287.

The Non-Hispanic/Latino population, by contrast, increased by 17 percent, or 2,829 individuals from 17,086 to 19,915 over the same period, and increased in population share from 40 to 52 percent. The Mission District's total population decreased by 3,979, or nine percent, from 42,266 to 38,287. By contrast, the City's total population increased by approximately 41,000, or five percent, over the same period, from 776,733 to 817,501.

Exhibit 2: Mission District Hispanic/Latino Population, 2000 and 2009-2013

	2000	% Total	2009-2013	% Total	Change	% Change
Hispanic/Latino	25,180	60%	18,372	48%	(6,808)	-27%
Non-Hispanic Latino Population	17,086	40%	19,915	52%	2,829	17%
Total Mission District Population	42,266	-	38,287	-	(3,979)	-9%
Total City Population	776,733	-	817,501	-	40,768	5%

Source: Census 2000 and American Community Survey 2013 (5-Year Estimate)

The Hispanic/Latino population declined across all nine Mission District Census tracts that formed the basis of this analysis. As can be seen in the maps in Exhibits 3 and 4 below, however, there was significant variation in different tracts, with large changes in some tracts and others relatively stable.

Exhibit 3: Mission District Hispanic/Latino Share of Population, 2000

Source: Census 2000, Social Explorer

As of the 2000 Census, there were four Census tracts[5] (comprised primarily of the area south of 17th Street, east of S. Van Ness Avenue, west of Hampshire and Bryant Streets, and north of Cesar Chavez Street) where the Hispanic/Latino population comprised over 60 percent of the population. By 2009-2013, as seen

[5] 228.01, 228.03, 229.01, 229.02

in the map in Exhibit 4 below, there were no Census tracts with Hispanic/Latino populations over 60 percent.

Exhibit 4: Mission District Hispanic/Latino Share of Population, 2009-2013

Source: American Community Survey 2013 (5-Year Estimate), Social Explorer

Change in One Census Tract in the Mission District

To illustrate further, Census tract 228.01, one of the four Mission District tracts that had a Hispanic/Latino population of 60 percent or more in 2000, is located at the center of the maps above and is comprised of the area bounded by 17th Street (N), Hampshire Street (E), 21st Street (S), and S Van Ness Ave (W). This area had the largest population change in numeric and percentage terms, both for the decline of the Hispanic/Latino population and the increase in the Non-Hispanic/Latino population. In this Census tract, total population changed only slightly, but the distribution of the population changed significantly.

There was a 47 percent decline in the Hispanic/Latino population in Census tract 228.01 between 2000 and 2009-2013 from 2,839 to 1,504. The Non-Hispanic/Latino population, by contrast, increased by 77 percent, from 1,837 to 3,256. The total population for the Census tract increased by 84, or a change of 1.4 percent.

Estimates of the Mission District's Future Hispanic/Latino Population

If current trends continue and the relative changes seen between 2000 and the 2009-2013 period are annualized going forward, the Budget and Legislative Analyst projects continued significant declines in the Mission District's Hispanic/Latino population, as seen in Exhibit 5 below[6]. We estimate the Mission District's Hispanic/Latino population will decline from 48 percent of the total Mission District population to 42 percent by 2017 and to 31 percent by 2025.[7]

Exhibit 5: Hispanic/Latino Share of the Mission District's Estimated Future Population

	Hispanic/Latino		Non-Hispanic Latino	
Year	Number	Percent	Number	Percent
2009-2013	18,372	48%	19,915	52%
2017	15,116	42%	21,268	58%
2020	13,340	38%	22,006	62%
2025	10,380	31%	23,236	69%

Source: Budget and Legislative Analyst, based on Census 2000 and American Community Survey 2013 (5-Year Estimate)

San Francisco's Hispanic/Latino Population

Although the Mission District's Hispanic/Latino population share declined significantly, the Hispanic/Latino population increased Citywide from 2000 to 2009-2013. As Exhibit 6 below indicates, the Hispanic/Latino population in San Francisco grew by 14,663, or 13 percent, and increased from 14 percent of the City's population to 15 percent of the City's population over the time period. The non-Hispanic/Latino population grew by 26,105, but declined in share from 86 to 85 percent of the total Citywide population.

[6] To calculate annual change, the Budget and Legislative Analyst assumed the 5-Year ACS average could be established at the mid-point of the 2009-2013 period. Changes from the 2000 Census were therefore assumed to have occurred over 11.5 years.

[7] If current trends continue, the Mission District's overall population will decline to 33,616 by 2025, as gains in the Non-Hispanic/Latino population are offset by losses in the Hispanic/Latino population. The total number of households is projected to increase, however, as fewer individuals and smaller families occupy the available housing units. Overall trends in household and family size are discussed further in a below section.

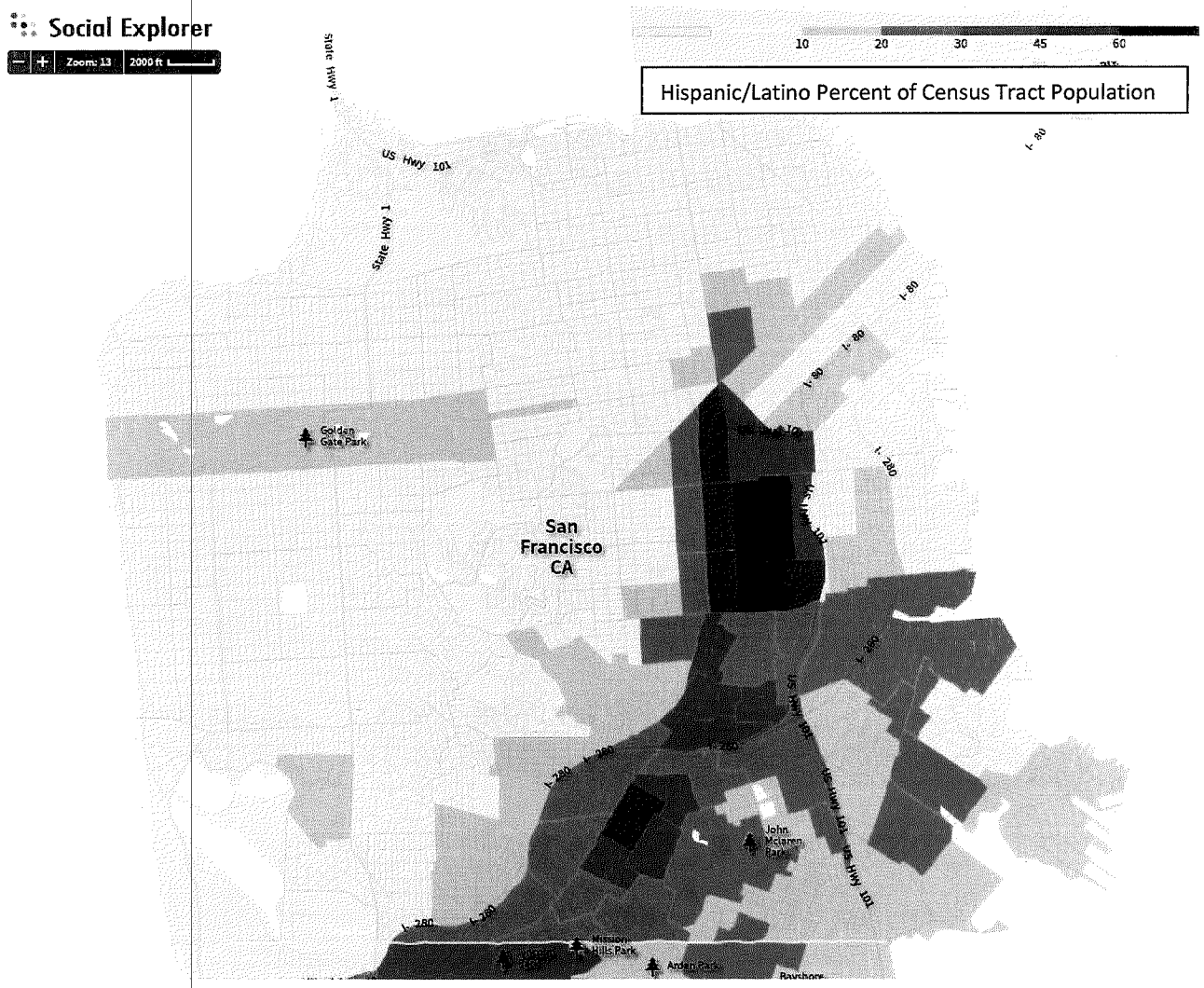
Exhibit 6: San Francisco's Citywide Hispanic/Latino Population 2000 to 2009-2013					
	Hispanic/ Latino	% Total	Non-Hispanic/ Latino	% Total	Total Population
2000	109,504	14%	667,229	86%	776,733
2009-2013	124,167	15%	693,334	85%	817,501
Change	14,663		26,105		40,768

Source: Census 2000 and American Community Survey 2013 (5-Year Estimate)

The maps in Exhibits 7 and 8 below place changes in the share of the Mission District's Hispanic/Latino population in the context of overall changes for this group across the City.

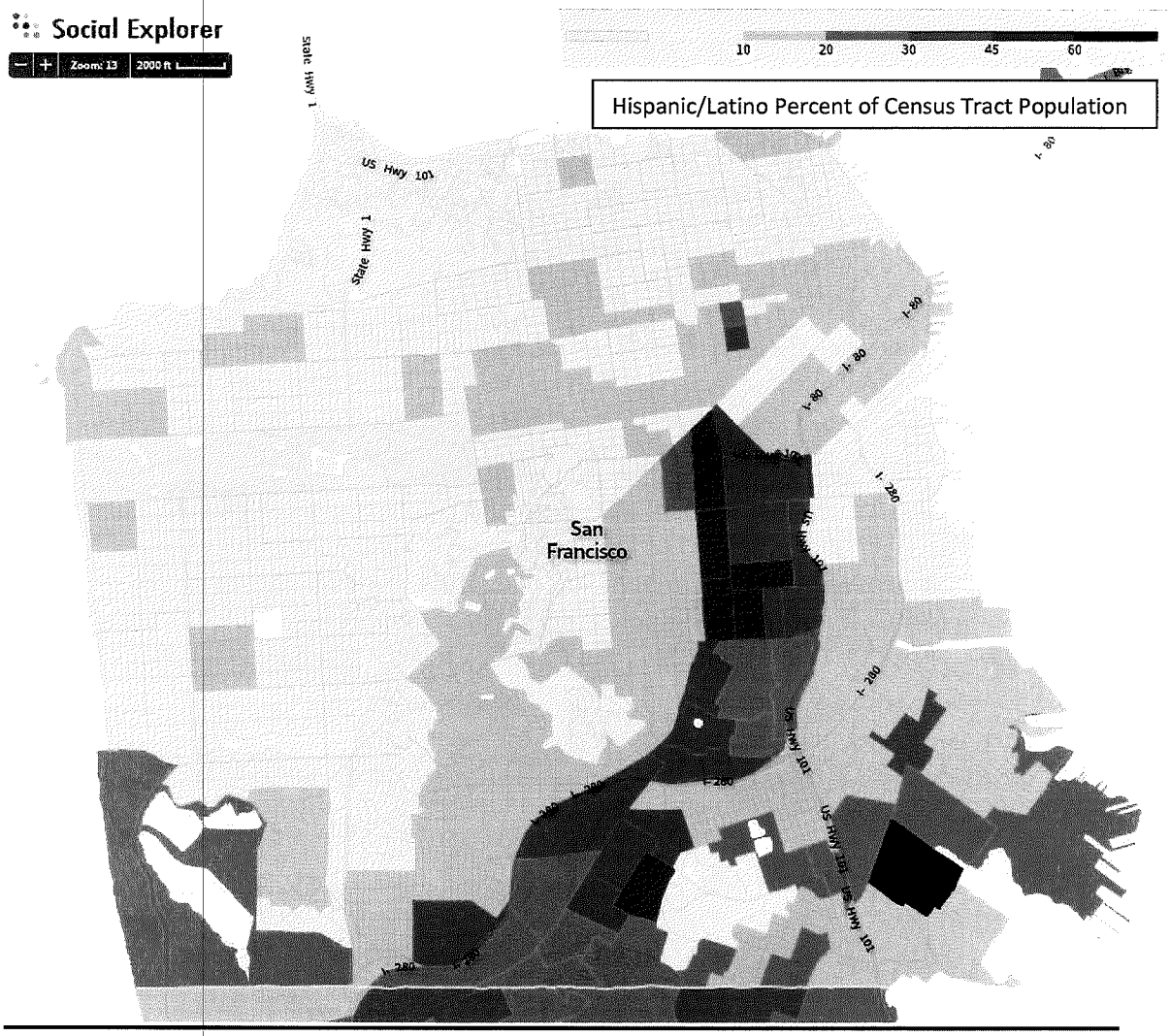
As can be seen, the most noticeable differences between 2000 and 2009-2013 are the relative declines in the Hispanic/Latino population in the Mission District and surrounding areas, and the relative increases in the Hispanic/Latino population in certain southern areas of the City including Bayview, Mission Terrace, the Excelsior, and Lakeshore, as well as smaller increases in a handful or northern and western neighborhoods.

Exhibit 7: San Francisco Citywide Hispanic/Latino Share of Population, 2000



Source: US Census 2000, Social Explorer

Exhibit 8: San Francisco Hispanic/Latino Share of Population, 2009-2013



Source: American Community Survey 2013 (5-Year Estimate), Social Explorer

With the data analyzed for this report, it is not possible to draw a conclusion as to whether residents leaving the Mission District are resettling in other City neighborhoods or leaving the City entirely and being replaced with Hispanic/Latino residents new to the City. To make such a determination, one would have to investigate cross-tabulated migration data, tasks that were not within the scope of this analysis.

Households and Families in the Mission

Although the total population of the Mission District Census tracts declined between 2000 and 2009-2013 from 42,266 to 38,287, the number of households increased by 11 percent, from 13,071 to 14,454, as shown in Exhibit 9 below. This divergence is at least partially explained by a reduction in average household size in the Mission District from 3.2 in 2000 to 2.6 in the 2009-2013 five year period. Average family size in the Mission District also decreased from an average of 3.9 individuals per family in 2000 to 3.4 in 2009-2013.

Exhibit 9: Households and Families in the Mission, 2000 through 2009-2013

	2000		2009-2013		Change	
	Total	% Total	Total	% Total	Total	% Total
Total Population	42,266	--	38,287	--	(3,979)	-9%
Total Households in the Mission	13,071	--	14,454	--	1,383	11%
Average Household Size	3.2	--	2.6	--	--	--
Average Family Size	3.9	--	3.4	--	--	--
Households with children	4,088	31%	3,041	21%	(1,047)	-26%
Households with seniors	2,426	19%	2,441	17%	15	1%
Households: Related Individuals	6,655	51%	6,263	43%	(392)	-6%
Households: Unrelated Individuals	6,416	49%	8,191	57%	1,775	28%
Owner-occupied units	2,482	19%	3,665	25%	1,183	48%
Renter-occupied units	10,589	81%	10,789	75%	200	2%
Total Housing units	13,539	100%	15,745	100%	2,206	16%

Source: Census 2000 and American Community Survey 2013 (5-Year Estimate)

Other key points about changes in the makeup of households in the Mission District presented in Exhibit 9 include:

- Whereas households composed of single or unrelated individuals living together and households composed of related people living together were nearly evenly split in 2000, by 2009-2013 the number of households with related people living together had decreased slightly but households with singles and unrelated individuals living together had increased significantly, by 28 percent, and were a clear majority;[8]
- The number of households with children decreased by 1,047, from 4,088 in 2000 to 3,041 in 2009-2013, a decline of 26 percent;

[8] The Census Bureau defines households composed of related individuals living together as Family Households. Family households also include households composed of unrelated individuals living with related individuals. Households composed of single occupants or unrelated individuals living together are classified as Non-family Households by the Census Bureau.

- In 2000 the Mission District's housing stock was approximately 20 percent owner-occupied and 80 percent renter-occupied; by 2009-2013 this changed to 25 percent owner-occupied and 75 percent renter-occupied;
- While the number of renter-occupied units increased by 200 units, or two percent, the number of owner-occupied units increased by 1,183 units, or nearly 50 percent;
- The number of total housing units increased by 2,206, or 16 percent, although a lower proportion of these are occupied compared to 2000, likely due to unfinished construction.

The above data indicates the loss of households with children has been offset by a mixture of households without children, such as married couples and, especially, households with unrelated individuals sharing a unit or singles occupying an entire housing unit.

Given the significant decline in the number of households with children, as well as the decline in both household and family size, it appears the loss of families and households with children contributed to a significant portion of the Mission District's overall population decline of 3,979 individuals over the 2000 to 2009-2013 period.

Households and Families in San Francisco

As seen in Exhibit 10 below, total population grew in San Francisco between 2000 and 2009-2013. The number of households and families Citywide can be characterized as generally stable between 2000 and 2009-2013, with small to moderate growth or increases. This is in contrast to the Mission District where, as shown in Exhibit 9 above, total population decreased while the number of households increased, with family households and households with children both decreasing.

Exhibit 10: Households and Families in San Francisco, 2000 through 2009-2013						
	2000		2009-2013		Change	
	Total	% Total	Total	% Total	Total	% Total
Total Population	776,733	--	817,501	--	40,768	5%
Total Households in San Francisco	329,700	--	345,344	--	15,644	5%
Average Household Size	2.3	--	2.31	--	--	--
Average Family Size	3.22	--	3.17	--	--	--
Households with children	63,867	19%	64,694	19%	827	1%
Households with seniors	78,716	24%	82,467	24%	3,751	5%
Households: Related Individuals	145,186	44%	156,742	45%	11,556	8%
Households: Unrelated Individuals	184,514	56%	188,602	55%	4,088	2%
Owner-occupied units	115,391	35%	126,394	37%	11,003	10%
Renter-occupied units	214,309	65%	218,950	63%	4,641	2%
Total Housing units	346,527	100%	378,186	100%	31,659	9%

Source: Census 2000 and American Community Survey 2013 (5-Year Estimate)

Key points about changes in the makeup of households in San Francisco presented in Exhibit 10 include:

- Citywide, increases in population and households tracked each other closely, with both growing at approximately five percent from 2000 to 2009-2013. The Mission District, meanwhile, had a divergence between population and households, with a nine percent decrease in population coupled with an 11 percent increase in the number of households.
- Average household size and average family size Citywide were also relatively stable from 2000 to 2009-2013. Both decreased in the Mission District.
- Households composed of related individuals increased by eight percent Citywide in contrast to a six percent decrease in the Mission District, and households composed of unrelated individuals increased by two percent Citywide, in contrast to a 28 percent increase in the Mission District.[9]
- Citywide there was a one percent increase in the number of households with children. In contrast, the Mission saw a 26 percent decrease in the number of households with children. In addition, whereas the Mission District had a significantly higher percentage of households with children in 2000 (31 percent versus 19 percent Citywide), by 2009-2013 the proportion of households with

[9] The Census Bureau defines households composed of related individuals living together as Family Households. Family households also include households composed of unrelated individuals living with related individuals. Households composed of single occupants or unrelated individuals living together are classified as Non-family Households by the Census Bureau.

children in the Mission District was roughly similar to the Citywide rate (21 percent to 19 percent).

- The Mission District had a lower percentage of households with seniors compared with the City in both 2000 and 2009-2013.
- While the number of owner-occupied units increased by approximately ten percent in San Francisco between 2000 and 2009-2013, the number of owner-occupied units increased by 48 percent in the Mission District. The number of renter-occupied units increased by the same amount in both the Mission District and San Francisco from 2000 to 2009-2013, approximately two percent.

As with the City's Hispanic/Latino population, it would require further analysis to determine whether households leaving the Mission District are resettling in other City neighborhoods, or leaving the City entirely and being replaced by households or families new to the City.

Estimates of the Mission District's Future Population of Households with Children

If current trends continue and the relative changes seen between 2000 and the 2009-2013 period are annualized going forward, the Budget and Legislative Analyst projects continued declines in the Mission District's projected share of Households with Children, as seen in Exhibit 11 below.[10] As shown, the Mission District's projected share of households with children would decline from 21 percent of the District's total number of households to 17 percent in 2017 and 11 percent in 2025.

Exhibit 11: Projected Share of Households with Children in the Mission District

	Households with Children		Total Households
Year	Number	Percent of Total	Number
2009-2013	3,041	21%	14,454
2017	2,540	17%	15,115
2020	2,267	15%	15,476
2025	1,812	11%	16,078

Source: Budget and Legislative Analyst, based on Census 2000 and American Community Survey 2013 (5-Year Estimate)

[10]This projection is based solely on the assumption of current trends continuing. Although there will likely be continued decreases amongst the current population of households with children, these households may be replaced by at least some number of new families with children. It is therefore also possible that the population of households with children will stabilize at some level higher than the 11 percent figure in 2025 provided above.

Low-and-Middle Income Households in the Mission

Household Income in the Mission District

As seen in Exhibit 12 below, over the 2000 to 2009-2013 period there has been growth in the share of households in the Mission District with annual incomes of less than $35,000. Meanwhile, households earning between $35,000 to $49,999 in annual income have remained relatively stable, increasing by 85 from 1,503 to 1,587.

Households with annual incomes between $50,000 to $99,999 declined in both numeric and percentage terms, falling from 4,295 households in 2000 to 3,473 in the five year 2009-2013 period, a decrease of 19 percent. This is the only income group to have experienced a numeric decline in the Mission District during the years reviewed. By contrast, households with between $100,000 to $149,999 annual income maintained a relatively stable share of all households in the Mission District.

There was significant growth in the number of households earning between $150,000 to $199,999 annual household income. Finally, households earning $200,000 and above in annual household income increased from 720 households in 2000 to 1,474 households in 2009-2013, an increase of 105 percent. This was the largest increase of the income groups in both numeric and percentage terms.

Exhibit 12: Changes in Mission District Household Income, 2000 to 2009-2013

	2000		2009-2013			
Income	Households	% Total	Households	% Total	Change	%
Less than $15,000	1,508	12%	1,900	13%	392	26%
$15,000 - $34,999	2,174	17%	2,692	19%	518	24%
Subtotal	*3,682*	*28%*	*4,592*	*32%*	*910*	*25%*
$35,000 -$49,999	1,503	11%	1,587	11%	84	6%
$50,000 - $99,000	4,295	33%	3,473	24%	(822)	-19%
Subtotal	*5,798*	*44%*	*5,060*	*35%*	(738)	-13%
$100,000 - $149,999	1,972	15%	2,100	15%	128	6%
$150,000 -$199,999	913	7%	1,228	8%	315	35%
More than $200,000	720	6%	1,474	10%	754	105%
Subtotal	*1,633*	*12%*	*2,702*	*19%*	1,069	65%
Total	13,085	100%	14,454	100%	1,369	10%

Source: Census 2000 (in 2013$) and American Community Survey 2013 (5-Year Estimate), Social Explorer

Note: Total households reported by U.S. Census Bureau for Mission District household income in 2000 are 14 households higher than total households reported for population and demographic purposes.

Between 2000 and 2009-2013, the approximate range of households earning between $35,000 and $99,999 went from 44 percent of the Mission District's population to 35 percent, a decrease of 13 percent. By contrast, all households earning above $150,000, or twice the 2009-2013 Citywide median household income of $75,604, went from 12 percent of the Mission District's population to 19 percent, an increase of 65 percent.

As with the previous topics covered in this report, the 5-Year 2009-2013 ACS is the most recent period available for Census tract level data. With this data, it is not possible to measure whether the income trends identified above for the Mission District accelerated, moderated or remained the same between 2009-2013 and 2015. However, the Citywide median household income increased to $85,070 as of 2014 from $77,485 in 2013 in the ACS 1-Year Estimates, and the Mission District has likely followed this Citywide trend.

Finally, it is not possible to determine with the available data used for this report whether the households in the income categories presented have remained in the Mission District over time and/or whether there has been upward or downward mobility for any individual household.

Estimates of the Mission District's Future Household Income

If current trends continue and the changes seen over the 2000 to 2009-2013 period are annualized going forward, the Budget and Legislative Analyst projects continued relative and actual declines in the number of households with annual incomes between $35,000 and $99,999 in the Mission District, as seen in Exhibit 13 below.

Exhibit 13: Projected Share of Total Households in the Mission District by Income

Annual Housheold Income	2000	2009-2013		2017		2020		2025	
		Households	Percent	Households	Percent	Households	Percent	Households	Percent
Less than $35,000	28%	4,592	32%	5,027	33%	5,265	34%	5,660	35%
$35,000 - 99,999	44%	5,060	35%	4,707	31%	4,515	29%	4,194	26%
$100,000 - 149,999	15%	2,100	15%	2,161	14%	2,195	14%	2,250	14%
More than $150,000	12%	2,702	19%	3,213	21%	3,492	23%	3,957	25%
Total		14,454		15,109		15,466		16,061	

Source: Budget and Legislative Analyst, based on Census 2000 (in 2013$) and American Community Survey 2013 (5-Year Estimate)

As can be seen in Exhibit 13, households making less than $35,000 a year will continue slowly expanding their share of total households in the Mission District if present trends continue. Households at this income level are projected to reach 35 percent of all households by 2025, up from 28 percent of all households in 2000.

Households earning between $35,000 and $99,999 annually will continue seeing year-over-year declines if present trends continue, eventually constituting 26 percent of all Mission District households by 2025. This is a significant projected decrease from 44 percent of all households in 2000.

Households earning between $100,000 and $149,999 a year will remain a relatively stable proportion of the population at 14 percent in 2025 if present trends continue. Finally, households earning $150,000 and above annually will continue to expand their share of the neighborhood's overall population. Households at this income level are projected to reach 25 percent of all households by 2025, a significant projected increase from 12 percent of all households in 2000.

Household Income in San Francisco

Citywide, changes in household income from 2000 to 2009-2013 were roughly similar to the Mission District, as seen below in Exhibit 14. There was an increase in households earning less than $35,000 annually, a decrease in households earning between $35,000 to $99,999, little change in households earning between $100,000 to $149,999, and an increase in households earning over $150,000 annually.

The magnitude of the changes within those broad categories varied between the Mission District and the City. For instance, the number of households earning less than $35,000 annually increased by almost the same amount in both the Mission District and San Francisco overall from 2000 to 2009-2013, at approximately 25 percent.

Citywide, there were numeric and relative decreases in the number of households at several levels of household income between 2000 and 2009-2013, including all three income brackets ranging from $35,000 to $149,999, as shown in Exhibit 14. In the Mission District, however, decreases were concentrated only among households at the $50,000 to $99,999 level of annual household income, which, at 19 percent, was of a larger magnitude than the nine percent decrease in the same income category Citywide.

Finally, although the number of households earning over $200,000 annually increased in both the Mission District and Citywide between 2000 and 2009-2013, in percentage terms the increase in the Mission District was approximately seven times greater than the City as a whole, at 105 percent versus 15 percent, respectively.

Exhibit 14: Changes in San Francisco Household Income, 2000 to 2009-2013						
	2000		2009-2013			
Income	Households	% Total	Households	% Total	Difference	% Change
Less than $15,000	34,556	10%	44,478	13%	9,922	29%
$15,000 - $34,999	42,241	13%	50,780	15%	8,539	20%
Subtotal	*76,797*	*23%*	*95,258*	*28%*	*18,461*	24%
$35,000 -$49,999	31,830	10%	30,402	9%	(1,428)	-4%
$50,000 - $99,999	91,839	28%	83,752	24%	(8,087)	-9%
Subtotal	*123,669*	*37%*	*114,154*	*33%*	*(9,515)*	*-8%*
$100,000 - $149,999	55,903	17%	55,168	16%	(735)	-1%
$150,000 -$199,999	31,071	9%	32,197	9%	1,126	4%
More than $200,000	42,410	13%	48,567	14%	6,157	15%
Subtotal	*73,481*	*22%*	*80,764*	*23%*	*7,283*	10%
Total	329,850	*100%*	345,344	*100%*	15,494	5%

Source: Census 2000 (in 2013$) and American Community Survey 2013 (5-Year Estimate), Social Explorer.

Note: Total households reported by U.S. Census Bureau for Citywide household income in 2000 is 150 households higher than total households reported for population and demographic purposes.

2. Impact of Changes in Housing Supply on Potentially Lowering Housing Prices

In this and the subsequent Section 3 of this report, the Budget and Legislative addresses the question of how many units of housing would need to be constructed to lower prices by separately analyzing supply and demand factors that have contributed to rising housing prices in the Mission District and San Francisco overall. Although it is not possible to provide an estimate on the exact number of housing units needed to lower current median housing values without constructing a complex forecasting model, this report section provides perspective on the number of housing units that could moderate future increases in median housing values.

Increasing Housing Supply to Reduce Housing Price Growth

A 2015 report by the California Legislative Analyst's Office (LAO), the State's nonpartisan fiscal and policy advisor, estimated the amount of additional housing that would have been needed to prevent California's housing costs from growing faster than the rest of the country in recent decades.[11] The LAO's estimates provide perspective on the amount of additional housing demand and housing construction that would have resulted in San Francisco had there been parity between U.S. and California median housing price growth between 1980 and 2010.

The LAO's report notes that during the 30-year period from 1940 through 1970, the state's home prices were generally between 20 to 30 percent higher than the national average. Prices accelerated during the 1970s, and by 1980, home prices in California were 80 percent above U.S. levels. By 2015, prices in California were approximately two-and-a-half times the national average.

For the 30 year period between 1980 and 2010, the LAO prepared an estimate of how many additional households would have lived in California if housing prices had risen "only as fast as the rest of the country", as opposed to significantly faster.[12]

Over this period California built an average of 120,000 new housing units annually. The LAO's analysis estimates that between a total of 190,000 and 230,000 units would have been built under conditions of equivalent housing cost growth between California and the rest of the country, or between 70,000 and 110,000 additional units per year over the actual annual average. Under this scenario

[11] "California's High Housing Costs: Causes and Consequences". California Legislative Analyst's Office. March 17, 2015.

[12] The LAO's analysis primarily focused on the relationship on housing demand and home prices. They report that they performed a similar analysis on rents and received similar results.

California would have built between an additional 2.1 and 3.3 million units of housing over the 30 year period and between 5.4 and 8.5 million additional people would have been living in the state.

Had this level of housing construction occurred, the LAO concludes that prices in California would have risen during the 30 year period consistent with the level of increase in housing prices nationwide, leading to median housing prices lower than their current actual levels. The LAO predicts these additional housing units would have been heavily concentrated in the state's major coastal metropolitan areas for a number of reasons, including 1) these areas have the strongest demand for housing; 2) these areas contain two-thirds of the state's population; 3) these areas saw the largest price increases for housing over the period in question; and 4) these areas had the comparatively slowest pace of new housing construction over the period in question.[13]

The LAO's estimates should be understood as providing a sense of the scale of annual housing construction needed over a 30-year period to moderate the growth of median housing prices in California. The estimates should not be interpreted as a static estimate of current housing need or a prediction of the number of housing units needed to lower prices from their current levels.

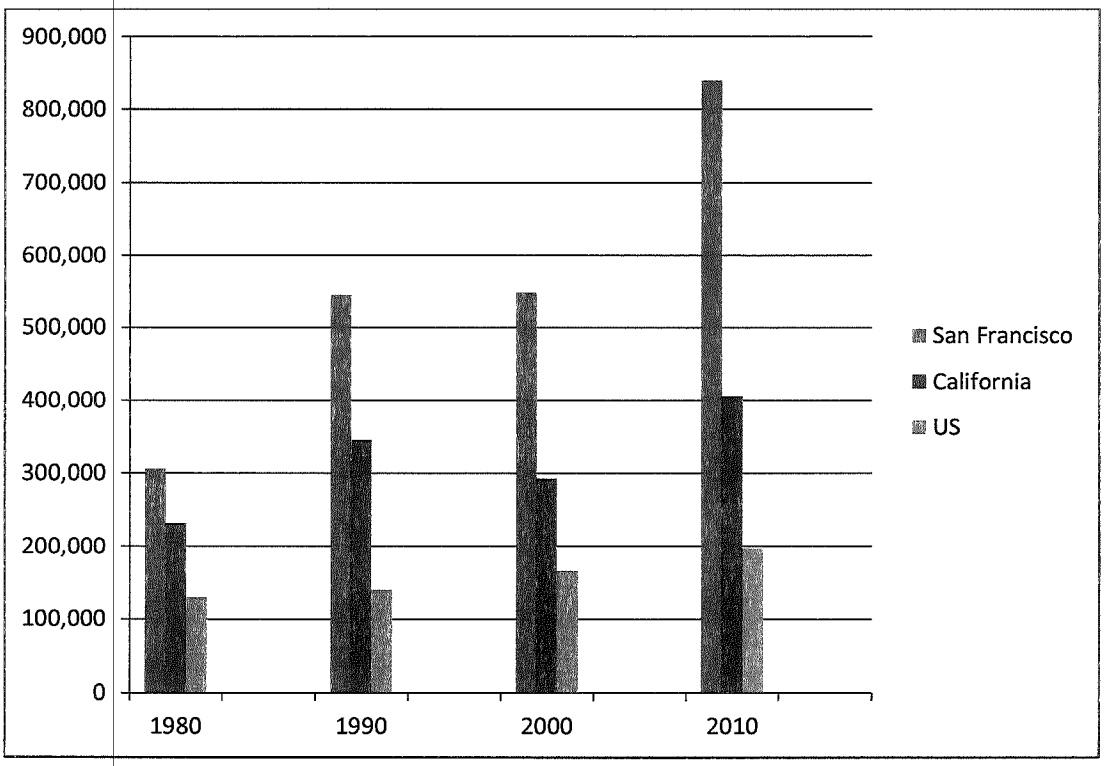
California Legislative Analyst's Office Housing Estimates for San Francisco

The LAO's 2015 report included estimates of the housing needed in the City and County of San Francisco for median price growth in California to have risen at the same level as the U.S. from 1980 to 2010.

As seen in Exhibit 15 below, the median value of owner-occupied housing units in San Francisco significantly outpaced the national average over the 1980-2010 period. Whereas the nationwide median value rose by approximately 52 percent over the 30-year period, San Francisco's median value rose by over three times that amount, or approximately 175 percent. In 1980 the $305,522 median value of an owner-occupied housing unit in San Francisco was over twice the national median of $129,261, but by 2010 the San Francisco median of $839,357 was over four times the $196,615 national median.

[13] The LAO's report also suggests that lower prices and increased supply in the state's coastal urban areas would have reduced the demand for new housing in the state's inland areas, which would have seen comparatively less building under this scenario. The LAO believes much of the growth in inland California over the 1980-2010 period resulted from spillover demand from individuals and families priced out of the too-expensive coastal areas. This spillover demand raised prices in the interior as well.

Exhibit 15: Median Value of Owner-Occupied Housing Units in San Francisco, 1980-2010



Median Value of Owner-Occupied Housing in San Francisco, 1980-2015 (in 2015$)

	1980	1990	2000	2010	2015
San Francisco	$305,522	$545,008	$548,597	$839,357	$982,000
California	$231,534	$345,710	$292,705	$405,361	$436,600
US	$129,261	$139,917	$165,520	$196,615	$178,500

% Change in Median Value of Owner-Occupied Housing in San Francisco 1980-2015

	1980-1990	1990-2000	2000-2010	2010-2015	1980-2010	1980-2015
San Francisco	78%	1%	53%	13%	175%	221%
California	49%	-15%	38%	8%	75%	89%
US	8%	18%	19%	-9%	52%	38%

Sources: 1980-2000 data from U.S. Census, "USA Counties" and "Historical Census of Housing Tables – Home Values" data sets. 2010 data from U.S. Census Bureau's American Community Survey (ACS). 2015 data from Zillow as of January 2015, via California State Legislative Analyst's Office, "California's High Housing Costs: Causes and Consequences", March 2015.

The LAO estimates that San Francisco would have had significantly more housing production over the 1980-2010 period if California's median home prices had appreciated in line with the approximately 52 percent rate of increase seen during that period for the U.S. as a whole.[14]

As seen in Exhibit 16 below, Census data shows that from 1980 to 2010 there was an average of approximately 2,011 housing units added annually in San Francisco, for a total of 60,334 housing units. The LAO's model estimates that 15,300 average annual units, or 13,289 more than actually added, would have been needed to be built in San Francisco on average each year and, when combined with additional housing in other California counties, would have enabled home prices to appreciate at the same rate as the rest of the country. This would have resulted in a total of approximately 459,000 new units in San Francisco during the 30-year period from 1980 to 2010, indicating a housing shortfall over the period of approximately 398,666 units compared to the 60,344 actually added on average each year over the 30 years. The LAO's estimated level of San Francisco's housing need represents a 561 percent increase over the actual level of housing production during that period. Under this scenario, by 2010 there would have been a total of 775,608 housing units in San Francisco, or over twice as many as the actual 376,942 housing units estimated by the U.S. Census in 2010. Even with that level of additional housing, the LAO analysis holds that San Francisco prices would have still increased over the 30-year period, though at a lower rate than actually occurred.

Exhibit 16: San Francisco's Actual Housing Unit Production and Estimated Housing Production Needed for California Housing Cost Growth to Equal the U.S. Median, 1980-2010

	Actual Housing Added	Estimated Housing Needed to Equal Growth in U.S. Median Prices	Estimated Housing Shortfall	Estimate vs Actual % Increase
Total Units	60,334	459,000	398,666	561%
Average Annual Units	2,011	15,300	13,289	

Source: Actual housing data from U.S. Census, "USA Counties" Censtats Housing database. Estimated housing data from "California's High Housing Costs: Causes and Consequences", California State Legislative Analyst's Office. March 2015. Shortfall estimated by Budget and Legislative Analyst.

Had all these additional units been built, the LAO estimates that the 2010 median home price in San Francisco would have been approximately $525,000 (in 2015

[14] The LAO's analysis does not consider constraints on new housing construction due to zoning and land use regulations.

inflation-adjusted dollars),[15] or $314,357 less than the actual 2010 median home price in San Francisco of $839,357. This amount is also slightly less than actual inflation-adjusted median home prices in 1990 and 2000, as shown above in Exhibit 15.

It follows that, over the 30 year period, some range of total construction above the actual 60,334 housing units added in San Francisco, but below the LAO's estimated need of 459,000 units, would also have led to relatively lower median housing prices in San Francisco as of 2010. This suggests that it would have taken some level of housing production beyond 459,000 total units during the 1980-2010 period for inflation-adjusted median prices in San Francisco to have declined from their 1980 level of $305,522.

Under this "growth" scenario estimated by the Legislative Analyst's Office, San Francisco's population would have been twice as large by 2010, or 1.7 million people instead of 805,195 as reported by the U.S. Census Bureau for 2010, with significantly greater housing densities.

Exhibit 17: Actual and Potential Population and Density in San Francisco

	Actual (2010)	LAO Growth Scenario
Population	805,195	1,700,000
Population Density (people per sq mi)	17,246	36,410
Housing Density (units per acre)	18 units per acre	35 to 40 units per acre

Sources: "California's High Housing Costs: Causes and Consequences", California State Legislative Analyst's Office. Budget and Legislative Analyst.

Policy Implications and Limitations

The figures presented by the LAO are backwards-looking and point to a past housing deficit rather than a forward projection of need. It cannot be stated that building 398,666 additional housing units *right now* would bring San Francisco's median housing price down to where it would have been had price growth not outpaced the rest of the country from 1980-2010. Rather, the LAO states the figures should provide a sense of the scale and pace of housing construction needed to prevent housing price appreciation far in excess of the national average, as California and San Francisco experienced over the 30-year period from 1980-2010.

The LAO's estimates do not address the issue of whether it would be possible or desirable to build significantly more housing units in San Francisco given current policy constraints such as land use and zoning controls and possible community

[15] The estimated 2010 San Francisco median housing value was provided by the State Legislative Analyst's Office in correspondence with the Budget and Legislative Analyst's Office.

resistance to such extensive growth. To the extent the LAO's estimated housing needed to have achieved lower prices in San Francisco was infeasible during the review period and remains so for the future, the analysis does not present alternative methods of providing more affordable housing, particularly for low and moderate income households.

Moving forward, the LAO believes that California will continue to see strong demand for housing in 2015 and beyond, and that "the state probably would have to build as many as 100,000 additional units annually – almost exclusively in its coastal communities – to seriously mitigate the state's problems with housing affordability". If trends from the last 30 years as reported by the LAO were to continue in San Francisco, construction of something above the City's 1980-2010 average annual production of 2,011 housing units, sustained over multiple years, would be needed to moderate projected price increases in the future. Further, a level of construction above the City's 1980-2010 average annual housing need of 15,300 average units estimated by the LAO, sustained over multiple years, would be needed to actually maintain a lower San Francisco's inflation-adjusted median housing price from its current value of approximately $1 million on an ongoing basis.

The LAO analysis does not imply that prices in San Francisco will never go down. As discussed further in Section 4, events such as recessions can and have lowered prices for several years at a time in San Francisco. However, over longer-run periods of 10, 20, or 30 years, median housing prices in both San Francisco and California have been on a consistently upward trajectory.

Finally, the LAO repeatedly stresses that readers should focus less on the specific estimates provided above and more on the general fact that "demand for housing in California substantially exceeds supply", and that the state needs to build significantly more housing in its coastal urban areas to moderate future housing price growth. [16]

The Budget and Legislative Analyst did not evaluate the City's housing development pipeline, development potential, zoning and land use regulations, or other laws and policies in order to assess the feasibility or desirability of reaching the LAO's estimated average annual housing construction levels, as these were outside the scope of this report.

[16] Under the terms of the LAO's model, no metro area or county can be considered in isolation from another. It is assumed that any potential moderation or reduction in San Francisco housing prices would take place under conditions where other coastal cities in California are also adding supply.

3. Impact of changes in housing demand on potentially lowering housing prices

Determinants of Housing Demand

The market rate for a certain quantity of housing is determined by the intersection of supply and demand. On the supply side, and as discussed in Section 2, the California Legislative Analyst's Office estimates that substantially more housing needed to have been produced in San Francisco to moderate housing price growth between 1980 and 2010. This section addresses trends related to the Citywide demand for housing in San Francisco since 1980.

Relevant household data for this analysis is available from the U.S. Census Bureau Public Use Microdata Sample (PUMS) files at the Citywide level, but not at the neighborhood or Census tract level. As a result, this section presents a Citywide analysis of income and rental price trends, though the patterns appear to mirror data that is available for the Mission District presented earlier in this report.

Demand for housing is derived from what households are willing and able to pay, which is linked to household income. As housing prices increase, fewer households are willing or able to pay market rates unless their incomes increase at the same rate, and as prices decrease, more households are able to pay the market rate as long as their incomes do not decrease.

We can estimate household willingness/ability to pay for rental housing by comparing income to rental prices. If the ratio of rent paid to income stayed constant over time, then willingness/ability to pay and the demand for housing would not change over time.

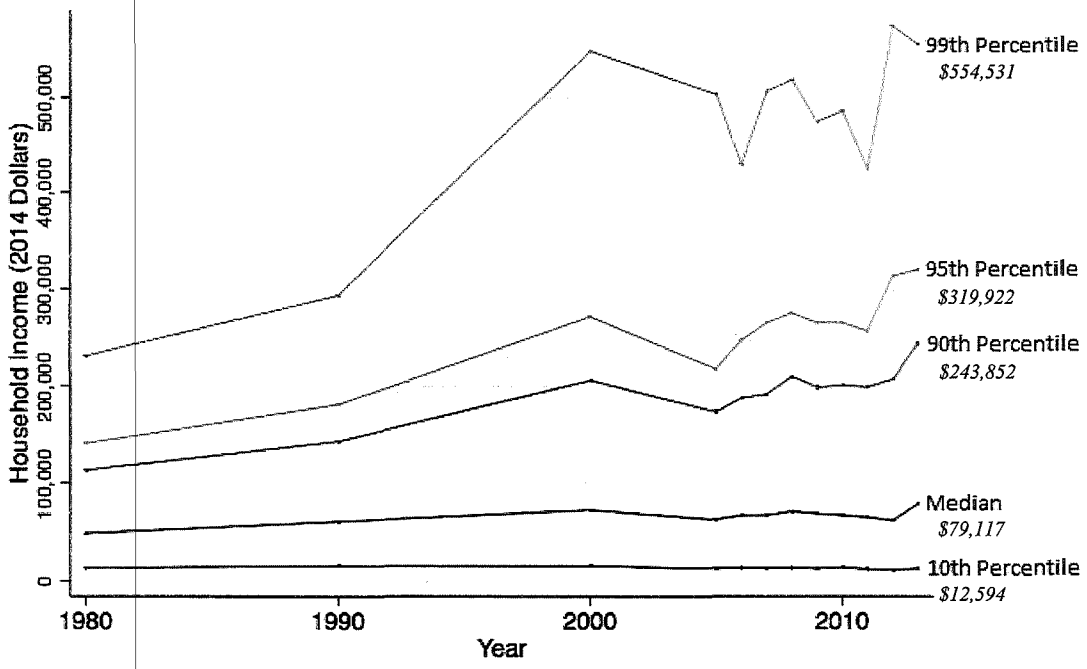
Household Income and Rent Trends in San Francisco

Citywide, rent-to-income ratios have been inconsistent over time across households with different income levels.[17] As shown in Exhibits 18 and 19, in inflation-adjusted dollars, high-income (90th, 95th, and 99th percentile[18]) households have experienced greater rates of income growth than low- (10th percentile) and median-income households.

[17] Estimates derived from: IPUMS-USA, University of Minnesota, www.ipums.org.

[18] In this case, the percentile indicates the household income below which a given percentage of households in San Francisco fall. For example, 90 percent of San Francisco households make less than the 90th percentile of household income and 10 percent make more. The median household income is also known as the 50th percentile because half of all households make more than the median income level and half make less. In the case of rent paid, half of all rental units rent for less than the 50th percentile (median) and half of all units rent for more.

Exhibit 18: Household Income of San Francisco Renters over Time (in 2014 Dollars)

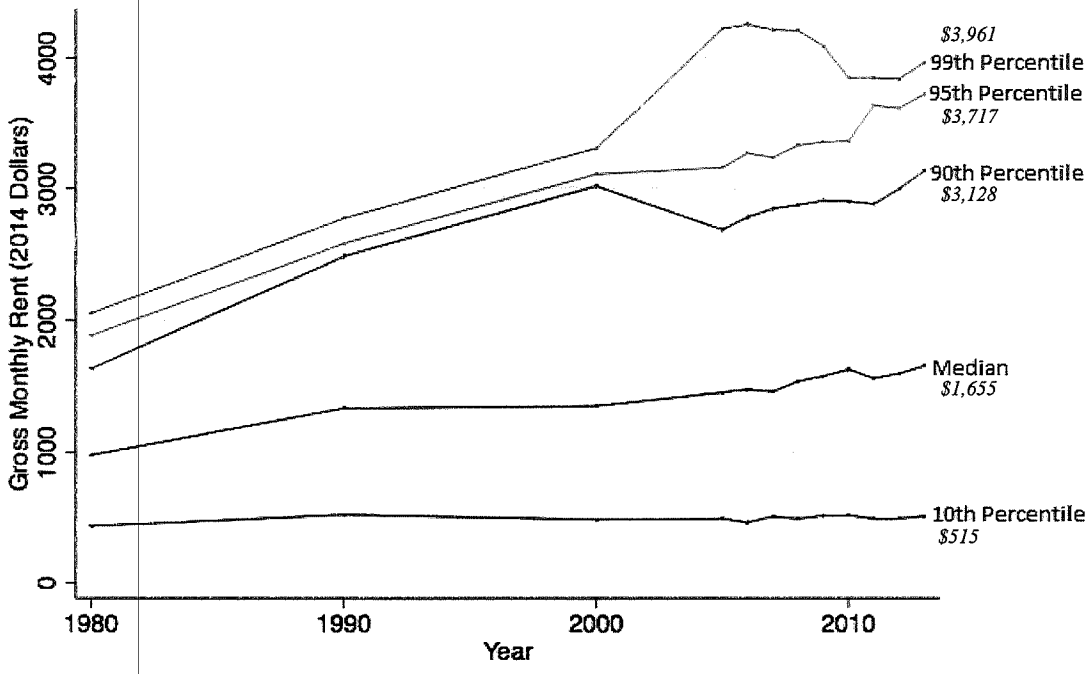


Income Percentile	1980	1990	2000	2010	2013	% Change 1980-2013	# Households above Percentile*
10th	$13,056	$15,324	$15,199	$13,565	$12,594	-4%	319,186
50th (Median)	48,932	61,091	72,940	67,393	79,117	62%	177,325
90th	112,981	143,182	205,966	200,767	243,852	116%	88,663
95th	140,927	181,096	271,307	264,795	319,922	127%	35,465
99th	231,489	293,456	547,585	485,097	554,531	140%	17,733

Source: 1980, 1990, 2000, and 2010 Decennial Census PUMS files, and 2005 through 2013 1-Year American Community Survey PUMS files. Dataset obtained from IPUMS-USA, University of Minnesota, www.ipums.org.
*Note: American Community Survey 2013 1 Year Estimate reports 354,651 households for San Francisco.

As shown in Exhibit 19, actual Citywide rent paid for higher cost units has increased at a greater rate than rent paid for lower cost units.

Exhibit 19: Citywide Rent Paid over Time, All Housing Types (in 2014 Dollars)



Price Percentile	1980	1990	2000	2010	2013	% Change 1980-2013
10th	$440	$527	$490	$521	$515	17%
50th (Median)	978	1,334	1,351	1,630	1,655	69%
90th	1,636	2,482	3,013	2,898	3,128	91%
95th	1,884	2,577	3,101	3,356	3,717	97%
99th	2,054	2,768	3,302	3,844	3,961	93%

Source: 1980, 1990, 2000, and 2010 Decennial Census PUMS files, and 2005 through 2013 1-Year American Community Survey PUMS files. Dataset obtained from IPUMS-USA, University of Minnesota, www.ipums.org.

Since 1980, rent paid for low- and mid-level units increased at a higher rate than income for low- and median-income households, resulting in a lower overall level of housing affordability. The above comparison of rent and income levels does not capture the distribution of rent and income at the household unit because a household with income at the 50th percentile, or median, does not necessarily pay rent at the 50th percentile. Some households pay more than they can afford and some pay less.

While those in the various income percentiles do not necessarily pay rents in the corresponding rent percentiles, Exhibit 20 shows that increases in rent paid between 1980 and 2013 for low- and mid-priced units exceeded income growth for median- and low-income households, making housing less affordable. On the contrary, income growth for higher income households exceeded increases in rent

paid for high-end units during that period, making housing relatively more affordable for high income households.

Exhibit 20: Changes in Citywide Rent Paid and Household Income 1980 - 2013		
	Change in Rent Paid	**Change in Household Income**
10th percentile	+17%	-4%
50th percentile (median)	+69%	+62%
90th percentile	+91%	+116%
95th percentile	+97%	+127%
99th percentile	+93%	+140%

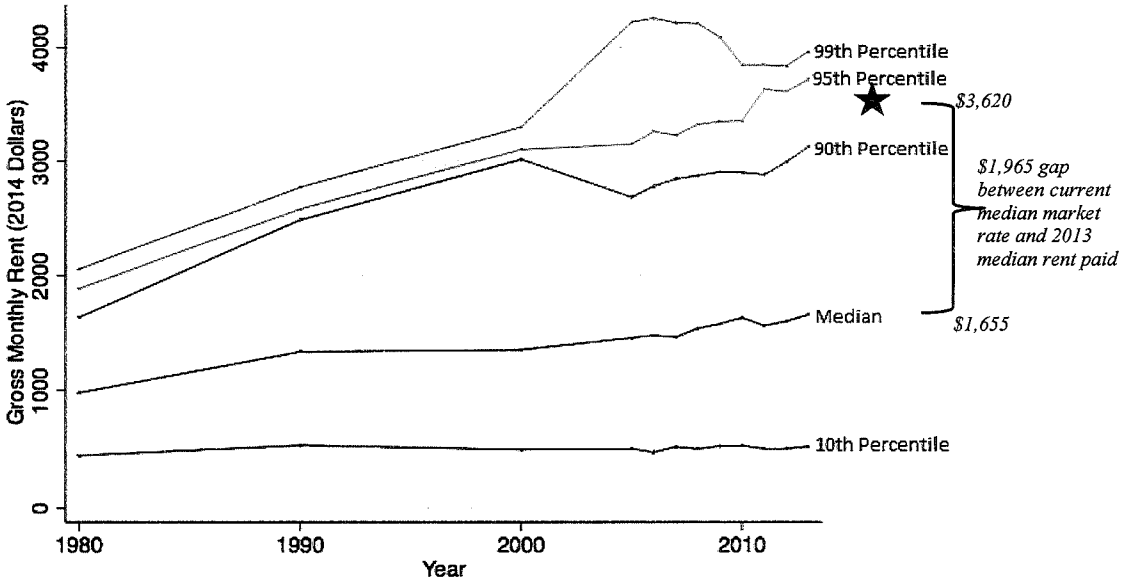
Source: 1980 Decennial Census PUMS files, and 2013 1-Year American Community Survey PUMS files. Dataset obtained from IPUMS-USA, University of Minnesota, www.ipums.org.

Price Gap between Rent Paid and Market Rate

Exhibit 21 presents trends in rent paid in San Francisco between 1980 and 2013. As can be seen, a significant gap exists between the median and higher percentile rent paid.

In 2013, median rent paid in San Francisco for all housing types was approximately $1,655 per month but the median market rate for a one-bedroom unit was $2,800, or 69 percent higher. In 2015, the median market rate had increased to $3,620 for a one bedroom apartment. Assuming that the increase in median rent paid has continued to grow only modestly between 2013 and 2015, the gap between rent paid and market rate rent is assumed to have remained significantly divergent or grown. The large gap between median market rent and median rent paid likely indicates a scarcity of housing and willingness on the part of some residents to pay more for housing, resulting in increasing market rental rates.

Exhibit 21: Actual Citywide Rent Paid over Time



★ Median market rate of $3,620 for a 1-bedroom apartment in San Francisco as of October 2015.

Source: 1980, 1990, 2000, and 2010 Decennial Census Public Use Microdata Sample (PUMS) files, and 2005 through 2013 1-Year American Community Survey PUMS files. Dataset obtained from IPUMS-USA, University of Minnesota, www.ipums.org.

Low Supply and High Demand

Housing prices increase when the willingness to pay (demand) exceeds the equilibrium (market rate) for the quantity of housing available (supply). The growing gap between rent paid and market rate can likely be attributed to a scarcity of housing supply (as indicated in the LAO report discussed in the previous section) combined with higher willingness and ability to pay for housing by high-income households (as indicated above in Exhibit 21).

When the median market rate for housing exceeds the affordable[19] threshold for median-income households, a reduction in price would not necessarily reduce competition for housing, assuming other factors such as employment and the number of available units stayed the same. The number of households that want to reside in San Francisco could be expected to increase as prices fall into a range that more households are willing/able to pay.

[19] "Affordable" is defined as a household spending less than 30 percent of gross income on rent.

Growing disparities in rent-to-income ratios that favor high-income households imply that there are increasing numbers of households within the City and the region that are willing and able to pay increasingly higher market rate rents. Growth in the number of such higher income residents in the Mission District was reported in Section 1 of this report. The current Citywide median market rate rent of $3,620 per month is affordable for a household with annual gross income of approximately $145,000 or more, or only approximately 25 percent of the households in San Francisco.[20] As discussed in Section 1, 19 percent of Mission District households earned $150,000 or more during the five year 2009-2013 period. That means that for most of the remaining 81 percent of Mission District households, the Citywide median market rental rate of $3,620 would not be affordable.

As long as the current trend of growing income inequality persists, low- and median-income households will have difficulty competing with high-income households for market-rate units in San Francisco and, in most cases, would need to spend more than 30 percent of their household income on housing.

Implications for the Mission District

The information above is presented for the City as a whole in this section of the report due to limited available household income and rent paid data at the neighborhood or Census tract level. However, based on data available and compiled for the Mission District and presented in Section 1 of this report, the Budget and Legislative Analyst concludes that the Citywide trends presented above are applicable to the Mission District and will persist if present conditions continue. Specifically, the decreasing number of households in the Mission District with incomes between $35,000 and $99,999 and the increasing number of households with incomes over $100,000 will mean that more neighborhood residents will be able to pay higher rents, making housing less accessible and affordable to those with relatively lower incomes. Decreases in housing prices in the Mission District do not seem likely from the trends in demand for housing and changes in household income.

[20] Based on 2013 ACS 1-year PUMS data, $145,000 approximately represents the 75th percentile of household income in San Francisco (in 2014 dollars), meaning that approximately 25 percent of households earned more than $145,000 in 2013.

4. Projected changes in Mission District housing prices if present trends continue

To project housing prices for the Mission District for two, five and ten years out, the Budget and Legislative Analyst obtained historical data on actual home sales prices for the neighborhood from Zillow.com, an online real estate data and media company. Zillow.com's monthly reports of median home prices for the Mission District are available from April 1996 through July 2015.[21] Three scenarios of median estimated home values for two, five and ten years out through 2025 were prepared by the Budget and Legislative Analyst using two years, five years, and nine years (the oldest available) of historical Mission District housing value data for all types of homes, all homes with 1 bedroom, and all homes with 2 bedrooms.

As can be seen in Exhibit 22, the further back the historical data used to project future housing prices, the lower the rate of projected increase in median prices as greater variation in economic cycles is incorporated. However, even using nine years' worth of historical data, which includes the downturn in prices that occurred during the recession starting in 2008, median housing prices are still projected to increase by nine percent by 2025 in the Mission District. A downturn in prices would occur in the first five years of this scenario between 2015 and 2020, assuming recurring economic trends from the last nine years, including a major recession. Inflation-adjusted prices are then projected to increase after 2020 and, by 2025, be higher than the 2015 median price.

The projections based on nine years of historical data compares to a projected increase of 130.6 percent in median prices by 2025 if trends from just the last two years continue for the ten years through 2025 or an 83.4 percent increase in median housing prices if trends from the last five years are assumed to repeat. In other words, the recent high rate of increase in housing prices in the Mission District could subside over time, if longer-term historical trends are repeated. However, even if longer-term historical trends repeat, prices are still projected to increase above their current levels based on the Budget and Legislative Analyst's line of best fit projections.[22]

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[21] Data from Zillow was used as it was the only source identified that provided data at the neighborhood level. Zillow has stated that the Mission neighborhood is defined based on "a number of online sources, including other Real Estate sites, Wikipedia and local city, government websites."

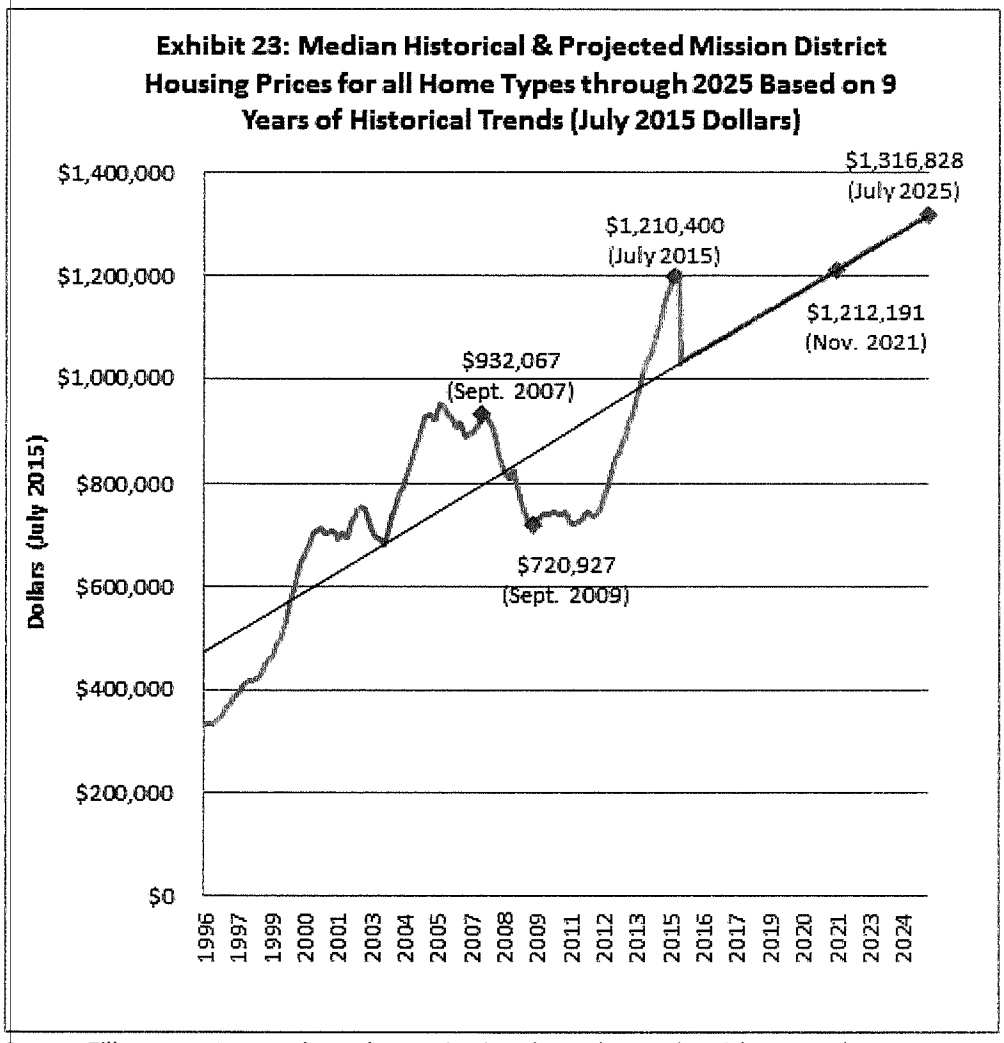
[22] The line of best fit forecast predicts a future value by using existing values, and the line of best fit shows the general direction that a group of data points, home prices in the Mission District in this case, are heading.

Exhibit 22: Projected Changes to Median Price for All Types of Mission District Housing[23] through 2025 Based on Continuation of Historical Trends (July 2015 Dollars)					
Basis of Projections: # Years of Historical Trends	**2015 Base Year**	**2017 Projected**	**2020 Projected**	**2025 Projected**	**% Change 2015 to 2025**
9 Years Historical	$1,210,400	$1,085,654	$1,173,257	$1,319,262	9.0%
5 Years Historical	$1,210,400	$1,371,296	$1,689,465	$2,219,747	83.4%
2 Years Historical	$1,210,400	$1,538,987	$2,008,485	$2,790,982	130.6%

Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst.

Exhibit 23 below shows historical and projected median prices from 1996 through 2025 based on nine years' worth of historical data for median prices for all types of housing in the Mission District. The Budget and Legislative Analyst prepared a line of best fit projection of prices from 2015 to 2025.[24] As can be seen in Exhibit 23, prices are expected to drop slightly over the next few years, but reach current price levels around 2021 and climb nine percent over current prices by 2025.

[23] All homes include single-family homes, condominium, and co-operative homes.
[24] The line of best fit forecast predicts a future value by using existing values, and the line of best fit shows the general direction that a group of data points, home prices in the Mission District in this case, are heading.



Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Details on the three Mission District housing price projection scenarios prepared by the Budget and Legislative Analyst using different historical data bases and including separate projections for one and two-bedroom housing units, are presented below.

Scenario 1: Projections using Two Years' Historical Data

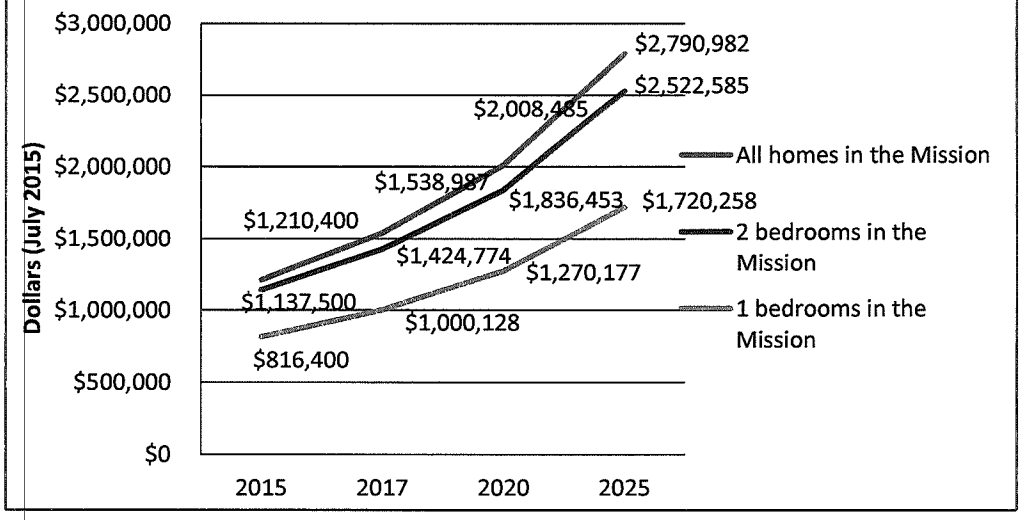
The first scenario uses data from July 2013 to July 2015 to project median housing prices in the Mission District for two, five and ten years out, by type of housing. Exhibits 24 and 25 below show the projected housing prices by housing type.

Exhibit 24: Median Mission District Housing Price Projections Based on Two Years' Historical Housing Prices from July 2013 to July 2015 (July 2015 Dollars)

Type of Housing	2015 Base Year	2017 Projected	2020 Projected	2025 Projected	% Change 2015 to 2025
All homes in the Mission	$1,210,400	$1,538,987	$2,008,485	$2,790,982	130.6%
2 bedrooms in the Mission	$1,137,500	$1,424,774	$1,836,453	$2,522,585	121.8%
1 bedrooms in the Mission	$816,400	$1,000,128	$1,270,177	$1,720,258	110.7%

Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Exhibit 25: Chart with Median Mission District Housing Price Projections Based on Two Years' Historical Prices from July 2013 to July 2015 (July 2015 Dollars)



Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Scenario 2: Projections using Five Years' Historical Data

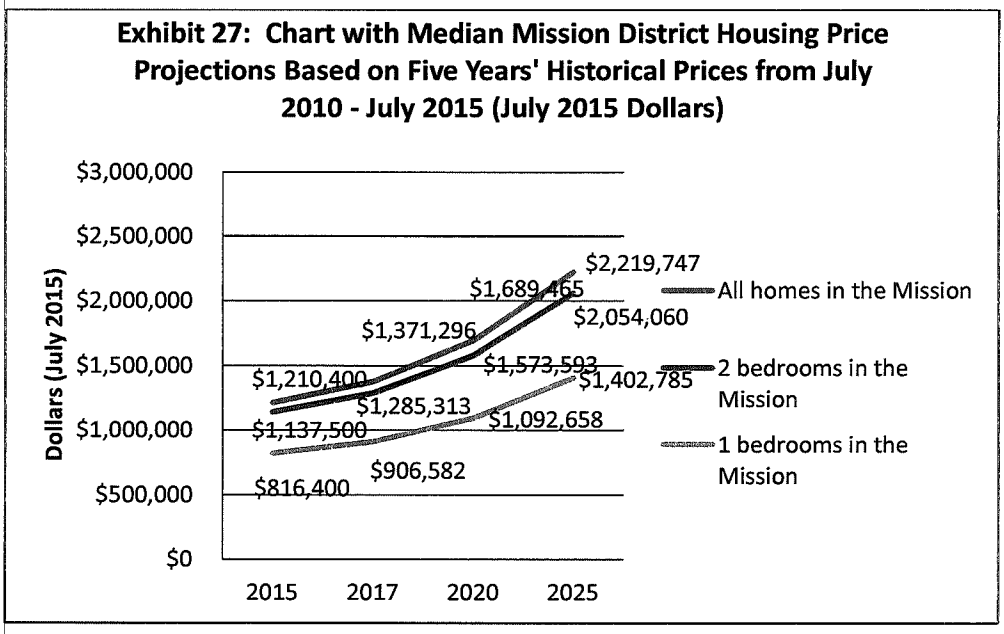
The second scenario used five years' worth of data from July 2010 to July 2015 to project prices two, five and ten years out. Exhibits 26 and 27 below show projected housing prices by housing type.

Exhibit 26: Median Mission District Housing Price Projections Based on Five Years' Historical Housing Prices from July 2010 to July 2015 (July 2015 Dollars)

Type of Housing	2015 Base Year	2017 Projected	2020 Projected	2025 Projected	% Change 2015 to 2025
All homes in the Mission	$1,210,400	$1,371,296	$1,689,465	$2,219,747	83.4%
2 bedrooms in the Mission	$1,137,500	$1,285,313	$1,573,593	$2,054,060	80.6%
1 bedrooms in the Mission	$816,400	$906,582	$1,092,658	$1,402,785	71.8%

Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Exhibit 27: Chart with Median Mission District Housing Price Projections Based on Five Years' Historical Prices from July 2010 - July 2015 (July 2015 Dollars)



Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Scenario 3: Projections using Nine Years' Historical Data

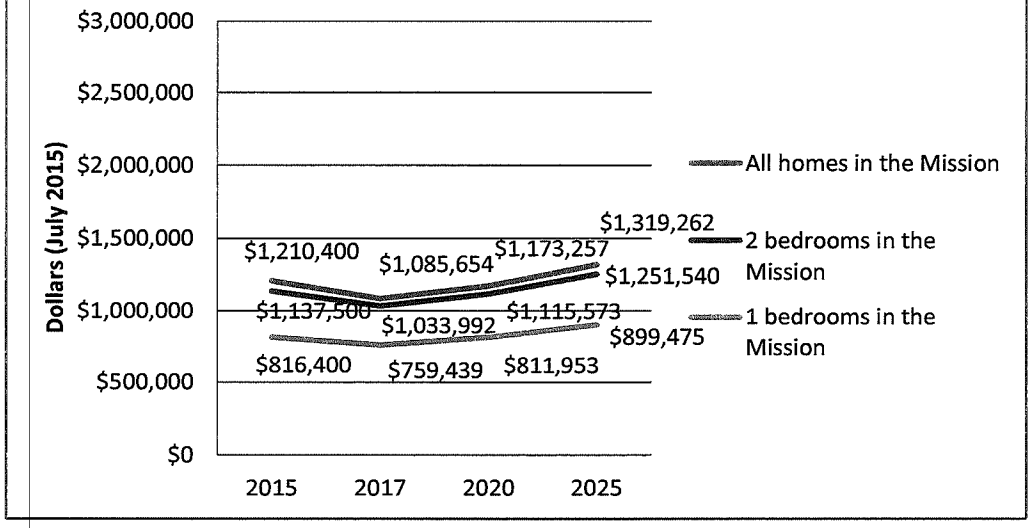
The third scenario used nine years' worth of data from July 1996 to July 2015 to project prices two, five and ten years out. Exhibits 28 and 29 below show the projected housing prices by housing type. Only in this scenario do housing prices decline in the first two years, at which point they begin increasing and maintain that trend through 2025. This appears to be because this scenario incorporates the impact of the recession that began in 2008 and assumes a repeat of an economic disruption of that magnitude.

Exhibit 28: Median Mission District Housing Price Projections Based on Nine Years' Historical Housing Prices from July 1996 to July 2015
(July 2015 Dollars)

Type of Housing	2015 Base Year	2017 Projected	2020 Projected	2025 Projected	% Change 2015 to 2025
All homes in the Mission	$1,210,400	$1,085,654	$1,173,257	$1,319,262	9.0%
2 bedrooms in the Mission	$1,137,500	$1,033,992	$1,115,573	$1,251,540	10.0%
1 bedrooms in the Mission	$816,400	$759,439	$811,953	$899,475	10.2%

Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Exhibit 29: Chart with Median Mission District Housing Price Projections Based on Nine Years' Historical Prices from July 1996 - July 2015 (July 2015 Dollars)

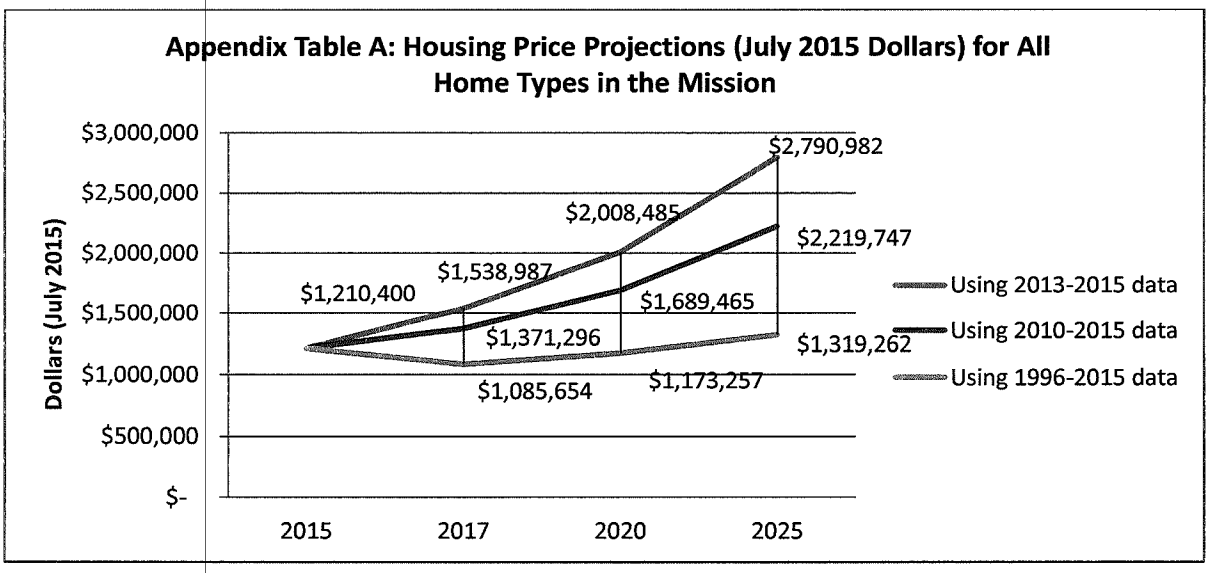


Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Appendix

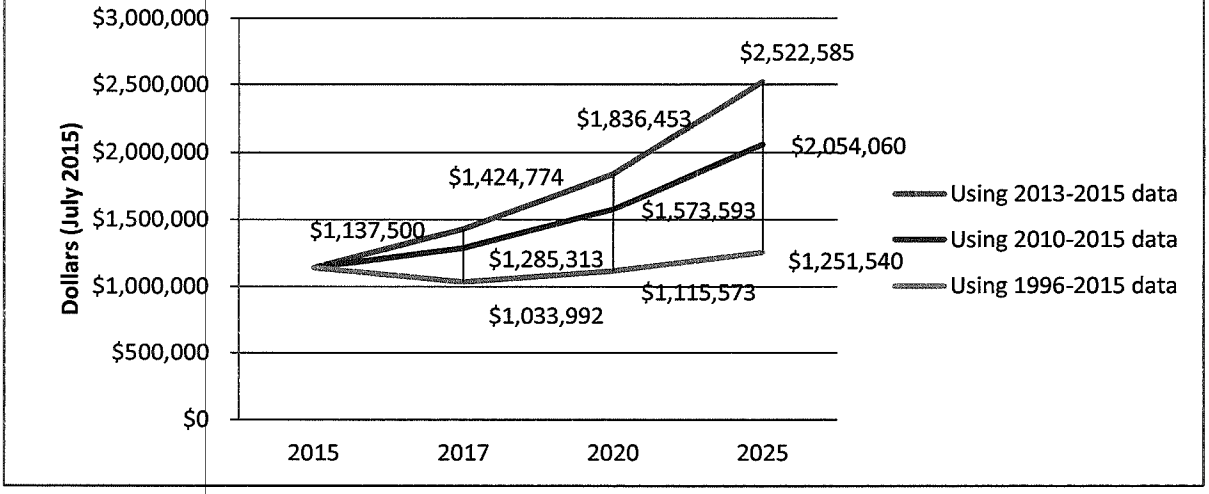
Below are the three Mission District housing price projection scenarios, arranged by home type. Appendix Table A shows price projections for all home types, Appendix Table B shows price projections for 2 bedroom homes, and Appendix Table C shows price projections for 1 bedroom homes.

Appendix Table A: Housing Price Projections (July 2015 Dollars) for All Home Types in the Mission

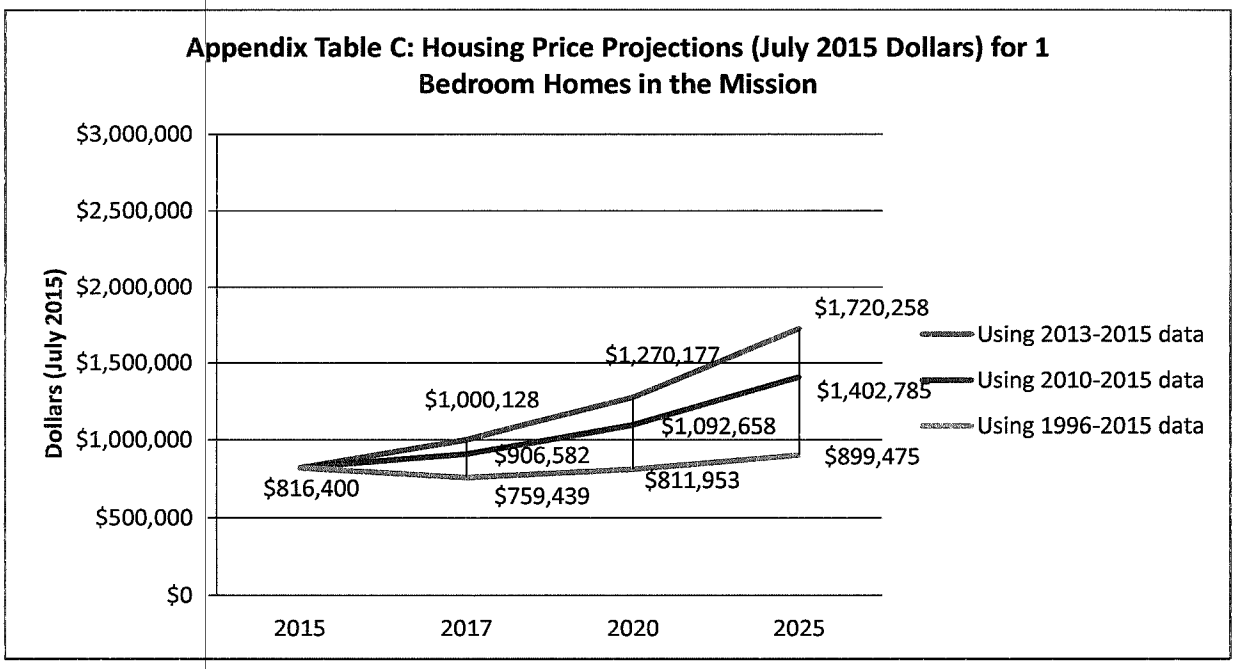


Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

Appendix Table B: Housing Price Projections (July 2015 Dollars) for 2 Bedroom Homes in the Mission



Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst



Source: Zillow.com Home Value Index. Projections by Budget and Legislative Analyst

SFGATE http://www.sfgate.com/bayarea/article/Cities-struggle-with-ending-redevelopment-agencies-2572818.php

Cities struggle with ending redevelopment agencies

REDEVELOPMENT

Stephanie M. Lee, Chronicle Staff Writer Published 4:00 am, Tuesday, January 17, 2012

IMAGE 1 OF 3

Families walk over the bridge that crosses Mission Creek, Sunday, January 15, 2012, where new condo buildings have sprung up in the past few years.

Thousands of city workers empty their desks. Offices go dark. Rows of deteriorated buildings may sit untouched.

This is how California's redevelopment program dies.

Six decades ago, redevelopment agencies were formed across the state to revitalize blighted neighborhoods and create low-income housing. By Feb. 1, as a new state law requires, all 400 of them will be gone.

Killing off a multibillion-dollar program is a messy, unprecedented process. The way it unfolds depends on the city - and the day.

On Friday, lawmakers introduced legislation to preserve redevelopment agencies until April 15. Assuming the original deadline stands, however, officials will spend the next two weeks scrambling to close and hand off their final projects.

"These are very difficult times for people," said Tiffany Bohee, San Francisco Redevelopment Agency's interim executive director.

Last summer, the Legislature and Gov. Jerry Brown agreed to ax redevelopment to help solve the state's multibillion-dollar budget deficit. The agencies annually received about $5 billion, which Brown said should go to education and public safety.

Cities and counties sued. But in December, the California Supreme Court sided with the state and struck down a compromise law that would have allowed the agencies to exist in smaller form.

Redevelopment agencies grew out of federal urban renewal programs and formed in California in 1945. They combat urban blight b purchasing property, renovating commercial areas and developing affordable housing, among other actions. The intent is to

encourage the development to include private investors.

When the property values of those areas rise, a portion of the increase in property taxes goes to the agencies. Critics contend redevelopment has strayed from its original mandate, putting taxpayers on the hook for costly projects without oversight.

Impacts will vary

In cities where those funds paid for more than fixing neighborhoods, the pain will be especially acute.

Oakland used nearly $30 million of its redevelopment funds to support salaries in almost a dozen departments, including the City Council, the mayor's office and public works. Without the money, up to 200 city workers will lose their jobs.

In San Francisco, the future of the city's roughly 100 redevelopment workers is uncertain.

Under a proposal pending before the Board of Supervisors, the agency would transfer its debts and obligations to the city. A transition period means workers would stay until the end of March.

"We don't know what staffing level we are going to require to continue the projects, programs and services currently provided by th redevelopment agency," said Christine Falvey, San Francisco Mayor Ed Lee's spokeswoman.

At least 1,500 jobs are at risk statewide, according to the California Redevelopment Association.

"It's demoralizing because people who have, for years of their lives, committed themselves to improving communities are seeing their efforts stop short for not very good reasons," said John Shirey, Sacramento's city manager and former executive director of th California Redevelopment Association.

Some cities are shuffling staff into departments such as planning, economic development and administration, said Jim Kennedy, th lobbying group's interim executive director.

He added, "If all the institutional capacity walks out the door and moves on to other career tracks, it's very difficult to achieve anything in the short term, in the next year or two, exactly when California needs it."

A transformation tool

Over the past two decades, redevelopment money has helped Emeryville transform from an industrial wasteland into a thriving retail hub with stars like Best Buy and Ikea along Bay Street.

But as those funds vanish, millions of dollars' worth of planned construction will probably never materialize.

"It's a really huge impact on what Emeryville's done, and what it can do," said Helen Bean, the city's economic development and housing director. Emeryville's redevelopment budget this year was less than $30 million.

At stake, for instance, is a transit center planned for 59th and Horton streets, near the city's Amtrak station. Of its $60 million price tag, $4 million was going to come from redevelopment, Bean said.

Other projects at risk include the planned Emeryville Center for the Arts, whose $12 million budget relied on $8 million in redevelopment money. Then there is the South Bayfront Pedestrian-Bicycle Bridge, which would arch over the railroad tracks near the Bay Street mall.

It would have cost $13 million in redevelopment money, and the city had already spent more than $1 million designing it. But now : won't be built, Bean said.

"It's a key infrastructure project that will just not go forward," she said.

While Emeryville expects to abandon some of its long-term plans, cities can continue with projects that are significantly under way. In San Francisco, for instance, Mission Bay, Hunters Point Shipyard and parts of the Transbay Terminal project can keep going. Under a proposal before the Board of Supervisors, the city would take over low-income housing, local hiring efforts and neighborhood revitalization programs.

But other projects that haven't made substantial progress, such as the planned police substation on Sixth and Mission streets, are in limbo.

State Sen. Alex Padilla's (D-San Fernando Valley) bill to give redevelopment agencies an extra 2 1/2 months would, in his words, "address serious issues resulting from the recent state court's ruling."

Yet even if agencies win the delay, they acknowledge they've already lost.

"There's so much more to do," Bean said.

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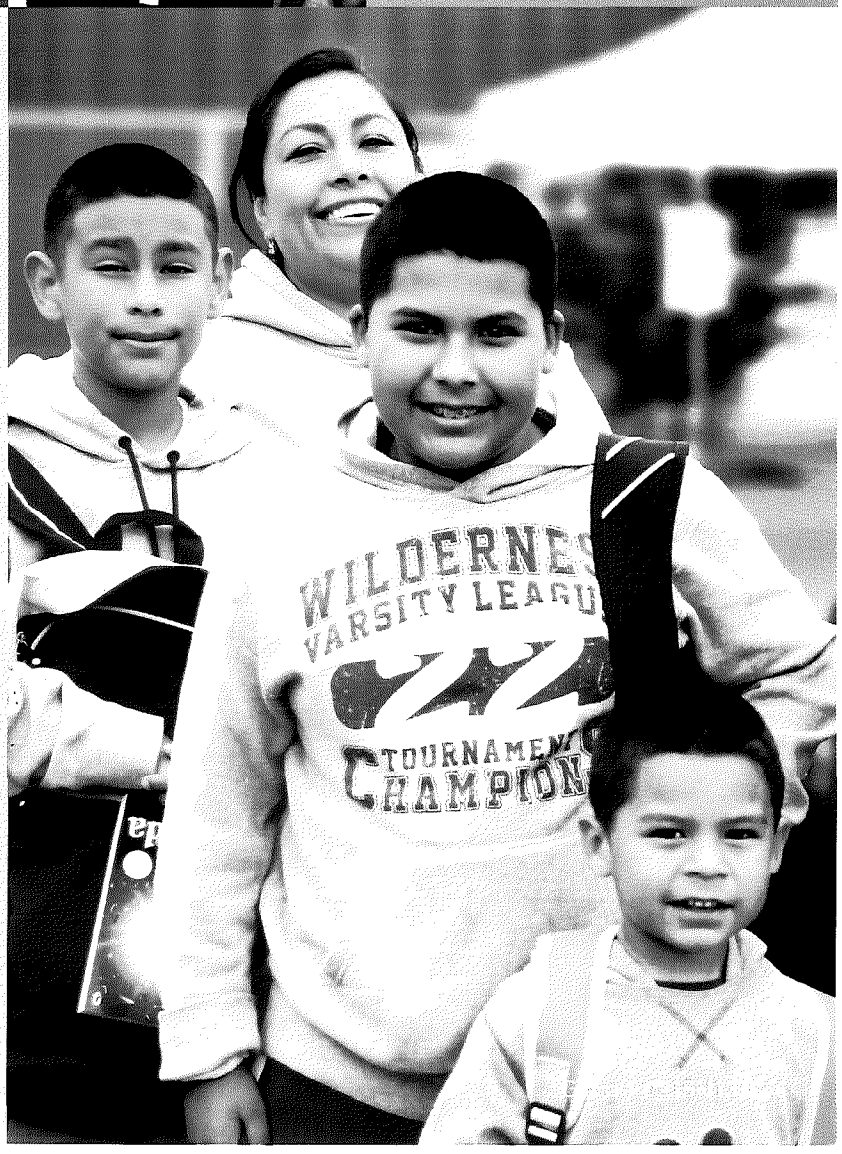
NEIGHBORHOOD

The Story of the Mission Promise Neighborhood Community

Baseline Results from the 2014 MPN Neighborhood Survey



U.S. Department of Education
Promise Neighborhood Initiative

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Introduction

Mission Promise Neighborhood (MPN) is a neighborhood initiative to address concentrated poverty and increase opportunity for community members. Funded by the U.S. Department of Education's Office of Innovation and Improvement, MPN works within 1.865 square miles of San Francisco's Mission District—in an area known as the Mission Promise Neighborhood (the MPN)—to create a community where all children succeed in school and families thrive. Together with nonprofits, government, and business partners, MPN provides services relevant to the language and the culture of its children and families to contribute to a safe, culturally relevant, and economically strong community.

In spring 2014, MPN administered the first Neighborhood Survey of the MPN community. The goal of the survey is to better understand MPN families and capture a current picture of the neighborhood. Starting with this snapshot, MPN can understand trends in the neighborhood over time. The survey asked families with children under 24 years old about their experiences living, working and raising families in the MPN, including quality of life, health, community engagement and other community strengths. Survey distribution was focused on reaching Latino families in order to gather this information and to inform future MPN efforts.

This report presents the first data of its kind—data gathered from families who live in or who have children in schools in the MPN. Because this is the first year of findings from the Neighborhood Survey, they should be considered as baseline data—in other words data that create the introduction to and beginning of the story the Neighborhood Survey will track over the following years.

Each section of the report begins with context specific to the MPN and the section's theme, followed by survey findings, and concluding with main takeaways from the section. The report includes the following sections:

- A brief summary of the research methods (full methods available as appendix);
- Three descriptive sections that give context to the MPN community—its diversity, its housing trends, and economic circumstances in which MPN families live;
- Three sections about the children of the survey respondents—from their earliest years, to their schooling, to preparing for college and careers;
- Several sections of community and household level findings;
- And, a conclusion and series of 17 calls to action.

The findings that emerge from the Neighborhood Survey, connecting children, families and the community as a whole are stark, although not inconsistent with prevailing narratives about the Latino community in the Mission District. They paint a picture that contrasts deep hardship with uplifting community pride and resilience. While the findings cannot represent all families living in the MPN footprint, the data that follow outline the experiences of a specific community whose voice is often not elevated—and whose story is urgent.

Methods Summary

Following the guidelines issued by the Urban Institute, MPN contracted with an external evaluator—Harder+Company Community Research, a community-based research and evaluation firm. Harder+Company assisted with survey design, pilot testing, survey administration training, data management, analysis, and reporting. A full description of methods is in the appendix.

Research questions. The Mission Promise Neighborhood Survey was designed to answer the research questions outlined below. The survey included five Government Performance and Results Act (GRPA) indicators and additional questions to capture more in-depth information about survey participants.

- What are the characteristics of residents living in the Mission Promise Neighborhood?
- What is the baseline for the GRPA indicators in the MPN?
- How do families in the MPN experience quality of life, education, health services and childcare?

Sampling and response. Surveys were collected both from a random, address-based sample as well as a convenience sample by volunteer interviewers who completed a pencil and paper survey. A total of 407 household surveys were completed, and 342 of those surveys were included in this sample.[1] Within these 342 surveys, information was collected on 512 children ages 0–23.

Oversampling Latino Families. The MPN team chose to focus on collecting surveys from Latino families. The sample yielded very few non-Latino respondents, although only 38 percent of people living in the MPN footprint are Latino.[2] This oversampling strategy was motivated by a few key factors: (1) Latinos comprise the majority of children and young adults ages 0–24, in the Mission;[3] (2) Latino families are the primary target recipients of MPN services; (3) MPN had limited time and resources to collect survey responses; (4) MPN is particularly interested in how the current context of rental instability, displacement and high cost of living in San Francisco is impacting Latino families. This fourth motivation for oversampling is explored further in the description of local context that introduces each of the following data sections.

[1] Surveys were excluded if place of residence or child's school could not be confirmed to be within the MPN or if a single household completed the survey multiple times.

[2] U. S. Census Bureau. American Community Survey, 5-Year Estimates (2007–2011).

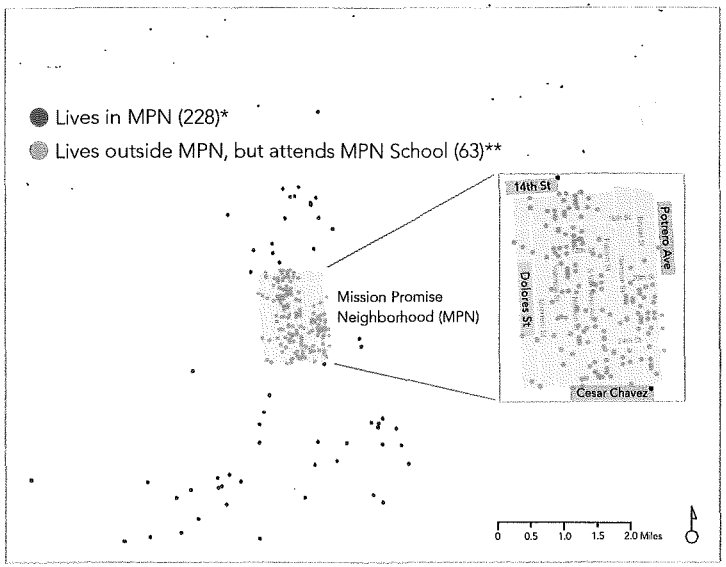
[3] Center for Latino Policy Research. (2012). Mission Promise Neighborhood Needs Assessment Study: Spring 2012.

Survey Respondent Profile

Household Survey Responses

Both households located within the MPN footprint and those with children attending school within the defined area were included in the analysis for this report, creating a total sample of 342 respondents. From the perspective of the MPN team, these groups together represent the MPN community. As the map below illustrates, surveys were collected from throughout the MPN district. The northeast corner of the district had the lowest concentration of surveys collected, which corresponds to the area with the lowest density of residential units, largest land parcels, and greatest concentration of non-residential units such as those used for industrial production, distribution, and repair.[4] The map below (Exhibit 1) shows surveyed households that provided street addresses (291 households, or 85 percent of surveyed households). Households who did not provide a street address are not included on the map.

Exhibit 1: Household Survey Responses (n=291)



* Only includes households who provided a street address. Sample also includes 44 households who self-identified as living in the MPN without providing a street address. The sample includes a total of 272 households who live in the MPN.

** Only includes households who provided a street address. Sample includes 7 households with children who attend school in the MPN, whether or not they provided a street address. The sample includes a total of 70 households who do not live in the MPN.

[4] Geographic Information Systems data, San Francisco Planning Department, March 2014.

Exhibit 2: Respondent Gender (n=336)

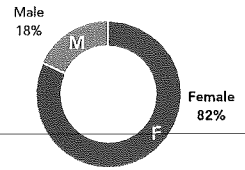


Exhibit 3: Respondent Age (n=333)

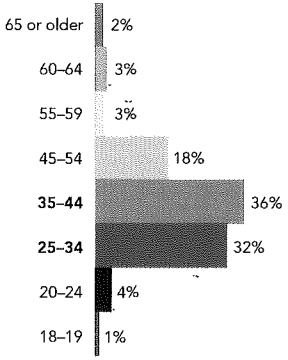
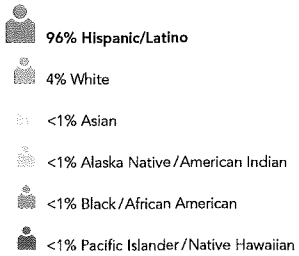


Exhibit 4: Respondent Race/Ethnicity (n=335)



Children and School Attendance

For each household that participated in the survey, specific questions were asked about the children living there– a total of 512 children. Data were collected on 127 children aged zero to five years old, 255 children in kindergarten through 8th grade, 82 children in 9th through 12th grade and 48 children beyond high school but under 24 years of age (Exhibit 5). This distribution mirrors the school enrollment of students who live in the MPN, most of whom are in elementary school.[5]

[5] John Gardner Center. (2012). Issue Brief: Mission Promise Neighborhood and SFUSD Student Enrollment Patterns 2011–2012.

Exhibit 5: Children by Age Group (n=512)

	Number of Children
0—5 Years Old	127
Kindergarten—8th Grade	255
9th—12th Grade	82
Beyond High School, but under 24 Years Old	48

School-aged children of surveyed households attend school throughout San Francisco. About a quarter of children in both the kindergarten through 8th grade group and the 9th through 12th grade group attended one of the four MPN target schools (Chavez Elementary, Bryant Elementary, Everett Middle School, O'Connell High School). While not all respondents lived in the MPN, for reference, SFUSD enrollment data shows that 15 percent of students living in the MPN attend an MPN target school.[6]

Exhibit 6: School Attendance—Kindergarten through 8th Grade (n=251)

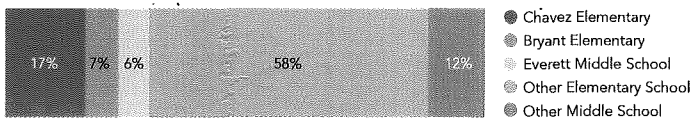
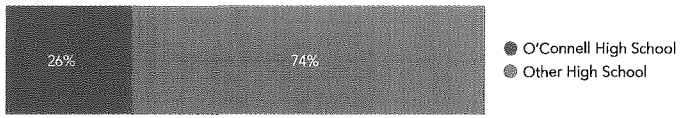


Exhibit 7: School Attendance—9th through 12th Grade (n=80)

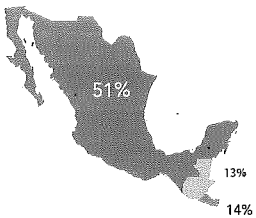


[6] Center for Latino Policy Research. (2012). Mission Promise Neighborhood Needs Assessment Study: Spring 2012.

Maintaining the Mission as a Cultural Hub

Context

Exhibit 8: Percent of Respondents from Top Countries of Origin (n=326)



San Francisco's Mission District is a critical hub of services and home for much of San Francisco's immigrant Latino community, many of whom migrated from Mexico in the 1940s—1960s or from Central and South America in the 1980s and 1990s, driven by war and political instability. The neighborhood's community services have a long tradition of prioritizing cultural relevance and access in multiple languages. Today, the Mission District is one of the city's most well-known neighborhoods—loved for its vibrant arts and cultural communities, diverse restaurants and bustling commercial hubs. However, the same community who helped to shape the Mission is finding life in the neighborhood increasingly difficult due to things like high cost of living and rental instability. Many households rely on the district's community services, and as economic and political pressure on the neighborhood has intensified, these services have become especially valuable to maintaining the diversity of the Mission District and San Francisco.

Current Snapshot of the MPN

- *Eighty-eight percent of respondents were born outside of the United States, predominantly in Latin America* (Exhibit 8). While 12 percent of respondents were born in the United States, over 50 percent were born in Mexico, 14 percent in El Salvador and 13 percent in Guatemala (n=326).
- *Most households, 75 percent, speak only Spanish at home.* An additional 17 percent speak both English and Spanish. Only 7 percent of households speak only English. Families who live in the MPN were much more likely to speak English and less likely to speak Spanish than those outside the MPN (n=333).
- *Immigration status, history of fear and mistrust within immigrant communities, and language barriers hinder access to services (e.g., income assistance, transportation assistance, food and nutrition assistance, etc.) (Exhibit 9).* Half of respondents were prevented from accessing services for their families because of concern for their privacy and confidentiality, including immigration status (n=309). A third of respondents reported their family could not access needed services due to language barriers (n=307).

Exhibit 9: Barriers to Access Services

My family can't access services because ...

[49%] I am concerned for my family's safety.
[48%] I'm concerned about privacy & confidentiality, like immigration.
[34%] Staff doesn't speak my language.

Key Takeaways

1. The Mission neighborhood is home to a large immigrant community, and Spanish continues to be a primary, or the only, language spoken at home for many families.
2. Language-appropriate and culturally relevant services are critical for the MPN community, and more are needed. Fear and trauma related to immigration status and deportations should be a particular focus.

Housing, Displacement and Community Fragmentation

Context

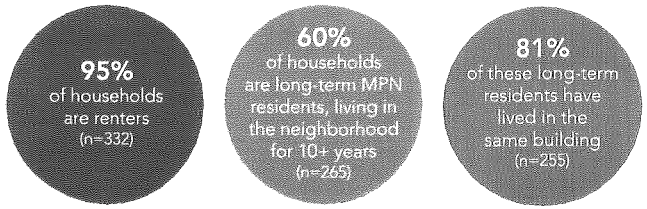
Historically, the Mission has been a central location for gentrification and the displacement of low-income communities of color in the city. More recently (post-Great Recession), dynamic market forces—driven by the thriving regional technology economy—continue to accelerate the changing landscape of this formerly affordable neighborhood, tightening the squeeze on low-income families. With rising land values and housing prices, market conditions are ripe for speculative real estate activity and for owners to convert properties into higher-end uses, which are reflected in the city's boom of no-fault evictions (e.g., Ellis Act, demolitions, and owner move-ins). As families across the city continue to get displaced, and the threat of being pushed or priced out of their homes escalates, the call for equitable housing polices and affordable housing continues to be important for communities most at risk. This includes the MPN, where the families who are in the most precarious position for displacement are the same families that create the fabric of this vibrant community.

Current Snapshot of the MPN

- *A majority of surveyed households are severely burdened by housing costs, spending an exorbitant share of their income on rent or a mortgage.* Fifty-eight percent of MPN community respondents are severely cost-burdened,[7] with housing costs exceeding 50 percent of their monthly income. An additional 28 percent of respondents reported spending "about half" of their monthly income (n=241).[8] This rent burden is more intense than the quarter of renters citywide who spend 50 percent or more of their income on rent.[9]
- *Housing displacement is a prominent concern for most respondents.* Three-quarters "agreed" or "strongly agreed" they worried about being forced to move due to increased rent or cost of living (n=335).

Housing is a severe cost burden for **58%** of respondents (n=241)

Exhibit 10: Community of Long-Term Renters



[7] The Department of Housing and Urban Development (HUD) defines "cost-burden" as monthly housing costs that exceed 30 percent of monthly income and "severe cost burden" as monthly housing costs that exceed 50 percent of monthly income.

[8] While respondents were asked about the percent of income they spent on various expenses, these percentages may sum to greater than 100%. This may be due to a variety of factors, including: imperfect perceptions of expense distribution, numeracy issues, rounding, and income supplementation through debt or other means.

[9] U. S. Census Bureau. American Community Survey, 1-Year Estimate (2012).

- *Housing and housing related needs went unmet for families in the direst financial situations.* Of the small percentage (22 percent) of households that reported going without basic needs in the last 12 months, 44 percent went without paying their rent or mortgage and 27 percent went without housing (n=71). From these data it is unclear how households that went without housing coped with this deficit; some may have stayed with family and friends while others may have been pushed into shelters or the street.
- *Families in need of housing assistance are not sufficiently connected to services.* Of the almost 30 percent of surveyed households that needed housing assistance (n=294) (e.g., tenant counseling, affordable housing and homeownership assistance, Section 8, foreclosure prevention) in the last 12 months, fewer than half received related services (n=290).

Key Takeaways

1. High housing costs reduce families' financial resources for meeting other basic needs, such as accessing healthy foods, health care, and child care. Furthermore, it can lead families to limit expenditures for enrichment activities that promote children's cognitive development.[10]
2. Without stable, affordable housing, families may have to increase the frequency of unwanted moves, which can disrupt home life and impede the continuity of educational instruction.
3. The lack of affordable housing can increase overcrowding in dwelling units, producing unhealthy living conditions that can have a negative effect on educational attainment and lead to poor educational outcomes.[11]
4. Families forced out of the city to find affordable housing may lose health benefits (Healthy SF) which are critical for their well-being.

[10] Newman, S. J., & Holupka, C. S. (2014). Housing affordability and investments in children. Journal of Housing Economics, 24, 89–100.

[11] Braconi, F. (2001). Housing and Schooling. The Urban Prospect.

The Working Poor

Context

At the end of 2013, President Obama called income inequality "the defining challenge of our time." In contrast to the prevailing narrative of the "American Dream," in which anyone who works hard enough can get ahead, many people in the United States find themselves unable to find work or struggling as part of the growing "working poor"—they are employed but live below the poverty line. Just to pay basic expenses, respondents often work physically demanding, minimum wage jobs with limited benefits. The high cost of living and recent economic changes in the San Francisco Bay Area exacerbate these struggles and disparities. Bouncing back quickly from the Great Recession, the Bay Area has seen economic growth since 2009, in large part due to the technology industry which has fueled debate over the inequitable distribution of growing wealth. Respondents to the Neighborhood Survey were asked about employment, income and education to assess how the MPN fits into San Francisco's context of growth and questions of equity and economic justice.

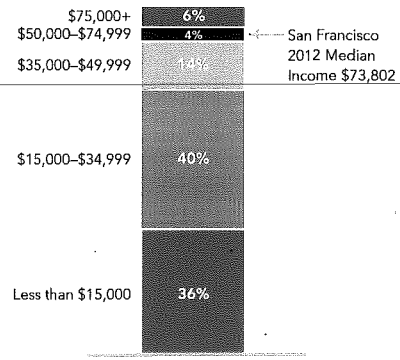


Exhibit 11: Respondent Household Annual Income (n=253)

Current Snapshot of the MPN

- *Over 20 percent of MPN community respondents in the labor force were unemployed or looking for work (n=212).* This excludes a third of respondents who reported staying home to care for their families or being retired. This rate is far greater than the city rate; May 2014 marked the lowest unemployment rate in San Francisco since the Great Recession—4.4 percent, which economists consider "full employment."[12]
- *Over 90 percent of all surveyed households earn significantly less than the median household income in San Francisco* [13] (Exhibit 11), and over two-thirds of households earn less than $50,000 annually (n=253).
- *Most families are living in poverty.* Based on household size (average 4.4 individuals) and income, over 65 percent of surveyed families were living below the federal poverty line (n=246). Using Public Policy Institute of California's more nuanced and county specific Poverty Measure this proportion jumps up to over 75 percent of households.[14]
- *Job opportunities for the community are limited.* Less than a third of MPN community respondents reported that there were local job opportunities for them and their neighbors (n=327). Almost half of those who had work were only employed part time, suggesting underemployment (n=328).
- *Most respondents have relatively low educational attainment, but many individuals were taking steps to bolster their skills.* Only 53 percent of respondents had received a high school diploma or GED. Less than half of those who graduated high school went on to higher

Surveyed Household Poverty Rate (n=246)

65%

Based on the 2014 US HHS Federal Poverty Guidelines

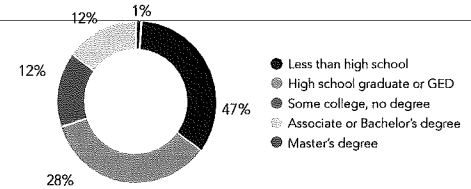
[12] State of California Employment Development Department. (2014). Historical Data for Unemployment Rate and Labor Force.

[13] U. S. Census Bureau. American Community Survey, 5-Year Estimates (2008–2012).

[14] Bohn, S., Danielson, C., Levin, M., Mattingly, M., & Wimer, C. (2013). The California Poverty Measure.

education (Exhibit 12) (n=318). Relatively, based on the most recent census data, 33 percent of individuals who live in the MPN have a Bachelor's degree and 17 percent have an advanced degree.[15] For 75 percent of surveyed families, current school-aged children would be first-generation college students upon matriculation. About a third of families had utilized programs, classes or workshops to build job skills (e.g., business development, GED, job training).

Exhibit 12: Survey Respondent Educational Attainment (n=318)



Key Takeaways

1. The citywide job boom is not felt equally throughout San Francisco. Disparities in employment exist and many surveyed households report being unemployed. Because most surveyed households are Latino, this is largely a story of Latino unemployment.
2. Families are struggling despite the fact that they are working. Many families are earning very low incomes and are living in poverty. Adults are continuing to work and look for employment despite the low earnings and other common challenges, such as maintaining transportation to and from their jobs, paying for out-of-home childcare, losing eligibility for certain income-based services,[16] and finding time to engage in their child's education. This financial struggle exists in stark contrast to the city's economic boom and high median income among many other San Francisco residents.
3. Adults in the community have limited opportunities for employment. Limited skill sets due to low education, language barriers, and issues of documentation may all fuel the feeling that many families do not see job opportunities for themselves and their neighbors in the community.

[15] U. S. Census Bureau. American Community Survey, 5-Year Estimates (2007–2011).

[16] Acs, G. (1998). Does work pay? An analysis of the work incentives under TANF.

Early Childhood Development

Context

The initial five years of a child's life has been shown to be critical for shaping childhood outcomes in areas of health and educational development, both of which are foundational for future success. High quality, affordable childcare plays a major role in supporting the development of children who are the future of the MPN neighborhood. Moreover, childcare plays an important role in sustaining and increasing the economic well-being of families. Childcare is also a direct source of support that helps adults enter the workforce and stay connected to the labor market.

High rates of poverty and unemployment among families in the MPN, coupled with soaring housing and childcare costs across the City, elevates the concern about families' ability to access childcare as well as their ability to find the time and resources to support healthy early child development. Families in the MPN were asked several questions about the type and cost of childcare they use, as well as the extent to which they engage in activities that support literacy and kindergarten readiness.

Current Snapshot of the MPN

- *Nearly two-thirds of parents of children 0–5 years of age report reading to their child at least three times per week (n=122).* Recent research has shown that children whose parents read to them more frequently, regardless of income or education, are more likely to do well in school.
- *Paying for childcare was a major challenge for many families.*
  - One of every six families spends an exorbitant share of their income on childcare. These families report spending about half or more of their monthly income on childcare expenses (n=168).[17] California was one of the top 10 least-affordable states for center-based infant care in 2012 with an average annual cost of $12,068.[18]
  - Some families struggling to meet their basic needs went without childcare. Of the small percentage (21 percent) of families that reported going without basic needs in the last 12 months, over 25 percent went without childcare (n=71).
- *A large majority of young children are cared for by their parents or guardians. In seven out of ten families, children aged zero to five are cared for by their parents or guardians (n=123).* This percent is far lower nationally, where less than half of children zero to five have parental or guardian care without non-parental care arrangements (40 percent).[19] For those MPN respondents with other care arrangements, some families use center-based care (17 percent) (n=122), while others use home-based care (13 percent) (n=112) or a combination of both (7 percent) (n=112) (Exhibit 13).

GPRA 12 Summary (n=122)
Encouraged to Read, Children 0–5

64%

Children who had a parent or other family member read to them at least three times a week were considered encouraged to read.

[17] While respondents were asked about the percent of income they spent on various expenses, these percentages may sum to greater than 100%. This may be due to a variety of factors, including: imperfect perceptions of expense distribution, numeracy issues, rounding, and income supplementation through debt or other means.

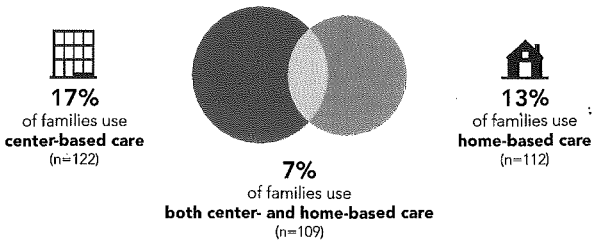
[18] Child Care Aware of America. (2013) Parents and the High Cost of Child Care 2013 Report.

[19] U.S. Department of Education, National Center for Education Statistics, Early Childhood Program Participation Survey of the 2012 National Household Education Surveys Program (ECPP-NHES:2012). http://nces.ed.gov/pubs2013/2013029.pdf (accessed October 2014).

Key Takeaways

1. High-quality learning and development opportunities should be available to all children regardless of ability to pay or where they receive care, whether it is center- or home-based care or other informal arrangements with family, friends, or neighbors.
2. Parents or guardians are typically the primary caregiver for young children in the MPN. It is critical to educate, train, and support them so that they can provide their children with the best possible opportunities to develop into healthy adults.
3. Access to quality, affordable and culturally relevant child care is critical for parents, particularly for those who would like to enter the workforce, but are unable to access affordable care. Raising a single-parent's earning potential through full-time work or creating dual-income households can help lift families out of poverty.

Exhibit 13: GPRA 3 Summaries: Child Care, Children 0–5

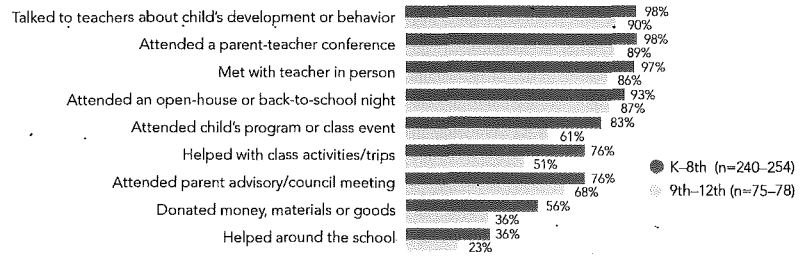


Raising a Lifelong Learner

Context

Parental and family engagement in a child's education makes a difference. Research has shown that when families and schools work together, students—regardless of socioeconomic factors—were more likely to earn higher grades, pass classes, earn credits, attend school regularly, graduate, and go on to postsecondary education.[20] Accordingly, promoting and supporting family involvement at school may be an important strategy for lifting expectations for academic achievement, raising a lifelong learner, and addressing the persistent achievement gap that unduly impacts low-income students of color.

Exhibit 14: In the last year, parents or family members...



Current Snapshot of the MPN

- *Parents and families are highly engaged in their children's education, particularly around seeking information about their child's educational and personal development.* A large majority of parents reported that they or other members of their family attended various types of teacher or school meetings to track the progress of their child or stay informed about school-related issues. It is important to note that, comparatively, parents of high school students were less likely than parents of K–8th grade students to attend similar meetings or events.
- *Volunteering time and providing monetary support to schools are two of the most challenging forms of engagement for parents.* Although parents and families are highly engaged in their child's education, they are much less likely to donate money or goods to a school program and volunteer to help with school improvements (e.g., repairs, gardening, or painting) (Exhibit 14). Limited financial resources and the need to prioritize time may limit their participation in these areas.
- *Although a large majority of parents feel informed about their child's education, language barriers prevent parents from deepening their level of engagement in their child's education:*
  - 22 percent of parents K–8th students(n=245) and 33 percent of parents of high school students (n=73) believe that schools can do a better job of providing translated documents.
  - 20 percent of parents of K–8th students (n=245) and 25 percent of parents high school students (n=73) find it difficult to make the best choices about their child's education due to language barriers.

[20] Henderson, A. T., & Mapp, K. L. (2002). A New Wave of Evidence: The Impact of School, Family, and Community Connections on Student Achievement. Annual Synthesis, (2002).

- 10 percent of parents K–8th students(n=245) and 15 percent of parents of high school students feel frustrated that language barriers may be preventing them from advocating for their child.

- *Over 80 percent of students in K–8th grade read to themselves at least three times a week according to parents (n=250).*[21] Not only that, but a majority of parents reported their child read to themselves outside of school ***every day*** (60 percent).
- *The proportion of children engaged in out-of-school activities decreases as they get older.* Two-thirds of parents with children in K–8th grade reported that their child attends an after-school program at school or in a center on a regular or drop-in basis (n=249). However, for their high school counterparts, only 54 percent of parents reported that their children are engaged in similar activities (n=80).

Key Takeaways

1. Although parents are generally engaged in their children's education, trends indicate that levels of engagement diminish as children enter high school. While it is natural for children to increase their level of independence as they get older, it is important that parents are engaged during the years when students are making critical decisions about pursuing a postsecondary education.
2. Research confirms that children who participate in after school programs benefit in multiple outcome areas, including academic, social/emotional, and health and wellness.[22] Particularly for high-risk youth, it is important that children have access to safe and healthy after school activities that promote their development.
3. Schools play an important role in providing and structuring opportunities that impact levels of parental involvement. This includes providing culturally appropriate materials, outlining expectations of parents, regularly communicating with parents, and offering sufficient opportunities for parents to act as a partner in decision-making processes that affect their children.

[21] Due to the exclusion of GPRA13Q1 on the survey, GPRA 13 Summary was only calculated including GPRA13Q2.

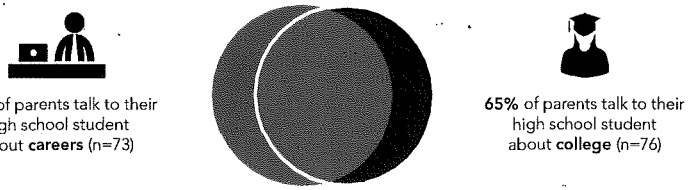
[22] Harvard Family Research Project (2008). After-school programs in the 21st Century: Their Potential and What it Takes to Achieve It. Cambridge, M.

College and Career Readiness

Context

From President Obama to local schools, the message is clear: a post-secondary education is an imperative for rebuilding our economy and a requisite for closing the skills gap that impedes workers from attaining jobs that pay family-sustaining wages. Studies have consistently shown that attaining a post-secondary degree provides significant economic benefits to individuals, and it can be used to break cycles of generational poverty. For families and communities to prosper, it is critical that young adults advance through the educational pipeline, a path that has several cracks and barriers that disproportionately impact students of color. Parents play an important role in motivating and supporting their children in ways that encourage them to succeed in school, transition to college, and persist till post-secondary degree attainment.

Exhibit 15: GPRA 14 Summaries: College and career, 9th–12th grade



54% of parents talk to their high school student about **both careers and college** (n=72)

Current Snapshot of the MPN

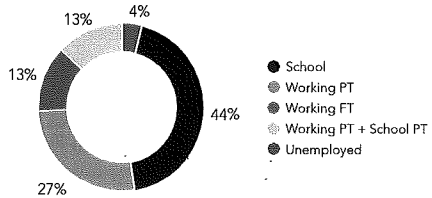
- *Two-thirds of parents with high school age children speak to their children about college (n=73) or careers (n=76) (Exhibit 15).* Occupations that require post-secondary education are projected to grow faster (14 percent) between 2012 and 2022 than occupations that require a high school diploma or less (9 percent). Furthermore, in 2012, the median wage for occupations that typically require post-secondary education was double ($57,770) that of occupations that require a high school diploma or less ($27,670).[23]
- *Two out of five parents with high school age children frequently ("often") provided advice or information to their child about:*
  - Selecting courses or programs at school (n=78);
  - College entrance exams such as ACT, SAT or ASVAB (n=77);
  - Applying to college or other schools after high school (n=76);
  - Specific jobs that students can apply for after completing or leaving high school (n=73).

[23] U.S. Bureau of Labor Statistics. Employment Projections: 2012–2022.

- *Parents are less likely to discuss financial aid options with their children.* Over 40 percent of parents with high school age children reported that they "never" provided advice or information to their child about financial aid opportunities for higher education (n=75).
- *Over half of children beyond high school, but under 24 years old were continuing school either full or part time (Exhibit 16).* Another quarter of children were working full time, and 13 percent were working part time, which may suggest underemployment. Only four percent of these children were unemployed (n=48).

Exhibit 16: Youth Connection and Engagement (n=48)

(Residents beyond high school, but under 24 years old)



Key Takeaways

1. Since three-quarters of parents have no college experience and most may have limited knowledge about college and financial aid requirements, school or community-based programs that focus on college readiness and knowledge are critical resources for students.
2. High schools readily provide college and financial aid workshops for parents, but parent engagement is frequently cited by school staff as an ongoing challenge. There may be opportunities to leverage the MPN's rich nonprofit sector to help schools increase parent participation in these workshops.
3. While most youth are still in the educational pipeline or connected to the labor market, it appears that a large share of youth may be joining the workforce directly after high school. Working without a post-secondary credential or degree has long-term implications on their lifetime earnings potential and opportunities for advancement.
4. Students can benefit from work-based learning opportunities in high school to build technical and soft skills to help them excel in the workforce. Students can also benefit from community college Career Pathways that are designed to prepare and link students to high-wage, growth sectors in the regional economy.

Neighborhood Safety

Context

The well-being of individuals is directly influenced by the places in which they live, learn, and play, making neighborhood safety a fundamental quality of life issue. Without the ability to feel and be safe, residents—regardless of their demographics (i.e., race, gender, age, sexuality or socioeconomic status)—cannot fully and freely participate in civic life. This includes walking to and from school, staying connected to and engaged in school, participating in healthy physical activity, utilizing public space, interacting with community members, and building a strong community.

Current Snapshot of the MPN

- *Most respondents feel safe in their neighborhood during the day, but not as much in the evening (Exhibit 17).* Nearly three-quarters of families reported feeling safe walking in their neighborhood during the day. After the sun sets, however, only 28 percent of families reported feeling safe outside (n=337).

Exhibit 17: Perceived Safety Walking in the Neighborhood

73% of families feel safe walking in their neighborhood during the **day** (n=337)

28% of families feel safe walking in their neighborhood after **dark** (n=337)

- *The perceived quality of neighborhood life and safety for children is mixed among families:*
  - Although a majority (57 percent) of families reported that the MPN is a good place to raise children, nearly a quarter of families do not share this sentiment. Additionally, 19 percent of families are undecided about the extent to which the neighborhood is a good place to raise children (n=337).
  - Nearly two-thirds of families reported that there are safe parks for children to play in the neighborhood. On the contrary, a quarter of families felt the parks are not safe for children (n=336).
- *Sense of support among neighbors is moderate. Just under half (49 percent) of families living in the MPN reported that people in the neighborhood are willing to help their neighbors (n=332).* This has important implications for perceived safety, as trust in and support from neighbors are important elements for building a strong and safe community.

Exhibit 18: Perceptions of school safety

Percent of families believe **school is safe for students**

K-8th **95%** (n=253)

9th-12th **90%** (n=247)

Percent of families believe **traveling to and from school** is safe

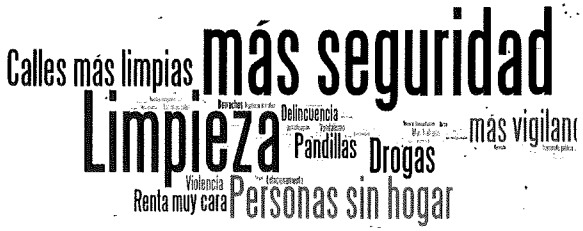
K-8th **89%** (n=78)

9th-12th **75%** (n=80)

- *Schools sites and travel to/from school are largely viewed by parents as being safe for children of various ages (Exhibit 18).* Notably, safety concerns are more elevated for high school students. About 10 percent more parents perceived schools as safe than students at MPN target schools surveyed through the MPN school climate survey.[24]

When asked to name two things they would like to improve about the Mission District, safety concerns like: more safety (más seguridad), cleanliness (limpieza), drugs (drogas), violence (violencia) and gangs (pandillas) were among the top concerns.

Exhibit 19: What are the two things you would like to improve about the Mission?



Key Takeaways

1. The question of whether or not a neighborhood is a good place to raise children is a defining standard for measuring the quality of a neighborhood. With only 57 percent of families agreeing at some level that the MPN is a good place to raise children, it raises the question of what needs to be done to improve the quality of the neighborhood.
2. Safety after-dark is a salient concern in the neighborhood. This has implications on civic participation, as extracurricular and enrichment activities for children, as well as other civic activities for adults, often extend into the evening hours.
3. Safe travel to and from school plays an important role in ensuring that children attend and persist in school. Safety concerns appear to increase for students in higher grade levels.

[24] Lopez, M E. (2014). Mission Promise Neighborhood School Climate Survey: Understanding the Experiences of Students in San Francisco's Mission District.

Health, More than Insurance

Context

The health of children and their parents has a deep and far reaching impact on many domains of family life—from success at school to holding a steady job. Health is also influenced by a wide range of factors. While access to health care services and individual behavior generally dominate public discourse about health, the roles of social, economic and environmental determinants of health are increasingly being recognized. Examples include discrimination, access to healthy food and traumatic or stressful situations like violence or fear of deportation. The City of San Francisco has made access to health care services a priority and provides its own health care access program, Healthy San Francisco. In addition, this survey was conducted after new enrollees of the Affordable Care Act began receiving coverage. Despite the dedication to and success of these access programs, access to insurance and services alone does not ensure healthy families.

GPRA 1 Summary (n=12)
Medical Care, Children 0–5

72%

A medical home is a place where families have an ongoing relationship with a physician who provides continuous and comprehensive care coordinated with other services

Current Snapshot of the MPN

- *Many adults and most children have health care coverage.* Eighty-two percent of surveyed adults and 95 percent of their children reported having coverage through health insurance, or public access programs (n=328). In June 2014, the uninsured rate of California adults was estimated to be 11 percent, indicating that MPN adults are somewhat less likely than average to have health coverage.[25]
- *Despite health care coverage, many adults and children still lack a medical home.* Older children are less likely to have a medical home (Exhibit 20). Many adults also lack a medical home. Seventeen percent of respondents reported using the hospital emergency room or hospital outpatient department when they are sick or need advice (n=311). Nationally, an average of only 3 percent of adults use these facilities for their day-to-day health needs.[26]
- *Chronic health problems are prevalent and obesity is a key factor.* Forty-one percent of adults reported that they have one or more chronic illnesses—most commonly high cholesterol and diabetes (n=328). The survey showed a staggering 96 percent of adults living with obesity suffered from two or more chronic health problems, compared to 20 percent of those who were not obese (n=328).
- *Compared to a national sample, MPN adults tended to report poorer health status.* Only 29 percent of adults reported their health was very good or excellent, while the remaining 71 percent reported their health was good, fair or poor (n=328). These proportions are inverted nationally, where 65 percent reported their health was very good or excellent.[27] While adults with chronic health problems were more likely to report poor health, over 70 percent of respondents without any chronic health problems still reported their health was less than "very good" and a quarter rated their health as "fair" or "poor" (n=328).
- *Respondents with health care coverage were actually more likely to have poor health and suffer from chronic health problems (n=328).* This relationship suggests that poor health may be a motivating factor for individuals to seek health care coverage programs and insurance.

[25] The Commonwealth Fund Affordable Care Act Tracking Surveys, July–Sept. 2013 and April–June 2014.
[26] National Health Interview Survey (NHIS) Adult Questionnaire (2012).
[27] National Health Interview Survey (NHIS) Adult Questionnaire (2012).

- *One in five children aged 0 to 5 has been diagnosed with a special need, health problem, delay or disability, according to parents (n=123).* This is higher than the citywide estimate of 7 percent.[28]
- *Children tend to participate in less physical activity as they get older, but their eating habits appear more stable over time (Exhibit 21).* Only 46 percent of children ate at least two servings of fruit per day (n=502), while 65 percent of children ate at least two servings of vegetables per day (n=500).

Exhibit 20: Percent of children with a medical home

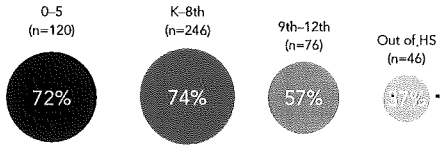


Exhibit 21: Percent of children who participate in at least 1 hour of physical activity each day

Key Takeaways

1. Healthy SF and the Affordable Care Act have been largely successful at improving access to healthcare. Despite this coverage, maintaining continuity of a medical home for children is a challenge as they grow. Without a medical home, children are less likely to receive preventative health services.
2. Despite health care coverage, health is generally poor for the MPN community, especially for adults with chronic illnesses and obesity. Access to health care services is not enough.
3. Many adults reported poor health despite not reporting chronic health problems. This suggests that health in the MPN is adversely affected by other factors. This may include acute illness, injury, disability or socioeconomic determinants of health such as safety or economic hardship.
4. Maintaining healthy lifestyles appears to become more difficult as children get older. Older children are less likely to have a medical home and less likely to participate in daily physical activity. Without access to these types of preventative activities, children are at risk of health problems later in life.

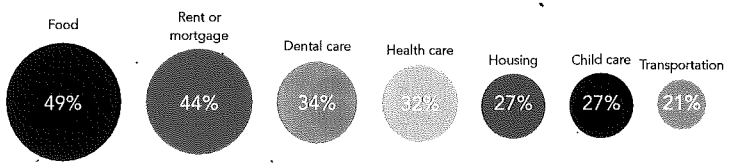
[28] San Francisco Child Care Planning and Advisory Council. (2014) Early Care and Education Needs Assessment 2012–2013.

Basic Needs and Vital Services

Context

Services provided by the government and community organizations are vital for all neighborhoods, but for vulnerable communities like the MPN who disproportionately face barriers, such as limited education, immigration status, scarce employment opportunities and community trauma, awareness of and access to services becomes especially critical. Many families in the MPN community struggle to earn a family-sustaining income, made even more difficult in an expensive city like San Francisco. While cost of living estimates vary, the Housing Wage in San Francisco—the wage a full-time worker must earn to afford a two bedroom rental home while spending no more than 30% of income on housing costs—was a staggering $37.62 per hour or $78,249 a year in 2014.[29] With this extreme cost of housing and overall high cost of living in the area, when families do not receive needed relief from services, many are forced to make difficult decisions about where to spend their money. Families forego basic needs like food, housing and health care. Respondents were asked about their household expenses, whether they had to forego any basic needs as well as their experiences with social services in the community.

Exhibit 22: Families who went without basic needs, which needs did they go without? (n=71)



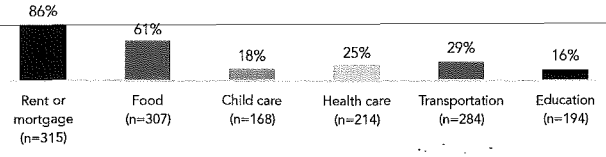
Current Snapshot of the MPN

- *In the last year, one in five families went without basic needs including housing, health care, food and childcare (n=326).* The most commonly foregone need was food, followed by rent or mortgage payments, dental and healthcare, housing, childcare and transportation (Exhibit 22).
- *Almost half of families who went without basic needs did not know where to go to for support (n=70).* This is a missed opportunity. Despite the Mission District's concentration of services, the data suggests families are not aware of available services or that there are not ample services available to meet their needs.
- *Only 30% of respondents had heard of MPN before taking the survey (n=324).* While this might be expected given that MPN is still a new initiative, this presents an opportunity to improve the visibility of MPN and increase the community's awareness of the services it provides.
- *Food is one of the areas most impacted by limited family income.* Over 60 percent of respondents spent half or more of their monthly income on food and groceries (n=307).[30]
- *Many families needed and utilized social services (e.g., food and nutrition assistance, income assistance, healthcare coverage, housing assistance, public transportation assistance, free tax preparation services, mental health and substance abuse services, legal services) in the last year.* The most widely used services were health coverage services

[29] National Low Income Housing Coalition, (2014). Out of Reach 2014.

[30] While respondents were asked about the percent of income they spent on various expenses, these percentages may sum to greater than 100%. This may be due to a variety of factors, including: imperfect perceptions of expense distribution, numeracy issues, rounding, and income supplementation through debt or other means.

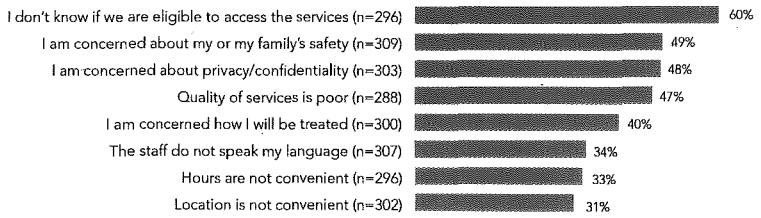
Exhibit 23: Percentage of families who spent half or more of their monthly income on a single expense



(81 percent of households; n=307), public transportation assistance services (53 percent; n=303) and food and nutrition assistance services (52 percent; n=305).

- *While 29 percent of households needed housing assistance in the last year (n=294), only 12 percent actually received services (n=290).* This may reflect a lack of awareness of these services—only 59 percent (n=333) of households were aware of them in their community—but it may also reflect a shortage of assistance for housing needs or fear in accessing such services. Most households reported that they received other services they needed.
- *Many families faced significant barriers to accessing services in their community.*

Exhibit 24: The following has kept me or my family from getting services we need ...



Key Takeaways

1. Many families in the MPN community need services. This need is largely a reflection of the high cost of living coupled with systemic barriers that limit opportunities for immigrant families to earn a family-sustaining income. At the same time, the Mission District is a service hub for the city, and most households who needed services in the last year were able to utilize them in the community.
2. Despite high service utilization, service gaps still exist. Government and nonprofit network serving MPN residents may benefit from strengthening their awareness raising efforts and assessing their accessibility, particularly for immigrant, monolingual Spanish speaking families.
3. Furthermore, even households who successfully utilized services went without basic needs like food and housing. This suggests current services are not enough to address the challenges families face. Going without basic needs has severe implications for families and for their children who rely on a secure, consistent, healthy home environment to ensure their physical and social-emotional development as well as their success in the classroom.

Access: Technology & Financial Institutions

Context

Technology and financial institutions are two key points of access for households, which can allow them to more easily and more effectively engage with institutions such as school, government, and community organizations. They affect a family's ability to apply for a low-rate loan, apply for a job or buy a home. While the Bay Area is a world leader in new technology, access to technology for the communities that live in San Francisco varies. Similarly, despite the region's economic growth, many households may lack the resources to help them establish savings and build their financial assets.

Households without Home Computer with Internet (n=320)

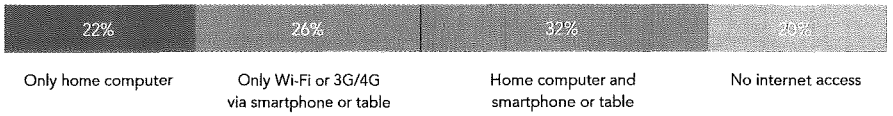
46%

Internet access may or may not be high speed

Current Snapshot of the MPN

- *Almost half of households do not have a home computer with internet access (n=320).* A total of 69 percent of households had a computer at home (n=332), but not all of these computers were equipped with internet access.
- *Smartphones and tablets that use Wi-Fi or 3g/4g networks are the sole source of internet at home for over a quarter of households (n=320) (Exhibit 25).* While mobile access reduces the number of households without internet, it provides limited access. It can be difficult to access all content on mobile devices, especially important tools, such as job applications, forms for services, research for school projects and the school portal where parents and students can check grades, attendance, assignments, communicate with teachers and learn about upcoming events.
- *Households who lived in the MPN were more likely to have internet at home than those who live outside of the MPN footprint but have children who attend school in the MPN (n=320).* Households outside of the MPN were also more likely to have a smartphone or tablet as their sole source of internet.
- *About a quarter of households used digital literacy programs such as computer courses in the last year (n=293).* This suggests that families are interested in building their skills and see value in using technology.
- *Forty percent of households do not have any bank or credit union accounts and are considered "unbanked" (n=317) (Exhibit 26).* Almost half of respondents did not have a personal account. In contrast, only about eight percent of Californians are unbanked, according to the Federal Deposit Insurance Corporation.[31]
- *Only about 15 percent of families utilized financial education or asset development programs in the last year (n=296).* This low participation rate may be due to low awareness of these services; only 57 percent of households said they were aware of these services in their community. It may also reflect disinterest or distrust in financial institutions.

Exhibit 25: Internet Access at Home (n=320)

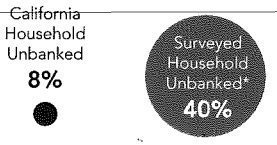


[31] FDIC. (2012). 2011 FDIC National Survey of Unbanked and Underbanked Households.

Key Takeaways

1. Despite San Francisco's reputation as a technology forward city, many households lack access to basic technology, such as a home computer with internet. While smartphones and tablets are helping to bridge this divide, they have limitations in what content and tasks can be accessed. This has particular consequences for parents attempting to engage with their child's education through the online school portal or for individuals seeking employment.
2. Households surveyed disproportionately lack bank services, which may be due to barriers to access such as transportation, language appropriate service and administrative hurdles for individuals without citizen documentation. Without banking services, many households may not have the resources to effectively develop and manage their financial assets, leaving them at greater risk if there is an unexpected family expense or change.

Exhibit 26: Percent of Households Unbanked (n=317)*



Supporting a Resilient Community

Context

The idea of "resilience" is a common thread in the history of the Mission District—from the intimate resilience of a fresh start for immigrant families fleeing violence in their home countries to the community's resilient birth of a strong Latino led community organizing movement against displacement. Continuing this legacy of resiliency in this new chapter of change for the Mission is a challenge, but many community members are dedicated to the people of the Mission and the places they live, work and play. While community members can be called on to bring the dedication, enthusiasm and pride required to define, maintain and cultivate a cohesive, vibrant Mission, the extent to which longtime residents in the neighborhood are able to be involved in their community, specifically in leadership positions, will have a significant impact on the outcomes for the community.

Current Snapshot of the MPN

- *Surveyed households value the Mission for what it offers in amenities like public transportation and stores (transporte publico and tiendas), location (cerca de todo), community environment (lugar tranquilo) and culture (mucho Latino and diversidad).*
- *Many households are interested in bettering their community and being involved, but most respondents felt opportunities to do so are limited.* Half of households said they work with others to make the neighborhood a better place (n=334).
- *Only 15 percent of households participating in community organizing such as community asset building, neighborhood planning or anti-eviction efforts (n=295).* Only 56 percent of households were even aware of these opportunities (n=332).

Exhibit 27: What are two things you like most about living in the Mission?

Key Takeaways

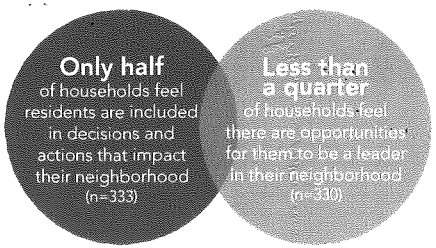
1. In spite of the many challenges currently facing the Mission District at present, longtime community members still maintain pride in their community, suggesting that neighbors remain invested in their community despite the turbulent times.

2. Despite this pride and dedication to the community, many of the surveyed households were not actively involved in community organizing, and many individuals felt that opportunities to be involved as a leader in the neighborhood were not available to them. This suggests that decision-making about the neighborhood is being pushed forward by forces outside the area or that the specific segment of the neighborhood targeted in MPN's work—primarily immigrant, monolingual Spanish speaking families with children—has not been engaged in community efforts existing within the neighborhood.

I am proud to live in my neighborhood (n=334)

73%

3. Giving voice and leadership to longtime Mission residents, like many of the surveyed families, as the community is undergoing dramatic changes can help maintain inclusivity during this transition. Without lifting the voices of these particular families, the young children of these families are more likely to be disrupted and put under greater stress.



Conclusion and Calls to Action

Conclusion

Just as the Promise Neighborhood program takes a holistic, place-based approach to educational success, the key findings from this first year of the Neighborhood Survey are varied and crosscutting. If the baseline data from the survey can be considered a description of where the MPN story begins, it is an introduction with a great weight of urgency. The data present a call to action articulated in the following series of 17 calls to action.

Calls to Action

1. Prioritize disparities to improve the health, education and well-being of the MPN community. Rising tides do not appear to be lifting all boats. Across many areas of family life (e.g., household income, health, access to technology) survey respondents, who belong to predominantly low-income, Latino families, report outcomes disproportionately lower than city and national averages. San Francisco has a booming economy and a wealth of social services, but many residents in the MPN of San Francisco are struggling. Services, programs, agencies and policy should work with the MPN community to close the disparities gap, inclusive of the long-time community of the MPN.
2. Address rental instability and ensure that longtime residents stay in the neighborhood. A majority of households are severely burdened by housing costs, with residents spending an exorbitant share of their income on rent or a mortgage. High housing costs reduce families' financial resources for meeting other basic needs. The inability to find and maintain affordable housing may have deep and varied impacts for families and the educational continuity of their children, including: increasing frequency of unwanted moves; overcrowding in dwelling units; and losing health benefits through Healthy SF if families are forced out of the city. Housing should be affordable and family-friendly (i.e., access to courtyards for children to play, free of lead paint and mold, etc.)
3. Support creation of local, family-sustaining jobs, and provide the training and resources necessary for members of the MPN community to gain and maintain these jobs. The citywide job boom is not felt equally throughout San Francisco, and families are struggling despite the fact that they are working. Many families are earning very low incomes and over 65 percent of surveyed families are living in poverty. Limited skill sets, due to low education (only 53 percent of respondents received a high school diploma or GED), language barriers and issues of documentation contribute to limited opportunities for adults in the MPN community looking for family-sustaining work.
4. Address access to affordable childcare by raising household income and supporting efforts to make childcare more affordable. One of every six families reported spending about half or more of their monthly income on childcare expenses. California was one of the top 10 least-affordable states for center-based infant care in 2012, with an average annual cost of $12,068. Some families struggling to meet their basic needs went without childcare. Raising a single-parent's earning potential through full-time work or creating dual-income households can help lift families out of poverty.
5. Create high-quality early learning and development opportunities available to all children regardless of where they receive care. Whether children receive care at a center, at home-based care or informally with family, friends or neighbors, all providers of childcare should have the resources to provide the highest quality care (e.g., home-visitation services, training programs, access to toys and materials).
6. Provide education, training and support for parents to help them encourage healthy child development, specifically through reading. Parents or guardians are typically the primary caregiver for young children in the MPN—in seven out of ten families, children aged zero to five are cared for by their parents or guardians. A key part of encouraging healthy development is frequently

reading to the child. Children whose parents read to them more frequently, regardless of their household income or level of education, are more likely to do well in school. Supporting parents to read to their children should consider low literacy and limited English skills of many families; support must also be culturally relevant.

7. Support increased culturally relevant parent engagement in their children's education, especially during high school years. Respondents reported diminished levels of parent engagement as children enter high school—a time when students are making critical decisions about pursuing a postsecondary education. Schools play an important role in facilitating this engagement, including: providing culturally relevant materials, outlining expectations of parents, regularly communicating with parents, and offering sufficient opportunities for parents to act as a partner in decision-making processes. One in five respondents found it difficult to make the best choices about their child's education due to language barriers. Culturally relevant support should be defined by the community.
8. Support after-school activities and encourage youth participation. The proportion of children engaged in out-of-school activities decreases as they get older—two-thirds of parents with children in K-8th grade compared to 54 percent of their high school counterparts. Children who participate in after school programs benefit academically as well as in their social/emotional development and health and wellness.
9. Focus on building college-readiness culture. Three-quarters of parents have no college experience and most may have limited knowledge about college and financial aid requirements. High schools readily provide college and financial aid workshops for parents, but parent engagement is frequently cited by school staff as an ongoing challenge. Many MPN youth join the workforce directly after high school. However, working without a post-secondary credential or degree has implications for their lifetime earning potential and opportunities for advancement.
10. Support pathways to high-wage growth sectors in the regional economy. Students can benefit from work-based learning opportunities in high school to build technical and social skills to help them excel in the workforce. Students can also benefit from community college Career Pathways.
11. Address safety after dark. Safety after dark is a salient concern in the neighborhood, and 72 percent of respondents reported not feeling safe walking in their neighborhood after dark. This has implications on civic participation, as extracurricular and enrichment activities for children, as well as other civic activities for adults, often extend into the evening hours.
12. Ensure all children and adults have a patient-centered medical home. Despite extensive healthcare coverage through Healthy SF and the Affordable Care Act, maintaining continuity of a medical home is a challenge as children grow. Without a medical home, children are less likely to receive preventative health services.
13. Address the health needs of the MPN community, which exist far beyond providing health care. Despite health care coverage, health is generally poor for the MPN community, especially for adults with chronic illnesses and obesity. Access to health care services is not enough. A broader approach to health should include such acute illness, injury, disability and socioeconomic determinants of health as safety or economic hardship. Maintaining healthy lifestyles, such as daily physical activity, appears to become more difficult as children get older. Without access to these types of preventative activities, children are at greater risk of health problems later in life.
14. Ensure residents have basic needs met and can access culturally relevant services. Over 80 percent of surveyed families needed and utilized social services in the last year. Gaps in service appear to be driven by lack of awareness of services, barriers to access (e.g., language barriers, fear of safety and confidentiality related to immigration status, and uncertainty of eligibility) and insufficient services. Despite high service utilization, many households who successfully accessed services went without such basic needs as food and housing. This suggests current services are not enough to address the challenges families face. Services should be expanded and made more accessible. Going without basic needs has severe implications for families and for their children who rely on a secure, consistent, healthy home environment to ensure their physical and social-emotional development, as well as their success in the classroom.
15. Improve access to the Internet and technology for families. Almost half of households do not have a home computer with internet access. While smartphones and tablets are helping to bridge this divide, these devices may not be able to access certain content or complete certain tasks, such as the online school portal or online applications for employment or government services.
16. Improve access to and knowledge of local, culturally relevant financial institutions. Households surveyed disproportionately lack banking services, which may be due to such barriers to access as transportation, language appropriate service and administrative hurdles for individuals without documentation. Without banking services, many households may not have the resources to effectively develop and manage their financial assets, leaving them at greater risk if there is an unexpected family expense or change.
17. Engage low-income, Latino families in community decision-making, and develop more local leadership opportunities accessible to this community. Less than a quarter of respondents felt that opportunities to be involved as a leader in the neighborhood were not available to them. This suggests that decision making about the neighborhood is being moved forward by forces outside the area or by MPN neighbors other than Latino families. Giving voice and leadership to longtime Mission residents, such as many of the surveyed families, as the community is undergoing dramatic changes can help maintain inclusivity during this transition.

Artwork on page 6 (Exhibit 9) and page 27 of the report was created and made publicly available by artist and activist Rini Templeton.

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Community Organizing and Resistance in SF's Mission District

CENTER FOR COMMUNITY INNOVATION
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Community Organizing and Resistance in SF's Mission District

Case Study on Gentrification and Displacement Pressures in the Mission District of San Francisco, CA

Introduction

The Mission District is located in the southeastern region of San Francisco. Since the 1950s, the neighborhood has been San Francisco's Latino enclave. Prior to this time, the neighborhood was an Italian and Irish working-class neighborhood with an industrial character (PODER, 2014).

In this case study we will examine the time period from 1980 to 2013, with a focus on the changes caused by the rapid growth of the internet sector, alternatively known as the dotcom boom, in the late 1990s. The result of this rapid speculative growth was an increase in the cost of living and a rise in the cost of housing in the Mission, which led to the displacement of long-time residents. During this time, much of the industrial sector in the Mission District was wiped out (Casique, 2013). The changes experienced by the Mission during the dotcom boom are those typically associated with the traditional conception of gentrification, or the influx of investment and higher-income, usually White, residents to areas with low-income, often minority, residents.

New residents were—and are still—attracted to the amenities provided by higher density, the cultural richness of the neighborhood and to the transit accessibility of the area. Multiple bus lines as well as two BART stations (16th Street and 24th Street Mission Station) service the neighborhood for an easy commute to the financial district. The neighborhood is also close to the freeway and the Caltrain, which provide accessibility to the greater region, including Silicon Valley.

This first wave of gentrification is the main story in the neighborhood's shift from a lower-income Latino area to its present state. Although the bust of the dotcom bubble caused gentrification pressures to slow, the neighborhood has continued to be a high demand area, seeing an influx of high-income residents once again from the tech sector. However, this current wave of gentrification is taking place in a neighborhood context that has already undergone years of gentrification—not just with new residents who had moved in, but with an ongoing influx of new retail and public investment.

Today's ongoing battle over the Mission is therefore of a different kind, with weaker community organizations and fewer units left to gentrify. Many long-time residents are holding on and benefitting from the neighborhood's new investment and amenities, but there is even more pressure than before on the remaining affordable units and less of a community to defend them.

This case study examines demographic, housing, and commercial characteristics from 1980 to 2013 to identify changes and trends in the Mission District. After outlining basic demographic changes in the area between 1980 and 2013, we provide a close look at the dotcom boom period and the displacement effects this time of rapid change had on industrial, business, and residential uses, as well as the community's response. Next, we turn to an examination of housing in the area—perhaps the clearest way to observe gentrification, change, and displacement. We briefly outline some of the affordability concerns for residents, and then detail several strategies used to slow displacement, as well as strategies used to speed it up. Before concluding, we outline public investment in the area—which can contribute to gentrification—and recent commercial displacement.

Case Study Methods

The case study relies on mixed methods to study changes in the Mission since 1980. The demographic and housing indicators presented in this case study are those associated with processes of residential displacement, and/or thought to influence susceptibility to such processes (Chapple, 2009). Data on these indicators are from the decennial Census for the years 1980, 1990, 2000, and from the American Community Survey (ACS) for 2009-2013. Census data from 1980 to 2000 is from the Geolytics Neighborhood Change Database, and is normalized to 2010 Census tract boundaries. Data for 2009-2013 is from the American Community Survey's 5-year estimates. The aggregated data of eleven census tracts are used to represent the Mission District: 177, 201, 202, 207, 208, 209, 210, 228.01, 228.03, 229.01, 229.02. The census tracts used do not perfectly delineate the neighborhood but they are the best representation available at this time and were vetted with Community Based Organizations

working in the Mission. Data on residential sales and housing permits was taken from DataQuick and Zillow.

Qualitative data included archival research of newspaper articles, planning documents, and academic literature. Interviews with six community stakeholders were incorporated into the narrative based on questions regarding demographic, housing, and commercial change. These stakeholders ranged from staff at community organizations, government officials, to developers. We partnered with People Organizing to Demand Environmental & Economic Rights (PODER), a grassroots environmental justice organization based in San Francisco's Mission District. PODER helped launch the Mission Anti-Displacement Coalition (MAC) during the dotcom boom to address residential displacement in the Mission.

To verify the data found in these secondary data sets, we conducted a "ground-truthing" exercise where, for sample blocks in the case study area, we conducted a visual survey of conditions on the ground to ascertain levels of investment and change (see appendix). The data gathered through ground-truthing was subsequently compared to Census figures and sales data from the San Francisco Assessor's Office, which was obtained through Dataquick, Inc. Of the sample blocks' 193 parcels recorded in the assessor dataset, field researchers were able to match 73% of these parcels on the ground. Of parcels for which the land use was indicated in assessor data and verifiable through ground-truthing, 87% matched. The total number of units on the four blocks ranged from 319 according to assessor data, to 421 according to ground-truthing, to 431 according to the Census. These results suggest that some error may exist in either the Census or Assessor's reported count of housing units and unit type, likely due to rapid or unpermitted changes to parcels.

Demographic Changes

The Mission District is home to almost 52,000 of San Francisco's approximately 818,000 residents (Table 2). Since 1980, the area has seen significant shifts in racial composition, occupancy, educational attainment, and median income. Tensions are growing among various groups with an interest in the fate of the Mission: lower-income Latino residents, tech sector employees who often work in Silicon Valley but prefer to live in urban neighborhoods like the Mission, longtime residents, small business owners, and others. These tensions have made news across the country as the Mission has in many ways become the poster-child of gentrification (Goode, 2013; Nieves, 2000). Understanding how these changes have taken place may provide some insight into the causes and indicators of residential displacement. From 1980 to 2000, the population of the Mission district swelled by about 19%, then declined slightly in 2013. In contrast, San Francisco's population has steadily increased in the last three decades.

Table 1: Total Population SF & Mission District, 1980-2013

Year	San Francisco	Mission
1980	677,678	45,788
1990	723,959	51,640
2000	776,733	54,428
2013	817.501	51,578
Percent Change 1980-2013	21%	13%

Source: Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

The decrease in population from 2000 to 2013 may be linked to the steady decrease of family households since 1980 (Figure 1). The share of family households dropped to 38% in 2013 from 52% in 1980.

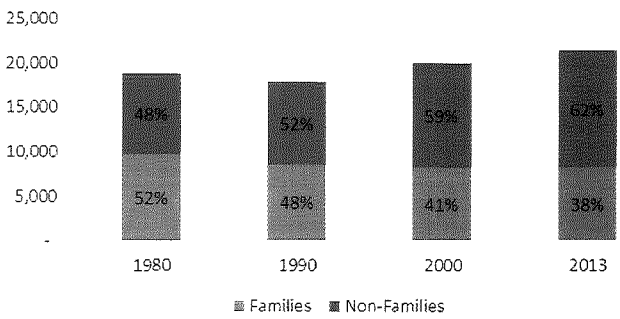


Figure 1: Number of Households in the Mission, by type 1980-2013

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

The decrease in family households is accompanied by a decrease in the Latino population, shifting from 44% in 1980 to 38% in 2013 while the White population increased from 36% to 43%. The racial and ethnic demographics of the Mission in 2013 is similar to the city's (Figure 2).

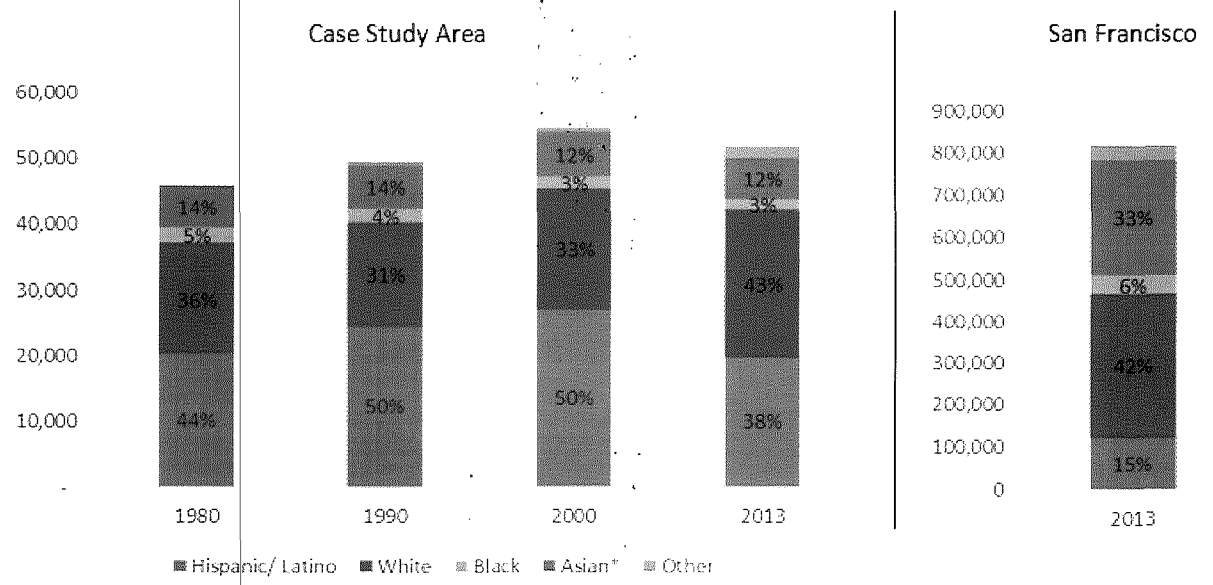


Figure 2: Race & Ethnicity in the Mission District by population and percent, 1980-2013, and San Francisco, 2013

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

There were significant shifts in educational attainment from 1980 to 2013. The percentage of residents aged 25 or older with a bachelor's degree or higher increased from 18% to 52%, and the percentage without a high school diploma decreased from 41% to 17% in the same period (Figure 3).

As may be expected, an increase in median income accompanied the increase in educational attainment in the study area. Median household income in the Mission District has risen significantly from 2000 to 2013, increasing at a faster pace than San Francisco overall (Figure 4).

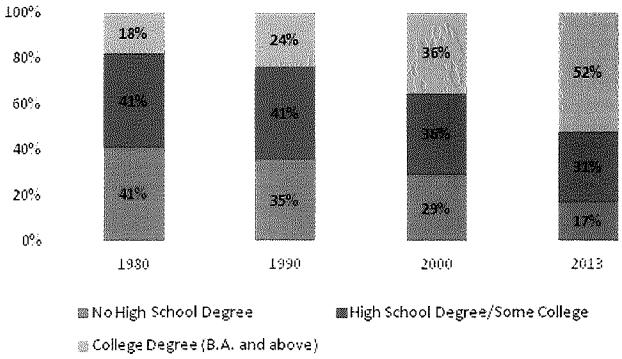


Figure 3: Educational Attainment in the Mission (1980-2013)

U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

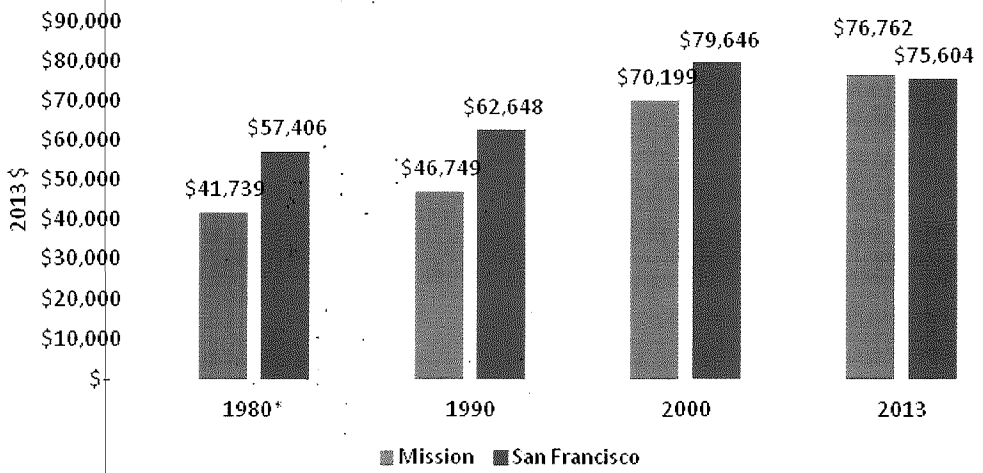


Figure 4: Median Income, Mission vs. SF (1980-2013), 2013 $

*Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013 *Median income unavailable, average income used*

The Dotcom Boom: Displacement of Industry, Business, and Residents– and Community Response

The dotcom boom in the late 1990s fundamentally changed the character of the Mission District. The boom hit its peak in 2000 and by 2002 was in decline. This short boom resulted in residential and commercial displacement (Casique, 2013). The industrial sector in the Mission is primarily located in the Northeast Mission Industrial Zone (NEMIZ), an area taking up the northeast corner of the Mission District. Even though the zone was designated in the midst of the dotcom boom, the market for industrial uses was "depressed," according to a stakeholder, and "a bunch of companies had moved out," like a brewing company and lumber yards. This devaluing of the land for industrial purposes due to the changing economy coincided with the growth of San Francisco as a result of the dotcom boom.

Industrial uses began to change to office space and housing. According to a community-based organization staff member, the emerging technology companies were in need of office space and able to pay higher rents, so they began converting former light industrial uses to office space; many of these offices, in turn, became empty after the dotcom bust, but light industrial uses did not return.

In terms of conversions to housing, a 1988 ordinance allowed the conversion of industrial spaces into so-called "live/work" spaces, where it is presumed a resident both lives and does their work (Casique, 2013). Advocated by artists, the live/work ordinance was seen as an opportunity to promote the art industry in the city by providing affordable housing arrangements in San Francisco (PODER, 2014). Under the ordinance, developers interested in constructing live/work units in the NEMIZ did not need to get the area rezoned nor did they need a conditional land use permit to build and therefore did not need to conduct an environmental impact report (EIR)—major hurdles for construction developers were able to avoid. As a result, many small developments "started springing up everywhere," according to one stakeholder, and began converting many industrial structures, vacated due to the changing economy, into expensive "live/work" spaces to house the new residents coming to work in the technology sector as a result of the dotcom boom. According to the San Francisco Housing Databook report issued by the SF Rent Board in 2002, 2,324 live/work units were constructed in San Francisco from 1987 to 2000.[3] Right before the dotcom crash, the number of constructed units peaked at 587 units in 1999, more than twice the amount of units built in any other year (SF Board of Supervisors, 2002).

Once it became clear that such conversions were possible, land values in the NEMIZ area began to rise, making remaining industrial uses difficult to sustain and resulting in business displacement (San Francisco Planning Department, 2002). The live/work ordinance allowed conversion without the requirement of hearings or public comment, allowing them to proceed unnoticed for a long time (Casique, 2013). Once advocates became aware of the situation, the Mission Anti-Displacement Coalition worked with Sue Hestor, a notable SF land use attorney, to force hearings at the Planning Commission and before the board of supervisors (PODER, 2014). Before the formation of the Mission Anti-Displacement Coalition, the "Committee for Jobs, Arts, and Housing had been raising concerns about the developers' scam on live/work developments," according to a community-based organization stakeholder.

Residential displacement in the Mission was also a concern during this period. Between 1990 and 1999, an estimated 925 households were evicted in the Mission (MEDA, as cited by Kennedy & Leonard, 2001). The Mission Anti-Displacement Coalition (MAC) was a major player during this time period, advocating for existing tenants' rights. According to a stakeholder involved with the Coalition, "the value of MAC's work is that unlike most other anti-gentrification work in other parts of the country…MAC focused not only on tenants' rights and stabilizing the neighborhood through that strategy but also on preserving space for local-serving businesses and [production, distribution and repair, or] PDR/light industrial space, especially given that those jobs paid often better [than other jobs available at the time]." Due to MAC's successful lobbying efforts, the San Francisco Board of Supervisors passed a moratorium on the live/work conversions and the production of market rate housing in the Mission that ultimately lasted two years (Casique, 2013).

[3] Only four units or more were counted which might result in undercounting.

Another of MAC's efforts was the creation of a "People's Plan." Published in 2005 after a community engagement process, it outlined community members' vision and priorities for the district, including economic, cultural, and community development, affordable housing, livability in the streetscape, environmental issues, transportation, and a specific land use map—essentially, a comprehensive plan for the Mission done by the people (The Mission Anti-Displacement Partnership, 2005). According to PODER, "aspects of this community-led effort were incorporated into the city's Eastern Neighborhoods Plan" (PODER, 2014).

When asked to assess the impact of the People's Plan on the Mission, an organizer involved with the effort shared that he does not believe there was a "causal" effect on affordability in the neighborhood; instead, "market conditions in and of themselves eased some of the pressures on prices given the [dotcom] bust." However, he believed that even with the bust, rents were not decreased in a "substantive way." Instead, he believe that the planning process was significant for the "social capital" it built "by having trained people work on planning issues in the neighborhood and understand the zoning and planning conditions and how those decisions get made." [4]

A park that is currently under development at the intersection of 17th and Folsom Streets represents some of the successes of the People's plan. The park, will include a grassy area, playground, community gardens with trees bearing edible fruit, and public art that honors the Latino character of the neighborhood. multi-year community outreach process was conducted in partnership with PODER, starting in 2009. According to a staff member at PODER, community members were prepared to have meaningful engagement with the city due to the understanding of planning and zoning they developed working on the People's Plan. The staff member said that, the "areas that were rezoned through [the People's Plan] process in the 2000s are coming to fruition after these many years....that speaks to the social capital that has been built. Not just, 'let's rezone and forget about it.' But, 'let's make sure these policies come into fruition.' And we're going to be seeing that happening this year" when the park opens.

Housing: Conditions for Residents

As is the case in the rest of the city, the housing market in the Mission District is competitive. In 2000, right before the dotcom bust, the vacancy rate was at an extreme low of 3%. In 2013 the vacancy rate jumped to 7.6%, representing the decline of the house market. This figure cannot be seen as representing current patterns of gentrification as the housing market has since rebounded.

In terms of tenure, there has been a slight decrease in the portion of occupied housing units that are rented: from 87% in 1980, to 76% in 2013, which is consistent with gentrification patterns.

Overcrowding, when more than 1 person per room lives in an apartment or home, was 50% lower in 2013 than 2000 (Figure 5). One explanation is the decrease in both family households and of the Latino population, as low- and moderate-income Latino households often live with extended family members in overcrowded living conditions (MEDA, 2011).

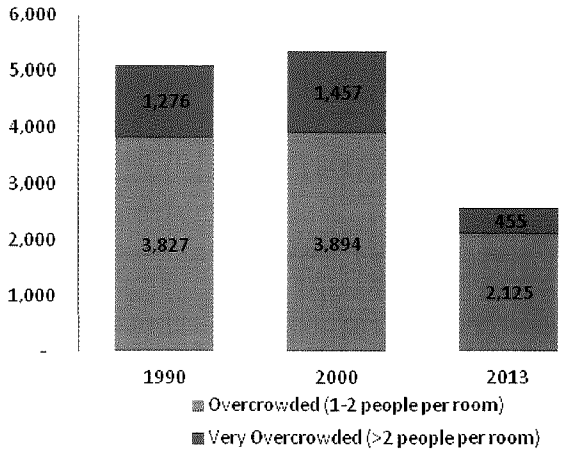


Figure 5: Overcrowded Units in the Mission (1990-2013)

Source: U.S. Census 1990, 2000 (Geolytics, 2014); ACS 2009-2013

[4] The stakeholder also shared the following outcomes of the process: "The whole Mission Anti-Displacement Coalition and the People's Plan work did a couple of things. One, with MAC, I think it gave visibility to a new level of leadership in the neighborhood that was less accomodationist in terms of the interests of developers, of downtown, of some of these interests. And I think it pointed to a generational divide in the Mission in terms of the Latino 'old guard' and newer leadership...The People's Plan in particular, because of the need to engage with the city and community, I think it also helped the new generation... for understanding how these often arcane and technical issues like land use and zoning are addressed...How we need to be informed and engaged in these processes at the neighborhood and city level...there's an aspect of that reflected in the newer leadership."

San Francisco has one of the most expensive housing markets in the nation and market rate rents in the Mission are reflective of the city's high cost of living. In 2013, the average price of a market-rate one bedroom apartment in the Mission District was $2,850 while the average for a two bedroom was $4,705 (Zumper, 2013). With 76% of residents in the Mission renting (as of 2013), these high rents prevent low-income households from moving into the neighborhood. Additionally, current residents experience a very high rent burden. From 2000 to 2013, the share of rent burdened households, those paying 35% or more of their income on housing costs, increased from 27% to 34%.

Despite high demand for the area, the Mission District has failed to see significant increases in its housing stock, thereby exacerbating pressures on existing housing (Table 2). This lack of new development was a common concern among the stakeholders interviewed. A realtor in the area discussed the difficulty in obtaining approvals for new buildings because of the lengthy environmental impact review process, which sometimes caused developers to walk away from projects. A senior staff person from an affordable housing developer spoke about the challenges of building new housing, in part due to the real estate market collapse and the elimination of redevelopment as a funding source for affordable housing in California.

Meanwhile, as few units are being constructed, 80% of households have recently moved in to their housing unit (Table 3). This puts upward pressure on the rents in the older housing stock.

Table 2: Number of Housing Units by Year of Construction

Total	23,106	
Built 2010 Or Later	96	<1%
Built 2000 To 2009	96	7%
Built 1990 To 1999	1,516	5%
Built 1980 To 1989	1,212	4%
Built 1970 To 1979	918	4%
Built 1960 To 1969	854	6%
Built 1950 To 1959	1,337	7%
Built 1940 To 1949	908	4%
Built 1939 Or Earlier	14,662	63%

Source: American Community Survey 2013 5-year estimate

Table 3: Mission District Percent of Householders who Moved in Last 5 Years, 1980 – 2013

Year	Percent Moved in Last 5 Years
1980	62%
1990	55%
2000	53%
2013*	80%

*Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); American Community Survey 2009-2013 *Note: The 2013 figure is the percent of households who moved in last 3 years.*

Rent Control

San Francisco's rent control laws protect tenants who live in multi-unit rental buildings built before June of 1979. The rent control ordinance limits the amount a landlord can raise the rent annually, based on the consumer price index. When the unit is vacated, landlords can raise the rent to market rate, also known as "vacancy decontrol".[5] Once the rent is raised, future rent increases are still governed by rent control. Therefore, while units may technically be considered rent controlled they may be unaffordable due to vacancy decontrol. To prevent landlords from evicting tenants in order to raise rents to market rate, the ordinance also includes a "just-cause evictions" clause requiring landlords to have a good reason for eviction such as chronic late rental payments or a nuisance complaint. There is no record of units that have undergone vacancy decontrol and their new base-rent.

We attempt to estimate the number of rent-controlled units in the Mission District by identifying parcels that contain a building with two or more units, built in 1978 or before, and are identified as an "apartment" or "flat" using tax assessor data from Alameda County (Figure 6). This estimation method is imperfect, as housing units that are condominiums, tenancies-in-common, or currently not rented (through the Ellis act) are not rent controlled. However, data on these exempt housing units are not available. Approximately 68% of units in the Mission census tracts are potentially rent-controlled. Eighty-nine percent of these units were built in 1939 or earlier (Figure 7). Older buildings are often highly desirable to wealthier residents due to their architectural value; that so many buildings in the Mission District are from the Victorian era increases the likelihood of displacement.

[5] SF's rent control ordinance never included vacancy control and due to the passage of Costa Hawkins in 1996, vacancy control was banned statewide.

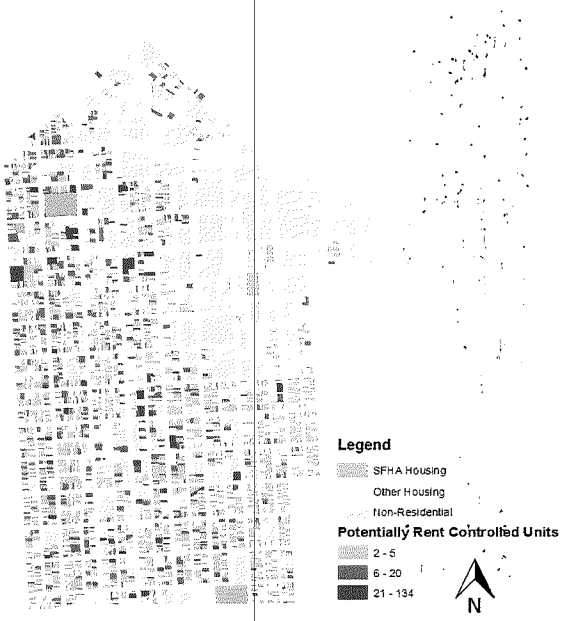


Figure 6: Potentially Rent Controlled Units
Source: Association of Bay Area Governments, 2014

As noted earlier, rent controlled apartments do not necessarily signify affordability due to vacancy decontrol; hence estimating the number of recently vacancy decontrolled units and when these vacancies occurred is important for the purpose of understanding affordability in the rent-controlled market. Our estimate suggests that a maximum range of between 18-28% of rent controlled units experienced rent increases due to vacancy decontrol between 2010-2013.64This is a maximum because, while we are reasonably sure that 18-28% of rent controlled units experienced turnover, it is not guaranteed that landlords would increase the rent when that turnover happens; therefore, the actual figures may be lower.

[6]This estimate is derived using estimates of the total number of rental occupied housing units from the American Community Survey (2009-2013 five-year estimates) in combination with data from the San Francisco Public Health department on the percent of rental units in each tract that are subject to rent control. These data sources allowed us to estimate a number of units in each census tract that are subject to rent control. Since ACS figures are reported with a margin of error, we found a range for this figure. Then, we turned to ACS data for counts of renter households who had moved in since 2010. We multiplied this by the proportion of units in the tract subject to rent control (the Public Health data), assuming that the newly moved-in households moved into rent controlled and non-rent controlled units at the same proportion as exist in the tract. This figure—the number of rent control units that experienced turnover between 2010-2013—is taken to be the same as the number that experienced vacancy decontrol. We then divide this figure by the total rent controlled units in the tract to get the percent of units that experienced vacancy decontrol. To get the figures for the whole Mission, we simply add the counts from each tract of vacancy decontrolled units and total rent controlled units, and divide these sums.

The map in Figure 8 shows that there is a high percent of vacancy decontrolled units in the tracts west of Valencia Street. A walk down Valencia Street shows a trend in higher-end commercial and retail stores. This trend, to be discussed in greater detail in a later section, might explain the higher vacancy decontrol rate in census tracts along Valencia Street as landlords may be taking advantage of the economic investment along the street to appeal to wealthier tenants.

Figure 7: Housing built before 1979 by Block
Source: Association of Bay Area Governments, 2014

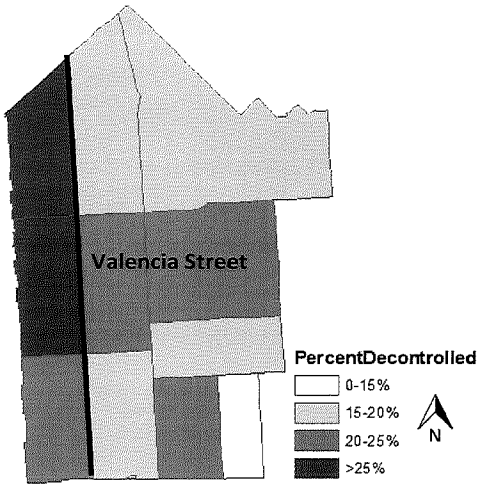


Figure 8: Percent of Units with Vacancy Decontrol by Census Tract
Source: 2009-2013 American Community Survey and San Francisco Public Health Department
("Proportion of Housing Stock that is Rent-Controlled or Affordable, San Francisco, CA | Data | San Francisco," n.d.)

Public and Subsidized Housing in the Mission

While many residents of the Mission struggle to afford rent, the area is host to a sizable stock of subsidized housing: nearly 2,000 units, as detailed in Table 4 (excluding any units built only with local funds, some of which are discussed in the next section). The neighborhood would have likely experienced even greater displacement rates without these units.

Inclusionary Housing

Stakeholders said San Francisco's inclusionary housing ordinance has had a limited impact. Inclusionary Housing began as a policy in 1992 and later became "part of the Planning Code" in 2002; it was revised in 2006 and 2010 (San Francisco Mayor's Office of Housing and Community Development, 2014). The policy requires developers to build affordable units equal to 15% to 20% of a market-rate development or pay a fee in lieu of building such units. The policy has resulted in the creation of 1,560 units of below-market rental andownership units in San Francisco between 1992 and 2013 (Table 5).

However, a court ruling in 2009 has limited the impact of the ordinance. In the case, Palmer/Sixth Street Properties LP vs. City of Los Angeles, the California Supreme Court let stand a lower court's ruling that held jurisdictions may not mandate developers to build inclusionary rental units, since doing so entails the setting of rents by the city, which was banned by the Costa-Hawkins Rental Housing Act (California Planning and Development Report, 2009; Reuben, Junius & Rose LLP, 2009). The ruling does not affect inclusionary policies for ownership units. The city made revisions to the law in 2010 that "require developers to pay an affordable housing fee rather than construct inclusionary affordable housing" (San Francisco Budget and Legislative Analyst, 2012). That resulted in a significant decrease in the number of inclusionary units produced under the program, from 384 in 2008 to 32 in 2009, without a comparable increase in the fees paid, which could be related to the overall dynamics of the real estate market in these years (San Francisco Mayor's Office of Housing and Community Development, 2014).

Table 4: Public and Subsidized Housing in the Mission, 2013

Type of Unit	# of units
Public Housing	170
Low-Income Housing Tax Credit	962
Section 8 New Construction	194
Section 202 (Senior Housing) New Construction and Substantial Rehabilitation	152
Project Rental Assistance Contract	115
Other (including Loan Management Set-Aside and others)	319
Grand Total	1,912

Source: HUD Yearly Data Picture (Department of Housing and Urban Development, n.d.) for Public Housing figure; (California Housing Partnership Corporation, n.d.) for the rest. Note these figures do not include residents who rent using tenant-based vouchers or units developed as part of SF's inclusionary ordinance or any subsidized units developed only with local funds.

Table 5: Inclusionary Housing, 1992 - 2013

	Projects with Inclusionary Units (On or Off-Site) or In-Lieu Fees	Projects Choosing On-Site Inclusionary Housing		Projects Choosing Off-Site Inclusionary Housing		Projects Choosing to pay Fee
	Total Number of Projects	Number of Projects	Number of Affordable Units	Number of Projects	Number of Affordable Units	Number of Projects
Mission District[7]	24	21	136	0	0	3
San Francisco	198	157	1,214	7	346	34

Source: San Francisco Mayor's Office of Housing and Community Development, 2014

[7] As defined by the Mayor's Office on Housing; a map was not provided to compare to the area we have defined as the Mission.

Community Opposition to Development at 16th and Mission Streets

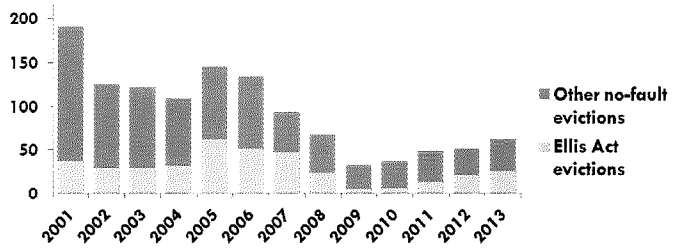
Some believe more housing for all income levels is needed to improve affordability in San Francisco, while others believe housing production should focus on affordability for low-income residents. An example of this tension is the proposed ten-story, 351-unit building on the corner of 16th and Mission Streets. The development is under community scrutiny, with the Plaza 16 Coalition leading the opposition. The new apartment complex would replace a Walgreens, a Burger King, a bar, a Chinese restaurant, a market and a parking lot (Elsen, 2014). Despite the fact that no existing tenants or housing would be displaced, the coalition argues that if this development were to proceed, it would result in business and residential displacement (Christopher, 2014). This type of opposition highlights the social and cultural complexity of gentrification. The 10-story luxury apartment complex represents development for new residents, leaving the Latino community feeling neglected and disrespected. According to a community-based organization stakeholder, the "Plaza 16 Coalition has made substantive arguments against the project ranging from the height, impacts on the adjacent school, traffic concerns, and yes, the pressures luxury condos have on housing prices in the neighborhood."

The developer of the 16th street Mission housing apartment complex has yet to determine how it will satisfy the city's affordable housing requirement (Dineen, 2013). Yet regardless of how the developer will satisfy the affordable housing requirement, residents oppose this development as the project represents a change in the Mission's character. In an article entitled, "Coalition protests 16th Street development", an organizer for Causa Justa :: Just Cause put this clash succinctly, "the height of these towers will keep Marshall Elementary [School] next door in a constant shadow....this project will literally overshadow the Latino students attending that school" (Christopher, 2014). While it may be true that residents will not be directly displaced by the development, the project will have an impact on surrounding businesses and could potentially increase the cost of living in the neighborhood. A city official explained that once new housing development happens "there is such a huge impact on the surrounding area, prices immediately respond." This same city official expressed skepticism that simply building more housing will make the Mission more affordable.

Ellis Act Evictions

Another highly public issue in the Mission has been the impact of the Ellis Act. The Ellis Act is a state law passed in 1985 that allows landlords to evict tenants building-wide by removing the building from the rental market entirely or for five years before being allowed to rent apartments at market rate. The result in San Francisco has been a decrease of rental options in a city where the supply of housing is already strained. The increase in the percent of residents who are homeowners from 13% in 1980 to 24% in 2010 may reflect, at least in part, Ellis Act condo conversions.

While the Ellis Act continues to be a subject of contention in the housing market debate, Figure 10 shows that the number of evictions has decreased since 2001. The number of Ellis Act evictions tends to mimic the health of the economy and housing market: in down periods, such as after the crash of the dotcom boom (2001-2004) and during the recent recession, evictions decrease. During up periods, such as in 2005-2007 during the height of the housing boom and more recently, as the economy has begun to recover, evictions increase.



Ellis Act Evictions allow landlords to exit the rental housing business
Other 'no fault' evictions include those where the eviction is not a result of tenant's actions (e.g., owner move-ins, etc.)

Figure 9: No-Fault Evictions in the Mission, 2001-2013

Source: SF Rent Board as reported by SF Board of Supervisors Budget and Legislative Analyst, 2012

A city official working in the government for the last three decades commented that the planning department saw the peak of Ellis Act evictions in the nineties. This is supported by compiled data from the time referencing 1998 as the "peak" year of Ellis Act evictions (Capps, 2014). The city official believes that since the Planning Department has authority over land use it could restrict the conversion of rental properties to ownership properties. For example, zoning changes or other policy interventions could restrict conversion or make it difficult to do, thereby deterring landlords from pursuing it.

Regardless of the fact that the total number of Ellis Act and no fault evictions has gone down since 2001, the total number of evictions for the Mission compared to the rest of the city has been very high during this twelve-year timeframe. The Mission District (represented in the report issued by the SF Board of Supervisors Budget and Legislative Analyst by the zip code 94110) had a higher number of Ellis Act and no-fault evictions than any other neighborhood, with 383 evictions and 1,222 notices, respectively. Between 2009 and 2013, of the seven neighborhoods with the most Ellis Act evictions, the Mission continued to exhibit the highest number of evictions with 71 evictions, a demonstration of the neighborhood's lucrative housing market (Table 6).

Table 6: Top Seven Neighborhoods for Ellis Act Evictions, 2009-2013

Neighborhood	Ellis Act Eviction Notices
Mission	71
Russian Hill./Polk Gulch	46
Castro/Eureka Valley	43
Outer Richmond	41
Inner Richmond	38
North Beach	37
Haight-Ashbury/Western Addition	29
Total	305
San Francisco Total	476

Source: SF Rent Board, accessed through (San Francisco Board of Supervisors Budget and Legislative Analyst, 2013)

Tenant Buyouts

In addition to evictions, tenant buyouts are another strategy in which landlords attempt to lure current tenants out of their homes with cash to increase rent for wealthier residents. The Mission district has experienced the highest concentration of buyouts from 2008-2014 ("Tenant Buyouts Are On The Rise In S.F., As Are The Dollars Involved - SocketSiteTM," 2014). Buyouts offer landlords several advantages over Ellis Act evictions: the landlord can immediately rent out the unit at market value and retain the option to convert units into condominiums at a later date. The total number of reported buyouts in SF went from 90 in 2007 to 175 in 2013[8] (City and County of San Francisco, Budget and Legislative Analyst's Office, 2014). The Mission district had the highest number of buyouts in 2008-2014 with 165 or about 28% of the total share of buyouts, however there is no requirement to report buyouts so these are likely underestimates. There is no regulation of the amount that must be paid for a buyout and sometimes tenants are offered just a few thousand dollars (City and County of San Francisco, Budget and Legislative Analyst's Office, 2014). San Francisco Supervisor David Campos has introduced legislation to regulate buyouts. One of the regulatory features he is proposing is to impose the condo conversion prohibitions that are already in place for no-fault evictions (Taylor, 2014).

Sales and Investment

While the percent of households who are mortgage burdened has stayed constant over time, the cost to buy a home has increased substantially since the 1980s in the Bay Area, San Francisco, and, especially, the Mission District, as shown in Figure 10 and Figure 11. The rise in price during the dotcom boom is clear, as is the more recent rise in costs between 2002-2007, then a slight downturn during the recession with a quick recovery since 2012. Single-family homes have shown more dramatic change, particularly recently in the Mission, whose home have shot up in price above San Francisco and the Bay Area.

[8] The data reported by the SF Tenant Union likely undercounts the number of actual buyouts as these are self-reported by tenants.

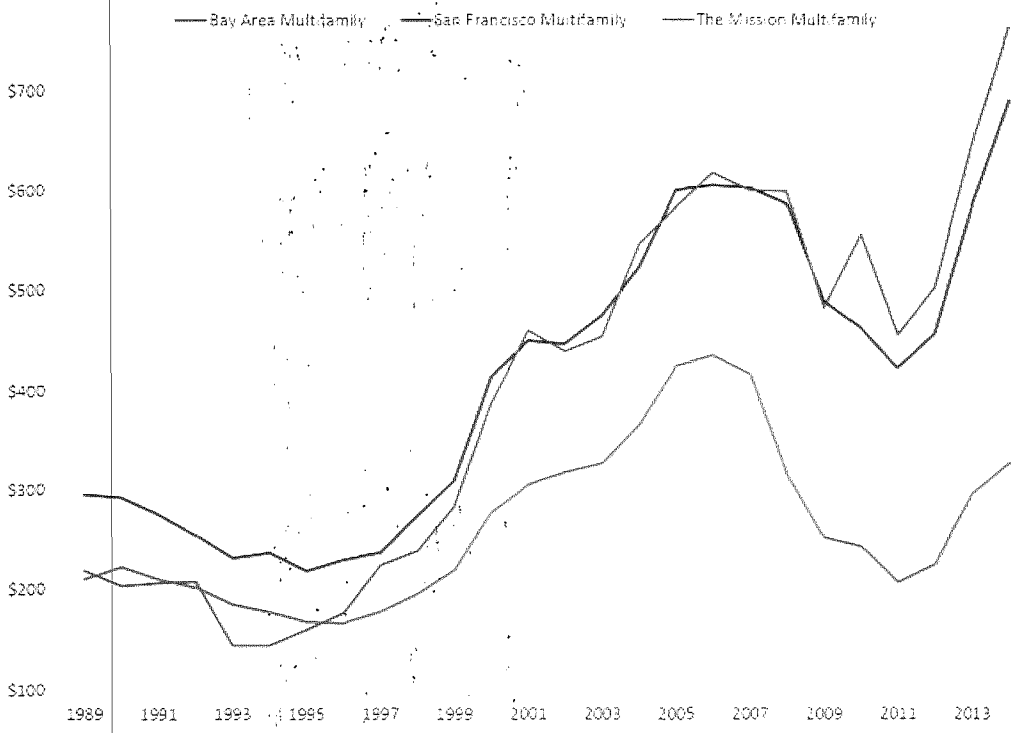


Figure 10: Median Sale Price per Square Foot – Multi-Family Properties

Source: Dataquick, "Bay Area" includes all tracts in the 9-county area)

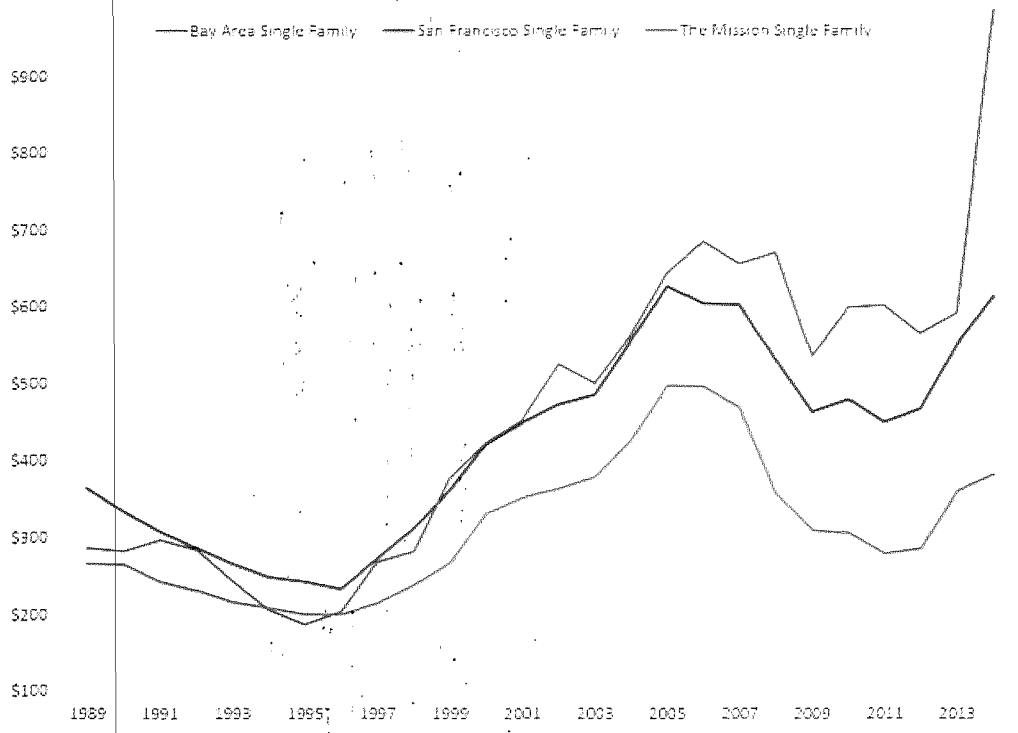


Figure 11: Median Sale Price Per Square Foot - Single Family Homes

Source: Dataquick, "Bay Area" includes all tracts in the 9-county area)

Use Changes

The increases in housing prices have been paralleled by a gradual increase in the number of parcels whose land use is residential. Many of these are new construction, but others represent use changes. A small portion of parcels changed use each year, but in 2007, 9% of parcels with a commercial use had converted from other uses (mostly industrial and miscellaneous) and 5% of parcels with a residential use had converted from other uses (mostly commercial) (Dataquick, 2014).

Private Investment

We examined trends in sales and building permit data to identify spatial characteristics of investment in residential property. This analysis has the potential to demonstrate how outside pressures and public investments impact patterns of private investment in the Mission District over time.[9] As Figure 12 shows, there are a higher number of residential sales in the northwest and central-western portions of the Mission. The northwestern concentration may be related to higher density of housing stock.

The number of residential sales peaked in 2003 and 2004, declined through the housing bubble burst, but appears to have stabilized (Figure 13). San Francisco as a whole recovered from the impact of the financial recession and housing market crash much faster than the rest of the nation.

Figure 14 displays the average residential sales prices per square foot in the Mission and shows a slightly different pattern than Figure 13, with the largest cluster of high prices seen in the southwest.

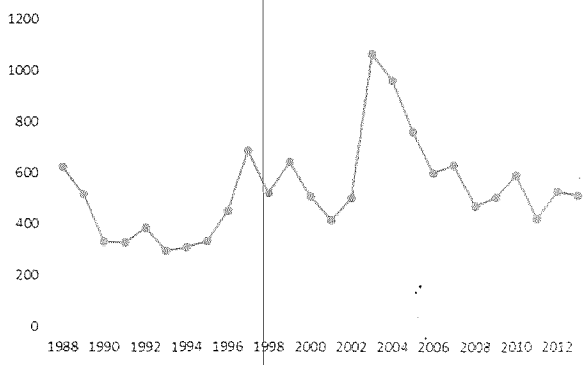


Figure 13: Yearly Total Number of Residential Sales in the Mission, 1988-2013
Source: Dataquick, 2014

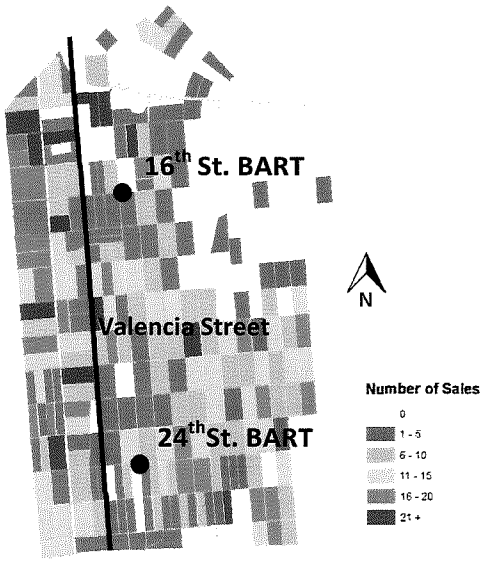


Figure 12: Number of Residential Sales by Block, 2003 – 2013

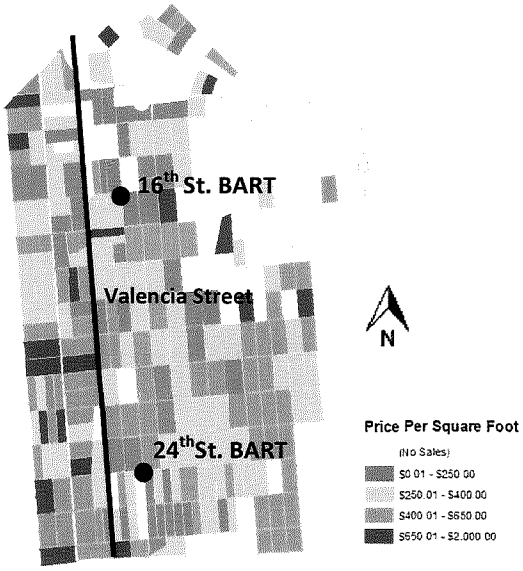


Figure 14: Average Residential Sales Price per Square foot by Block, 2003-2013

[9] Sales data was taken from the first quarter of 2003 through the fourth quarter of 2013 from DataQuick, (DataQuick, 2014). We joined the data to a shapefile containing San Francisco parcels and converted to point data using ArcGIS (ABAG, 2005). These points, which each represent a sale, were spatially analyzed and visualized at different geographies through spatial joining. Building permit data from the San Francisco Planning Department were analyzed similarly (San Francisco Planning Department, 2014a).

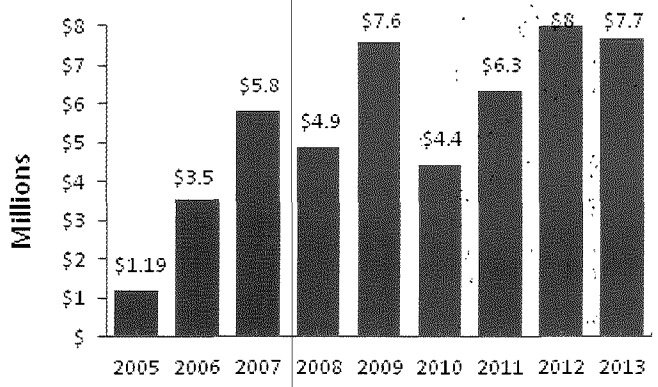


Figure 15: Total Annual Cost of Residential Permits in the Mission, 2005-2013

Source: San Francisco Planning Department, 2014

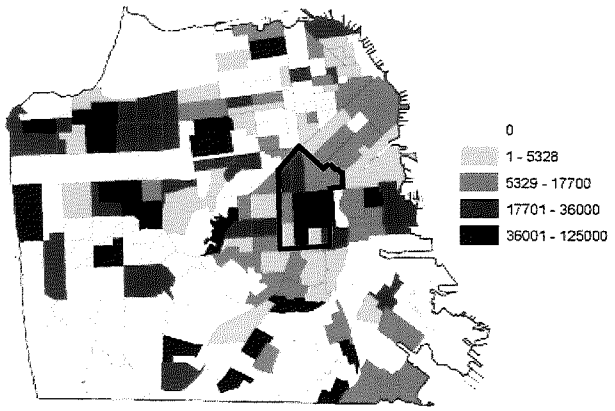


Figure 16: Average Permit Cost per Unit in the Mission by Census Tracts, 2005-2013

Source: San Francisco Planning Department, 2014a

The amount of private investment in residential properties has also been increasing since 2005 (Figure 15). The total annual value of permits (as ascertained through the cost of building permits) in the Mission increased by 545% from 2005 to 2013. When comparing investment in the Mission to the rest of the city, Figure 16 shows how parts of the Mission are averaging higher permitting investments per unit.

Public Investment

Public investment, in so far as it makes the neighborhood more desirable, has the potential to contribute to gentrification pressures. The public project that seems most clearly related to gentrification is one on Valencia Street between 15th and 19th streets completed by the Department of Public Works in July 2010 at a cost of $6.1 million. In 2004 the Municipal Transportation Agency (MTA) began the planning for the Valencia Streetscape Project, which expanded and beautified sidewalks, resurfaced and restriped the street with bike lanes, and provided other infrastructure improvements (City of San Francisco, n.d.). The street looks nicer than nearby streets and, today, the commercial establishments along Valencia Street are mostly new places that serve a higher-income clientele (further analysis of commercial change is in the next section). By contrast, along Mission Street, another main commercial corridor in the district, more of the older, legacy resident-serving establishments are still around, and visible gentrification is less advanced. This may be, at least in part, connected to the completion of the Valencia street beautification process. Additional improvements (some completed, some planned) include several streetscape improvement projects, road diets, and new plazas throughout the district. These are detailed in an appendix.

Together, these projects signal an interest in the Mission on the part of city agencies. The investment they bring is a parallel and reinforcing factor to the other changes discussed here. One stakeholder interviewed said that a lot of residents see streetscape improvements like these as a sign of gentrification. All of these projects included public processes, and several affirm the Latino cultural identity of the neighborhood. They also ostensibly improve the neighborhood for existing residents. On the other hand, the improvements could contribute to residents' dissonance, especially if they feel the neighborhood is being upgraded for others or being made more attractive for outsiders to move in. The improvements may make the area even more desirable to higher-income people and, therefore, encourage gentrification and displacement.

None of the improvements include provisions to ensure permanent housing affordability for existing residents to stay in the neighborhood and enjoy the new streets, plazas, and parks. In this way, the investments may not benefit existing residents in the long run, representing a missed opportunity to stabilize the neighborhood.

Commercial Displacement

In order to understand how gentrification may put pressure on retail businesses, we evaluated data on commercial establishments from the National Employment Time-Series Database (NETS), a proprietary database (Walls & Associates, 2013). Using census tracts, we analyzed the data by dividing the Mission District into three distinct commercial neighborhoods shown in Figure 18 based on our own assessment of commercial uses.

In 1990, there were more retail businesses in the 24th Street corridor neighborhood than in the 16th St. BART neighborhood (Figure 18). Since then, the number of retail businesses has steadily declined in the 24th Street corridor and steadily increased in the 16th Street neighborhood. Today there are about twice as many businesses in the 16th Street BART neighborhood as in the 24th Street corridor.

Here, we compare trends in the 16th Street Bart and 24th Street Corridor areas[10]. The businesses in the 16th Street Bart neighborhood may face problems due to neighborhood gentrification, customer dislocation, and increased wage costs for their workers. Businesses along 24th street may feel less pressures, in part due to the activism that has led to protecting businesses and tenants in the area (Dicum, 2005).

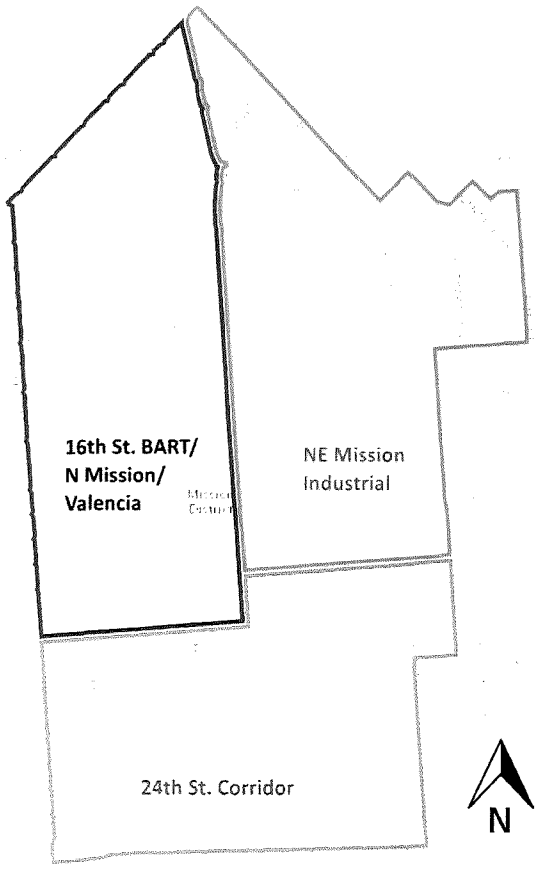


Figure 17: The Mission District, Commercial Neighborhoods

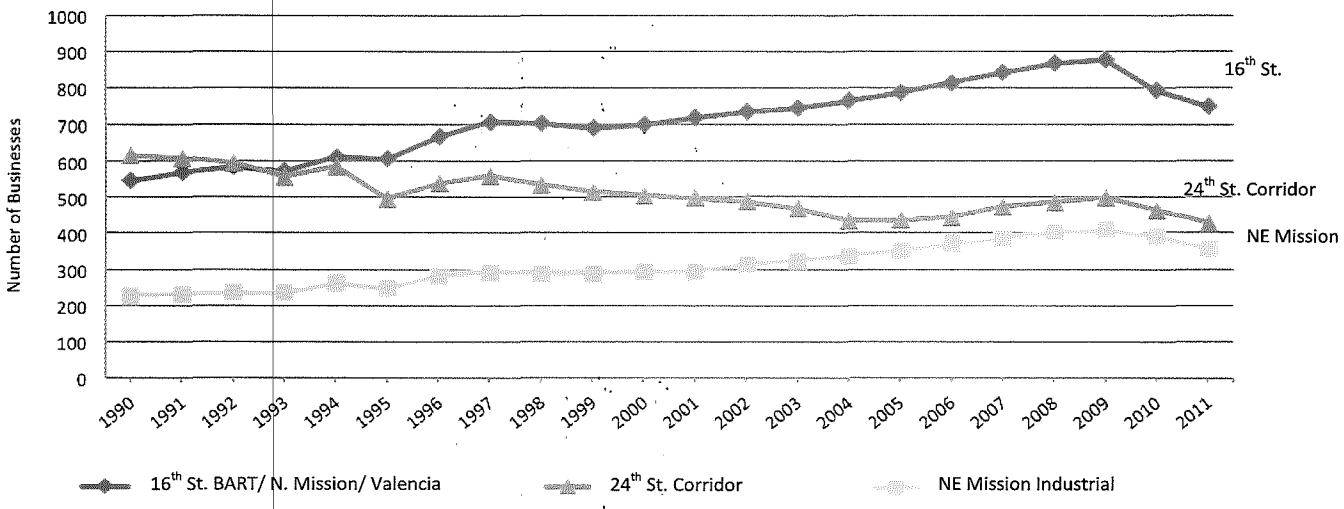


Figure 18: Number of Retail Businesses in the Mission, 1990-2011

Source: National Employment Time-Series (NETS) Database

[10] The number of retail businesses in the Northeast Mission Industrial neighborhood increased slightly, but is lower than the other two neighborhoods; we exclude it from the remainder of our analysis.

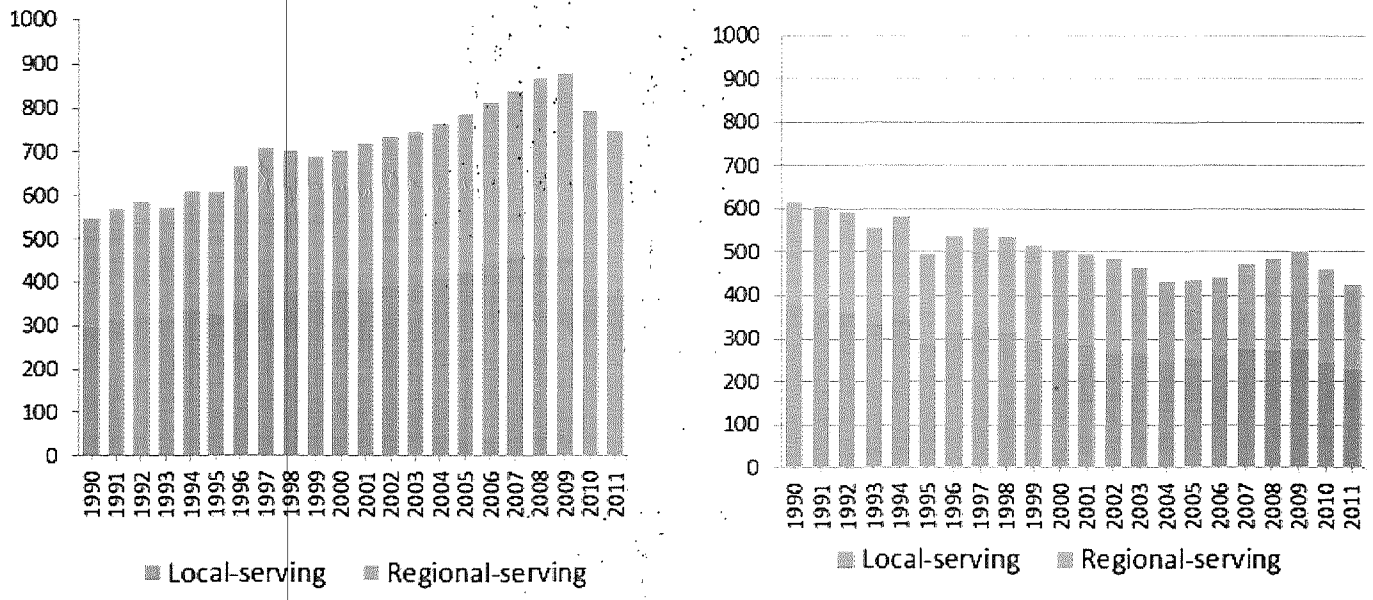


Figure 19: Total Number of Businesses, 16th St. BART (left) and 24th Street Corridor (right)
Source: National Employment Time-Series (NETS) database

To ascertain the change in local- versus regional-serving businesses, we categorize them based on their North American Industrial Classification System (NAICS) code into businesses that are more likely to serve local residents (such as markets, drug stores, and hardware stores) and businesses more likely to serve regional markets (such as department stores and furniture stores). In the 16th Street Bart neighborhood, growth has occurred in both local and regional serving businesses, while on 24th Street, local-serving businesses have decreased in number (Figure 19).

This suggests that changes in the 16th Street area may be spurred both by changes in the local resident population and in the neighborhood's capacity to draw customers from the region. For example, this corridor is a night-life destination where people from outside come to visit restaurants and bars. Changes in the 24th Street corridor, by contrast, appear to be more related to changes in the local residential population, resulting in a decline in local-serving businesses, without comparable increases in regional-serving businesses.

When asked about how different parts of the Mission have experienced change differently, a non-profit stakeholder identified the 24th and Mission neighborhood as one that has maintained its character more than others, keeping a high percentage of Hispanic-owned retail businesses. However, an analysis of businesses owned by Hispanic people on the 24th Street corridor reveals a different story. Of the businesses that closed in recent years (2007-2010), nearly 50% of them were owned by Hispanics, compared to 38% of businesses that opened over the same time frame.[11] Additionally, the overall proportion of businesses owned by Hispanic people decreased from 40% to 36% between 2000 and 2011. Though this is a small change, it still shows a change in the character of local retail and minority owned businesses.

Nonprofit funding has changed since the first wave of displacement as well. During the first dotcom era, funding and staff were available to Mission Housing when it spearheaded MAC. Today, the organization has fewer resources. One stakeholder believes the "velocity of change" is faster today than the previous dotcom boom; another commented that, due to fewer resources, more-formidable opponents (large technology firms as opposed to smaller start-ups during the previous era), and the "Mayor's pro-tech agenda," the community's capacity to respond has diminished.

[11] The corridor is defined as 24th Street between Mission and Potrero; note that this definition is different than that used in the other figures in this section. Source: NETS data and 2000 US Census. Methodology explained in appendix.

Conclusion

The Mission District is a potent example of the demographic and commercial changes that can occur in a high-demand location with walkability, accessibility, and access to amenities in the center of an expensive region. The data presented here show clear signs of change in the Mission.

Over the last thirty years, the area has seen a decrease in the proportion of family households and a decrease in the Latino population, while the percentage of the population with a bachelor degree or higher and median income have both increased dramatically—all consistent with gentrification patterns.

Despite an increase in income, housing burden has increased in the Mission, demonstrating the neighborhood's high desirability and, therefore, high cost of living. Rent control, public and subsidized housing, and inclusionary zoning all seek to limit displacement and increase affordability for low income households, but all have shortcomings, and, overall, are only partially mitigating the intense displacement resulting from new investment.

Evictions and buyouts are two of the processes contributing to displacement. While the number of Ellis Act and no-fault evictions has gone down in the last decade, the Mission continues to see the highest rate of evictions in the city. Meanwhile, buyouts in the Mission are at a rapid incline, perhaps indicating a switch in landlords' tactics from evictions to buyouts.

A perennial question in anti-displacement policy is which of two approaches to pursue: preserving existing housing as affordable, or increasing production of new housing, either market-rate or affordable. Preservation, in the face of strong market forces, is difficult. As during the dotcom boom, today streams of high income workers are flooding the housing market, placing upward pressure on housing prices and encouraging landlords to use various tactics to raise rents. Furthermore, there is a dwindling supply of naturally affordable housing units left to preserve; most renters are already cost-burdened, and with vacancy decontrol, even rent control units can jump to market simply from someone moving. Strengthening eviction policies could limit these effects.

Increased production of market-rate units is considered an affordable housing strategy by some, but not all: the increased overall supply, some would argue, will bring down rents across the board. However, community opposition to this approach is fierce, as evidenced by the 16th and Mission project. While in the long run new housing may relieve pressure on rents, in the short term it is certain to contribute to upward pressure as the neighborhood gentrifies. In addition, the scarcity of land in the Mission means that new development will be limited. Can enough new housing be built that these supply effects will bring down rents? That is unlikely, especially since new housing is likely to be oriented toward the highest end of the market, given the larger trends in the economy.

Therefore, to ensure a long-term supply of affordable housing in the Mission, affordable housing production, in addition to preservation of the existing stock, is key. Inclusionary housing has produced only 136 units in the Mission in over twenty years; this policy's future impact will be limited due to recent legal changes. The area is host to nearly 2,000 units of affordable housing. But more will be needed to keep low-income families living in this area.

The Mission has already undergone significant gentrification and continues to experience displacement. This neighborhood has been here before: the dotcom boom at the turn of the century foreshadowed (and set the stage for) many of the changes facing it today. The capacity building activists engaged in at that time provide a foundation for residents and advocates to incorporate successful tactics—and new approaches—to the present situation. While Valencia Street on a Saturday night may be unrecognizable to residents from twenty years ago, the neighborhood still hosts a sizable Latino population, and, in the words of a community-based organization stakeholder, "contestation for place and the right to stay is still going on."

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All four blocks are mostly residential, with a mix of single-family homes, multi-family rental buildings, and condominium buildings, which are usually newer. There are a few non-residential uses on each block, including some light industry, stores, offices, and one church. The structures are mostly older, though there are some very new buildings. The neighborhood is diverse in terms of socioeconomic status (judging by a range of businesses) and race (judging by the signs posted in a laundromat and observing pedestrians).

The blocks' primary land use is residential, though there is some first-floor commercial space. Most of the structures are single-family, attached homes with two or three stories. There are some apartment buildings, usually of 4-6 units, though there are a few larger buildings. There are a handful of one-story homes that appeared to be more recent construction (in the last 30-50 years). Most structures are beautiful old Victorian homes; even if they had some damage, they still maintain a handsome character. The new construction, though not in this same style, fit in with the neighborhood fairly well; their windows mimic the Bay-style windows of the old Victorians, though instead of being curved out as traditional Bay Windows are, they are rectangular boxes. The walls of most structures are aligned with the sidewalk, though some have shallow yards. This, and the lack of side yards, gives the neighborhood an urban feel.

Most homes are classic San Francisco Victorian townhouses, while there are about a dozen newly modernized or constructed homes that, for the most part, are condominiums. We can tell a condominium by the parcel numbers: if there are many within one structure, each unit is owned by a different person. There were several instances of buildings that had clearly formerly been part of one parcel with one owner, but had been split up in recent years to house multiple families. We could tell this because a building that was once one continuous structure is now host to several different parcel numbers.

Many homes—old ones and new construction alike—have garages. There are many "No Parking" signs on homes, which signals that parking is scarce and residents want to ensure people are not using their driveways to park.

A fair number of entrances are gated or have a non-decorative fence (i.e., metal) out front. However, almost none of these look new. Are the fences and gates for safety? If so, do current residents fear for their safety, or are the fences and gates a vestige of a time when residents were fearful, and, by contrast, residents today feel safe? Walking around on a Friday afternoon, the streets were lively and the structures inviting.

Besides the residential units, there are several neighborhood-serving commercial businesses, including a handful of restaurants, a Laundromat, and one Korean church. There are also several remnants of the old industrial uses of the neighborhood. For example, there is one store with a sign reading "Kaiser Glass."

Some businesses, due to a low level of maintenance, seem oriented towards residents without high incomes. For example, a corner café and legal services office fit this description; the latter had signs offering immigration assistance. Other businesses, like a pet store and upscale grocery market, are housed in newly-constructed buildings or have new, recently-developed interiors.

After passing one restaurant, the PODER staff member remarked that it had been there forever, but was now serving both long-time and new residents; businesses are not used exclusively by either old or new residents. This point was made clear when the researcher entered a Laundromat (on 18th Street between Capp and Van Ness, part of Block 2000 in Census Tract 208). On the bulletin board, about 10 flyers were posted (see Figure 2). Several seemed oriented towards Spanish-speaking residents, such as flyers advertising a concert, a dance club, computer services, video and photography services, and a room for rent. Other signs, in English, advertised Capoiera (a Brazilian form of martial arts) classes, a concert, a counseling center, and an exhibit on Modernism at the deYoung museum. From these flyers alone, it is clear this is a mixed neighborhood.

Figure D2: Bulletin board inside a Laundromat on 18th and Capp Streets

Neighborhood Activity: The neighborhood has steady street traffic, though off the main roads it has a quiet, residential feel to it. We spoke with several people who said there had been a lot of change in the area.

Block-by-Block Analysis

Tables 2 and 3 provide a summary of relevant secondary data for each block, the case study area, and San Francisco overall.

For two variables—land use and number of units—comparisons are made on a parcel-by-parcel basis; only parcels that appear in both data sets are used for this comparison (Table 4). Census data is not provided on a parcel level, and so includes all households surveyed by the Census. For each block, the total number of units based on three different data sets vary widely, as do the listed number of units for each parcel. Land uses, on the other hand, match fairly well on each block.

Table D2: Sales History and Assessed Value of Residential Parcels

Block	Median Year of Construction	Median Year of Last Sale	Percent Sold 2010-2014	Median Sale Price	Median Sale Price Per Square Foot	Assessed Value Per Square Foot (2013)
3003	1985	2005	29%	$578,500	$491	$465
2000	1903	1999	19%	$697,500	$256	$205
1007	1933	2004	23%	$925,000	$216	$161
1004[12]	1904.5	2007.5	42%	$785,000	$366	$221
Mission	1912	2004	20%	$585,000	$314	$235
SF	1932	2003	21%	$520,000	$337	$277

Source: Dataquick, 2014. These figures refer to all parcels in the area, including non-residential uses.

Table D3: Indicators of Neighborhood Change: Census Data/Demographics
Percentage Change From 2000 - 2010

Block	Population	Number Whites	Number Asians	Number Hispanics	Average Household Size	Number of Family Households	Number of Renter Housing Units
3003	-5%	14%	-22%	-11%	-13%	-12%	72%
2000	-7%	-9%	-12%	-25%	-19%	-12%	383%
1007	81%	111%	1 to 8 residents	-28%	-46%	7%	3700%
1004	-11%	19%	21%	-30%	-15%	-26%	683%
Mission	-5%	16%	7%	-21%	Not available	40%	-6%
SF	4%	-2%	12%	11%	-2%	4%	4%

Source: Decennial Census 2000 and 2010, accessed through NHGIS.

[12] Assessed value would likely be higher if the assessor data included new condominium buildings on the block.

Table D4: Summary of Parcel Matches and Primary Land Use

Block	Primary Land Use, based on Groundtruthing data	Percent Land Use Matched	Total Number of Units on Block			Percent of Parcels whose Number of Units match between Assessor Data and Visual Observation
			Assessor Data – Dataquick	Visual Observations on Ground-truthing	Census Data: Total Housing Units – 2010	
3003	Residential: 50% condo, 21% multi-family	87%	81	134	121	44%
2000	Residential: 42% multi-family, rest condo and single-family	96%	100	85	121	38%
1007	Residential: condo, multi-family	71% (denominator is 7)	32	96	78	38% (denominator is 12)
1004	Residential: 45% multi-family, 38% condo	86%	106	106	111	32%

Note: Percent Land Use Matched and Percent Units Matched take as their denominator only those parcels for which a land use or number of units was indicated by both assessor data and ground-truth data.

Block 3003

Secondary Data

This block is changing rapidly, with a very recent median year of last sale (2005), high percentage sold in the last five years (29%), and a median sale price per square foot ($491) that is much higher than in the Mission and San Francisco overall. The buildings on this block are very new, with a median year of construction of 1985, compared to 1912 in the Mission and 1932 in San Francisco. Between 2000 and 2010, the population on this block decreased by 5%; the changes on this block therefore likely have occurred since 2010, which is consistent with 29% of parcels selling between 2010-2014. The demographics of the block have changed, though not substantially: between 2000 and 2010, there were 14% more whites, 22% fewer Asians, and 11% fewer Hispanic residents. Of the four blocks, this one shows the highest median sale price per square foot, indicating significant new investment in the block.

Ground-Truthing

This block was chosen due to a decrease in the Hispanic population between 2000 and 2010 and a relatively high change in ownership over the last few years. It is also located in the northeast quadrant of the Mission and so adds geographic diversity to the blocks selected. On the corner of Van Ness and 19th Street, there is a small glass manufacturer, evidence of the neighborhood's historic industrial character. Besides this industrial building and a small legal services office that offered immigration services, the other structures are all housing, with a few more multi-family buildings than the other blocks surveyed. There was a sign about sidewalk repairs on the street. This block has an older feel, and featured fewer new structures than the others.

The block has several signs of recent investment. 67% of the parcels on the block appear "new" or "above average," with 21% of all parcels appearing new.

Other signs of investment include:
- 9 parcels with for-sale signs
- Almost no parcels had cracked windows (1), boarded windows (0), nor dirty windows (6)
- 57% of parcels had new or maintained paint.
- Very few signs of disorder

However, there are also signs of disinvestment:
- 19% of parcels had peeling or fading paint

Signs of perceived safety include:
- 37% of parcels had metal security doors.
- 10% had safety fencing
- 11% had security alarm signage
- Only 2 had bars on windows
- 26% had security cameras
- 20% had signs saying "Beware of Dog" or "No Trespassing"

Public Investment: Block 3003 is host to transit stops, municipal lighting, street furniture, bike racks, and public trash cans. There were very few signs of disorder on the block. Ongoing public investment appears to be happening: we saw a sign marking sidewalk repairs.

Comparison

Overall, the two data sets paint a consistent picture of the block: recent investment, new construction, and significant turnover. The new construction on the block is in line with the high percent of parcels that appear "new" visually; the high percent sold in the last five years, is in line with the 9 for-sale signs observed. The high sale price per square foot aligns with the many signs of investment and almost no signs of disorder or disinvestment.

However, the secondary data misses several things, mainly the continued perception that the area is not safe, evidenced by visual signs like metal security doors and cameras. On the other hand, these could just be standard for new construction. The secondary data also misses the significant public investment on the block.

Land Use: The primary land use is residential; most units are condominiums or multi-family rental buildings. 86% of the land uses for parcels identified by the ground-truthing exercise matched assessor data. There was no distinct pattern to the parcels that did not match. However, the majority of them did not match because the assessor data[13] did not list a use or (for four parcels), or no use was listed from the ground-truthing exercise; for example, because the building was behind another one and difficult to see. The primary type of residential unit on the block is condominiums, with 50% of parcels. Next was multi-family rental units, with 21% of parcels, and single-family residences with 13% of parcels.

Number of Units: The assessor data underestimated the total number of units on the block significantly—81 compared to 134 based on ground-truthing. Most buildings have 4 or fewer units, with two larger condominium buildings (16 units and 10 units), according to ground-truthing data. The parcel data only matched with observed data 30% of the time; almost always, when the parcels' number of units did not match, the assessor data listed fewer units than the ground-truthing revealed. For example, a 10-unit building was listed as having only 1 unit and several 4-unit buildings were listed as only 2 or 3 units, etc.

Block 2000

Secondary Data

This block appears to have experienced the least investment of the four blocks; it has the lowest median assessed value per square foot ($205), lowest percent sold in 2010-2014 (19%), oldest median year of last sale (1999), and oldest median year of construction (1903), with some of these figures even lower than in San Francisco overall. However, between 2000 and 2010, it experienced a 383% increase in the number of rental housing units and a decrease in the Hispanic population (25%) around the same level as the other blocks.

[13] Note: Five parcels are listed as "Store/Office Combo" and one is listed as "Miscellaneous Commercial" in the assessor data. Based on the ground-truthing, buildings containing these first-floor non-residential uses were identified. However, the specific parcel these non-residential uses occupy was impossible to tell through the ground-truthing. The 86% matched figure counts these parcels as "matched," since ground-truthing did identify a parcel among several within a structure as having a non-residential use. The percent matching for the other three blocks is derived through similar modifications to the ground-truthing data

Ground-Truthing

This block, like the others, has mostly residential uses. However, it is also host to a casual Salvadoran restaurant and the aforementioned laundromat, a small burger fast food restaurant with a parking lot, a corner café, and a Korean church—which was surprising, given the reputation of the neighborhood as Latino.

The majority of Block 2000's parcels appeared "average" or "below average." The block has the following signs of investment:

- No abandoned structures
- Only 2 buildings had dirty windows, and none had boarded windows
- Minimal spraypaint or graffiti – only 2 parcels
- No litter or debris on any parcel
- Very few signs of disorder
- On the block, there were 3 signs discouraging disorder

However, the block also has signs of disinvestment:

- 25% of parcels had peeling or fading paint

Signs of Safety:

- 47% of parcels had a metal security door
- 28% of parcels had a fence intended for safety
- 25% of parcels had security alarm signage
- 4 parcels (13%) with signs saying "Beware of Dog" or "No Trespassing"

Public Investment: Block 2000 has only municipal lighting.

Comparison

The two datasets matched in part for this block, too. In particular, the lower assessed value, less turnover, and less recent construction are consistent with a majority of parcels visually "appearing average" or "below average." While there are signs of investment from the ground-truthing data, they are more the absence of disinvestment than the presence of investment, and so therefore the data are consistent with the assessor data. The block does show ones sign of disinvestment: 25% of parcels had peeling or fading paint. Also, perception of safety is low, which is not revealed by the assessor data.

Land Use: The primary land use is residential. 84% of the land uses for parcels identified by ground-truthing matched assessor data, and where they did not match, it was usually because there was no data on the parcel in the assessor data. Of the parcels, 42% are multi-family rental buildings and the rest are evenly split between condominiums and single-family homes, plus the few stores and the church.

Number of Units: Most buildings host only one unit, but two buildings were larger, with 11 and 12 units respectively, based on ground-truthing data. Only 34% of the parcels had matching unit numbers in the assessor data.

Block 1007

Secondary Data

This block has had many recent sales, with a median year of sale of 2004, but not a particularly high median price per square foot ($216, relative to $314 in the Mission overall and $277 in San Francisco overall), indicating turnover, but not necessarily investment; this block may be on the cusp of gentrification. The block had the highest median sale price when square footage is not taken into account ($925,000)—perhaps the units that sold are mostly single-family homes, not condominiums? However, the parcel-level analysis here is based on only small subset of the actual parcels on this block, given error in the Dataquick set, so it is difficult to make definitive conclusions about it.

Related to these changes, and probably consistent with it, is the very large increase in renter units between 2000 and 2010: 3,700%, according to the Census. Between 2000 and 2010, the block's overall population increased by 81% and its white population increased by 111%—the highest of the four blocks, the Mission, and San Francisco. It also lost 28% of its Hispanic residents and experienced the largest decrease in average household size (46%), going from 3.26 to 1.77. This block experienced significant demographic change, while residential sales prices were not as expensive as on other blocks.

Ground-Truthing

This block was chosen due to a relatively high change in ownership over the last few years, according to parcel data, demographic change between 2000 and 2010, and its proximity to Parque Niños Unidos, discussed below.

The historic industrial character of this block was clear by the shape it has: running through the middle is an empty space where an old train line used to run through the neighborhood. In that space, there was trash and several trucks parked. On one corner, 23rd and Treat, sits a warehouse for a "lighting and grip" company; on another corner, 22nd and Harrison, is an abandoned industrial warehouse. In front of the former was a food truck and several young, Latino men sitting on the corner hanging out.
The rest of the block was mostly single-family houses on pleasant, tree-lined streets. Two new condo buildings and one apartment building that appeared to be a redeveloped warehouse are on the block, too.

Across Treat Avenue from this block is the Parque Niños Unidos, a park that PODER fought to get built several years ago. The park is nice and well-used. It is possible that some of the new development on this block is related to the park's construction.

On Block 1007, the new condominium buildings—with their large number of parcels—put the percent of parcels that appeared "new" at 89%. Signs of investment include:

- There were no dirty nor broken windows.
- No abandoned structures.
- The vast majority of the parcels on the block are in new condominium buildings.

Signs of Safety:
- 28% of parcels have fencing for safety purposes
- 62% of parcels have security alarm signage
- 86% of parcels have security cameras

Public Investment: Block 1007 has municipal lighting, 3 signs discouraging disorder, and no signs of disorder.

Comparison

It is impossible to legitimately compare the assessor data to the ground-truthing data given the huge discrepancy in parcels.

However, Census data can be compared. It showed a huge increase in rental units, but that was not at all evident from the ground-truthing. In terms of safety, most parcels had security alarm signage and cameras because of the condominium buildings having these; however, this does not mean that residents are concerned about safety, it may just be a standard feature of a new condominium building.

Land Use: The block is primarily residential, although it has several buildings that house light industry, retail, or offices in addition to its many condominiums and multi-family rental housing, plus single-family homes, too. The block has 74 parcels that do not appear in the assessor data. These parcels are in three buildings that appear to be condominiums and appeared brand new. Interestingly, this block is adjacent to a relatively new park. Did the creation of the park hasten the block's transition to hosting brand new condominiums? Or was it the large warehouse buildings on the block that are relatively easy to convert to residential uses?

Number of Units: Most buildings have fewer than 10 units but three buildings—new condominium developments—have 10, 20, and 44, respectively, based on ground-truthing data.

Block 1004

Secondary Data

Of the four blocks, this one had the most turnover in parcels between 2010-2014, with 42% sold, more than twice the figure in the Mission District overall, and the most recent median year of last sale, 2007.5. These sales also had a median price per square foot, at $366, slightly higher than the Mission, at $314. However, there does not appear to be much new construction on the block, given the median year of construction is 1904.5. As with Block 3003, these changes have likely happened since 2010, because the population decreased by 11% between 2000 and 2010. However, over the same period, the block experienced a growth in the number of rental housing units of 683%. Between 2000 and 2010, this block experienced the largest decrease in the number of Hispanic residents, losing 30% of them.

Ground-Truthing

This block was chosen due to a relatively high change in ownership over the last few years, as well as that it was a place where PODER organized against evictions in the early 2000s. This block featured a funky little café at the corner of 23rd and Van Ness and a brand new pet store. It also had several new structures. Otherwise, it was similar to the others.

On Block 1004, the appearance of buildings was a spectrum: 35% "new," 23% "above average," 28% "average," and 10% "below average." Signs of investment include:

- Only 5 parcels had dirty windows
- 23% of parcels had new or maintained paint

Signs of disinvestment:

- 25% of parcels had peeling or fading paint

Signs of Safety:

- 4 parcels had bars on their windows
- 23% of parcels had metal security doors

Public Investment: Block 1004 has municipal lighting and on-street residential permit parking. There was graffiti on a public sign, but other than that, very few signs of disorder.

Comparison

The picture painted by both sets of data for this block is that it is right in the middle of changing. Structures' appearance fell across the spectrum, and while many parcels have sold recently, the median price per square foot was not much higher than in the Mission overall, and new construction has been minimal. Each data set presents an ambiguous picture, so it is difficult to compare them.

Land Use: The block is primarily residential, with 45% of parcels holding multi-family rental buildings, and 38% in condominium buildings. 83% of land uses matched between ground-truthing and assessor data.

Number of Units: Most parcels have 3 or fewer units and there are two larger buildings with 10 and 12 units respectively, based on ground-truthing data.

Conclusion

Broadly, the secondary data sets and ground-truthing data paint similar pictures of change on these four blocks. Where the assessor data is ambiguous or reveals a mix of forces, as with Block 1004, so does the ground-truthing data. On one block (3003), the data sets align in terms of the broad story, but the ground-truthing takes the narrative deeper and reveals continued concerns about safety and significant public investment.

Block 1007 provides a cautionary example. On this block, the assessor dataset was missing a large number of parcels, most of them in two new condominium buildings. Without ground-truthing the block, we would have missed the major impact these buildings have on the feel of the street, and their implications for gentrification in the area. The block is a good example of a place in transition: running through its center there is still a relic of the area's former industrial character, there is a warehouse and some older, poorly-maintained buildings, and yet at the same time, there are several nicer homes, two new condominium buildings, and a new, well-used park across the street.

n terms of comparing data sets, unmatched parcels was a concern for three of four blocks and the number of units recorded per parcel usually did not match. This could be related to the high incidence of condominiums, and the rapid change in the area. On the other hand, land uses consistently matched between ground-truthing and assessor data.

Finally, the quality and age of buildings was comparably assessed by both methods, while perception of safety and public investment cannot be ascertained from the secondary data sources but only from ground-truthing. The limited number of signs of ethnicity across all blocks made it difficult to ground-truth demographic data.

WORKSHEET: Visual Demonstration of Neighborhood Change

Instructions: Physically walk predetermined neighborhood blocks and note evidence of deterioration or improvement using Section One. Parcel or building specific information should be collected in Section Two. Each block should named according to its main corridor (indicated on your map as the street with parcels on both sides). Bring a camera to take a photograph of each building.

**One whole worksheet should be completed for each block section*

Block Name: _____ **Observer:** _____

Physical Observation date and time : ____/____/_____ **Start** ___:___ **AM/PM** **End** ___:___ **AM/PM**

SECTION ONE: Block Overview and initial impressions

1. The primary land use for the block face is:
   - Residential
   - Commercial
   - Institutional (school, hospital, churches):
   - Industrial
   - Other: _____

2. Public investment + existing public infrastructure:
   - transit stops
   - municipal street lighting
   - on street residential permit parking
   - street furniture (including parklets)
   - bike racks
   - public trash cans
   - parking pay machines
   - newly paved streets
   - Other: _____

3. Describe any visible people, noting race or ethnicity, age, number, and activities they might be engaged in: _____

4. The # of signs discouraging disorder such as neighborhood watch, anti-littering/loitering/drug use/vandalism/graffiti: _____

5. Physical disorder such as garbage, litter, graffiti, or vandalism by degree of observations:

1	2	3	4	5
no disorder	very few signs of disorder	noticeable vandalism	mostly vandalized or littered	completely vandalized or littered

6. Please describe indicators of international or immigrant presence (note ethnicity, signs in a foreign language, or locally-owned foreign/ethnic business).

7. Additional notes on block overview: _____

SECTION TWO: Block/Parcel Data

**located on the following pages*

Using your pre-printed parcel map, carefully walk the block and record your observations for each building. Allow for ~1.5 hours of field time. Be sure to take a photograph of each building for comparison with past year data later.

APN/Parcel # _____ **Street Address** _____

1. Does the **building** appear to be well-maintained?

1	2	3	4	5
poor	below average	average	above average	new

2. The # of units the structure appears to have: _____
   The # mailboxes _____
   The # doorbells _____

3. The # vehicles **off-street** vehicles present _____
   - no off-street parking
   - existing driveway or parking lot
   - existing garage

4. Notes on visible people, building, and outdoor space; incl. *implied* information about household size and composition: _____

5. Building type and units:
   - Multi-family - apartment building
   - Multi-family - house
   - Single family - attached
   - Single family - detached
   - Mixed use
   - Public or subsidized project housing
   - Unknown, or other

6. Other building/occupant characteristics:
   - Abandoned
   - For Sale sign
   - For Rent sign
   - Blinds or curtains - permanent
   - Blinds or curtains - temporary
   - Cracked windows
   - Bars on windows
   - Boarded windows
   - Dirty windows
   - Metal security door
   - Vegetable garden
   - New addition
   - New or maintained paint
   - New or updated front door
   - Ongoing renovation/construction
   - Fencing *(check all that apply)*:
     New___ Old___ For safety___ For aesthetics___
   - Security alarm signage
   - CCTV/Security cameras
   - Children/toys visible
   - Peeling/fading paint
   - Spraypaint/graffiti
   - Litter or debris
   - *Beware of Dog, Private, No Trespassing* signs
   - Signs of ethnicity

Figure D3: Ground-truthing data collection worksheet

SFGATE http://www.sfgate.com/bayarea/article/Cities-struggle-with-ending-redevelopment-agencies-2572818.php

Cities struggle with ending redevelopment agencies

REDEVELOPMENT

Stephanie M. Lee, Chronicle Staff Writer Published 4:00 am, Tuesday, January 17, 2012

IMAGE 1 OF 3

Families walk over the bridge that crosses Mission Creek, Sunday, January 15, 2012, where new condo buildings have sprung up in the past few years.

Thousands of city workers empty their desks. Offices go dark. Rows of deteriorated buildings may sit untouched.

This is how California's redevelopment program dies.

Six decades ago, redevelopment agencies were formed across the state to revitalize blighted neighborhoods and create low-income housing. By Feb. 1, as a new state law requires, all 400 of them will be gone.

Killing off a multibillion-dollar program is a messy, unprecedented process. The way it unfolds depends on the city - and the day.

On Friday, lawmakers introduced legislation to preserve redevelopment agencies until April 15. Assuming the original deadline stands, however, officials will spend the next two weeks scrambling to close and hand off their final projects.

"These are very difficult times for people," said Tiffany Bohee, San Francisco Redevelopment Agency's interim executive director.

Last summer, the Legislature and Gov. Jerry Brown agreed to ax redevelopment to help solve the state's multibillion-dollar budget deficit. The agencies annually received about $5 billion, which Brown said should go to education and public safety.

Cities and counties sued. But in December, the California Supreme Court sided with the state and struck down a compromise law that would have allowed the agencies to exist in smaller form.

Redevelopment agencies grew out of federal urban renewal programs and formed in California in 1945. They combat urban blight b purchasing property, renovating commercial areas and developing affordable housing, among other actions. The intent is to

Appendix A: Additional Data Points

Table A1: Percent Foreign Born, Mission (1980-2010)

Year	Percent Foreign Born
1980	38%
1990	48%
2000	45%
2010	39%

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2006-2010

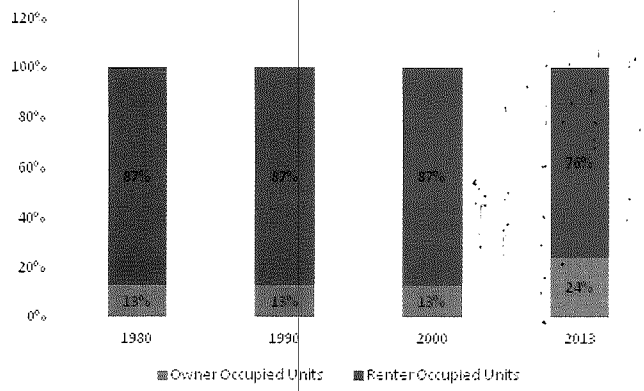

Figure A1: Mission District Housing Tenure by Percent, 1980 - 2013

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

Table A2: Mission District Housing Vacancies, 1980 - 2013

Year	Total Vacant Units
1980	6%
1990	6%
2000	3%
2013	7.6%

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

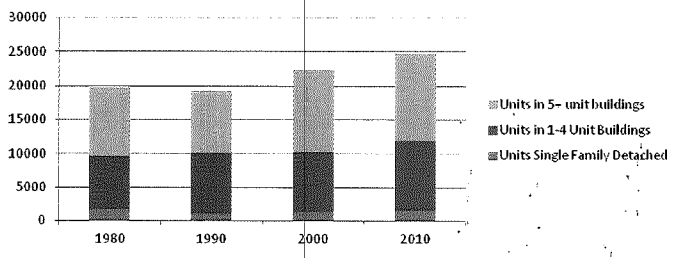

Figure A2: Mission District Residential Building Type, 1980 - 2010

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2006-2010

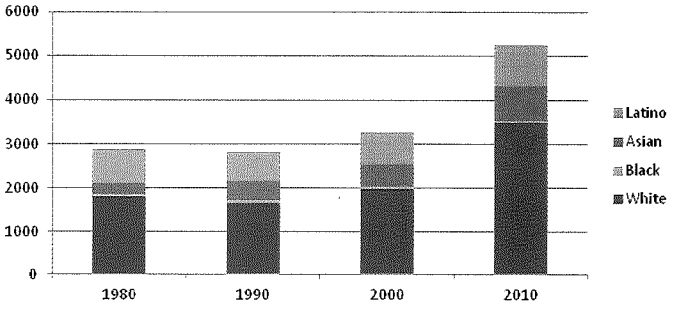

Figure A3: Homeownership by Race/Ethnicity in the Mission

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2006-2010

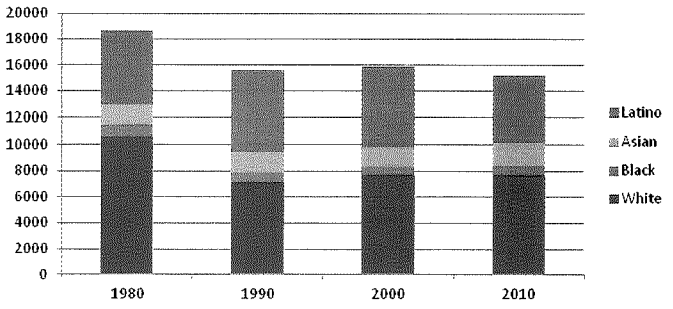

Figure A4: Renter-Occupied Units by Race/Ethnicity in the Mission

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2006-2010

Table A3: Total Annual Cost of Residential Permits

Year	Total Annual Cost	Percent Change
2005	$1,190,000	
2006	$3,527,400	196%
2007	$5,806,460	65%
2008	$4,892,000	-16%
2009	$7,579,440	55%
2010	$4,427,004	-42%
2011	$6,342,354	43%
2012	$7,982,718	26%
2013	$7,675,525	-4%
2005-2013 Percent Change		545%

Source: San Francisco Planning Department, 2014

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Appendix B: Methodology for Analyzing Proportion of Hispanic-Owned Businesses

We followed a methodology used by researchers at UCLA to analyze changes in Asian-owned businesses in several Los Angeles neighborhoods (Paul M. Ong, Chhandara Pech, Rosalie Ray, 2014). We began with the National Establishment Time-Series database, which includes businesses' opening and closing dates and owners' names. We pulled this data for businesses in the zip code 94110, which contains the 24th Street corridor. We removed any record without a business name and/or officer name and then removed all records except those with an address between 2700 24th Street and 3278 24th Street, which runs from Protero to Mission Streets. We then compared the surnames of each businesses' officer with a list of Hispanic surnames, which we created from a list of all names with 100 or more respondents from the 2000 Census. We created a list of surnames whose percentage of respondents was at least 75% Hispanic. If the name of the business owner was on this Hispanic surname list, we concluded that the business was owned by a Hispanic person.

Appendix C: Public Investment in the Mission District–Additional Detail

Completed Projects

On Folsom Street between 19th and Cesar Chavez Streets, a $5.44 million streetscape improvement project was finished this year to reduce the number of vehicle lanes, add bike lanes, repave streets, add bus bulb-outs, and add trees (City and County of San Francisco Department of Public Works, n.d.-b).

A larger-scale plan for the entire Mission District was developed in 2008 and 2009, when the planning department led a community process to create a streetscape plan as part of the larger Eastern Neighborhoods planning process. A final plan was generated in 2010 that called for "a system of neighborhood streets with safe and green sidewalks; well-marked crosswalks; widened sidewalks at corners; creative parking arrangements; bike paths and routes; close integration of transit; and roadways that accommodate automobile traffic but encourage appropriate speeds" (San Francisco Planning Department City Design Group, 2009). Overall, these changes would make the streets more accessible to pedestrians, bikers, and users of transit. The total estimated cost of the improvements is $95.5 million (San Francisco Planning Department, 2010).

The plan touches all the main commercial areas in the District, and includes 28 projects that were cleared through the environmental review process. The following projects have been completed:

Plaza at the 24th St BART station

Bryant St between 23rd and Cesar Chavez – road diet with new median

Folsom St. between 17th and 25th – road diet with bike lanes has been created through re-striping street, though the planned median is not built and not in the budget

Intersection of Mission, Capp, and Cesar Chavez Streets – new plaza

Another project along the southern edge of the Mission district—Cesar Chavez Street—is a streetscape improvement project (City and County of San Francisco Department of Public Works, n.d.-a). The project, which will cost $11.6 million, includes many improvements, such as "widening the center median and installing bulb-outs at intersections and mid-blocks," new trees, drainage improvements, bike lanes, and public plazas (City and County of San Francisco Department of Public Works, n.d.-a). The median and bike improvements are near completion or complete.

Planned Projects

The following projects from the overall Mission District plan are in progress:

Intersection of Mission and Valencia, the "Green Gateway" – A new plaza should be finished by March 2015 that will include sidewalk widening on west side and will incorporate existing bus stop.

Intersection of San Jose and Guerrero – The community benefits agreement for a new hospital project in the vicinity includes funding to improve the safety of this intersection.

Bryant St between 21st and 22nd – The block will be redone starting in November 2014 as a shared street incorporating the public open market previously there.

Intersection of Dolores St and 18th St – The intersection will be rebuilt, possibly as early as October 2015.

Additional projects remain in the plan, including revamped alleyways parallel to Mission Street for much of its length in the District and median improvements for the major streets in the District.

Appendix D: Ground-Truthing Analysis

To tell the story of gentrification and displacement in the Mission District of San Francisco, California, we relied on data from the assessor's office, Census data on demographic and other change, several other secondary data sources, and qualitative policy reviews and interviews with key stakeholders. However, secondary data sources are incomplete, at best, and outright wrong, at worst. Therefore, we employ a "ground-truthing" methodology to verify the validity of these datasets. The ground-truthing, which is described in more detail below, essentially consists of walking from structure to structure on a few sample blocks and taking detailed notes on several variables, like number of units, state of maintenance, and more. With this data in hand, we can compare the story of gentrification the secondary data sources are telling with data obtained "on the ground," while also increasing the richness of our narrative overall from the visual observations we make on the blocks.

In this memo, we discuss four sample blocks in the case study area. For each, we first present the secondary data sources—assessor and Census. We analyze this data to ascertain the nature and extent of recent neighborhood change on those blocks. Next, we describe the ground-truthing data and offer a similar analysis in terms of neighborhood change, but this time based solely on the ground-truthing. Finally, we reconcile the two data-sets: are they telling the same story? Where are the discrepancies? What do those discrepancies reveal?

Methodology

For this analysis, we selected blocks from the case study area that seemed to have experienced a range of degrees of change, based on secondary data (see Figure 1). We consulted with a community-based organization familiar with the area to choose blocks they thought were illustrative of the varying amount of change occurring in the area.

To prepare this memo, we consulted the following data sources:

Assessor Data: Using a dataset purchased from Dataquick, Inc., we accessed assessor and sales data from the County of San Francisco, which is current as of April 23, 2014.

US Census Bureau: We also consulted block-level decennial Census data from 2000 and 2010.

Ground-truthing data: This information comes from a visual observation of each structure on the block by walking around and noting the building's type (multi-family, single-family, business, etc), the number of units it appears to hold, and a long list of signs of recent investment, like permanent blinds and updated paint, as well as signs of perceptions of safety, like security cameras. The parcel numbers used to organize this data come from the Boundary Solutions data set, which is current as of December 13, 2012.

The ground-truthing methodology is based on one used by Hwang and Sampson (Hwang & Sampson, 2014), who used Google Street View images to analyze neighborhood change in Chicago. We created an observation tool based on their work and, with that in hand, conducted a pilot ground-truthing of several blocks in one of the case study areas (the Macarthur BART station area of Oakland, California). The research team revised the methodology based on this pilot; the final observation tool appears in the appendix.

On November 14, 2014, a researcher with the Center for Community Innovation, an organizer at the community group PODER, and a consultant with deep knowledge of the area walked through four blocks in the Mission District, stopping to take notes at each building.

Figure D1: Map of Mission District, with census tracts, and four Ground-Truthing blocks in green.

Unmatched Parcels

The ground-truthing exercise is meant to provide an additional set of data to verify conclusions reached through analyzing assessor and Census data. Complicating this effort is that the data sets do not have the same set of parcels (Table 1). All data reported from the assessor data (Dataquick) includes all parcels in that set; likewise, all data reported from the ground-truthing data collection includes all parcels in that set (which is based on parcels from Boundary Solutions).

Most of the mismatch is not significant enough to skew results; however, three areas of discrepancy are significant; these are highlighted in yellow in the table.

First, on Block 3003, 15 of the parcels in the assessor data did not appear in the ground-truth data set.

Second, on Block 2000, 29 of the 55 parcels in the assessor data did not appear in the ground-truth data set.

Finally, on Block 1007, almost all of the parcels from the ground-truthing data set did not appear in the assessor data. This is primarily the result of the Dataquick data missing over 40 parcels for the building at 3000 23rd St. In place of those parcels, it had only one, with many units, with a listed use as an apartment building. Likewise for the building at 2652 Harrison St; while the building has 20 parcels/units—condominiums—according to the Ground-truthing data, it appears with only one on the Dataquick data. This is almost definitely a glitch in the data, not a result of the timing of the data sets.

Table D1: Parcel Mismatch Among Datasets

Block and Census Tract	# assessor parcels matched to ground-truth parcels, of total assessor parcels	# ground-truth parcels matched to assessor parcels, of total ground-truth parcels
Block 3003 Tract 228.01	65 / 81	66 / 70
Block 2000 Tract 208	26 / 55	28 / 31
Block 1007 Tract 228.03	12 / 16	12 / 87
Block 1004 Tract 228.03	37 / 41	39 / 39

Overall Impressions from Ground-Truthing

The blocks walked have a distinctly "old" feel to them—one could tell walking around that the neighborhood had a history and had been developed mostly a long time ago, while parts of it represent more recent additions. Its streets (except the major artery Van Ness) were quiet and pleasant to walk through. The streets and sidewalks are mostly clean. A steady flow of people walks the streets.

The uses on the blocks vary: former industrial sites share the block with new condominium developments; unmaintained townhomes sit next to beautiful, recently-renovated townhomes; expensive cafes and grocery stores have popped up next to long-open diners. Besides these signs of transition, an overt sign of gentrification—and community opposition to it—is a sign reading "Evictions" pasted below a "STOP" sign, so that the message was "STOP Evictions."

All four blocks are mostly residential, with a mix of single-family homes, multi-family rental buildings, and condominium buildings, which are usually newer. There are a few non-residential uses on each block, including some light industry, stores, offices, and one church. The structures are mostly older, though there are some very new buildings. The neighborhood is diverse in terms of socioeconomic status (judging by a range of businesses) and race (judging by the signs posted in a laundromat and observing pedestrians).

The blocks' primary land use is residential, though there is some first-floor commercial space. Most of the structures are single-family, attached homes with two or three stories. There are some apartment buildings, usually of 4-6 units, though there are a few larger buildings. There are a handful of one-story homes that appeared to be more recent construction (in the last 30-50 years). Most structures are beautiful old Victorian homes; even if they had some damage, they still maintain a handsome character. The new construction, though not in this same style, fit in with the neighborhood fairly well; their windows mimic the Bay-style windows of the old Victorians, though instead of being curved out as traditional Bay Windows are, they are rectangular boxes. The walls of most structures are aligned with the sidewalk, though some have shallow yards. This, and the lack of side yards, gives the neighborhood an urban feel.

Most homes are classic San Francisco Victorian townhouses, while there are about a dozen newly modernized or constructed homes that, for the most part, are condominiums. We can tell a condominium by the parcel numbers: if there are many within one structure, each unit is owned by a different person. There were several instances of buildings that had clearly formerly been part of one parcel with one owner, but had been split up in recent years to house multiple families. We could tell this because a building that was once one continuous structure is now host to several different parcel numbers.

Many homes—old ones and new construction alike—have garages. There are many "No Parking" signs on homes, which signals that parking is scarce and residents want to ensure people are not using their driveways to park.

A fair number of entrances are gated or have a non-decorative fence (i.e., metal) out front. However, almost none of these look new. Are the fences and gates for safety? If so, do current residents fear for their safety, or are the fences and gates a vestige of a time when residents were fearful, and, by contrast, residents today feel safe? Walking around on a Friday afternoon, the streets were lively and the structures inviting.

Besides the residential units, there are several neighborhood-serving commercial businesses, including a handful of restaurants, a Laundromat, and one Korean church. There are also several remnants of the old industrial uses of the neighborhood. For example, there is one store with a sign reading "Kaiser Glass."

Some businesses, due to a low level of maintenance, seem oriented towards residents without high incomes. For example, a corner café and legal services office fit this description; the latter had signs offering immigration assistance. Other businesses, like a pet store and upscale grocery market, are housed in newly-constructed buildings or have new, recently-developed interiors.

After passing one restaurant, the PODER staff member remarked that it had been there forever, but was now serving both long-time and new residents; businesses are not used exclusively by either old or new residents. This point was made clear when the researcher entered a Laundromat (on 18th Street between Capp and Van Ness, part of Block 2000 in Census Tract 208). On the bulletin board, about 10 flyers were posted (see Figure 2). Several seemed oriented towards Spanish-speaking residents, such as flyers advertising a concert, a dance club, computer services, video and photography services, and a room for rent. Other signs, in English, advertised Capoiera (a Brazilian form of martial arts) classes, a concert, a counseling center, and an exhibit on Modernism at the deYoung museum. From these flyers alone, it is clear this is a mixed neighborhood.

Figure D2: Bulletin board inside a Laundromat on 18th and Capp Streets

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Neighborhood Activity: The neighborhood has steady street traffic, though off the main roads it has a quiet, residential feel to it. We spoke with several people who said there had been a lot of change in the area.

Block-by-Block Analysis

Tables 2 and 3 provide a summary of relevant secondary data for each block, the case study area, and San Francisco overall.

For two variables—land use and number of units—comparisons are made on a parcel-by-parcel basis; only parcels that appear in both data sets are used for this comparison (Table 4). Census data is not provided on a parcel level, and so includes all households surveyed by the Census. For each block, the total number of units based on three different data sets vary widely, as do the listed number of units for each parcel. Land uses, on the other hand, match fairly well on each block.

Table D2: Sales History and Assessed Value of Residential Parcels

Block	Median Year of Construction	Median Year of Last Sale	Percent Sold 2010-2014	Median Sale Price	Median Sale Price Per Square Foot	Assessed Value Per Square Foot (2013)
3003	1985	2005	29%	$578,500	$491	$465
2000	1903	1999	19%	$697,500	$256	$205
1007	1933	2004	23%	$925,000	$216	$161
1004[12]	1904.5	2007.5	42%	$785,000	$366	$221
Mission	1912	2004	20%	$585,000	$314	$235
SF	1932	2003	21%	$520,000	$337	$277

Source: Dataquick, 2014. These figures refer to all parcels in the area, including non-residential uses.

Table D3: Indicators of Neighborhood Change: Census Data/Demographics
Percentage Change From 2000 - 2010

Block	Population	Number Whites	Number Asians	Number Hispanics	Average Household Size	Number of Family Households	Number of Renter Housing Units
3003	-5%	14%	-22%	-11%	-13%	-12%	72%
2000	-7%	-9%	-12%	-25%	-19%	-12%	383%
1007	81%	111%	1 to 8 residents	-28%	-46%	7%	3700%
1004	-11%	19%	21%	-30%	-15%	-26%	683%
Mission	-5%	16%	7%	-21%	Not available	40%	-6%
SF	4%	-2%	12%	11%	-2%	4%	4%

Source: Decennial Census 2000 and 2010, accessed through NHGIS.

[12] Assessed value would likely be higher if the assessor data included new condominium buildings on the block.

Table D4: Summary of Parcel Matches and Primary Land Use

Block	Primary Land Use, based on Groundtruthing data	Percent Land Use Matched	Total Number of Units on Block			Percent of Parcels whose Number of Units match between Assessor Data and Visual Observation
			Assessor Data – Dataquick	Visual Observations on Ground-truthing	Census Data: Total Housing Units – 2010	
3003	Residential: 50% condo, 21% multi-family	87%	81	134	121	44%
2000	Residential: 42% multi-family, rest condo and single-family	96%	100	85	121	38%
1007	Residential: condo, multi-family	71% (denominator is 7)	32	96	78	38% (denominator is 12)
1004	Residential: 45% multi-family, 38% condo	86%	106	106	111	32%

Note: Percent Land Use Matched and Percent Units Matched take as their denominator only those parcels for which a land use or number of units was indicated by both assessor data and ground-truth data.

Block 3003

Secondary Data

This block is changing rapidly, with a very recent median year of last sale (2005), high percentage sold in the last five years (29%), and a median sale price per square foot ($491) that is much higher than in the Mission and San Francisco overall. The buildings on this block are very new, with a median year of construction of 1985, compared to 1912 in the Mission and 1932 in San Francisco. Between 2000 and 2010, the population on this block decreased by 5%; the changes on this block therefore likely have occurred since 2010, which is consistent with 29% of parcels selling between 2010-2014. The demographics of the block have changed, though not substantially: between 2000 and 2010, there were 14% more whites, 22% fewer Asians, and 11% fewer Hispanic residents. Of the four blocks, this one shows the highest median sale price per square foot, indicating significant new investment in the block.

Ground-Truthing

This block was chosen due to a decrease in the Hispanic population between 2000 and 2010 and a relatively high change in ownership over the last few years. It is also located in the northeast quadrant of the Mission and so adds geographic diversity to the blocks selected. On the corner of Van Ness and 19th Street, there is a small glass manufacturer, evidence of the neighborhood's historic industrial character. Besides this industrial building and a small legal services office that offered immigration services, the other structures are all housing, with a few more multi-family buildings than the other blocks surveyed. There was a sign about sidewalk repairs on the street. This block has an older feel, and featured fewer new structures than the others.

The block has several signs of recent investment. 67% of the parcels on the block appear "new" or "above average," with 21% of all parcels appearing new.

Other signs of investment include:
- 9 parcels with for-sale signs
- Almost no parcels had cracked windows (1), boarded windows (0), nor dirty windows (6)
- 57% of parcels had new or maintained paint.
- Very few signs of disorder

However, there are also signs of disinvestment:
- 19% of parcels had peeling or fading paint

Signs of perceived safety include:
- 37% of parcels had metal security doors.
- 10% had safety fencing
- 11% had security alarm signage
- Only 2 had bars on windows
- 26% had security cameras
- 20% had signs saying "Beware of Dog" or "No Trespassing"

Public Investment: Block 3003 is host to transit stops, municipal lighting, street furniture, bike racks, and public trash cans. There were very few signs of disorder on the block. Ongoing public investment appears to be happening: we saw a sign marking sidewalk repairs.

Comparison

Overall, the two data sets paint a consistent picture of the block: recent investment, new construction, and significant turnover. The new construction on the block is in line with the high percent of parcels that appear "new" visually; the high percent sold in the last five years, is in line with the 9 for-sale signs observed. The high sale price per square foot aligns with the many signs of investment and almost no signs of disorder or disinvestment.

However, the secondary data misses several things, mainly the continued perception that the area is not safe, evidenced by visual signs like metal security doors and cameras. On the other hand, these could just be standard for new construction. The secondary data also misses the significant public investment on the block.

Land Use: The primary land use is residential; most units are condominiums or multi-family rental buildings. 86% of the land uses for parcels identified by the ground-truthing exercise matched assessor data. There was no distinct pattern to the parcels that did not match. However, the majority of them did not match because the assessor data[13] did not list a use or (for four parcels), or no use was listed from the ground-truthing exercise; for example, because the building was behind another one and difficult to see. The primary type of residential unit on the block is condominiums, with 50% of parcels. Next was multi-family rental units, with 21% of parcels, and single-family residences with 13% of parcels.

Number of Units: The assessor data underestimated the total number of units on the block significantly—81 compared to 134 based on ground-truthing. Most buildings have 4 or fewer units, with two larger condominium buildings (16 units and 10 units), according to ground-truthing data. The parcel data only matched with observed data 30% of the time; almost always, when the parcels' number of units did not match, the assessor data listed fewer units than the ground-truthing revealed. For example, a 10-unit building was listed as having only 1 unit and several 4-unit buildings were listed as only 2 or 3 units, etc.

Block 2000

Secondary Data

This block appears to have experienced the least investment of the four blocks; it has the lowest median assessed value per square foot ($205), lowest percent sold in 2010-2014 (19%), oldest median year of last sale (1999), and oldest median year of construction (1903), with some of these figures even lower than in San Francisco overall. However, between 2000 and 2010, it experienced a 383% increase in the number of rental housing units and a decrease in the Hispanic population (25%) around the same level as the other blocks.

[13] Note: Five parcels are listed as "Store/Office Combo" and one is listed as "Miscellaneous Commercial" in the assessor data. Based on the ground-truthing, buildings containing these first-floor non-residential uses were identified. However, the specific parcel these non-residential uses occupy was impossible to tell through the ground-truthing. The 86% matched figure counts these parcels as "matched," since ground-truthing did identify a parcel among several within a structure as having a non-residential use. The percent matching for the other three blocks is derived through similar modifications to the ground-truthing data

Ground-Truthing

This block, like the others, has mostly residential uses. However, it is also host to a casual Salvadoran restaurant and the aforementioned laundromat, a small burger fast food restaurant with a parking lot, a corner café, and a Korean church—which was surprising, given the reputation of the neighborhood as Latino.

The majority of Block 2000's parcels appeared "average" or "below average." The block has the following signs of investment:

- No abandoned structures
- Only 2 buildings had dirty windows, and none had boarded windows
- Minimal spraypaint or graffiti – only 2 parcels
- No litter or debris on any parcel
- Very few signs of disorder
- On the block, there were 3 signs discouraging disorder

However, the block also has signs of disinvestment:

- 25% of parcels had peeling or fading paint

Signs of Safety:

- 47% of parcels had a metal security door
- 28% of parcels had a fence intended for safety
- 25% of parcels had security alarm signage
- 4 parcels (13%) with signs saying "Beware of Dog" or "No Trespassing"

Public Investment: Block 2000 has only municipal lighting.

Comparison

The two datasets matched in part for this block, too. In particular, the lower assessed value, less turnover, and less recent construction are consistent with a majority of parcels visually "appearing average" or "below average." While there are signs of investment from the ground-truthing data, they are more the absence of disinvestment than the presence of investment, and so therefore the data are consistent with the assessor data. The block does show ones sign of disinvestment: 25% of parcels had peeling or fading paint. Also, perception of safety is low, which is not revealed by the assessor data.

Land Use: The primary land use is residential. 84% of the land uses for parcels identified by ground-truthing matched assessor data, and where they did not match, it was usually because there was no data on the parcel in the assessor data. Of the parcels, 42% are multi-family rental buildings and the rest are evenly split between condominiums and single-family homes, plus the few stores and the church.

Number of Units: Most buildings host only one unit, but two buildings were larger, with 11 and 12 units respectively, based on ground-truthing data. Only 34% of the parcels had matching unit numbers in the assessor data.

Block 1007

Secondary Data

This block has had many recent sales, with a median year of sale of 2004, but not a particularly high median price per square foot ($216, relative to $314 in the Mission overall and $277 in San Francisco overall), indicating turnover, but not necessarily investment; this block may be on the cusp of gentrification. The block had the highest median sale price when square footage is not taken into account ($925,000)—perhaps the units that sold are mostly single-family homes, not condominiums? However, the parcel-level analysis here is based on only small subset of the actual parcels on this block, given error in the Dataquick set, so it is difficult to make definitive conclusions about it.

Related to these changes, and probably consistent with it, is the very large increase in renter units between 2000 and 2010: 3,700%, according to the Census. Between 2000 and 2010, the block's overall population increased by 81% and its white population increased by 111%—the highest of the four blocks, the Mission, and San Francisco. It also lost 28% of its Hispanic residents and experienced the largest decrease in average household size (46%), going from 3.26 to 1.77. This block experienced significant demographic change, while residential sales prices were not as expensive as on other blocks.

Ground-Truthing

This block was chosen due to a relatively high change in ownership over the last few years, according to parcel data, demographic change between 2000 and 2010, and its proximity to Parque Niños Unidos, discussed below.

The historic industrial character of this block was clear by the shape it has: running through the middle is an empty space where an old train line used to run through the neighborhood. In that space, there was trash and several trucks parked. On one corner, 23rd and Treat, sits a warehouse for a "lighting and grip" company; on another corner, 22nd and Harrison, is an abandoned industrial warehouse. In front of the former was a food truck and several young, Latino men sitting on the corner hanging out.
The rest of the block was mostly single-family houses on pleasant, tree-lined streets. Two new condo buildings and one apartment building that appeared to be a redeveloped warehouse are on the block, too.

Across Treat Avenue from this block is the Parque Niños Unidos, a park that PODER fought to get built several years ago. The park is nice and well-used. It is possible that some of the new development on this block is related to the park's construction.

On Block 1007, the new condominium buildings—with their large number of parcels—put the percent of parcels that appeared "new" at 89%. Signs of investment include:

- There were no dirty nor broken windows.
- No abandoned structures.
- The vast majority of the parcels on the block are in new condominium buildings.

Signs of Safety:
- 28% of parcels have fencing for safety purposes
- 62% of parcels have security alarm signage
- 86% of parcels have security cameras

Public Investment: Block 1007 has municipal lighting, 3 signs discouraging disorder, and no signs of disorder.

Comparison

It is impossible to legitimately compare the assessor data to the ground-truthing data given the huge discrepancy in parcels.

However, Census data can be compared. It showed a huge increase in rental units, but that was not at all evident from the ground-truthing. In terms of safety, most parcels had security alarm signage and cameras because of the condominium buildings having these; however, this does not mean that residents are concerned about safety, it may just be a standard feature of a new condominium building.

Land Use: The block is primarily residential, although it has several buildings that house light industry, retail, or offices in addition to its many condominiums and multi-family rental housing, plus single-family homes, too. The block has 74 parcels that do not appear in the assessor data. These parcels are in three buildings that appear to be condominiums and appeared brand new. Interestingly, this block is adjacent to a relatively new park. Did the creation of the park hasten the block's transition to hosting brand new condominiums? Or was it the large warehouse buildings on the block that are relatively easy to convert to residential uses?

Number of Units: Most buildings have fewer than 10 units but three buildings—new condominium developments—have 10, 20, and 44, respectively, based on ground-truthing data.

Block 1004

Secondary Data

Of the four blocks, this one had the most turnover in parcels between 2010-2014, with 42% sold, more than twice the figure in the Mission District overall, and the most recent median year of last sale, 2007.5. These sales also had a median price per square foot, at $366, slightly higher than the Mission, at $314. However, there does not appear to be much new construction on the block, given the median year of construction is 1904.5. As with Block 3003, these changes have likely happened since 2010, because the population decreased by 11% between 2000 and 2010. However, over the same period, the block experienced a growth in the number of rental housing units of 683%. Between 2000 and 2010, this block experienced the largest decrease in the number of Hispanic residents, losing 30% of them.

Ground-Truthing

This block was chosen due to a relatively high change in ownership over the last few years, as well as that it was a place where PODER organized against evictions in the early 2000s. This block featured a funky little café at the corner of 23rd and Van Ness and a brand new pet store. It also had several new structures. Otherwise, it was similar to the others.

On Block 1004, the appearance of buildings was a spectrum: 35% "new," 23% "above average," 28% "average," and 10% "below average." Signs of investment include:

- Only 5 parcels had dirty windows
- 23% of parcels had new or maintained paint

Signs of disinvestment:

- 25% of parcels had peeling or fading paint

Signs of Safety:

- 4 parcels had bars on their windows
- 23% of parcels had metal security doors

Public Investment: Block 1004 has municipal lighting and on-street residential permit parking. There was graffiti on a public sign, but other than that, very few signs of disorder.

Comparison

The picture painted by both sets of data for this block is that it is right in the middle of changing. Structures' appearance fell across the spectrum, and while many parcels have sold recently, the median price per square foot was not much higher than in the Mission overall, and new construction has been minimal. Each data set presents an ambiguous picture, so it is difficult to compare them.

Land Use: The block is primarily residential, with 45% of parcels holding multi-family rental buildings, and 38% in condominium buildings. 83% of land uses matched between ground-truthing and assessor data.

Number of Units: Most parcels have 3 or fewer units and there are two larger buildings with 10 and 12 units respectively, based on ground-truthing data.

Conclusion

Broadly, the secondary data sets and ground-truthing data paint similar pictures of change on these four blocks. Where the assessor data is ambiguous or reveals a mix of forces, as with Block 1004, so does the ground-truthing data. On one block (3003), the data sets align in terms of the broad story, but the ground-truthing takes the narrative deeper and reveals continued concerns about safety and significant public investment.

Block 1007 provides a cautionary example. On this block, the assessor dataset was missing a large number of parcels, most of them in two new condominium buildings. Without ground-truthing the block, we would have missed the major impact these buildings have on the feel of the street, and their implications for gentrification in the area. The block is a good example of a place in transition: running through its center there is still a relic of the area's former industrial character, there is a warehouse and some older, poorly-maintained buildings, and yet at the same time, there are several nicer homes, two new condominium buildings, and a new, well-used park across the street.

n terms of comparing data sets, unmatched parcels was a concern for three of four blocks and the number of units recorded per parcel usually did not match. This could be related to the high incidence of condominiums, and the rapid change in the area. On the other hand, land uses consistently matched between ground-truthing and assessor data.

Finally, the quality and age of buildings was comparably assessed by both methods, while perception of safety and public investment cannot be ascertained from the secondary data sources but only from ground-truthing. The limited number of signs of ethnicity across all blocks made it difficult to ground-truth demographic data.

WORKSHEET: Visual Demonstration of Neighborhood Change

Instructions: Physically walk predetermined neighborhood blocks and note evidence of deterioration or improvement using Section One. Parcel or building specific information should be collected in Section Two. Each block should named according to its main corridor (indicated on your map as the street with parcels on both sides). Bring a camera to take a photograph of each building.

**One whole worksheet should be completed for each block section*

Block Name: _____ **Observer:** _____

Physical Observation date and time : ____/____/_____ **Start** ___:___ AM/PM **End** ___:___ AM/PM

SECTION ONE: Block Overview and initial impressions

1. The primary land use for the block face is:
   - Residential
   - Commercial
   - Institutional (school, hospital, churches):
   - Industrial
   - Other: _____

2. Public investment + existing public infrastructure:
   - transit stops
   - municipal street lighting
   - on street residential permit parking
   - street furniture (including parklets)
   - bike racks
   - public trash cans
   - parking pay machines
   - newly paved streets
   - Other: _____

3. Describe any visible people, noting race or ethnicity, age, number, and activities they might be engaged in: _____

4. The # of signs discouraging disorder such as neighborhood watch, anti-littering/loitering/drug use/vandalism/graffiti: _____

5. Physical disorder such as garbage, litter, graffiti, or vandalism by degree of observations:

1	2	3	4	5
no disorder	very few signs of disorder	noticeable vandalism	mostly vandalized or littered	completely vandalized or littered

6. Please describe indicators of international or immigrant presence (note ethnicity, signs in a foreign language, or locally-owned foreign/ethnic business).

7. Additional notes on block overview: _____

SECTION TWO: Block/Parcel Data

**located on the following pages*

Using your pre-printed parcel map, carefully walk the block and record your observations for each building. Allow for ~1.5 hours of field time. Be sure to take a photograph of each building for comparison with past year data later.

APN/Parcel # _____ **Street Address** _____

1. Does the **building** appear to be well-maintained?

1	2	3	4	5
poor	below average	average	above average	new

2. The # of units the structure appears to have: _____
   The # mailboxes _____
   The # doorbells _____

3. The # vehicles **off-street** vehicles present _____
   - no off-street parking
   - existing driveway or parking lot
   - existing garage

4. Notes on visible people, building, and outdoor space: incl. *implied* information about household size and composition:

5. Building type and units:
   - Multi-family - apartment building
   - Multi-family - house
   - Single family - attached
   - Single family - detached
   - Mixed use
   - Public or subsidized project housing
   - Unknown, or other

6. Other building/occupant characteristics:
   - Abandoned
   - For Sale sign
   - For Rent sign
   - Blinds or curtains - permanent
   - Blinds or curtains - temporary
   - Cracked windows
   - Bars on windows
   - Boarded windows
   - Dirty windows
   - Metal security door
   - Vegetable garden
   - New addition
   - New or maintained paint
   - New or updated front door
   - Ongoing renovation/construction
   - Fencing *(check all that apply)*:
     New___ Old___ For safety___ For aesthetics___
   - Security alarm signage
   - CCTV/Security cameras
   - Children/toys visible
   - Peeling/fading paint
   - Spraypaint/graffiti
   - Litter or debris
   - *Beware of Dog, Private, No Trespassing* signs
   - Signs of ethnicity

Figure D3: Ground-truthing data collection worksheet

MISSION PROMISE
COMUNIDAD PROMESA DE LA MISSION
NEIGHBORHOOD

An Assessment of Housing and Housing Affordability in the Mission Promise Neighborhood

Prepared by:

National Association for Latino
Community Asset Builders (NALCAB)
in association with
Marquez Community Strategy

March 2015

4800

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Executive Summary

In December of 2012, the U.S. Department of Education selected the Mission Economic Development Agency (MEDA) to receive a five-year, $30 million Promise Neighborhoods implementation grant to carry out a plan to ensure children, youth and families in the Mission District of San Francisco have strong schools, opportunities to become economically successful, and robust systems of family and community support that will allow them to thrive.

MEDA was the lead applicant for this grant on behalf of a consortium that included the San Francisco Unified School District (SFUSD), the Office of Mayor Ed Lee, *The John W. Gardner Center for Youth and Their Communities* at Stanford University and the United Way of the Bay Area, plus numerous City agencies and community-based organizations. The successful grant application was the result of a year-long planning process to create a continuum of services that would meet the Mission District's needs, with a focus on low-income Latino students and families at Cesar Chavez Elementary, Bryant Elementary, Everett Middle School and John O'Connell High School. The Mission Promise Neighborhood (MPN) links family economic security with student academic achievement.

The Mission is located in east-central San Francisco and is the neighborhood of the City with the highest concentration of Latinos and immigrants. The Mission has a long history as a working-class community that, for many decades, has been the landing point for recent immigrants.

The Mission is also in the heart of the nation's highest-cost housing market. The dramatic rise in the cost of housing in the Mission over the past thirty years has made this neighborhood one of the most dramatic examples of gentrification in the country. In this context, MEDA recognizes that housing is an outsized component of the overall picture of family economic security for low-income families in the Mission.

Housing cost burdens for low-income families in the Mission are staggering. A "cost-burdened household" is typically defined as a household spending more than 30 percent of their monthly income on housing. According to U.S. Census' American Communities Survey data, for households that rent in the Mission and earn less than $75,000 per year, approximately 70 percent are housing cost burdened. In fact, $75,000 per year appears to be a key income threshold for whether households stay in the Mission. The following table illustrates how the percentage of households in the Mission earning less than $75,000 per year decreased dramatically between 2000 and 2013, while the percentage of residents earning more than $100,000 is increasing at a rapid pace.

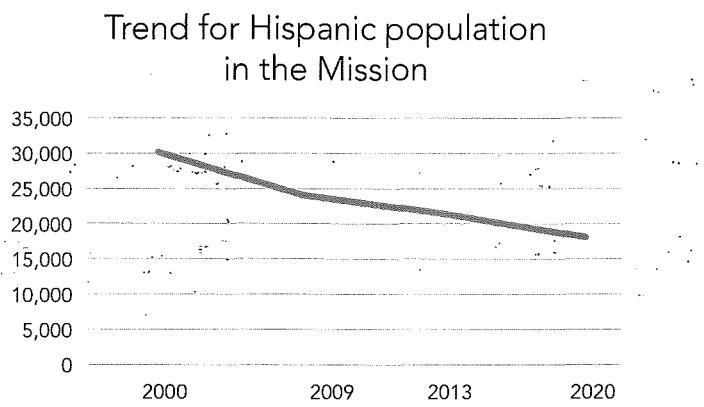
Table 1—Median household income

	2000	2010	2013	Percent change between 2000 and 2013
Median household income	$49,372	$67,871	$73,610	49.00%
Less than $10,000	9.06%	4.25%	4.70%	–48.00%
$10,000 to $14,999	5.15%	4.22%	5.40%	4.90%
$15,000 to $24,999	9.94%	9.76%	7.50%	–24.00%
$25,000 to $34,999	10.50%	7.26%	8.90%	–15.00%
$35,000 to $49,999	15.25%	14.50%	10.60%	–30.00%
$50,000 to $74,999	22.78%	15.09%	13.70%	–40.00%
$75,000 to $99,999	11.10%	17.38%	10.50%	–5.40%
$100,000 to $149,999	10.88%	13.67%	16.50%	51.70%

	2000	2010	2013	Percent change between 2000 and 2013
$150,000 to $199,999	2.75%	9.22%	9.20%	234.50%
$200,000 or more	2.56%	8.21%	12.90%	403.90%

Source: ACS, 2000 SF3 sample data, ACS, 2010 and 2013; DP03.

The Median Household Income (MHI) in the Mission is $73,610, while Latinos in the Mission have an MHI of $47,943. Even more distressing, Latino families with children under the age of 18 in the Mission have a median income of only $43,944; therefore, it should not be surprising that the Latino immigrant population, which embodies the cultural vibrancy for which the Mission has long been known, is rapidly decreasing. According to the U.S. Census, the percentage of Mission residents that were Hispanic decreased from 50 percent in 2000 to 38.5 percent in 2013 (a net loss of 8,252 Hispanics). There has also been a significant decrease in the percentage of households in the Mission with children under 18 years of age, from 27 percent in 2000 to 20 percent in 2013.



Source: ACS 2000 SF3 Sample Data, ACS 2009 & 2013; DP01. 2020 projections were calculated assuming trends are constant at the 2009 to 2013 average annual rate.

Unfortunately, Census data may actually reflect a rosier picture than reality. The Census acknowledges that low-income people and minorities are often undercounted and that "hard-to-count" populations include those who are undocumented or living in conditions that may not meet local code, such as overcrowding. Recognizing that it is very likely that low-income Latinos in the Mission, and particularly immigrants, were undercounted by the Census, NALCAB/MEDA conducted a survey during October and November of 2014. Of 226 respondents, 75 percent identified themselves as Latino/Hispanic and 89 percent reported earning an annual income below $50,000. These data are useful to compare to the Census and provide a closer look at low-income, Latino households in the Mission.

What does it mean for a family's economic stability and a child's academic achievement to live under a dramatic housing cost burden and housing instability? When families are burdened by their housing costs, the income they have available for other expenses, including food, health care, child enrichment, etc., is reduced and their opportunities are limited. There is an extensive body of research that correlates the stress of family economic

instability, overcrowding, dislocation and homelessness with poorer academic performance among children. The NALCAB/MEDA survey documented pervasive overcrowding among low-income Latino households and almost one quarter of respondents indicated that they were "concerned" or "very concerned" with being involuntarily displaced from their homes in the next year. NALCAB documented the voices of Mission residents via focus groups. One resident described the housing market dynamics as follows: "(Landlords) would rather rent to a white, single person with three dogs, than a Latino family with one child."

Housing market dynamics present an enormous challenge to achieving the documented vision of the Mission Promise Neighborhood:

> *The Mission Promise Neighborhood builds a future where every child excels and every family succeeds. Students enter school ready for success and graduate from high school prepared for college and career. The Mission District thrives as a healthy and safe community that provides families and their children the opportunity to prosper economically and to call San Francisco their permanent home.*

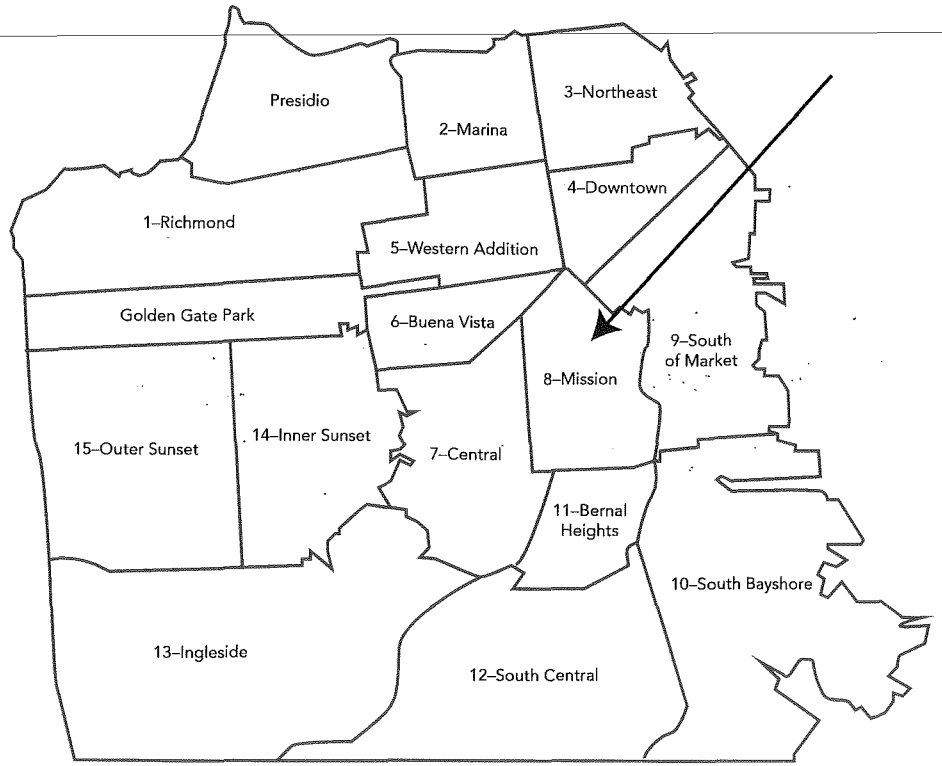
Perhaps more than anywhere else in the nation, a place-based strategy to promote housing affordability may be critical for the ongoing racial, ethnic and income diversity of the neighborhood, the viability of neighborhood schools and, ultimately, the academic success of low-income children. This report presents an assessment of demographic trends in the Mission and their relation to housing and housing affordability. This report includes analysis of supply-and-demand factors, plus trends in residential development, including a specific focus on affordable housing. This report also presents recommendations for policy and action to address housing affordability in the Mission Promise Neighborhood.

Section I: Overview of the Mission and Its Residents

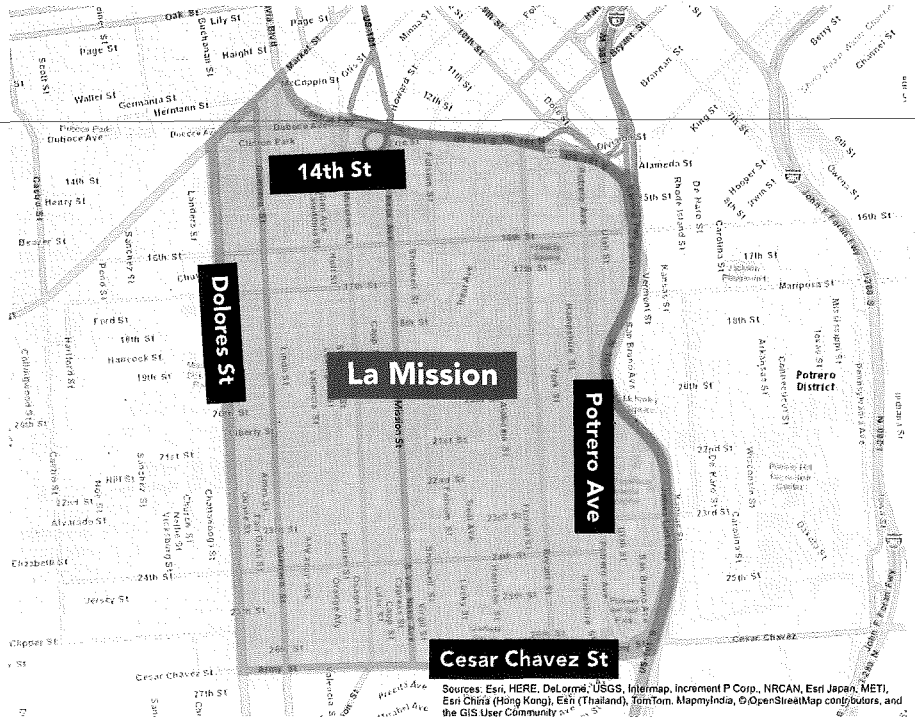
Location

The Mission District is located in east-central San Francisco. It includes four recognized subdistricts: the northeastern quadrant is adjacent to Potrero Hill and is known as a center for high tech startup businesses and upscale bars and restaurants; the northwest quadrant is along Dolores Street and is famous for Victorian mansions and the popular Dolores Park at 18th Street; the remaining two are more commercial zones, the Valencia corridor (Valencia Street, from about 15th to 22nd streets) and the 24th Street corridor in the south-central part of the Mission District.

San Francisco planning districts



The map can be accessed on page 26 of the document linked here:
http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf



Census Tracts and ZIP Codes in the Mission District

The data calculated for the Mission District were collected using the following 13 Census Tracts: 177, 201, 202, 207, 208, 209, 210, 228.01, 228.02, 228.03, 229.01, 229.02, and 229.03. The ZIP codes used for the Mission District are 94110 and 94103. Refer to Appendix 1: Census Tract Map.

Population

With a current estimated population of 817,501 people, San Francisco is a diverse city with significant minority populations. The two largest groups, Asians and Latinos, make up 33.10 percent and 15.20 percent of the total population, respectively.

The Mission District, also known simply as "the Mission," has been considered the epicenter of Latino culture in San Francisco for the last 70 years. During the 1940s through the 1960s, large numbers of Mexicans immigrants moved into the area, giving it the Latino character for which it is known today. During the 1980s and 1990s, more immigrants and refugees fleeing civil wars from Central and South America joined the Mexican population.

As of 2013, the Mission District was home to an estimated 56,873 people. The Mission District has the highest concentration of Latinos in all of San Francisco with 38.6 percent, more than double the City's overall 15.2 percent. In the Mission, 12 percent of the total population iare children under 18 years of age.

Below is a table demonstrating the racial/ethnic makeup of San Francisco compared to the Mission.

Table 2—Racial/ethnicity comparison

	Total population	White	Black/Afr. Amer.	Amer. Indian	Asian	Native HI, Pac. Island	Other race	Hispanic
SF County	817,501	41.70%	5.60%	0.20%	33.10%	0.40%	3.80%	15.20%
Mission	56,873	42.70%	3.30%	2.80%	11.90%	0.05%	0.25%	38.60%
Source: ACS 2013, DP05.								

Of the population in the Mission, 45.6 percent was foreign born, with over 50 percent of those born in Latin America (predominantly Mexico, El Salvador and Guatemala). According to the 2010 Census, among the foreign born population in the Mission, 16 percent were linguistically isolated, above the City's overall rates for this metric. Further, 32.9 percent of the population over five years of age speak Spanish at home, triple the overall City rate of 11.60 percent, while 24 percent report to speak English "less than very well," also above the overall 22.6 percent rate for the City of San Francisco as a whole. Refer to Appendix 2 for table on language spoken at home.

The Mission's Declining Latino Population

While Latinos/Hispanics are historically the Mission's largest demographic segment, the percentage of the Mission District's population that is Hispanic is trending downward in the last 15 years, to the point where Hispanics are no longer the majority. Since 2000, the Hispanic population in the Mission has decreased as a percentage of the total population, as well as in real terms (a net loss of 8,252 individuals). Assuming this displacement trend continues at the 2009 to 2013 average annual rate, an additional 2,852 Latinos will leave the Mission by 2020.

Table 3—Hispanic population in the Mission

	2000 census	2010 census	2013 ACS	2020 projection
Total population in the Mission	60,202	59,040	56,873	53,871
Hispanic population in Mission	30,145	24,066	21,893	19,041
Hispanics as % of total population	50.00%	40.80%	38.50%	35.30%
Source: ACS 2000 SF3 Sample Data, 2010, 2013; DP01. 2020 projections were calculated assuming trends are constant at the 2009 to 2013 average annual rate.				

Households and Household Size

The total number of households in the Mission is increasing. Viewed next to the decline in population, this indicates that household size is decreasing. While the total number of households is increasing, the number of households with children under 18 years of age is declining. This suggests that the decline in household size is at least in part due to a declining number of children. Mission households with children under 18 years of age have decreased from 27 percent in 2000 to 21 percent in 2009. As of 2013, this figure has dropped to 20 percent.

Table 4—Household size

	2009	2013
Total households in the Mission	22,191	23,069
Total population in the Mission	59,040	56,873
Population under the age of 18	7,968	7,027
Source: ACS 2009 & 2013; DP04, DP01 and B09001.		

As Hispanic residents leave the Mission, the average household size has decreased. In 2013, the average household size in the Mission was 2.53 individuals, a statistically significant decrease from the 2.90 average size recorded for the Mission in the 2000 Census. For the same time period, the overall San Francisco City average household size has remained unchanged at 2.30.

Larger households (three- and four-person households), make up a larger portion of the households that rent in the Mission, as compared to the City of San Francisco as a whole.

Table 5—Renters

	% of renter occupied	
Household size	San Francisco	Mission
One-person household	45.20%	32.30%
Two-person household	32.30%	33.00%
Source: ACS 2013; S2501.		

	% of renter occupied	
Three-person household	11.30%	16.32%
Four-person or more household	11.20%	18.32%
Population under the age of 18	7,968	7,027
Source: ACS 2013; S2501.		

Among NALCAB/MEDA housing survey respondents (disproportionately Latino and lower income as compared to the overall population in the Mission) the average household size is 4.2, with 53 percent living in households comprising more than four individuals.

Table 6—Household size

Total household size	Total number	Percent
1	27	12.00%
2	34	15.00%
3	36	15.90%
4	26	11.50%
5	23	10.20%
6	15	6.60%
7	5	2.20%
8	19	8.40%
9	9	4.00%
10+	21	9.30%
N/A	11	4.90%
Average household size	**4.2**	**N/A**
Source: NALCAB/MEDA Mission Housing Survey		

Income and Poverty

According to the U.S. Census' American Communities Survey (ACS) 2009–2013, the Median Household Income (MHI) in the Mission was $73,610, while Latinos in the Mission had an MHI of $47,943. Latino families in the Mission with children under the age of 18 (the primary target of the Mission Promise Neighborhood effort) have a median income of only $43,944.

As of 2013, the Mission District had a poverty rate of 17 percent, above the City's rate of 14 percent. Latinos living in the Mission had a 20 percent poverty rate during the same period.

Table 7—Poverty rate

	Poverty rate
San Francisco	14.00%
Mission	17.00%
Latinos in the Mission	20.00%
Source: 2009–2013 ACS.	

Potential Undercounting of Low-Income People and Immigrants in U.S. Census Data

It is likely that these data from the Census undercount Latinos and low-income immigrant populations, particularly those that are in "hard to count" circumstances, including those who live in overcrowded conditions or those that are undocumented. An independent analysis of 2010 Census data found that it undercounted several groups that have historically been hard for government enumerators to effectively tally. According to the Leadership Conference on Civil and Human Rights, a leading national civil rights advocacy organization, there are several reasons for the undercount of minorities and low-income people. Lower-income areas experience lower response rates for mail and door-to-door collection methods. People with lower education levels, lower literacy abilities and difficulty with the English language may have difficulty understanding the census. These communities may generally misunderstand the importance of census participation. Furthermore, many distrust or are suspicious of the government because they fear that census responses may be used by immigration or law enforcement officials to deport or incarcerate them or their family members or may disqualify them for social welfare programs.

Census Director Robert Groves said that despite new outreach by the bureau, some traditionally hard-to-count groups, including Latinos and African Americans, remained a challenge for census-takers in 2010.[1] "While the overall coverage of the census was exemplary, the traditional hard-to-count groups, such as renters, were counted less well," Groves said. "Because ethnic and racial minorities disproportionately live in hard-to-count circumstances, they, too, were undercounted relative to the majority population."[2]

Homelessness

The 2013 Homeless Count and Survey (HCS) found that San Francisco County supervisorial districts 6, 9 and 10, the areas served by Glide Health Services and Mission Neighborhood Resource Center (MNRC), have the largest homeless populations, following historical trends. District 6 (the Tenderloin, South of Market) had 3,038 homeless people; districts 9 and10 combined (Bayview-Hunters Point, the Mission District) had 2,437.[3]

In response to the needs of homeless residents in these areas, the mayor announced the opening of a one-stop center to serve homeless living in the Mission. This "navigation center" will be located at 1950 Mission at the former site of Phoenix Continuation High School.[4, 5] The center will offer immediate housing while permanent rooms or space in rehabilitation centers can be secured. The Mayor's Office reports that, at any given time,

[1] Trounson, Rebecca, 2012. 2010 census was largely accurate but undercounted minorities. Los Angeles Times, May 22, 2012. http://latimesblogs.latimes.com/lanow/2012/05/2010-census-was-largely-accurate-but-undercounted-minorities-again.html

[2] Altman, Louis, 2012. New Analysis: 2012 census significantly undercounts minorities, youth. Nonprofit Quarterly. May 24, 2012. https://nonprofitquarterly.org/2012/05/24/new-analysis-2010-census-significantly-undercounts-minorities-youth/

[3] MNRC Grant, 2014.

[4] San Francisco Gate, January 14, 2015. http://www.sfgate.com/bayarea/article/S-F-to-open-1-stop-center-for-homeless-in-Mission-6016223.php

[5] Mission Local, January 16, 2015. http://missionlocal.org/2015/01/new-center-to-navigate-homeless-to-homes/

up to 400 homeless residents are camped in the blocks around 16th and Mission. Funded by a three-million dollars grant from the Interfaith Council, the property will have dormitories to sleep 75 people and offices for staff, plus showers and restrooms. Once it is open, the center will operate differently from a traditional shelter, in that residents will be able to come and go at will, they will be able to hold onto their possessions and they can stay with their partners.

The police will partner with counselors and a homeless outreach team to refer people for services. Bevan Dufty, director of the mayor's program for homelessness, reports that the 16th and Mission corridor has one of the highest concentrations of SROs (single-room occupancies) in the City and, unlike other parts of the City where the SROs are run by City agencies or nonprofits, most in the Mission are privately owned. Dufty said that part of the three-million dollars in grant money will go toward leasing these SROs and working with building owners to make them better meet the needs of the area's homeless.

Adult Educational Attainment

In San Francisco, 60.2 percent of the householders who live in owner-occupied units have a Bachelor's degree or higher, while the rate specific to the Mission is 66.6 percent. The rate for renter-occupied units in San Francisco is 55.1 percent, while it is 49.4 in the Mission.

These data indicate that people with a Bachelor's degree or higher are more likely to own a house than to rent, while people with some college, an Associate's degree or less are more likely to rent than to own their home. There is a larger educational gap between homeowners and renters in the Mission District than in the City as a whole.

Among the housing survey respondents, 66 percent have a high school diploma or less, while about 32 percent reported at least some post-secondary education.

Table 8—Education level

Education	Number	Percent
Less than high school	69	31.00%
High school or GED	80	35.40%
Some college	27	12.00%
Associate's degree	8	3.50%
Bachelor's degree	26	11.50%
Graduate degree	12	5.30%
Other	2	0.88%
N/A	2	0.88%
Source: NALCAB/MEDA Mission Housing Survey.		

The survey results are consistent with U.S. Census data in that they indicate that the large majority of lower-income Latinos in the Mission do not have post-secondary educational experience.

Grade School Enrollment and Student Residence

There are four public schools in the Mission Promise Neighborhood:

- Cesar Chavez Elementary
- Bryant Elementary
- Everett Middle School
- John O'Connell High School

The following table shows school enrollment for children in San Francisco and the Mission.

Table 9—School enrollment

Grade school enrollment	San Francisco	Mission District
Nursery school and preschool	11,344	595
Kindergarten	6,303	405
Elementary: grade one to grade four	22,235	1,679
Middle: grade five to grade eight	21,109	1,058
High School: grade nine to grade 12	23,161	1,442
Source: ACS 2013; S1401		

The table below shows the percent of students living in and outside MPN, by MPN focus school, for 2011–2012. There are 61 percent of students living outside of the Mission, yet attending the four focus schools.

Table 10—MPN student residences

	Bryant Elementary		Cesar Chavez Elementary		Everett Middle School		John O'Connell High School	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Live in MPN	146	57.30%	294	58.70%	76	20.20%	121	24.10%
Live outside MPN	109	42.70%	207	41.30%	301	79.80%	382	75.90%
Total	255	100%	501	100.00%	377	100%	503	100.00%
Source: Gardner Center tabulations 2011–2012 SFUSD administrative data. Notes: 64 (0.1%) SFUSD students had an incomplete address in 2011–2012 and could not be placed as living either within or outside the MPN boundaries.								

A closer look at the students who lived outside of MPN and were enrolled in one of the four MPN focus schools (999 students) reveals 11 percent of these students lived in areas that were directly adjacent to MPN (i.e., they shared a geographic border with MPN); however, most of these students (89 percent) came from non-adjacent neighborhoods.

Table 11—MPN focus schools

Students enrolled in MPN focus schools, by residence 2011–2012	Number	Percent
Live in MPN	637	39.00%
Live in other neighborhood	999	61.00%
Immediate surrounding area*	111	N/A
Other neighborhoods	888	N/A
Total enrolled in MPN focus school	1,636	100.00%
Source: Gardner Center tabulations of 2011–2012 administrative data. *Note: The immediate surrounding area of MPN was defined as a Census Tract adjacent to MPN boundaries.		

Among students enrolled in MPN focus schools who lived anywhere outside of MPN, the top sending ZIP codes include: 94214 (Bayview-Hunters Point, 21 percent), 94112 (Excelsior-Outer Mission, 17 percent), 94110 (Bernal Heights, nine percent) and 94134 (Visitacion Valley, eight percent). According to the 2010 Census, Bayview-Hunters Point and the Excelsior have grown in the number and percent of Latino residents, while the Mission has lost Latino residents. At 75 percent, Latino students comprise the majority of students enrolled in the four focus schools, per the John Gardner Center.

Section II: Housing and Housing Affordability in the Mission

Housing Type and Age

The Mission has a total of 24,924 housing units, making up 6.6 percent of the overall housing units in the entire City. Below is a table demonstrating units by structure type in San Francisco and the Mission.

Table 12—Units by structure type

Units in structure	San Francisco	Mission
Total housing units	378,186	24,924
One unit, detached	69,820	2,094
One unit, attached	51,588	2,388
Two units	38,260	3,240
Three or four units	43,821	5,198
Five to nine units	38,556	4,275
10 to 19 units	39,056	2,971
20 or more units	96,322	4,685
Mobile home	452	0
Boat, RV, van, etc.	311	22
Source: ACS 2013; DP04.		

According to Census data, 84 percent of the total housing units in both the Mission and San Francisco were built before 1979. Below is a table demonstrating the number of structures built in different periods in San Francisco and the Mission.

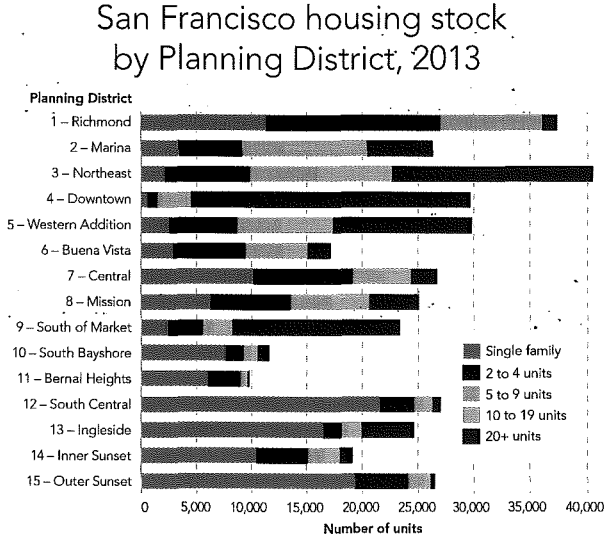
Table 13—Units by age of structure

Year structure built	San Francisco	Percent	Mission	Percent
Total housing units	378,186	N/A	24,924	N/A
Built before 1979	316,088	84.00%	20,975	84.00%
Built after 1979	61,245	16.00%	3,854	16.00%

Year structure built	San Francisco	Percent	Mission	Percent
Built in 2010 or later	853	0.20%	95	0.40%
Source: ACS 2013; DP04.				

The following figure, taken from a publication by the San Francisco Department of Planning, places the Mission's balance of housing types in the context of other planning districts.

The table can be accessed on page 28 of the document linked here: http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf



Source: SF Housing Inventory, page 28.

Housing Tenure and Vacancy

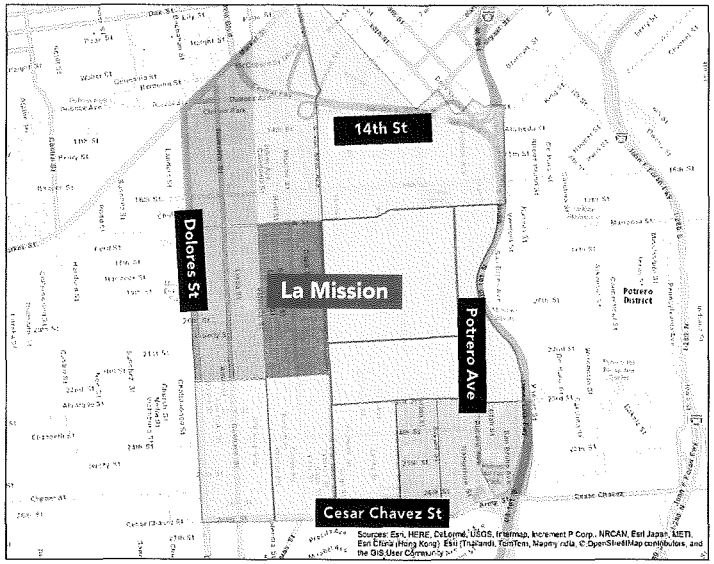
According to the 2013 U.S. Census American Communities Survey, 27 percent of residential units in the Mission are owner-occupied, while 73 percent are renter occupied. Housing in the Mission is more heavily renter occupied than the City of San Francisco as a whole, where the balance is 37 percent owner occupied and 63 percent renter occupied.

Table 14—Renters

Housing	Owner-occupied units	Renter-occupied units
San Francisco County	36.60%	63.40%
Mission	27.00%	73.00%
Source: ACS 2013; DP04.		

Among the participants from the NALCAB/MEDA housing survey, 82.70 percent reported to be renting the unit where they live in the Mission.

The residential vacancy rate in the Mission is 7.7 percent, close to the overall San Francisco rate of 8.7; however, this vacancy rate varies widely by census tract. This map demonstrates the relative vacancy rate by census tract in the Mission, with the darker green representing higher levels of vacancy and a range from 27 units to 527 units per census tract.



Source: Vacancy rate in the Mission. Map courtesy of Policy Map.

Residential Real Estate Values and Rental Housing Costs

Home values in San Francisco, as calculated by real estate search engine Zillow, jumped from a median of $258,000 in April 1996 to a median of $887,700 in February 2014. During this same period, median home values in the Mission jumped from $223,800 to $962,200. See Appendix 3 for a table and graph demonstrating these data. The following are more recent price trends for home purchase and rental.

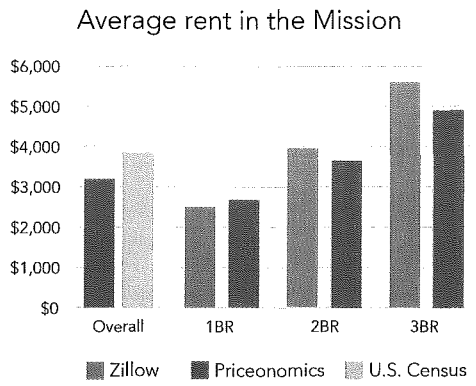
The table can be accessed on page 24 of the document linked here:
http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf

Table 15—Housing price trends

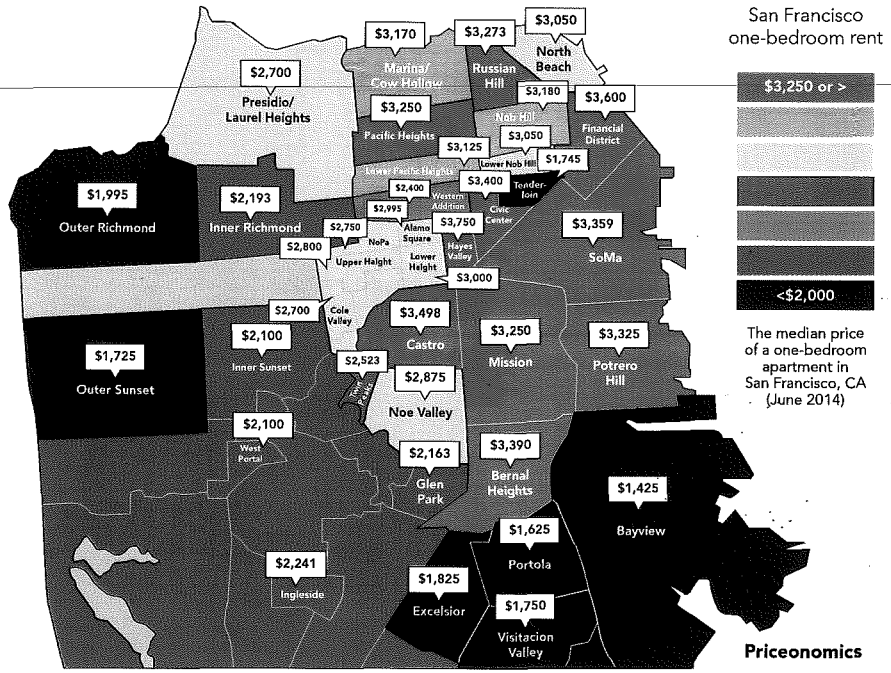
	Rental (two-bedroom apartment)		For sale (two-bedroom house)	
Year	San Francisco	Bay Area	San Francisco	Bay Area*
2004	$2,068	N/A	$670,450	$547,190
2005	$2,229	N/A	$737,500	$619,010
2006	$2,400	N/A	$680,970	$612,250
2007	$2,750	N/A	$664,060	$566,440
2008	$2,650	$1,810	$603,570	$370,490
2009	$2,695	$1,894	$611,410	$409,020
2010	$2,737	N/A	$560,980	$383,550
2011	$2,573	N/A	$493,330	$339,730
2012	$3,000	$1,818	$655,170	$436,440
2013	$3,300	$1,955	$714,840	$520,250

Source: Zillow.com for apartment prices. California Association of Realtors for home prices.
*Note: The California Association of Realtors does not include Napa and Sonoma counties as part of the Bay Area.

The following chart compares three sources for average rental prices in the Mission.



The following map shows the median price of a one-bedroom in the different neighborhoods in San Francisco as of June 2014. The Mission is in the top 10 highest neighborhoods, with a median price of $3,250 for a one-bedroom, according to one online search engine.



Source: Priceonomics.com, August 2014.

San Francisco and the Mission are in the midst of a particularly rapid period of post-recessionary housing cost increase. In San Francisco, monthly rents jumped from a median of $2,975 in November 2010 to a median of $3,518 in February 2014. For that same period, median monthly rents in the Mission went from $2,868 to $3,839 (U.S. Census). According to Priceonomics, a data-mining business that analyzes apartment listings, between June 2013 and June 2014, the median price for renting an apartment in the City increased for all type of units, with different numbers of bedrooms. For a studio, the increase was of $350, a one-bedroom a $325 increase, a two-bedroom a $125 increase, a three-bedroom a $295 increase and, overall, a $577 increase.

The extent of the demand for affordable housing in San Francisco is well illustrated by the example of the 2014 lease up of the Natoma Family Apartments, a 60-unit, affordable housing development at 474 Natoma Street in the South of Market (SoMa) neighborhood. There were 2,800 applicants for units designated for families making $44,280 to $66,420, offering rents that range from $711 to $1,569 per month.[6]

[6] Elsen, Tracy, 2014. Hooray: 60 New Affordable Units Hit SoMa (But They're Taken). San Francisco Curbed, July 2014. http://sf.curbed.com/archives/2014/07/31/hooray_60_new_affordable_units_hit_soma_but_theyre_taken.php

Labor Market Conditions that Drive Demand for Housing

As of November 2014, the unemployment rate in San Francisco was 4.4 percent. Of the 503,700 residents in the labor force, 481,700 are employed. This is a record high for the City and eclipses the previous peak reached during the tech boom of the early 2000's. The table below lists the 10 industries/sectors with the highest number of employees in the San Francisco MSA.

Table 16—Employment by sector

Year	San Francisco
Professional, scientific and technical services	153,500
Educational and health services	144,000
Accommodation and food services	120,700
State and local government	116,100
Retail trade	92,200
Financial activities	76,400
Administrative/support and waste services	65,400
Information	51,800
Other services (personal, laundry, religious, civic)	42,500
Transportation, warehousing and utilities	40,000

Source: California Employment Development Department, Labor Market Information Division, October 2014.

According to San Francisco City Controller's Office, the tech industry has accounted for 30 percent of job growth in San Francisco since 2010.[7] In fact, the CEDD projects software developers will be among the 10 occupations with the most job openings from 2012 to 2022. Below are tables demonstrating the occupations with the most job openings and the fastest-growing occupations in the San Francisco MSA.

Table 17—Job growth by sector

Occupational title	Total job openings 2012–2013	2014 first-quarter wages	
		Median hourly	Median annual
Personal care aides	14,430	$11.59	$24,107
Waiters and waitresses	14,130	$10.80	$22,464
Cashiers	10,930	$11.44	$23,795
Retail salesperson	10,340	$12.47	$25,938
Combined food preparation and serving workers, including fast food	8,570	$10.74	$22,339
Janitors and cleaners, except maids and housekeeping cleaners	8,320	$12.12	$25,210
Software developers, applications	7,250	$52.53	$109,262

[7] http://www.spur.org/blog/2014-02-27/forecasting-san-francisco-s-economic-fortunes

Occupational title	Total job openings 2012–2013	2014 first-quarter wages	
		Median hourly	Median annual
Accountants and auditors	6,060	$37.55	$78,104
General and operations managers	5,680	$64.88	$134,950
Market research analysts and marketing specialists	5,830	$38.94	$80,995

Source: California Employment Development Department, Labor Market Information Division, December 2014.

It is worth noting that the six occupations with the largest number of job openings projected from 2012–2022 have median hourly wages under $13.

As indicated throughout this report, San Francisco is, by all measurements, an extremely high-cost market. Yet, companies continue to open their firms in San Francisco and employees for established companies based in Silicon Valley continue to move to the City to reside. The reasons for this vary, but four principle factors stand out:

1. Compared to areas south of San Francisco, the City still offers ample and affordable office space. For example, in 2012, San Francisco had a nine to 10 percent vacancy rate and commercial space at $50 per square foot; by comparison, Palo Alto, in Silicon Valley, had a vacancy rate of only 4.4 percent at a much higher $73 per square foot.
2. Studies on social trends[8] consistently show that Millennials (the generation born between 1980 to the mid-2000s) prefer urban living and are moving to cities at greater rates than other generations. San Francisco offers a stark difference from the more suburban life farther south in Silicon Valley.
3. There is a lack of available housing near many company headquarters in Silicon Valley. For example, Facebook partnered with developer St. Anton Partners to build a housing complex within walking distance of its Menlo Park headquarters; however, that amounted to only 394 units for a company with more than 6,000 employees.
4. The City of San Francisco offers more favorable business tax rates and other incentives for startups to open in the City (see below).

Public policy, implemented through tax incentives, has been a particularly powerful driver of demand. The following are two key examples:

Central Market/Tenderloin Payroll Tax Exclusion is sometimes popularly referred to as the "Twitter Tax Break." This tax exclusion provides that existing businesses in the Tenderloin and on Market Street, from approximately Fifth to 11th streets—and any who relocate to the area—can be exempt from additional payroll tax as they add jobs during any six years in an eight-year period. For-profit businesses in San Francisco, with payrolls of over $250,000, currently pay a tax of 1.5 percent. The rationale is that these two districts have the highest storefront vacancy rates in the City. To date, 19 companies have taken advantage of these incentives. A City of San Francisco analysis of the economic benefits of this incentive suggest that, in 2013, these breaks generated $7.6 million more in revenue than it received in 2011, prior to the incentives taking place. After the agreement on tax breaks was approved, the City placed a requirement that companies taking advantage of this program must enter into a Community Benefits Agreement with the City.[9] Under these CBAs, companies typically pledge to work with local retailers, make grants to local nonprofits, volunteer staff time to local charities and hire locally for entry-level positions through the City's First Source Hiring Program. Launched in 1998, First Source is designed to place economically disadvantaged residents in entry-level jobs within their community. Only those companies with annual payroll expenses that exceed one-million dollars have to sign an official CBA; further, companies who

[8] The White House Council of Economic Advisors, 15 Economic Facts About Millennials, October 2014.

[9] Some of the CBAs made between companies and the City are online for review and can be found at the following links: Yammer, Twitter, 21 Tech, One Kings Lane, Zoosk.

complete 80 percent of their agreements will be "deemed as successful, provided that a good faith effort was made to achieve all items" by the City.

Opponents of the tax break and activists for community job seekers say that, since the City made these requirements *after* negotiating the tax breaks, that they have no "teeth" to enforce compliance by companies benefitting from the program; further, based on the skillset required for entry-level positions that open in these companies, local workers are, by and large, not qualified.

Stock-Based Compensation Payroll Tax Exclusion was announced in 2011. The City announced this payroll expense tax exclusion for stock-based compensation not bound by a specific geography, which allows companies to exclude stock based compensation, above certain thresholds, for tax years 2011–2017. The exclusion expires in 2017 and all pre-IPO companies are eligible. Eligible businesses will fall into one of two categories:

- Paid more than $750,000 of Payroll Expense Tax on stock based compensation in 2010: company may exclude payroll expense on stock based compensation for amount over what was paid in tax year 2010.
- Paid less than $750,000 of Payroll Expense Tax on stock based compensation in 2010: company may exclude payroll expense on stock based compensation above $750,000 in tax.

As alluded to above, new residents, especially Millennials, are moving to San Francisco to live and, often open their new business. A large—and growing percentage—of these businesses operate in the tech industry. These new residents choose San Francisco because they prefer an urban lifestyle that the City, and districts such as the Mission, offer. This desire to avoid living in a suburban setting is strong enough that companies such as Google found it necessary to bus employees from San Francisco to their headquarters in Mountain View and beyond. This modern twist on carpooling has had a significant effect for the Mission District in particular.

Preliminary research from the University of California, Berkeley suggests that one- and two-bedroom apartments within a walkable distance of five of the Google Shuttle stops (two are in the Mission) are becoming more expensive at a faster rate than similar units in the same neighborhood. The report also found evidence that Craigslist and other secondary market rental services frequently post the property's proximity to a Google bus stop as a perk, noting that Google employees will pay extra to live within a two- to three-minute walking distance of the shuttle stops.[10]

Beginning in August 2014, companies located in Silicon Valley and operating shuttle service for their respective employees have started paying a fee to make stops at San Francisco bus stations. Under an 18-month pilot program, the shuttle services will be allowed to use bus stops at over 100 locations throughout the City and in exchange for paying at least $3.55 each time they pick up or drop off passengers. The San Francisco Municipal Transportation Agency (SFMTA) estimates there are 35,000 daily trips made on the shuttles and that through this program it will raise $3.7 million to cover costs for making sure they run smoothly.[11]

The increase in individuals moving to the City in an already tight and high-cost housing market is seemingly incentivizing property owners to take advantage of the opportunity. Average rents are skyrocketing, as higher-salaried home seekers move to the area and condominium conversion is now a regular occurrence. As property owners seek to capitalize on the trend, evictions are a becoming more commonplace.

[10] Goldman Alexandra, 2013. The "Google Shuttle Effect:" Gentrification and San Francisco's Dot-Com Boom 2. Master of City Planning in the Department of City and Regional Planning of the University of California, Berkeley. http://svenworld.com/wp-content/uploads/2014/01/Goldman_PRFinal.pdf

[11] Baires, Jennifer, August 2014. Google, Facebook pay for shuttles to use San Francisco bus stops. Reuters. http://www.reuters.com/article/2014/08/01/usa-buses-sanfrancisco-idUSL2N0Q72PI20140801

The Impact of Short-Term Vacation Rentals on Housing Costs

Short-term vacation rentals are alternatives to hotels. People offer their house on a short-term vacation rental website and rent it for a night, a weekend, a week or even an entire month. As a major tourist spot, San Francisco has seen an increase over the last two years in such short-term vacation rentals as Airbnb, VRBO and HomeAway.

There are more than 10 listings on Airbnb for apartments in the Mission ranging from $100 to $2,500 per night; VRBO has over 45 listings ranging from $100 to $1,300 per night in the Mission District. There are a high number of short-term vacation rentals in San Francisco advertised on tripping.com: 1,635 in San Francisco, compared to 720 in Sacramento, 448 in San Diego and 285 in Los Angeles.

San Francisco bans residential rentals of fewer than 30 days, unless the hosts have a conditional use permit.[12] The City Planning Department is investigating dozens of complaints that property owners throughout San Francisco have illegally converted homes and apartments to hotels.[13] There are no regulations on short-term rentals, for which landlords are not paying hotel taxes.

Landlords see the opportunity to make more money by using their houses as short-term vacation rentals for tourists, instead of renting them out to locals, thereby contributing to evictions and the housing crisis in the Mission. There have been cases reported of landlords in San Francisco evicting their tenants to convert their units into short-term vacation rentals, adding to the housing crisis. In April 2014, *San Francisco Gate* reported that City Attorney Dennis Herrera said in a statement: "Illegal short-term rental conversions of our scarce residential housing stock" are contributing to "a housing crisis of historic proportions."[14]

Housing Affordability

The cost of housing in the Mission, documented above, is not affordable to people that earn the Area Median Income (AMI) in the Mission ($103,000), much less to lower-income people. The following chart analyzes the current affordability gap for residents of the Mission District for a family of four. Consider that a family of four earning 80 percent of AMI, or $82,400, would need to pay 55 percent of their monthly income for a typical two-bedroom apartment in the Mission. A family earning the median income for Latinos in the Mission, $47,123, would need to pay 97 percent of their monthly income for a typical two-bedroom apartment in the Mission.

Table 18—Percentage of income by AMI needed to pay rent

	100% AMI for four-person HH ($103,000)	80% AMI for four-person HH $82,400)	MHI in the Mission ($73,610)	50% AMI for four-person HH ($51,500)	MHI for Latinos in the Mission ($47,123)	30% AMI for four-person HH ($30,900)
30% of monthly household income	$2,574	$2,059	$1,840	$1,287	$1,178	$772
Monthly gap for a two-bedroom ($3,800 rent)	(–$1,226)	(–$1,741)	(–$1,960)	(–$2,513)	(–$2,622)	(–$3,028)
Monthly gap for a three-bedroom ($5,250 rent)	(–$2,676)	(–$3,191)	(–$3,410)	(–$3,963)	(–$4,072)	(–$4,478)

[12] Egelko, Bob, April 2014. San Francisco attorney sues two landlords over short-term rentals. San Francisco Gate. http://www.sfgate.com/bayarea/article/S-F-city-attorney-sues-2-landlords-over-5425826.php

[13] Said, Carolyn, April 2014. San Francisco cracks down on Airbnb rentals. San Francisco Gate. http://www.sfgate.com/bayarea/article/S-F-cracks-down-on-Airbnb-rentals-5381237.php#photo-6130487

[14] Egelko, Bob, April 2014. San Francisco attorney sues two landlords over short-term rentals. San Francisco Gate. http://www.sfgate.com/bayarea/article/S-F-city-attorney-sues-2-landlords-over-5425826.php

	100% AMI for four-person HH ($103,000)	80% AMI for four-person HH $82,400)	MHI in the Mission ($73,610)	50% AMI for four-person HH ($51,500)	MHI for Latinos in the Mission ($47,123)	30% AMI for four-person HH ($30,900)
35% of monthly household income	$3,004	$2,403	$2,147	$1,502	$1,374	$901
Monthly gap for a two-bedroom ($3,800 rent)	(–$796)	(–$1,397)	(–$1,653)	(–$2,298)	(–$2,426)	(–$2,899)
Monthly gap for a three-bedroom ($5,250 rent)	(–$2,246)	(–$2,847)	(–$3,103)	(–$3,748)	(–$3,876)	(–$4,349)

Sources: AMI: U.S. HUD, 2014. Rent: Average rent from Zillow and Priceonomics.

Housing Cost Burden

Housing cost burdens for low-income families in the Mission are staggering. A "cost-burdened household" is typically defined as a household spending more than 30 percent of their monthly income on housing. According to the U.S. Census' American Communities Survey data, among households that rent in the Mission, approximately 44 percent are housing cost burdened. For households that rent in the Mission and earn less than $75,000 per year, approximately 70 percent are housing cost burdened; further, among homeowners, 50 percent of owners with a mortgage are housing cost burdened, while 27 percent of owners without a mortgage are housing cost burdened.

$75,000 appears to be a key income threshold for whether households stay in the Mission. The following table illustrates how the percentage of households in the Mission earning less than $75,000 decreased dramatically between 2000 and 2013, while the percentage of residents earning more than $100,000 is dramatically increasing. Refer to Appendix 4 for a map demonstrating MHI in the Mission.

Table 19—Changes in wealth in the Mission

Changes in wealth in the Mission	2000	2010	2013	Percent change between 2000 and 2013
Households	21,680	22,789	24,924	15.00%
Median household income	$49,372	$67,871	$73,610	49.00%
Less than $10,000	9.06%	4.25%	4.70%	–48.00%
$10,000 to $14,999	5.15%	4.22%	5.40%	4.90%
$15,000 to $24,999	9.94%	9.76%	7.50%	–24.00%
$25,000 to $34,999	10.50%	7.26%	8.90%	–15.00%
$35,000 to $49,999	15.25%	14.50%	10.60%	–30.00%
$50,000 to $74,999	22.78%	15.09%	13.70%	–40.00%
$75,000 to $99,999	11.10%	17.38%	10.50%	–5.40%
$100,000 to $149,999	10.88%	13.67%	16.50%	51.70%
$150,000 to $199,999	2.75%	9.22%	9.20%	234.50%
$200,000 or more	2.56%	8.21%	12.90%	403.90%

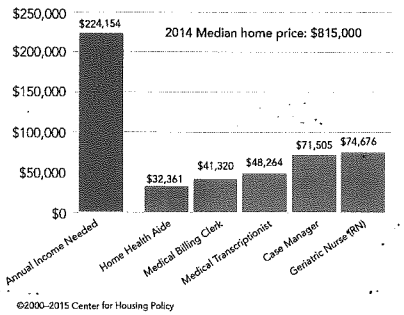
Source: ACS, 2000 SF3 Sample data, ACS, 2010, 2012 and 2013; DP03.

Housing Affordability by Occupation

The Center for Housing Policy created "Paycheck to Paycheck,"[15] an online data tool that places average wages by occupation in 210 metro areas in the context of local housing costs. The first graph shows the average annual income for five different health worker professions in San Francisco and the affordability gap to buy a house at the median City value of $815,000.

Paycheck to paycheck:
San Francisco, CA Metro Area

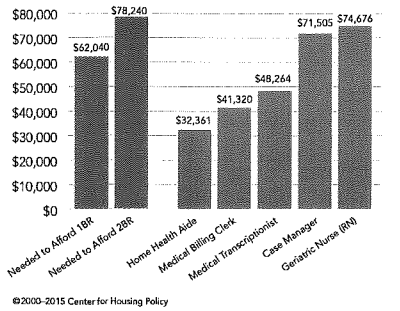
First quarter 2014 homeownership market



The second graph shows what the same group of health workers would need to earn annually to rent a one- or two-bedroom in San Francisco. According to this graph, the average case manager and the average RN are the only ones who can afford a one-bedroom, and the RN is the only one who can afford a two-bedroom. The average home health aide would need to almost double their income to afford a one-bedroom.

Paycheck to paycheck:
San Francisco, CA Metro Area

2014 Fair market rent 1BR $1,551/month, 2BR $1,956/month



[15] Center for Housing policy: Paycheck to Paycheck. http://www.nhc.org/chp/p2p/

Overcrowding

Occupancy at levels greater than one person per room (1.01) is used by the Census Bureau as the threshold for defining living conditions as substandard. According to the Census Data, while 2.3 percent of the population in San Francisco have between 1.01 and 1.5 occupants per room, the Mission has a higher average of 4.14 occupants. San Francisco has only one percent of the population living with 1.5 or more occupants per room, while the Mission has an average of 5.90 percent. When looking at overcrowding among Latino families, it is important to know how many bedrooms are in each house and how many people are in each bedroom. Below is a table demonstrating the number of occupants per room in San Francisco and the Mission. Refer to Appendix 5 for 2005–2009 data on overcrowding.

Table 20—Occupants per room

Occupants per room	San Francisco	Mission
1.00 or less	93.90%	89.00%
1.01 to 1.50	2.80%	4.60%
1.50 or more	3.30%	6.40%
Source: ACS 2013, DP04.		

While Census data suggests that there is a higher incidence of overcrowding in the Mission than in San Francisco as a whole, it is likely that the Census did not capture the scale of the overcrowding in the Mission.

Data from the NALCAB/MEDA housing survey strongly suggests that among low-income Latinos in MPN, many households are overcrowded. 91 percent (205/226) of respondents indicated that they lived in a unit with one, two or three bedrooms. 63 percent (130/207) of respondents—almost two thirds—indicated that they share the room in which they sleep with two or more people (adults or children).

Table 21—People sharing bedrooms

How many people sleep in the same bedroom as you	Number	Percent
One person	77	37.20%
Two people	75	36.20%
Three people	28	13.50%
Four people	14	6.70%
Five people	8	3.80%
Six people	5	2.40%
Source: NALCAB/MEDA Mission Housing Survey.		

There is evidence that multiple families and unrelated individuals are doubling up. 39 percent of respondents indicated that they lived with an adult who was not a member of their family. 43 percent of respondents with children living in their home indicated that at least one of those children was not a family member.

Nonprofits and Commercial Rental Rates

Nonprofits throughout San Francisco are also feeling the burden of rent increase. A 2000 report from CompassPoint Nonprofit Services entitled, "Nonprofits at Risk: The Space and Occupancy Crisis Facing San Francisco's Nonprofit Community," reviewed issues facing nonprofit organizations that utilize commercial rental space in San Francisco; specifically, the impact of the increasing rental rates on the nonprofit sector in the City. The study included written surveys, focus groups, key informant interviews and case studies. The following are some key points from the report that continue to be relevant today:

- In 2000, 87 percent of nonprofits in San Francisco leased space. About 22 percent of nonprofits leasing space were located Downtown, 16 percent were located in SoMa and 13 percent were located in the Mission District.
- Of the respondents to the survey, 52 percent reported that they were either somewhat likely, moderately likely or already committed to leaving San Francisco with the expiration of a current lease because rental rates were becoming prohibitive.
- With regard to solutions in the survey, 69 percent of respondents expressed an interest in co-location with other nonprofit organizations. Nonprofits also expressed the need for low-interest loan capital and for technical assistance on raising funds and purchasing buildings.

The Existing Supply of Subsidized Housing in the Mission

The San Francisco Housing Authority houses 41,500 low-income residents in public units or with vouchers to help offset the cost of market-rate apartments. Yet at any given time, a few hundred of the agency's 6,054 units sit vacant because the cash-strapped agency cannot quickly rehabilitate them for new tenants. A report last year by Harvey Rose, the Board of Supervisors' budget and legislative analyst, found the agency had missed out on $6.3 million in rent because it allowed units to sit vacant.

The waitlist for public housing in San Francisco has been closed since 2010 because the demand so dramatically outstrips the supply. Some prospective tenants have been waiting for many years for a unit. Currently, there are three public housing properties located in the Mission.

- *Valencia Gardens* is located on a five-acre site located between Valencia, Guerrero and 15th streets in San Francisco's Mission District. The Valencia Gardens HOPE VI Revitalization replaces 246 dilapidated units with 260 new one-, two-, three- and four-bedroom units, comprising 218 family flats and townhouse apartments and 42 one-bedroom senior apartments.
- *Juan Pifarre Plaza* is located on 3101 21st Street. With 30 units, it provides quality and affordable housing for low-income households, and has integrated needed housing units for people living with HIV/AIDS.
- *Good Samaritan Apartments and Family Resource Center* is located at 1290–1294 Potrero Avenue and was developed to provide a holistic approach to human and community development by providing affordable housing and supportive services for low-income households in the Mission District.

Recently, BRIDGE, a nonprofit supporting public housing needs in the Bay Area, and MEDA partnered to co-develop and preserve three properties in the Mission/Castro cluster, a grouping of over 400 apartments for seniors, all of which are scheduled to be rehabilitated in 2015. The goal is to ensure the ongoing affordability and viability of these existing affordable-housing resources.

Voucher/Section 8 programs

The Housing Choice Voucher Program is the federal government's major program for assisting low-income families, the elderly and the disabled to afford decent, safe and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

Housing choice vouchers are locally administered by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

Other federally assisted housing

In addition to public housing and Section 8 Vouchers administered by the San Francisco Housing Authority, there are approximately 1,550 multifamily units in the Mission District that are subsidized under other programs of the U.S. Department of Housing and Urban Development and there are approximately 850 units subsidized with Low-Income Housing Tax Credits. The majority of these units are owned and managed by two nonprofit organizations: Mission Housing Development Corporation and Mercy Housing. A complete listing of these units is included in Appendix 6.

Single-room occupancy units

There are over 500 single-room occupancy (SRO) units in San Francisco, and they are home to more than 30,000 low-income residents, according to the Central City SRO Collaborative, a local housing advocacy group. SROs make up five percent of all San Francisco residences and comprise the largest supply of low-cost rental housing in the City. An SRO is defined as a single eight-by-10 foot room with shared hallway bathrooms, but, beyond that, they range dramatically in quality. An SRO can be a permanent residence or a room for the night. An average SRO in the Mission District costs approximately $45 per night.

Historically, SROs were populated by low-wage workers, transient laborers and newly arrived immigrants; however, while there are subsidy incentives in the Mission for landlords to rent SROs to people who are homeless, low income or suffering from mental illness, there are often greater incentives to evict such tenants and renovate the space to rent at a higher price under a subsidy program. According to the SRO Collaborative, in many Tenderloin, Chinatown and Mission SROs, immigrant workers may be found living three or more to a single, small room.

The Mission Housing Development Corporation (MHDC) is a nonprofit, community-based organization that owns the largest portfolio of affordable housing for Mission District residents of low and moderate incomes. MHDC currently manages two SRO buildings in the Mission:

- *Apollo Hotel* is located on 420 Valencia Street and has a total of 80 units.
- *Altamont Hotel* is located on 3048 16th Street and has a total of 88 units.

Rent control

While the San Francisco Rent Board controls the amount that rent can be raised for units built pre-1979, newer buildings have no limits on increases. Refer to Appendix 7 for additional details on rent control. The Rent Board does not have information publically available on the number of units currently under rent control and does not track these properties, unless there is a report filed.

Among the NALCAB/MEDA housing survey participants, 32.70 percent stated they are living in a rent-controlled apartment, while 31 percent are not. Another 25.2 percent did not know their situation.

Table 22—Rent-controlled units

Under rent control	Number	Percent
Yes	74	32.70%
No	70	31%
Don't know	57	25.20%
Refused	3	1.30%
Other	3	1.30%
N/A	19	8.40%

Source: San Francisco Housing Inventory, page 24.

Section III: Evictions

Data presented above clearly illustrates that housing affordability is a key factor driving the changing socioeconomic demographics of the Mission District. Beyond affordability, however, there is ample evidence that market conditions are driving more aggressive forms of displacement and, potentially, housing discrimination.

Evictions

The San Francisco Rent Board publishes annual eviction reports that detail the total number of just-cause evictions that were filed during the preceding year. These reports are broken down by cause and total number. The following table demonstrates all reported just-cause evictions that occurred in San Francisco from March 2012-February 2014. There were 1,977 total evictions notices given in San Francisco during this time period, regardless of cause. This was 220 more evictions than reported from 2012–2013, a 13 percent increase. The most common form of eviction in the most recent completed report was Breach of Lease Agreement. This could include the renter owning unauthorized pets, destruction of property or similar events that would constitute a break of the original rental agreement. There were 607 reported breaches of lease agreements from 2013–2014. The second most common reason for eviction was nuisance (loud noise, unsanitary conditions). Nuisance evictions accounted for 349 of the total notices. The next three most common reasons for evictions are viewed as more market driven and, in some documented cases, being used to evict tenants paying lower rents to rehabilitate and re-rent or convert to a condominium for sale. These include the following:

- *Owner/relative move-in* is when a landlord can evict a tenant if the landlord is going to move into the unit to live, or for a close relative to move in and live there. The landlord (or relative) must move in within three months of when the tenant vacates and the landlord (or relative) must have the intention of living there for three years. The caveat to this type of notice is that families with school-aged children who have resided in the unit for at least the last 12 months cannot be evicted during the current academic school year. The only exception to this notice is if the unit is the only one available and the owner also has a school-aged child(ren).
- *Demolish/removal from market* is a cause most often used for the demolition of illegal "in-law" units within a property. Under this notice, the owner must also provide the tenant a relocation payment. The amounts are the same as the case with an owner/relative move-in eviction. Legal opinion differs on whether, after demolition of the illegal renovation, the owner can then immediately use the property for housing purposes, or if it needs to be redeveloped, as for non-housing uses.
- *Ellis Act* is a state law enacted in 1986. The Ellis Act grants landlords the right to evict tenants to "go out of business." For an Ellis Act eviction to occur, the landlord must remove all of the units in the building from the rental market and cannot single out one tenant and/or remove just one unit from the rental market. When a landlord invokes the Ellis Act, the apartments cannot be re-rented, except at the same rent the evicted tenant was paying, for five years following the eviction; however, there are no restrictions on converting the property to tenancies in common or condominiums.

Under these three causes, any tenant who has resided in the unit for at least 12 consecutive months has a right to relocation payments under this notice. The current amount for tenants being evicted under the owner/relative move-in and demolition causes is $5,261 per tenant for a maximum payment of $15,783. The owner must also pay an additional $3,508 to each household who has at least one child under the age of 18 years living in the unit, and to each tenant who is over 60 years of age or disabled. Ellis Act evictees receive $5,105.20 per tenant, up to a maximum of $15,315.56, plus an additional $3,403.45 for tenants who are senior or disabled. Owners must also give tenants evicted through the Ellis Act the first right of return if the unit is returned to the rental market. Ellis Act evictions require a one-year notice for senior and disabled tenants, and 120 days for all others.

Table 23—Just-cause evictions

Just-cause evictions	2012–2013	2013–2014	% Change
Demolish/removal from market	43	128	298.00%
Ellis Act	116	216	86.00%
Capital improvements	25	37	48.00%
Owner/relative move-in	185	273	48.00%
Habitual late payment	59	84	42.00%
Breach of agreement	468	607	30.00%
Roommate eviction	41	49	20.00%
Unapproved subtenant	15	17	13.00%
Nuisance	352	349	–1.00%
Illegal use of unit	44	42	–5.00%
Failure to permit access	16	9	–44.00%
Total	1,757	1,977	13.00%

Source: San Francisco Rent Board.

Declining Ellis Act Evictions in 2014

In the last few years, the Ellis Act in particular became a popular way for property owners to lawfully evict tenants and tap into the lucrative housing market. In 2009/2010, the Rent Board received 43 Ellis Act filings. This figure increased every year before reaching a high of 216 for the 2013/2014 period.

Table 24—Ellis Act evictions

Year	# of Ellis Act evictions	Year-over-year change
2009–2010	43	
2010–2011	61	42.00%
2011–2012	64	5.00%
2012–2013	116	81.00%

Year	# of Ellis Act evictions	Year-over-year change
2013–2014	216	86.00%
Source: San Francisco Rent Board, Annual Eviction Reports 2009, 2010, 2011, 2012, 2013, 2014.		

In contrast, preliminary evidence from 2014 suggests that use of the Ellis Act has slowed. Indeed, a review of Rent Board filings from April 2014–September 2014 reveal only 29 Ellis Act cases were filed. If that trend continues for the remained of the reporting period, the number of Ellis Act evictions will have dramatically fallen. Reasons for this decline include:

1. In October 2013, San Francisco Mayor Edwin Lee tripled funding for Ellis Act eviction defense from the program's current $125,000 budget and added an additional $700,000 for tenant counseling services. This move will raise the potential litigation costs for property owners seeking to use the Ellis Act for evictions, plus cut into any profits that would be made.
2. The Mayor and State Senator Mark Leno are pushing California to reform the Ellis Act. This political positioning may have forced speculators to wait and see if reform passes before purchasing a rental property and evicting tenants.
3. Four City supervisors put Prop G, an anti-speculator tax, on the November 2013 ballot. Like the potential reform of the Ellis Act on the state level, the chance of having such a measure pass may have temporarily deterred speculators from moving forward. The Prop G initiative did not pass.
4. The City has continued to increase the amount of compensation due to tenants evicted through the Ellis Act.

Mayor Lee made a public commitment to continue limiting Ellis Act evictions in 2015 through two means:

1. The City will make funding available for nonprofits to acquire and rehabilitate multifamily rental buildings of five to 25 units through the new Small Sites Program. This funding will help stabilize buildings that are occupied by low- to moderate-income tenants throughout San Francisco—tenants that are particularly susceptible to evictions and rising rents. An initial three-million dollars is being made available, with additional funding expected to be released during the program's first year. Properties supported by this revenue must be 100 percent rental residential buildings located in the City. Buildings at immediate risk for Ellis Act eviction or in the process of an Ellis Act eviction will be given priority.[16]
2. The Mayor will seek to form a political coalition to once again try to pass Ellis Act reform. As in 2013, this may dissuade land speculators from moving forward with property acquisition until the issue is resolved.[17]

Mission Residents on Housing, Affordability and Evictions

NALCAB held a focus group with Mission District community leaders in July 2014 to discuss the district's housing situation and their personal experiences with renting, evictions and relocation. Participants mentioned a number of reasons that they believe individuals were evicted without a fight. These reasons included:

- Individuals are often unaware of their rights as tenants and their ability to question the legality of the eviction.
- Tenants often leave because they, or a family member in the home, are undocumented and fear deportation.
- To low-income tenants, the $15,000 offered as compensation to the household seems like much money.

A participant from the focus group shared the following thought (translated from Spanish):

[16] Office of the Mayor, News Release http://www.sfmayor.org/index.aspx?recordid=653&page=846
[17] Office of the Mayor, News Release http://www.sfmayor.org/index.aspx?recordid=775&page=846

"What is happening right now is that they are buying our people with 'crumbs.' They offer them $3,000, $5,000, $8,000 or $10,000, so our people get excited about the idea of $10,000, but they don't know how long it is going to last them. From what we have seen, a woman got $10,000 and she has three daughters, but how long is that going to last her, how much is she going to pay for rent? People settle for the money, but we have to make people aware about that, it's not about what money they receive, but where are they going to live, especially if they have children, it makes it more comfortable."

Another theme that came up during the focus group is that renters seeking new housing (after an eviction) were often discriminated against for having children and were unaware that this is illegal under the Fair Housing Act.

Respondents to the NALCAB/MEDA housing survey were asked their thoughts on a similar series of points. Below are a selection of responses to questions about satisfaction with their current housing situation, the likelihood of having to move and the fear of being evicted.

Satisfaction with current living/housing arrangement: 22.10 percent of the participants stated not being satisfied with their current living arrangement in regards to affordability. 29.6 percent are very satisfied and 44.2 are somewhat satisfied.

Table 25—Living-arrangement satisfaction

How satisfied are you with your current housing/living arrangement? In regards to: cost (rent, mortgage, utilities)	Number	Percent
Very satisfied	67	29.60%
Somewhat satisfied	100	44.20%
Not satisfied	50	22.10%
Refused	3	1.30%
N/A	6	2.70%
Source: NALCAB focus group of Mission District community leaders, July 2014.		

Likelihood of rent increase: Over 50 percent of participants think it is at least somewhat likely that their rent will increase in the next year. Only 26.10 percent that think that it is not likely that this will occur.

Table 26—Likelihood of rent increase in next year

How likely do you think it is that the cost of your rent will increase in the next year?	Number	Percent
Not at all likely	59	26.10%
Somewhat likely	71	31.40%
Very likely	50	22.10%
Don't know	40	17.70%
Refused	2	0.90%
N/A	4	1.80%
Source: NALCAB focus group of Mission District community leaders, July 2014.		

Confidence about being in the same unit next year: When asked about their confidence that they will still reside in the same unit next year, 44.20 percent of the participants felt very confident about being in the same unit next year, while approximately 33.5 percent expressed little to no confidence. Another 16.3 percent felt fairly confident.

Table 27—Likelihood of living in same unit/house in one year

On a scale of 1 to 7, how confident are you that you will be living in the same unit/house in one year? 1=not at all confident; 7=very confident	Number	Percent
1	32	14.10%
2	14	6.20%
3	15	6.60%
4	15	6.60%
5	15	6.60%
6	22	9.70%
7	100	44.20%
Refused	2	0.90%
N/A	11	4.90%
Source: NALCAB focus group of Mission District community leaders, July 2014.		

Concerns about being evicted in the next year: While there was a wide degree of preoccupation, more than half of respondents expressed at least some concern that they could be evicted from their homes and 13.2 percent were *very concerned*. Another 47.3 percent were not concerned at all.

Table 28—Eviction concern

On a scale of 1 to 7, how concerned are you about being evicted or forced out of your home? 1= not at all concerned; 7= very concerned	Number	Percent
1	107	47.30%
2	16	7.10%
3	20	8.80%
4	14	6.20%
5	19	8.40%
6	6	2.70%
7	30	13.20%
Refused	3	1.30%
N/A	11	4.90%
Source: NALCAB focus group of Mission District community leaders, July 2014.		

Commercial Evictions

In October 2014, the Budget and Legislative Analyst office conducted an assessment of small-business displacement trends between 1992 and 2011. This assessment included a review of the Mission's Lower 24th Street Commercial Corridor. Some of the findings from their report follow:

- Business closures occur in San Francisco for a variety of reasons. These may include: moving to a new location to expand; moving to avoid unsustainable rent increases; to scale back a business; going out of business due to retirement or lack of sales, or; being bought out by another firm. The rate of business turnover due to these and other causes steadily increased in San Francisco during the twenty years between 1992 and 2011, and from available data, appears likely to continue its upward trend through 2014 and beyond.
- Between 1992 and 2011, business closures and location changes of all businesses rose by 883.6 percent from 1,298 in 1992 to 12,767 in 2011.
- For established businesses, or open businesses open for at least five years at the same location, business closures and location changes increased from 518 to 3,657 in 2011, an increase of 606 percent. The rate of closures and location changes for established businesses increased to 10.6 percent relative to all business openings between 2009 and 2011, higher than the 20 year median rate of 15.3percent between 1992 and 2011.
- If the same trends continue for the five years beyond 2014, the Budget and Legislative Analyst projects the closure or change of location for 5,910 established businesses in 2019, an increase of 38.1 percent over the projected 4,378 closures and changes of location for established businesses in 2014.
- Mirroring the trend throughout the City, the Lower 24th Street commercial corridor has witnessed an increasing number of business closures and location changes in the last few years, including for established businesses in the same location for five or more years.

Section IV: Housing Development in the Mission

Recent Development

The Housing Inventory is the Planning Department's survey of housing production trends in San Francisco. Some of the key findings from the 2013 report are:

- New housing production in 2013 totaled 2,499 units. This includes 2,330 units in new construction and 169 new units added through conversion of non-residential uses or expansion of existing structures.
- There was a net addition of 1,960 units to the City's housing stock in 2013, a 49 percent increase from 2012. This follows the 10-year average of 1,932 and represents a continuing upward trend in net-unit production from the lowest production point in 2011.
- In 2013, 3,168 units were authorized for construction, a 19 percent decrease from 2012.
- The Planning Department approved and fully entitled 45 projects in 2013. These projects propose a total of 2,552 units.
- Much of the new housing development in 2013 were concentrated in the SoMa Planning District, where about 27 percent of net new units were built, followed by Downtown and Mission Planning Districts, with 25 percent and 13 percent share, respectively, of new housing constructed.
- According to the Planning Department, the Mission District ranks third for units completed in 2013, with 242 units, behind SoMa with 485 units and Downtown with 918 units. It also ranks third in net gain of housing units, with 258, behind Downtown, with 486 units, and SoMa, with 521 units.[18]

The majority of the 2013 gains in new construction in the Mission are in the sites with 20+ units, followed by 10–19 units. There are comparatively low numbers of smaller unit sizes.

[18] Full lists can be accessed on page 27 of the document found at:
http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf

Table 29—Sizes of new construction in the Mission

Mission	Single family	Two to Four units	Five to Nine units	10 to 19 units	20+ units	District total
2010	6,295	7,026	3,797	3,221	4,205	24,566
2011–2012	3	22	11	33	96	165
2013	N/A	9	7	35	202	253
Total	6,298	7,057	3,815	3,289	4,503	24,984
% of total	25.20%	28.20%	15.30%	13.10%	18.10%	6.60%

Source: San Francisco Housing Inventory 2013.

Recent Construction of Affordable Housing

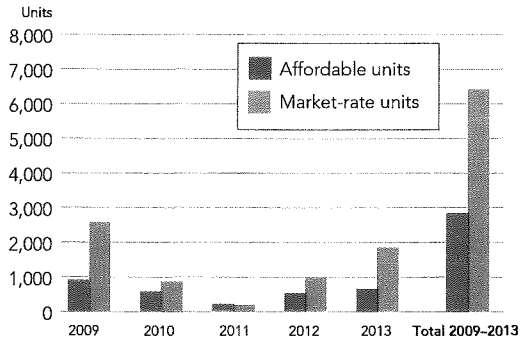
In 2013, 712 new affordable housing units were built in San Francisco, a 39 percent increase from the previous year's production of 513 units. These new affordable units made up 36 percent of new units added to the City's housing stock. This count includes 220 inclusionary units and 28 units added to existing structures. *No major projects were built in the Mission in 2013.*

About 93 percent of the new affordable units are rentals affordable to very-low and low-income households. Very low-income units represented 63 percent of the new affordable units that were constructed in 2013; low-income units made up 31 percent, and moderate-income units made up about six percent. The figure below shows the affordable-housing construction compared to market-rate housing construction citywide from 2009–2013.[19]

Major affordable-housing developments completed in San Francisco in 2013 include:

- *25 Essex Street* located in the South Beach District, with 120 units.
- *701 Golden Gate Avenue* located Downtown, with 100 units.

Development of affordable and market-rate units, 2009–2013



Source: Source: San Francisco Planning Department Housing Inventory (2013).

[19] The table can be accessed on page 21 of the document linked here: http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf

- *474 Natoma Street* located in SoMa, with 60 units.
- *1075 Le Conte Avenue* located in the Bayview, with 73 units.
- *60 West Point Road* located in Hunters Point, with 54 units.
- *61 West Point Road* located in Hunters Point, with 13 units.

The table below shows the production of affordable-housing units by levels of affordability.

Table 30—New affordable housing by levels of affordability

Year	Extremely low (30% AMI)	Very low (50% AMI)	Lower (60% AMI)	Low (80% AMI)	Moderate (120% AMI)	Total affordable units	Total new units	% of all new units
2009	N/A	550	N/A	140	256	946	3,544	27.00%
2010	N/A	480	21	N/A	81	582	1,438	40.00%
2011	127	13	N/A	21	57	218	418	52.00%
2012	250	107	N/A	52	104	513	1,471	35.00%
2013	N/A	448	N/A	220	44	712	2,439	29.00%
Total	377	1,598	21	433	542	2,971	9,310	32.00%

Source: Mayor's Office of Housing, Office of Community Investment and Infrastructure, Planning Department.

The table below shows new, affordable-housing construction by housing type.[20]

Table 31—New affordable-housing construction by housing type

Year	Family*	Senior	Individual/ SRO	Homeowner	Total
2009	176	24	407	339	946
2010	128	348	59	47	582
2011	67	N/A	140	11	218
2012	157	N/A	269	87	513
2013	432	100	164	16	712
2013 percent of total	60.70%	14.00%	23.00%	2.20%	100%

Source: Mayor's Office of Housing, Office of Community Investment and Infrastructure, Planning Department.
*Note: Family units include projects with a majority of two-bedroom units or more. Individual/SRO includes projects with a majority of one-bedroom units, residential care.

Inclusionary Housing

The Inclusionary Affordable Housing Program, also known as Section 415 of the San Francisco Planning Code, requires residential developments with 10 or more units that seek a conditional use (CU) permit of planned unit development (PUD) to set aside 15 percent of their units on-site, or 20 percent of their units off-site, as dedicated affordable housing. These percentages are higher in certain parts of the Eastern Neighborhoods Plan Area (The Mayor's Office of Housing and Community Development). Developers can also choose to opt out of this

[20] The table can be accessed on page 22 of the document linked here: http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf

requirement and pay an Affordable Housing Fee or work with the City to dedicate a parcel of land to be banked for future use as an affordable-housing development.

Reflecting the need for housing (market rate or subsidized) and paralleling the increased number of projects underway throughout the City, the number of inclusionary units reached 220 in 2013. This is an increase of 76 percent over 2012 totals. All 220 inclusionary units in 2013 were constructed as on-site affordable housing. A total of $9,130,671 was collected as partial payments of Affordable Housing Fees for developers choosing not to earmark sites with affordable units.

The table below shows inclusionary units completed from 2009–2013.[21]

Table 32—New inclusionary units

New inclusionary units, 2009–2013	
Year	Units
2009	44
2010	40
2011	11
2012	125
2013	220
Total	440
Source: Planning Department, Mayor's Office of Housing and Community Development.	

Affordable Housing Fee Schedule

Effective January 1, 2015, the City announced a new fee schedule for the Inclusionary Affordable Housing Ordinance for developers who chose to not build inclusionary units. These fees will be required for all new developments subject to the ordinance.

Table 33—Affordable housing fee schedule

Unit size	Fee
Studio	$199,698
One-bedroom	$270,441
Two-bedroom	$367,711
Three-bedroom	$419,621
Four-bedroom	$522,545
Source: City of San Francisco.	

Research by local Mission-based journalist, Daniel Hirsh, found the following information on the Affordable Housing Fee.

[21] The table can be accessed on page 23 of the document linked here:
http://www.sf-planning.org/ftp/files/publications_reports/Housing_Inventory_2013.pdf

- Nine of the 16 developers with projects completed in 2013 opted to pay the Affordable Housing Fee.
- If these developers had built on-site inclusionary housing, the City would now have about 40 more units of affordable housing.
- Currently, there are 36 projects approved for construction, representing a total 6,168 future units. Of those units, 544 are slated to be inclusionary and on-site.
- About a third of developers for current projects have opted to pay the Affordable Housing Fee.
- If these developers built on-site units instead of paying the fee, it would mean approximately 180 additional affordable housing units.[22]

While some activists argue that the Affordable Housing Fee should be removed, the Mayor's Office of Housing has indicated that the potential burden of Homeowners Association Fees on low-income residents is the main factor in the City's decision to allow the fee system to continue. While the City controls the prices of below-market-rate (BMR) units, state real estate laws require all homeowners to be assessed full homeowners' fees, whether they paid full price for their unit or if it was obtained through an affordable-housing program.

Planned Development

The City of San Francisco Planning Department maintains a report on the pipeline of active construction projects in the City, divided by planning district. The San Francisco consolidated pipeline consists of development projects that would add residential units or commercial space in the City. It provides a short- to medium-term picture of changing land uses, specifically tracking the changes to the City's housing stock and commercial uses. These findings are available as quarterly reports. Refer to Appendices 8 and 9 for Parcel Zoning and Parcel Boundary maps of the Mission.

The report from the third quarter of 2014 shows that there were 958 projects in the pipeline. Of these, 75 percent are exclusively residential and 17 percent are mixed-used projects, with both residential and commercial components. Only eight percent of projects are non-residential developments.

The vast majority of pipeline projects are small scale, consisting of one to three units. The "hotspot" for much of this development is Market Street, at various parts along the corridor. This artery is geographically at the heart of the recent Central Market/Tenderloin Payroll Tax Exclusion, though many projects here predate this program.

The Mission ranks only behind the Richmond District in the total number of projects in the pipeline, but it ranks 12th out of 33 neighborhoods in the number of net-total residential units and 30th in net-total commercial units. A closer examination reveals that, while the Mission has a comparatively large number of projects in the pipeline, many of these are smaller sites, averaging only 15 units per project, for a net gain of 1,210 units; further, the Mission is set to lose 62,370 square feet of commercial space.[23]

There are currently 50 projects in the pipeline database that propose the demolition or conversion of existing production, distribution and repair (PDR) buildings to residential use. If the pipeline were developed as proposed, about 800,000 square feet of PDR space would be lost to conversion or demolition. It would be replaced with 3,600 residential units and or other commercial uses. Most of the PDR-to-residential conversions are found in Central Waterfront, Showplace/Potrero Hill and east SoMa districts. The loss of PDR space in these neighborhoods would in turn bring in 2,900 net-new housing units. The Mission would bring in 350 net units. The Mission has 10 projects in PDR space conversion to residential units. See Appendix 10 for a map demonstrating the location of planned development within the Mission.

[22] Hirsch, Daniel, May, 2014. *Affordable Housing Construction in Limbo.* Mission Local.
http://missionlocal.org/2014/05/affordable-housing-construction-in-limbo/

[23] Data can be accessed on page 4 of the document found at the following link:
http://sf-planning.org/modules/showdocument.aspx?documentid=9338

Micro-Units

Due to the high demand for affordable-housing options, San Francisco's first micro-unit building was approved in 2013 and will be ready for occupancy late in 2015. Originally proposed as student housing, the 11-story building—to be constructed at 1321 Mission Street (9th and Mission in the Mid-Market District) and dubbed "Smartspace"—will have a total of 160 market-rate units, 120 of which will be called micro-units with as little as 220 square feet of space. The building will also include nearly 3,400 square feet of ground-floor retail space, will be car free and will have parking for 240 bicycles. The units will rent for $1,200–$1,500 and are expected to be ready for occupancy by late 2015. Some urban planners argue that micro-apartments can help rising rental costs and housing shortages in highly urbanized areas.

Selected Current Housing Development Projects in the Mission

The following is a selected list of current developments in the Mission:

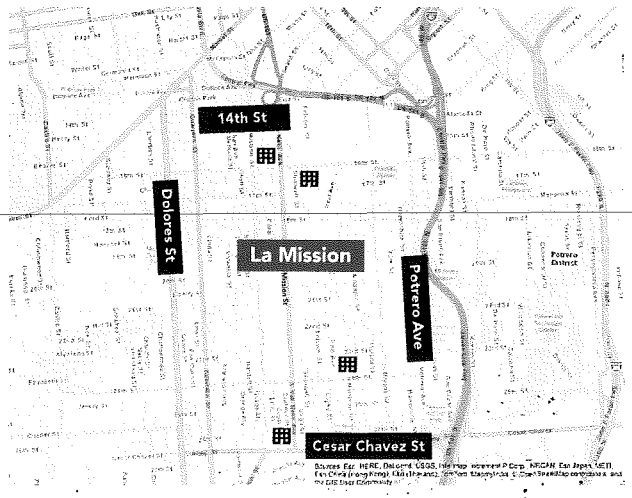
Vida is located at Mission and 22nd streets next to the rehabilitated the historic Mission Theater. Vida is 114 market-rate condominiums. It took developer Dean Givas over two years of negotiations with community groups to get the project green-lighted. Givas elected to pursue the land dedication alternative to meet the Inclusionary Affordable Housing Ordinance requirements by purchasing a 11,672-square-foot plot of land (Block 6571 Lot 026) located at 1296 Shotwell Street (Cesar Chavez Boulevard at Shotwell Street) and cede it to the Mayor's Office of Housing and Community Development for future development. This lot meets the requirements of the Ordinance and has demonstrated to be able to construct up to 44 units of affordable housing—a significant improvement over the 14 units of affordable housing that would have been required if Givas chose to construct on-site. In addition, Givas donated $150,000 to a fund to help Mission businesses, $650,000 to 23 community groups and one-million dollars for the Texas-based Alamo Draft House Cinema chain to renovate the property next door into a five-screen, 600-seat theater, which will include a full service restaurant and bar. The original theater was built in 1910 and has been vacant since 1993. As part of the deal, Alamo Draft House agreed to hire 50 percent of its staff from the neighborhood and to let nonprofits host events at the facility.

The residential portion of the project will be an 85-foot, eight-story mixed-use building (the second tallest in the Mission) with a total of 114 units (one- and two-bedroom) over ground-floor retail and 89 parking spaces. Sales started in the spring of 2014. Pricing for condos in the first release is $1,000 per square foot for every available unit. Examples of available units include:

- A 494-square-foot junior one-bedroom with no parking, listed at $573,000.
- A "large," 834-square-foot one-bedroom with parking, listed at $851,000.
- A 661-square-foot one-bedroom with no parking, listed at $783,000.
- The least expensive two-bedroom is 872 square feet, parking and a balcony on the second floor for $927,000.
- Units higher up for 905 to 1,071 square feet are over one-million dollars.

The Shotwell land received as part of the Ordinance is among four properties in the Mission slated for affordable housing, but that have yet to begin the development process. Included are properties on 24th and Harrison streets, 17th and Folsom streets and Mission and 16th streets. Together with Shotwell, these projects would bring nearly 200 units of inclusionary housing to the Mission. (See map on following page.)

The City has roughly $20 million in a Housing Trust Fund that could be used to subsidize construction the proposed projects. On average, the City subsidizes the construction of affordable housing at about $250,000 per unit; however, the City needs consensus on how the Housing Trust Fund money will be used prior to any disbursement and it may need much of the fund to repair 6,054 units of public housing in need of rehabilitation.



Source: Graphic by Daniel Hirsch. Map by Google Maps.

1979 Mission Street is the most controversial project in the Mission right now. The is the corner of 16th and Mission streets, at 1979 Mission Street. Maximus Real Estate Partners is proposing to build at the site of one of the City's busiest transportation hubs—the BART station on 16th and Mission streets. The plan, totaling approximately $175 million, calls for a 400,000-square-foot, mixed-use development. The project calls for two, ten-story luxurious towers with 351 housing units and 32,000 square feet of retail on the northeast corner of the intersection. The project would replace a Walgreens, a Burger King, the Hwa Lei Market, the City Club bar, two restaurants and a vacant Dollar Store. It also includes the redevelopment of a 24,000-square-foot surface parking lot behind the Walgreen's. The plans is in line with the Eastern Neighborhoods rezoning, which called for a 105-foot building along Mission and 16th streets. The City has indicated that it will open up the development of the retail space to local bids. MEDA may have the opportunity to bid on that contract.

The Plaza 16 Coalition, an activist group not in favor of the new development, argues that if constructed, the buildings would displace neighboring residents and businesses. The Coalition strives to raise awareness about the social and economic impact of the proposed development. Causa Justa :: Just Cause, a housing rights nonprofit, argues that the impact exceeds more than just an issue of displacement—it's a threat to the quality of life of many residents. They contend that, if built, the height of these towers will keep Marshall Elementary School next door in a constant shadow for five months out of the year.

The 1979 Mission website describes the construction of this project as a visual and community focal point for the neighborhood and highlights its importance as a transit hub. Though the developer has not yet determined how it will meet the City's Inclusionary Affordable Housing requirement, the website reports the construction as 303 new apartments and 42 affordable units. Since it is grandfathered in to the original Inclusionary requirements, the developer could choose to build 12 percent on site (as opposed to the current 15 percent rule). The site goes on to state that the project will comply with, or exceed, current inclusionary housing requirements as approved by San Francisco voters and that there will be an effort to provide housing that is affordable to families and workers such as teachers, first responders, government employees, nurses, and middle-income earners.[24]

[24] 1979 Mission. http://1979mission.com/at-a-glance/

This corner is potentially a very important location for future economic growth in the Mission because 16th Street will be a critical pass-through point for people going to the Mission Bay District's new Golden State Warriors basketball arena at Third and 16th streets. The arena is scheduled to open for the 2018–2019 NBA season. It is also a connecting point to access many other San Francisco neighborhoods.

Vara is located at 1600 15th Street. Vara is a residential, 202-unit apartment complex which welcomed its new residents in July 2013. The largest Class A institutional apartment building in the Mission, the 230,000-square-foot, mixed-use development has 202 residences, including a mix of studios; and one-, two- and three-bedroom homes. Also included in the six stories of wood over concrete building is 7,502 square feet of street-level retail space and 155 below-ground parking spaces. The rental development includes 40 units available at 20 percent BMR housing for individuals making 55 percent of AMI. The location at the corner of 15th and Mission streets is close to a BART station. The units start at $2,800 for a studio, and from $5,000 for a three-bedroom. Dallas-based equity investor Berhringer Harvard paid $100 million for the 202-unit development. That was more than twice the $40 million it cost San Francisco-based Avant Housing LLC to build the project.

Fifteen Fifteen is located at 1501 15th Street. This is a $21 million, mixed-use development project, by JS Sullivan Development, that started construction in 2012. The five-story building was scheduled to open its sales office in early spring 2014. The complex will include 38 market-rate residential units, seven affordable-housing units, five commercial retail spaces and 39 underground parking stalls. The condos range from 383-square-foot studios to 1,113-square-foot two-bedrooms. The original plan was set to include eight studios, eight one-bedrooms and 24 two-bedrooms. No prices have been released yet for the units; sales were scheduled to start in May 2014, but are not advertise online as of this report.

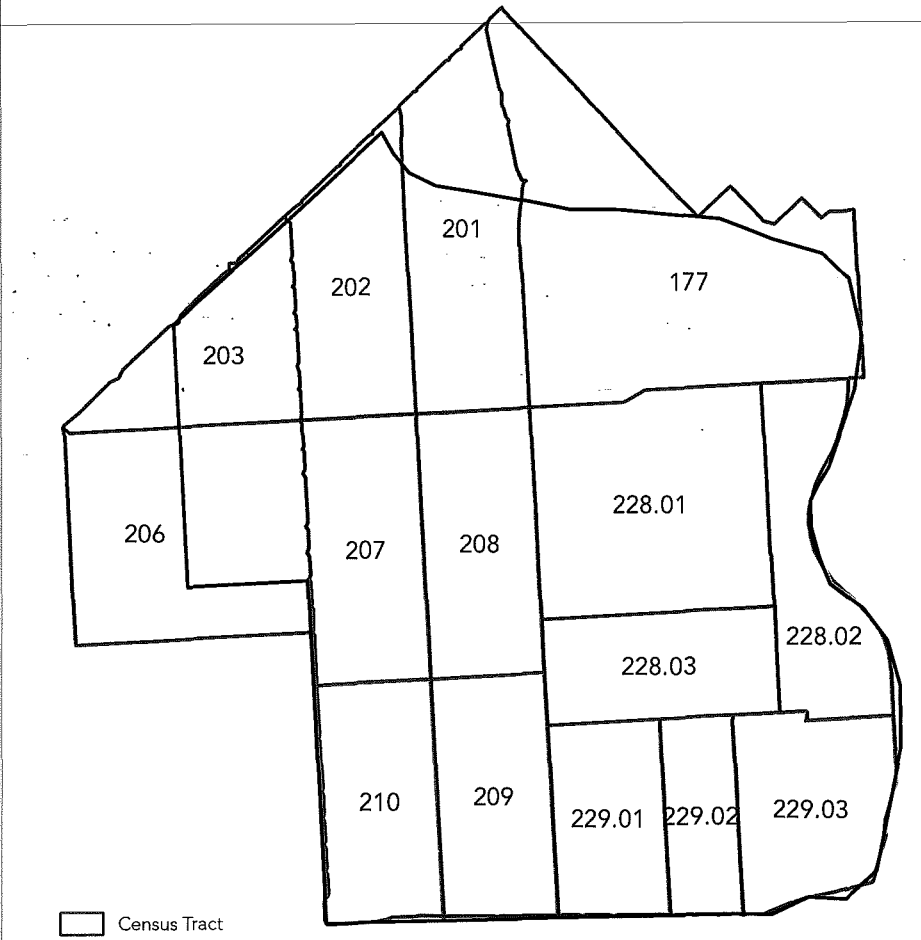
This development was met with considerable resistance from local stakeholders. In July 2011, just prior to receiving its permit, there was a Planning Commission meeting where objections about this project were discussed. Complaints were heard from a group of about 20 community members who did not agree with the amount of parking (too much), the amount of community input (too little), the height of the building (at 58 feet, too tall) and the development itself (ugly). Some neighbors were concerned about traffic nearby Marshall Elementary School, so the project sponsor conceded to move the garage entrance to South Van Ness Avenue.

2652 Harrison Street is a four-story condominium complex on Harrison between 22nd and 23rd streets. It demolished a 20-foot-tall warehouse that was vacant and replaced it with a building twice as tall: four stories, with 20 condos; 11 one-bedroom units, nine two-bedroom units and 16 off-street parking spots on the bottom level. While only two of the units were the requirement for the City's affordable-housing program, the developers opted out and paid the fee. The one-bedroom units start at $3,100 and the two-bedrooms at $4,195 per month.

38 Dolores is an 81-unit luxury rental building on 38 Dolores Street at Market Street. This development was completed in 2013 by the Prado Group, a San Francisco-based real estate development firm. One-bedrooms start at $2,950 and go all the way up to $4,595, two-bedrooms start at $3,800 and go all the way up to$5,950, and three-bedrooms can be rented for $8,100. The building has 81 units and a 30,000-square-foot Whole Foods supermarket on the ground floor. There is no affordable housing in this project, as developers chose to pay the fee instead.

Section V: Appendices

Appendix 1: Census Tract Map



Source: GIS.

Appendix 2: Language Spoken at Home

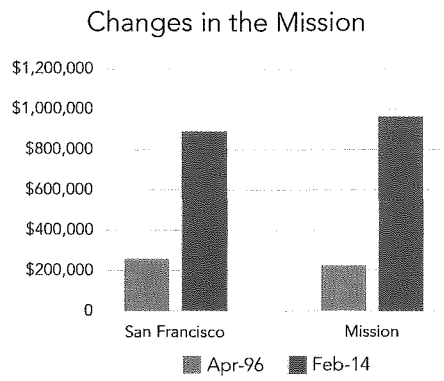
Table 34—Language spoken at home

Language spoken at home	San Francisco County	Mission District
Population five years of age and over	771,944	53,314
English only	54.80%	50.00%
Language other than English	45.20%	50.00%
Speak English less than "very well"	23.30%	25.30%
Spanish	11.60%	35.00%
Speak English less than "very well"	5.10%	19.30%
Source: ACS 2013; B16001.		

Appendix 3: Changes in Median Home Values in the Mission

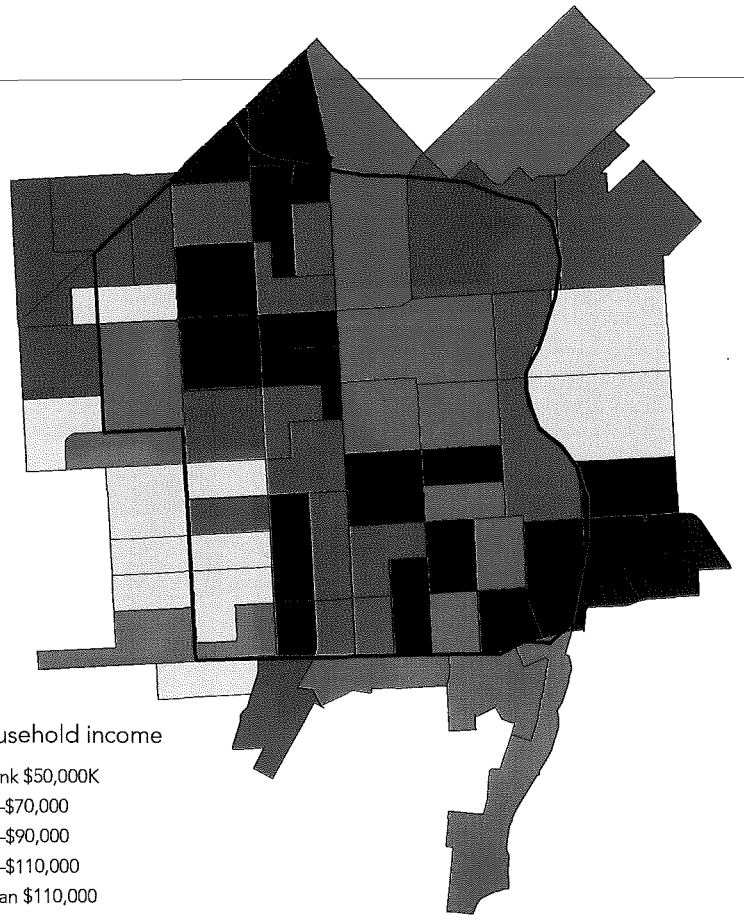
Table 35—Changes in median home values in the Mission

Changes in the Mission	Apr-96	Feb-14
San Francisco	$258,000.00	$887,700.00
Mission	$223,800.00	$962,200.00
Source: John Blanchard, San Francisco Chronicle.		



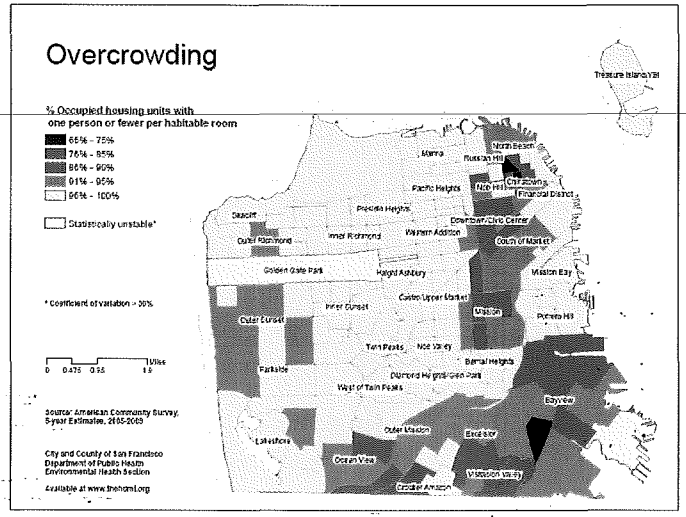
Source: John Blanchard, San Francisco Chronicle.

Appendix 4: Median Household Income in the Mission



Source: GIS.

Appendix 5: Overcrowding in San Francisco (2005–2009)



Source: Powerpoint, City and County of San Francisco.

Appendix 6: Listing of Affordable Housing and LIHTC Units in the Mission

Table 36—Listing of affordable housing and LIHTC units in the Mission

Category	Property Name	Address	ZIP	# of Units
Multifamily properties—assisted	Notre Dame Plaza	347 Dolores Street	94110	66
Multifamily properties—assisted	Francis of Assisi	145 Guerrero Street	94103	110
Multifamily properties—assisted	Mission Plaza Apartments	2027 Mission Street	94110	132
Multifamily properties—assisted	Vincentian Villa	1825 Mission Street	94103	72
Multifamily properties—assisted	Alcantara Court	670 Valencia Street	94110	49
Multifamily properties—assisted	Casa de la Raza	90 Bartlett Street	94110	51
Multifamily properties—assisted	Bethany Center	580 Capp Street	94110	133
Multifamily properties—assisted	Progress Apartments	1272 S. Van Ness Avenue	94110	12
Multifamily properties—assisted	Abel Gonzales	1045 Capp Street	94110	30
Multifamily properties—assisted	Apartamentos de la Esperanza	3590 19th Street	94110	39

Category	Property Name	Address	ZIP	# of Units
Multifamily properties—assisted	Betel Apartments	1227 Hampshire Street	94110	50
Multifamily properties—assisted	Colosimo Apartments	3290 25th Street	94110	11
Multifamily properties—assisted	Mariposa Gardens Apartments	2445 Mariposa Street	94110	63
Multifamily properties—assisted	1028 Howard Street	1028 Howard Street	94103	30
Multifamily properties—assisted	1100 Ocean Avenue	1100 Ocean Avenue	94103	45
Multifamily properties—assisted	1101 Howard Street	1101 Howard Street	94103	34
Multifamily properties—assisted	10th and Mission Family Housing	1390 Mission Street	94103	136
Multifamily properties—assisted	Columbia Park	21 Columbia Street	94103	50
Multifamily and special needs	The Dudley Apartments	172 Sixth Street	94103	75
Senior	Edith Witt Senior Community	66 Ninth Street	94103	107
Senior	Francis of Assisi Community	145 Guerrero Street	94103	110
Senior	Notre Dame Plaza	347 Dolores Street	94110	66
Special needs	The Rose Hotel	125 Sixth Street	94103	76

Source: MFH Inventory Survey of Units for the Elderly and Disabled, http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_13024.pdf. Also the Mission Housing Development Corporation, http://www.missionhousing.org/04_projects.php.

Table 37— Listing of affordable housing and LIHTC units in the Mission (Low-income tax credit properties)

Category	Property Name	Inclusionary Units	Address	ZIP
Low-income housing tax credit properties	Plaza del Sol	57	440 Valencia Street	94103
Low-income housing tax credit properties	Valencia Gardens	254	340 Valencia Street	94103
Low-income housing tax credit properties	Apollo Hotel	80	422 Valencia Street	94103
Low-income housing tax credit properties	Juan Pifarre Plaza	29	3101 21st Street	94110
Low-income housing tax credit properties	Good Samaritan Family Apartments	20	1290 Potrero Avenue	94110
Low-income housing tax credit properties	Maria Alicia	20	3090 16th Street	94103
Low-income housing tax credit properties	Altamont Hotel	88	3048 16th Street	94103
Low-income housing tax credit properties	Mariposa Gardens	62	2445 Mariposa Street	94110
Low-income housing tax credit properties	Mission Capp Apartments	48	2155 Mission Street	94110
Low-income housing tax credit properties	Del Carlo Court	25	3330 Army Street	94110
Low-income housing tax credit properties	Bernal Dwellings Apartments	156	3118 Cesar Chavez	94110
Low-income housing tax credit properties	Padre Palou Apartments	17	3400 16th Street	94114

Source: Mission Housing Development Corporation, http://www.missionhousing.org/04_projects.php.

Appendix 7: Additional Information on Rent Control

The San Francisco Rent Arbitration Board's mission is to protect tenants from excessive rent increases and unjust evictions, while assuring landlords of fair and adequate rents; provide fair and even-handed treatment for both tenants and landlords through efficient and consistent administration of the rent law; promote the preservation of sound, affordable housing; and enhance the ethnic and cultural diversity that is unique to San Francisco.

The Department's central function of regulating rents during a renter's tenancy, and preventing evictions without good cause, keeps rents affordable and promotes affordable housing. During the past fiscal year, the Department answered over 22,000 counseling calls, served over 8,000 counter visitors, adjudicated 725 tenant petitions and investigated 491 Wrongful Eviction Reports (Mayor's Proposed Budget, 2012).

Rent control means that rents can only be raised by certain amounts per year. Tenants who do not have rent control can have their rent increased by any amount at any given time with proper 30- or 60-day notice (San Francisco Tenants Union).

Pre-1979 Construction rent control exists. This is in effect for all San Francisco tenants who reside in buildings constructed before June 1979. The rent can increase only by a governmental mandated percentage each year, based on the cost of living index, and with a 30-day notice. If the landlord has improved the facilities in the building, they can petition for an additional increase, but the Rent Board must approve this request, which cannot exceed 10 percent. If a landlord is negligent in his maintenance of the building or units, a request for a rent decrease can also be made to the Rent Board.

Post-1979 Construction rent control does not exist. This is for buildings that were constructed after June 1979. Other buildings that are outside of rent control are subsidized housing, religious facilities or dorms, and residential hotels where the stay is fewer than 28 continuous days. (See explanation of Costa-Hawkins Bill below.)

According to Census data, 84 percent of the total housing units in the Mission and San Francisco were built before 1979, hence they should be protected under rent control. Below is a table demonstrating the number of structures built in different periods in the Mission and San Francisco.

Table 38—Structures built by time period

Year structure built	San Francisco	As a percentage	Mission	As a percentage
Total housing units	378,186	N/A	24,925	6.60%
Built before 1979	316,088	84.00%	20,975	84.00%
Built after 1979	61,245	16.00%	3,854	15.40%
Built on 2010 or later	853	0.20%	96	0.40%

Source: ACS 2013; DP04.

Additional Rent Controls if the building is zoned for commercial use but has live/work space. This mean the building is covered under the rent control laws. The landlord must be aware that there is a tenant living there, and the tenant must have his permission for complete coverage to be in place.

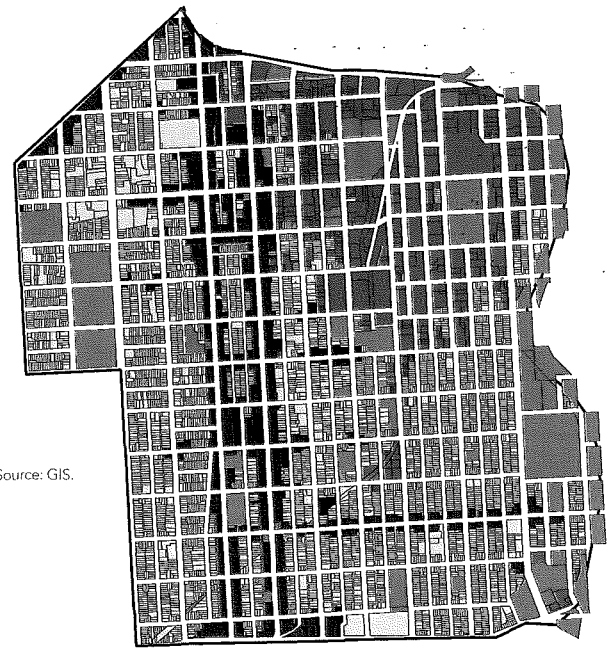
Costa-Hawkins Bill was passed in 1996 primarily to end vacancy rent control in California. Cities with vacancy rent control regulate the rents on empty units as well as on occupied units. San Francisco has never had this form of rent control, which is why rents on vacant units skyrocket year after year. Vacancy control maintained the affordable-housing stock, as well as protecting tenants in place, and is the most effective form of rent control. The Costa-Hawkins Bill ended vacancy control in cities such as Berkeley and further prohibited any city from adopting it, except in a very limited form.

A landlord can increase the rent without legal limit if one of the tenants move out. With subtenants, the Costa-Hawkins Bill permits a landlord to change the rent to market rate for a sublesee if the master tenant no longer lives in the apartment and the sublesee did not reside in the unit before January 1, 1995. No rent increase is permitted, if one or more original tenants lives in the unit and sublets part of the unit with the landlord's consent.

The Costa-Hawkins Bill, though, contained a number of other provision which impact San Francisco more directly, including:

- *The Costa-Hawkins Bill prohibits San Francisco from extending rent control to post-1979 construction.*
- *Rented-out, single-family homes and condominiums, where the tenant moved into the unit on or after January 1, 1996, will lose many rent control protections (tenants who moved in before January 1, 1996 will continue to have full rent control protection). Single-family homes with (legal or illegal) in-law units are in fact two-unit buildings, not single-family homes (San Francisco Tenants Union).*

Appendix 8: Parcel Zoning Map of the Mission



Source: GIS.

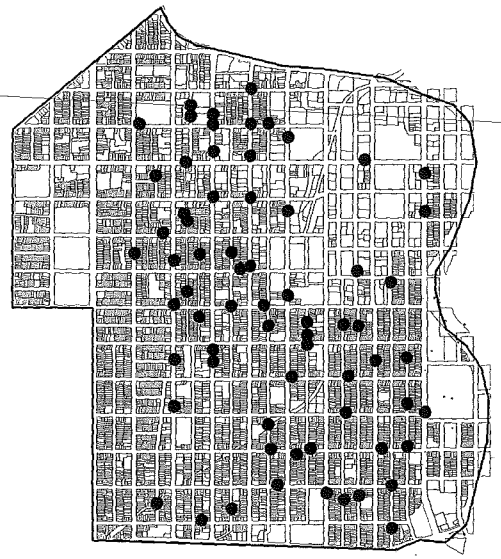
Source: GIS.

Appendix 9: Parcel Boundaries Map of the Mission

Parcel

Source: GIS.

Appendix 10: Planned Development in the Mission (Pipeline)



Planned development

Source: GIS.

Appendix 11: NALCAB/MEDA Mission Housing Survey Results—Demographics

Below are additional results from the NALCAB/MEDA Mission Housing survey that were not included in the narrative of this document.

Gender

60 percent of the survey participants were female and 38.5 percent were male.

Table 39—Survey participants by gender

Gender	Number	Percent
Female	136	60.20%
Male	87	38.50%
Transgender	0	0

Gender	Number	Percent
Refused	0	0
N/A	3	1.30%
Source: NALCAB/MEDA Mission housing survey.		

Race/Ethnicity

74.7 percent of the participants identified as Hispanic or Latino, 15 percent identified as White, 4.4 as African Americans, 4.9 percent as Asians, 1.3 percent as Pacific Islander and 0.4 percent as Middle Eastern.

Table 40—Survey participants by race/ethnicity

Race/ethnicity	Number	Percent
White	34	15.00%
Black/African-American	10	4.40%
Asian	11	4.90%
Pacific Islander	3	1.30%
Middle Eastern	1	0.40%
Latino	169	74.70%
Refused	0	0
N/A	0	0
Note: The total number is higher than the total number of participants as some identify with two groups.		
Source: NALCAB/MEDA Mission housing survey.		

Age

The majority of the participants were between the ages of 26–45, with 66.3 percent, while 5.7 percent were under 25 and 26.5 percent were 46 or older.

Table 41—Survey of participants by age

Race/ethnicity	Number	Percent
Under 18	1	0.40%
18–25	12	5.30%
26–35	81	36.70%
36–45	67	29.60%
46–55	38	16.80%
56+	22	9.70%
N/A	5	2.20%
Source: NALCAB/MEDA Mission housing survey.		

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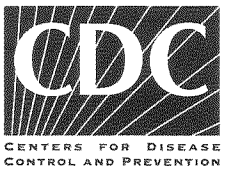
1429-03252015



Health Effects of Gentrification

Definitions

Gentrification is often defined as the transformation of neighborhoods from low value to high value. This change has the potential to cause displacement of long-time residents and businesses. Displacement happens when long-time or original neighborhood residents move from a gentrified area because of higher rents, mortgages, and property taxes.

Gentrification is a housing, economic, and health issue that affects a community's history and culture and reduces social capital. It often shifts a neighborhood's characteristics (e.g., racial/ethnic composition and household income) by adding new stores and resources in previously run-down neighborhoods.

Causes of Gentrification

The causes of gentrification are debatable. Some literature suggests that it is caused by social and cultural factors such as family structure, rapid job growth, lack of housing, traffic congestion, and public-sector policies (Kennedy, 2001). Gentrification can occur on a small or large scale. For example, individual newcomers can slowly populate an area because of renovations. Conversely, large-scale redevelopment and the accompanying regeneration can cause an immediate shift in neighborhood residents.

Health Effects

Where people live, work, and play has an impact on their health. Several factors create disparities in a community's health. Examples include socioeconomic status, land use/the built environment, race/ethnicity, and environmental injustice. In addition, displacement has many health implications that contribute to disparities among special populations, including the poor, women, children, the elderly, and members of racial/ethnic minority groups.

These special populations are at increased risk for the negative consequences of gentrification. Studies indicate that vulnerable populations typically have shorter life expectancy; higher cancer

rates; more birth defects; greater infant mortality; and higher incidence of asthma, diabetes, and cardiovascular disease. In addition, increasing evidence shows that these populations have an unequal share of residential exposure to hazardous substances such as lead paint.

Other health effects include limited access to or availability of the following:

- affordable healthy housing
- healthy food choices
- transportation choices
- quality schools
- bicycle and walking paths, exercise facilities, etc.
- social networks

Changes can also occur in:

- stress levels
- injuries
- violence and crime
- mental health
- social and environmental justice

Strategies

Gentrification and Environmental Justice Resources:

Federal

- *Characteristics of Sustainable Brownfields Projects* (http://www.epa.gov/brownfields/pdf/sustain.pdf) U.S. Environmental Protection Agency Office of Solid Waste and Emergency Response. 1998.
- Environmental Protection Agency—Brownfields Cleanup and Redevelopment http://www.epa.gov/brownfields/index.html
- National Institute of Environment Health Sciences (NIEHS)—Health Disparities and Environmental Justicehttp://www.niehs.nih.gov/research/supported/dert/programs/justice/index.cfm
- U.S. Department of Housing and Urban Development (HUD)—Economic Development http://www.hud.gov/economicdevelopment/index.cfm

- U.S. Environmental Protection Agency (http://www.epa.gov/smartgrowth/equitabledev.htm)
- U.S. Environmental Protection Agency (http://www.epa.gov/environmentaljustice/sustainability/index.html)
- Centers for Disease Control and Prevention (http://www.cdc.gov/omhd/AMH/EJ.htm)

Nonfederal

- *Active Living and Social Equity: Creating Healthy Communities for All Residents. A Guide for Local Governments* (http://65.181.142.130/images/stories/rpt_icma_jan2005.pdf) International City/County Management Association, January 2005.
- *Dealing with Neighborhood Change: A Primer on Gentrification and Policy Choices*(http://www.policylink.org/sites/default/files/DealingWithGentrification_final.pdf[PDF - 210 KB]) Maureen Kennedy and Paul Leonard. Discussion Paper prepared for the Brookings Institution Center on Urban and Metropolitan Policy and PolicyLink. April 2001.
- *In the Face of Gentrification: Case Studies of Local Efforts to Mitigate Displacement* (http://www.urban.org/UploadedPDF/411294_gentrification.pdf[PDF - 955 KB]) Diane Levy, Jennifer Comey, Sandra Padilla for the Urban Institute. 2006.
- *Reducing Health Disparities Through a Focus on Communities*(http://www.policylink.org/sites/default/files/REDUCINGHEALTHDISPARITIES_FINAL.PDF [PDF - 640 KB]) PolicyLink. November 2002.
- PolicyLink—Equitable Development http://www.policylink.org/equity-tools/equitable-development-toolkit
    - Equitable Development Toolkits—includes healthy food retailing, local hiring strategies, rent controls, and more:http://www.policylink.info/EDTK/HealthyFoodRetailing/ToolInAction.html
- Principles of Smart Growth http://www.smartgrowth.org/why.php
- HUD USER Bibliographic Database—Collection of full-abstract citations related to housing, economic development, and urban planning issueshttp://www.huduser.org/portal/bibliodb/pdrbibdb.html
- Environmental Justice and Climate Change Initiative http://www.ejcc.org/

References:

Dealing with Neighborhood Change: A Primer on Gentrification and Policy Choices (http://www.policylink.org/sites/default/files/DealingWithGentrification_final.pdf[PDF - 209 KB]) Maureen Kennedy and Paul Leonard. Discussion Paper prepared for the Brookings Institution Center on Urban and Metropolitan Policy and PolicyLink. April 2001.

Analysis of Q1 2016 SF Planning Department "Pipeline Report"					
Best Date	Name	Permit Status	Address	Type	# Units
12/17/2013	Monster in the M	BP FILED	1979 MISSION ST	Resident	351
6/12/2014	Beast on Bryant	PL FILED	2070 BRYANT ST	Resident	274
1/28/2015	Titanic Mess on	PL FILED	1515 SOUTH VAN NESS AV	Mixres	160
4/30/2015	Evil Axis	PL FILED	2675 FOLSOM ST	Resident	117
3/6/2015		PL FILED	1965 MARKET ST	Resident	88
1/13/2016		CONSTRUCTION	480 POTRERO AV	Resident	77
3/31/2016		CONSTRUCTION	346 POTRERO AV	Mixres	72
11/17/2014	Baby Beast	PL FILED	2750 19TH ST	Resident	60
1/8/2016	Mission Washou	PL FILED	2918 MISSION ST	Mixres	55
10/3/2013		BP FILED	1801 AND 1863 MISSION ST	Mixres	54
1/14/2016		PL FILED	793 SOUTH VAN NESS AV	Mixres	54
12/31/2015		BP FILED	2435 - 2445 16T 2435 16TH ST	Mixres	53
7/14/2015		PL FILED (APPRO	1198 VALENCIA ST	Mixres	52
4/14/2015		BP FILED	3314 CESAR CHAVEZ ST	Resident	50
12/11/2015		PL FILED	1463 STEVENSON ST	Resident	45
12/1/2015		BP APPROVED	720 YORK ST	Resident	37
7/14/2015	Frankenstein	PL FILED	1726 - 1730 MISSION ST	Mixres	36
2/19/2015		BP FILED	1278 - 1298 VALENCIA ST	Mixres	35
6/23/2014		BP FILED	2100 MISSION ST	Mixres	29
8/5/2014		BP FILED	198 VALENCIA ST	Resident	28
8/3/2015		PL FILED	3620 CESAR CHAVEZ ST	Mixres	28
4/4/2016		CONSTRUCTION	600 SOUTH VAN NESS AV	Mixres	27
2/11/2016		BP Filed	3659 20TH ST	Resident	25
2/4/2016		CONSTRUCTION	1450 15TH ST	Resident	23
1/23/2015	Hell on Harrison	BP FILED	2600 HARRISON ST	Resident	20
3/17/2014		BP FILED	449 14TH ST	Resident	20
9/11/2014		PL FILED	140 DUBOCE AV	Resident	17
10/5/2015		CONSTRUCTION	3420 18TH ST	Resident	16
2/12/2016		CONSTRUCTION	1050 VALENCIA ST	Mixres	15
2/12/2015		PL FILED	1924 MISSION ST	Mixres	13
8/12/2014		BP FILED	25 ELGIN PARK ST	Resident	12
6/25/2015		BP FILED	460 14TH ST	Resident	10
5/20/2014		BP FILED	2782 FOLSOM ST	Resident	10
2/19/2014		BP FILED	3324 19TH ST	Resident	10
1/15/2015		BP FILED	3527 18TH ST	Resident	10
7/8/2015		BP FILED	1900 MISSION ST	Mixres	9
2/24/2016		BP ISSUED	657 CAPP ST	Resident	9
1/30/2014		PL FILED	645 VALENCIA ST	Mixres	9
10/27/2011		BP ISSUED	80 JULIAN AV	Mixres	9
3/29/2016		CONSTRUCTION	1785 15TH ST	Resident	8
2/18/2015		BP FILED	3312 17TH ST	Resident	8
2/10/2016		BP Filed	500 BARTLETT ST	Resident	8
6/18/2015		PL FILED	2799 24TH ST	Mixres	8
1/26/2012		PL APPROVED	49 JULIAN AV	Resident	8
7/10/2015		BP FILED	33 DEARBORN ST	Resident	7

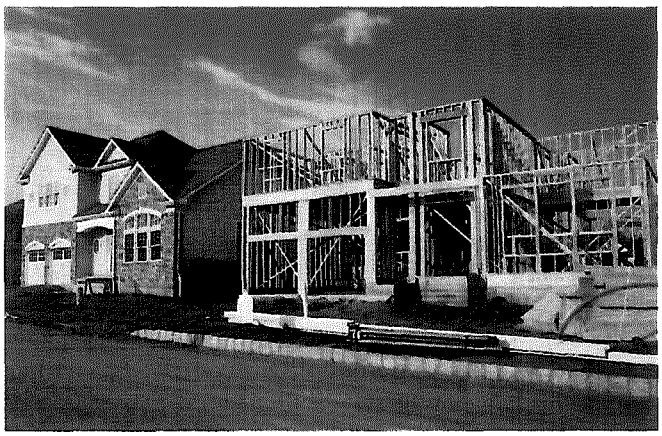
1/9/2015		BP FILED	3441-3447 20TH ST	Resident	7
6/12/2015		PL APPROVED	811 TREAT AV	Resident	7
10/21/2010		BP APPROVED	3360 20TH ST	Resident	6
12/11/2015		BP FILED	3374-3376 21st Street	Resident	6
2/13/2015		BP FILED	854 CAPP ST	Resident	6
3/24/2016		PL Filed	1449 SOUTH VAN NESS AVE	Resident	6
2/5/2015		PL FILED	3357 26TH ST	Mixres	6
3/2/2016		PL FILED	2507 FOLSOM ST	Resident	6
3/22/2016		BP FILED	1528 15TH ST	Resident	5
11/10/2015		PL FILED	1210 UTAH ST	Resident	5
5/10/2012		CONSTRUCTION	2374 FOLSOM ST	Resident	4
4/22/2015		BP FILED	2829 25TH ST	Resident	4
2/11/2016		CONSTRUCTION	2881 MISSION ST	Mixres	4
7/18/2014		BP FILED	315 SOUTH VAN NESS AV	Resident	4
1/4/2016		CONSTRUCTION	353 SAN JOSE AV	Resident	4
3/1/2016		CONSTRUCTION	685 FLORIDA ST	Resident	4
10/23/2015		BP FILED	657 VALENCIA ST	Resident	4
7/23/2014		PL FILED	21 ROSEMONT PL	Resident	4
7/11/2012		BP FILED	2830 24TH ST	Resident	4
3/17/2015		BP FILED	1100 POTRERO AV	Resident	3
5/20/2014		BP APPROVED	1150 SOUTH VAN NESS AV	Resident	3
12/16/2015		PL FILED	1152 POTRERO AV	Resident	3
8/10/2015		BP ISSUED	1181 VALENCIA ST	Resident	3
4/3/2015		BP ISSUED	1225 DOLORES ST	Resident	3
3/3/2015		BP FILED	1274 HAMPSHIRE ST	Resident	3
8/25/2015		CONSTRUCTION	1302 YORK ST	Resident	3
1/22/2013		BP FILED	333 SAN CARLOS ST	Resident	3
2/8/2016		BP Filed	829 YORK ST	Resident	3
12/11/2014		BP FILED	835 SOUTH VAN NESS AV	Resident	3
11/23/2009		BP ISSUED	161 SAN CARLOS ST	Resident	3
8/21/2015		BP FILED	1824 15TH ST	Resident	3
1/8/2016		BP Filed	206 SAN JOSE AV	Resident	3
3/28/2016		CONSTRUCTION	2356 BRYANT ST	Resident	3
4/17/2014		BP FILED	2621 HARRISON ST	Resident	3
3/31/2015		BP FILED	267 SAN CARLOS ST	Resident	3
9/22/2015		CONSTRUCTION	2830 22ND ST	Resident	3
11/3/2015		BP FILED	2855 FOLSOM ST	Resident	3
4/10/2015		BP FILED	2944 21ST ST	Resident	3
11/23/2015		CONSTRUCTION	35 LEXINGTON ST	Resident	3
4/6/2009		BP FILED	355 CAPP ST	Resident	3
2/19/2016		CONSTRUCTION	3643 19TH ST	Resident	3
2/18/2016		BP FILED	3669 - 3671 23RD ST	Resident	3
10/10/2014		BP FILED	44 WOODWARD ST	Resident	3
3/26/2013		BP FILED	659 GUERRERO ST	Resident	3
3/18/2016		BP Filed	668 GUERRERO ST	Resident	3
12/8/2015		BP ISSUED	777 VALENCIA S 767 VALENCIA S	Resident	3
1/13/2016		BP ISSUED	787 TREAT AV	Resident	3

8/2/2012	BP FILED	80 SYCAMORE ST		Resident	3
2/17/2015	BP FILED	978 - 980 GUERRERO ST		Resident	3
3/7/2012	CONSTRUCTION	990 GUERRERO ST		Resident	3
10/23/2014	BP FILED	144 LEXINGTON ST		Resident	3
1/26/2016	CONSTRUCTION	3249 17TH ST		Mixres	3
12/4/2015	PL APPROVED	1125 HAMPSHIRE ST		Resident	2
11/2/2012	CONSTRUCTION	857 ALABAMA ST		Resident	2
					2265
	Minus 11% affordable/renovation estimate				249
		TOTAL ESTIMATED LUXURY UNITS:			2016
Considered in affordable/renovation estimate:					
In-lieu fees, recent UMU outcomes at Planning Commission, many smaller developments have					
no replacement requirements, some renovations not all new units.					
All 100% affordable projects removed from this list.					

BERKELEY IGS Research Brief

Housing Production, Filtering and Displacement: Untangling the Relationships

Miriam Zuk
Karen Chapple



EXECUTIVE SUMMARY:

Research Implies the Importance of Increasing Production of Subsidized and Market-Rate Housing

Debate over the relative importance of subsidized and market-rate housing production in alleviating the current housing crisis continues to preoccupy policymakers, developers, and advocates. This research brief adds to the discussion by providing a nuanced analysis of the relationship between housing production, affordability, and displacement in the San Francisco Bay Area, finding that:

- At the regional level, both market-rate and subsidized housing reduce displacement pressures, but subsidized housing has over double the impact of market-rate units.
- Market-rate production is associated with higher housing cost burden for low-income households, but lower median rents in subsequent decades.
- At the local, block group level in San Francisco, neither market-rate nor subsidized housing production has the protective power they do at the regional scale, likely due to the extreme mismatch between demand and supply.

Although more detailed analysis is needed to clarify the complex relationship between development, affordability, and displacement at the local scale, this research implies the importance of not only increasing production of subsidized and market-rate housing in California's coastal communities, but also investing in the preservation of housing affordability and stabilizing vulnerable communities.

About IGS

The Institute of Governmental Studies is California's oldest public policy research center. As an Organized Research Unit of the University of California, Berkeley, IGS expands the understanding of governmental institutions and the political process through a vigorous program of research, education, public service, and publishing.

Housing Production, Filtering, and Displacement: Untangling the Relationships

Introduction

The ongoing crisis of housing affordability in California has deepened the divide between those who believe it can be resolved by expanding the supply of market-rate housing and those who believe that market-rate construction on its own will not meet the needs of low-income households, for whom more subsidized housing needs to be built or stabilized. These arguments over the role of market-rate versus subsidized housing have plagued strong-market cities, which are engaging in political debates at the ballot box (e.g., the "Mission Moratorium," a ballot measure that would ban luxury units in San Francisco's Mission neighborhood) and in city hall (e.g., housing density bonus programs like New York City's inclusionary housing plan) over the role and impact of housing development.

In the February 2016 report "Perspectives on Helping Low-Income Californians Afford Housing" (hereafter "the LAO Report"), the California Legislative Analyst's Office (LAO) used data we posted on our Urban Displacement Project website (www.urbandisplacement.org) to argue that market-rate development would be the most effective investment to prevent low-income households from being displaced from their neighborhoods.[1]

In this research brief we present a more nuanced view to contribute to this debate. We correct for the omission of subsidized housing production from the LAO Report and find that both market-rate and subsidized housing reduce displacement at the regional level, yet subsidized housing has over double the impact of market-rate units. After evaluating the impact of market-rate and subsidized housing built in the 1990s on displacement occurring in the 2000s, to ensure that we are examining before and after relationships, we find that market-rate development has an insignificant effect on displacement. Finally, when looking at the local, neighborhood scale in San Francisco, neither market-rate nor subsidized housing production has the protective power they do at the regional scale, likely due to the extreme mismatch between demand and supply. These findings provide further support for continuing the push to ease housing pressures by producing more housing at all levels of affordability throughout strong-market regions. These findings also provide support for increasing spending on subsidized housing to ensure both neighborhood stability and income diversity into the future.

> *. . . we found that both market-rate and subsidized housing development can reduce displacement pressures, but subsidized housing is twice as effective as market-rate development at the regional level.*

We begin this research brief by describing why the filtering process, the phenomenon in which older market-rate housing becomes more affordable as new units are added to the market, may fall short of producing affordable housing. We next revisit the question of the impact of market-rate development, looking also at the role of subsidized housing development, in mitigating displacement. After an examination of the impact of housing production on displacement over the short- and long-term, we look at why adding to housing supply in a region might not reduce housing market pressures in all neighborhoods. We conclude by suggesting next steps for research.

Filtering Is Not Enough

Using our data, the LAO report concluded that the most important solution to the housing crisis in California's coastal communities is to build more market-rate housing. The report found that new market-rate construction reduced displacement of low-income households across the region. After outlining the challenges and limited funding for subsidized units, the report argued that filtering, or the phenomenon in which older market-rate housing becomes more affordable as new units are added to the market, was the most effective way to exit the affordable-housing crisis. The report neglects the many challenges of using market-rate housing development as the main mechanism for providing housing for low-income households, in particular the timing and quality of the "filtered" housing stock.[2] The filtering process can take generations, meaning that units may not filter at a rate that meets needs at the market's peak, and the property may deteriorate too much to be habitable. Further, in many strong-market cities, changes in housing preferences have increased the desirability of older, architecturally significant property, essentially disrupting the filtering process.

Although our data is not tailored to answer questions about the speed of filtering, other researchers[3] have found that on average across the United States, rental units become occupied by lower-income households at a rate of approximately 2.2% per year. Yet in strong housing markets such as California and New England the rate is much lower and researchers find that filtering rates have an inverse relationship with housing price inflation; in other words, places that have rapidly rising housing prices have slower filtering rates.[4] Using the estimates of Rosenthal (2014) and an annual appreciation rate

of 3.3% over the last 20 years, the pace at which units filter down to lower-income households for the Bay Area's rental market is estimated at roughly 1.5% per year. Yet, Rosenthal finds that rents decline by only 0.3% per year, indicating that units become occupied by lower-income households at a faster rate than rents are falling, which could result in heightened housing cost burden. Furthermore, if we were to assume that developers are building housing for people at the median income, then it would take approximately 15 years before those units filtered down to people at 80% of the median income and closer to 50 years for households earning 50% of the median income.[5] Again, however, this does not mean that such units are actually affordable to the low-income households occupying them.

We examined the relationship between market-rate housing construction, rents, and housing cost burden (Table 1). Initial results indicate a filtering effect for units produced in the 1990s on median rents in 2013. Yet market-rate development in the 2000s is associated with higher rents, which could be expected as areas with higher rents are more lucrative places for developers to build housing. Furthermore, development in both the 1990s and 2000s is positively associated with housing cost burden for low-income households. Thus, while filtering may eventually help lower rents decades later, these units may still not be affordable to low-income households.

Developing Subsidized Units Is Even More Protective

While numerous critiques of the LAO report have circulated,[6] we believe that the omission of subsidized housing production data from the analysis has the greatest potential to skew results.[7] We have reanalyzed the data on housing production, including that of subsidized housing, and show that the path to reducing displacement is more complex than to simply rely on market-rate development and filtering. Following, we present our analysis that replicates the LAO analysis with the addition of subsidized housing data.

To examine the relationship between market-rate housing construction, subsidized housing construction, and displacement of low-income households, we developed an econometric model that estimates the probability of a low-income Bay Area neighborhood experiencing displacement. We employ the same methodology as the LAO Report, using probit regression analysis to evaluate how various factors affect the likelihood of a census tract experiencing displacement between 2000 and 2013 (see the technical appendix for definitions).

Consistent with the LAO Report, we find that new market-rate units built from 2000 to 2013 significantly predict a reduction in the displacement indicator from 2000 to 2013 (Table 2, Model 1).[8] Higher shares of nonwhite population and higher housing density also produced significant reductions in displacement. Higher shares of housing built before 1950, college-educated population in 2000, and low-income population in 2000 increased the likelihood of the census tract experiencing displacement. These results are generally consistent with previous research: existing residents in neighborhoods with historic housing stock and college-educated populations are at higher risk of displacement.[9] We also find, however, that the production of subsidized units has a protective effect, which appears to be greater than the effect of the market-rate units (Model 2). This includes units built with low-income housing tax credits and other federal and state subsidies.[10] We find the effect of subsidized units in reducing the probability of displacement to be more than double the effect of market-rate units. In other words, for every one subsidized unit, we would need to produce two or more market-rate units to have the same reduction in displacement pressure.[11]

What we find largely supports the argument that building more housing, both market-rate and subsidized, will reduce displacement. However, we find that subsidized housing will have a much greater impact on reducing displacement than market-rate housing. We agree that market-rate development is important for many reasons, including reducing housing pressures at the regional scale and housing large segments of the population. However, our analysis strongly suggests that subsidized housing production is even more important when it comes to reducing displacement of low-income households.

ABOUT THE AUTHORS

Miriam Zuk, Ph.D. is project director of the Urban Displacement Project at UC Berkeley. She specializes in equitable development and environmental justice. Dr. Zuk holds a B.A. in Environmental Sciences from Barnard College, an M.S. in Technology and Policy from MIT, and a Ph.D. in City and Regional Planning from UC Berkeley. Prior to academia, she served as the Deputy Director of Air Quality Research for the Mexican Ministry of Environment.

Karen Chapple, Ph.D., is a Professor of City and Regional Planning at the University of California, Berkeley. She specializes in housing, community and economic development, as well as regional planning. Chapple holds a B.A. in Urban Studies from Columbia University, an M.S.C.R.P from the Pratt Institute, and a Ph.D. from UC Berkeley. Prior to academia, Chapple spent ten years as a practicing planner in economic development, land use, and transportation in New York and San Francisco.

Table 1. The Impact of Development on Median Rent and Housing Cost Burden for Low-Income Households for the SF Bay Area Census Tracts (linear model)

	Median Rent (2009-2013)	Percent of Low Income Households that are Housing Cost Burdened (2009-2013)
% of housing units built pre-1950 in 2000	-202.52***	-0.04***
% of population nonwhite in 2000	47.28	0.08***
% of adult population with college degree in 2000	445.65***	0.03*
Housing density (pop/square mile) in 2000	2.6E-04	-1.6E-07
% of households with income below 80% of county median in 2000	-1185.37***	-0.05**
Number of new market-rate units built between 1990-2000	-0.05**	2.7E-05***
Number of new market-rate units built between 2000-2013	0.07***	2.6E-05***
Proximity to rail transit station (<1/2 mile) in 2000	60.30***	0.01
Intercept	1827.80***	0.56***
n	1569	1568
R^2	0.51	0.06

***<.01 **<.05 *<.10 significance level

Table 2. The Impact of Market-Rate and Subsidized Developments on Displacement Bay Area Tracts 2000-2013

	Model 1	Model 2
% of housing units built pre-1950 in 2000	0.612***	0.481***
% of population nonwhite in 2000	-0.956***	-0.943***
% of adult population with college degree in 2000	1.775***	1.824***
Housing density (pop/square mile) in 2000	-1.04E-05***	-1.01E-05***
% of households with income below 80% of county median in 2000	2.447***	3.054***
Number of new market-rate units built between 2000-2013	-0.002***	-0.002***
Number of subsidized units built between 2000-2013	--	-0.005***
Intercept	-1.576***	-1.709***
n	1569	1569
Pseudo R^2	0.1456	0.1693

***<.01 **<.05 *<.10 significance level

Table 3. The Impact of Market-Rate and Subsidized Developments on Displacement Bay Area Tracts 1990-2000 and 2000-2013

	Model 3	Model 4	Model 5
% of housing units built pre-1950 in 2000	0.614***	0.565***	0.446**
% of population nonwhite in 2000	-1.071***	-1.090***	-0.9555***
% of adult population with college degree in 2000	1.689***	1.700***	1.820***
Housing density (pop/square mile) in 2000	-5.95E-06*	-5.09E-06	-9.73E-06**
% of households with income below 80% of county median in 2000	2.251***	2.474***	3.105***
Number of new market-rate units built between 1990-2000	-3.25E-04**	-2.91E-04**	-6.85E-05
Number of subsidized units built between 1990-2000	--	-0.004***	-0.002*
Number of new market-rate units built between 2000-2013	--	--	-0.002***
Number of subsidized units built between 2000-2013	--	--	-0.005***
Intercept	-1.613***	-1.660***	-1.699***
n	1571	1571	1569
Pseudo R^2	0.108	0.118	0.171

***<.01 **<.05 *<.10 significance level

The Effectiveness of Market-Rate Production in Mitigating Displacement Diminishes over Time

The LAO Report used data that we posted to our website for housing production numbers that were built over the same time period as our data on the change in low-income households. Yet, since both housing production and household change are occurring in a 13-year period from 2000 to 2013, it is unclear which came first: conceivably, the change in households occurred before the development, rather than vice versa, however it is also feasible that developers prefer to build in neighborhoods experiencing a decline in low-income households. This creates the potential for errors in the model. To account for this, we correct the potential error in the LAO Report by adding housing production data that precede changes in low-income households, which we use as the proxy for displacement. In other words, instead of looking at the incidence of displacement in the same decade as housing production, we evaluate the impact of market-rate and subsidized housing built in one decade (e.g., 1990s) on what happens to residents in a subsequent decade (e.g., 2000s).

We find that market-rate housing built in the 1990s significantly reduces the incidence of displacement from 2000 to 2013 (Table 3, Model 3), confirming the findings of the LAO Report. Yet, once again, subsidized housing built in the previous decade has more than double the effect of market-rate development in that decade (Model 4). When looking at housing production in both the 1990s and 2000s (Model 5), subsidized housing continues to play a greater role in mitigating displacement in 2010s, while market development in the 1990s becomes insignificant. This suggests that there are factors dictating development in the 1990s that are related to development in the 2000s as well as displacement that are not included in the model, such as housing sales prices or school quality. An alternative interpretation of the disappearance of an effect for market-rate housing built in the 1990s is that market-rate housing in and of itself, or the filtering process, has no effect on displacement. Future research will need to further analyze these relationships as well as other factors that may improve the predictive power of the models.

Regardless of when construction happens relative to displacement—before or concurrently—our analysis shows that subsidized housing has double the impact of market-rate development. Further, the effectiveness of market-rate housing in mitigating displacement seems to diminish as more market-rate housing is built in a subsequent decade. More research would be necessary to understand this phenomenon, but this result suggests that over time, the con-

struction of market-rate housing may have a catalytic effect on a neighborhood, increasing its attractiveness to upper-income residents, rather than a protective effect of filtering.

Housing Production May Not Reduce Displacement Pressure in a Neighborhood

As Rick Jacobus explains,[12] because market mechanisms work differently at different geographic scales, market-rate construction can simultaneously alleviate housing pressures across the region while also exacerbating them at the neighborhood level. At the regional scale, the interaction of supply and demand determines prices; producing more market-rate housing will result in decreased housing prices and reduce displacement pressures. At the local, neighborhood scale, however, new luxury buildings could change the perception of a neighborhood and send signals to the market that such neighborhoods are desirable and safer for wealthier residents, resulting in new demand. Given the unmet demand for real estate in certain neighborhoods, new construction could simply induce more in-moving.[13] By extension, then, one would expect market-rate development to reduce displacement at the regional scale but increase it or have no or a negative impact at the local neighborhood scale.

Here we test this hypothesis. We do this by analyzing our regional data set at the tract level[14] and comparing the results to the block group level for San Francisco,[15] where we have our most accurate data on housing production. What we find largely confirms this regional versus local argument; there is some, albeit limited evidence that at the regional level market-rate housing production is associated with reductions in the probability of displacement (Model 5), but at the block group level in San Francisco it has an insignificant effect (Table 4, Models 6). Comparing the effect of market-rate and subsidized housing at this smaller geography, we find that neither the development of market-rate nor subsidized housing has a significant impact on displacement. This suggests that indeed in San Francisco, and by extension similar strong markets, the unmet need for housing is so severe that production alone cannot solve the displacement problem.

To illustrate this point, in Figure 1 we plot on the X-axis construction of new market-rate units in the 1990s and 2000s and on the Y-axis the change in the number of low-income households from 2000 to 2013 for both tracts in the entire region and block groups in San Francisco. Although at the regional level the relationship between market-rate development and change in low-income households appears linear, the same is not true for the block group level, where no clear pattern emerges.

Table 4. The Impact of Market-Rate and Subsidized Developments on Displacement, San Francisco Block Groups, 1990-2000 and 2000-2013

	Model 6
% of housing units built pre-1950 in 2000	1.017***
% of population nonwhite in 2000	-2.306***
% of adult population with college degree in 2000	-0.427
Housing density (pop/square mile) in 2000	-1.0E-05***
% of households with income below 80% of county median in 2000	3.038***
Number of new market-rate units built between 1990-1999	-0.002
Number of subsidized units built between 1990-1999	-0.004
Number of new market-rate units built between 2000-2013	4.2E-04
Number of subsidized units built between 2000-2013	-0.001
Intercept	-0.638
n	578
Pseudo R^2	0.113

***<.01 **<.05 *<.10 significance level

Housing Production and Neighborhood Change in SOMA, SF

To better grasp the complicated relationship between housing development and displacement at the local block group level we selected two case study areas in San Francisco's South of Market Area (SOMA) that experienced high rates of development of both market-rate and subsidized units since the 1990s, but had divergent results when it came to changes in the income profile of their residents. We examined the dynamics of block groups 2 and 3 in Census Tract 176.01. Both witnessed among the highest levels of housing construction in San Francisco for both market-rate and subsidized units, yet from 2000 to 2013 our data show that Block Group 2 gained low-income households and Block Group 3 lost low-income households.

Block Group 2

At the heart of downtown San Francisco, this seven-block area is home to nearly 2,500 residents today, nearly doubling its population since 2000. In the 1990s, 127 market-rate units were added to the area, mostly in mid-sized

Figure 1. Housing Production (1990-2013 and Change in Low-Income Households (2000-2013)

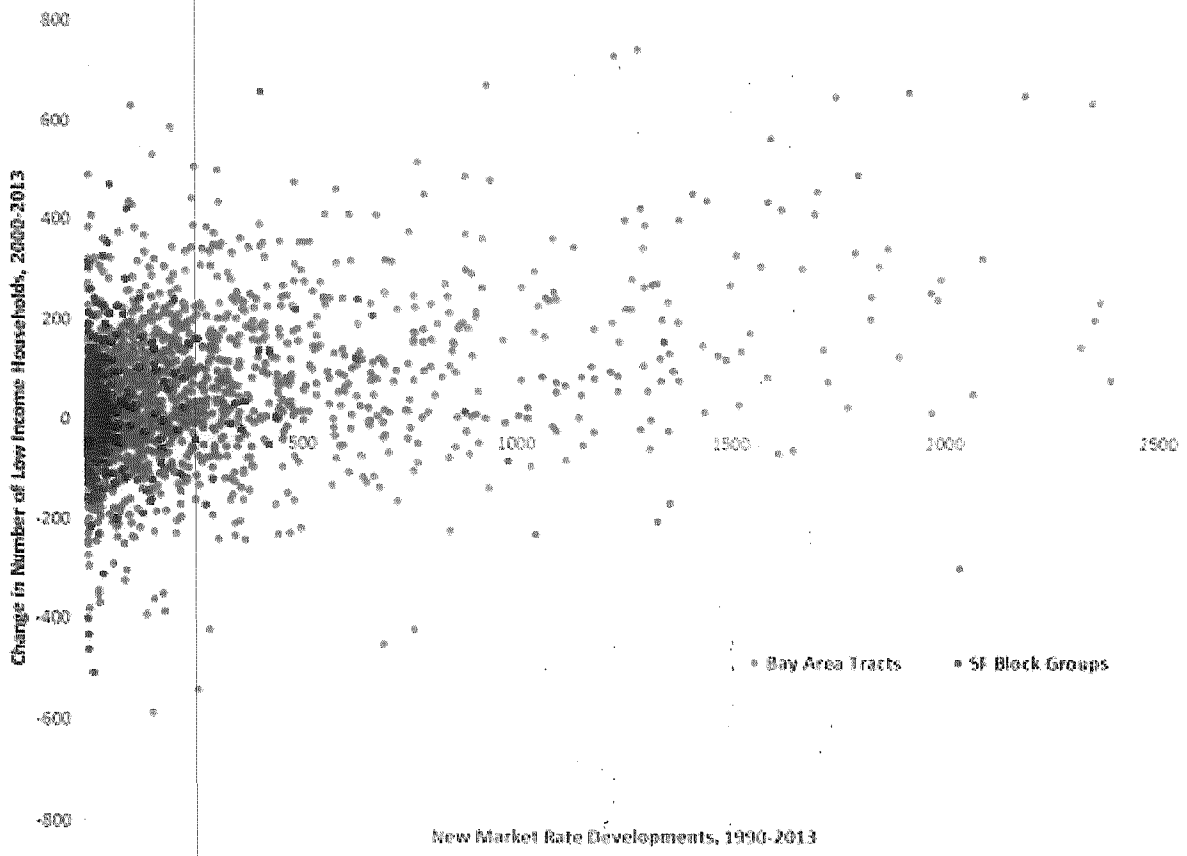
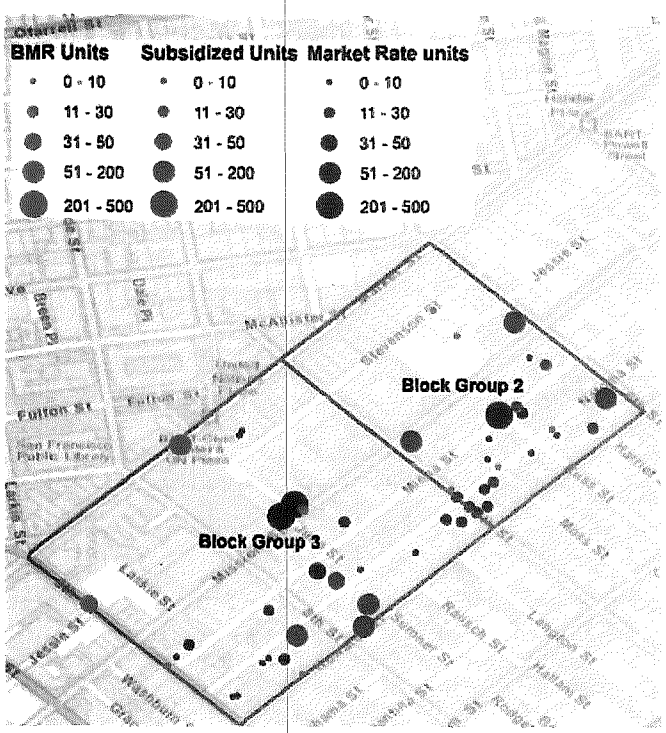


Figure 2. Housing Developments from 1990-2013 in Two Block Groups of the SOMA Neighborhood, SF

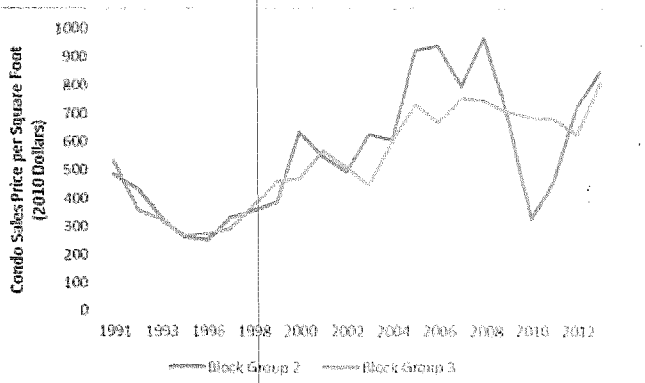


buildings of about 30 units. During that same period, 108 subsidized units were added, including 72 units in a single room occupancy (SRO) hotel. Sales prices for condos dipped in the mid-1990s, but climbed back to nearly $400 per square foot by 1999 (in 2010 dollars, see Figure 3).

Development of market-rate units continued into the early 2000s, when the 258-unit SOMA Residences apartments were built at 1045 Mission Street in 2001. Three below-market-rate units were developed as part of the city's inclusionary housing program, but no other subsidized units were added. Sales prices increased in the area in the early 2000s, suffered from the housing crisis in the mid-2000s, but reached back up to prerecession values by 2013.

Yet the area did not witness a significant loss of low-income households during the 13-year period of 2000 to 2013, which may be in part related to the fact that nearly a thousand units in the area are in buildings regulated by rent control (nearly 60% of all rental units), which has remained relatively constant since 2000. Finally, this area is bordered by 6th Street to the east, San Francisco's "skid row," with high rates of crime and concentrated poverty which may be dampening the attractiveness of the neighborhood. When we incorporate crime rates into our model, they significant-

Figure 3. Median Condo Sales Price per Square Foot, 1991-2013 (Source: Dataquick 2014)



ly predict a reduction in displacement probability, even at the block group level, which housing production does not.

Block Group 3

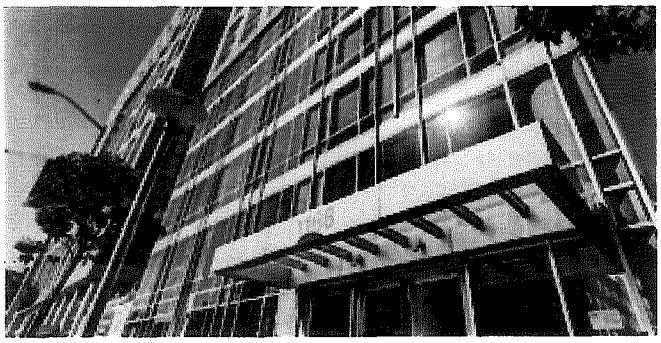
Block Group 3 is an eight-block area centered to the north around the Civic Center BART station and home to over 2,100 people (Figure 2). The area gained 101 market-rate units and 104 subsidized units in the 1990s. This block group was the site of a 104-SRO-unit building for disabled homeless adults in 1994. The 101 market-rate units built in the 1990s were in smaller scale developments of 30 units or less. Development accelerated the following decade with 601 market-rate units and 315 subsidized and below-market units. In 2002, 48 units were developed at 675 Minna followed by 162 affordable units at 1188 Howard. In 2008, 244 luxury condos opened in the SOMA Grand at 1160 Mission and in 2010, following years of negotiation, the Trinity Management group opened 440 high-end furnished apartments at 1188 Mission as part of the Trinity Plaza development. The development was at the center of housing debates as it involved the demolition of 377 rent-controlled units. Ultimately the developer agreed to put 360 of its new 1,900 units under rent control.[16] In 2015, however, the management group was accused of renting out some of those rent-controlled units to tourists.[17] Overall the area lost approximately 40% of its rent-controlled housing stock since 2000 and today a little over half of the rental units are under rent control.

Despite the ongoing investments in subsidized housing in the neighborhood, the new high-end developments have contributed to the ongoing transformation of the neighborhood as characterized by the 2013 Yelp review by a SOMA Grand resident:

> I bought a place here in 2009 and absolutely love it. While the neighborhood might have a bit of grit to it there are so many great restaurants nearby, including the one right in the building.... This neighborhood is transforming fast too![18]

Figure 4. Canon Kip Community House Built in 1994 Houses Disabled Homeless Adults in 104 SRO Units

Figure 5. 440 Units Were Developed at Trinity Place, at 1188 Mission Street, in 2010



This, along with the loss of rent-controlled units, has resulted in a net loss over 150 low-income households (with median incomes between 50% and 80% of San Francisco median income) between 2000 and 2013. It is unclear, however, how much of that loss is due to the direct displacement from the Trinity development or from indirect displacement due to rising rents associated with local development or other factors affecting housing demand.

These two block groups illustrate the complex relationships between housing development and demographic change. While both neighborhoods have witnessed dramatic development in one of the fastest growing parts of San Francisco, and have similarly seen significant growth in housing prices, one may be classified as experiencing displacement of low-income households, while the other does not. The ambiguous effects of development at the local level carry over to affordability as well. In Table 5 we show the linear modeling results of housing development on median rent and housing cost burden for low-income households, finding that subsidized units built in the 2000s are associ-

Table 5. The Impact of Development on Median Rent and Housing Cost Burden for Low-Income Households for SF Block Groups (Linear Model)

	Median Rent (2009-2013)	Percent of Low Income Households that are Housing Cost Burdened (2009-2013)
% of housing units built pre-1950 in 2000	94.615	0.030
% of population nonwhite in 2000	-230.837	0.126
% of adult population with college degree in 2000	692.844**	0.113
Housing density (pop/square mile) in 2000	-5.2E-04	9.5E-08
% of households with income below 80% of county median in 2000	-616.005***	-0.109*
Number of new market-rate units built between 1990-2000	6.0E-01	-3.5E-05
Number of subsidized units built between 1990-2000	1.0E+00	2.6E-05
Number of new market-rate units built between 2000-2013	3.4E-02	1.5E-04*
Number of subsidized units built between 2000-2013	-9.1E-01**	-3.6E-04*
Intercept	1526.485***	0.590***
n	578	563
R^2	0.250	0.020

***<.01 **<.05 *<.10 significance level

ated with a decline in median rent and housing cost burden, whereas market-rate developments are associated with greater housing cost burden. Development of subsidized and market-rate units in the 1990s appears to have no significant impact on affordability in the subsequent decade at the block group level. As discussed above, housing affordability and displacement may be related to other neighborhood and regional factors, such as employment dynamics and neighborhood amenities that were not included in the models. Additional research will be needed with higher-resolution housing data along with other information about neighborhood amenities to better understand the dynamics and impact of housing production at the local scale.

Conclusions

There is no denying the desperate need for housing in California's coastal communities and similar housing markets around the U.S. Yet, while places like the Bay Area are suffering from ballooning housing prices that are affecting people at all income levels, the development of market-rate housing may not be the most effective tool to prevent the displacement of low-income residents from their neighborhoods, nor to increase affordability at the neighborhood scale.

Through our analysis, we found that both market-rate and subsidized housing development can reduce displacement pressures, but subsidized housing is twice as effective as market-rate development at the regional level. It is unclear, however, if subsidized housing production can have a protective effect on the neighborhood even for those not fortunate enough to live in the subsidized units themselves.

By looking at data from the region and drilling down to local case studies, we also see that the housing market dynamics and their impact on displacement operate differently at these different scales. Further research and more detailed data would be needed to better understand the mechanisms via which housing production affects neighborhood affordability and displacement pressures. We know that other neighborhood amenities such as parks, schools, and transit have a significant impact on housing demand and neighborhood change[19] and it will take additional research to better untangle the various processes at the local level.

In overheated markets like San Francisco, addressing the displacement crisis will require aggressive preservation strategies in addition to the development of subsidized and

market-rate housing, as building alone won't protect specific vulnerable neighborhoods and households. This does not mean that we should not continue and even accelerate building. However, to help stabilize existing communities we need to look beyond housing development alone to strategies that protect tenants and help them stay in their homes.

Technical Appendix

Data

We use the same dataset released on our website urbandisplacement.org as used in the LAO report. We add data on the production of subsidized units using data from the California Housing Partnership Corporation that compiled information from federal LIHTC and HUD subsidies, as well as California state subsidies.[20] We supplement this data with information for San Francisco on parcel level housing data and information on units produced under their Below Market-Rate (inclusionary housing) program.

Defining Displacement

For the purposes of comparison, we use the same definition of displacement as the LAO report. They defined a census tract as having experienced displacement if (1) its overall population increased and its population of low-income households decreased, or (2) its overall population decreased and the rate of low-income households declined at a faster rate than the overall population decline. The time period for change in low-income households is 2000 to 2013. We apply the same methodology for San Francisco block groups.

It's important to note the limitations of this data in proxying for displacement, as it is feasible that the change in low-income households is a result not only of people moving out and in, but also income mobility of households moving down and becoming low income or up and becoming higher income. From our analysis of data from the Panel Study on Income Dynamics we estimate that there would have been a net increase in low-income households in most places from 2000 to 2013 likely due to the Great Recession; therefore, our estimates of displacement are likely an underestimate. Ideally we would be able to more accurately proxy for displacement by using a measure of out-migration of low-income households from a tract. Future research is needed accessing mobility datasets to better capture the displacement phenomenon for the Bay Area.

Sensitivity Analysis

In their response to the LAO Report, Alex Karner and Chris Benner argued that the LAO results may be due to lumping together the major cities and low-density suburbs into the same analysis.[21] Although the inclusion of density should account for such differences, there may be additional impacts from centrality of location. When we control for location in the three major cities (San Francisco, Oakland, and San Jose), the effect of market-rate housing remains, but so too does the magnitude of the effect of subsidized housing[22] (Table 6, City Controls Model). In other words, all locations being equal, subsidized housing still has a greater impact.

It has also been suggested that the results may be driven by neighborhood distress during the foreclosure crisis where greater evictions occurred or fewer market rate units were developed. To test this hypothesis, we controlled for foreclosure rates between 2006 and 2013, finding the results to be robust (Table 6, Distressed Tracts Model).

Finally, the categorical indicator developed by the LAO could feasibly be labeling neighborhoods as experiencing displacement that are in fact a result of other issues of decline such as high rates of foreclosures. We originally attempted to control for this by excluding tracts that had experienced overall population decline, however it is feasible that gentrifying neighborhoods that witness a shift from family to smaller households could also experience population decline. For this reason, we deemed the LAO definition of displacement acceptable for the purposes of this analysis. Nevertheless, we also ran a set of tests using a modified indicator that only counted tracts that grew from 2000-2013 as potentially experiencing displacement and also ran linear regression models on the change of low income households. When we did this, the direction and implications of the results remained the same.

Notes

1. Brian Uhler, "Perspectives on Helping Low-Income Californians Afford Housing," LAO Brief (Legislative Analyst's Office, February 9, 2016). Data available at <urbandisplacement.org>.

2. Michael Smith-Heimer, "The Potential for Filtering as Public Policy," *Berkeley Planning Journal* 5, no. 1 (1990): 94–104.

3. Stuart S. Rosenthal, "Are Private Markets and Filtering a Viable Source of Low-Income Housing? Estimates from a 'Repeat Income' Model †," *American Economic Review* 104, no. 2 (February 2014): 687–706, doi:10.1257/aer.104.2.687.

4. For rentals, Rosenthal estimates that filtering rate = -0.0237 + 0.2522 x housing price appreciation.

5. Allowing for annual compounding effects assuming a constant annual filtering rate of 1.5%, the amount a unit would filter down in X years is calculated as (1-0.015) X.

6. See Emily Badger, "How to Make Expensive Cities Affordable for Everyone Again," *Washington Post* (February 19, 2016). Accessed at <https://www.washingtonpost.com/news/wonk/wp/2016/02/19/how-to-make-expensive-cities-affordable-for-everyone-again/>.

7. This is perhaps unsurprising, since we did not publish this data online.

8. Note the coefficients of Model 1 do not match identically those of Figure A1 in the LAO report. The year of the independent variables used for the LAO model were not indicated. We tried

Table 6. Sensitivity Analysis of Regional Displacement Model

	City Controls Model	Distressed Tracts Model
% of housing units built pre-1950 in 2000	0.517**	0.517**
% of population nonwhite in 2000	-0.887***	-0.880***
% of adult population with college degree in 2000	1.840***	1.817***
Housing density (pop/square mile) in 2000	-8.82E-06**	-8.87E-06**
% of households with income below 80% of county median in 2000	3.005***	2.992***
Number of new market-rate units built between 2000-2013	-0.002***	-0.002***
Number of subsidized units built between 2000-2013	-0.005***	-0.005***
San Francisco control	-0.102	-0.104
San Jose control	-0.121	-0.124
Oakland control	-0.067	-0.067
Foreclosure rate, 2006-2013		-0.262
Intercept	-1.715***	-1.697***
n	1569	1569
Pseudo R^2	0.172	0.172

***<.01 **<.05 *<.10 significance level

both variables for 2000 and 2013, but were unable to replicate the coefficients identically. Nevertheless, the coefficient for market rate housing production is very similar to that produced in the LAO model and the other variables have similar results in scale, directionality, and significance.

9. Lance Freeman, "Displacement or Succession? Residential Mobility in Gentrifying Neighborhoods," *Urban Affairs Review* 40, no. 4 (March 2005): 463–91.

10. We do not analyze units developed with local funding only (e.g., Redevelopment money or through inclusionary zoning) due to lack of availability for the entire region

11. These relationships were robust for several other measures of displacement we tested including the absolute change in low-income households.

12. Rick Jacobus, "Why We Must Build," *Shelterforce*, March 9, 2016, <http://www.shelterforce.org/article/4408/why_we_must_build/>.

13. Karen Chapple and Mitchell Crispell, "Mission Accomplished? Revisiting the Solutions," November 9, 2015, <http://www.urbandisplacement.org/blog/mission-accomplished-revisiting-solutions>.

14. On average in the Bay Area tracts have 1,656 households (min=15, max=6474) and 4,593 people (min 39, max 13,855).

15. On average in SF block groups have 603 households (min-41, max=4,082) and 1,434 people (min=45, max=8,621).

16. Randy Shaw, "Historic Trinity Plaza Deal Finalized," *Beyond Chron*, June 9, 2005.

17. Laura Dudnick, "Trinity Place Developer Accused of Illegally Leasing Apartments," *San Francisco Examiner*, August 6, 2015.

18. "SOMA Grand Residential Condos - SoMa - San Francisco, CA," Yelp, accessed May 2, 2016, <http://www.yelp.com/biz/soma-grand-residential-condos-san-francisco>.

19. Miriam Zuk et al., "Gentrification, Displacement, and the Role of Public Investment: A Literature Review," Working Paper (Federal Reserve Bank of San Francisco, August 24, 2015), <http://www.frbsf.org/community-development/publications/working-papers/2015/august/gentrification-displacement-role-of-public-investment/>.

20. <http://chpc.net/advocacy-research/preservation/preservation-database/>.

21. Cities that produce a lot of market-rate housing and experience high displacement pressures with places in the suburbs and urban fringe where there has been a lot of construction but little displacement pressure.

22. The same is true if we restrict our analysis only to census tracts with above average density. The effect is also consistent when we control for tracts that gentrified in either decade (149 tracts).

PRICEONOMICS

CONTENT TRACKER DATA STUDIO CONTENT MARKETING

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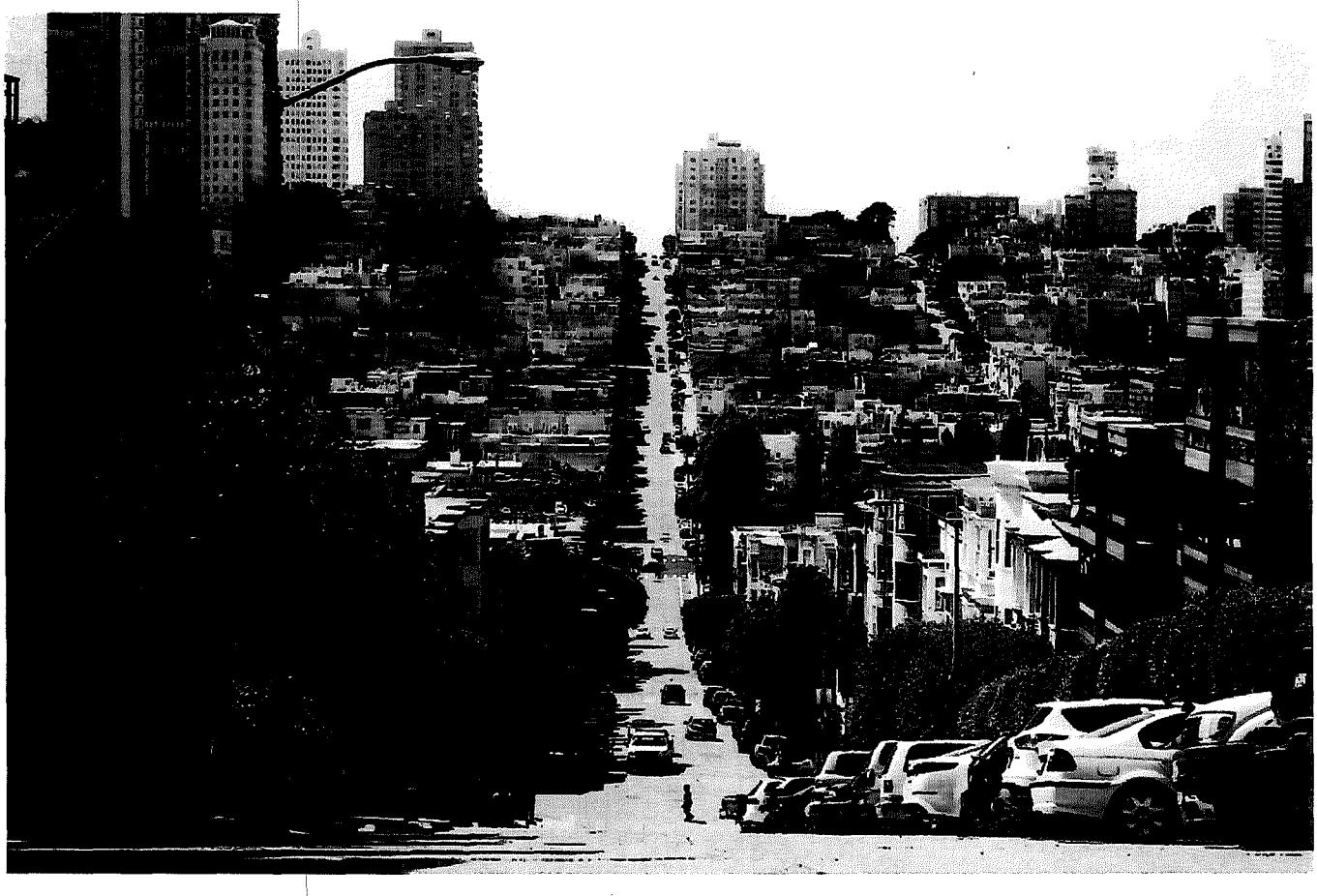


Articles like "Is San Francisco Losing Its Soul?" or "San Francisco's Alarming Tech Bro Boom: What Is the Price of Change?" have become the norm for describing the city. As the refrain goes, the rising cost of living in San Francisco is forcing out the city's teachers, artists, and diversity, replaced by engineers and the 1% drawn by the tech boom.

Cities' demographics are always changing, but many believe San Francisco's transformation is uniquely extreme and damaging. Combine a booming economy with little housing development, and the increasing desire of young professionals to live in cities is a potent

recipe for drastic movements of people. It has led to a city that some of its residents find unrecognizable.

But how much of this is *sky is falling* hyperbole? Does the reality match the perception?

It's impossible to quantify the cultural changes to the city. But it is possible—using Census data—to test how much San Francisco's demographics have been altered by new arrivals.

From 2010 to 2014 – the most recent period from which detailed data is available – an annual average of about 60,000 people migrated to San Francisco and 60,000 migrated out. Since San Francisco has around 800,000 residents, that 60,000 represents about 7.5% of the population. The city's population grew only slightly during that period.

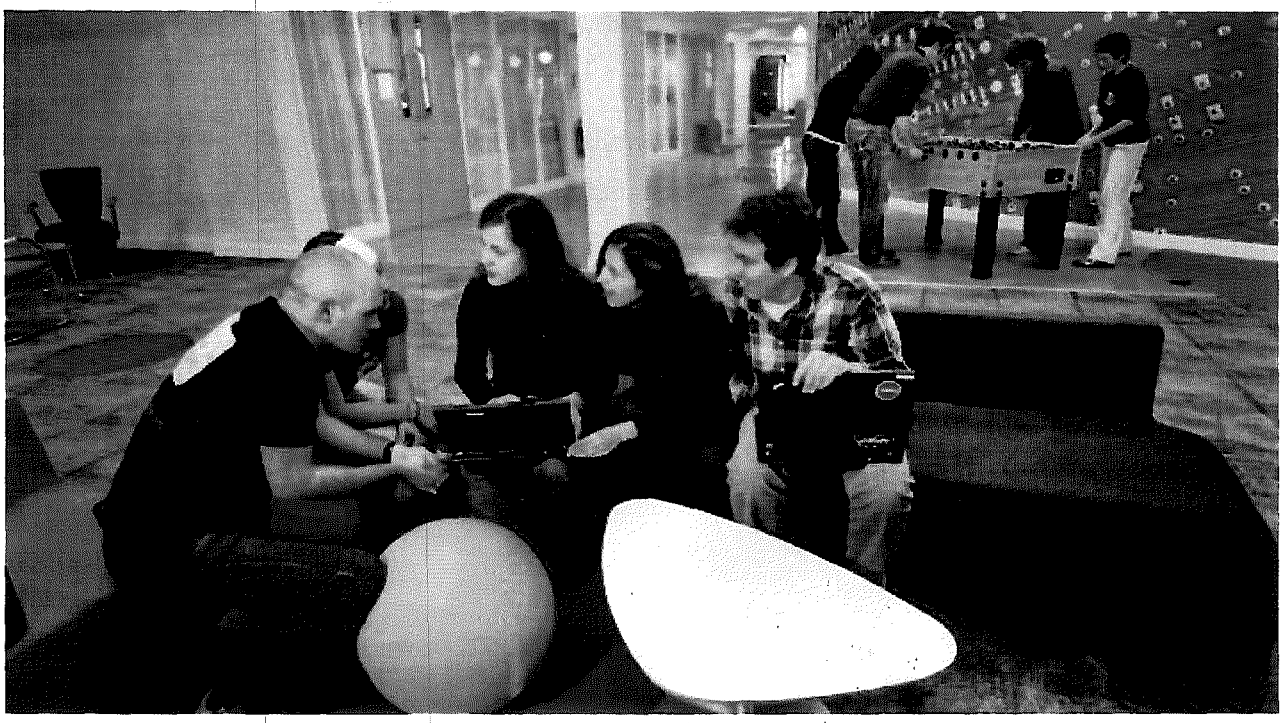
The difference between the 60,000 coming and going is the main factor that changes the demographic character of the city. It is also impacted by people getting older, dying, having children, or becoming wealthier or poorer due to the changes around them. But in and out migration is the most important factor.

So what are the most notable facts about these 60,000 people?

The American Community Survey, an annual collection of data from a representative sample of Americans, asks individuals about whether they migrated in the past year, and where they came from. This data allows us to identify San Francisco's comers and goers. (Though the small number of people who left for other countries are not included because they are not part of the survey.)

The basic trends are what any San Francisco resident might expect. The people moving in are more likely to have higher levels of formal education, and they tend to be younger, White and Asian. The people moving out are less likely to have completed college, and they tend be older, African American and Hispanic.

Increased demand to live in San Francisco, and a housing supply that has barely budged, means change at a striking scale.



Workers at Google's offices near San Francisco

From Working Class to Ivory Tower

One of the most remarkable differences between the 60,000 moving in and the 60,000 moving out is just how many more of the new arrivals have completed some form of higher education.

San Francisco is the home of technological innovation. The city and the surrounding area are home to the headquarters of Apple, Facebook, Google, Twitter, Uber, and Tesla. Compared to the large manufacturers of the past, these high-growth tech companies have an unusual need for white-collar knowledge workers.

This demand is the most likely explanation for San Francisco's net increase of nearly 7,000 people per year—among those at least 22-years-old—with a college or postgraduate degree. This is in contrast to a net out migration of about 3,000 people without a college degree.

The table below displays an annual estimate of the net migration of people 22 to 49 who migrated in and out of the city. We chose this age group because this is the life period when adults are most likely to migrate. The numbers below are based on samples, so they are not exact. Generally, the net migration numbers in this article are likely to be accurate within 1,000 people.

The Annual Migration In and Out of SF by Education Attainment: Ages 22-49

Based on American Community Survey Data: 2010-2014

Category	Total	Annual Net Migration	% Change
Did Not Graduate High School	95,900	-1,300	-1.4%
High School Graduate	57,200	-1,700	-3.0%
College Graduate	168,400	4,500	2.7%
Post Graduate Degree	90,800	2,200	2.4%

It is important to remember that 4,500 additional college graduates does not mean that no college graduates left the city. In fact, 17,200 college graduates left for cheaper pastures. But another 21,700 college grads replaced them, leading to a net change of 4,500.

The Great Migration

San Francisco has long been one of the United States' most diverse cities. Since World War II, it has been a city with large Asian, Hispanic, White and Black populations. Yet the city is in danger of almost entirely losing one of those groups.

Perhaps no aspect of the annual migration in and out of San Francisco is as notable as the mass "exodus" of African Americans.

San Francisco was 13.4% African American in 1970, but its population as of 2016 is less than 6% Black. The population has steadily declined, and the trend seems likely to continue. From 2010-2014, there was annual net out migration of around 2,000 African Americans from the city. That represents a 4.6% decline of the population every year.

The Annual Migration In and Out of SF by Race/Ethnicity

Based on American Community Survey Data: 2010-2014

Category	Total	Annual Net Migration	% Change
White	342,100	2,500	0.7%
Asian	278,100	3,500	1.3%
Hispanic	126,200	-1,700	-1.3%
Black	45,400	-2,100	-4.6%
Other	35,100	-100	-0.3%

The story of San Francisco's declining black population is characterized more by a lack of in migration than an unusual amount of out migration. Just about 1 in 10 African Americans who live in San Francisco leave the city every year. This is not much greater than for Whites

or Hispanics. This out migration is in some ways positive, in part representing an ability to leave the city that was not possible in the days of stronger housing discrimination.

The issue is that unlike other groups, African Americans are not moving to the city. There are likely a variety of issues behind this lack of in migration. African Americans moving to the Bay Area may prefer local alternatives like Oakland that have larger African American communities, and San Francisco may not be as racially sensitive as locals like to think. In addition, the tech industry is notoriously lacking in diversity.

The Hispanic population is also declining, but not at quite the rate of the African American population. Both of these declines are particularly pronounced when we look at the key age group of 22- to 49-year-olds, the period when adults are most likely to migrate.

The Annual Migration In and Out of SF by Race/Ethnicity: Ages 22-49

Based on American Community Survey Data: 2010-2014

Category	Total	Annual Net Migration	% Change
White	192,900	(3,000 6600	1.6%
Asian	122,100	(3,600	2.9%
Hispanic	64,900	(-1,100 2800	-1.7%
Black	17,100	(-1,700	-9.9%
Other	15,400	-200	-1.3%

City of Men

San Francisco is a particularly male city. It is home to the Castro, a center of American gay male culture, and the city's main growth industry, tech, is heavily male.

The city was already unusually male in 2010, and the gender ratio skews more each year. Tech is a growing portion of San Francisco's economy, and men make up about 75% of the city's computer and math workers. That 75% ratio has been stable for years and has contributed to a growing wage gap between men and women in the city.

The table below shows a net in migration of 2,400 men per year, a 0.6% increase, while the female population remains the same. So essentially all of the small population increase in San Francisco from 2010 to 2014 came from men.

San Francisco Is Getting More Male

Based on American Community Survey Data: 2010-2014

Category	Total	Annual Net Migration	% Change
Male	420,500	2,400	0.6%
Female	406,400	-300	-0.1%

And just as we saw before with the trend for race and ethnicity changes, this is more striking for younger adults. Men in their 20s, 30s, and 40s are pouring into the city, increasing their total by 1.7% each year, while the number of women in this age group is barely changing. If that 1.7% growth continues for the next ten years, that would mean a nearly 20% increase in the number of young men.

Migration In and Out of SF by Sex: 22-49

Based on American Community Survey Data: 2010-2014

Category	Total	Annual Net Migration	% Change
Male	217,100	3,600	1.7%
Female	195,200	200	0.1%

The Kids Are Coming

Like many cities, San Francisco is getting younger.

After years of aging – the city was still getting older in the 2000s – San Francisco is getting younger in the 2010s. This is, in part, a manifestation of what the writer Alan Ehrenhalt calls The Great Inversion. This refers to the movement of young professionals into cities that have become more appealing due to the disappearance of "factory and warehouse grime and noise", which is pricing out the working class and lower income families.

From 2010 to 2014, there was net annual in migration of 7,500 people 35 or under, and net out migration of over 5,000 for people 36 or over.

Migration In and Out of SF by Age

Based on American Community Survey Data: 2010-2014

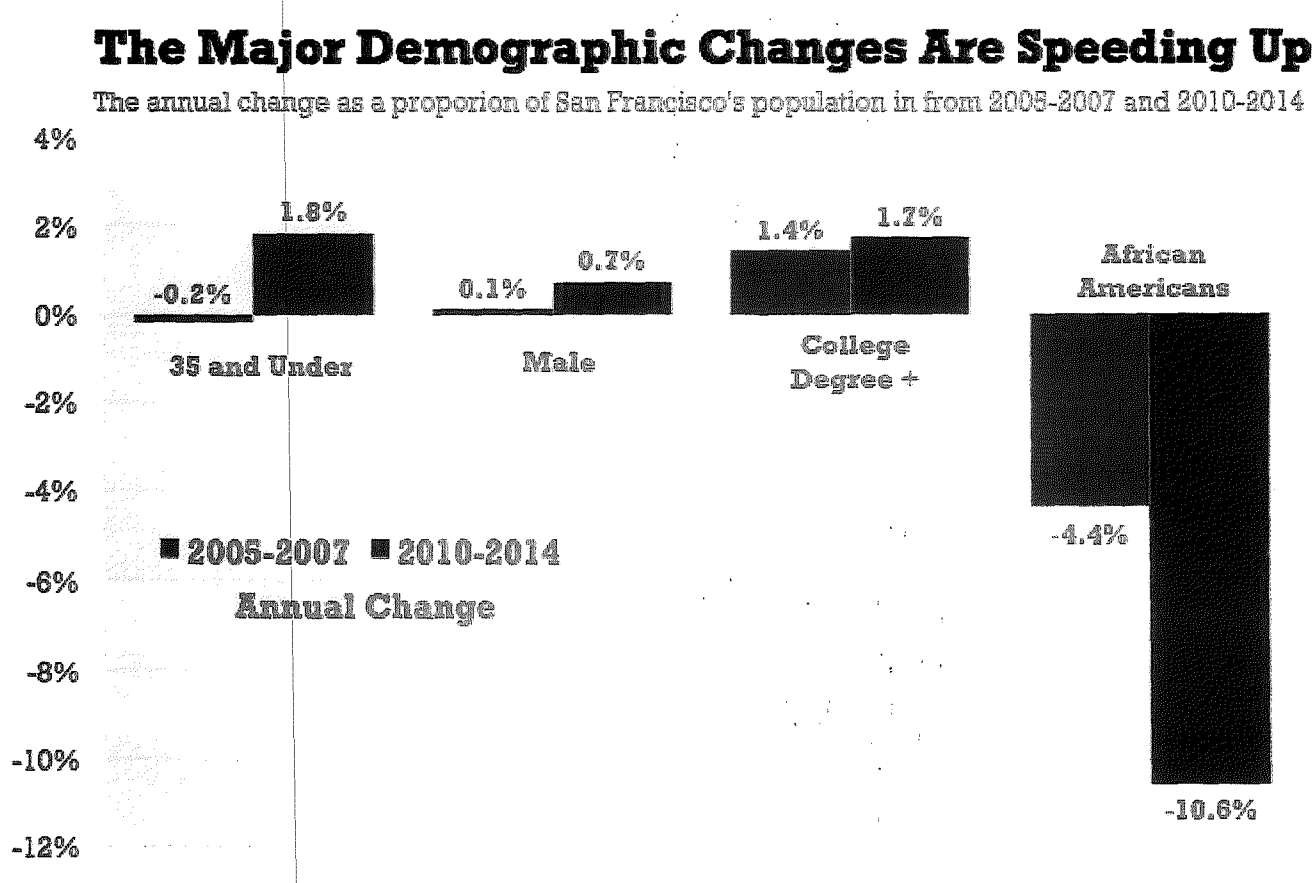
Category	Total	Annual Net Migration	% Change
35 or Under	370,300	7,500	2.0%
36 or Over	456,600	-5,400	-1.2%

You might consider this normal. Of course young people come into the city for work and

older people move out to find an affordable house near good schools.

But these migration patterns have not always held. When we analyzed data to see the typical in and out flows from 2005-2007, we found that there were an equal number of older and younger people leaving the city at that time. This was before the city's most recent tech boom, and the city's population was getting slightly smaller.

In fact, we found all of the major migratory trends happened faster from 2010 to 2014 than from 2005 to 2007. The following chart shows the annual change in the proportion of San Francisco that was made up of the following four groups: ages 35 and under, men, college graduates, and African Americans. We use change in proportion to make the two eras – one of which had in migration and the other out migration – comparable.



Data: American Community Survey

Newcomers Have More Money

You may have noticed that we have not discussed incomes.

Many of the changes in San Francisco are related to the increasing costs of housing. Migrants have little access to rent control, and the median monthly rent for a one bedroom apartment

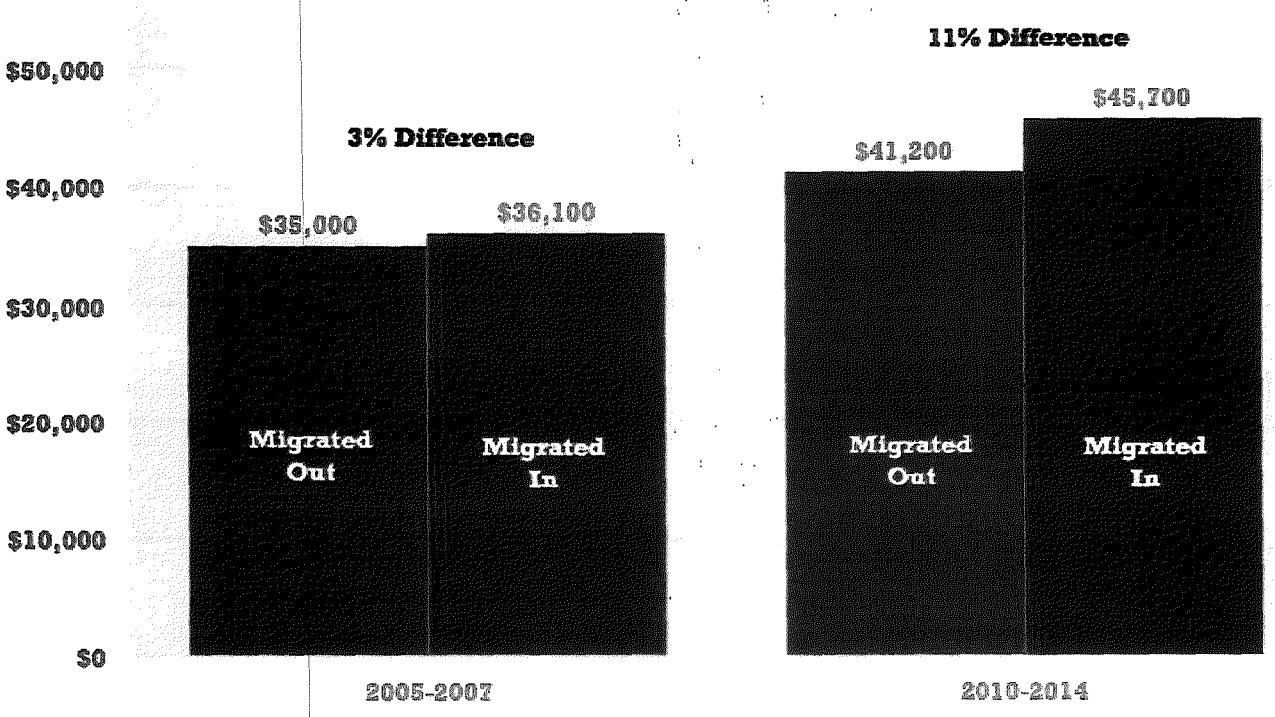
in San Francisco is north of $3,000.

Yet looking into the incomes of migrants is complex because income is so correlated to age, gender and education level. Also, the people who left San Francisco likely went to cities that have lower wages, so it's not quite an apples to apples comparison.

We decided the best way to look at the issue was to analyze the difference in the incomes of incoming and outgoing workers, and to see whether the difference was greater from 2010-2014 than it was from 2005-2007. The chart below shows our findings. We excluded people who had no income. These income estimates are likely accurate within about $2,000, and are not adjusted for inflation, so these results should primarily be interpreted by the change in the income difference between the two periods.

The Difference in Incomes of those Moving in and Out is Rising

Comparing the median income differences between in and out migrants to SF in two periods



Data: American Community Survey

San Francisco is becoming a more expensive place to live, and the people who can afford to move in are increasingly wealthier than people who move out. The income gap between incoming and outcoming migrants jumped from around $1,000 in 2005-2007 (which is statistically negligible) to an estimate of $4,000 from 2010-2014.

***

Although a large portion of the city is still born and raised in San Francisco, migration patterns *are* changing the demographics of San Francisco.

Big changes are nothing new in San Francisco. It happened after World War II, during the immigrant wave of the 1960s and 70s, and as a result of the Dot-com boom of the 1990s.

But some residents feel that what is happening now is different. That the city is no longer accessible to all who love it, and it is becoming a place primarily for the wealthy.

The ethics of how to respond to these changes is an open question.

The flourishing economy that has attracted migrants has also been good for many of the people who have stayed. San Francisco is one of the best cities in the United States in terms of upward mobility.

One response that would alleviate the need for out migration and still allow for in migration is more housing. Subsidized housing, market-rate housing, big apartment buildings that obscure views or create wind tunnels: these all probably help the city to retain those who want to stay.

Because of the relatively fixed housing supply, San Francisco is a zero sum game; if someone new comes to the city, they essentially must replace someone who already lives in the city. The result is a city that has fewer African Americans and is becoming younger, richer, and more highly educated at an alarming rate.

*Our next article investigates how breakfast become the most important meal of the day... for marketers. To get notified when we post it → **join our email list**.*

***Note:** If you're a company that wants to work with Priceonomics to turn your data into great stories, learn more about the **Priceonomics Data Studio**.*

Share 101

Published May 5, 2016 by Dan Kopf

The San Francisco Rent Explosion: Part II

204,242 views

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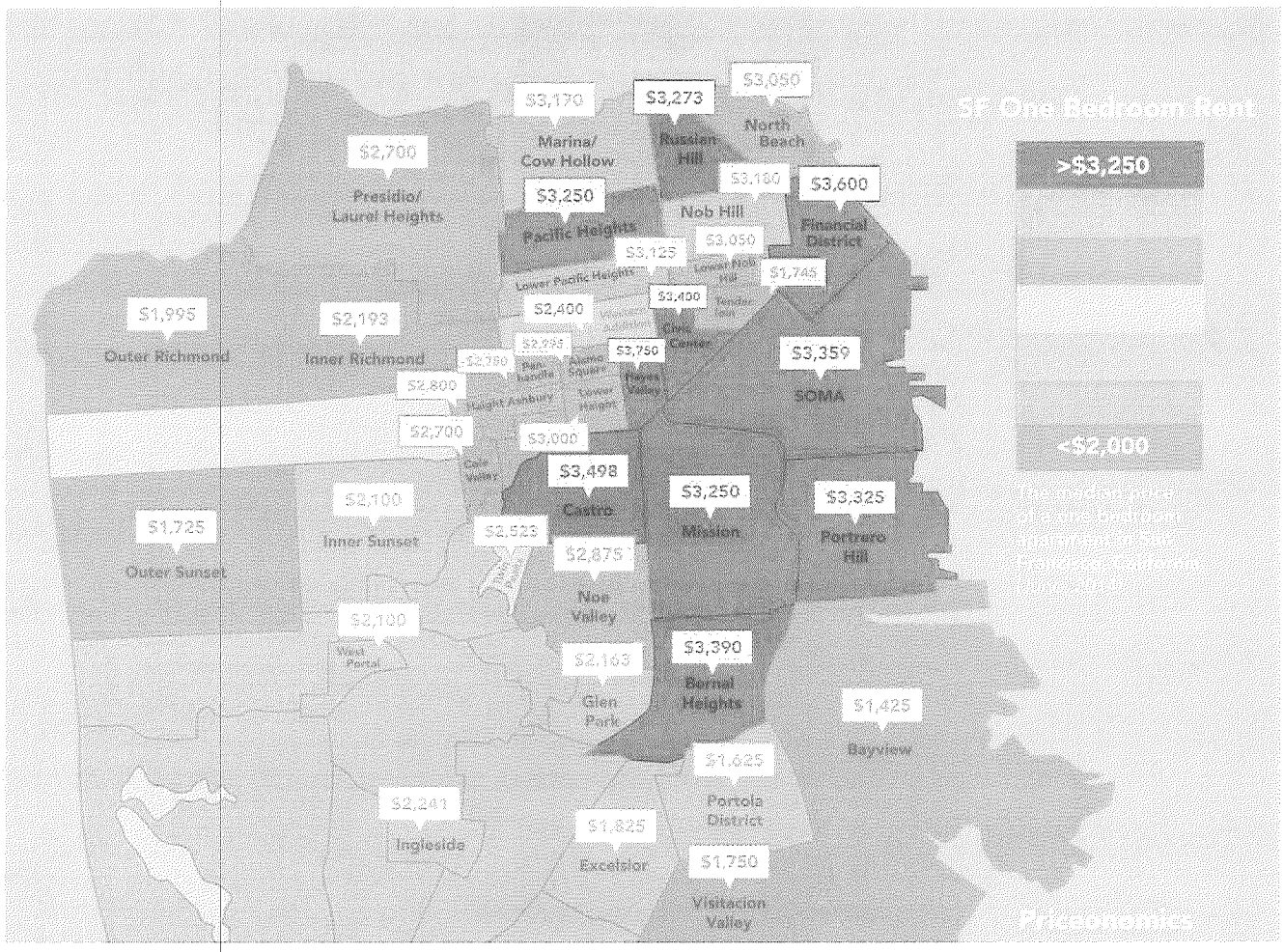
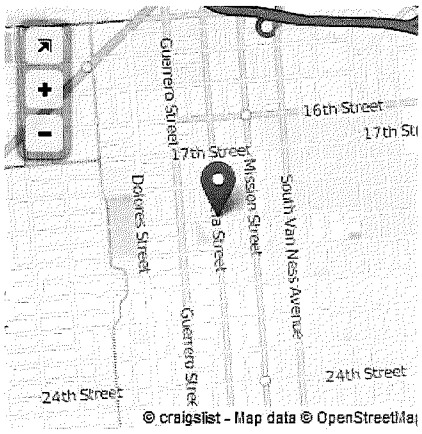


Source: Priceonomics data crawling

The San Francisco real estate market is, technically speaking, *muy caliente*. If you've looked for an apartment recently, or follow our blog, you know that rental prices have exploded and small homes sell for more than Detroit skyscrapers. San Francisco is a beautiful place, with a bustling economy that has drawn tens of thousands of new residents over the past few years. But the supply of housing is relatively fixed as large swathes of the city aren't zoned for the type of high density housing that could accommodate the increased demand. So the price of housing has increased.

$10500 / 2br - 1288ft² - For Rent RARE! Brand New Luxury Condos. Ready Now 2/2/14. (mission district)



19th St at Valencia S

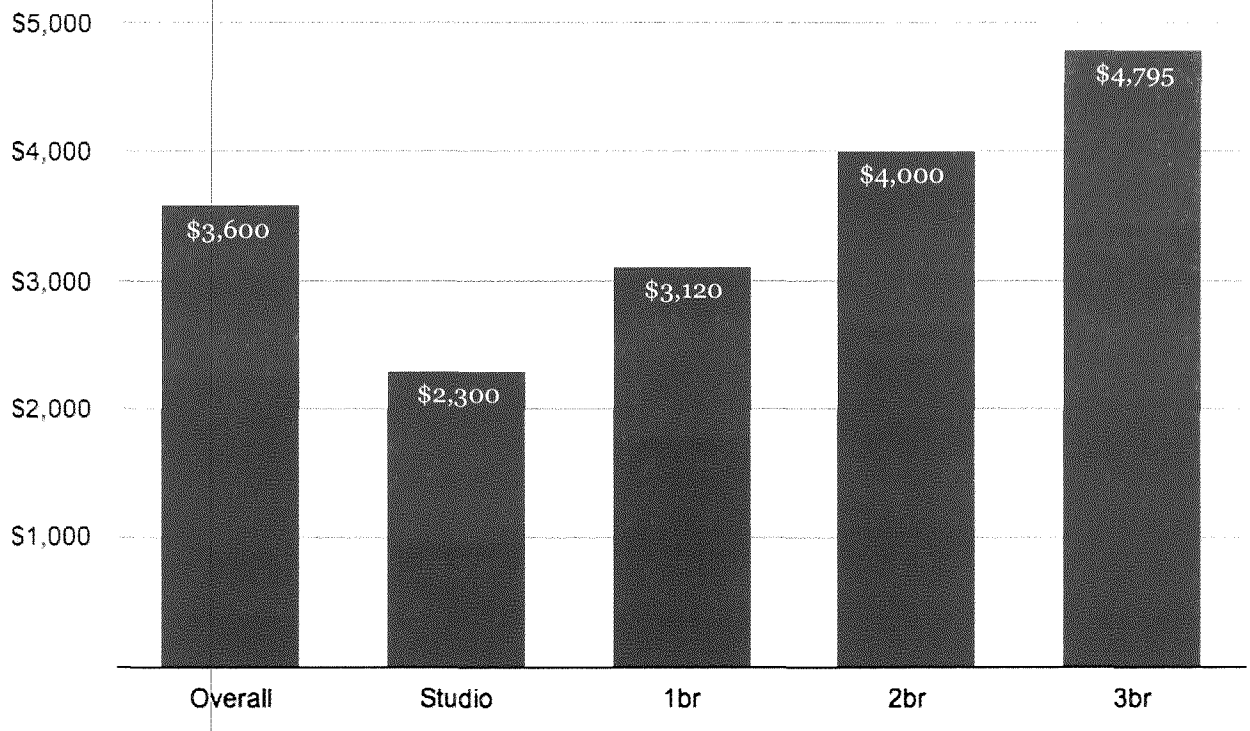
2BR / 2Ba | 1288ft² | condo | w/d in unit | attached garage

This somewhat typically ridiculous apartment ad reads, "*With the hottest microclimate in San Francisco, Mission is caliente...Modern with European feel. Gorgeous!*"

In this post, we'll look at the current rental prices of San Francisco apartments, updating ourreport from last year. The principal data source is our data crawling business, which crawls the web and analyzes apartment listings (among other things) across the U.S., including San Francisco. We sell this kind of data to real estate investors, which helps fund this blog.

According to our data, as of the end of June 2014, the median rental price of a one-bedroom apartment in San Francisco is $3,120. Two-bedroom apartments rent for $4,000, and a three-bedroom apartment rents for $4,795.

The Median Price of a San Francisco Apartment: June 2014



Over the last few years, prices have exploded. We hope you held on to your rent-controlled place in Bernal Heights, where rent for a one-bedroom apartment has doubled in just three years.

One Bedroom Price by Neighborhood

Ranked by Price Increase from 2011 vs 2014

RANK	NEIGHBORHOOD	2011	2014	3-year %
1	Bernal Heights	$ 1,683	$3,390	101%
2	Civic Center	$ 1,850	$3,400	84%
3	Mission	$ 1,900	$3,250	71%
4	Hayes Valley	$ 2,195	$3,750	71%
5	Lower Nob Hill	$ 1,850	$3,050	65%
6	Castro	$ 2,150	$3,498	63%
7	Panhandle	$ 1,700	$2,750	62%
8	Nob Hill	$2,000	$3,180	59%
9	Haight Ashbury	$ 1,895	$2,800	48%
10	Visitacion Valley	$ 1,200	$ 1,750	46%
11	Lower Haight	$ 2,100	$3,000	43%
12	Potrero Hill	$ 2,400	$3,325	39%
13	Noe Valley	$ 2,097	$2,875	37%
14	Portola District	$ 1,200	$ 1,625	35%
15	Excelsior	$ 1,350	$ 1,825	35%
16	Glen Park	$ 1,600	$ 2,163	35%
17	Inner Richmond	$ 1,625	$ 2,193	35%
18	Western Addition	$ 1,795	$2,400	34%

RANK	NEIGHBORHOOD	2011	2014	3-year %
19	Twin Peaks	$ 1,900	$ 2,523	33%
20	Richmond	$ 1,525	$ 1,995	31%
21	Cole Valley	$ 2,075	$2,700	30%
22	Sunset	$ 1,350	$ 1,725	28%
23	Marina	$ 2,495	$ 3,175	27%
24	North Beach	$ 2,400	$3,050	27%
25	Lower Pac Heights	$ 2,503	$ 3,125	25%
26	Alamo Square	$ 2,440	$ 2,995	23%
27	Financial District	$3,000	$3,600	20%
28	SOMA	$2,800	$ 3,359	20%
29	Inner Sunset	$ 1,775	$ 2,100	18%
30	Ingleside	$ 1,950	$ 2,241	15%
31	Russian Hill	$ 2,895	$ 3,273	13%
32	Tenderloin	$ 1,495	$ 1,645	10%
33	Laurel Heights	$ 2,500	$2,700	8%
34	West Portal	$ 1,995	$ 2,100	5%
35	Bayview	$ 1,400	$ 1,425	2%
36	Pacific Heights	$ 3,250	$ 3,250	0%

Over the past year, rents have continued to increase, but not uniformly. Asking rents have increased tremendously downtown, mid-market, and in the southern part of the city that offers the shortest commutes to the South Bay.

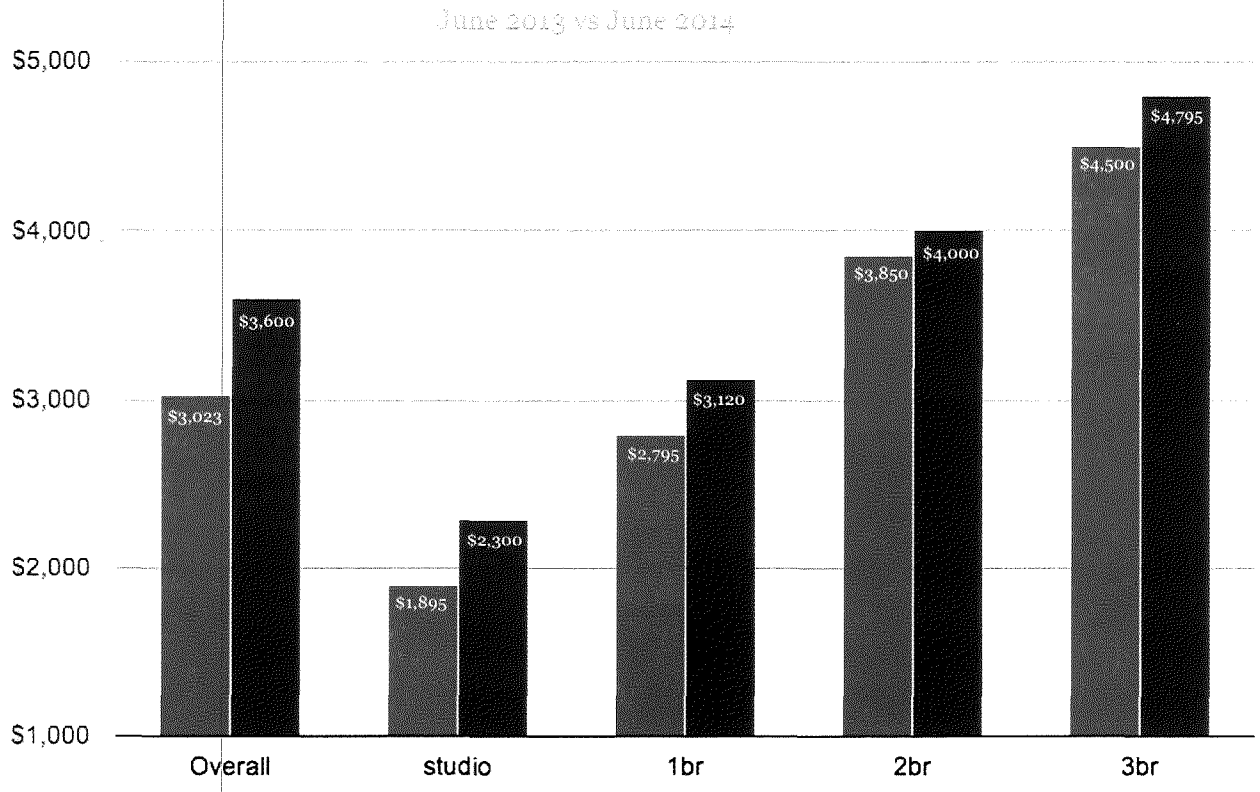
One Bedroom Price by Neighborhood

Ranked by Price Increase from 2013 vs 2014

RANK	NEIGHBORHOOD	2103	2014	1-YEAR %
1	Hayes Valley	$ 2,573	$ 3,750	46%
2	Bernal Heights	$ 2,385	$ 3,390	42%
3	Castro	$ 2,700	$ 3,498	30%
4	Excelsior	$ 1,400	$ 1,825	30%
5	Civic Center	$ 2,700	$ 3,400	26%
6	Lower Nob Hill	$ 2,464	$ 3,050	24%
7	Panhandle	$ 2,250	$ 2,750	22%
8	Mission	$ 2,675	$ 3,250	21%
9	Lower Haight	$ 2,495	$ 3,000	20%
10	Portola District	$ 1,350	$ 1,625	20%
11	Potrero Hill	$ 2,800	$ 3,325	19%
12	Nob Hill	$ 2,788	$ 3,180	14%
13	Richmond	$ 1,750	$ 1,995	14%
14	Alamo Square	$ 2,673	$ 2,995	12%
15	Ingleside	$ 2,000	$ 2,241	12%
16	Inner Richmond	$ 2,000	$ 2,193	10%
17	Marina	$ 2,900	$ 3,175	9%
18	North Beach	$ 2,800	$ 3,050	9%

RANK	NEIGHBORHOOD	2103	2014	1-YEAR %
19	Haight Ashbury	$ 2,588	$ 2,800	8%
20	Financial District	$ 3,395	$ 3,600	6%
21	Visitacion Valley	$ 1,650	$ 1,750	6%
22	Pacific Heights	$ 3,100	$ 3,250	5%
23	Twin Peaks	$ 2,400	$ 2,523	5%
24	Sunset	$ 1,650	$ 1,725	5%
25	Lower Pac Heights	$ 3,013	$ 3,125	4%
26	Noe Valley	$ 2,800	$ 2,875	3%
27	Russian Hill	$ 3,200	$ 3,273	2%
28	Glen Park	$ 2,150	$ 2,163	1%
29	Laurel Heights	$ 2,695	$ 2,700	0%
30	SOMA	$ 3,475	$ 3,359	-3%
31	Cole Valley	$ 2,770	$ 2,700	-3%
32	Western Addition	$ 2,500	$ 2,400	-4%
33	West Portal	$ 2,250	$ 2,100	-7%
34	Bayview	$ 1,550	$ 1,425	-8%
35	Inner Sunset	$ 2,300	$ 2,100	-9%
36	Tenderloin	$ 1,873	$ 1,645	-12%

The Median Price of a San Francisco Apartment



The Changing Landscape of the City

Long time San Francisco residents will notice something strange in the above charts: historically inexpensive neighborhoods, especially downtown and the surrounding areas, are now some of the most expensive.

Ranking of Most Expensive Neighborhoods

One Bedroom Median Price June 2014

RANK	NEIGHBORHOOD	RENT
1	Hayes Valley	$ 3,750
2	Financial District	$ 3,600
3	Castro	$ 3,498
4	Civic Center	$ 3,400
5	Bernal Heights	$ 3,390
6	SOMA	$ 3,359
7	Potrero Hill	$ 3,325
8	Russian Hill	$ 3,273
9	Mission	$ 3,250
10	Pacific Heights	$ 3,250
11	Nob Hill	$ 3,180
12	Marina	$ 3,175
13	Lower Pac Heights	$ 3,125
14	Lower Nob Hill	$ 3,050
15	North Beach	$ 3,050
16	Lower Haight	$ 3,000
17	Alamo Square	$ 2,995
18	Noe Valley	$ 2,875

RANK	NEIGHBORHOOD	RENT
19	Haight Ashbury	$ 2,800
20	Panhandle	$ 2,750
21	Cole Valley	$ 2,700
22	Laurel Heights	$ 2,700
23	Twin Peaks	$ 2,523
24	Western Addition	$ 2,400
25	Ingleside	$ 2,241
26	Inner Richmond	$ 2,193
27	Glen Park	$ 2,163
28	Inner Sunset	$ 2,100
29	West Portal	$ 2,100
30	Richmond	$ 1,995
31	Excelsior	$ 1,825
32	Visitacion Valley	$ 1,750
33	Sunset	$ 1,725
34	Tenderloin	$ 1,645
35	Portola District	$ 1,625
36	Bayview	$ 1,425

A couple factors are driving this change. First, the construction of new apartment buildings has been concentrated in downtown, Hayes Valley, and the Castro area around Market Street as part of the city's effort to draw investment to those areas. These new apartments make up a lot of the inventory in those neighborhoods, and they are expensive. For example, the new NEMA building across the street from Twitter headquarters rents one-bedroom apartments from $3,955 to $5,344.

Proximity to the highways and shuttle buses that take tech workers south to companies like Google, Facebook, and Apple is also reorienting the real estate landscape. Living in neighborhoods like Bernal Heights or Portero was once (arguably) like living in a backwater, but these commuting-friendly areas are now expensive and popular. Glenn Park appears to be an exception as rents are lower, although its inventory of one bedroom apartments is limited and mostly consists of weird in-law units.

Your Rental Cheat Sheet

Are you moving to San Francisco and need some help determining how much you should expect to pay in different neighborhoods? This handy cheat sheet can help. It provides the median price of an apartment (as of the end of June 2014) for a studio or a one, two or three-bedroom apartment in each neighborhood.

Price of an Apartment by Neighborhood

Median Price June 2014

NEIGHBORHOOD	STUDIO	1BR	2BR	3BR
Alamo Square	$ 2,295	$ 2,995	$ 3,975	$ 5,940
Bayview	-	$ 1,425	$ 2,650	$ 3,500
Bernal Heights	-	$ 3,390	$ 3,525	$ 4,900
Castro	$ 1,900	$ 3,498	$ 4,200	$ 6,250
Civic Center	$ 2,248	$ 3,400	$ 4,998	$ 4,500
Cole Valley	$ 1,988	$ 2,700	$ 4,150	$ 6,500
Excelsior	-	$ 1,825	$ 2,550	$ 3,200
Financial District	$ 2,750	$ 3,600	$ 5,950	$ 9,540
Glen Park	-	$ 2,163	$ 3,800	$ 5,800
Haight Ashbury	$ 1,750	$ 2,800	$ 3,650	$ 6,425
Hayes Valley	$ 1,900	$ 3,750	$ 4,650	$ 5,200
Ingleside	$ 1,600	$ 2,241	$ 2,900	$ 3,850
Inner Richmond	$ 1,525	$ 2,193	$ 3,000	$ 3,995
Inner Sunset	$ 1,700	$ 2,100	$ 3,190	$ 4,000
Laurel Heights	$ 2,350	$ 2,700	$ 4,000	$ 6,200
Lower Haight	$ 1,950	$ 3,000	$ 4,295	-
Lower Nob Hill	$ 2,201	$ 3,050	$ 3,899	$ 3,950
Lower Pac Heights	$ 2,000	$ 3,125	$ 4,125	$ 5,500

NEIGHBORHOOD	STUDIO	1BR	2BR	3BR
Marina	$ 2,125	$ 3,175	$ 4,625	$ 6,750
Mission	$ 2,498	$ 3,250	$ 4,190	$ 5,146
Nob Hill	$ 2,095	$ 3,180	$ 4,275	$ 5,995
Noe Valley	$ 1,500	$ 2,875	$ 4,000	$ 5,500
North Beach	$ 2,325	$ 3,050	$ 4,300	$ 6,575
Pacific Heights	$ 2,000	$ 3,250	$ 4,500	$ 6,700
Panhandle	$ 1,848	$ 2,750	$ 3,495	$ 4,575
Portola District	-	$ 1,625	$ 2,825	$ 3,498
Potrero Hill	$ 2,850	$ 3,325	$ 4,300	$ 5,650
Richmond	$ 1,600	$ 1,995	$ 2,995	$ 3,995
Russian Hill	$ 1,998	$ 3,273	$ 4,900	$ 5,998
SOMA	$ 2,917	$ 3,359	$ 4,800	$ 6,999
Sunset	$ 1,075	$ 1,725	$ 2,895	$ 3,573
Tenderloin	$ 1,595	$ 1,605	$ 3,395	-
Twin Peaks	-	$ 2,523	$ 3,999	$ 4,100
Visitacion Valley	-	$ 1,750	$ 2,492	$ 2,898
West Portal	-	$ 2,100	$ 2,748	$ 4,975
Western Addition	$ 1,725	$ 2,400	$ 3,450	$ 3,950

Source: Priceonomics data crawling

And so dear reader, good luck on your apartment search. May you find your dream apartment in a sunny, affordable, and fun location. But who are we kidding, the odds are not in your favor.

The next post in this series presents data on the price of buying a home in San Francisco. To be notified when we post it, ***join our email list.***

Published Aug 13, 2014

EMC RESEARCH
MARKET & OPINION RESEARCH SERVICES

Bay Area Council 2016

Report of Survey Results

Methodology

- Web survey of San Francisco Bay Area residents
- The survey was available in English, Chinese, and Spanish
- Report includes analysis from the following surveys:

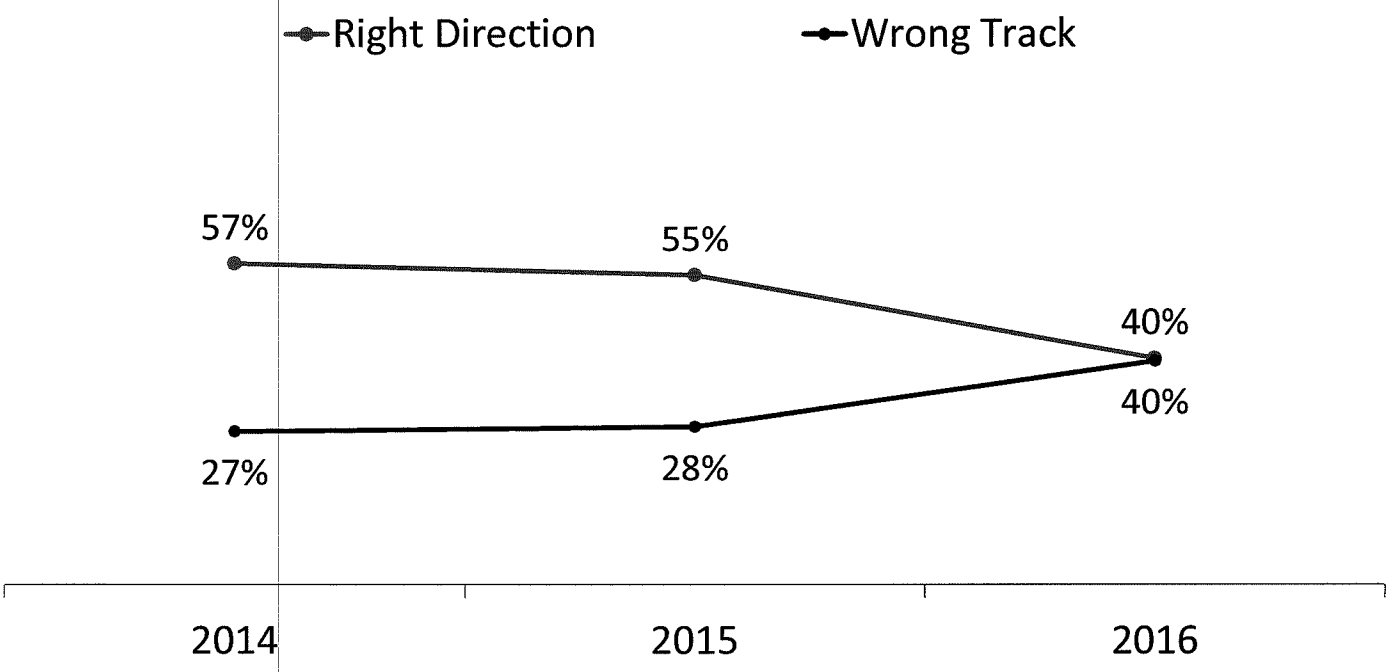
Methodology	Dates	Sample Size	Margin of Error	EMC#
Web	Feb. 12 – Mar. 10, 2016	1,000	±3.10 percentage points	16-5727
Web	Apr. 15-23, 2015	1,000	±3.10 percentage points	15-5512
Web	Apr. 8-15, 2014	1,000	±3.10 percentage points	14-5095

As with any opinion research, the release of selected figures from this report without the analysis that explains their meaning would be damaging to EMC. Therefore, EMC reserves the right to correct any misleading release of this data in any medium through the release of correct data or analysis.

Please note that due to rounding, percentages may not add up to exactly 100%

Direction of the Area

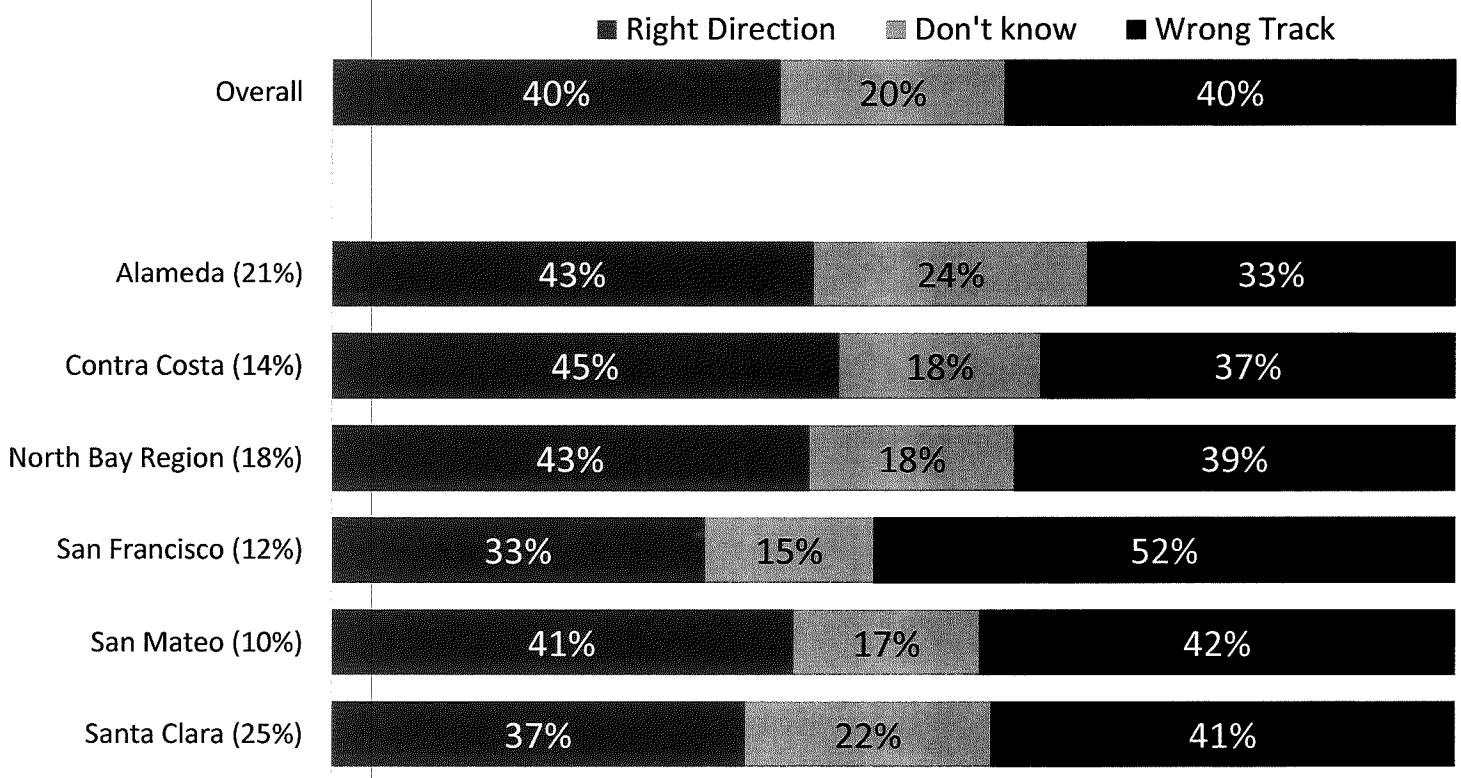
The overall mood of Bay Area residents has worsened.



Q8: Do you feel things in the Bay Area are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

Direction of Bay Area by County

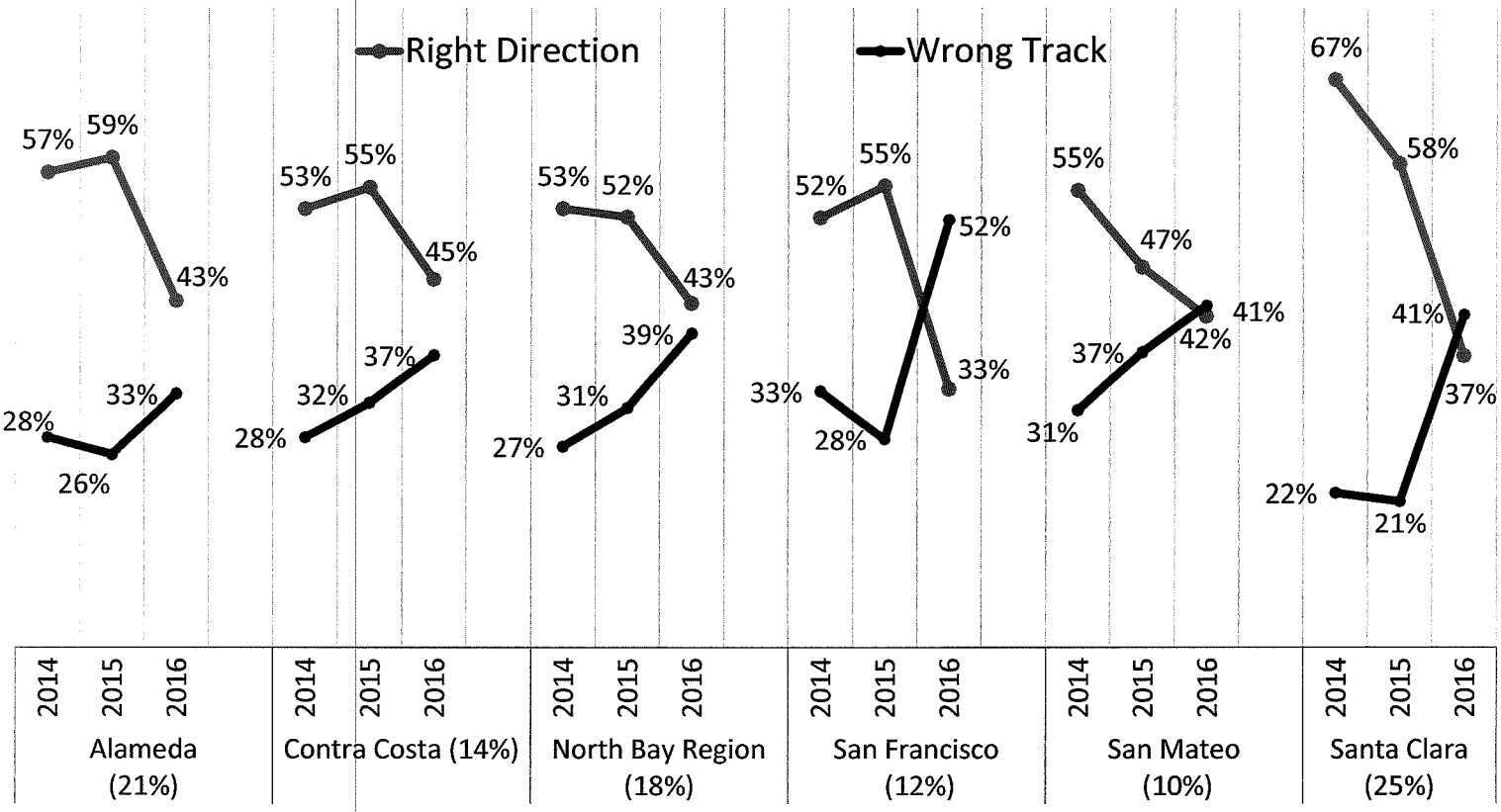
Those in San Francisco and Santa Clara Counties are feeling the least optimistic.



Q8: Do you feel things in the Bay Area are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

Right Direction/Wrong Track by County, Over Time

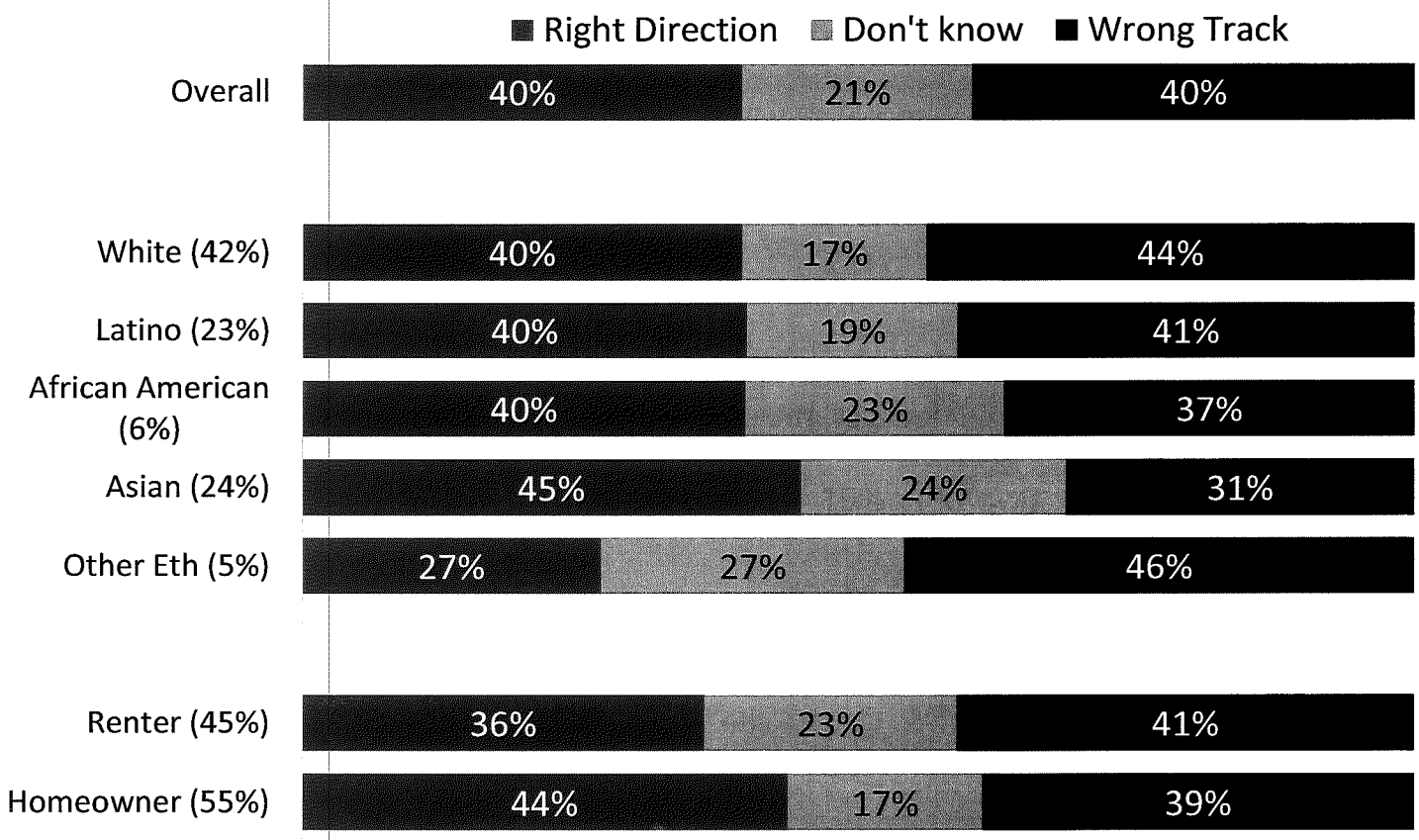
Optimism has dropped across Bay Area counties, and dramatically in Santa Clara County



8. Do you feel things in the Bay Area are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

Direction of Area by Ethnicity & Homeowner/Renter

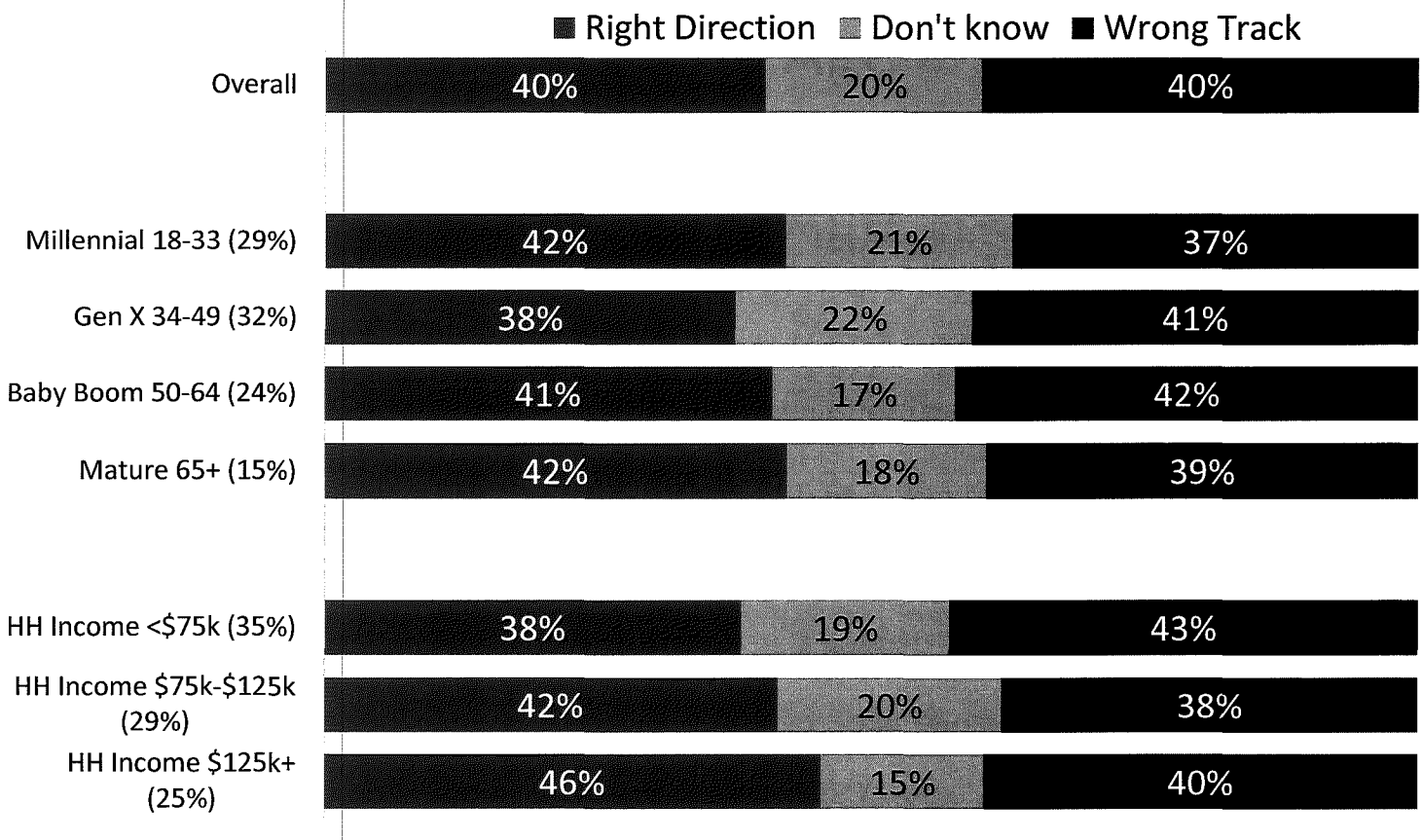
Renters and Asian residents report feeling slightly less optimistic than homeowners.



Q8: Do you feel things in the Bay Area are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

Direction of Bay Area by Age and Income

Higher income residents are slightly more optimistic than lower income residents.

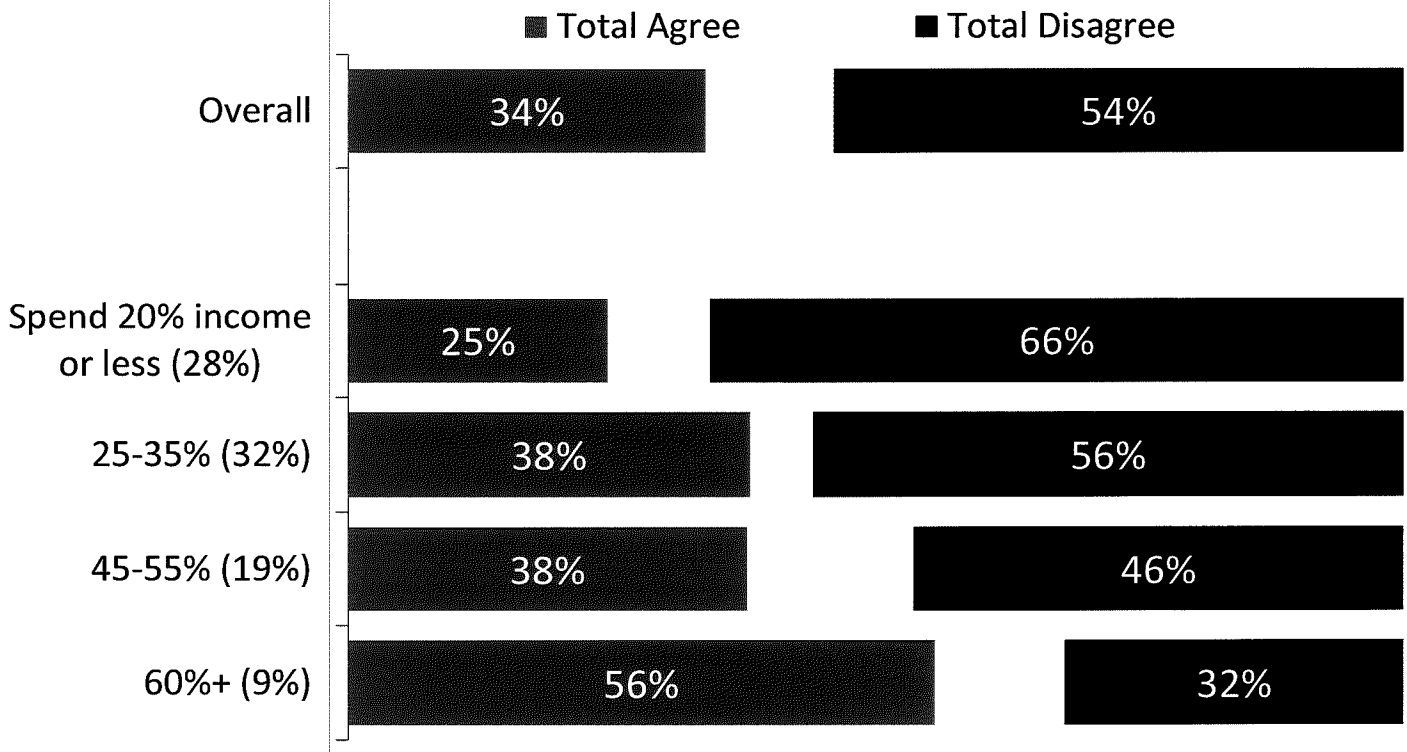


Q8: Do you feel things in the Bay Area are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

Likelihood of Moving by Percent of Income Spent on Housing

Those who spend the highest percent of their income on housing are less sure if they will remain in the Bay Area.

I am likely to move out of the Bay Area in the next few years.

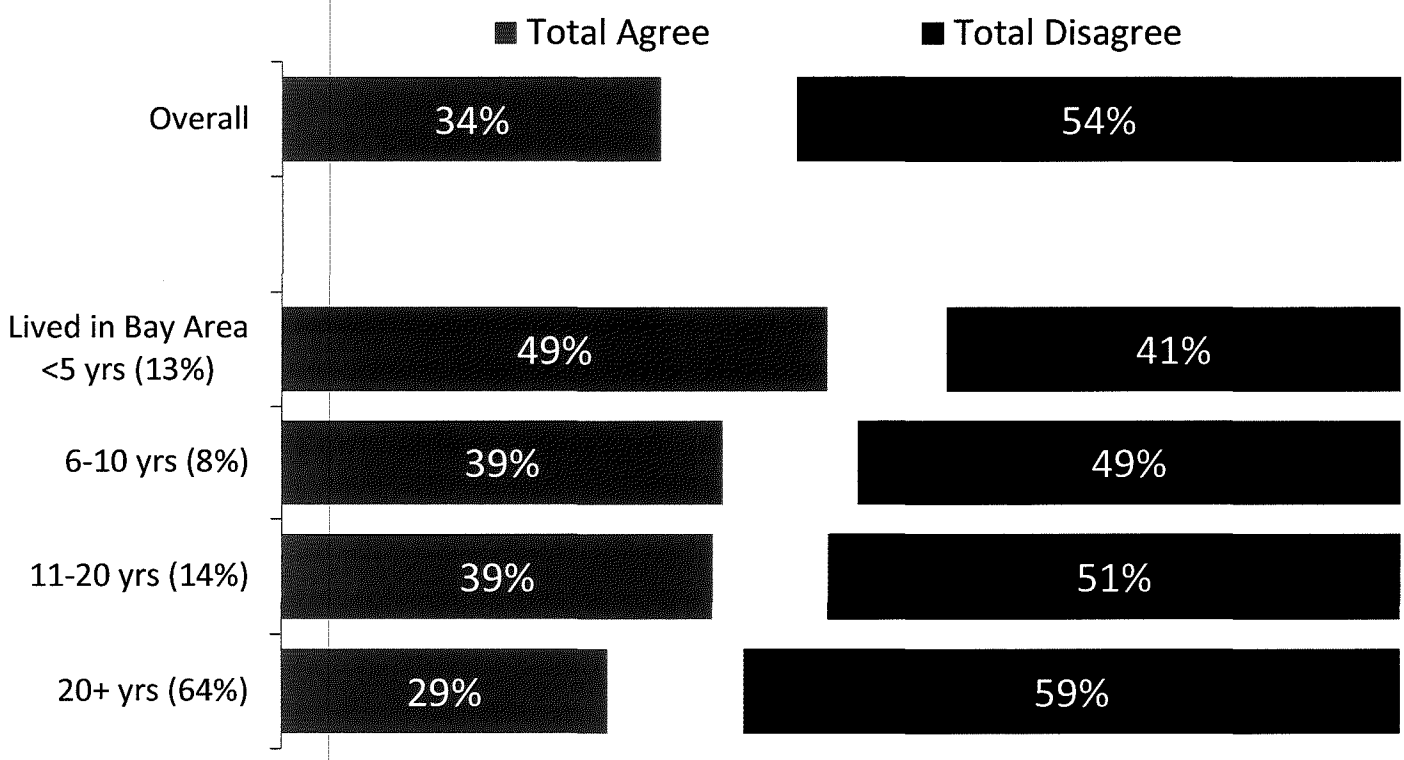


Q29-Q44: Do you agree or disagree with the following statements?

Likelihood of Moving by Length of Time in BA

Long time residents are most likely to say they will remain in the Bay Area.

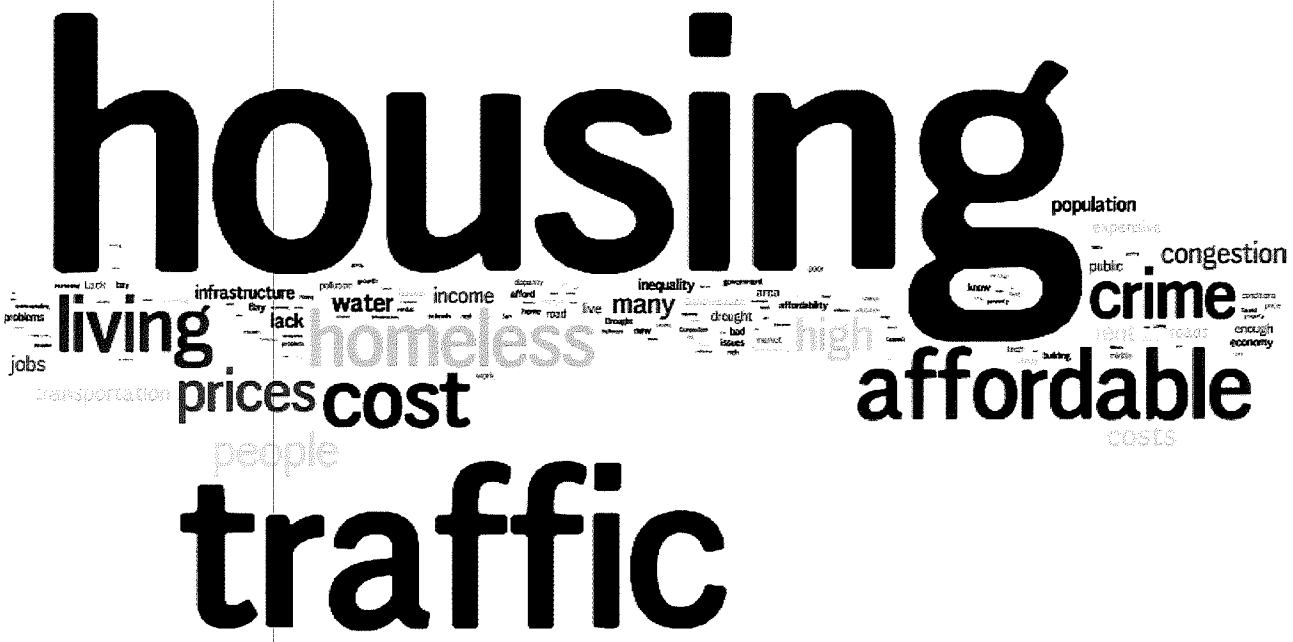
I am likely to move out of the Bay Area in the next few years.



Q29-Q44: Do you agree or disagree with the following statements?

Most Important Problem (Open-End)

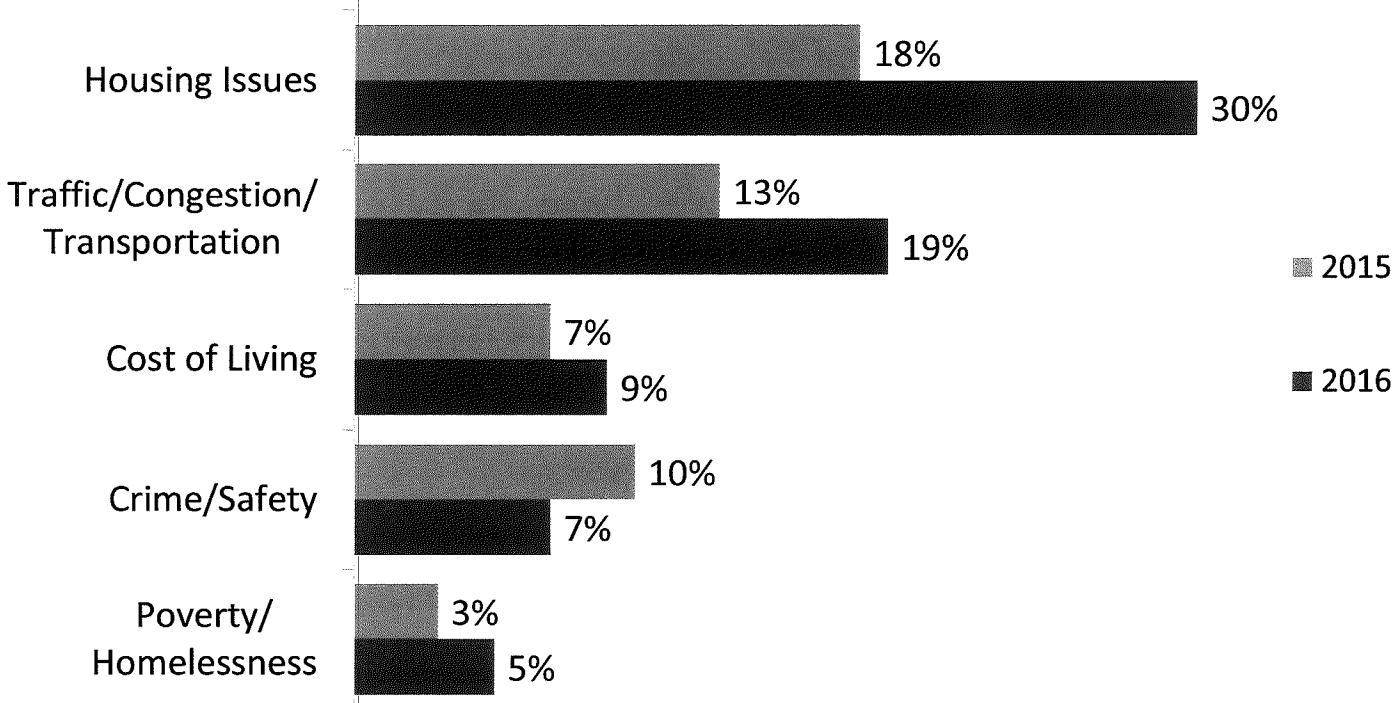
Housing is a widespread concern, while traffic, cost of living, homelessness and crime are also named frequently as top-of-mind problems.



Q9. What is the most important problem facing the Bay Area today?
Note: Size of word corresponds with frequency of mentions from respondents

Top Most Important Problems (Open-End)

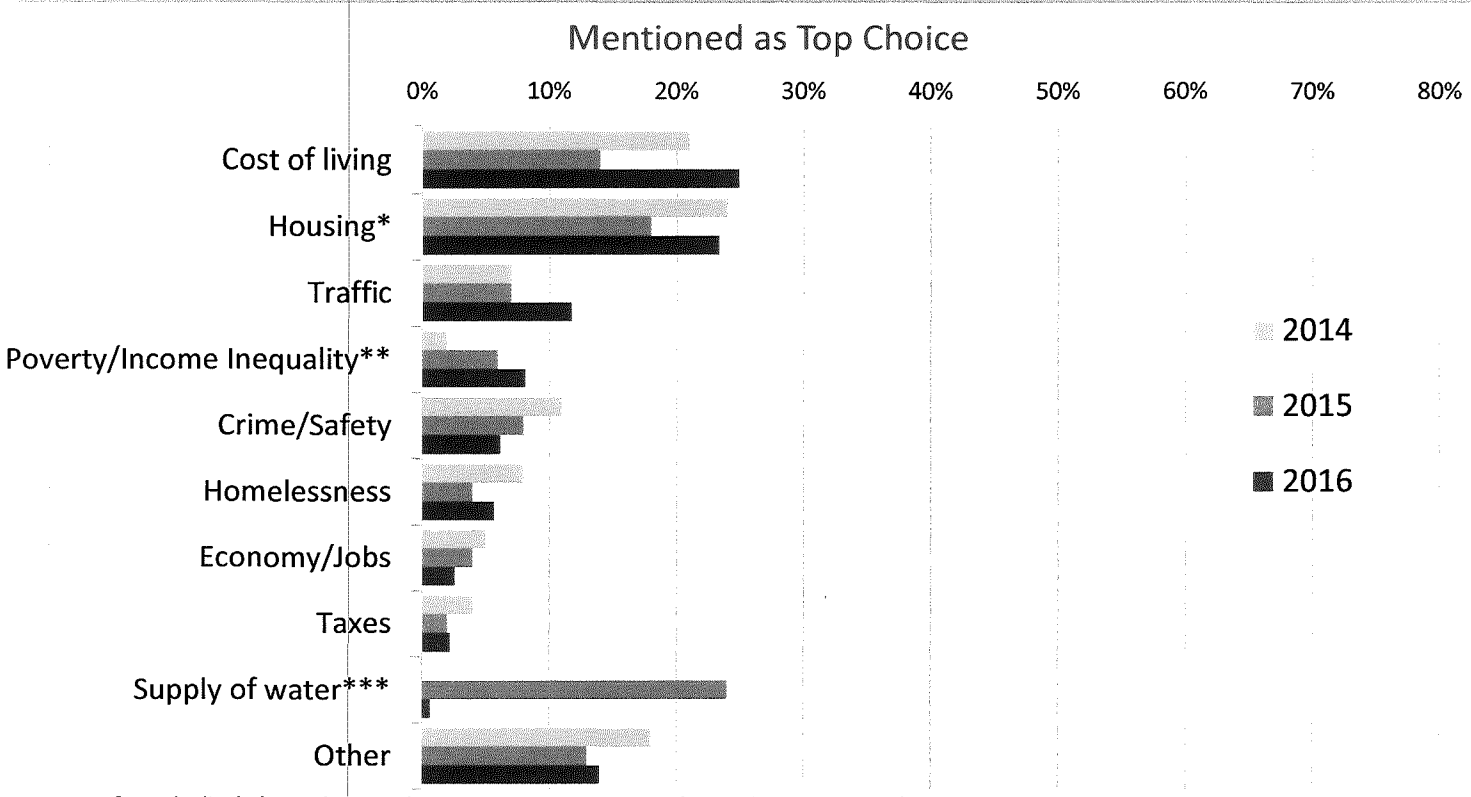
Housing, traffic congestion, and cost of living are top issues and they have become more worrisome since last year.



Q9. What is the most important problem facing the Bay Area today? ***Open-end: Respondents were allowed to volunteer any response; only top 5 responses shown*** *. *Data shown only among those who provided a response*

Most Important Problem over Time (Closed-End)

Cost of living is most often chosen from a list of issues as the most important problem, followed closely by housing and traffic.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today? ***Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.***

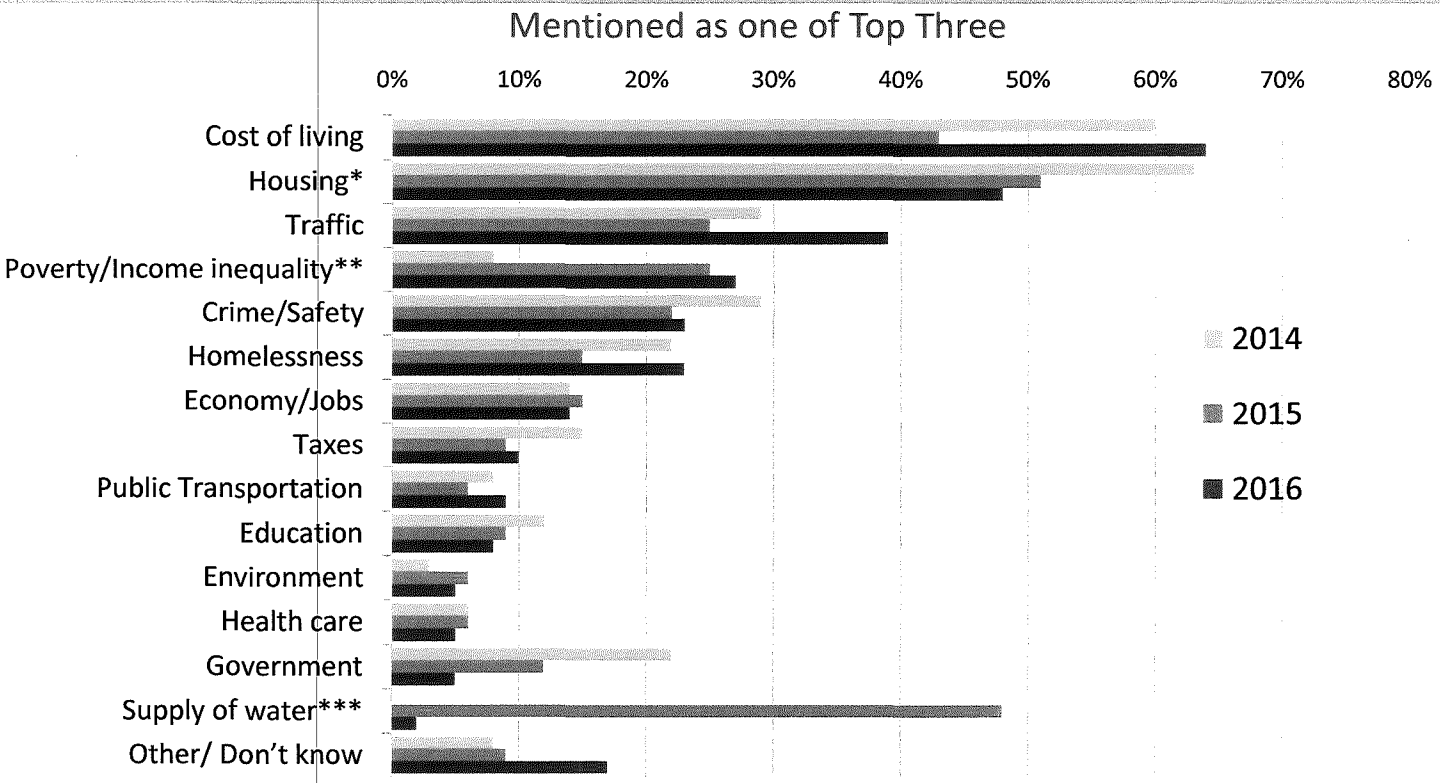
**In 2015, "Housing" was listed separately as "Housing Cost" and "Housing Availability"*

*** Poverty/ Income Inequality were listed separately*

**** In 2014, "Supply of water" was not asked*

Most Important Problem over Time (Closed-End)

Cost of living was selected by two in three respondents as the Bay Area's most important problem.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today? ***Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.***

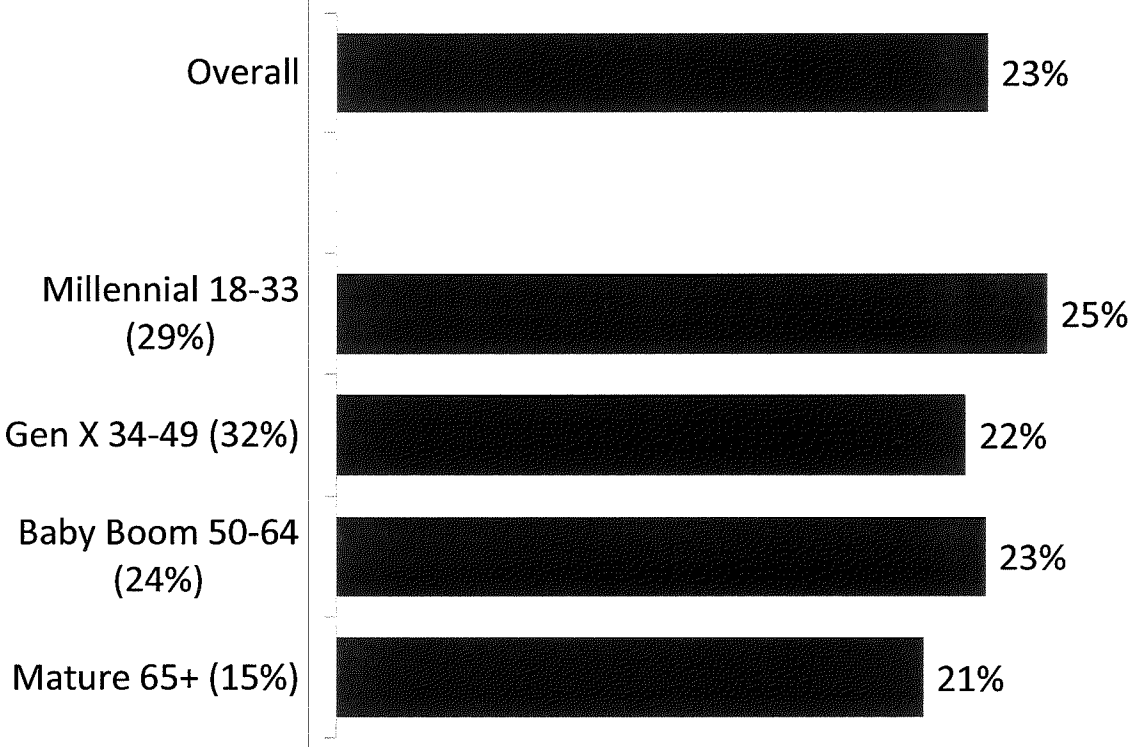
**In 2015, "Housing" was listed separately as "Housing Cost" and "Housing Availability"*

*** Poverty/ Income Inequality were listed separately*

**** In 2014, "Supply of water" was not asked*

Most Important Problem: Housing Issues by Age

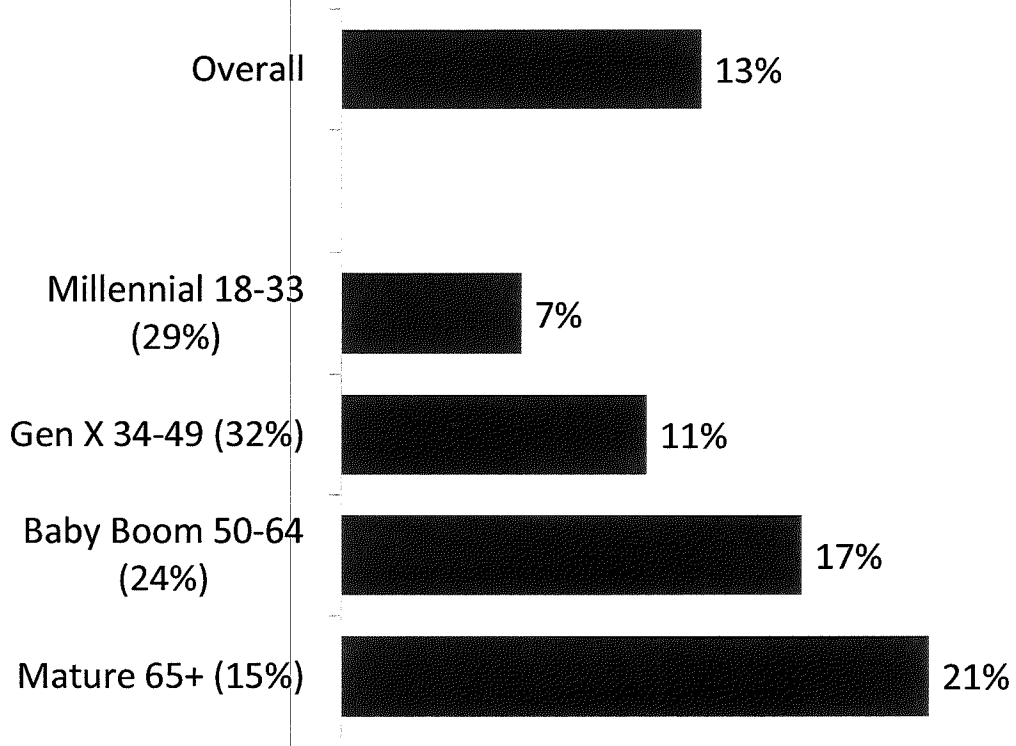
Housing is a dominant worry among all age groups.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today?
Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

Most Important Problem: Traffic by Age

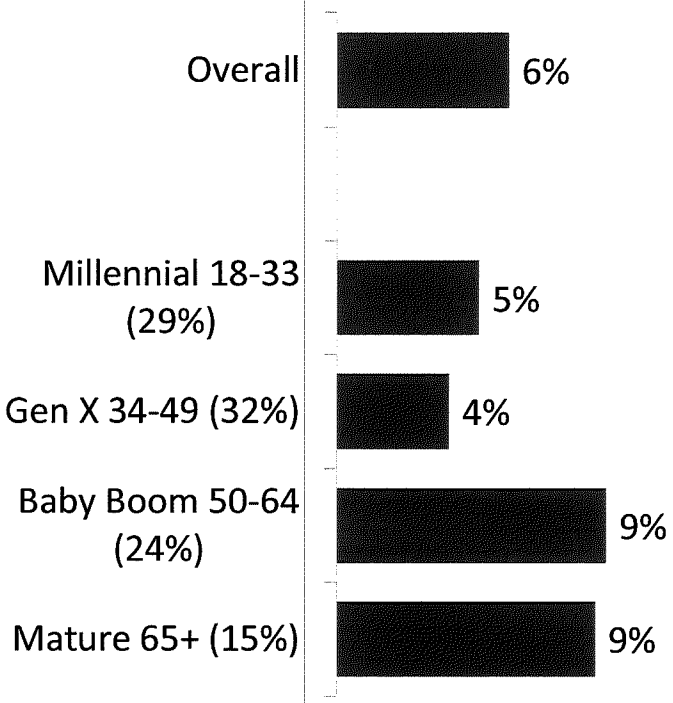
The importance of traffic/ transportation is higher among older residents.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today?
Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

Most Important Problem: Crime/ Safety by Age

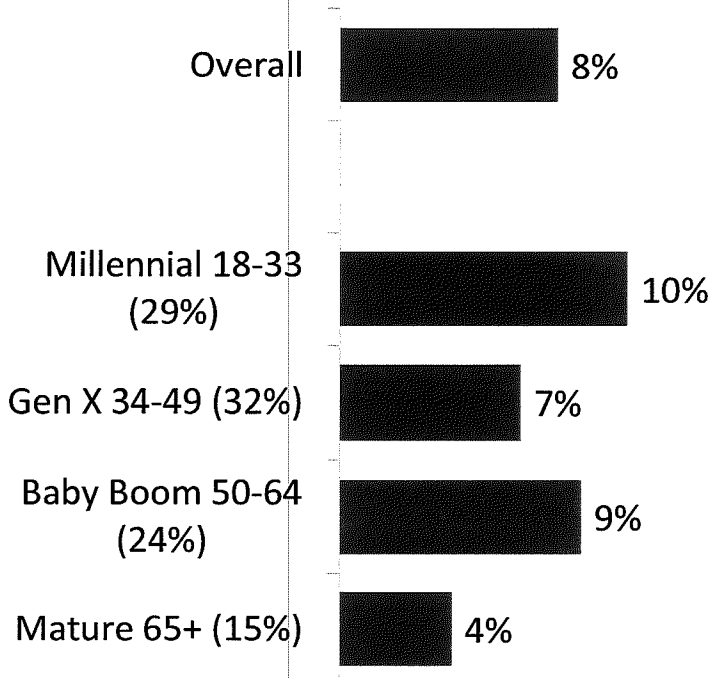
Worries about crime are nearly double from youngest residents to oldest.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today?
Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

Most Important Problem: Poverty/ Income Inequality by Age

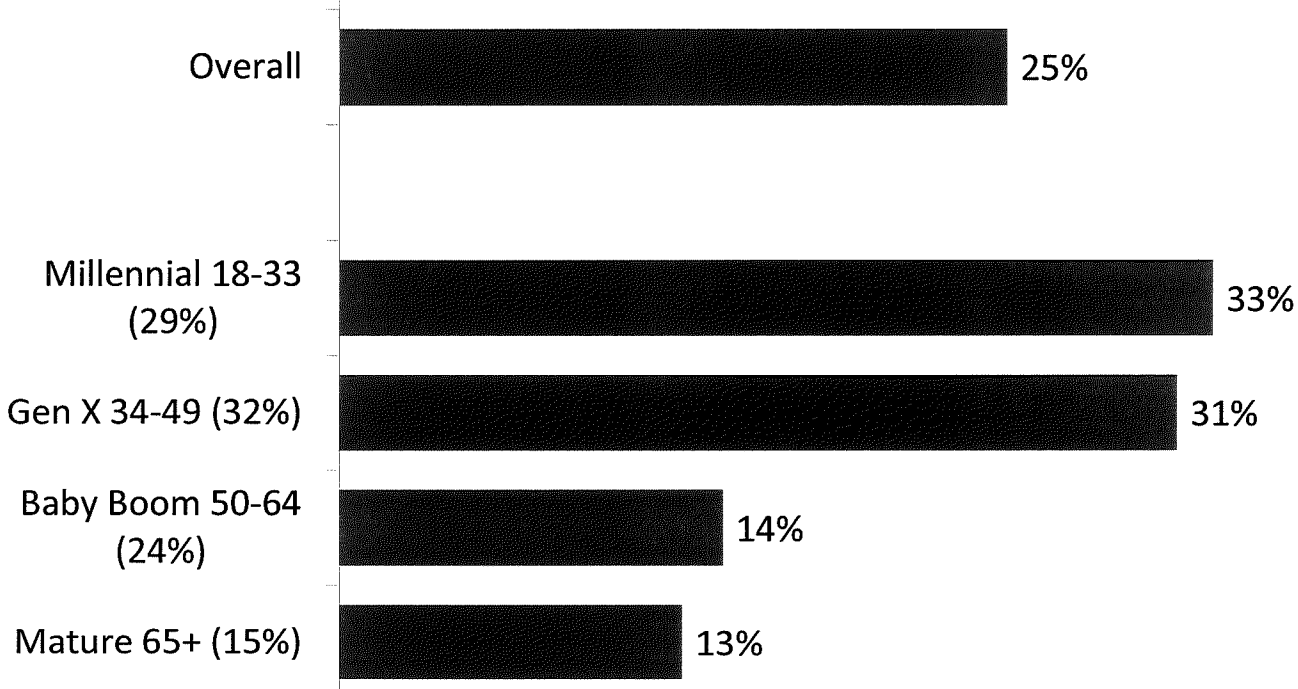
Millennials are more likely to rate poverty and income inequality as their top concern.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today?
Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

Most Important Problem: Cost of Living by Age

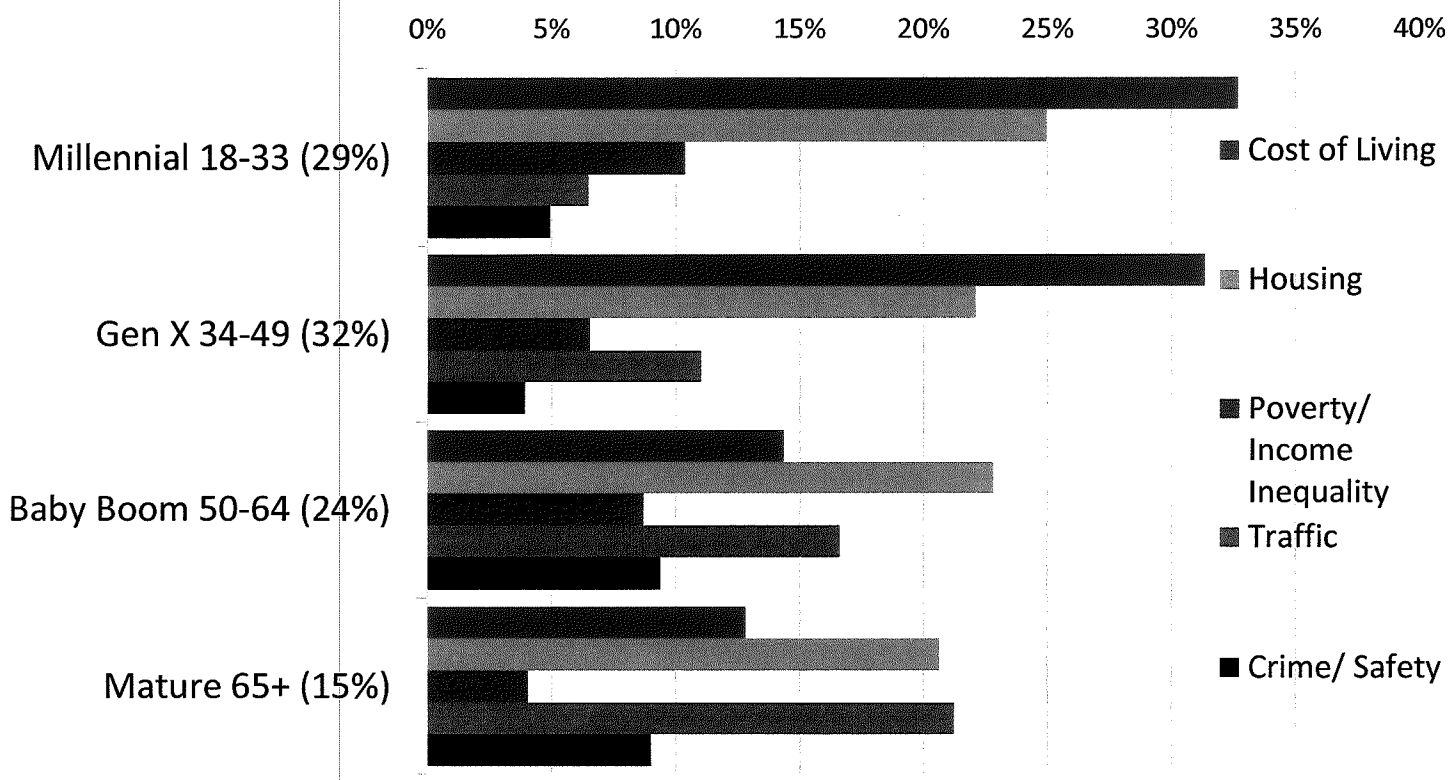
Younger residents are more worried about cost of living than older residents.



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today?
Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

Most Important Problem: Top Selected by Age

Most important problem varies across age groups, though all are concerned with housing.

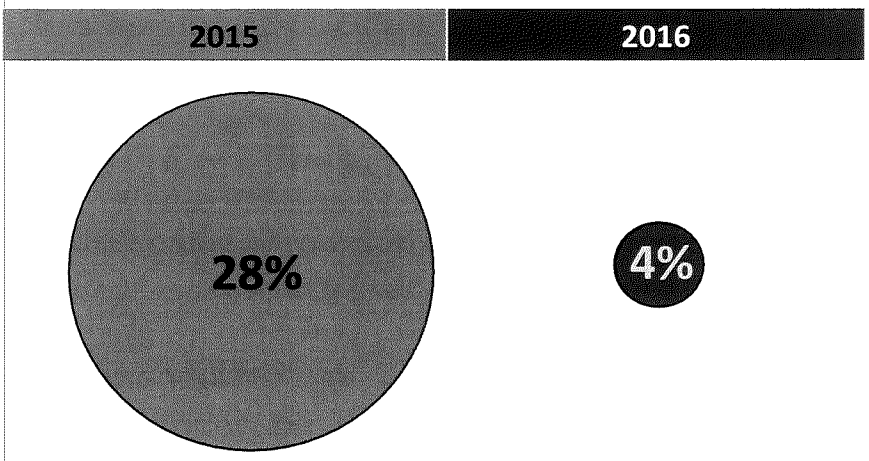


Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today?
Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

Changes in Concern about Water Supply

Concern about the Bay Area water supply has markedly decreased.

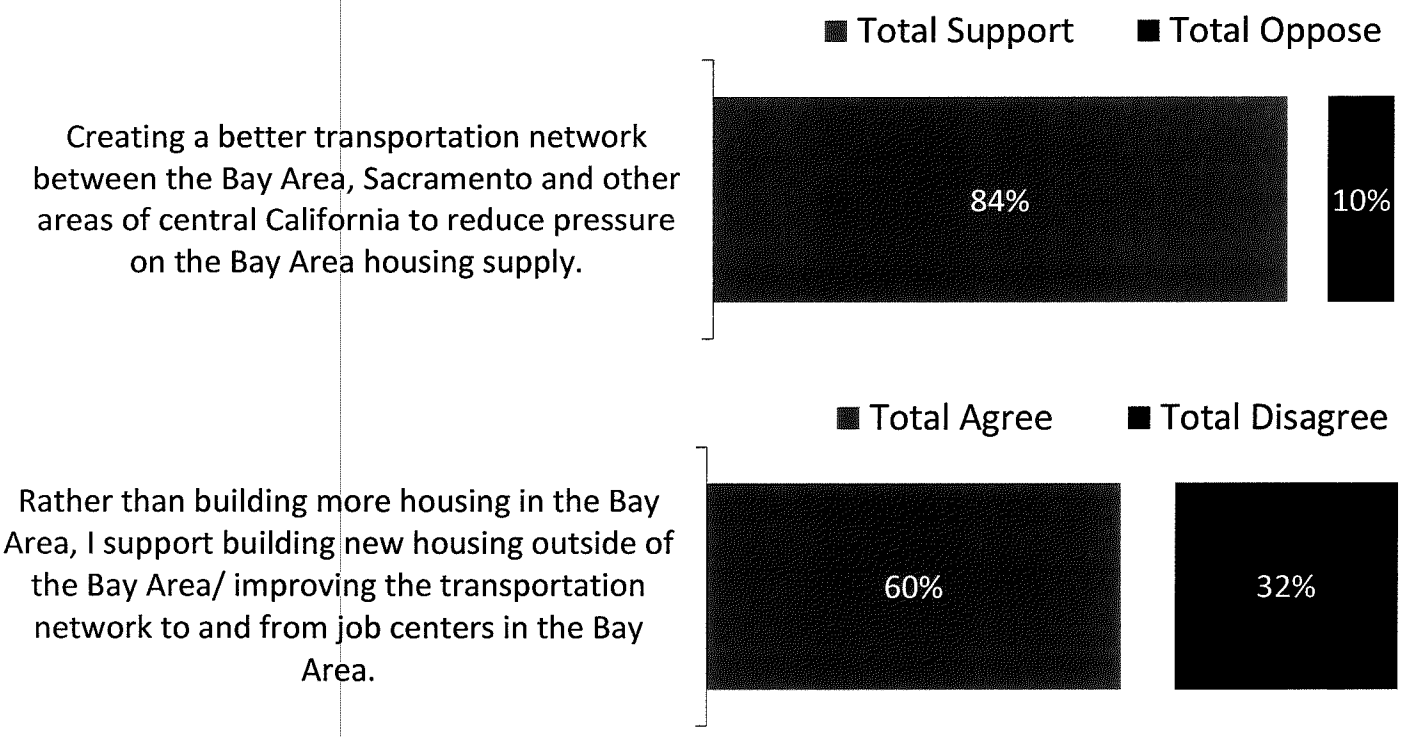
Mentioned Drought/ Water Shortage as the Most Important Problem Facing Bay Area



Q9. What is the most important problem facing the Bay Area today? ***Open-end: Respondents were allowed to volunteer any response***

Growth Outside Core Bay Area

There is significant support for housing & transportation growth outside of the core Bay Area to reduce pressure.



Q29-Q44: Do you agree or disagree with the following statements?
Q45-Q53: Please indicate the extent to which you support or oppose each of the following:

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EMCresearch.com

The 2016 Bay Area Council Poll
Web survey of Bay Area Residents
EMC Research #16-5727
Conducted February 12 – March 9, 2016
n=1,000; Margin of Error = +/- 3.1 percentage points

Where applicable, data compared with:

April 8 – April 15, 2014
n=1,018; MoE ± 3.07 percentage points
EMC Research #14-5095

April 15 – April 23, 2015
n=1,000; MoE ± 3.1 percentage points
EMC Research #15-5512

All numbers in this document represent percentage (%) values, unless otherwise noted. Please note that due to rounding, percentages may not add up to exactly 100%.

Thank you for participating in this opinion survey about issues important to people in the Bay Area. Your individual responses will be completely confidential and the survey should take only about 10 to 15 minutes to complete.

Do you feel things in the Bay Area are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

	2014	2015	2016
Right direction	57	55	40
Wrong track	27	28	40
Don't know	16	17	20

Do you agree or disagree with the following statements?

SCALE	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	Don't know
I am likely to move out of the Bay Area in the next few years.	13	21	23	31	12
Rather than building more housing in the Bay Area, I support building new housing outside the Bay Area and improving the transportation network to and from the job centers inside the Bay Area.	20	40	21	11	8

What is the most important problem facing the Bay Area today? **(INSERT TEXT BOX)**

	2014	2015
Housing/Rent Costs	12	22
Traffic/Congestion	10	17
Cost of Living	7	9
Other Housing	-	7
Crime/Safety	10	7
Poverty/Homelessness	3	5
Development/Overpopulation	6	5
Drought/Water Shortage	28	4
Jobs/Economy	6	4
Housing Availability	6	2
Transportation	3	2
Income Inequality	2	2
Government/Budget	3	1
Environment	2	1
Education	2	1
Other	3	9
Don't Know/ Nothing	4	1

Now, from the list below, what are the 3 most serious problems facing the Bay Area today? Please drag three items into the box on the right and rank them in order.
(RANDOMIZE)

	Most Important Problem			Mentioned as One of Top 3		
	2014	2015	2016	2014	2015	2016
Housing*	24	18	23	63	51	48
Traffic	7	7	13	29	25	39
Poverty/Income inequality**	2	5	8	8	21	27
Education	4	2	2	12	9	8
Crime/Safety	11	8	6	29	22	23
Economy/Jobs	5	4	3	14	15	14
Homelessness	8	4	6	22	15	23
Taxes	4	2	2	15	9	10
Public Transportation	1	1	2	8	6	9
Government	7	2	1	22	12	5
Cost of living	21	14	25	60	43	64
Supply of water***	-	24	1	-	48	2
Environment	1	1	1	3	6	5
Health care	1	1	1	6	6	5
Growth/Development	1	1	-	4	5	-
Business climate	1	1	-	3	2	-
Preparing for sea-level rise***	-	0	-	-	1	-
Other/ Don't know	1	2	6	1	2	17

Please indicate the extent to which you support or oppose each of the following:

SCALE	Strongly support	Somewhat support	Somewhat oppose	Strongly oppose	Don't know
Creating better transportation network between the Bay Area, Sacramento and other areas of central California to reduce pressure on the Bay Area housing supply	43	42	7	3	6

*Asked separately as "Housing Cost" and "Housing Availability" in previous years
**These options were not offered to respondents in the 2014 survey, and in 2015, asked separately as "Poverty" and "Income Inequality"
***Not offered in 2014

[DEMOGRAPHICS]

The following are a few questions for statistical purposes only. Please remember all responses are confidential.

Do you own or rent your home?

	2014	2015	2016
Own a home or condo	54	53	55
Rent	40	38	38
Other	4	6	5
Prefer not to respond	2	3	1

Approximately what percentage of your household income do you spend on housing?

15 or less	17
20	10
25	9
30	13
35	9
45	8
50	9
55	3
60 or more	9
Don't know/ Prefer not to respond	13

How would you describe the area where you live?

	2014	2015	2016
Urban	38	34	35
Suburban	57	59	59
Rural	4	4	5
Prefer not to respond	2	2	1

About how long have you lived in the Bay Area?

	2014	2015	2016
Less than two years	3	4	4
2-5 years	7	8	9
6-10 years	8	9	8
11-20 years	14	18	14
More than 20 years	66	60	64
Prefer not to respond	1	1	1

Do you have children under the age of 18 living in your home?

	2014	2015	2016
Yes	21	27	23
No	78	71	76
Prefer not to respond	2	1	1

Are you registered to vote as...

	2014	2015	2016
A Democrat	49	44	45
A Republican	14	15	16
Another party	3	4	3
No party preference	23	26	26
Not registered to vote	11	11	10

What is your employment status?

	2015	2016
Employed	58	62
Self-employed	8	5
Unemployed/looking for work	7	5
Retired	16	19
Student	5	6
Other	5	3
Prefer not to respond	2	1

(IF EMPLOYED OR SELF-EMPLOYED, n=662) What zip code do you work in? **(INSERT TEXT BOX)**

	2016
Alameda	20
Contra Costa	10
North Bay Region	15
San Francisco	17
San Mateo	10
Santa Clara	26
Other	23

Does your household have a land line telephone?

	2014	2015	2016
Yes	58	60	53
No	40	38	45
Prefer not to respond	1	2	2

How likely do you think it is your household will have a land line telephone 5 years from now?

	2014	2015	2016
Very likely	19	24	18
Somewhat likely	25	22	22
Somewhat unlikely	17	17	13
Very unlikely	38	35	45
Prefer not to respond	2	2	2

To what extent have you come to rely on your smartphone to help you to accomplish day-to-day tasks?

	2014	2015	2016
A great deal	33	41	39
Moderately	30	29	32
Not much	18	14	15
Not at all	6	5	4
I don't have a smartphone	13	11	10

What was your total household income before taxes for 2015?

	2014	2015	2016
Less than $25,000	5	9	8
$25,001-$50,000	14	12	11
$50,001-$75,000	17	17	15
$75,001-$100,000	16	18	17
$100,001-$125,000	14	10	12
$125,001-$150,000	8	8	9
More than $150,000	17	14	16
Prefer not to respond	10	12	11

[SCREENING]
In what year were you born? (Insert drop-down list)

	2014	2015	2016
18-29	21	21	21
30-39	19	20	20
40-49	20	20	20
50-64	25	25	24
65+	14	14	15

Do you consider yourself to be Hispanic or Latino?

	2015	2016
Yes	23	23
No	76	76
Prefer not to respond	1	1

Do you consider yourself to be:

	2014	2015	2016
White or Caucasian	57	54	55
African American	7	7	6
Chinese	13	12	14
Vietnamese	1	3	1
Filipino or Pacific Islander	3	3	3
South Indian, Asian Indian, Pakistani or Afghan	3	3	3
Another Asian group	4	3	4
Native American	1	1	1
Biracial or Multiracial	4	3	4
Other	5	8	6
Prefer not to respond	2	2	3

What county do you live in? (Insert drop-down list, terminate if Other)

	2014	2015	2016
Alameda	21	21	21
Contra Costa	14	14	14
Marin	4	4	3
Napa	2	2	2
San Francisco	13	13	12
San Mateo	10	10	10
Santa Clara	24	23	25
Solano	6	6	6
Sonoma	7	7	7
Other	-	-	-

What zip code do you live in? **(Responses collapsed into county breakdowns above)**

Are you...?

	2014	2015	2016
Male	47	47	50
Female	53	53	50

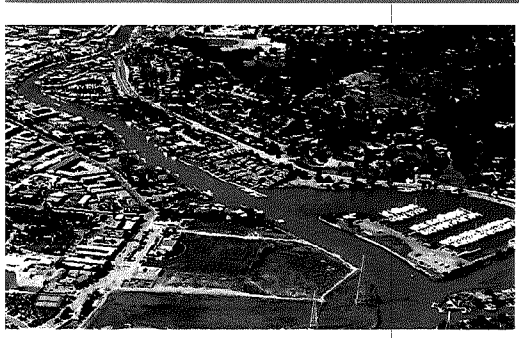
What is the last grade you completed in school?

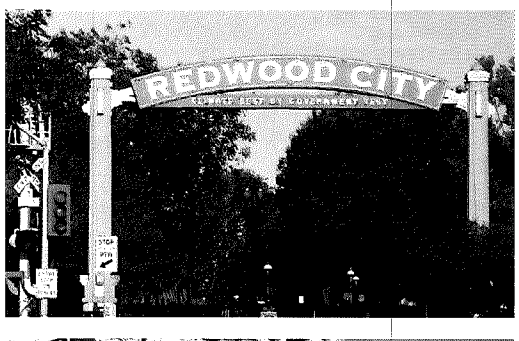
	2014	2015	2016
Some grade school	0	1	1
Some high school	0	1	1
Graduated High School	6	8	6
Technical/Vocational	4	3	4
Some College/Associate degree	30	28	27
Graduated College/Bachelor's/BA/BS	34	36	36
Graduate/Professional/Master's degree/PhD/MBA	25	23	24
Prefer not to respond	0	1	1

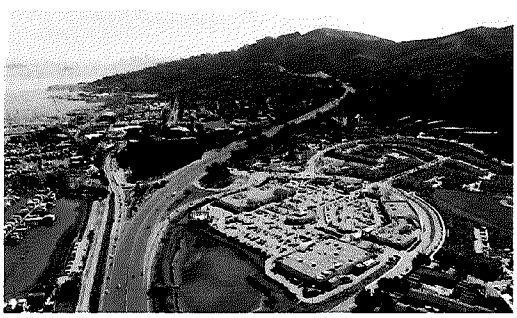
Thank you!

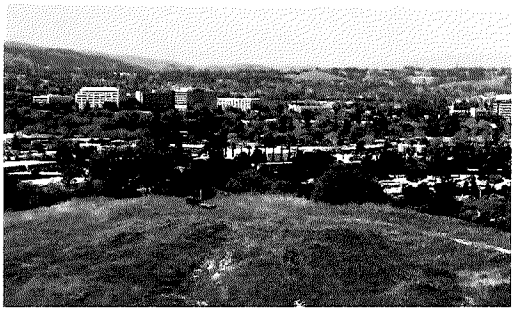
case studies

on Gentrification and Displacement in the San Francisco Bay Area









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The Center for Community Innovation (CCI) at UC-Berkeley nurtures effective solutions that expand economic opportunity, diversify housing options, and strengthen connection to place. The Center builds the capacity of nonprofits and government by convening practitioner leaders, providing technical assistance and student interns, interpreting academic research, and developing new research out of practitioner needs.

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July 2015

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[2] The statements and conclusions in this report are those of the authors and not necessarily those of the California Air Resources Board. The mention of commercial products, their source, or their use in connection with material reported herein is not to be construed as actual or implied endorsement of such products.

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Executive Summary

As regions across California begin to implement their Sustainable Communities Strategies (SCS) in compliance with Senate Bill 375, communities are increasingly concerned about how new transit investment and related infill development will affect the lives of existing residents, particularly low-income communities and communities of color. Locals are likely to benefit from improved mobility, neighborhood revitalization, lower transportation costs, and other amenities that spill over from the new development (Cervero 2004). However, more disadvantaged communities may fail to benefit, if the new development does not bring appropriate housing and job opportunities, or if there is gentrification and displacement of low-income and/or minority residents (Pollack, Bluestone, and Billingham 2010; Chapple 2009).

In 2009, we conducted a study on neighborhood's susceptibility to gentrification in the San Francisco Bay Area (Chapple 2009). In it, we quantified the impact of a diverse set of variables on neighborhood gentrification, finding that proximity to transit significantly predicted a neighborhood's later turnover and gentrification, which has been supported by more recent research as well (Pollack, Bluestone, and Billingham 2010). These finding are further supported by research linking proximity to transit with a property value premium of between 3 and 45% (Cervero and Duncan 2002b; Cervero and Duncan 2002a; Hess and Almeida 2007).

This research seeks to explore more closely the phenomena of gentrification and displacement in the San Francisco Bay Area, in an effort to better understand, predict and possibly prevent residential displacement. This report summarizes a year's worth of community-engaged research involving case studies on gentrification and displacement pressures in nine neighborhoods across the Bay Area. We utilized mixed methods of quantitative data analysis, stakeholder interviews, and field observations to better characterize the various types of changes and pressures being experienced in diverse neighborhoods across the Bay Area.

The San Francisco Bay Area

The 9-county Bay Area is one of the most expensive and challenging housing markets in the country. With over 7 million inhabitants, over a quarter of Bay Area households meet the Department of Housing and Urban Development's definition of severely housing burdened, dedicating more than 50 percent of their income to housing. Four of the ten most expensive counties in the United States are located in the San Francisco Bay Area, where minimum wage workers would need to work 4.7 full time jobs to afford a two-bedroom unit (Arnold et al. 2014). The recovery from the Great Recession, combined with a booming technology sector in Silicon Valley have resulted in rapid job growth at the top and bottom of the wage scale while the middle continues to shrink. Over a third of Bay Area workers earn less than $18 per hour, which is especially troubling in the Bay Area because of the high cost of living (Terplan et al. 2014).

The continued growth at both ends of the income range will place even more pressure on the region's housing market and transportation systems. Although planned new transit facilities will help to accommodate much of the population growth, they also present a challenge. Researchers generally agree that new transit investment will bring higher property values to the surrounding area (except in the immediate vicinity of the transit station). This could spur a process of gentrification, which will be beneficial to some – but not to those who cannot bear rent increases and are forced to leave the neighborhood.

By examining nine diverse Bay Area communities in depth, this report provides planners, advocates and city leaders with a rich understanding of how gentrification proceeds, as well as what features encourage displacement and what policies slow it.

Outline of the Report

This report proceeds as follows: In Chapter 2 we outline the methodology used for case study site selection, data analysis, and community-engaged research methods. The heart of the report is found in the individual case study chapters 3 through 11, divided into three groups according to the nature of change in each neighborhood:

Section 1: Neighborhoods Long Experiencing Pressures of Gentrification and Displacement

Chapter 3. San Francisco's greater **Chinatown** neighborhood has witnessed years of housing pressures. In part due to strong community organizing and planning restrictions, the core of Chinatown has stemmed the tide of gentrification and displacement, yet the greater area including the neighborhoods of Polk Gulch and parts of North Beach have witnessed significant change and loss of Asian households since 1980.

Chapter 4. Perhaps the icon of gentrification and displacement, **San Francisco's Mission District** has been the site of active community organizing for decades, which has perhaps maintained more affordable housing and minority-owned businesses than would otherwise be there. But the pressures that began during the dot com boom continue, as more and more industrial land shifts to high-end residential uses.

Section 2: Places Currently Undergoing Rapid Neighborhood Change

Chapter 5. Years of city planning and redevelopment around **San Jose's Diridon Station** have transformed the area into an affluent urban neighborhood, which is witnessing rapid development supported by the City's vision to create Urban Villages. Recent activism around the Station Area plan has reignited the call for affordable housing, yet it remains to be seen what funding will be available in this post-redevelopment era.

Chapter 6. The neighborhoods surrounding **North Oakland's Macarthur Bart Station** have undergone rapid demographic and physical change, associated with both its proximity to revitalizing commercial districts, affluent neighborhoods, and transit accessibility.

Chapter 7. As an immigrant gateway in the city of **Concord, the Monument Corridor** was severely impacted by the Great Recession. However, its proximity to the BART, as well as the active planning and downtown redevelopment efforts of City government, have resulted in active speculation and displacement of low income and Latino residents.

Chapter 8. In the heart of Silicon Valley, leaders of **Redwood City** are trying to redevelop the once nearly abandoned downtown to create an active job and housing center. Yet this planning and growth nearly ignores the needs of future low income workers and existing residents of surrounding neighborhoods, resulting in an acute risk of exclusionary displacement.

Section 3: Communities Vulnerable to Gentrification and Displacement

Chapter 9. The **Canal neighborhood** of San Rafael in the wealthy county of Marin continues to serve as a point of entry to immigrant communities, specifically of Latin American origin. The substantial stock of low quality multi-family housing, significant overcrowding, as well as the physical separation (i.e., highway and industrial/commercial land uses) has stabilized the neighborhood for the time being.

Chapter 10. The City of **East Palo Alto** was established on the principles of protecting housing of lower income communities of color in the affluent Silicon Valley. These principles have translated to some of the strongest tenant protections in the Bay Area, preserving the affordability of the community. Yet continued high income job growth combined with the lack of new or affordable housing in surrounding communities suggest growing pressures already felt by the community.

Chapter 11. A historically African American community, established during WW II, the unincorporated **Marin City** houses over half of its residents in subsidized housing. Despite being surrounded by affluent communities of Marin County and restricted in growth because of the County's value of preserving open space, Marin City continues to be home to low and moderate income families even after racial and demographic shifts.

Key Themes from the Nine Case Studies

Although the overall Bay Area exhibits many of the characteristics that scholars have documented in their studies of gentrification and displacement, we found wide variability in the nine case studies we explored and some contradictions of the basic underlying assumptions about these processes. Below we summarize our findings across the nine case areas, highlighting specific examples to illustrate seven key findings:

1) In contrast to how gentrification is discussed in the media and modeled in quantitative studies, it is not an endpoint that happened or didn't, but rather a complex, multi-stage process.

2) Researchers and practitioners alike often regard the relationship between gentrification and displacement as linear and sequential, yet in many of our cases we found that displacement precedes gentrification and that the two processes are often occurring simultaneously.

3) Due to data limitations, the literature on gentrification and residential displacement frequently is restricted to 4 to 13 year periods. However, the process of neighborhood change can often take much longer often preceding what is perceived to be rapid change felt in very hot real estate markets.

4) On average, roughly 15% of Americans move each year. There are many reasons for people to move and it is therefore often desirable for researchers to separate voluntary moves from involuntary moves. Yet, we found in many of our cases that such a distinction is nearly impossible to discern, making such dichotomies in quantitative research somewhat useless.

5) Due to analytical complexities, gentrification is often studied as a neighborhood phenomenon. Yet our research shows how the pressures of the housing and jobs market function at the regional scale, making an expansive lens particularly useful in understanding the processes of neighborhood change.

6) Despite continued pressures and much anxiety, many of the cases have shown remarkable stability. We explore some of the housing policy, community organizing, tenant protections and planning techniques used in the Bay Area that appear to have been somewhat successful in mitigating the pressures of gentrification and displacement.

7) The impact of public investment, particularly transit investment, on gentrification and displacement is not well understood. Although this study lacked the data on investment timing needed to ascertain the precise relationship between public improvements and neighborhood change, our research suggests that not just the investment itself, but also planning for the investment, can accelerate processes of displacement.

1. Gentrification as a process not an end-point

From the outset of this research our advisory committee, consisting of housing policy experts around the Bay Area, insisted that the ways in which gentrification has been conceptualized and modeled in the literature was wrong. "Gentrification is not an on-off switch" one of our committee members told us. Instead, they argued, it is a multi-stage process that may not be easily captured or discerned from the data. Taking this into consideration, we set out to analyze existing demographic and housing datasets. To gather initial feedback on our findings, we held a workshop with our community partners and advisory committee. Kicking off the workshop, a researcher from our team showed data for the Monument community in Concord, CA – a low income, Latino community living proximate to the train station and downtown. We showed data that demonstrated a reduction in income, educational attainment, and home sales price among other key indicators of neighborhood change. In the presentation, the researcher noted "this place shows little signs of gentrification" a statement that put many of our community partners in a state of unease. How could we discount the current housing pressures they argued? Concord was a place that was being actively primed for gentrification by the City and local property owners – therefore, they argued, we need to redefine how we see the place. What we saw as neighborhood decline they saw as an early stage of gentrification.

This view that Concord may be experiencing an early, or pre-gentrification phase, was in fact later validated by interviews with key informants. One landlord, for instance, told us that his building's proximity to the BART commuter train station was useful for "catering to the laptop crowd," that commute to work in San Francisco. He even boasted how he "got rid of... the 99% Latino" population that formerly lived in the complex, which he plans to convert into condominiums and sell once the market picks up again. Similarly, activists in the area report that following several years' worth of advocacy to improve walkability along the Monument Corridor in Concord, they are beginning to learn about active speculation and property flipping happening in the area, as property owners begin to capitalize on public improvements there.

Many of the other cases that we chose were similar to Concord in this regard. Furthermore, reorienting our understanding of gentrification as a process and not necessarily an end helped us to see places that are usually considered to be already gentrified (e.g., the Mission) as further along in the process but not necessarily at an end point as they continue to undergo a process of displacement and change.

2. Reframing the relationship between gentrification and displacement

Much of the academic literature as well as popular media frames the relationship between gentrification and displacement as a linear one: a neighborhood is disinvested and property values decline, it becomes attractive for its amenities or location, the difference between the rents property owners receive and the amount at which they can sell (e.g., the rent gap; see Smith (1987)) increases, higher income households and investors begin to value the neighborhood and start moving in and buying up property, and eventually the pre-existing community of low income households and people of color are displaced from their neighborhoods of origin. While this may certainly be the case in some neighborhoods, the linear relationship between revaluation, gentrification and displacement does not hold true for all the neighborhoods we studied, some of which instead witnessed this process in reverse.

The idea that displacement can in fact precede gentrification is not a new concept. In their seminal framing paper on displacement in 1978, Eunice and George Grier distinguish between disinvestment displacement and reinvestment displacement: "unrelated as they seem, these two conditions of displacement may be successive stages in the cycle of neighborhood change" (Grier and Grier 1978, p.3). Similarly, Peter Marcuse argued that when looking at the relationship between gentrification and displacement one must first consider the disinvestment of urban neighborhoods and subsequent displacement, which makes land ripe for investment with gentrification of "vacant" land. From this perspective gentrification can happen long after disinvestment-induced displacement (Marcuse 1986). On the other hand, investment-related displacement can also precede gentrification, a case made very clear during Urban Renewal and decades of Redevelopment.

Three of our cases that present early stages along the gentrification spectrum show signs of both disinvestment- and reinvestment-related displacement that precedes the types of demographic and physical changes characteristic of gentrification. For instance, stakeholders in the Canal area of San Rafael discussed the active disinvestment of landlords that often leads to displacement, while residents of public housing in Marin City face similar experiences, albeit from government disinvestment in public housing. In Concord, residents are witnessing both disinvestment- and reinvestment-related displacement simultaneously as discussed above, and all the communities studied are likely years away from being classified as gentrified according to their demographic characteristics. Similarly, and as will be discussed in the next section, San Jose's Diridon Station Area underwent significant redevelopment and displacement decades before the current housing boom and demographic shifts. Nearly all of our cases displayed these types of processes, and some in fact are currently experiencing the commonly recognized gentrification-induced displacement. Therefore, these processes are neither linear nor mutually exclusive, and it therefore takes a reframing to be able to capture the full scale of the processes.

3. Extending the time horizon of neighborhood change

Often popular media and residents describe gentrification as change occurring at a rapid rate – property values rising, people selling homes, and longtime residents moving out can feel like it's happening overnight. Yet, the neighborhood change narratives told by our

CBO partners and stakeholders often extended back decades, frequently referencing the historic actions of Cities and their Redevelopment agencies that displaced vibrant, albeit low-income, communities as well as the active disinvestment of the private sector.

One example of this can be seen in our case study of the Diridon Station area in San Jose. When we began the study, people looked dubious when we mentioned displacement in the area. People argued that few people actually lived in the vicinity of the station. This is certainly true when looking at the recent past. However, when extending our analysis to a thirty year timeframe, we saw in the data and archival analysis that considerable displacement preceded the current renaissance of the area. A pattern familiar to the model of Urban Renewal, in the 1980's the Redevelopment Agency made almost $2 billion in public investments, and devoted "nearly all its money and power," to an attempted revitalization of its downtown and surrounding areas (Terplan 2013). Redevelopment projects included construction of a convention center, a luxury hotel, expansion and construction of multiple museums, renovation and construction of parks and plazas, over 500 units of market rate and moderate income housing, and 1.2 million feet of new office space (Kutzman & Farragher, 1988) alongside the razing of a low-income Latino residential neighborhood totaling about 12 square blocks. The analysis of Census data also revealed the significant drop in population between 1980 and 1990 and the loss of approximately half of its housing units.

Ask any planner, developer or community activist and they will tell you that neighborhood change is a slow process that can take decades. Despite extensive recognition by practitioners and scholars alike, most research on gentrification and displacement to date has quantified it as change over a 10 year period or less, which may therefore significantly underestimate the magnitude of the problem. Peter Marcuse (1986) warned against such limited analysis that would underestimate the total number of displaced households when scholars ignore what he refers to as "chains" or cycles of displacement. These findings indicate a need to pay specific attention to the timing of public and private investments and disinvestments and the impact they have on communities over longer periods of time.

4. The false dichotomy of voluntary and involuntary displacement

Another key feature of contemporary studies of displacement and neighborhood mobility is the categorization of household moves as voluntary or involuntary. To many scholars (Freeman 2005; Ellen and O'Regan 2011), only involuntary moves can qualify as displacement (e.g., evictions). Furthermore, the voluntary nature of people's moves frequently enters into political debates about neighborhood change. In the Bay Area, scholars, activists, planners and many others debate these issues around the loss of low income and African American households from San Francisco and the simultaneous rise in the eastern cities in Contra Costa County like Antioch and Pittsburg, CA (Schafran and Wegmann 2012). Despite the obvious links and accounts of families moving east, many have argued that such moves are likely voluntary, resulting from a family's desires to move to the suburbs.

These issues have frequently emerged in our cases, especially when analyzing the loss of African American households. Our CBO partners, from diverse communities such as the public housing and entry homes of Marin City to the working class suburb of East Palo Alto, to the flatlands of Oakland, describe the loss of housing due to foreclosure or the simple inability to find nearby housing when normal life events lead to a move (e.g., having children). Communities in the South Bay, for instance, have shown that there is virtually no affordable housing in their communities, forcing residents to far out suburbs or to leave the Bay Area entirely. Despite what seems like a voluntary move perhaps because of childbirth or a desire for home ownership, many would argue that such decisions to leave their communities are anything but voluntary.
Again, we can hear the chiding from the early framers of displacement Eunice and George Grier (1978) who, despite using the term "forced" displacement, were careful not to equate it with involuntary. In fact, they conclude that:

> "For most residents to move under such conditions is about as 'voluntary' as is swerving one's car to avoid an accident. By the time the landlord issues notices of eviction, or the code inspector posts the structure as uninhabitable, few occupants may be left. Therefore we cannot define displacement simply in terms of legal or administrative actions – or even draw a clear-cut line between 'voluntary' and 'involuntary' movement." (p.3)

Similarly, in another early study of displacement, Newman and Owen (1982) argue that "low-income households who experience extremely large rent increases may technically 'choose' to move, but the likelihood that they had any real alternative is very small" (p.137). Perhaps above all, a household's motivation for moving is rarely known, making it particularly difficult to analyze. Although the National Housing Survey asking people's reasons for moving, the motivation is rarely known and can in fact be masked. For instance, in the case of the Mission we learned about the proliferation of tenant buy-outs that may seem voluntary on the books as tenants may be "choosing" to accept cash to move. However, the amount of actual choice in such decisions is up for debate. Furthermore, documenting the scale of this phenomenon is unknown. Although San Francisco has recently begun requiring landlords to register buyout negotiations with the City, experts believe what has been registered thus far to be significantly lower than actual buyouts. Furthermore, argues Sara Shortt of the Housing Rights Committee, "Too often tenants don't see [buyouts] as a choice or even a negotiated process" (Sabatini 2015).

From these cases we learned that although the distinction between voluntary and involuntary moves is conceptually sound, it is nearly impossible to analyze quantitatively and at scale. Some scholars have therefore eliminated the dichotomization of voluntary and involuntary displacement from their studies, either due to data limitations (McKinnish et al. 2010) or ideological disagreement (Atkinson et al. 2011), and have characterized displacement as the loss of any vulnerable populations including low income households, renters, and people of color among others. We employ a similar approach in the case studies presented in this report.

5. The value of the regional lens on housing markets and neighborhood change

From our complementary regional analysis of gentrification and displacement (Zuk 2015), we found that over half of Bay Area tracts are neither currently experiencing displacement nor are they at any significant risk of doing so in the near future. Yet, the prevailing narrative in strong market regions is that large swaths of their center cities are "at risk" for gentrification. Is it only a matter of time before the others "switch on"? Or is the dominant narrative being driven by extreme cases (e.g., the Mission)?

Although our regional analysis attempts to identify characteristics that had in previous years led to gentrification and displacement, for instance, proximity to a transit stations and jobs, rising housing prices and pre-war housing stock, among other factors, this kind of analysis will inevitably fail to capture the range of factors and events that can set the stage for gentrification and displacement in future decades. For instance, in the Concord case, as well as in many other neighborhoods across the country, planning and revitalization efforts have unfurled processes of housing speculation. But it may take years or decades for the switch to turn "on." Likewise, the rent gap is frequently a precursor of gentrification (Smith 1987). But homeowners and landlords do not respond overnight to the gap; their inclination to realize the gain will depend on their use value for the housing unit, among other factors.

The larger economic and regulatory environment is also a factor. For example, in San Francisco, the changing regional economy (from manufacturing to high-tech) combined with a loop-hole in the zoning code allowed light industrial buildings to be converted to "live-work" units without having to change zoning classifications, allowing conversions to proceed at a much faster clip, and accelerating gentrification.

Another underappreciated factor in neighborhood change is the issue of demographic succession. The aging of a generation, or the dying out of the first generation of an immigrant group, may set the stage for neighborhood transformation. But whether the generation chooses to remain in the neighborhood depends on a variety of factors not captured in secondary data, such as group affinity. These issues have emerged consistently in our cases, especially in places like Marin City and East Palo Alto, where community groups struggle to understand why the children of civil rights activists sell their parents homes. Finally, analysis at the tract level may be deceptive, since changes are often occurring at the micro-scale. For instance, some of the stable or at risk tracts we identify in our regional analysis may have had housing price appreciation on certain blocks and decline on others, what Wyly and Hammel (1999) memorably call "islands of decay in seas of renewal." We found as much in our ground-truthing exercise, where adjacent blocks often appeared to be at very different levels of investment.

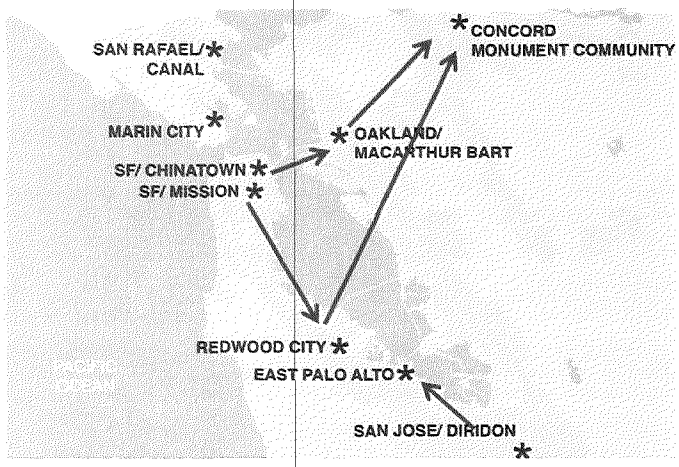

Figure 1.1: From neighborhood to regional trajectories of displacement

Using the regional lens on neighborhood change, rather than simply focusing on strong markets, allows us to understand the variety of types. Gentrifying tracts are likely just the tip of the iceberg, and our current methods of secondary data collection and analysis may not be up to the task of describing the rest of the iceberg.

Finally, intra-regional mobility means that no community's housing or jobs market is acting in isolation. As described above, developers in Concord are reacting to changes in the San Francisco housing market and the Silicon Valley jobs market when they make long-term plans for redevelopment. The renters evicted or excluded from San Francisco put new pressures on communities like East Palo Alto, where families are doubling up. As housing conditions worsen on the periphery, the prospects of realizing profit from the rent gap improve. Thus the regional process of displacement makes it clear that reinvestment in one place works hand in hand with disinvestment in another. The regional lens helps us understand displacement as a dynamic and long-term process, rather than a singular event.

6. What mitigates the negative impacts of gentrification?

When looking across the nine case studies, we can begin to understand the variable scale of the displacement process and investigate what may be attenuating it in some places in comparison to others. Using the place categories presented above we roughly group our nine neighborhood case studies into 3 groups: 1) places that have been undergoing pressures of gentrification and displacement for many years and have potentially limited the magnitude due to years of strong community organizing, tenant protections and/or zoning restrictions (e.g., Chinatown and Mission); 2) places that are undergoing active redevelopment and/or speculation (e.g., Diridon, Redwood City, Macarthur, and Monument); and 3) places that have anticipated gentrification and displacement for a while due to their close proximity (and even enclosure by) affluent neighborhoods, but may not yet be experiencing it because of weaker housing markets or a large supply of public housing (e.g., East Palo Alto, the Canal and Marin City).

In general, we identify the following 5 factors as potentially attenuating the scale of displacement: 1) weak housing markets, 2) large and stable subsidized housing stock, 3) strong community organizing, 4) tenant protections, and 5) restrictive zoning.

Slower/weaker markets

A number of the cases we analyzed that may be characterized as being at very early stages of gentrification, showed little to no signs of such when looking at the numbers. Yet, when we spoke to stakeholders, we heard about their anxiety about housing pressures from surrounding affluent communities and some evidence of budding speculation. Especially when considering the time frame of our analysis, which encompasses the Great Recession, these are places that were struck by the foreclosure crisis, are slower to recover, and in general have weaker housing markets. From 2000 to 2013, for instance, the Canal neighborhood of San Rafael, where residential sales values actually declined by 30%, lost only 17% of its market rate housing units that were affordable to low income households, although it started off with very few. In contrast, the Macarthur Station Area of Oakland, which saw a 70% increase in sales values during the same time period, lost nearly 70% of its market rate affordable housing stock, or nearly 500 units. These differences may be due to the quality of the housing stock, proximity to undesirable land uses, or perhaps the overwhelming housing demand from low-income immigrants that flood the market and double up in homes. Nevertheless, the proximity to more affluent neighborhoods as well as jobs and other amenities heighten the risk in these communities leading to ongoing community anxiety over the prospects of gentrification and displacement.

Large and stable subsidized housing stock

Certainly the prevalence of income-restricted housing in a neighborhood guarantees the stability of low income populations, at least for the duration of the deed. This guarantee has been especially important for stabilizing the large proportion of low income households in Marin City, and even the number of households in the Mission which would have declined even more precipitously if it weren't for the doubling of the subsidized housing stock from 2000 to 2014 (excluding units that used only local sources of funding). Neighborhoods with few subsidized housing units (e.g., Macarthur Bart where only 7% of the housing stock is subsidized), saw a steeper decline in the number of low income households from 2000 to 2013, when it lost 523 low income households.

Tenant protections

Often the neighborhoods that have strong tenant protections (e.g., strong rent control and just cause evictions ordinances) are the same ones that are experiencing the largest gentrification and displacement pressures (e.g., the Mission). Tenant protections often arise out of community activism to dampen housing pressures in strong market communities. These pressures can often mask the benefits of strong tenant protections, yet the displacement effects would have likely been magnitudes larger without such protections.

Strong community organizing

No case with strong neighborhood protections existed in the absence of strong community organizing. In the case of East Palo Alto, the city was established by housing and social justice advocates that sought to ensure the stability of their communities in the long term. Similarly, Chinatown and the Mission have a long history of community organizing, which has led to both the production of subsidized units as well as other protections. The places that lacked such policies were also places where community organizations were notably absent (e.g., Redwood City and Concord).

Planning strategies

Finally, zoning and other planning strategies appear to have been the saving grace for neighborhoods like San Francisco's Chinatown. Certain height and use restrictions have made it virtually impossible to tear down existing single room occupancy and other low income units. Similarly, residential uses have been protected by limiting office conversions and buildings. The effects are clearly evident when comparing the loss of low income households in Chinatown Core and neighboring Polk Gulch. Whereas Polk Gulch lost 571 (14%) low income households between 2000 and 2013, Chinatown Core lost only 80 households (5%). In other places, such as the Mission, planning responses are being sought to correct previous actions that had negative consequences, such as the live-work ordinance.

7. How does public investment, particularly transit investment, shape gentrification and displacement?

Public investment, from infrastructure investment like bike lanes and landscaping, to fixed rail transit systems, can accelerate processes of displacement. As investment is planned, the very anticipation of change can lead to either disinvestment or investment, both of which can result in displacement. The implementation of the improvement is associated with property price increases (as shown by the hedonic price literature).

This study measured transit investment through proxies such as location relative to a rail transit station and use of transit in the commute to work. Lack of fine-grained data on the location and timing of other public infrastructure improvements made it impossible for this study to evaluate the effect of investment more broadly. However, we found a significant positive relationship between transit investment, gentrification, and displacement, although sometimes the time lag between rail investment and gentrification has been significant (e.g., Diridon, Macarthur, Mission, etc.).
The planning and implementation of transit improvements also shapes displacement in less tangible ways. As investment is planned – yet not funded in current budgets – a climate of uncertainty takes hold. Anticipating future changes, such as the arrival of the SMART train in San Rafael, residents may feel they have to move – yet, as noted above, this may not be a real choice.

In practice, there is a general expectation that public intervention, whether in the form of investment or policy changes like rezoning, will trigger a positive process of neighborhood transformation, often leading to gentrification and subsequent displacement. On average, redevelopment projects or highway improvements or new transit stations do generate increases

in local property values. But individual responses may vary. In our Bay Area cases, improved transit access in the form of BART meant one thing in the Mission, but another in Concord. Rezoning of the San Francisco downtown has put tremendous pressure on rents in Greater Chinatown, but rezoning of Uptown Oakland is not what is transforming Temescal.

Finally, the existence of transit investment creates the possibility of mitigating displacement. As improvements are planned, it is possible to create more subsidized housing and change local zoning to protect existing affordability. Awareness of the upcoming improvements can also help to spur community organizing.

Concluding Thoughts

The San Francisco Bay Area is undergoing rapid socio-spatial transformations that provide rich material for better understanding and modeling gentrification and displacement. In this report we show the invaluable insights that community-engaged research can provide and specifically highlight the need to more accurately define gentrification and displacement as a long term regional process that involves both investment and disinvestment.

The San Francisco region experiences demand for its housing from around the world, not just from in-migrants but also investors seeking to profit from the market's strength. Yet, these nine case studies illustrate the diversity of sub-regional housing markets, with lessons applicable to metropolitan areas around the U.S. The islands of affordability such as East Palo Alto and Marin City behave essentially as weak housing markets, characterized more by poor housing conditions than high rents. But housing dynamics in these neighborhoods unfold in relation to the ongoing competition for housing in the Bay Area's inner core. This study thus underscores the importance of using the region as the unit of analysis when examining gentrification and displacement.

Case Study Methods

This research builds on the methodologies utilized in past studies of neighborhood change, gentrification and displacement (Ellen and O'Regan 2011; Freeman and Braconi 2004; Newman and Wyly 2006; McKinnish, et al. 2010) by adding a layer of data validation and analysis through community-engaged participatory research.

Given the fact that community groups are often at odds with the results of academic, quantitative research on gentrification, these case studies sought to bridge the chasm through the validation and enrichment of our data analysis through community-engaged research. The community-engaged and ground-truthing components of this research were accomplished through two main venues: case studies and the validation of parcel and census data through field observations.

To select case study neighborhoods that were both geographically representative of the region and capture the myriad housing pressures felt by low income communities, a screening analysis was done to identify Census tracts that had recently undergone neighborhood change and would be classified as having undergone gentrification from 2000 to 2010 using the definition of gentrification put forth by Freeman (2005), modified slightly for the Bay Area:

-Housing price appreciation above the regional median
-Increase in educational attainment above the regional median
-Household income at or below the 40th percentile of regional household income (roughly 80% of median income, a standard definition of low-income) in the starting year (as the process begins).

Given the wide variability between counties in the Bay Area, with extreme wealth in the south bay counties (San Mateo, Santa Clara) and poverty in some north and east bay counties (Solano, Sonoma, Alameda) we chose to compare each tract to its respective county average, to reflect regional variability and change.

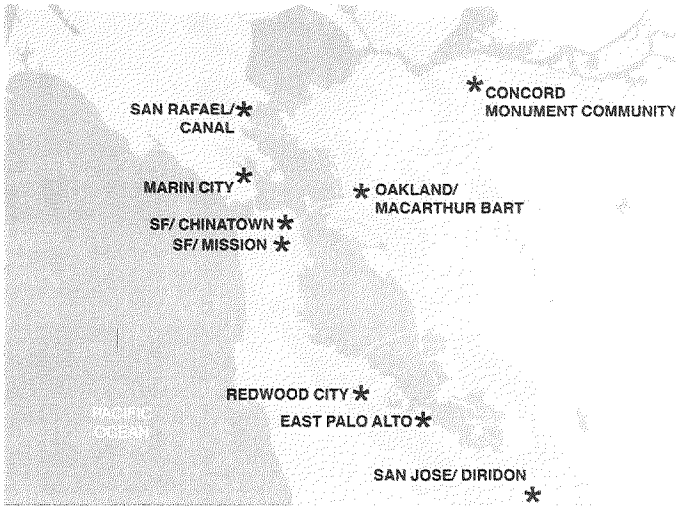

Figure 2.1: Case Study Communities

Additional preference was given to communities that were proximate to rail transit and were designated as Priority Development Area during the last regional planning process. A panel of regional stakeholders that were participating in the region's HUD Sustainable Communities Initiative analyzed the results and selected a final set of 9 neighborhoods around the Bay Area (Figure 2.1).

We used mixed methods to study demographic and housing changes in case study neighborhoods. We first analyzed indicators from the US Census and American Community Survey that are associated with processes of gentrification and residential displacement, and/or thought to influence susceptibility to such processes (Chapple 2009) from 1980 to 2010. Because of the changes in Census tract boundaries between decades, we used the Geolytics Neighborhood Change Database, which normalized historic Census data to 2010 Census Tracts, allowing for standardized comparisons across decades (Geolytics 2014). Data regarding real estate sales trends were obtained through Dataquick, Inc. In addition, qualitative data from stakeholder interviews and archival research were collected to provide richer neighborhood descriptions and a more in-depth understanding of how and why neighborhoods change.

Community Engagement

To engage community-based organizations (CBOs) in the case studies, request for proposals were released and 7 CBOs were selected to participate in the research, which was funded by the Regional Prosperity Plan of the Metropolitan Transportation Commission.

CBOs were engaged in three stages of the analysis: scoping, research validation/feedback, and ground-truthing of secondary datasets. Researchers met with CBO partners to scope the case studies by jointly selecting the neighborhood boundaries (based on Census tracts), discussing the most important indicators for each community, and identifying potential stakeholders to interview and important documents to review. Simultaneous to our research, CBO partners prepared narratives on how they perceived their neighborhood changed. Following preliminary analysis, two workshops were held in which the researchers presented preliminary analyses and CBOs presented their narratives. Rich discussion and feedback ensued. A second set of CBO analysis and feedback occurred after preliminary drafts of the cases were prepared.

Ground-truthing

In order to ground-truth the secondary datasets (Census and real estate data), a visual analysis tool was developed adapting similar methodologies used to observe gentrification and neighborhood change in Chicago (Hwang and Sampson 2014; see appendix for the observation tool developed for this study). We conducted an initial screening analysis of block-level Census and Assessor data to identify blocks that have recently undergone change in each case study area. Criteria used to select blocks included higher than average percentage change in tenure (from owner-occupancy to renter-occupancy or vice versa), percentage of white residents, and percentage of parcels sold since 2012. Upon initial screening, CBO partners were engaged to select the most important blocks to analyze from the screened list.

Researchers and community partners visited the selected blocks and recorded a set of indicators for each parcel on the block. These indicators include the primary land use, building type (multi-family, single-family, business, etc.), the number of units it appears to

Table 2.1: CBO Partner Organizations

Case Study Neighborhood	CBO Partner Organization
Chinatown, San Francisco	Chinatown Community Development Center
The Mission, San Francisco	People Organizing to Demand Environmental & Economic Rights (PODER)
Diridon Station Area, San Jose	Working Partnerships USA
Macarthur Bart Station Area, Oakland	Causa Justa :: Just Cause
The Monument Corridor, Concord	Monument Impact
Redwood City	San Francisco Organizing Project / Peninsula Interfaith Action
The Canal, San Rafael	Marin Grassroots
East Palo Alto	San Francisco Organizing Project / Peninsula Interfaith Action
Marin City	Marin Grassroots

Table 2.2: Selected Census Tracts

Case Study Neighborhood	Census Tracts Included in the Study
Chinatown, San Francisco	Chinatown Core: 113, 118 Polk Gulch: 109, 110, and 111 Chinatwon North: 106, 107 and 108
The Mission, San Francisco	177, 201, 202, 207, 208, 209, 210, 228.01, 228.03, 229.01, and 229.02
Diridon Station Area, San Jose	5003, 5008 and 5019
Macarthur Bart Station Area, Oakland	Temescal: 4011 Temescal-Broadway: 4012 Longfellow: 4010 Hoover-Foster: 4014 Koreatown-Northgate: 4013
The Monument Corridor, Concord	3361.01, 3361.02, 3362.01, 3362.02, and 3280
Redwood City	6100, 6101, 6102.1, 6102.2, 6102.3, 6105, 6107, and 6109
The Canal, San Rafael	1122.01 and 1122.02
East Palo Alto	6118, 6119, 6120, and 6121
Marin City	1290

hold, and indicators of recent investment such as permanent blinds and updated paint. Researchers also looked for signs of concern over safety, such as security alarm signage or barred windows, as well as signs of disinvestment, such as litter or debris, boarded windows, or peeling paint.

Finally, data collected from the observation tool was compared to Tax Assessor and Census data. The results of the ground-truthing exercise for each case study is included in the Appendix. Additionally, observations from community members encountered during the ground-truthing and CBO partners further enriched the analysis and validating of data and case study conclusions.

Final Review

Upon incorporating the results from the various stages of analysis, the final case study report was submitted to CBO partners. Researchers collected and incorporated feedback on the general tone of the report as well as specific points.

chinatown

Chapter 3: Community Organizing amidst Change in SF's Chinatown

Introduction

As one of the oldest ethnic enclaves in the US, San Francisco's Chinatown has been a major immigrant gateway as well as a cultural, economic and residential hub for the Bay Area's Chinese American and Asian American communities for over 150 years. Since establishment in 1848, it has experienced constant transformation as nexus of complex transnational sociopolitical forces—from immigration laws and trends to global movements of capital—that have evolved alongside Chinese American identity in the San Francisco Bay Area (Tan 2008; Li 2011).

Chinatown's current location (Figure 3.1) was established after the original neighborhood was destroyed in the 1906 earthquake and fire that razed over 80 percent of San Francisco. To this day, the official Chinatown neighborhood remains a relatively small land area of approximately 30 city blocks. With the rapid growth of the Chinese American population beginning in the 1960s, neighborhoods adjacent to the core area became home to many Chinese American families, and businesses and institutions serving the Chinese American community likewise began establishing themselves beyond the boundaries of Chinatown.

With this expansion, Chinatown has deeply influenced the evolution of these neighboring areas, which include portions of the historically affluent neighborhoods of Russian Hill, Nob Hill and Polk Gulch, as well as tourist hotspots like North Beach, which is known as San Francisco's Little Italy. For the purposes of this case study, we use the term "Polk Gulch" to refer to the western portion of Greater Chinatown, which includes sections of Nob Hill and Russian Hill between Van Ness Avenue and Leavenworth Street. We also use the term "Chinatown North" to refer to the areas directly North and Northwest of the official Chinatown boundaries, including portions of North Beach and Polk Gulch. The area officially

recognized as Chinatown is referred to as "Chinatown Core" in this case study. Though each of these areas has maintained their own distinct character and identity, each of their individual neighborhood changes have been deeply informed by development and market pressures in the others. As we analyze this intricate relationship between the Chinatown core and peripheral communities throughout this case study, we examine this entire geography as "Greater Chinatown." [3]

Historically, tensions between Greater Chinatown's core and periphery have manifested through competing demands on the City's limited housing stock – in particular, the vast need for affordable housing for low-income residents in Chinatown and the ever-increasing desirability of San Francisco real estate. The following case study explores the roots and impacts of this dynamic, seeking to elucidate possible implications for future neighborhood change and residential displacement throughout the different communities within Greater Chinatown.

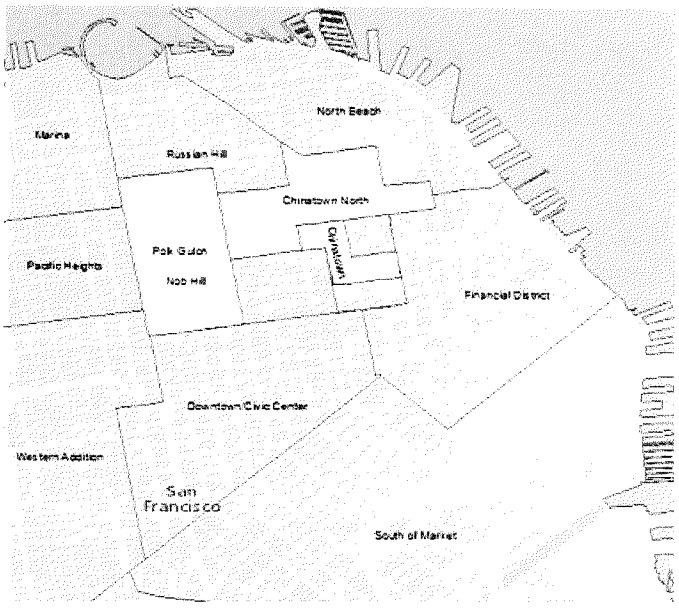

Figure 3.1: Greater Chinatown Boundaries

[3] Greater Chinatown is a term that we use specifically to refer to the case study area. It should be noted that this is term is not colloquial. Though neighborhood boundaries and names are varied and contested, San Francisco residents generally use neighborhood names of Nob Hill, Polk Gulch and North Beach to refer to the geographies that we include in the term Greater Chinatown.

Overview and Historical Context

Since the 1960s, Greater Chinatown's population has included a large percentage of foreign-born, low-income Chinese American and Asian American families. Elderly residents have also consistently made up a significant share of the population; between 2009 and 2013, approximately 17 percent of Greater Chinatown's residents were age 65 and over (US Census Bureau).[4] While the Asian population's overall number has decreased over time, its influence remains present to varying degrees within all three neighborhoods. In 2009-2013, 55 percent of households within Greater Chinatown were Asian (Geolytics 2014).

Greater Chinatown is situated at the center of San Francisco's booming real estate market, with close proximity to the Financial District, Downtown, and affluent neighborhoods such as Russian Hill. Due to its prime location, it has consistently endured pressures of development and speculation that have transformed surrounding areas and much of San Francisco. Differing land use regulations between Chinatown Core and the rest of Greater Chinatown have led to varied patterns of neighborhood change throughout the area. While the Chinatown Core community has largely resisted displacement and gentrification, increasing market pressure and ongoing neighborhood improvements, such as the construction of the Chinatown Central Subway Station that is scheduled to open in 2016, may profoundly impact the area's affordability and further shift its demographics.

Chinatown's History

The area's built form is rooted in the early history of discriminatory policies directed at Chinese immigrants in the late 1800s, including the 1882 Federal Chinese Exclusion Act, which prohibited further migration of individuals from China until it was repealed in 1943 (Yip 1985). With this institutionalized halt in migration for nearly an entire century, Chinatown's built environment did not evolve from the influence of its earliest cohort of settlers, who were predominantly male contract laborers from Chinese provinces near Pearl River Delta. These men arrived in California in search of wealth during the Gold Rush and later also took on jobs in the railroad industry (Yip 1985). Few arrived with the intention of permanent settlement; rather, San Francisco, "was merely the point of arrival" (Yip 1985). Instead of a residential community, Chinatown initially functioned as a "provision station" for Chinese workers (Li 2011).

Within this context, much of Chinatown's housing was built as single room occupancy (SRO) residential hotels or small rooms in commercial structures or community spaces. Chinese immigrants, who were barred from property ownership, were subjected to discriminatory housing practices by absentee landlords seeking to maximize profits. Housing was thus poorly maintained and often overcrowded (Yip 1985).

After the US Civil War, anti-Chinese sentiment driven in part by labor disputes led to thousands of Chinese immigrants relocating to Chinatown for protection from racialized violence, which resulted in the neighborhood transforming into a permanent residential community (Li 2011). The Chinese community's spatial segregation and social isolation contributed to the development of "an impenetrable social, political, and economic wall" between Chinatown and the rest of San Francisco (Wang 2007). While the neighborhood's insularity allowed for the formation of strong social networks and a self-sufficient system of community institutions, small businesses and cultural activity (Yip 1985), it also reinforced a language barrier that still presents a challenge for socio-economic integration and contributes to persistently high poverty and unemployment rates (Wang 2007).

When Chinatown was rebuilt after the 1906 earthquake, Chinese immigrants were able to lease land from white landowners, who dictated the parameters of building design and construction (Asian Neighborhood Design 2008). With the goal of attracting tourists and outsiders, new Chinatown buildings were deliberately designed by white architects using elements intended to signify the community's heritage, with the hope that Chinatown would generate increased revenue for the City through commercial activity (Li 2011). During this period, much of the housing was reconstructed as SROs, which were considered economically efficient

In the 1960s, the liberalization of US immigration policy led to a population boom and subsequent shortage of affordable housing. Chinatown quickly became one of the densest neighborhoods in the country, with an overwhelming majority low-income renter population.

[4] This percentage of residents age 65 and over is a bit higher than in San Francisco as a whole, where 14.2 percent of residents were age 65 and over between 2009 and 2013 (US Census Bureau).

SROs and other small residential units were often overcrowded, in poor condition, and yet still expensive for very low-income residents (Tan 2008).

The influence of Chinatown Core on portions of North Beach (Chinatown North), Nob Hill, and Russian Hill (Polk Gulch) manifested between 1970 and 1990, when the Chinese American populations, mostly made up of families with US-born children, in these areas grew as previous immigrant communities moved out (Fujioka 2014). The incremental dispersal of the Chinese community during this period was informed by social changes brought about through the Civil Rights Movement, which facilitated challenges to norms of racial segregation (Li 2011). By 1990, the large proportions of Asian households in Chinatown North and Polk Gulch—73 and 49 percent, respectively—signified the establishment of the areas' connection to the Core Chinatown community.

Today, Greater Chinatown is still primarily renter-occupied, though the share of owner-occupied housing units has grown in recent years. With an estimated residential density of 85,000 people per square mile in the Chinatown Core (Tan 2008), overcrowding and housing affordability remain pressing issues for the community. Although most of Greater Chinatown has maintained its relative affordability in relation to the rest of San Francisco, the dramatic rise in real estate values and the cost of living in surrounding neighborhoods has driven increasing "rent gaps," or disparities between what existing residents pay and the amount landlords could charge in the current market (Smith 1979). This has spurred a resurgence of concern over possible residential displacement. This case study seeks to address these concerns by deconstructing the unique forces that have allowed the neighborhood to remain affordable and analyzing the implications that these factors may have for potential displacement and gentrification.

The Changing Chinatown Community

Chinatown residents make up approximately 4 percent of the San Francisco population. Though its density remains incredibly high, Chinatown's population decreased slightly since 1980, in contrast to a 21 percent increase in the overall San Francisco population (Table 3.1). This can be explained by the growing densification of other San Francisco neighborhoods, while by the 1990s, parts of Greater Chinatown were largely built out, with high rates of overcrowding.

However, as shown in Table 3.2, the population decline was not distributed evenly throughout Greater Chinatown. While Chinatown North experienced a population decline of 8 percent, Polk Gulch and Chinatown Core's populations increased by 4 and 12 percent, respectively, between 1980 and 2009-2013.

This discrepancy exemplifies a broader difference in degrees and types of neighborhood change between Chinatown North, Polk Gulch and the Chinatown Core, which will be explored further throughout this case study.

Greater Chinatown's general population decline coincides with a drop in its average household size between 1980 and 2009-2013, which fell across all three neighborhood areas, as shown in Table 3.3. In contrast, San Francisco's average household size increased nominally.

Table 3.1: Total Population in Greater Chinatown and San Francisco, 1980-2013

Year	Chinatown	San Francisco
1980	34,607	677,678
1990	35,938	723,959
2000	34,891	776,733
2009-2013	34,557	817,501
% Change, 1980 to 2009-2013	-0.1%	21%

Source: US Census 1980, 1990, 2000. (Geolytics, 2014). 2009-2013 American Community Survey 5-Year Estimates.

Table 3.2: Population Change in Chinatown by Area, 1980 to 2009-2013

Area	1980	2009-2013	% Change, 1980 to 2009-2013
Chinatown Core	4,464	5,012	12%
Chinatown North	15,315	14,067	-8%
Polk Gulch	14,830	15,478	4%
Greater Chinatown	35938	33018	-4%

Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey 5-Year Estimates.

Table 3.3: Average Household Size in Greater Chinatown and San Francisco, 1980 to 2009-2013

Year	Chinatown	San Francisco
1980	2.22	2.27
1990	2.30	2.37
2000	1.97	2.36
2009-2013	2.03	2.31
% Change, 1980 to 2009-2013	-9%	1.8%

Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey 5-Year Estimates.

This trend also correlates with the slight growth in the share of non-family households in Greater Chinatown. Between 2009 and 2013, 61 percent of the neighborhood's 17,457 households were non-family households, up from 59 percent in 1980.

Greater Chinatown also saw a drop in the share of overcrowded households between 2000 and 2009-2013, as shown in Figure 3.3. Despite this decrease, its rate of overcrowding in 2009-2013—defined as more than one person per room—was still over twice that of San Francisco, which had 3 percent overcrowded and 3.3% extremely overcrowded units.

Combined declines in family households, average household size and overcrowding are often associated with the process of gentrification, and changes in Chinatown's racial/ethnic composition, further reinforce that possibility. Between 1990 and 2013 , the share of Asian households in the neighborhood decreased by 11 percentage points, corresponding with a growth of 5 percentage points in the share of white households. The largest change, however, occurred between 1990 and 2000.

Though the concentration of Asian residents between Chinatown North, Polk Gulch and Chinatown Core varied greatly during the baseline year of 1980, all three areas reflected a broader trend of a declining share of Asian households in the following decades. By 2010, the share of Asian households dropped by 10 percent in both Chinatown North and Polk Gulch, alongside a 7 and 6 percent increase, respectively, in the share of the white households. Chinatown Core showed a much slower rate of decline in the share of Asian households; by 2010 it fell by only 5 percentage points to 83 percent. Figures 3.5 and 3.6 depict these varying rates of change in concentration of Asian households across Greater Chinatown's census tracts.

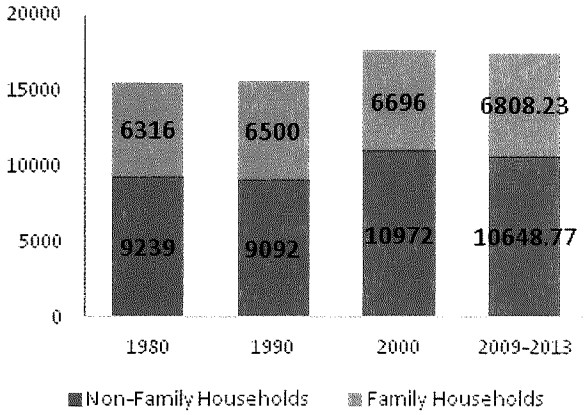

Figure 3.2: Households in Greater Chinatown, 1980 to 2009-2013

Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey 5-Year Estimates.

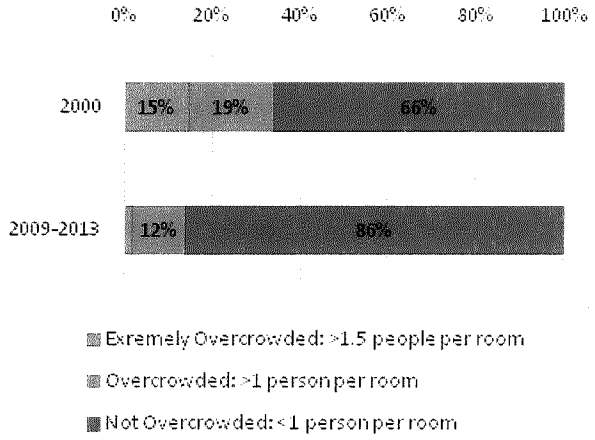

Figure 3.3: Overcrowded Households in Greater Chinatown, 1980 to 2009-2013

Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey 5-Year Estimates.

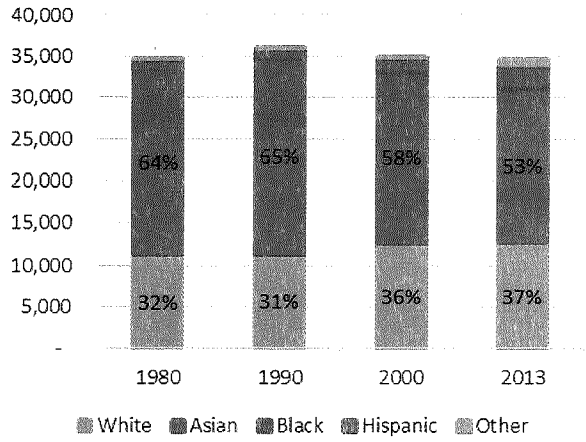

Figure 3.4: Racial/Ethnic Composition of Greater Chinatown Households, 1980-2013

Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey 5-Year Estimates.

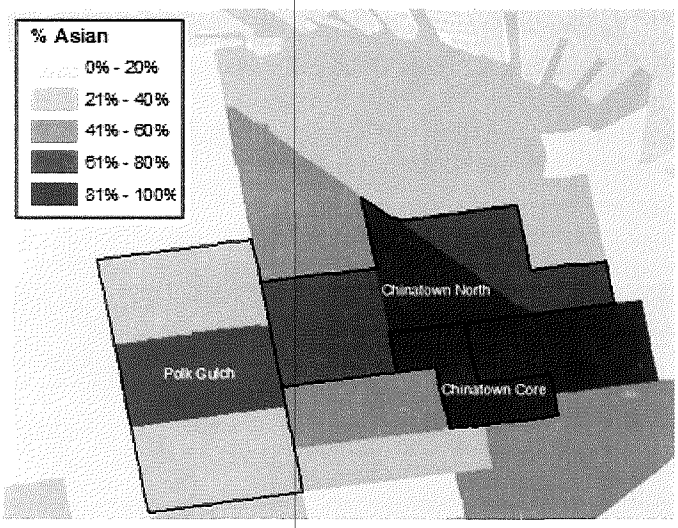

Figure 3.5: Asian Households as a Percentage of all Households in Greater Chinatown by Census Tract, 1980.

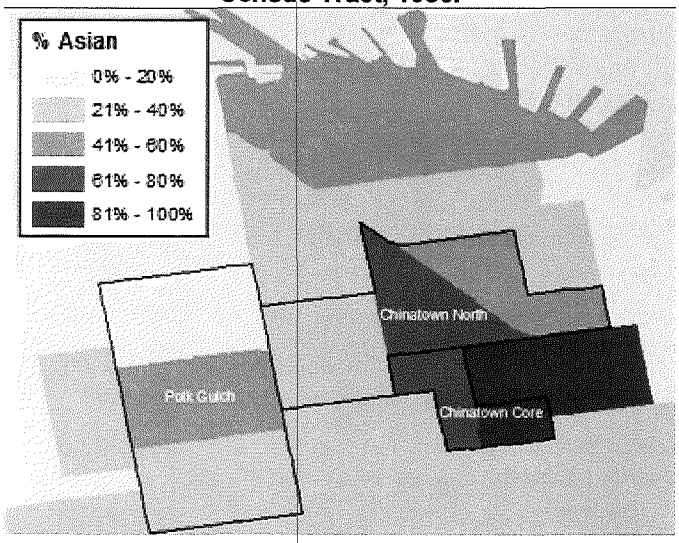

Figure 3.6: Asian Households as a Percentage of all Households in Greater Chinatown by Census Tract, 2010.

Source: US Census 1980, 2010 (Geolytics, 2014).

Educational attainment among Chinatown residents also increased as the share of white households increased, as shown in Figure 3.7
. By 2013, 48 percent of the population 25 and older had a college degree or higher. Polk Gulch is driving this figure; there, the same figure was 61 percent, compared to 21% in Chinatown Core.

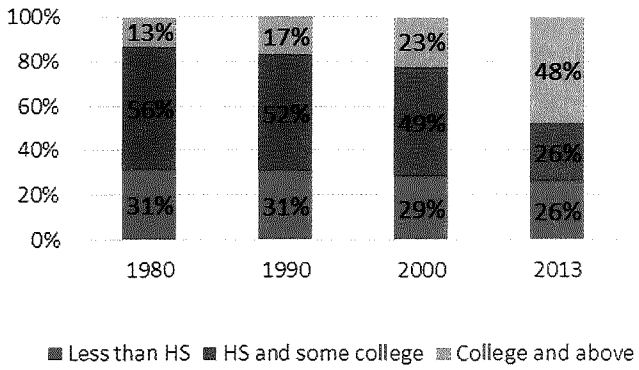

Figure 3.7: Educational Attainment in Greater Chinatown, 1980 to 2009-2013

Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey 5-Year Estimates.

Since the increase in educational attainment was concurrent with significant shifts in the population's racial/ethnic composition, this increase may signify new residents moving in, rather than existing residents achieving higher levels of education.

Data also show another key difference among the areas regarding the change in proportion of foreign-born residents. Between 1980 and 2013, the percentage of foreign-born individuals decreased by over 10 percentage points in Chinatown North and Polk Gulch. Meanwhile, the same figure decreased by only 4 percentage points in Chinatown Core. This suggests that the Chinatown Core has served as the primary immigrant gateway in Chinatown as the other two areas have become less accessible to first generation immigrant households.

This shift is likely attributable to changes in rental prices, which have deviated significantly by area. Figure 3.8 shows that in contrast to other areas and San Francisco overall, median rent in the Chinatown Core has remained exceptionally stable since 1980. This is primarily due to the large number of subsidized and rent-controlled units in Chinatown Core. By 2013, median rent in Chinatown North and Polk Gulch had approximately doubled the median cost of rent in the Chinatown Core.

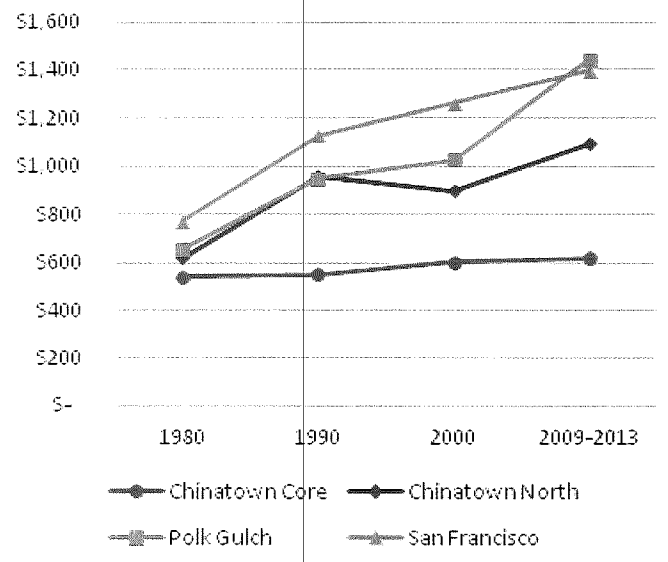

Figure 3.8: Median Rent in Chinatown and San Francisco (in 2010 dollars), 1980 to 2009-2013.
Source: US Census 1980, 1990, 2000 (Geolytics, 2014). American Community Survey 2009-2013.

An even closer look at the spatial differentiation in rental prices shows wide disparities within each of Chinatown's three areas at the tract level. The spread of Chinatown North's distribution is most notable; in 2013, Tract 107's median rent was only $575, compared to $1,455 in adjacent Tract 108.

Although Greater Chinatown's rental prices on average have maintained their affordability, data suggest that its community was deeply impacted by the recession, and as a result, the neighborhood has grown increasingly unaffordable for its residents. Between 2000 and 2009-2013, Greater Chinatown's median household income fell by 36 percent, and its poverty rate increased by 4 percentage points to 18 percent. Again, disaggregation by area shows that the recession's impact varied significantly by geography. As shown in Figure 3.9, Chinatown Core's poverty rate had more than doubled the rate of Polk Gulch's by 2009-2013.

Polk Gulch is the only area that saw an overall growth in median household income from 1980 to 2013.

Amidst increasing income stratification in Chinatown, low-income residents are very vulnerable to displacement. The extreme rise in percentages of rent- and mortgage-burdened households between 2000 and 2009-2013, as shown in Figure 3.11, serves as an indicator of this.

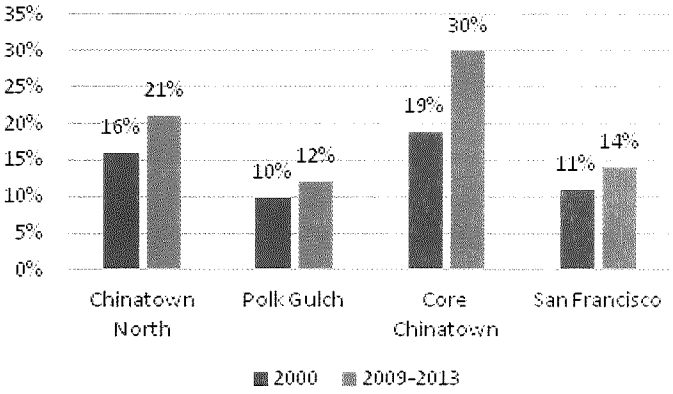

Figure 3.9: Poverty Rates in Greater Chinatown and San Francisco, 2000 to 2009-2013.

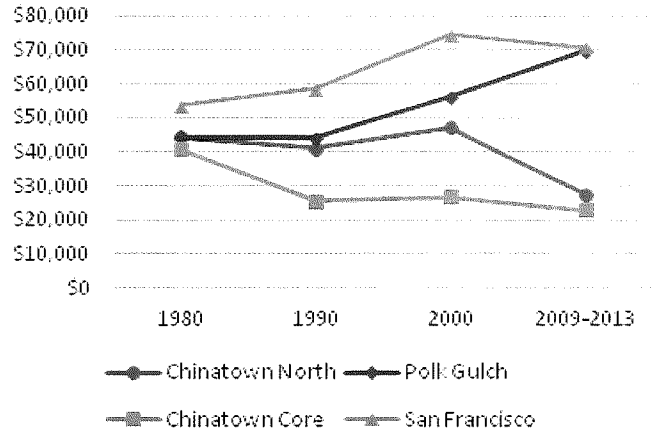

Figure 3.10: Median Household Income in Greater Chinatown and San Francisco (in 2010 dollars), 1980 to 2009-2013.[5]
Source: US Census 1980, 1990, 2000 (Geolytics, 2014). American Community Survey 2009-2013.

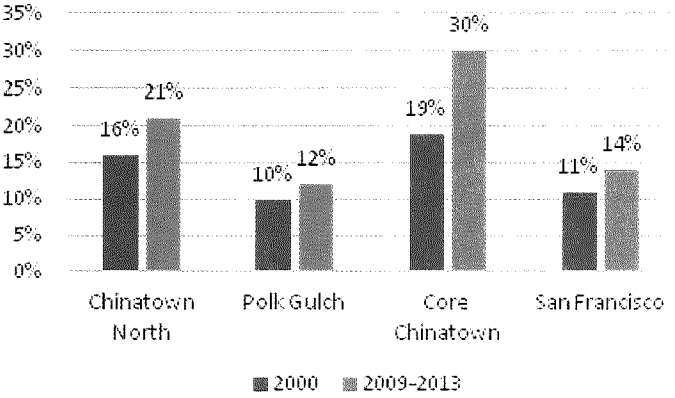

Figure 3.11: Rent- and Mortgage-Burdened Households in Greater Chinatown, 1980-2013.
Source: US Census 1980, 1990, 2000 (Geolytics, 2014); 2009-2013 American Community Survey. Burdened means paying more than a third of income towards housing costs.

[5] Data for 1980 is the average rent rather than the median rent.

Given the lower cost of housing in Chinatown than the City on average, displaced residents from Chinatown would likely struggle to find more affordable housing elsewhere in San Francisco and thus be forced out of the City as a whole.

The threat of displacement, which appears to have already impacted portions of Polk Gulch, seems to be rising in Chinatown North and inward toward Chinatown Core, which has largely resisted gentrification up to this point. If patterns of change in Polk Gulch and Chinatown North continue to diverge from those in Chinatown Core, the geography of what is considered Greater Chinatown may shrink as residents' connections to the Core community weaken.

Chinatown Housing Policy and Planning

In the face of external pressures of gentrification, a number of key policies and planning efforts have uniquely allowed Chinatown Core to maintain its historic character and accessibility to low-income San Franciscans. One of the most influential and comprehensive policy changes took place in 1986, with the adoption of the City Planning Department's official Chinatown Rezoning Plan as an amendment to the General Plan, which resulted in the designation of Chinatown as a mixed use area distinct from the downtown.

CCDC's predecessor, the Chinatown Resource Center, led this planning effort with the Chinese Chamber of Commerce and Asian Neighborhood Design. In the years prior, Chinatown Resource Center had worked tirelessly to stave off infringing developers, many of whom sought to purchase land for office uses (Chinn 2014). Between the mid-1970s to mid-1980s, approximately 1,700 residential units in Chinatown were converted to office use, and at the same time, an influx of capital from Asian firms drove up both commercial and residential rents (Li 2011). As these factors exacerbated the threat of displacement, the Chinatown Resource Center realized the unsustainability of this project-by-project approach and switched course toward advocating for structural changes to the neighborhood's land use policy in an attempt to slow development (Chinn 2014).

They organized residents behind oposed set of zoning regulations that were originally conceived of as part of a Chinatown community planning process that took place over several years prior (Chinn 2014), during which the San Francisco Planning Department had proposed a new Downtown Plan and housing advocates across the city sought to limit the proliferation of office buildings to preserve affordable housing (Li 2011). With the growing threat of speculation and encroaching development from the downtown, residents, community-based organizations, and City officials all exhibited political will for policy change, agreeing that action must be taken to preserve Chinatown's character and culture for its existing residents (Chinn 2014). The proposal, which specifically addressed the core portion of Chinatown, sought to downzone the neighborhood by setting lower height limits that would curb the neighborhood's development potential. Previous zoning had set limits at much higher than the prevailing scale of most existing buildings. This was due to the fact that Chinatown had originally been zoned as "a creature of downtown," resulting in regulations that did not align with the neighborhood's distinct character (Chinn 2014). The community's proposal was broadly viewed as a necessary, sensible shift toward land use policy that was indigenous to Chinatown (Chinn 2014).

The 1986 Rezoning Plan's central aim was to protect what the Planning Department acknowledged was a "virtually irreplaceable" resource of affordable housing in Chinatown. The plan effectively prohibited demolition, allowing it only "if that is the only way to protect public safety or for a specific use in which there is a high degree of community need," and furthermore banned conversion of residential buildings into different uses (San Francisco Planning Department).

Chinatown's large stock of SROs was granted further protection by the 1980 citywide Residential Hotel Ordinance, which made it very difficult for developers to convert residential hotel rooms to commercial use by requiring replacement of lost affordable units and mandating that 80 percent of the replacement cost be paid by developers to the City for conversions or demolitions (Fribourg 2009).

With these requirements in place, approximately 50 percent of the Chinatown Core's housing stock has remained SRO hotels (Tan 2008), and an estimated 92 percent of units are protected by the 1979 San Francisco Rent Control Ordinance (San Francisco Department of Public Health).

Nearly 30 years later, the 1986 effort can thus be considered to have essentially achieved its policy objectives to "preserve the distinctive urban character of Chinatown" and "retain and reinforce Chinatown's mutually supportive functions as a neighborhood, capital city and visitor attraction." (San Francisco Planning Department) However, some would problematize the lack of new development in Chinatown Core amidst the City's affordable housing shortage (Tan 2008). County Assessor data shows that since 1987, only 22 residential buildings have been constructed in Chinatown Core (Dataquick 2014). By comparison, 65 buildings in Chinatown North and 353 residential buildings in Polk Gulch have been built within the same time frame (Dataquick 2014). Construction of affordable housing in Chinatown Core has also been limited; the small stock of 342 subsidized and public units has not increased since 1990, despite increasing need (CHPC 2014). Thus, the neighborhood's land use policy has given rise to other unresolved challenges of supplying sufficient housing in San Francisco.

With few new housing units built in Chinatown Core after 1986, the vast majority—75 percent, compared to 61 percent in San Francisco overall—were built before 1949 (pre-World War II). A combination of age and weak code enforcement has led to many buildings falling into disrepair (Chinn 2014). Consequently, two mutually reinforcing phenomena have emerged in Chinatown Core: a shortage of supply and a declining quality of housing as buildings have deteriorated (Chinn 2014). With low profit potential, particularly for rent-controlled units, and exceedingly high demand throughout the neighborhood, owners are dis-incentivized to rehabilitate their rental units (Chinn 2014). In some cases, they have opted to take units off of the market to avoid necessary maintenance costs, which has further contributed to the broader housing crisis that most severely impacts lowest income individuals (Tan 2008).

Further pressure was placed on the housing stock as developers often opted to build commercial rather than residential buildings. By 1992, an estimated 25 percent of land was used for commercial activities, which led to a lack of parking and open space, while 50 percent was used for residential purposes. Landscape architecture scholar Chuo Li notes that these proportions differed greatly from New York and Chicago's Chinatowns, which had dedicated 70 percent of land to residential uses and 20 percent to commercial uses (Li 2011).

These constraints surrounding both redevelopment and rehabilitation have made Chinatown Core somewhat less desirable to residential real estate speculators (Chinn 2014). Since many buildings would likely require major rehabilitation and potentially demolition to allow for conversion into condos or tenancies in common (TICs), a conversion project would be a much more difficult and costly undertaking in Chinatown Core compared to other San Francisco neighborhoods that have been systematically impacted by such types of redevelopment. In some senses, then, Chinatown Core has avoided gentrification because other areas were—and continue to be—more susceptible to gentrification and/or lucrative for speculators seeking to flip residential properties (Chinn 2014).

Signs of Displacement

Despite Chinatown Core's ability to resist gentrification in the past decades, the threat of displacement looms large for the share of residents facing unemployment, poverty and rent or mortgage burdens. Gen Fujioka, Public Policy Manager at CCDC, notes that even the modest increases in rents for SRO units have led to both economic and exclusionary displacement. Though occurrences of eviction have been rare, these other factors suggest a tenuous future for the Chinatown Core.

Trends in other areas of Greater Chinatown present a starkly different picture of change. Fujioka explains that the Chinatown North and Polk Gulch communities have experienced "reoccurring waves of evictions," including Ellis Act and Owner-Move-In evictions, as well as "many more under-the-table evictions that are unrecorded" (Fujioka 2014). With a growing number of accounts from Chinese American residents of informal threats of buyout or eviction in these areas, anxiety over displacement runs high.

Without the force of the 1986 rezoning policy that applies only to Chinatown Core, the Chinatown North and Polk Gulch areas have not been immune to the proliferation of TIC or condo conversion. Tract level census data suggests that much of this activity is primarily occurring in Polk Gulch, where the share of owner-occupied units has gone from 9 to 16 percent between 1980 and 2013. According to an analysis of the San Francisco Department of Public Health of no-fault evictions during the period 2009-2012, approximately 34 no-fault evictions – which include evictions due to the Ellis Act, owner move-in and demolition—

have occurred in Polk Gulch, compared to 12 in Chinatown North and 1 on the border of Chinatown North and Chinatown Core (San Francisco Public Health Department 2014).

Census figures also show that this trend has generally corresponded with declines in the number of Asian households and increases in the number of white households. For example, in Tract 110 (in Polk Gulch), the number of Asian households decreased from 3,519 to 2,527 between 1980 and 2013—a decrease in share of total population of 22 percentage points. This corresponds with an increase in the share of white residents by 17 percentage points over the same time period (Geolytics 2014).

Figure 3.12: Instances of No-Fault Evictions and Percentage of Rent-Controlled Units in San Francisco by Census Tract (zoomed in to case study area).
Source: San Francisco Department of Public Health

In addition to the pressure of evictions and conversions, changes to the culture and dynamic of the Chinese American community have contributed to the shifting demographic composition of Greater Chinatown. As the foreign-born population that moved to Polk Gulch and Chinatown North in the 1970s has aged and passed on, some second generation Chinese Americans are not returning in adulthood to the neighborhood to establish their own homes (Chinn 2014). It is unclear whether this is due to exclusionary displacement or simply shifting preferences and/or circumstances among the second generation. Many are deciding to sell their parents' properties, which have often appreciated enormously in value, and are thus regularly purchased for conversion into condominiums or TICs (Chinn 2014).

Resistance to Displacement

Multiple layers of transformation signify a changing social fabric throughout Greater Chinatown. Nevertheless, a profound sense of community identity persists among Asian American residents as well as a broader set of Asian American individuals who live outside the area yet remain deeply connected to Chinatown's culture, institutions, and spaces. The driving force behind this sense of cohesion is a high rate of civic engagement, which has continued to shape Greater Chinatown's built environment since the 1986 rezoning victory. (Fujioka 2014)

With affordable housing as an unceasing concern in Greater Chinatown as well as all of the Bay Area, the Chinatown Community Development Center and other community-based organizations have formed resilient organizing networks with citywide reach. They have also brought their resident base into the broader movement around the right to the city. Recent campaigns have taken on the uptick in owner-move-in evictions that singled out elderly residents as well as Ellis Act evictions. Informed by a commitment to community-based neighborhood planning from the ground up, CCDC, together with tenant groups such as the 1,000 member Community Tenants Association, have won new eviction protections for seniors and residents with disabilities.

In preserving community spaces and connections throughout Chinatown, strong political engagement has also preserved tight social networks among Chinese American residents. These social connections have also played a key role in the neighborhood's ability to resist gentrification. For example, with apartment vacancies often posted only within local Chinese language newspapers rather than more broadly utilized forums such as Craigslist, information on housing availability is not widely accessible to the public. Property sales also typically occur within existing social networks, resulting in many real estate ownership turnovers occurring within the Chinese American community. Within Chinatown Core, these dynamics have maintained the racial and ethnic composition in spite of many other neighborhood changes.

Conclusion

The unique history of land use politics and policy in Chinatown—from the earliest days of forced segregation through to recent years of housing rights activism—has given rise to a complex set of challenges as well as community assets to address them. New infrastructure initiatives, such as the Chinatown Central Subway Station construction project, alongside ongoing work by community based organizations, will have a major impact on the community's future.

Data and information from residents suggest that while housing in Chinatown Core has been preserved for low-income individuals, many of whom are foreign-born Asian Americans, all of Greater Chinatown faces significant pressure as rates of rent- or mortgage-burdened households have skyrocketed since 2000.

Different factors within each area have driven this pressure. In Chinatown Core, they include internal circumstances such as high rates of poverty and unemployment among residents. On the other hand, pressures in Chinatown North and Polk Gulch appear to be rooted in external market forces, which have caused significant increases in rental costs.

While part of the broader picture of San Francisco's affordability crisis, the unduplicated factors that shape Chinatown's built form require a locally-tailored approach to preserving the neighborhood's livability and vibrancy.

As with the 1986 Rezoning Plan, the neighborhood's effectively mobilized resident base allows for potential solutions to be indigenous to the community. Continued organizing efforts by community groups like CCDC will be critical as both the population and the neighborhood's infrastructure continue to evolve.

mission

Chapter 4: Community Organizing and Resistance in SF's Mission District

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Introduction

The Mission District is located in the southeastern region of San Francisco. Since the 1950s, the neighborhood has been San Francisco's Latino enclave. Prior to this time, the neighborhood was an Italian and Irish working-class neighborhood with an industrial character (PODER, 2014).

In this case study we will examine the time period from 1980 to 2013, with a focus on the changes caused by the rapid growth of the internet sector, alternatively known as the dotcom boom, in the late 1990s. The result of this rapid speculative growth was an increase in the cost of living and a rise in the cost of housing in the Mission, which led to the displacement of long-time residents. During this time, much of the industrial sector in the Mission District was wiped out (Casique, 2013). The changes experienced by the Mission during the dotcom boom are those typically associated with the traditional conception of gentrification, or the influx of investment and higher-income, usually White, residents to areas with low-income, often minority, residents.

New residents were—and are still—attracted to the amenities provided by higher density, the cultural richness of the neighborhood and to the transit accessibility of the area. Multiple bus lines as well as two BART stations (16th Street and 24th Street Mission Station) service the neighborhood for an easy commute to the financial district. The neighborhood is also close to the freeway and the Caltrain, which provide accessibility to the greater region, including Silicon Valley.

This first wave of gentrification is the main story in the neighborhood's shift from a lower-income Latino area to its present state. Although the bust of the dotcom bubble caused gentrification pressures to slow, the neighborhood has continued to be a high demand area, seeing an influx of high-income residents once again from the tech sector. However, this current wave of gentrification is taking place in a neighborhood context that has already undergone years of gentrification—not just with new residents who had moved in, but with an ongoing influx of new retail and public investment.

Today's ongoing battle over the Mission is therefore of a different kind, with weaker community organizations and fewer units left to gentrify. Many long-time residents are holding on and benefitting from the neighborhood's new investment and amenities, but there is even more pressure than before on the remaining affordable units and less of a community to defend them.

This case study examines demographic, housing, and commercial characteristics from 1980 to 2013 to identify changes and trends in the Mission District. After outlining basic demographic changes in the area between 1980 and 2013, we provide a close look at the dotcom boom period and the displacement effects this time of rapid change had on industrial, business, and residential uses, as well as the community's response. Next, we turn to an examination of housing in the area—perhaps the clearest way to observe gentrification, change, and displacement. We briefly outline some of the affordability concerns for residents, and then detail several strategies used to slow displacement, as well as strategies used to speed it up. Before concluding, we outline public investment in the area—which can contribute to gentrification—and recent commercial displacement.

Demographic Changes

The Mission District is home to almost 52,000 of San Francisco's approximately 818,000 residents (Table 4.1). Since 1980, the area has seen significant shifts in racial composition, occupancy, educational attainment, and median income. Tensions are growing among various groups with an interest in the fate of the Mission: lower-income Latino residents, tech

Table 4.1: Total Population SF & Mission District, 1980-2013

Year	San Francisco	Mission
1980	677,678	45,788
1990	723,959	51,640
2000	776,733	54,428
2013	817.501	51,578
Percent Change 1980-2013	21%	13%

Source: Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

sector employees who often work in Silicon Valley but prefer to live in urban neighborhoods like the Mission, longtime residents, small business owners, and others. These tensions have made news across the country as the Mission has in many ways become the poster-child of gentrification (Goode, 2013; Nieves, 2000). Understanding how these changes have taken place may provide some insight into the causes and indicators of residential displacement. From 1980 to 2000, the population of the Mission district swelled by about 19%, then declined slightly in 2013. In contrast, San Francisco's population has steadily increased in the last three decades.

The decrease in population from 2000 to 2013 may be linked to the steady decrease of family households since 1980 (Figure 4.2). The share of family households dropped to 38% in 2013 from 52% in 1980.

The decrease in family households is accompanied by a decrease in the Latino population, shifting from 44% in 1980 to 38% in 2013 while the White population increased from 36% to 43%. The racial and ethnic demographics of the Mission in 2013 is similar to the city's (Figure 4.3).

There were significant shifts in educational attainment from 1980 to 2013. The percentage of residents aged 25 or older with a bachelor's degree or higher increased from 18% to 52%, and the percentage without a high school diploma decreased from 41% to 17% in the same period (Figure 4.4).

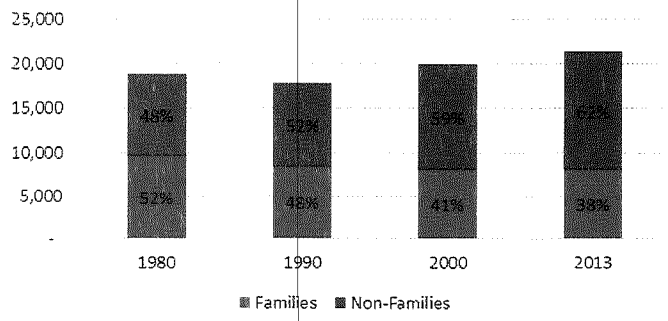

Figure 4.2: Number of Households in the Mission, by type 1980-2013

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

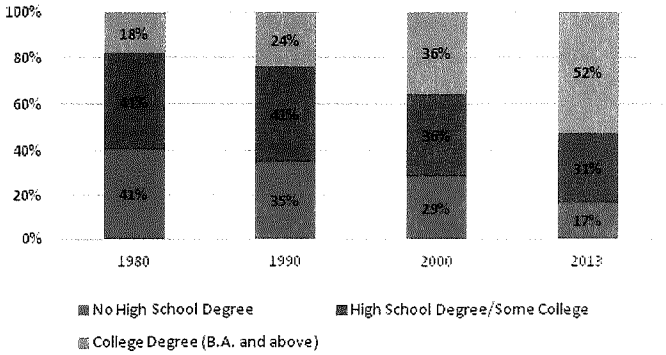

Figure 4.4: Educational Attainment in the Mission (1980-2013)

U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

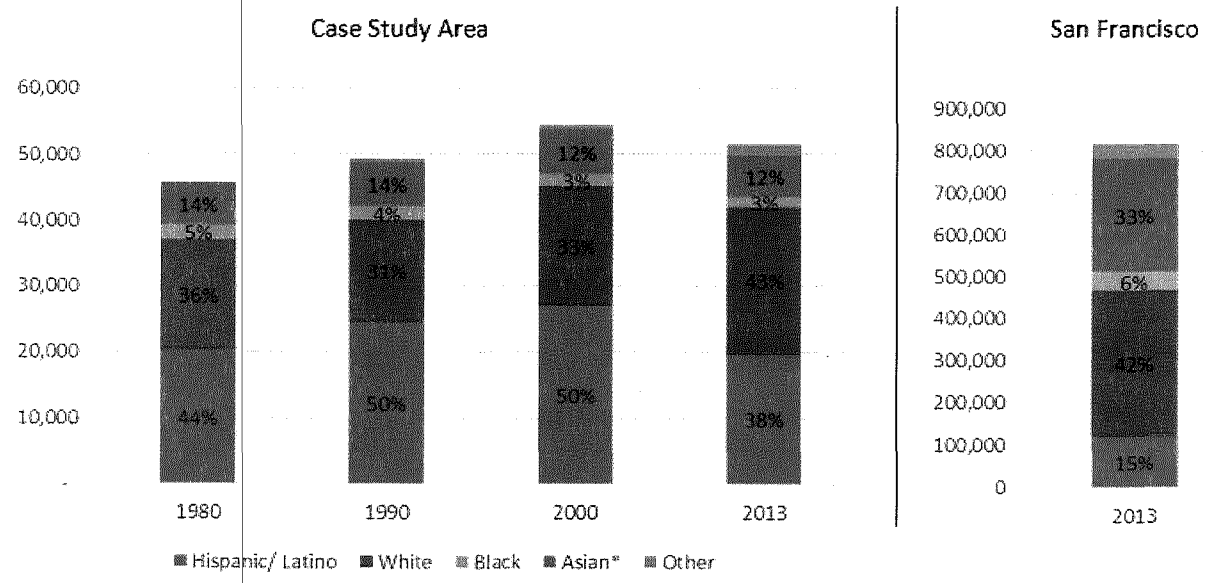

Figure 4.3: Race & Ethnicity in the Mission District by population and percent, 1980-2013, and San Francisco, 2013

Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013

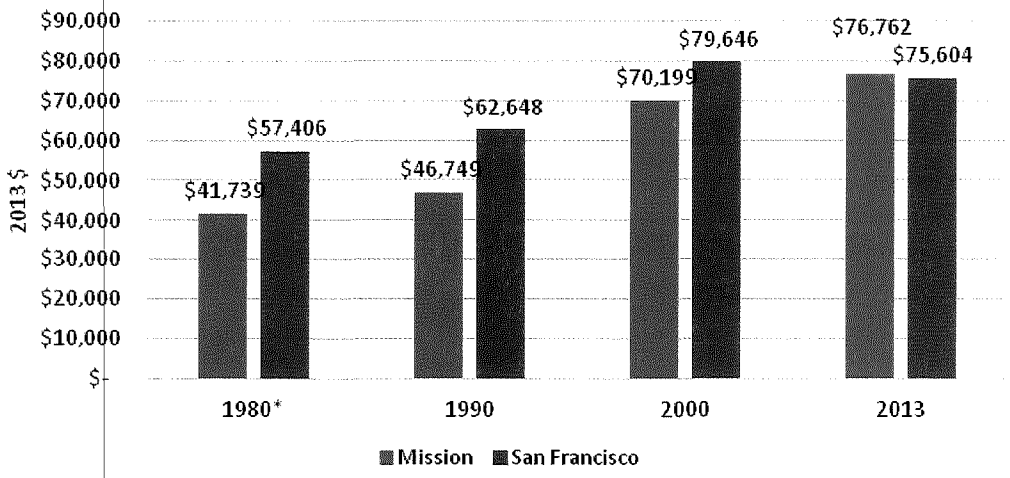

Figure 4.5: Median Income, Mission vs. SF (1980-2013), 2013 $

*Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); ACS 2009-2013 *Median income unavailable, average income used*

As may be expected, an increase in median income accompanied the increase in educational attainment in the study area. Median household income in the Mission District has risen significantly from 2000 to 2013, increasing at a faster pace than San Francisco overall (Figure 4.5).

The Dotcom Boom: Displacement of Industry, Business, and Residents– and Community Response

The dotcom boom in the late 1990s fundamentally changed the character of the Mission District. The boom hit its peak in 2000 and by 2002 was in decline. This short boom resulted in residential and commercial displacement (Casique, 2013). The industrial sector in the Mission is primarily located in the Northeast Mission Industrial Zone (NEMIZ), an area taking up the northeast corner of the Mission District. Even though the zone was designated in the midst of the dotcom boom, the market for industrial uses was "depressed," according to a stakeholder, and "a bunch of companies had moved out," like a brewing company and lumber yards. This devaluing of the land for industrial purposes due to the changing economy coincided with the growth of San Francisco as a result of the dotcom boom.

Industrial uses began to change to office space and housing. According to a community-based organization staff member, the emerging technology companies were in need of office space and able to pay higher rents, so they began converting former light industrial uses to office space; many of these offices, in turn, became empty after the dotcom bust, but light industrial uses did not return.

In terms of conversions to housing, a 1988 ordinance allowed the conversion of industrial spaces into so-called "live/work" spaces, where it is presumed a resident both lives and does their work (Casique, 2013). Advocated by artists, the live/work ordinance was seen as an opportunity to promote the art industry in the city by providing affordable housing arrangements in San Francisco (PODER, 2014). Under the ordinance, developers interested in constructing live/work units in the NEMIZ did not need to get the area rezoned nor did they need a conditional land use permit to build and therefore did not need to conduct an environmental impact report (EIR)—major hurdles for construction developers were able to avoid. As a result, many small developments "started springing up everywhere," according to one stakeholder, and began converting many industrial structures, vacated due to the changing economy, into expensive "live/work" spaces to house the new residents coming to work in the technology sector as a result of the dotcom boom. According to the San Francisco Housing Databook report issued by the SF Rent Board in 2002, 2,324 live/work units were constructed in San Francisco from 1987 to 2000.[6] Right before the dotcom crash, the number of constructed units peaked at 587 units in 1999, more than twice the amount of units built in any other year (SF Board of Supervisors, 2002).

[6] Only four units or more were counted which might result in undercounting.

Once it became clear that such conversions were possible, land values in the NEMIZ area began to rise, making remaining industrial uses difficult to sustain and resulting in business displacement (San Francisco Planning Department, 2002). The live/work ordinance allowed conversion without the requirement of hearings or public comment, allowing them to proceed unnoticed for a long time (Casique, 2013). Once advocates became aware of the situation, the Mission Anti-Displacement Coalition worked with Sue Hestor, a notable SF land use attorney, to force hearings at the Planning Commission and before the board of supervisors (PODER, 2014). Before the formation of the Mission Anti-Displacement Coalition, the "Committee for Jobs, Arts, and Housing had been raising concerns about the developers' scam on live/work developments," according to a community-based organization stakeholder.

Residential displacement in the Mission was also a concern during this period. Between 1990 and 1999, an estimated 925 households were evicted in the Mission (MEDA, as cited by Kennedy & Leonard, 2001). The Mission Anti-Displacement Coalition (MAC) was a major player during this time period, advocating for existing tenants' rights. According to a stakeholder involved with the Coalition, "the value of MAC's work is that unlike most other anti-gentrification work in other parts of the country...MAC focused not only on tenants' rights and stabilizing the neighborhood through that strategy but also on preserving space for local-serving businesses and [production, distribution and repair, or] PDR/light industrial space, especially given that those jobs paid often better [than other jobs available at the time]." Due to MAC's successful lobbying efforts, the San Francisco Board of Supervisors passed a moratorium on the live/work conversions and the production of market rate housing in the Mission that ultimately lasted two years (Casique, 2013).

Another of MAC's efforts was the creation of a "People's Plan." Published in 2005 after a community engagement process, it outlined community members' vision and priorities for the district, including economic, cultural, and community development, affordable housing, livability in the streetscape, environmental issues, transportation, and a specific land use map—essentially, a comprehensive plan for the Mission done by the people (The Mission Anti-Displacement Partnership, 2005). According to PODER, "aspects of this community-led effort were incorporated into the city's Eastern Neighborhoods Plan" (PODER, 2014). When asked to assess the impact of the People's Plan on the Mission, an organizer involved with the effort shared that he does not believe there was a "causal" effect on affordability in the neighborhood; instead, "market conditions in and of themselves eased some of the pressures on prices given the [dotcom] bust." However, he believed that even with the bust, rents were not decreased in a "substantive way." Instead, he believe that the planning process was significant for the "social capital" it built "by having trained people work on planning issues in the neighborhood and understand the zoning and planning conditions and how those decisions get made." [7]

A park that is currently under development at the intersection of 17th and Folsom Streets represents some of the successes of the People's plan. The park, will include a grassy area, playground, community gardens with trees bearing edible fruit, and public art that honors the Latino character of the neighborhood. multi-year community outreach process was conducted in partnership with PODER, starting in 2009. According to a staff member at PODER, community members were prepared to have meaningful engagement with the city due to the understanding of planning and zoning they developed working on the People's Plan. The staff member said that, the "areas that were rezoned through [the People's Plan] process in the 2000s are coming to fruition after these many years....that speaks to the social capital that has been built. Not just, 'let's rezone and forget about it.' But, 'let's make sure these policies come into fruition.' And we're going to be seeing that happening this year" when the park opens.

[7] The stakeholder also shared the following outcomes of the process: "The whole Mission Anti-Displacement Coalition and the People's Plan work did a couple of things. One, with MAC, I think it gave visibility to a new level of leadership in the neighborhood that was less accomodationist in terms of the interests of developers, of downtown, of some of these interests. And I think it pointed to a generational divide in the Mission in terms of the Latino 'old guard' and newer leadership...The People's Plan in particular, because of the need to engage with the city and community, I think it also helped the new generation... for understanding how these often arcane and technical issues like land use and zoning are addressed...How we need to be informed and engaged in these processes at the neighborhood and city level...there's an aspect of that reflected in the newer leadership."

Housing: Conditions for Residents

As is the case in the rest of the city, the housing market in the Mission District is competitive. In 2000, right before the dotcom bust, the vacancy rate was at an extreme low of 3%. In 2013 the vacancy rate jumped to 7.6%, representing the decline of the house market. This figure cannot be seen as representing current patterns of gentrification as the housing market has since rebounded.

In terms of tenure, there has been a slight decrease in the portion of occupied housing units that are rented: from 87% in 1980, to 76% in 2013, which is consistent with gentrification patterns.

Overcrowding, when more than 1 person per room lives in an apartment or home, was 50% lower in 2013 than 2000 (Figure 4.6). One explanation is the decrease in both family households and of the Latino population, as low- and moderate-income Latino households often live with extended family members in overcrowded living conditions (MEDA, 2011).

San Francisco has one of the most expensive housing markets in the nation and market rate rents in the Mission are reflective of the city's high cost of living. In 2013, the average price of a market-rate one bedroom apartment in the Mission District was $2,850 while the average for a two bedroom was $4,705 (Zumper, 2013). With 76% of residents in the Mission renting (as of 2013), these high rents prevent low-income households from moving into the neighborhood. Additionally, current residents experience a very high rent burden. From 2000 to 2013, the share of rent burdened households, those paying 35% or more of their income on housing costs, increased from 27% to 34%.

Despite high demand for the area, the Mission District has failed to see significant increases in its housing stock, thereby exacerbating pressures on existing housing (Table 4.2). This lack of new development was a common concern among the stakeholders interviewed. A realtor in the area discussed the difficulty in obtaining approvals for new buildings because of the lengthy environmental impact review process, which sometimes caused developers to walk away from projects. A senior staff person from an affordable housing developer spoke about the challenges of building new housing, in part due to the real estate market collapse and the elimination of redevelopment as a funding source for affordable housing in California.

Meanwhile, as few units are being constructed, 80% of households have recently moved in to their housing unit (Table 4.3). This puts upward pressure on the rents in the older housing stock.

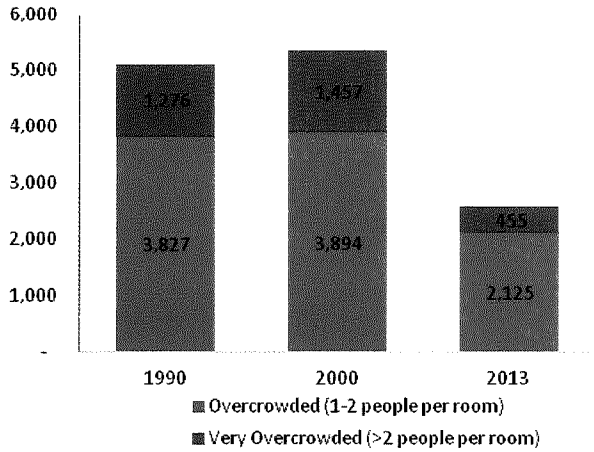

Figure 4.6: Overcrowded Units in the Mission (1990-2013)

Source: U.S. Census 1990, 2000 (Geolytics, 2014); ACS 2009-2013

Table 4.2: Number of Housing Units by Year of Construction

Total	23,106	
Built 2010 Or Later	96	<1%
Built 2000 To 2009	96	7%
Built 1990 To 1999	1,516	5%
Built 1980 To 1989	1,212	4%
Built 1970 To 1979	918	4%
Built 1960 To 1969	854	6%
Built 1950 To 1959	1,337	7%
Built 1940 To 1949	908	4%
Built 1939 Or Earlier	14,662	63%

Source: American Community Survey 2013 5-year estimate

Table 4.3: Mission District Percent of Householders who Moved in Last 5 Years, 1980 – 2013

Year	Percent Moved in Last 5 Years
1980	62%
1990	55%
2000	53%
2013*	80%

*Source: U.S. Census 1980, 1990, 2000 (Geolytics, 2014); American Community Survey 2009-2013 *Note: The 2013 figure is the percent of households who moved in last 3 years.*

Rent Control

San Francisco's rent control laws protect tenants who live in multi-unit rental buildings built before June of 1979. The rent control ordinance limits the amount a landlord can raise the rent annually, based on the consumer price index. When the unit is vacated, landlords can raise the rent to market rate, also known as "vacancy decontrol".[8] Once the rent is raised, future rent increases are still governed by rent control. Therefore, while units may technically be considered rent controlled they may be unaffordable due to vacancy decontrol. To prevent landlords from evicting tenants in order to raise rents to market rate, the ordinance also includes a "just-cause evictions" clause requiring landlords to have a good reason for eviction such as chronic late rental payments or a nuisance complaint. There is no record of units that have undergone vacancy decontrol and their new base-rent.

We attempt to estimate the number of rent-controlled units in the Mission District by identifying parcels that contain a building with two or more units, built in 1978 or before, and are identified as an "apartment" or "flat" using tax assessor data from Alameda County (Figure 4.7). This estimation method is imperfect, as housing units that are condominiums, tenancies-in-common, or currently not rented (through the Ellis act) are not rent controlled. However, data on these exempt housing units are not available. Approximately 68% of units in the Mission census tracts are potentially rent-controlled. Eighty-nine percent of these units were built in 1939 or earlier (Figure 4.8). Older buildings are often highly desirable to wealthier residents due to their architectural value; that so many buildings in the Mission District are from the Victorian era increases the likelihood of displacement.

Figure 4.7: Potentially Rent Controlled Units
Source: Association of Bay Area Governments, 2014

As noted earlier, rent controlled apartments do not necessarily signify affordability due to vacancy decontrol; hence estimating the number of recently vacancy decontrolled units and when these vacancies occurred is important for the purpose of understanding affordability in the rent-controlled market. Our estimate suggests that a maximum range of between 18-28% of rent controlled units experienced rent increases due to vacancy decontrol between 2010-2013.[9] This is a maximum because, while we are reasonably sure that 18-28% of rent controlled units experienced turnover, it is not guaranteed that landlords would increase the rent when that turnover happens; therefore, the actual figures may be lower.

The map in Figure 4.9 shows that there is a high percent of vacancy decontrolled units in the tracts west of Valencia Street. A walk down Valencia Street shows a trend in higher-end commercial and retail stores. This

[8] SF's rent control ordinance never included vacancy control and due to the passage of Costa Hawkins in 1996, vacancy control was banned statewide.

[9] This estimate is derived using estimates of the total number of rental occupied housing units from the American Community Survey (2009-2013 five-year estimates) in combination with data from the San Francisco Public Health department on the percent of rental units in each tract that are subject to rent control. These data sources allowed us to estimate a number of units in each census tract that are subject to rent control. Since ACS figures are reported with a margin of error, we found a range for this figure. Then, we turned to ACS data for counts of renter households who had moved in since 2010. We multiplied this by the proportion of units in the tract subject to rent control (the Public Health data), assuming that the newly moved-in households moved into rent controlled and non-rent controlled units at the same proportion as exist in the tract. This figure—the number of rent control units that experienced turnover between 2010-2013—is taken to be the same as the number that experienced vacancy decontrol. We then divide this figure by the total rent controlled units in the tract to get the percent of units that experienced vacancy decontrol. To get the figures for the whole Mission, we simply add the counts from each tract of vacancy decontrolled units and total rent controlled units, and divide these sums.

trend, to be discussed in greater detail in a later section, might explain the higher vacancy decontrol rate in census tracts along Valencia Street as landlords may be taking advantage of the economic investment along the street to appeal to wealthier tenants.

Figure 4.8: Housing built before 1979 by Block
Source: Association of Bay Area Governments, 2014

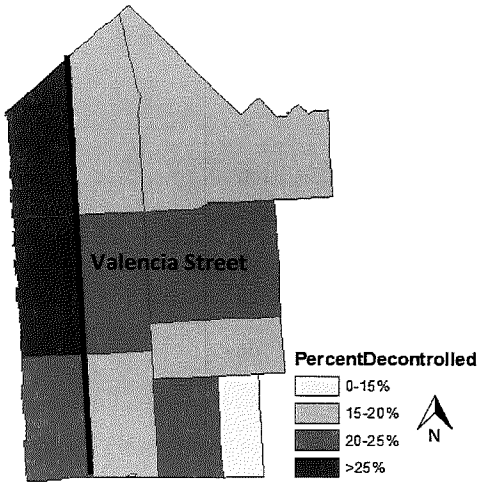

Figure 4.9: Percent of Units with Vacancy Decontrol by Census Tract
Source: 2009-2013 American Community Survey and San Francisco Public Health Department
("Proportion of Housing Stock that is Rent-Controlled or Affordable, San Francisco, CA | Data | San Francisco," n.d.)

Public and Subsidized Housing in the Mission

While many residents of the Mission struggle to afford rent, the area is host to a sizable stock of subsidized housing: nearly 2,000 units, as detailed in Table 4.4 (excluding any units built only with local funds, some of which are discussed in the next section). The neighborhood would have likely experienced even greater displacement rates without these units.

Table 4.4: Public and Subsidized Housing in the Mission, 2013

Type of Unit	# of units
Public Housing	170
Low-Income Housing Tax Credit	962
Section 8 New Construction	194
Section 202 (Senior Housing) New Construction and Substantial Rehabilitation	152
Project Rental Assistance Contract	115
Other (including Loan Management Set-Aside and others)	319
Grand Total	1,912

Source: HUD Yearly Data Picture (Department of Housing and Urban Development, n.d.) for Public Housing figure; (California Housing Partnership Corporation, n.d.) for the rest. Note these figures do not include residents who rent using tenant-based vouchers or units developed as part of SF's inclusionary ordinance or any subsidized units developed only with local funds.

Inclusionary Housing

Stakeholders said San Francisco's inclusionary housing ordinance has had a limited impact. Inclusionary Housing began as a policy in 1992 and later became "part of the Planning Code" in 2002; it was revised in 2006 and 2010 (San Francisco Mayor's Office of Housing and Community Development, 2014). The policy requires developers to build affordable units equal to 15% to 20% of a market-rate development or pay a fee in lieu of building such units. The policy has resulted in the creation of 1,560 units of below-market rental andownership units in San Francisco between 1992 and 2013 (Table 4.5).

Table 4.5: Inclusionary Housing, 1992 - 2013

	Projects with Inclusionary Units (On or Off-Site) or In-Lieu Fees	Projects Choosing On-Site Inclusionary Housing		Projects Choosing Off-Site Inclusionary Housing		Projects Choosing to pay Fee
	Total Number of Projects	Number of Projects	Number of Affordable Units	Number of Projects	Number of Affordable Units	Number of Projects
Mission District[10]	24	21	136	0	0	3
San Francisco	198	157	1,214	7	346	34

Source: San Francisco Mayor's Office of Housing and Community Development, 2014

However, a court ruling in 2009 has limited the impact of the ordinance. In the case, Palmer/Sixth Street Properties LP vs. City of Los Angeles, the California Supreme Court let stand a lower court's ruling that held jurisdictions may not mandate developers to build inclusionary rental units, since doing so entails the setting of rents by the city, which was banned by the Costa-Hawkins Rental Housing Act (California Planning and Development Report, 2009; Reuben, Junius & Rose LLP, 2009). The ruling does not affect inclusionary policies for ownership units. The city made revisions to the law in 2010 that "require developers to pay an affordable housing fee rather than construct inclusionary affordable housing" (San Francisco Budget and Legislative Analyst, 2012). That resulted in a significant decrease in the number of inclusionary units produced under the program, from 384 in 2008 to 32 in 2009, without a comparable increase in the fees paid, which could be related to the overall dynamics of the real estate market in these years (San Francisco Mayor's Office of Housing and Community Development, 2014).

Community Opposition to Development at 16th and Mission Streets

Some believe more housing for all income levels is needed to improve affordability in San Francisco, while others believe housing production should focus on affordability for low-income residents. An example of this tension is the proposed ten-story, 351-unit building on the corner of 16th and Mission Streets. The development is under community scrutiny, with the Plaza 16 Coalition leading the opposition. The new apartment complex would replace a Walgreens, a Burger King, a bar, a Chinese restaurant, a market and a parking lot (Elsen, 2014). Despite the fact that no existing tenants or housing would be displaced, the coalition argues that if this development were to proceed, it would result in business and residential displacement (Christopher, 2014). This type of opposition highlights the social and cultural complexity of gentrification. The 10-story luxury apartment complex represents development for new residents, leaving the Latino community feeling neglected and disrespected. According to a community-based organization stakeholder, the "Plaza 16 Coalition has made substantive arguments against the project ranging from the height, impacts on the adjacent school, traffic concerns, and yes, the pressures luxury condos have on housing prices in the neighborhood."

The developer of the 16th street Mission housing apartment complex has yet to determine how it will satisfy the city's affordable housing requirement (Dineen, 2013). Yet regardless of how the developer will satisfy the affordable housing requirement, residents oppose this development as the project represents a change in the Mission's character. In an article entitled, "Coalition protests 16th Street development", an organizer for Causa Justa :: Just Cause put this clash succinctly, "the height of these towers will keep Marshall Elementary [School] next door in a constant shadow....this project will literally overshadow the Latino students attending that school" (Christopher, 2014). While it may be true that residents will not be directly displaced by the development, the project will have an impact on surrounding businesses and could potentially increase the cost of living in the neighborhood. A city official explained that once new housing development happens "there is such a huge impact on the surrounding area, prices immediately respond." This same city official expressed skepticism that simply building more housing will make the Mission more affordable.

[10] As defined by the Mayor's Office on Housing; a map was not provided to compare to the area we have defined as the Mission.

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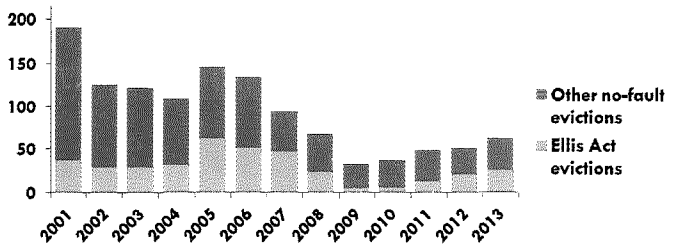
Ellis Act Evictions

Another highly public issue in the Mission has been the impact of the Ellis Act. The Ellis Act is a state law passed in 1985 that allows landlords to evict tenants building-wide by removing the building from the rental market entirely or for five years before being allowed to rent apartments at market rate. The result in San Francisco has been a decrease of rental options in a city where the supply of housing is already strained. The increase in the percent of residents who are homeowners from 13% in 1980 to 24% in 2010 may reflect, at least in part, Ellis Act condo conversions.

While the Ellis Act continues to be a subject of contention in the housing market debate, Figure 4.10 shows that the number of evictions has decreased since 2001. The number of Ellis Act evictions tends to mimic the health of the economy and housing market: in down periods, such as after the crash of the dot-com boom (2001-2004) and during the recent recession, evictions decrease. During up periods, such as in 2005-2007 during the height of the housing boom and more recently, as the economy has begun to recover, evictions increase.

A city official working in the government for the last three decades commented that the planning department saw the peak of Ellis Act evictions in the nineties. This is supported by compiled data from the time referencing 1998 as the "peak" year of Ellis Act evictions (Capps, 2014). The city official believes that since the Planning Department has authority over land use it could restrict the conversion of rental properties to ownership properties. For example, zoning changes or other policy interventions could restrict conversion or make it difficult to do, thereby deterring landlords from pursuing it.

Regardless of the fact that the total number of Ellis Act and no fault evictions has gone down since 2001, the total number of evictions for the Mission compared to the rest of the city has been very high during this twelve-year timeframe. The Mission District (represented in the report issued by the SF Board of Supervisors Budget and Legislative Analyst by the zip code 94110) had a higher number of Ellis Act and no-fault evictions than any other neighborhood, with 383 evictions and 1,222 notices, respectively. Between 2009 and 2013, of the seven neighborhoods with the most Ellis Act evictions, the Mission continued to exhibit the highest number of evictions with 71 evictions, a demonstration of its lucrative housing market (Table 4.6).



Ellis Act Evictions allow landlords to exit the rental housing business
Other 'no fault' evictions include those where the eviction is not a result of tenant's actions (e.g., owner move-ins, etc.)

Figure 4.10: No-Fault Evictions in the Mission, 2001-2013

Source: SF Rent Board as reported by SF Board of Supervisors Budget and Legislative Analyst, 2012

Table 4.6: Top Seven Neighborhoods for Ellis Act Evictions, 2009-2013

Neighborhood	Ellis Act Eviction Notices
Mission	71
Russian Hill./Polk Gulch	46
Castro/Eureka Valley	43
Outer Richmond	41
Inner Richmond	38
North Beach	37
Haight-Ashbury/Western Addition	29
Total	305
San Francisco Total	476

Source: SF Rent Board, accessed through (San Francisco Board of Supervisors Budget and Legislative Analyst, 2013)

Tenant Buyouts

In addition to evictions, tenant buyouts are another strategy in which landlords attempt to lure current tenants out of their homes with cash to increase rent for wealthier residents. The Mission district has experienced the highest concentration of buyouts from 2008-2014 ("Tenant Buyouts Are On The Rise In S.F., As Are The Dollars Involved - SocketSiteTM," 2014). Buyouts offer landlords several advantages over Ellis Act evictions: the landlord can immediately rent out the unit at market value and retain the option to convert units into condominiums at a later date. The total number of reported buyouts in SF went from 90 in 2007 to 175 in 2013[11] (City and County of San Francisco,

[11] The data reported by the SF Tenant Union likely undercounts the number of actual buyouts as these are self-reported by tenants.

Budget and Legislative Analyst's Office, 2014). The Mission district had the highest number of buyouts in 2008-2014 with 165 or about 28% of the total share of buyouts, however there is no requirement to report buyouts so these are likely underestimates. There is no regulation of the amount that must be paid for a buyout and sometimes tenants are offered just a few thousand dollars (City and County of San Francisco, Budget and Legislative Analyst's Office, 2014). San Francisco Supervisor David Campos has introduced legislation to regulate buyouts. One of the regulatory features he is proposing is to impose the condo conversion prohibitions that are already in place for no-fault evictions (Taylor, 2014).

Sales and Investment

While the percent of households who are mortgage burdened has stayed constant over time, the cost to buy a home has increased substantially since the 1980s in the Bay Area, San Francisco, and, especially, the Mission District, as shown in Figure 4.11 and Figure 4.12. The rise in price during the dotcom boom is clear, as is the more recent rise in costs between 2002-2007, then a slight downturn during the recession with a quick recovery since 2012. Single-family homes have shown more dramatic change, particularly recently in the Mission, whose home have shot up in price above San Francisco and the Bay Area.

Use Changes

The increases in housing prices have been paralleled by a gradual increase in the number of parcels whose land use is residential. Many of these are new construction, but others represent use changes. A small portion of parcels changed use each year, but in 2007, 9% of parcels with a commercial use had converted from other uses (mostly industrial and miscellaneous) and 5% of parcels with a residential use had converted from other uses (mostly commercial) (Dataquick, 2014).

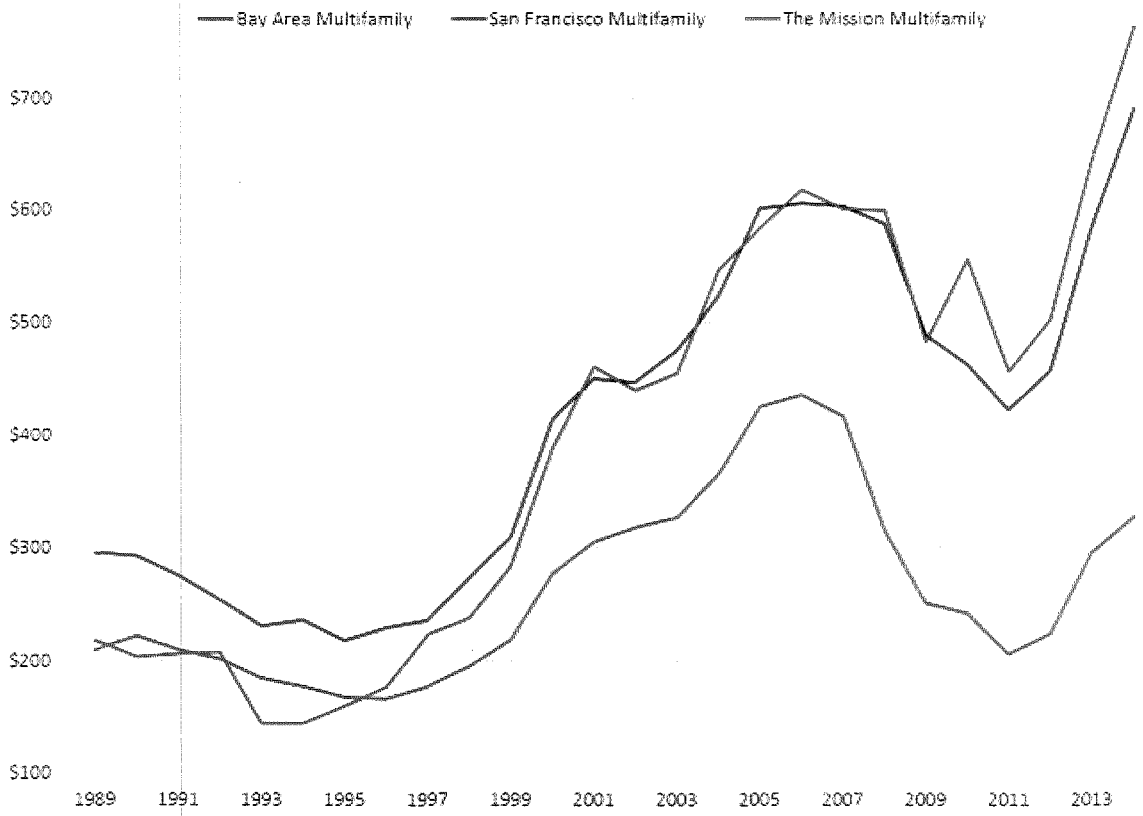


Figure 4.11: Median Sale Price per Square Foot – Multi-Family Properties

Source: Dataquick, "Bay Area" includes all tracts in the 9-county area)

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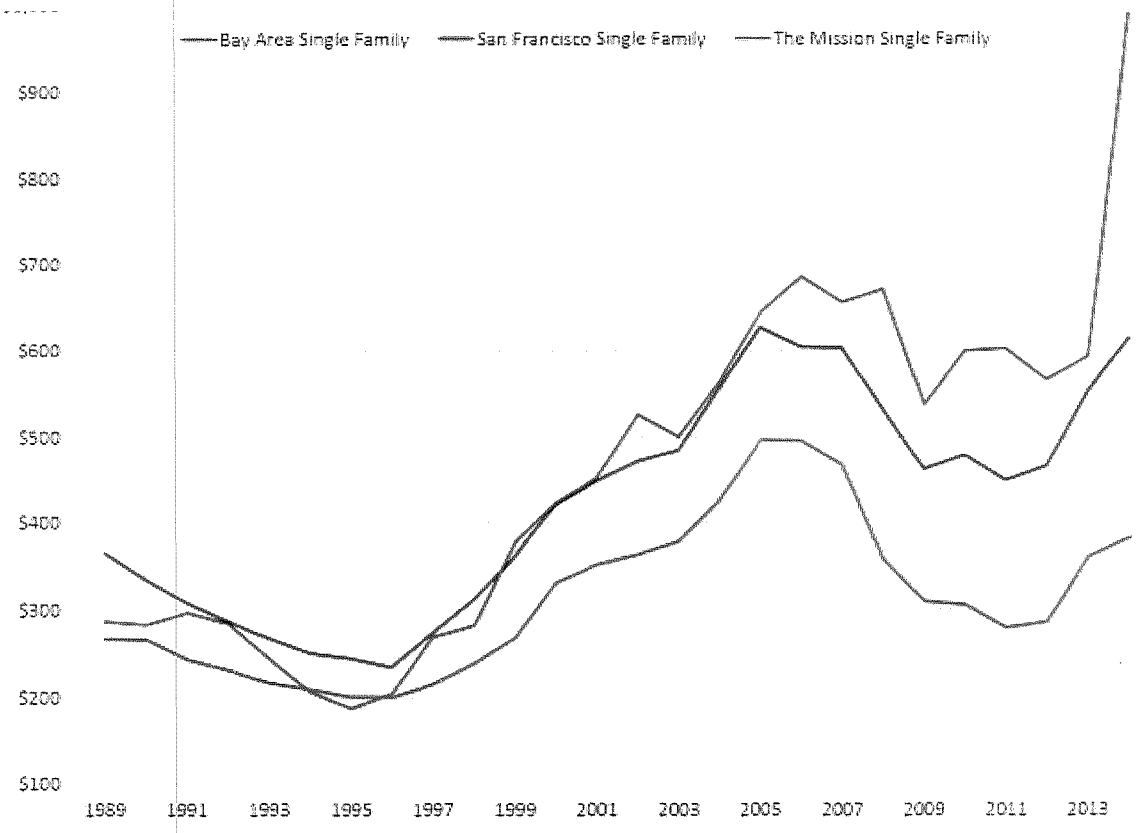

Figure 4.12: Median Sale Price Per Square Foot - Single Family Homes
Source: Dataquick, "Bay Area" includes all tracts in the 9-county area)

Private Investment

We examined trends in sales and building permit data to identify spatial characteristics of investment in residential property. This analysis has the potential to demonstrate how outside pressures and public investments impact patterns of private investment in the Mission District over time.[12] As Figure 4.13 shows, there are a higher number of residential sales in the northwest and central-western portions of the Mission. The northwestern concentration may be related to higher density of housing stock.

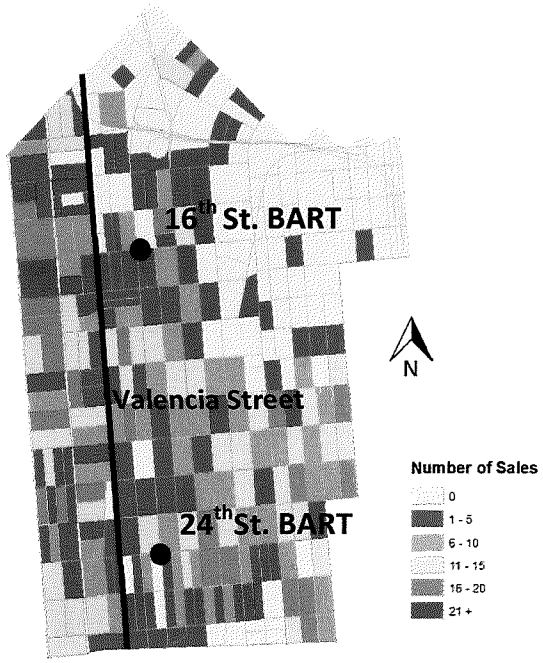

Figure 4.13: Number of Residential Sales by Block, 2003 – 2013

[12] Sales data was taken from the first quarter of 2003 through the fourth quarter of 2013 from DataQuick, (DataQuick, 2014). We joined the data to a shapefile containing San Francisco parcels and converted to point data using ArcGIS (ABAG, 2005). These points, which each represent a sale, were spatially analyzed and visualized at different geographies through spatial joining. Building permit data from the San Francisco Planning Department were analyzed similarly (San Francisco Planning Department, 2014a).

The number of residential sales peaked in 2003 and 2004, declined through the housing bubble burst, but appears to have stabilized (Figure 4.14). San Francisco as a whole recovered from the impact of the financial recession and housing market crash much faster than the rest of the nation.

Figure 4.15 displays the average residential sales prices per square foot in the Mission and shows a slightly different pattern than Figure 4.14, with the largest cluster of high prices seen in the southwest.

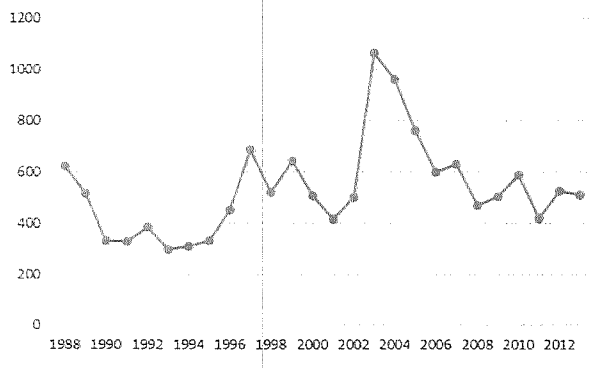

Figure 4.14: Yearly Total Number of Residential Sales in the Mission, 1988-2013
Source: Dataquick, 2014

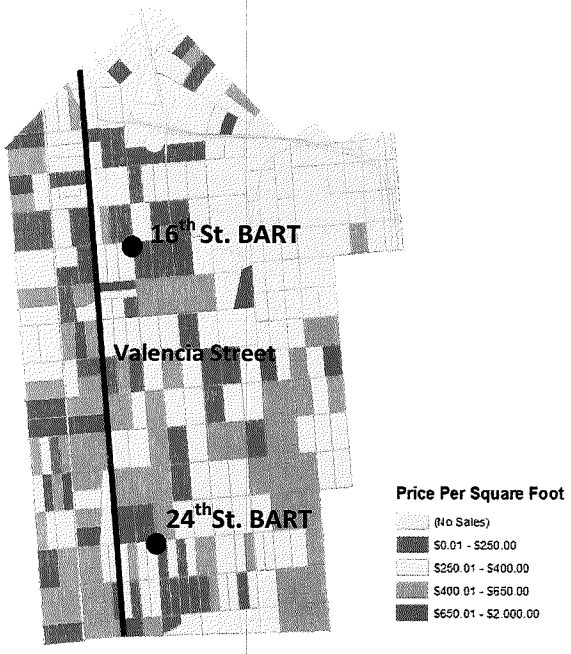

Figure 4.15: Average Residential Sales Price per Square foot by Block, 2003-2013

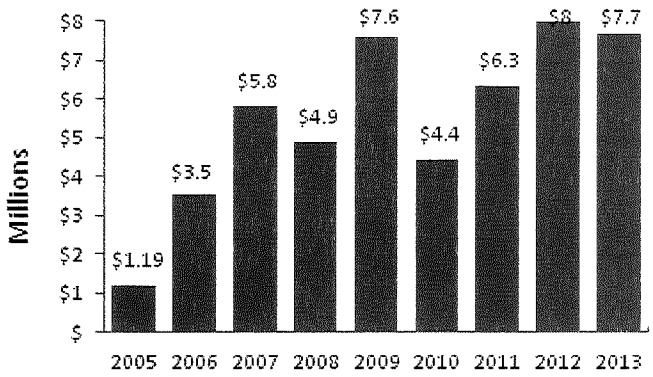

Figure 4.16: Total Annual Cost of Residential Permits in the Mission, 2005-2013
Source: San Francisco Planning Department, 2014

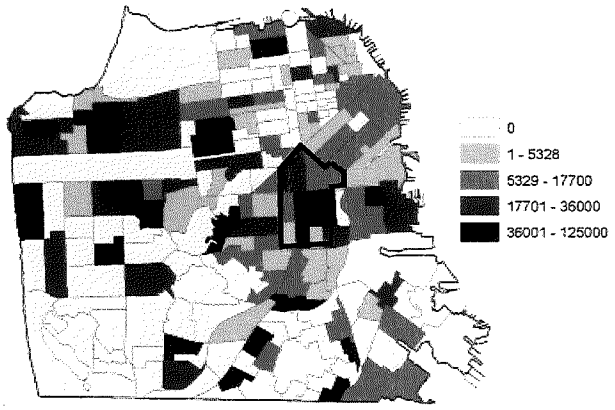

Figure 4.17: Average Permit Cost per Unit in the Mission by Census Tracts, 2005-2013
Source: San Francisco Planning Department, 2014a

The amount of private investment in residential properties has also been increasing since 2005 (Figure 4.16). The total annual value of permits (as ascertained through the cost of building permits) in the Mission increased by 545% from 2005 to 2013. When comparing investment in the Mission to the rest of the city, Figure 4.17 shows how parts of the Mission are averaging higher permitting investments per unit.

Public Investment

Public investment, in so far as it makes the neighborhood more desirable, has the potential to contribute to gentrification pressures. The public project that seems most clearly related to gentrification is one on Valencia Street between 15th and 19th streets completed

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by the Department of Public Works in July 2010 at a cost of $6.1 million. In 2004 the Municipal Transportation Agency (MTA) began the planning for the Valencia Streetscape Project, which expanded and beautified sidewalks, resurfaced and restriped the street with bike lanes, and provided other infrastructure improvements (City of San Francisco, n.d.). The street looks nicer than nearby streets and, today, the commercial establishments along Valencia Street are mostly new places that serve a higher-income clientele (further analysis of commercial change is in the next section). By contrast, along Mission Street, another main commercial corridor in the district, more of the older, legacy resident-serving establishments are still around, and visible gentrification is less advanced. This may be, at least in part, connected to the completion of the Valencia street beautification process. Additional improvements (some completed, some planned) include several streetscape improvement projects, road diets, and new plazas throughout the district. These are detailed in an appendix.

Together, these projects signal an interest in the Mission on the part of city agencies. The investment they bring is a parallel and reinforcing factor to the other changes discussed here. One stakeholder interviewed said that a lot of residents see streetscape improvements like these as a sign of gentrification. All of these projects included public processes, and several affirm the Latino cultural identity of the neighborhood. They also ostensibly improve the neighborhood for existing residents. On the other hand, the improvements could contribute to residents' dissonance, especially if they feel the neighborhood is being upgraded for others or being made more attractive for outsiders to move in. The improvements may make the area even more desirable to higher-income people and, therefore, encourage gentrification and displacement.

None of the improvements include provisions to ensure permanent housing affordability for existing residents to stay in the neighborhood and enjoy the new streets, plazas, and parks. In this way, the investments may not benefit existing residents in the long run, representing a missed opportunity to stabilize the neighborhood.

Commercial Displacement

In order to understand how gentrification may put pressure on retail businesses, we evaluated data on commercial establishments from the National Employment Time-Series Database (NETS), a proprietary database (Walls & Associates, 2013). Using census tracts, we analyzed the data by dividing the Mission District into three distinct commercial neighborhoods shown in Figure 4.18 based on our own assessment of commercial uses.

In 1990, there were more retail businesses in the 24th Street corridor neighborhood than in the 16th St. BART neighborhood (Figure 4.19). Since then, the number of retail businesses has steadily declined in the 24th Street corridor and steadily increased in the 16th Street neighborhood. Today there are about twice as many businesses in the 16th Street BART neighborhood as in the 24th Street corridor.

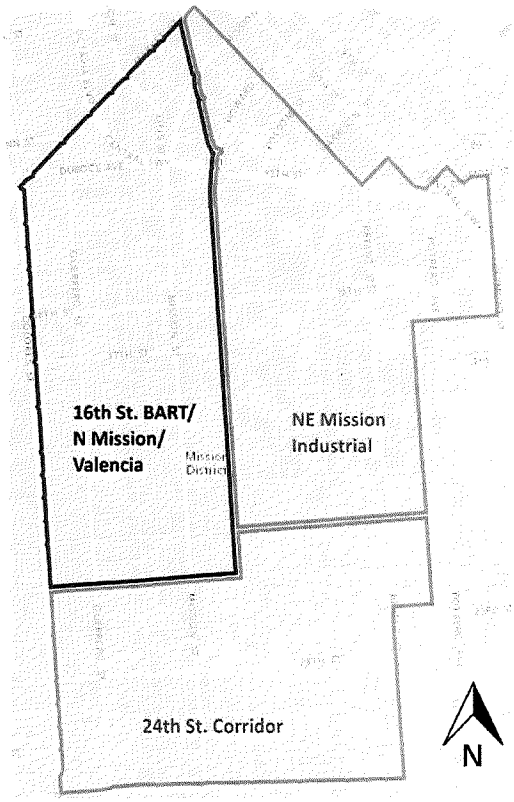

Figure 4.18: The Mission District, Commercial Neighborhoods

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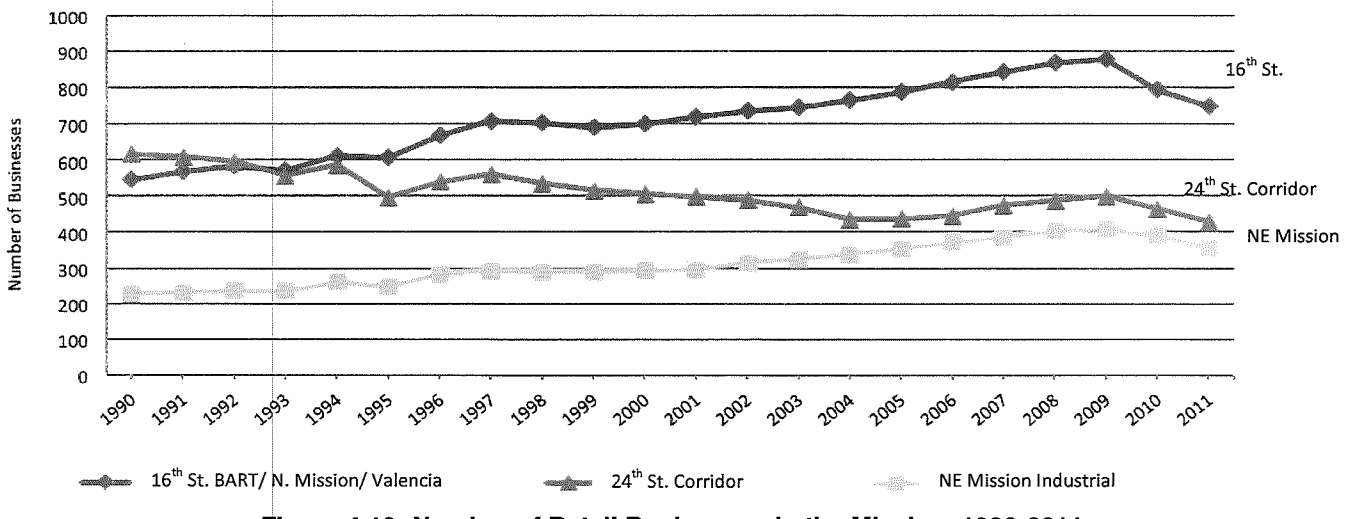

Figure 4.19: Number of Retail Businesses in the Mission, 1990-2011

Source: National Employment Time-Series (NETS) Database

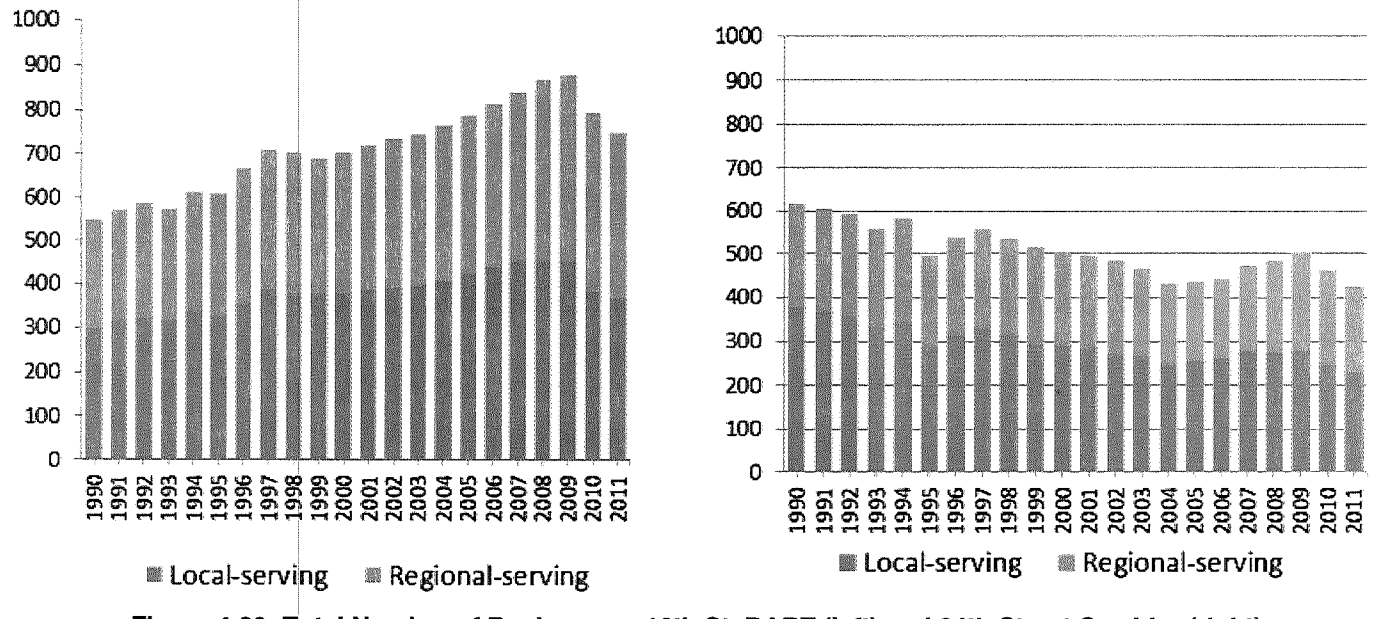

Figure 4.20: Total Number of Businesses, 16th St. BART (left) and 24th Street Corridor (right)

Source: National Employment Time-Series (NETS) database

Here, we compare trends in the 16th Street Bart and 24th Street Corridor areas[13]. The businesses in the 16th Street Bart neighborhood may face problems due to neighborhood gentrification, customer dislocation, and increased wage costs for their workers. Businesses along 24th street may feel less pressures, in part due to the activism that has led to protecting businesses and tenants in the area (Dicum, 2005).

To ascertain the change in local- versus regional-serving businesses, we categorize them based on their North American Industrial Classification System (NAICS) code into businesses that are more likely to serve local residents (such as markets, drug stores, and hardware stores) and businesses more likely to serve regional markets (such as department stores and furniture stores). In the 16th Street Bart neighborhood, growth has occurred in both local and regional serving businesses, while on 24th Street, local-serving businesses have decreased in number (Figure 4.20).

[13] The number of retail businesses in the Northeast Mission Industrial neighborhood increased slightly, but is lower than the other two neighborhoods; we exclude it from the remainder of our analysis.

This suggests that changes in the 16th Street area may be spurred both by changes in the local resident population and in the neighborhood's capacity to draw customers from the region. For example, this corridor is a night-life destination where people from outside come to visit restaurants and bars. Changes in the 24th Street corridor, by contrast, appear to be more related to changes in the local residential population, resulting in a decline in local-serving businesses, without comparable increases in regional-serving businesses.

When asked about how different parts of the Mission have experienced change differently, a non-profit stakeholder identified the 24th and Mission neighborhood as one that has maintained its character more than others, keeping a high percentage of Hispanic-owned retail businesses. However, an analysis of businesses owned by Hispanic people on the 24th Street corridor reveals a different story. Of the businesses that closed in recent years (2007-2010), nearly 50% of them were owned by Hispanics, compared to 38% of businesses that opened over the same time frame.[14] Additionally, the overall proportion of businesses owned by Hispanic people decreased from 40% to 36% between 2000 and 2011. Though this is a small change, it still shows a change in the character of local retail and minority owned businesses.

Nonprofit funding has changed since the first wave of displacement as well. During the first dotcom era, funding and staff were available to Mission Housing when it spearheaded MAC. Today, the organization has fewer resources. One stakeholder believes the "velocity of change" is faster today than the previous dotcom boom; another commented that, due to fewer resources, more-formidable opponents (large technology firms as opposed to smaller start-ups during the previous era), and the "Mayor's pro-tech agenda," the community's capacity to respond has diminished.

Conclusion

The Mission District is a potent example of the demographic and commercial changes that can occur in a high-demand location with walkability, accessibility, and access to amenities in the center of an expensive region. The data presented here show clear signs of change in the Mission.

[14] The corridor is defined as 24th Street between Mission and Potrero; note that this definition is different than that used in the other figures in this section. Source: NETS data and 2000 US Census. Methodology explained in appendix.

Over the last thirty years, the area has seen a decrease in the proportion of family households and a decrease in the Latino population, while the percentage of the population with a bachelor degree or higher and median income have both increased dramatically—all consistent with gentrification patterns.

Despite an increase in income, housing burden has increased in the Mission, demonstrating the neighborhood's high desirability and, therefore, high cost of living. Rent control, public and subsidized housing, and inclusionary zoning all seek to limit displacement and increase affordability for low income households, but all have shortcomings, and, overall, are only partially mitigating the intense displacement resulting from new investment.

Evictions and buyouts are two of the processes contributing to displacement. While the number of Ellis Act and no-fault evictions has gone down in the last decade, the Mission continues to see the highest rate of evictions in the city. Meanwhile, buyouts in the Mission are at a rapid incline, perhaps indicating a switch in landlords' tactics from evictions to buyouts.

A perennial question in anti-displacement policy is which of two approaches to pursue: preserving existing housing as affordable, or increasing production of new housing, either market-rate or affordable. Preservation, in the face of strong market forces, is difficult. As during the dotcom boom, today streams of high income workers are flooding the housing market, placing upward pressure on housing prices and encouraging landlords to use various tactics to raise rents. Furthermore, there is a dwindling supply of naturally affordable housing units left to preserve; most renters are already cost-burdened, and with vacancy decontrol, even rent control units can jump to market simply from someone moving. Strengthening eviction policies could limit these effects.

Increased production of market-rate units is considered an affordable housing strategy by some, but not all: the increased overall supply, some would argue, will bring down rents across the board. However, community opposition to this approach is fierce, as evidenced by the 16th and Mission project. While in the long run new housing may relieve pressure on rents, in the short term it is certain to contribute to upward pressure as the neighborhood gentrifies. In addition, the scarcity of land in the Mission means that new development will be limited. Can enough new housing be built that these supply effects will bring down rents?

That is unlikely, especially since new housing is likely to be oriented toward the highest end of the market, given the larger trends in the economy.

Therefore, to ensure a long-term supply of affordable housing in the Mission, affordable housing production, in addition to preservation of the existing stock, is key. Inclusionary housing has produced only 136 units in the Mission in over twenty years; this policy's future impact will be limited due to recent legal changes. The area is host to nearly 2,000 units of affordable housing. But more will be needed to keep low-income families living in this area.

The Mission has already undergone significant gentrification and continues to experience displacement. This neighborhood has been here before: the dotcom boom at the turn of the century foreshadowed (and set the stage for) many of the changes facing it today. The capacity building activists engaged in at that time provide a foundation for residents and advocates to incorporate successful tactics—and new approaches—to the present situation. While Valencia Street on a Saturday night may be unrecognizable to residents from twenty years ago, the neighborhood still hosts a sizable Latino population, and, in the words of a community-based organization stakeholder, "contestation for place and the right to stay is still going on."

San Francisco Neighborhoods

Socio-Economic Profiles

American Community Survey 2005-2009

SAN FRANCISCO
PLANNING DEPARTMENT
May 2011

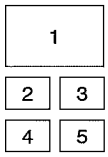

Photo Sources
1 Flickr, David Gallagher
2 Picasaweb, Aksel Olsen
3 Picasaweb, Aksel Olsen
4 Flickr, Lynn Friedman
5 Flickr, sfmission.com

SAN FRANCISCO NEIGHBORHOODS

Socio-Economic Profiles

2005-2009 American Community Survey

San Francisco Planning Department
May 2011

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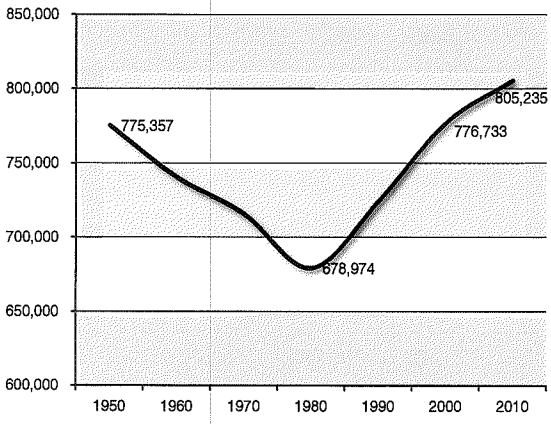
Foreword

San Francisco's 2010 population – at 805,330 – has well surpassed its all-time high in the 1950s. Despite some long term shifts in proportional shares, San Francisco's racial and ethnic composition remains diverse. The City's Asian population is growing steadily but the number of Black residents continues to drop. San Franciscans of Latin or Hispanic origin are also increasing, although not at rates seen at state or national levels.

San Franciscans are also getting older, with a median age of 38.2 years. There are more children under 5 years old but San Francisco continues to be in the top three of major cities with the fewest children. The numbers of older San Franciscans are growing as well. Family households are increasing but there are also more single-person households.

Our citizens are also better educated: a third of San Franciscans over 25 years old have earned a B.A. diploma and about one in five hold a graduate or professional degree. Median incomes rose, although once adjusted for inflation, are almost unchanged from 2000.

San Francisco Population, 1950 - 2010

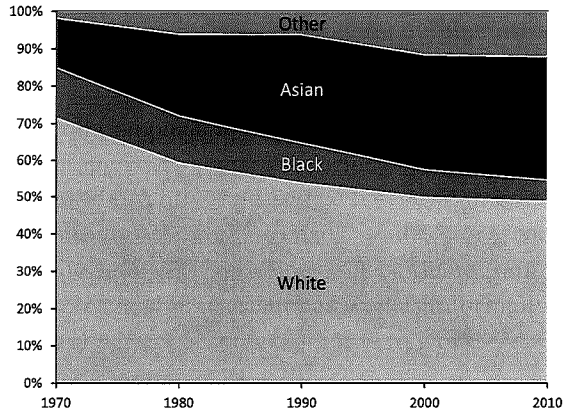


Source: Bay Area Census ; US Bureau of the Census

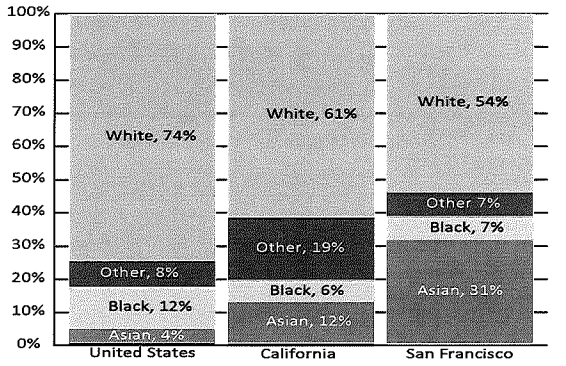
More employed San Franciscans are taking transit to work. Commuting by car has dropped and other travel to work modes such as biking and walking are becoming more popular. Working at home is also increasing. A growing number of San Francisco households are car-free.

San Francisco is a city of neighborhoods, diverse in composition and character. This report compiles recently released 2005-2009 American Community Survey census data for each neighborhood. It provides select demographic and housing characteristics as well as information on employment and the commute to work.

San Francisco Change in Racial Composition 1970-2010



Racial Distribution, San Francisco - California -United States, 2010



Data Sources

Statistics in each neighborhood profiles come from two datasets produced by the U.S. Census Bureau: the 2005-2009 American Community Survey and the 2010 Census. For this report, figures for total population, race and Latino/Hispanic origins come from the 2010 Census PL-94-171 redistricting data. The bulk of the statistics presented, however, are based on the 2005-2009 American Community Survey (ACS).

The annual ACS, which is conducted year-round, has replaced the 10-year, April 1 Census "long form" and includes detailed socio-economic statistics such as income, poverty, educational attainment, occupation, language spoken and commute to work. Yearly ACS data is pooled in sets of five years to generate sampling similar to the decennial Census. The 2005-2009 ACS is the first five-year estimate released and provides the most current demographic profile of the country at the census tract level.

Because the ACS figures are estimates based on samples, there will be few references in absolute numbers. The statistics are, instead, presented as percentage shares. When absolute numbers are provided, these are rounded to the nearest 10. The Census Bureau also publishes margins of error (MOE) for all tables which we have included in an Appendix.

The Census Bureau also provides approximation formulas for calculating MOEs for derived or aggregated measures. Moreover, the Bureau also advises that derived MOEs are increasingly imprecise once more than four individual values are summed. For example, adding high school graduates for five census tracts to get to the neighborhood level constitutes five such values. Also, adding smaller age intervals to report data by larger ones would introduce the same problem. As most of these neighborhood profiles comprise more than four individual tracts and often aggregate published categories (age, commute mode, race), the margins of error themselves become approximations.

Above all, when using data from the American Community Survey, one must keep in mind that sample data is inherently subject to error, and estimates should be interpreted with some caution. In the Appendix (page 80), the steps are included for identifying applicable margins of error.

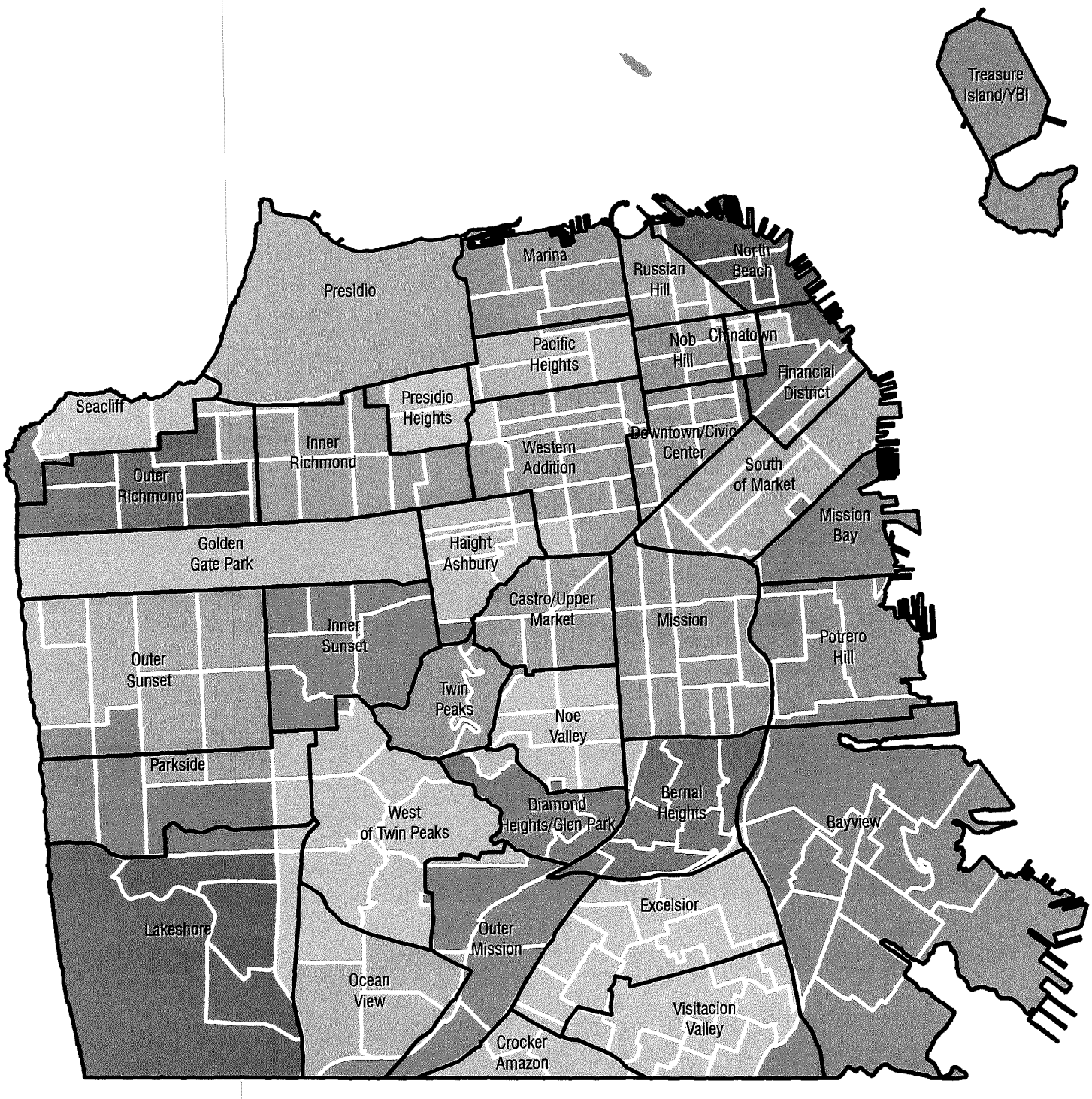
The Planning Department will analyze additional Census 2010 data once these are released. The Department will also provide yearly updates based on the American Community Survey's five-year estimates.

Data Geography

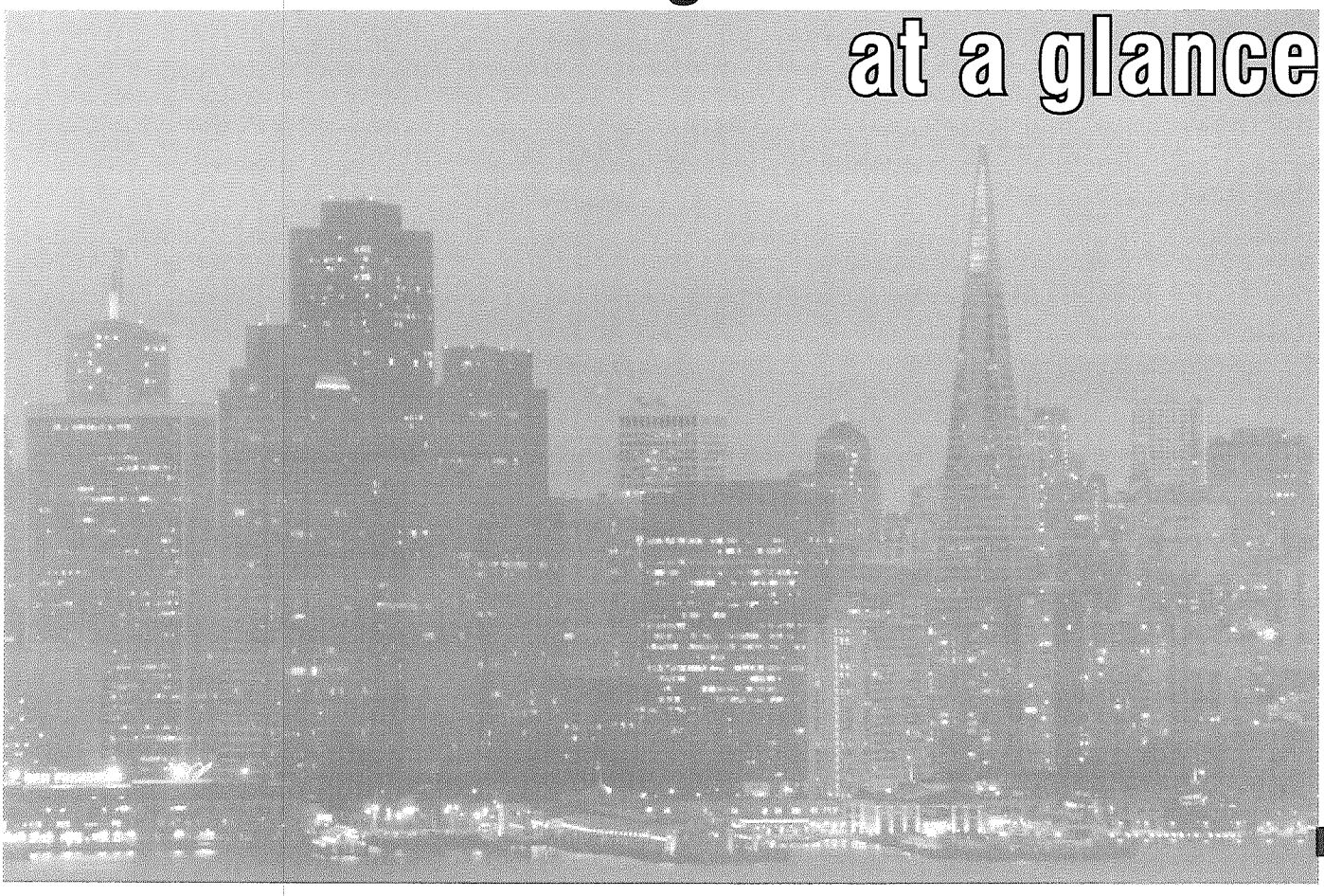
Data from the 2005-2009 American Community Survey sample use the 2000 census tract geographies and are consistent over the decade, allowing for comparison. For this report, the Planning Department aggregated census tracts into popularly-defined neighborhoods. Because the census tracts don't perfectly match neighborhood boundaries[1] – with some tracts overlapping districts – the Planning Department assigned such tracts in its entirety to a specific neighborhood. The map on the following page shows neighborhoods and the census tracts assigned.

1 While Census Block Group geographies allow for better fit within neighborhoods, ACS data is not always available at this level of geography.

Neighborhood Boundaries and Census Tracts



San Francisco Neighborhood Profiles at a glance



San Francisco at a Glance

DEMOGRAPHICS

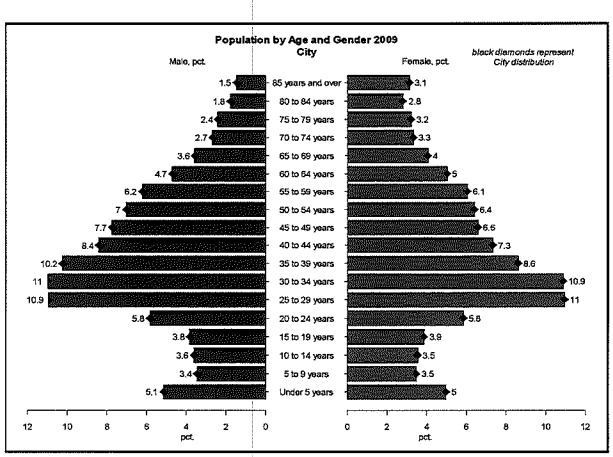
Total Population*	805,240
Group Quarter Population	*17117*
Percent Female	49%
Households	324,180
Family Households	44%
Households with Children, Pct of Total	18%
Non-Family Households	56%
Single Person Households, Pct of Total	41%
Avg Household Size	2.4
Avg Family Household Size	3.5

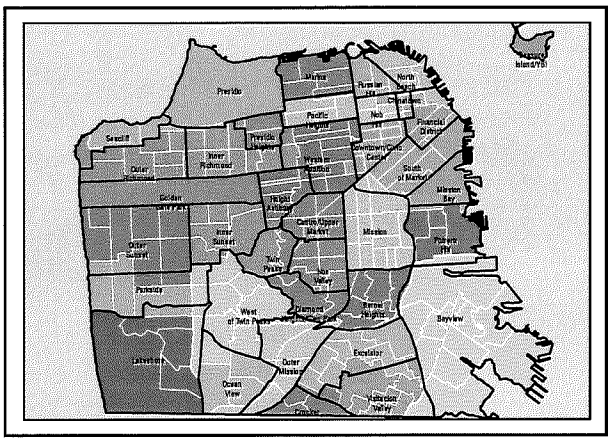
Race/Ethnicity*

Black/African American	6%
Asian	33%
White	48%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	11%
% Latino (of Any Race)	14%

Age

0 - 4 years	5%
5 - 17 years	9%
18 - 34 years	29%
35 - 59 years	37%
60 and older	19%





Educational Attainment

(Residents 25 years and older)

High School or Less	29%
Some College/Associate Degree	20%
College Degree	32%
Graduate/Professional Degree	19%

Nativity and Language

Foreign Born	34%

Language Spoken at home

(Residents 5 years and older)

English Only	56%
Spanish Only	12%
Asian/Pacific Islander	26%
Other European Language	6%
Other Languages	1%

Linguistic Isolation

% of All Households	13%
% of Spanish-Speaking Households	23%
% of Asian Language Speaking Households	40%
% of Other European-Speaking Households	22%
% of Households Speaking Other Languages	17%

San Francisco at a Glance

HOUSING CHARACTERISTICS

Total Number of Units	358,380
Units Built 2000 to 2009+	22,220
Median Year Structure Built‡	1939
Occupied Units	324,180
Owner occupied	38%
Renter occupied	62%
Vacant Units	10%
For rent	36%
For sale only	6%
Rented or sold, not occupied	11%
For seasonal, recreational, or occasional us	16%
Other vacant	32%
Median Year Moved In to Unit (Own)	1995
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	34%
2 - 4 Units	21%
5 - 9 Units	10%
10 - 19 Units	10%
20 Units or more	24%
Other	0%
Housing Prices	
Median Rent	$1,220
Median Home Value	$781,490
Median Rent as Percentage of HH Income	26%
Vehicles Available	349,240
Homeowners	56%
Renters	44%
Vehicles Per Capita	0.45
Households with no vehicle	95,280
Percent of Homeowning households	9%
Percent of Renting Households	42%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$70,117
Median Family Income	$86,665
Per Capita Income	$44,373
Percent in Poverty	11%
Employment	
Unemployment Rate	7%
Employed Residents	443,140
Managerial and Prof. Occupations	51%
Service Occupations	16%
Sales and Office Occupations	23%
Farming related Occupations	0.1%
Construction and Maintenance Occup.	5%
Production and Transportation Occup.	6%
Journey to Work	
Workers 16 years and over	431,900
Car	47%
Drove Alone	*39%*
Carpooled	*8%*
Transit	32%
Bike	3%
Walk	10%
Other	2%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Bayview: Neighborhood at a Glance

DEMOGRAPHICS

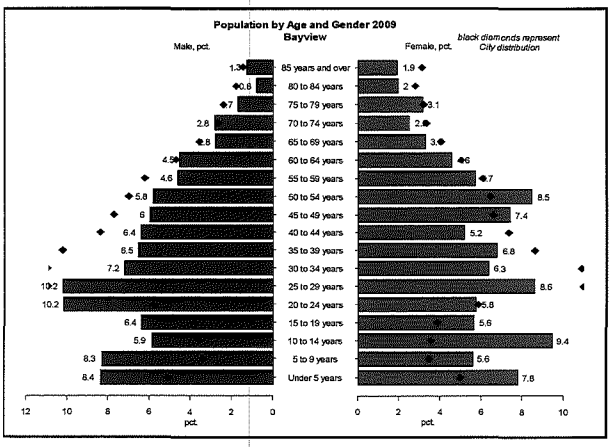
Total Population*	35,890
Group Quarter Population	*0*
Percent Female	50%
Households	9,480
Family Households	70%
Households with Children, Pct of Total	40%
Non-Family Households	30%
Single Person Households, Pct of Total	26%
Avg Household Size	3.6
Avg Family Household Size	4.5

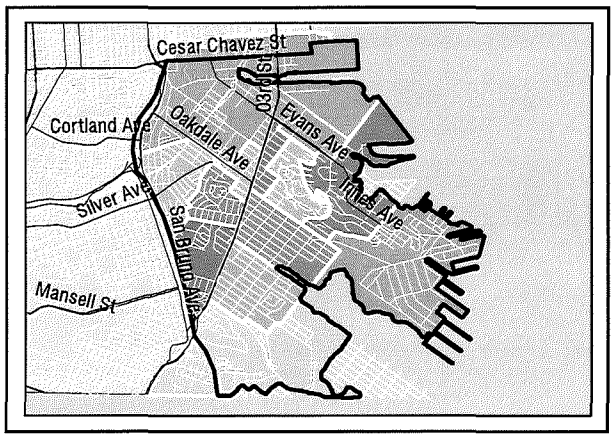
Race/Ethnicity*

Black/African American	32%
Asian	33%
White	12%
Native American Indian	1%
Native Hawaiian/Pacific Islander	3%
Other/Two or More Races	20%
% Latino (of Any Race)	25%

Age

0 - 4 years	8%
5 - 17 years	19%
18 - 34 years	26%
35 - 59 years	32%
60 and older	16%





Educational Attainment
(Residents 25 years and older)

High School or Less	56%
Some College/Associate Degree	26%
College Degree	13%
Graduate/Professional Degree	4%

Nativity and Language

Foreign Born	33%

Language Spoken at home
(Residents 5 years and older)

English Only	51%
Spanish Only	21%
Asian/Pacific Islander	27%
Other European Language	1%
Other Languages	1%

Linguistic Isolation

% of All Households	12%
% of Spanish-Speaking Households	27%
% of Asian Language Speaking Households	34%
% of Other European-Speaking Households	3%
% of Households Speaking Other Languages	23%

Bayview

HOUSING CHARACTERISTICS

Total Number of Units	10,540
Units Built 2000 to 2009+	760
Median Year Structure Built‡	1952
Occupied Units	9,480
Owner occupied	51%
Renter occupied	49%
Vacant Units	10%
For rent	11%
For sale only	11%
Rented or sold, not occupied	2%
For seasonal, recreational, or occasional us	2%
Other vacant	75%
Median Year Moved In to Unit (Own)	1992
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	68%
2 - 4 Units	12%
5 - 9 Units	7%
10 - 19 Units	5%
20 Units or more	7%
Other	1%
Housing Prices	
Median Rent	$768
Median Home Value	$586,201
Median Rent as Percentage of HH Income	29%
Vehicles Available	12,760
Homeowners	66%
Renters	34%
Vehicles Per Capita	0.38
Households with no vehicle	2,030
Percent of Homeowning households	8%
Percent of Renting Households	35%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$43,155
Median Family Income	$50,029
Per Capita Income	$19,484
Percent in Poverty	18%
Employment	
Unemployment Rate	14%
Employed Residents	13,740
Managerial and Prof. Occupations	23%
Service Occupations	26%
Sales and Office Occupations	25%
Farming related Occupations	0.4%
Construction and Maintenance Occup.	12%
Production and Transportation Occup.	13%
Journey to Work	
Workers 16 years and over	13,010
Car	62%
Drove Alone	*50%*
Carpooled	*12%*
Transit	29%
Bike	0%
Walk	4%
Other	1%
Worked at Home	3%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 230.01, 230.02, 230.03, 231.01, 231.02, 231.03, 232, 233, 234, 606, 609, 610

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Bernal Heights: Neighborhood at a Glance

DEMOGRAPHICS

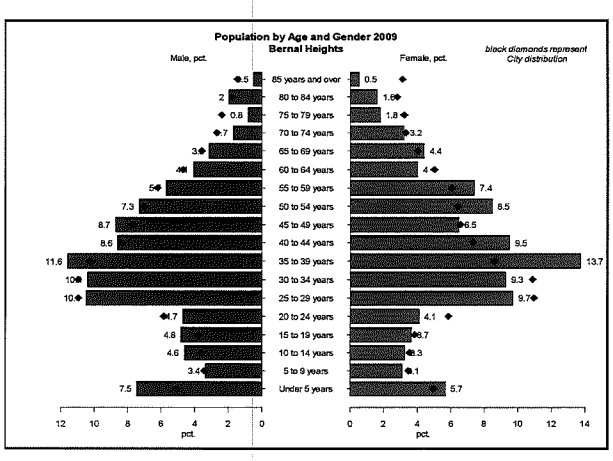
Total Population*	23,390
Group Quarter Population	*311*
Percent Female	50%
Households	9,170
Family Households	51%
Households with Children, Pct of Total	26%
Non-Family Households	49%
Single Person Households, Pct of Total	28%
Avg Household Size	2.8
Avg Family Household Size	3.8

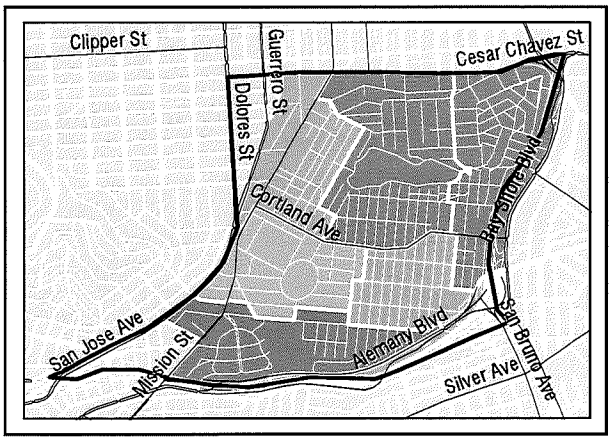
Race/Ethnicity*

Black/African American	5%
Asian	16%
White	59%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	19%
% Latino (of Any Race)	29%

Age

0 - 4 years	7%
5 - 17 years	10%
18 - 34 years	26%
35 - 59 years	44%
60 and older	14%





Educational Attainment
(Residents 25 years and older)

High School or Less	28%
Some College/Associate Degree	21%
College Degree	30%
Graduate/Professional Degree	21%

Nativity and Language

Foreign Born	28%

Language Spoken at home
(Residents 5 years and older)

English Only	58%
Spanish Only	27%
Asian/Pacific Islander	11%
Other European Language	4%
Other Languages	0%

Linguistic Isolation

% of All Households	7%
% of Spanish-Speaking Households	21%
% of Asian Language Speaking Households	18%
% of Other European-Speaking Households	4%
% of Households Speaking Other Languages	0%

Bernal Heights

HOUSING CHARACTERISTICS

Total Number of Units	9,710
Units Built 2000 to 2009+	460
Median Year Structure Built‡	1939
Occupied Units	9,170
Owner occupied	58%
Renter occupied	42%
Vacant Units	6%
For rent	18%
For sale only	0%
Rented or sold, not occupied	2%
For seasonal, recreational, or occasional us	18%
Other vacant	61%
Median Year Moved In to Unit (Own)	1995
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	65%
2 - 4 Units	27%
5 - 9 Units	4%
10 - 19 Units	2%
20 Units or more	2%
Other	0%
Housing Prices	
Median Rent	$1,373
Median Home Value	$747,500
Median Rent as Percentage of HH Income	26%
Vehicles Available	12,520
Homeowners	66%
Renters	34%
Vehicles Per Capita	0.48
Households with no vehicle	1,430
Percent of Homeowning households	8%
Percent of Renting Households	26%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$85,607
Median Family Income	$88,507
Per Capita Income	$41,317
Percent in Poverty	9%
Employment	
Unemployment Rate	6%
Employed Residents	15,860
Managerial and Prof. Occupations	51%
Service Occupations	19%
Sales and Office Occupations	20%
Farming related Occupations	0.1%
Construction and Maintenance Occup.	5%
Production and Transportation Occup.	5%
Journey to Work	
Workers 16 years and over	15,510
Car	52%
Drove Alone	*44%*
Carpooled	*8%*
Transit	32%
Bike	5%
Walk	3%
Other	2%
Worked at Home	5%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 251, 252, 253, 254.01, 254.02, 254.03

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Castro/Upper Market: Neighborhood at a Glance

DEMOGRAPHICS

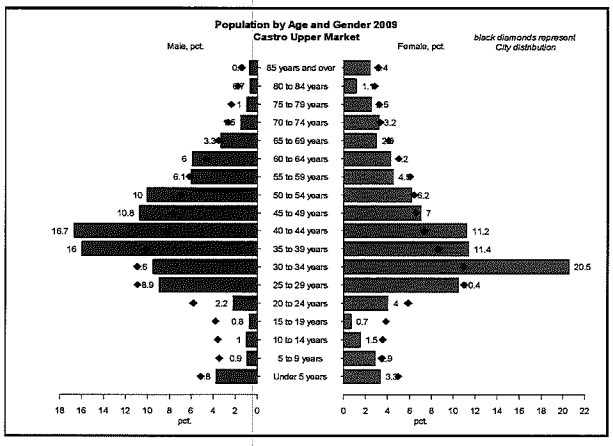
Total Population*	19,790
Group Quarter Population	*0*
Percent Female	36%
Households	13,810
Family Households	23%
Households with Children, Pct of Total	8%
Non-Family Households	77%
Single Person Households, Pct of Total	47%
Avg Household Size	1.9
Avg Family Household Size	2.8

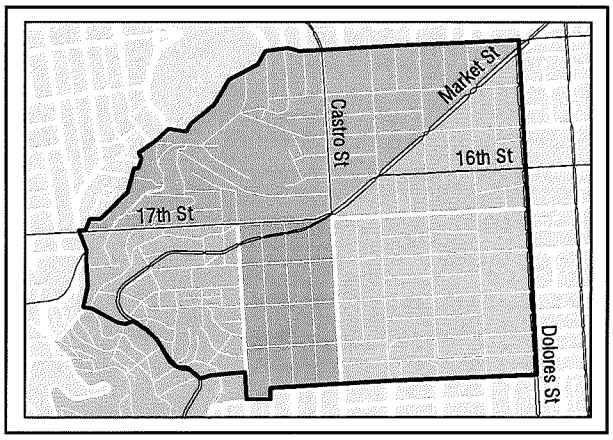
Race/Ethnicity*

Black/African American	2%
Asian	10%
White	80%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	8%
% Latino (of Any Race)	8%

Age

0 - 4 years	4%
5 - 17 years	3%
18 - 34 years	26%
35 - 59 years	53%
60 and older	14%





Educational Attainment
(Residents 25 years and older)

High School or Less	10%
Some College/Associate Degree	19%
College Degree	43%
Graduate/Professional Degree	28%

Nativity and Language

Foreign Born	16%

Language Spoken at home
(Residents 5 years and older)

English Only	79%
Spanish Only	7%
Asian/Pacific Islander	5%
Other European Language	8%
Other Languages	1%

Linguistic Isolation

% of All Households	3%
% of Spanish-Speaking Households	9%
% of Asian Language Speaking Households	19%
% of Other European-Speaking Households	10%
% of Households Speaking Other Languages	0%

Castro/Upper Market

HOUSING CHARACTERISTICS

Total Number of Units	14,810
Units Built 2000 to 2009+	140
Median Year Structure Built‡	1939
Occupied Units	13,810
Owner occupied	34%
Renter occupied	66%
Vacant Units	7%
For rent	38%
For sale only	3%
Rented or sold, not occupied	11%
For seasonal, recreational, or occasional us	19%
Other vacant	29%
Median Year Moved In to Unit (Own)	1998
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	24%
2 - 4 Units	37%
5 - 9 Units	15%
10 - 19 Units	15%
20 Units or more	9%
Other	0%
Housing Prices	
Median Rent	$1,485
Median Home Value	$946,246
Median Rent as Percentage of HH Income	25%
Vehicles Available	14,890
Homeowners	45%
Renters	55%
Vehicles Per Capita	0.58
Households with no vehicle	2,950
Percent of Homeowning households	8%
Percent of Renting Households	28%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$92,237
Median Family Income	$127,165
Per Capita Income	$67,206
Percent in Poverty	8%
Employment	
Unemployment Rate	5%
Employed Residents	18,110
Managerial and Prof. Occupations	66%
Service Occupations	9%
Sales and Office Occupations	21%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	2%
Production and Transportation Occup.	2%
Journey to Work	
Workers 16 years and over	17,800
Car	46%
Drove Alone	*41%*
Carpooled	*5%*
Transit	35%
Bike	2%
Walk	6%
Other	2%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 169, 170, 203, 204, 205, 206

May 2011

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Chinatown: Neighborhood at a Glance

DEMOGRAPHICS

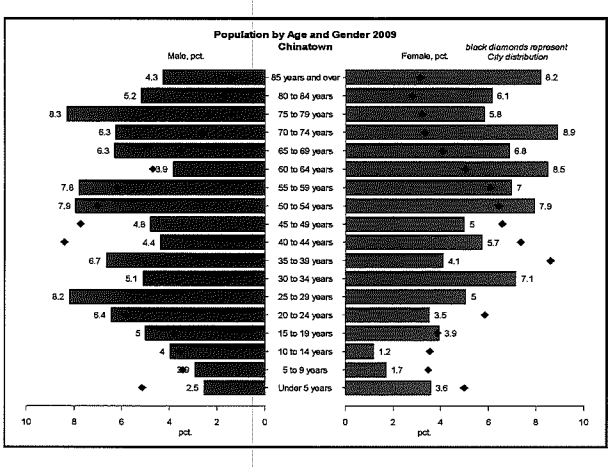
Total Population*	14,540
Group Quarter Population	*0*
Percent Female	50%
Households	6,720
Family Households	48%
Households with Children, Pct of Total	13%
Non-Family Households	52%
Single Person Households, Pct of Total	49%
Avg Household Size	2.1
Avg Family Household Size	3.2

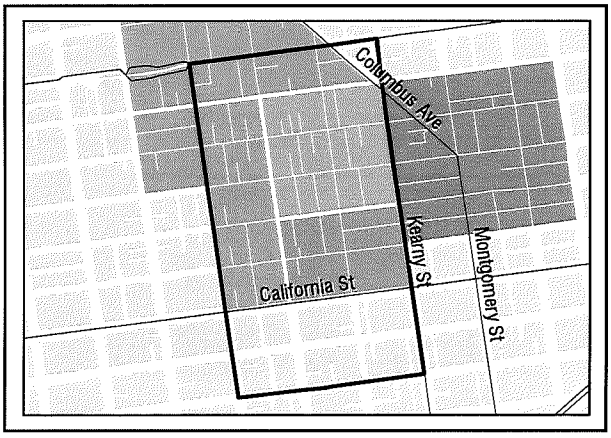
Race/Ethnicity*

Black/African American	2%
Asian	84%
White	12%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	2%
% Latino (of Any Race)	2%

Age

0 - 4 years	3%
5 - 17 years	8%
18 - 34 years	19%
35 - 59 years	31%
60 and older	39%





Educational Attainment
(Residents 25 years and older)

High School or Less	70%
Some College/Associate Degree	13%
College Degree	12%
Graduate/Professional Degree	4%

Nativity and Language

Foreign Born	75%

Language Spoken at home
(Residents 5 years and older)

English Only	14%
Spanish Only	1%
Asian/Pacific Islander	84%
Other European Language	1%
Other Languages	0%

Linguistic Isolation

% of All Households	66%
% of Spanish-Speaking Households	24%
% of Asian Language Speaking Households	84%
% of Other European-Speaking Households	21%
% of Households Speaking Other Languages	#Num!

Chinatown

HOUSING CHARACTERISTICS

Total Number of Units	7,490
Units Built 2000 to 2009+	80
Median Year Structure Built‡	1939
Occupied Units	6,720
Owner occupied	6%
Renter occupied	94%
Vacant Units	10%
For rent	57%
For sale only	0%
Rented or sold, not occupied	13%
For seasonal, recreational, or occasional us	11%
Other vacant	19%
Median Year Moved In to Unit (Own)	1995
Median Year Moved In to Unit (Rent)	1999
Structure Type	
Single Family Housing	3%
2 - 4 Units	10%
5 - 9 Units	11%
10 - 19 Units	14%
20 Units or more	61%
Other	1%
Housing Prices	
Median Rent	$478
Median Home Value	$781,746
Median Rent as Percentage of HH Income	27%
Vehicles Available	1,560
Homeowners	13%
Renters	87%
Vehicles Per Capita	0.11
Households with no vehicle	5,410
Percent of Homeowning households	48%
Percent of Renting Households	83%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$17,630
Median Family Income	$22,691
Per Capita Income	$18,574
Percent in Poverty	31%
Employment	
Unemployment Rate	15%
Employed Residents	5,350
Managerial and Prof. Occupations	22%
Service Occupations	41%
Sales and Office Occupations	23%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	10%
Journey to Work	
Workers 16 years and over	5,230
Car	20%
Drove Alone	*15%*
Carpooled	*5%*
Transit	31%
Bike	0%
Walk	41%
Other	2%
Worked at Home	6%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 107, 113, 114, 115, 118

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Crocker Amazon: Neighborhood at a Glance

DEMOGRAPHICS

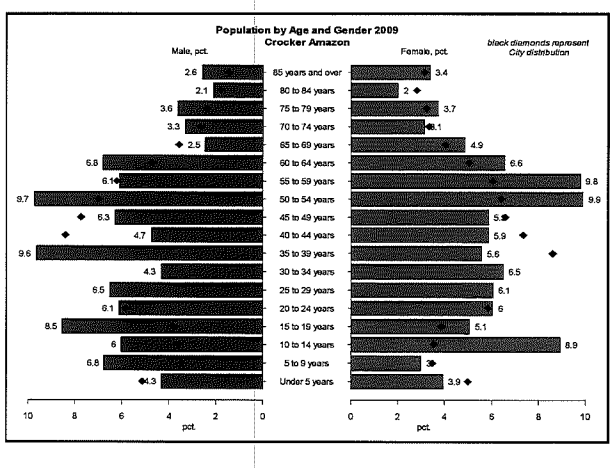
Total Population*	14,420
Group Quarter Population	*0*
Percent Female	49%
Households	3,390
Family Households	77%
Households with Children, Pct of Total	34%
Non-Family Households	23%
Single Person Households, Pct of Total	17%
Avg Household Size	3.9
Avg Family Household Size	4.6

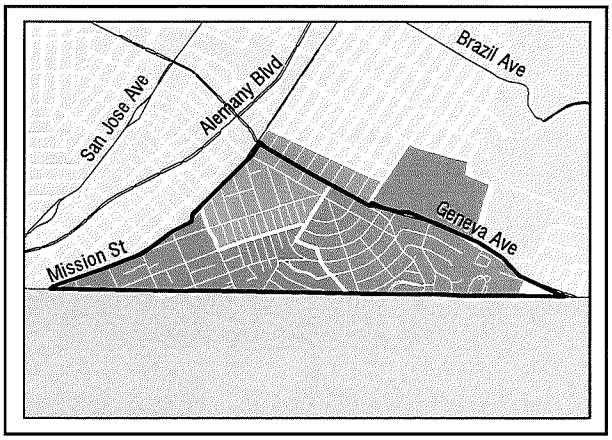
Race/Ethnicity*

Black/African American	2%
Asian	58%
White	22%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	18%
% Latino (of Any Race)	26%

Age

0 - 4 years	4%
5 - 17 years	16%
18 - 34 years	21%
35 - 59 years	37%
60 and older	22%





Educational Attainment
(Residents 25 years and older)

High School or Less	52%
Some College/Associate Degree	25%
College Degree	18%
Graduate/Professional Degree	5%

Nativity and Language

Foreign Born	52%

Language Spoken at home
(Residents 5 years and older)

English Only	31%
Spanish Only	19%
Asian/Pacific Islander	47%
Other European Language	3%
Other Languages	0%

Linguistic Isolation

% of All Households	17%
% of Spanish-Speaking Households	22%
% of Asian Language Speaking Households	27%
% of Other European-Speaking Households	42%
% of Households Speaking Other Languages	39%

Crocker Amazon

HOUSING CHARACTERISTICS

Total Number of Units	3,620
Units Built 2000 to 2009+	220
Median Year Structure Built‡	1943
Occupied Units	3,390
Owner occupied	68%
Renter occupied	32%
Vacant Units	6%
For rent	41%
For sale only	18%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	15%
Other vacant	26%
Median Year Moved In to Unit (Own)	1991
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	80%
2 - 4 Units	9%
5 - 9 Units	4%
10 - 19 Units	4%
20 Units or more	4%
Other	0%
Housing Prices	
Median Rent	$1,287
Median Home Value	$623,471
Median Rent as Percentage of HH Income	28%
Vehicles Available	5,900
Homeowners	74%
Renters	26%
Vehicles Per Capita	0.44
Households with no vehicle	280
Percent of Homeowning households	5%
Percent of Renting Households	15%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$68,705
Median Family Income	$73,056
Per Capita Income	$23,644
Percent in Poverty	7%
Employment	
Unemployment Rate	9%
Employed Residents	6,370
Managerial and Prof. Occupations	26%
Service Occupations	29%
Sales and Office Occupations	24%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	8%
Production and Transportation Occup.	13%
Journey to Work	
Workers 16 years and over	6,310
Car	57%
Drove Alone	*47%*
Carpooled	*10%*
Transit	36%
Bike	1%
Walk	1%
Other	1%
Worked at Home	4%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 263.01, 263.02, 263.03

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Diamond Heights/Glen Park: Neighborhood at a Glance

DEMOGRAPHICS

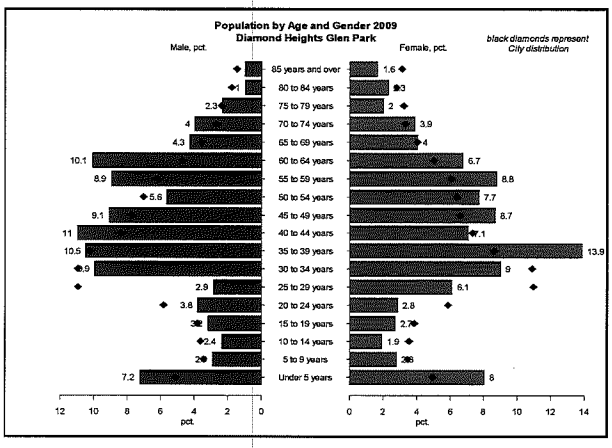
Total Population*	7,790
Group Quarter Population	*0*
Percent Female	51%
Households	3,810
Family Households	47%
Households with Children, Pct of Total	22%
Non-Family Households	53%
Single Person Households, Pct of Total	37%
Avg Household Size	2.2
Avg Family Household Size	3.0

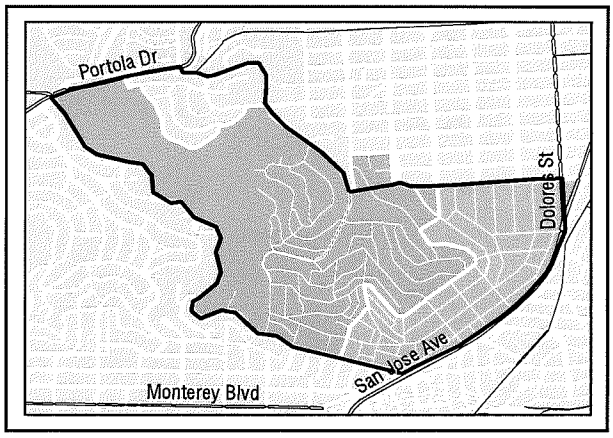
Race/Ethnicity*

Black/African American	6%
Asian	14%
White	70%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	9%
% Latino (of Any Race)	13%

Age

0 - 4 years	8%
5 - 17 years	7%
18 - 34 years	18%
35 - 59 years	46%
60 and older	22%





Educational Attainment
(Residents 25 years and older)

High School or Less	17%
Some College/Associate Degree	15%
College Degree	33%
Graduate/Professional Degree	34%

Nativity and Language

Foreign Born	18%

Language Spoken at home
(Residents 5 years and older)

English Only	78%
Spanish Only	8%
Asian/Pacific Islander	8%
Other European Language	5%
Other Languages	1%

Linguistic Isolation

% of All Households	6%
% of Spanish-Speaking Households	34%
% of Asian Language Speaking Households	26%
% of Other European-Speaking Households	5%
% of Households Speaking Other Languages	0%

Diamond Heights/Glen Park

HOUSING CHARACTERISTICS

Total Number of Units	4,020
Units Built 2000 to 2009+	40
Median Year Structure Built‡	1955
Occupied Units	3,810
Owner occupied	68%
Renter occupied	32%
Vacant Units	5%
For rent	0%
For sale only	43%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	0%
Other vacant	57%
Median Year Moved In to Unit (Own)	1994
Median Year Moved In to Unit (Rent)	1999

Structure Type

Single Family Housing	67%
2 - 4 Units	21%
5 - 9 Units	3%
10 - 19 Units	1%
20 Units or more	8%
Other	0%

Housing Prices

Median Rent	$1,381
Median Home Value	$918,255
Median Rent as Percentage of HH Income	21%
Vehicles Available	5,280
Homeowners	75%
Renters	25%
Vehicles Per Capita	0.62
Households with no vehicle	480
Percent of Homeowning households	8%
Percent of Renting Households	21%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$90,510
Median Family Income	$128,000
Per Capita Income	$59,158
Percent in Poverty	9%

Employment

Unemployment Rate	6%
Employed Residents	5,060
Managerial and Prof. Occupations	65%
Service Occupations	6%
Sales and Office Occupations	19%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	5%

Journey to Work

Workers 16 years and over	4,840
Car	56%
Drove Alone	*48%*
Carpooled	*7%*
Transit	32%
Bike	1%
Walk	2%
Other	0%
Worked at Home	9%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 217, 218

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Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Downtown/Civic Center: Neighborhood at a Glance

DEMOGRAPHICS

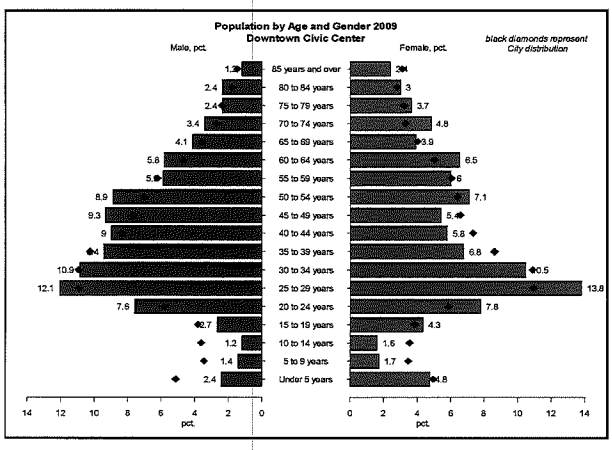
Total Population*	44,240
Group Quarter Population	*712*
Percent Female	39%
Households	21,570
Family Households	19%
Households with Children, Pct of Total	6%
Non-Family Households	81%
Single Person Households, Pct of Total	71%
Avg Household Size	1.6
Avg Family Household Size	3.2

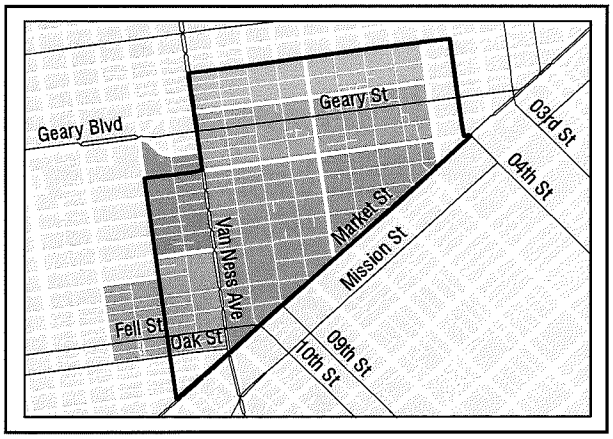
Race/Ethnicity*

Black/African American	10%
Asian	28%
White	46%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	15%
% Latino (of Any Race)	18%

Age

0 - 4 years	3%
5 - 17 years	4%
18 - 34 years	33%
35 - 59 years	38%
60 and older	21%





Educational Attainment
(Residents 25 years and older)

High School or Less	41%
Some College/Associate Degree	25%
College Degree	23%
Graduate/Professional Degree	11%

Nativity and Language

Foreign Born	41%

Language Spoken at home
(Residents 5 years and older)

English Only	53%
Spanish Only	15%
Asian/Pacific Islander	24%
Other European Language	6%
Other Languages	2%

Linguistic Isolation

% of All Households	19%
% of Spanish-Speaking Households	36%
% of Asian Language Speaking Households	56%
% of Other European-Speaking Households	38%
% of Households Speaking Other Languages	52%

Downtown/Civic Center

HOUSING CHARACTERISTICS

Total Number of Units	25,840
Units Built 2000 to 2009+	1,560
Median Year Structure Built‡	1939
Occupied Units	21,570
Owner occupied	4%
Renter occupied	96%
Vacant Units	17%
For rent	57%
For sale only	0%
Rented or sold, not occupied	13%
For seasonal, recreational, or occasional us	19%
Other vacant	11%
Median Year Moved In to Unit (Own)	2000
Median Year Moved In to Unit (Rent)	2004

Structure Type

Single Family Housing	2%
2 - 4 Units	2%
5 - 9 Units	2%
10 - 19 Units	9%
20 Units or more	85%
Other	0%

Housing Prices

Median Rent	$806
Median Home Value	$497,297
Median Rent as Percentage of HH Income	30%
Vehicles Available	3,850
Homeowners	14%
Renters	86%
Vehicles Per Capita	0.11
Households with no vehicle	17,620
Percent of Homeowning households	45%
Percent of Renting Households	83%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$24,491
Median Family Income	$33,409
Per Capita Income	$26,003
Percent in Poverty	25%

Employment

Unemployment Rate	9%
Employed Residents	18,060
Managerial and Prof. Occupations	36%
Service Occupations	33%
Sales and Office Occupations	22%
Farming related Occupations	0.1%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	6%

Journey to Work

Workers 16 years and over	17,590
Car	12%
Drove Alone	*11%*
Carpooled	*2%*
Transit	47%
Bike	3%
Walk	29%
Other	1%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 120, 121, 122, 123, 124, 125, 160, 162

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Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Excelsior: Neighborhood at a Glance

DEMOGRAPHICS

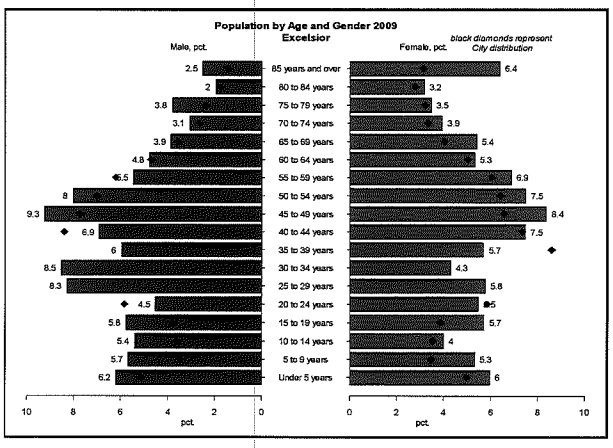
Total Population*	37,960
Group Quarter Population	*1463*
Percent Female	50%
Households	9,510
Family Households	75%
Households with Children, Pct of Total	35%
Non-Family Households	25%
Single Person Households, Pct of Total	18%
Avg Household Size	3.7
Avg Family Household Size	4.4

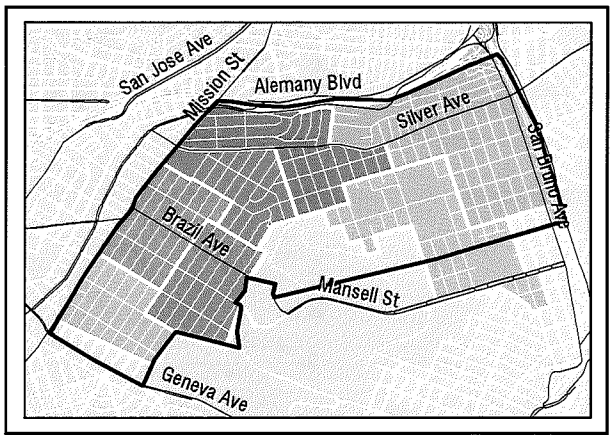
Race/Ethnicity*

Black/African American	3%
Asian	49%
White	26%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	21%
% Latino (of Any Race)	30%

Age

0 - 4 years	6%
5 - 17 years	14%
18 - 34 years	21%
35 - 59 years	36%
60 and older	24%





Educational Attainment
(Residents 25 years and older)

High School or Less	55%
Some College/Associate Degree	22%
College Degree	17%
Graduate/Professional Degree	6%

Nativity and Language

Foreign Born	50%

Language Spoken at home
(Residents 5 years and older)

English Only	29%
Spanish Only	27%
Asian/Pacific Islander	39%
Other European Language	4%
Other Languages	1%

Linguistic Isolation

% of All Households	19%
% of Spanish-Speaking Households	26%
% of Asian Language Speaking Households	31%
% of Other European-Speaking Households	17%
% of Households Speaking Other Languages	22%

Excelsior

HOUSING CHARACTERISTICS

Total Number of Units	10,080
Units Built 2000 to 2009+	90
Median Year Structure Built‡	1943
Occupied Units	9,510
Owner occupied	73%
Renter occupied	27%
Vacant Units	6%
For rent	19%
For sale only	12%
Rented or sold, not occupied	9%
For seasonal, recreational, or occasional us	9%
Other vacant	50%
Median Year Moved In to Unit (Own)	1991
Median Year Moved In to Unit (Rent)	2002
Structure Type	
Single Family Housing	88%
2 - 4 Units	9%
5 - 9 Units	2%
10 - 19 Units	1%
20 Units or more	1%
Other	0%
Housing Prices	
Median Rent	$1,239
Median Home Value	$624,593
Median Rent as Percentage of HH Income	31%
Vehicles Available	15,870
Homeowners	78%
Renters	22%
Vehicles Per Capita	0.45
Households with no vehicle	1,190
Percent of Homeowning households	9%
Percent of Renting Households	22%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$67,398
Median Family Income	$72,326
Per Capita Income	$23,562
Percent in Poverty	11%
Employment	
Unemployment Rate	9%
Employed Residents	17,060
Managerial and Prof. Occupations	28%
Service Occupations	25%
Sales and Office Occupations	26%
Farming related Occupations	0.2%
Construction and Maintenance Occup.	10%
Production and Transportation Occup.	11%
Journey to Work	
Workers 16 years and over	16,440
Car	64%
Drove Alone	*53%*
Carpooled	*11%*
Transit	29%
Bike	1%
Walk	1%
Other	1%
Worked at Home	3%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 256, 257, 259, 260.01, 260.02, 260.03, 260.04

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Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Financial District: Neighborhood at a Glance

DEMOGRAPHICS

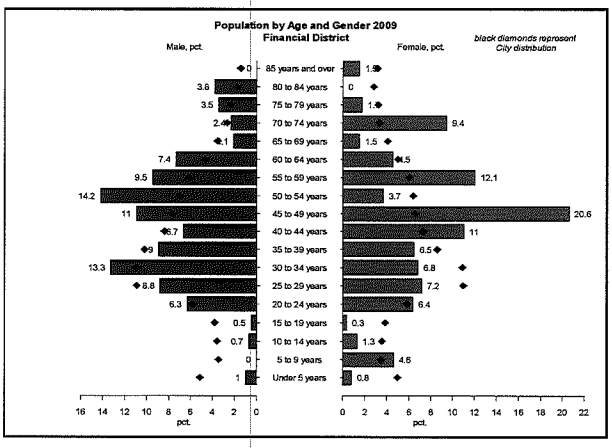
Total Population*	1,780
Group Quarter Population	*82*
Percent Female	44%
Households	1,620
Family Households	21%
Households with Children, Pct of Total	4%
Non-Family Households	79%
Single Person Households, Pct of Total	70%
Avg Household Size	1.5
Avg Family Household Size	3.0

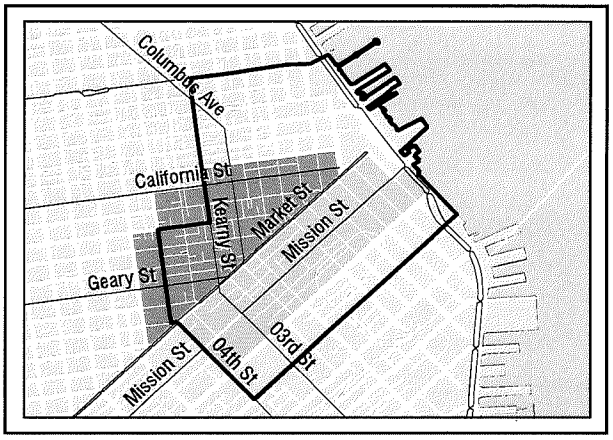
Race/Ethnicity*

Black/African American	6%
Asian	47%
White	39%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	7%
% Latino (of Any Race)	7%

Age

0 - 4 years	1%
5 - 17 years	3%
18 - 34 years	25%
35 - 59 years	52%
60 and older	19%





Educational Attainment
(Residents 25 years and older)

High School or Less	24%
Some College/Associate Degree	20%
College Degree	33%
Graduate/Professional Degree	22%

Nativity and Language

Foreign Born	44%

Language Spoken at home
(Residents 5 years and older)

English Only	53%
Spanish Only	4%
Asian/Pacific Islander	34%
Other European Language	8%
Other Languages	1%

Linguistic Isolation

% of All Households	14%
% of Spanish-Speaking Households	16%
% of Asian Language Speaking Households	54%
% of Other European-Speaking Households	6%
% of Households Speaking Other Languages	0%

Financial District

HOUSING CHARACTERISTICS

Total Number of Units	2,330
Units Built 2000 to 2009+	1,630
Median Year Structure Built‡	1980
Occupied Units	1,620
Owner occupied	14%
Renter occupied	86%
Vacant Units	30%
For rent	45%
For sale only	2%
Rented or sold, not occupied	14%
For seasonal, recreational, or occasional us	34%
Other vacant	4%
Median Year Moved In to Unit (Own)	2010
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	3%
2 - 4 Units	1%
5 - 9 Units	0%
10 - 19 Units	4%
20 Units or more	91%
Other	0%
Housing Prices	
Median Rent	$1,002
Median Home Value	$942,568
Median Rent as Percentage of HH Income	31%
Vehicles Available	770
Homeowners	31%
Renters	69%
Vehicles Per Capita	0.31
Households with no vehicle	980
Percent of Homeowning households	12%
Percent of Renting Households	68%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$45,221
Median Family Income	$104,167
Per Capita Income	$70,997
Percent in Poverty	18%
Employment	
Unemployment Rate	6%
Employed Residents	1,600
Managerial and Prof. Occupations	56%
Service Occupations	16%
Sales and Office Occupations	22%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	1%
Production and Transportation Occup.	7%
Journey to Work	
Workers 16 years and over	1,580
Car	15%
Drove Alone	*14%*
Carpooled	*1%*
Transit	21%
Bike	0%
Walk	50%
Other	3%
Worked at Home	11%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 117, 176.02

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Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Haight Ashbury: Neighborhood at a Glance

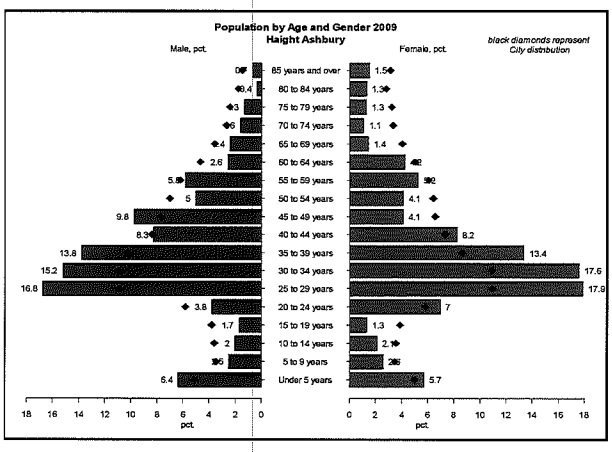
DEMOGRAPHICS

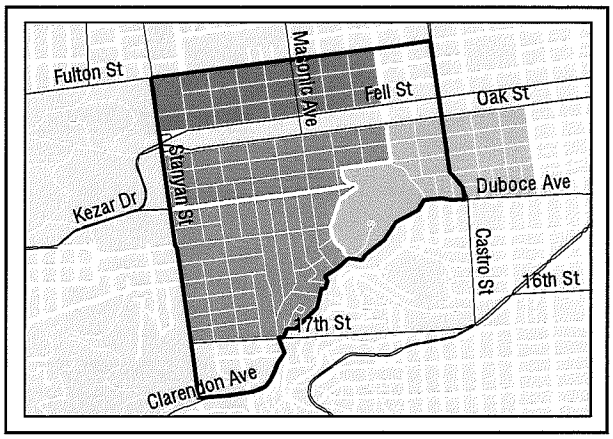
Total Population*	21,800
Group Quarter Population	*464*
Percent Female	46%

Households	10,370
Family Households	33%
Households with Children, Pct of Total	13%
Non-Family Households	67%
Single Person Households, Pct of Total	43%
Avg Household Size	2.1
Avg Family Household Size	2.9

Race/Ethnicity*	
Black/African American	5%
Asian	10%
White	77%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	8%
% Latino (of Any Race)	9%

Age	
0 - 4 years	6%
5 - 17 years	6%
18 - 34 years	39%
35 - 59 years	39%
60 and older	10%





Educational Attainment (Residents 25 years and older)	
High School or Less	10%
Some College/Associate Degree	18%
College Degree	43%
Graduate/Professional Degree	29%

Nativity and Language	
Foreign Born	15%

Language Spoken at home (Residents 5 years and older)	
English Only	83%
Spanish Only	6%
Asian/Pacific Islander	4%
Other European Language	7%
Other Languages	0%

Linguistic Isolation	
% of All Households	3%
% of Spanish-Speaking Households	2%
% of Asian Language Speaking Households	29%
% of Other European-Speaking Households	14%
% of Households Speaking Other Languages	0%

Haight Ashbury

HOUSING CHARACTERISTICS

Total Number of Units	11,470
Units Built 2000 to 2009+	120
Median Year Structure Built‡	1939
Occupied Units	10,370
Owner occupied	30%
Renter occupied	70%
Vacant Units	10%
For rent	23%
For sale only	13%
Rented or sold, not occupied	7%
For seasonal, recreational, or occasional us	6%
Other vacant	51%
Median Year Moved In to Unit (Own)	2000
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	17%
2 - 4 Units	39%
5 - 9 Units	24%
10 - 19 Units	12%
20 Units or more	8%
Other	0%
Housing Prices	
Median Rent	$1,409
Median Home Value	$943,062
Median Rent as Percentage of HH Income	26%
Vehicles Available	10,040
Homeowners	45%
Renters	55%
Vehicles Per Capita	0.47
Households with no vehicle	3,080
Percent of Homeowning households	9%
Percent of Renting Households	39%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$85,539
Median Family Income	$125,394
Per Capita Income	$57,953
Percent in Poverty	11%
Employment	
Unemployment Rate	4%
Employed Residents	14,890
Managerial and Prof. Occupations	68%
Service Occupations	11%
Sales and Office Occupations	17%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	2%
Production and Transportation Occup.	1%
Journey to Work	
Workers 16 years and over	14,700
Car	36%
Drove Alone	*31%*
Carpooled	*5%*
Transit	40%
Bike	7%
Walk	6%
Other	3%
Worked at Home	8%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 165, 166, 167, 171

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Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Inner Richmond: Neighborhood at a Glance

DEMOGRAPHICS

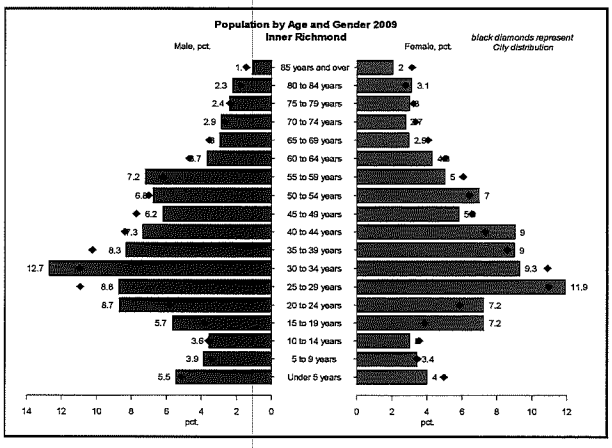
Total Population*	39,690
Group Quarter Population	*2459*
Percent Female	55%
Households	17,350
Family Households	49%
Households with Children, Pct of Total	21%
Non-Family Households	51%
Single Person Households, Pct of Total	34%
Avg Household Size	2.4
Avg Family Household Size	3.2

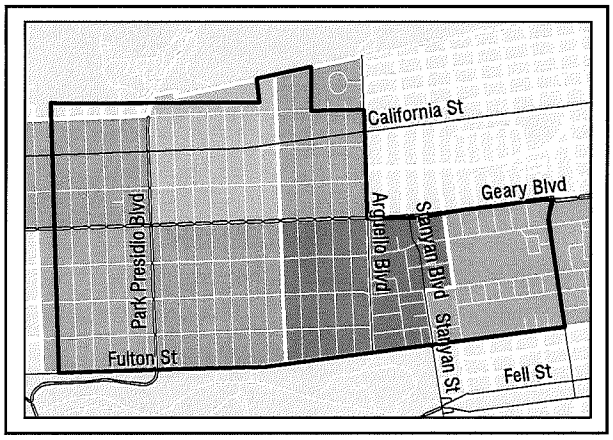
Race/Ethnicity*

Black/African American	2%
Asian	38%
White	51%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	8%
% Latino (of Any Race)	6%

Age

0 - 4 years	5%
5 - 17 years	9%
18 - 34 years	34%
35 - 59 years	36%
60 and older	17%





Educational Attainment
(Residents 25 years and older)

High School or Less	22%
Some College/Associate Degree	21%
College Degree	35%
Graduate/Professional Degree	22%

Nativity and Language

Foreign Born	32%

Language Spoken at home
(Residents 5 years and older)

English Only	57%
Spanish Only	4%
Asian/Pacific Islander	29%
Other European Language	9%
Other Languages	0%

Linguistic Isolation

% of All Households	15%
% of Spanish-Speaking Households	2%
% of Asian Language Speaking Households	42%
% of Other European-Speaking Households	33%
% of Households Speaking Other Languages	0%

Inner Richmond

HOUSING CHARACTERISTICS

Total Number of Units	19,080
Units Built 2000 to 2009+	490
Median Year Structure Built‡	1939
Occupied Units	17,350
Owner occupied	32%
Renter occupied	68%
Vacant Units	9%
For rent	22%
For sale only	3%
Rented or sold, not occupied	2%
For seasonal, recreational, or occasional us	11%
Other vacant	62%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	22%
2 - 4 Units	48%
5 - 9 Units	16%
10 - 19 Units	10%
20 Units or more	4%
Other	0%
Housing Prices	
Median Rent	$1,337
Median Home Value	$941,194
Median Rent as Percentage of HH Income	26%
Vehicles Available	20,050
Homeowners	42%
Renters	58%
Vehicles Per Capita	0.47
Households with no vehicle	4,120
Percent of Homeowning households	12%
Percent of Renting Households	29%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$69,861
Median Family Income	$88,804
Per Capita Income	$41,369
Percent in Poverty	12%
Employment	
Unemployment Rate	6%
Employed Residents	24,660
Managerial and Prof. Occupations	52%
Service Occupations	14%
Sales and Office Occupations	26%
Farming related Occupations	0.1%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	5%
Journey to Work	
Workers 16 years and over	23,690
Car	45%
Drove Alone	*35%*
Carpooled	*9%*
Transit	35%
Bike	3%
Walk	9%
Other	2%
Worked at Home	6%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 156, 157, 401, 402, 426, 451, 452, 476

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Inner Sunset: Neighborhood at a Glance

DEMOGRAPHICS

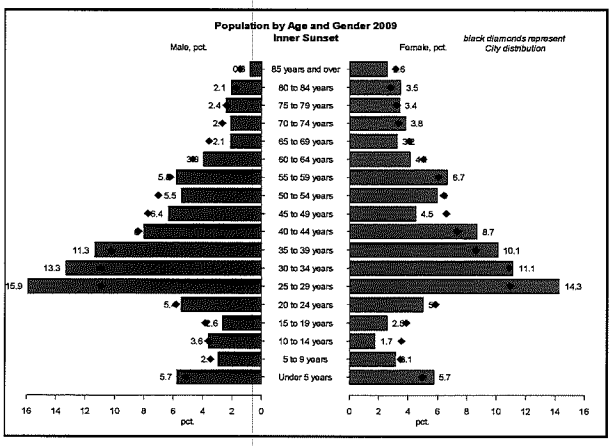
Total Population*	26,520
Group Quarter Population	*184*
Percent Female	50%
Households	11,590
Family Households	45%
Households with Children, Pct of Total	16%
Non-Family Households	55%
Single Person Households, Pct of Total	36%
Avg Household Size	2.4
Avg Family Household Size	3.2

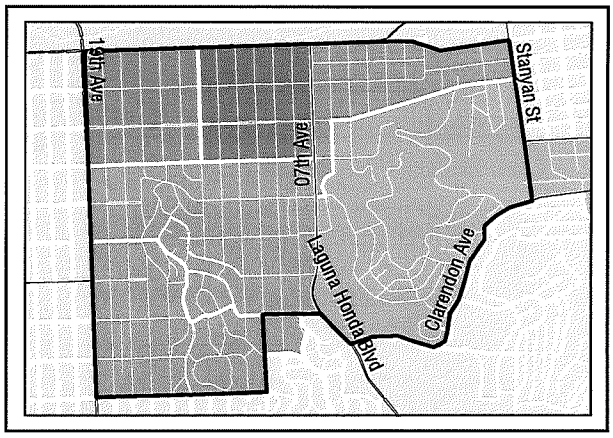
Race/Ethnicity*

Black/African American	2%
Asian	33%
White	58%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	7%
% Latino (of Any Race)	6%

Age

0 - 4 years	6%
5 - 17 years	8%
18 - 34 years	33%
35 - 59 years	36%
60 and older	17%





Educational Attainment
(Residents 25 years and older)

High School or Less	14%
Some College/Associate Degree	16%
College Degree	37%
Graduate/Professional Degree	33%

Nativity and Language

Foreign Born	26%

Language Spoken at home
(Residents 5 years and older)

English Only	67%
Spanish Only	3%
Asian/Pacific Islander	22%
Other European Language	7%
Other Languages	1%

Linguistic Isolation

% of All Households	9%
% of Spanish-Speaking Households	7%
% of Asian Language Speaking Households	31%
% of Other European-Speaking Households	18%
% of Households Speaking Other Languages	18%

Inner Sunset

HOUSING CHARACTERISTICS

Total Number of Units	12,490
Units Built 2000 to 2009+	100
Median Year Structure Built‡	1945
Occupied Units	11,590
Owner occupied	40%
Renter occupied	60%
Vacant Units	7%
For rent	22%
For sale only	11%
Rented or sold, not occupied	8%
For seasonal, recreational, or occasional us	16%
Other vacant	43%
Median Year Moved In to Unit (Own)	1992
Median Year Moved In to Unit (Rent)	2004
Structure Type	
Single Family Housing	40%
2 - 4 Units	33%
5 - 9 Units	11%
10 - 19 Units	8%
20 Units or more	7%
Other	0%
Housing Prices	
Median Rent	$1,469
Median Home Value	$883,481
Median Rent as Percentage of HH Income	24%
Vehicles Available	15,480
Homeowners	47%
Renters	53%
Vehicles Per Capita	0.56
Households with no vehicle	1,680
Percent of Homeowning households	8%
Percent of Renting Households	19%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$85,696
Median Family Income	$102,639
Per Capita Income	$51,086
Percent in Poverty	8%
Employment	
Unemployment Rate	4%
Employed Residents	16,730
Managerial and Prof. Occupations	66%
Service Occupations	9%
Sales and Office Occupations	19%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	3%
Journey to Work	
Workers 16 years and over	16,470
Car	52%
Drove Alone	*41%*
Carpooled	*10%*
Transit	30%
Bike	2%
Walk	7%
Other	2%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 301.01, 301.02, 302.01, 302.02, 303.01, 303.02

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Lakeshore: Neighborhood at a Glance

DEMOGRAPHICS

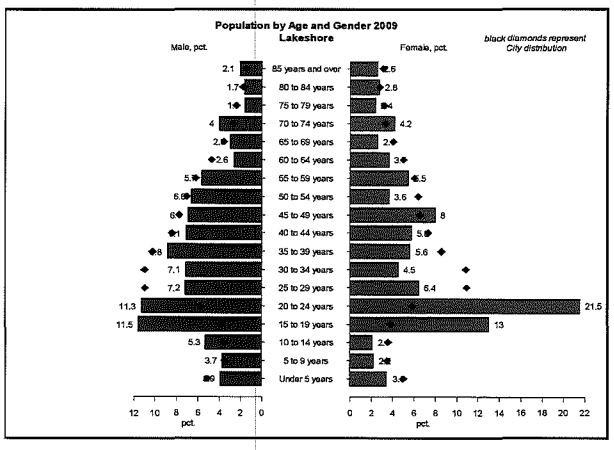
Total Population*	16,630
Group Quarter Population	*997*
Percent Female	55%
Households	6,030
Family Households	48%
Households with Children, Pct of Total	17%
Non-Family Households	52%
Single Person Households, Pct of Total	36%
Avg Household Size	2.5
Avg Family Household Size	3.1

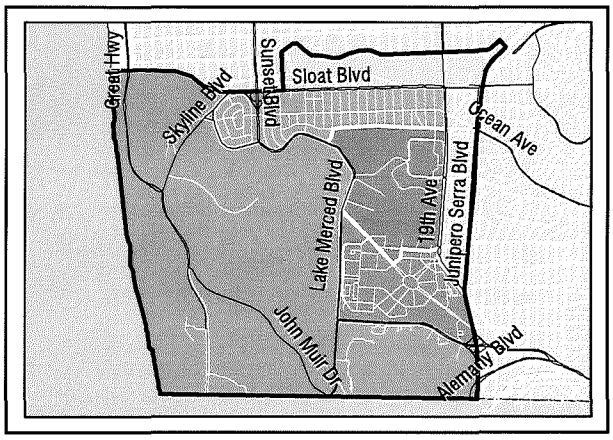
Race/Ethnicity*

Black/African American	5%
Asian	34%
White	49%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	11%
% Latino (of Any Race)	9%

Age

0 - 4 years	4%
5 - 17 years	8%
18 - 34 years	40%
35 - 59 years	31%
60 and older	17%





Educational Attainment
(Residents 25 years and older)

High School or Less	21%
Some College/Associate Degree	24%
College Degree	35%
Graduate/Professional Degree	20%

Nativity and Language

Foreign Born	38%

Language Spoken at home
(Residents 5 years and older)

English Only	54%
Spanish Only	5%
Asian/Pacific Islander	26%
Other European Language	13%
Other Languages	2%

Linguistic Isolation

% of All Households	15%
% of Spanish-Speaking Households	9%
% of Asian Language Speaking Households	30%
% of Other European-Speaking Households	40%
% of Households Speaking Other Languages	14%

Lakeshore

HOUSING CHARACTERISTICS

Total Number of Units	6,710
Units Built 2000 to 2009+	120
Median Year Structure Built‡	1955
Occupied Units	6,030
Owner occupied	23%
Renter occupied	77%
Vacant Units	10%
For rent	54%
For sale only	3%
Rented or sold, not occupied	13%
For seasonal, recreational, or occasional us	3%
Other vacant	28%
Median Year Moved In to Unit (Own)	1992
Median Year Moved In to Unit (Rent)	2004

Structure Type

Single Family Housing	28%
2 - 4 Units	4%
5 - 9 Units	5%
10 - 19 Units	8%
20 Units or more	56%
Other	0%

Housing Prices

Median Rent	$1,495
Median Home Value	$901,153
Median Rent as Percentage of HH Income	29%
Vehicles Available	4,270
Homeowners	58%
Renters	42%
Vehicles Per Capita	0.29
Households with no vehicle	920
Percent of Homeowning households	7%
Percent of Renting Households	18%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$62,904
Median Family Income	$85,654
Per Capita Income	$32,513
Percent in Poverty	17%

Employment

Unemployment Rate	8%
Employed Residents	8,570
Managerial and Prof. Occupations	47%
Service Occupations	14%
Sales and Office Occupations	32%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	4%

Journey to Work

Workers 16 years and over	8,360
Car	59%
Drove Alone	*50%*
Carpooled	*9%*
Transit	27%
Bike	1%
Walk	7%
Other	0%
Worked at Home	5%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 331, 332.01, 332.02, 604

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Marina: Neighborhood at a Glance

DEMOGRAPHICS

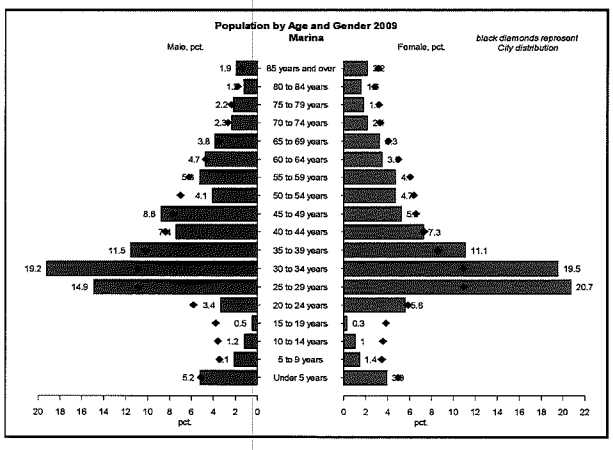
Total Population*	22,810
Group Quarter Population	*0*
Percent Female	55%
Households	13,010
Family Households	27%
Households with Children, Pct of Total	7%
Non-Family Households	73%
Single Person Households, Pct of Total	58%
Avg Household Size	1.7
Avg Family Household Size	2.6

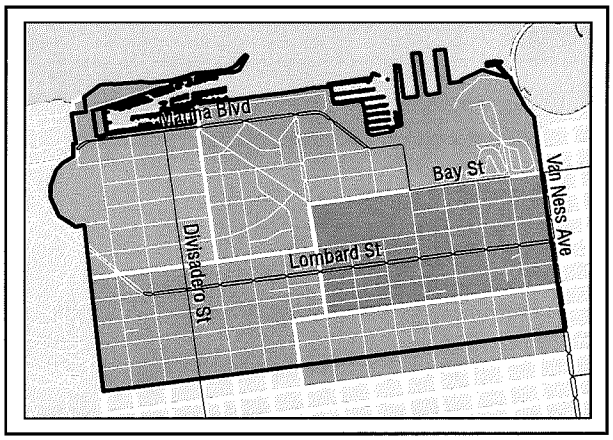
Race/Ethnicity*

Black/African American	1%
Asian	11%
White	84%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	4%
% Latino (of Any Race)	6%

Age

0 - 4 years	5%
5 - 17 years	3%
18 - 34 years	42%
35 - 59 years	35%
60 and older	15%





Educational Attainment
(Residents 25 years and older)

High School or Less	7%
Some College/Associate Degree	13%
College Degree	50%
Graduate/Professional Degree	29%

Nativity and Language

Foreign Born	15%

Language Spoken at home
(Residents 5 years and older)

English Only	84%
Spanish Only	4%
Asian/Pacific Islander	5%
Other European Language	7%
Other Languages	1%

Linguistic Isolation

% of All Households	2%
% of Spanish-Speaking Households	6%
% of Asian Language Speaking Households	8%
% of Other European-Speaking Households	17%
% of Households Speaking Other Languages	0%

Marina

HOUSING CHARACTERISTICS

Total Number of Units	14,850
Units Built 2000 to 2009+	240
Median Year Structure Built‡	1939
Occupied Units	13,010
Owner occupied	25%
Renter occupied	75%
Vacant Units	12%
For rent	35%
For sale only	7%
Rented or sold, not occupied	6%
For seasonal, recreational, or occasional us	14%
Other vacant	38%
Median Year Moved In to Unit (Own)	1999
Median Year Moved In to Unit (Rent)	2004

Structure Type

Single Family Housing	12%
2 - 4 Units	30%
5 - 9 Units	13%
10 - 19 Units	31%
20 Units or more	14%
Other	0%

Housing Prices

Median Rent	$1,684
Median Home Value	$1,836,082
Median Rent as Percentage of HH Income	22%
Vehicles Available	14,500
Homeowners	32%
Renters	68%
Vehicles Per Capita	0.66
Households with no vehicle	2,390
Percent of Homeowning households	9%
Percent of Renting Households	21%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$102,442
Median Family Income	$152,941
Per Capita Income	$87,353
Percent in Poverty	6%

Employment

Unemployment Rate	5%
Employed Residents	15,890
Managerial and Prof. Occupations	68%
Service Occupations	3%
Sales and Office Occupations	26%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	2%
Production and Transportation Occup.	1%

Journey to Work

Workers 16 years and over	15,740
Car	54%
Drove Alone	*45%*
Carpooled	*9%*
Transit	30%
Bike	0%
Walk	5%
Other	2%
Worked at Home	9%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 126, 127, 128, 129, 130

May 2011

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Mission: Neighborhood at a Glance

DEMOGRAPHICS

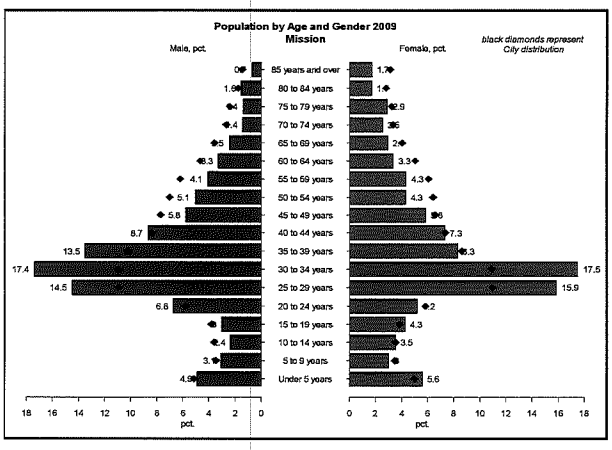
Total Population*	57,300
Group Quarter Population	*867*
Percent Female	47%
Households	22,190
Family Households	38%
Households with Children, Pct of Total	17%
Non-Family Households	62%
Single Person Households, Pct of Total	38%
Avg Household Size	2.6
Avg Family Household Size	3.8

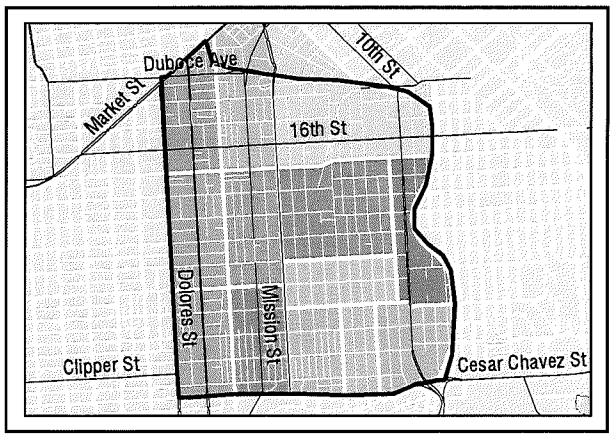
Race/Ethnicity*

Black/African American	4%
Asian	13%
White	57%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	25%
% Latino (of Any Race)	41%

Age

0 - 4 years	5%
5 - 17 years	8%
18 - 34 years	40%
35 - 59 years	34%
60 and older	13%





Educational Attainment
(Residents 25 years and older)

High School or Less	35%
Some College/Associate Degree	17%
College Degree	31%
Graduate/Professional Degree	18%

Nativity and Language

Foreign Born	39%

Language Spoken at home
(Residents 5 years and older)

English Only	48%
Spanish Only	37%
Asian/Pacific Islander	10%
Other European Language	5%
Other Languages	1%

Linguistic Isolation

% of All Households	16%
% of Spanish-Speaking Households	41%
% of Asian Language Speaking Households	29%
% of Other European-Speaking Households	21%
% of Households Speaking Other Languages	6%

Mission

HOUSING CHARACTERISTICS

Total Number of Units	23,840
Units Built 2000 to 2009+	1,610
Median Year Structure Built‡	1939
Occupied Units	22,190
Owner occupied	26%
Renter occupied	74%
Vacant Units	7%
For rent	43%
For sale only	6%
Rented or sold, not occupied	6%
For seasonal, recreational, or occasional us	5%
Other vacant	39%
Median Year Moved In to Unit (Own)	2001
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	26%
2 - 4 Units	28%
5 - 9 Units	16%
10 - 19 Units	13%
20 Units or more	17%
Other	0%
Housing Prices	
Median Rent	$1,083
Median Home Value	$738,529
Median Rent as Percentage of HH Income	26%
Vehicles Available	19,000
Homeowners	39%
Renters	61%
Vehicles Per Capita	0.33
Households with no vehicle	8,640
Percent of Homeowning households	12%
Percent of Renting Households	48%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$63,627
Median Family Income	$57,897
Per Capita Income	$37,667
Percent in Poverty	13%
Employment	
Unemployment Rate	5%
Employed Residents	37,410
Managerial and Prof. Occupations	45%
Service Occupations	21%
Sales and Office Occupations	20%
Farming related Occupations	0.1%
Construction and Maintenance Occup.	7%
Production and Transportation Occup.	7%
Journey to Work	
Workers 16 years and over	36,950
Car	30%
Drove Alone	*24%*
Carpooled	*7%*
Transit	43%
Bike	8%
Walk	11%
Other	2%
Worked at Home	5%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 177, 201, 202, 207, 208, 209, 210, 228.01, 228.02, 228.03, 229.01, 229.02, 229.03

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Mission Bay: Neighborhood at a Glance

DEMOGRAPHICS

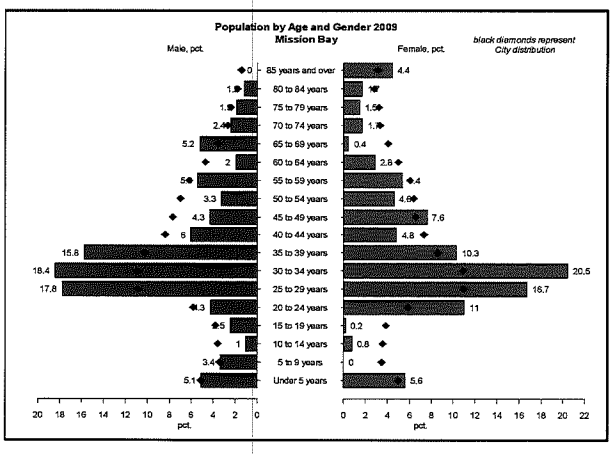
Total Population*	9,080
Group Quarter Population	*0*
Percent Female	41%
Households	2,190
Family Households	42%
Households with Children, Pct of Total	12%
Non-Family Households	58%
Single Person Households, Pct of Total	43%
Avg Household Size	2.0
Avg Family Household Size	2.9

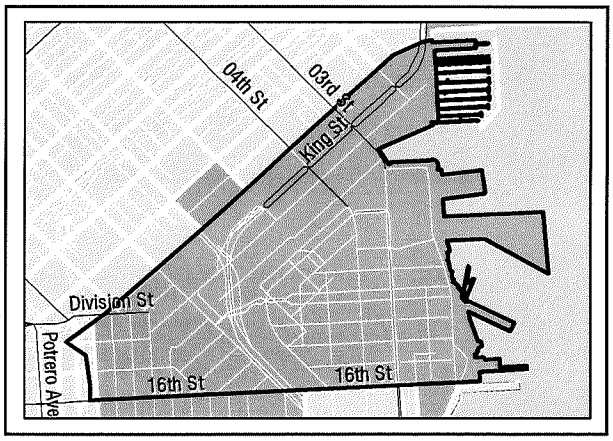
Race/Ethnicity*

Black/African American	4%
Asian	39%
White	49%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	8%
% Latino (of Any Race)	9%

Age

0 - 4 years	5%
5 - 17 years	3%
18 - 34 years	45%
35 - 59 years	34%
60 and older	13%





Educational Attainment
(Residents 25 years and older)

High School or Less	19%
Some College/Associate Degree	14%
College Degree	37%
Graduate/Professional Degree	31%

Nativity and Language

Foreign Born	41%

Language Spoken at home
(Residents 5 years and older)

English Only	57%
Spanish Only	2%
Asian/Pacific Islander	25%
Other European Language	15%
Other Languages	0%

Linguistic Isolation

% of All Households	10%
% of Spanish-Speaking Households	37%
% of Asian Language Speaking Households	27%
% of Other European-Speaking Households	19%
% of Households Speaking Other Languages	0%

Mission Bay

HOUSING CHARACTERISTICS

Total Number of Units	2,440
Units Built 2000 to 2009+	3,550
Median Year Structure Built‡	2003
Occupied Units	2,190
Owner occupied	29%
Renter occupied	71%
Vacant Units	10%
For rent	13%
For sale only	32%
Rented or sold, not occupied	10%
For seasonal, recreational, or occasional us	11%
Other vacant	33%
Median Year Moved In to Unit (Own)	2010
Median Year Moved In to Unit (Rent)	2010
Structure Type	
Single Family Housing	3%
2 - 4 Units	0%
5 - 9 Units	0%
10 - 19 Units	2%
20 Units or more	95%
Other	0%
Housing Prices	
Median Rent	$2,315
Median Home Value	$832,176
Median Rent as Percentage of HH Income	26%
Vehicles Available	2,200
Homeowners	35%
Renters	65%
Vehicles Per Capita	0.49
Households with no vehicle	430
Percent of Homeowning households	4%
Percent of Renting Households	26%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$103,942
Median Family Income	$112,500
Per Capita Income	$69,135
Percent in Poverty	9%
Employment	
Unemployment Rate	8%
Employed Residents	2,820
Managerial and Prof. Occupations	59%
Service Occupations	7%
Sales and Office Occupations	26%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	4%
Journey to Work	
Workers 16 years and over	2,760
Car	40%
Drove Alone	*35%*
Carpooled	*4%*
Transit	31%
Bike	1%
Walk	17%
Other	6%
Worked at Home	5%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 607

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Nob Hill: Neighborhood at a Glance

DEMOGRAPHICS

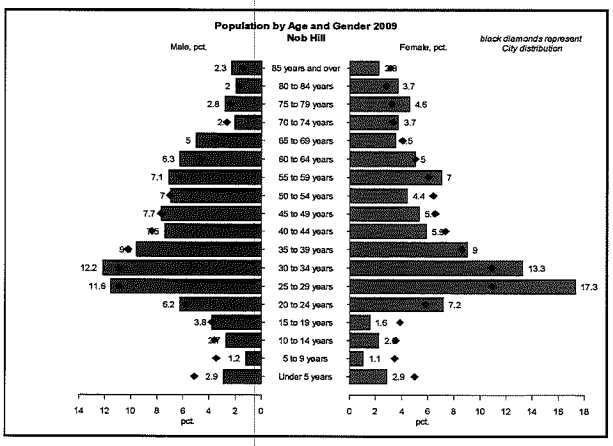
Total Population*	22,860
Group Quarter Population	*248*
Percent Female	52%
Households	9,800
Family Households	30%
Households with Children, Pct of Total	9%
Non-Family Households	70%
Single Person Households, Pct of Total	56%
Avg Household Size	1.9
Avg Family Household Size	3.0

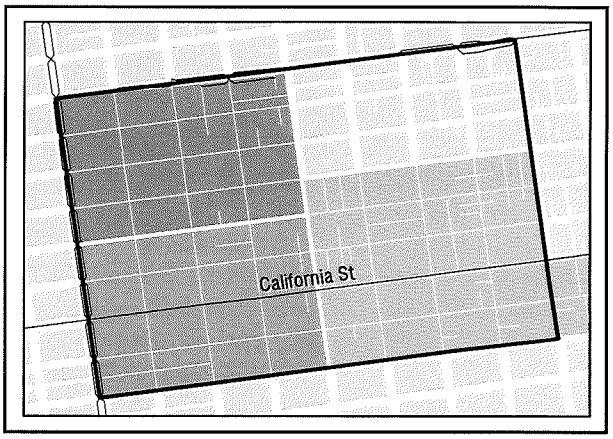
Race/Ethnicity*

Black/African American	2%
Asian	39%
White	53%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	6%
% Latino (of Any Race)	8%

Age

0 - 4 years	3%
5 - 17 years	5%
18 - 34 years	35%
35 - 59 years	35%
60 and older	22%





Educational Attainment
(Residents 25 years and older)

High School or Less	28%
Some College/Associate Degree	21%
College Degree	37%
Graduate/Professional Degree	14%

Nativity and Language

Foreign Born	37%

Language Spoken at home
(Residents 5 years and older)

English Only	57%
Spanish Only	5%
Asian/Pacific Islander	32%
Other European Language	6%
Other Languages	0%

Linguistic Isolation

% of All Households	14%
% of Spanish-Speaking Households	13%
% of Asian Language Speaking Households	44%
% of Other European-Speaking Households	26%
% of Households Speaking Other Languages	0%

Nob Hill

HOUSING CHARACTERISTICS

Total Number of Units	11,650
Units Built 2000 to 2009+	240
Median Year Structure Built‡	1939
Occupied Units	9,800
Owner occupied	14%
Renter occupied	86%
Vacant Units	16%
For rent	53%
For sale only	0%
Rented or sold, not occupied	9%
For seasonal, recreational, or occasional us	35%
Other vacant	4%
Median Year Moved In to Unit (Own)	1998
Median Year Moved In to Unit (Rent)	2002

Structure Type

Single Family Housing	2%
2 - 4 Units	10%
5 - 9 Units	14%
10 - 19 Units	22%
20 Units or more	51%
Other	0%

Housing Prices

Median Rent	$1,081
Median Home Value	$702,632
Median Rent as Percentage of HH Income	26%
Vehicles Available	5,030
Homeowners	24%
Renters	76%
Vehicles Per Capita	0.27
Households with no vehicle	5,850
Percent of Homeowning households	25%
Percent of Renting Households	65%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$53,283
Median Family Income	$53,138
Per Capita Income	$46,484
Percent in Poverty	13%

Employment

Unemployment Rate	4%
Employed Residents	11,740
Managerial and Prof. Occupations	49%
Service Occupations	17%
Sales and Office Occupations	26%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	4%

Journey to Work

Workers 16 years and over	11,490
Car	24%
Drove Alone	*21%*
Carpooled	*3%*
Transit	30%
Bike	1%
Walk	36%
Other	1%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 110, 111, 112, 119

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Noe Valley: Neighborhood at a Glance

DEMOGRAPHICS

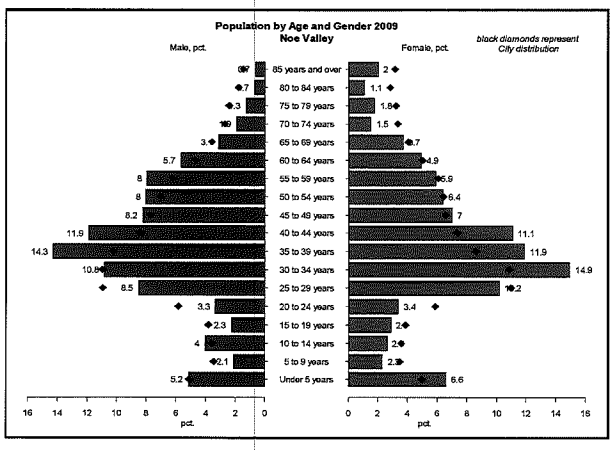
Total Population*	21,300
Group Quarter Population	*0*
Percent Female	49%
Households	11,370
Family Households	40%
Households with Children, Pct of Total	18%
Non-Family Households	60%
Single Person Households, Pct of Total	42%
Avg Household Size	2.1
Avg Family Household Size	2.9

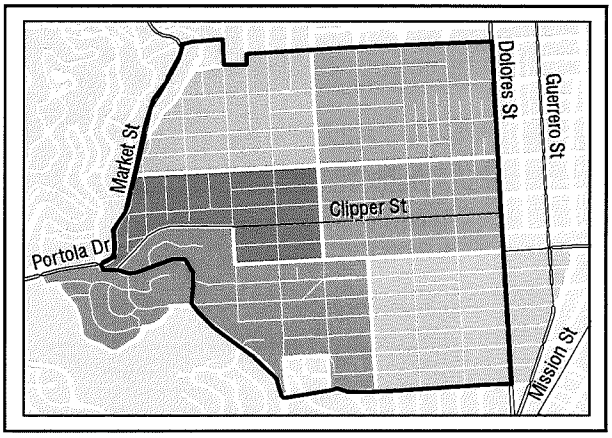
Race/Ethnicity*

Black/African American	2%
Asian	12%
White	77%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	9%
% Latino (of Any Race)	11%

Age

0 - 4 years	6%
5 - 17 years	7%
18 - 34 years	26%
35 - 59 years	46%
60 and older	14%





Educational Attainment
(Residents 25 years and older)

High School or Less	10%
Some College/Associate Degree	17%
College Degree	36%
Graduate/Professional Degree	37%

Nativity and Language

Foreign Born	16%

Language Spoken at home
(Residents 5 years and older)

English Only	79%
Spanish Only	9%
Asian/Pacific Islander	6%
Other European Language	5%
Other Languages	1%

Linguistic Isolation

% of All Households	2%
% of Spanish-Speaking Households	7%
% of Asian Language Speaking Households	6%
% of Other European-Speaking Households	11%
% of Households Speaking Other Languages	0%

Noe Valley

HOUSING CHARACTERISTICS

Total Number of Units	12,110
Units Built 2000 to 2009+	190
Median Year Structure Built‡	1939
Occupied Units	11,370
Owner occupied	50%
Renter occupied	50%
Vacant Units	6%
For rent	23%
For sale only	0%
Rented or sold, not occupied	24%
For seasonal, recreational, or occasional us	19%
Other vacant	34%
Median Year Moved In to Unit (Own)	1997
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	41%
2 - 4 Units	36%
5 - 9 Units	11%
10 - 19 Units	5%
20 Units or more	8%
Other	0%
Housing Prices	
Median Rent	$1,491
Median Home Value	$998,187
Median Rent as Percentage of HH Income	24%
Vehicles Available	14,580
Homeowners	59%
Renters	41%
Vehicles Per Capita	0.62
Households with no vehicle	1,750
Percent of Homeowning households	8%
Percent of Renting Households	23%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$105,807
Median Family Income	$140,939
Per Capita Income	$72,986
Percent in Poverty	5%
Employment	
Unemployment Rate	6%
Employed Residents	15,760
Managerial and Prof. Occupations	68%
Service Occupations	8%
Sales and Office Occupations	19%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	2%
Journey to Work	
Workers 16 years and over	15,380
Car	50%
Drove Alone	*45%*
Carpooled	*5%*
Transit	32%
Bike	2%
Walk	6%
Other	3%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 211, 212, 213, 214, 215, 216

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

North Beach: Neighborhood at a Glance

DEMOGRAPHICS

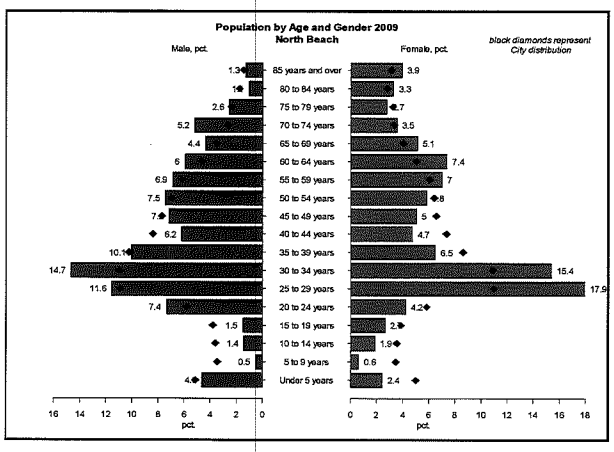
Total Population*	14,860
Group Quarter Population	*0*
Percent Female	46%
Households	7,680
Family Households	34%
Households with Children, Pct of Total	8%
Non-Family Households	66%
Single Person Households, Pct of Total	52%
Avg Household Size	1.9
Avg Family Household Size	2.9

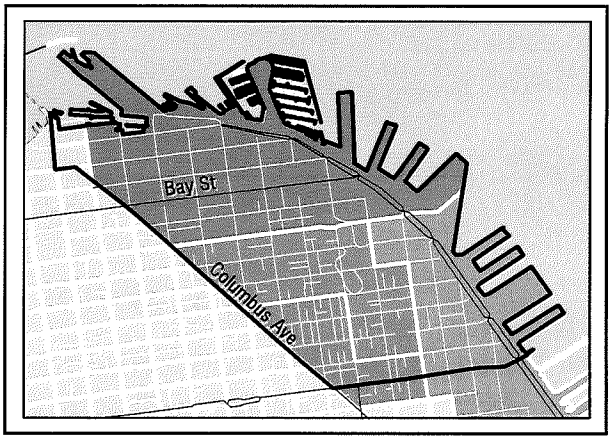
Race/Ethnicity*

Black/African American	3%
Asian	37%
White	54%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	5%
% Latino (of Any Race)	7%

Age

0 - 4 years	4%
5 - 17 years	4%
18 - 34 years	36%
35 - 59 years	34%
60 and older	23%





Educational Attainment
(Residents 25 years and older)

High School or Less	26%
Some College/Associate Degree	14%
College Degree	37%
Graduate/Professional Degree	23%

Nativity and Language

Foreign Born	33%

Language Spoken at home
(Residents 5 years and older)

English Only	61%
Spanish Only	4%
Asian/Pacific Islander	27%
Other European Language	6%
Other Languages	2%

Linguistic Isolation

% of All Households	15%
% of Spanish-Speaking Households	12%
% of Asian Language Speaking Households	57%
% of Other European-Speaking Households	18%
% of Households Speaking Other Languages	0%

North Beach

HOUSING CHARACTERISTICS

Total Number of Units	8,950
Units Built 2000 to 2009+	700
Median Year Structure Built‡	1956
Occupied Units	7,680
Owner occupied	21%
Renter occupied	79%
Vacant Units	14%
For rent	42%
For sale only	6%
Rented or sold, not occupied	11%
For seasonal, recreational, or occasional us	38%
Other vacant	3%
Median Year Moved In to Unit (Own)	1997
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	6%
2 - 4 Units	27%
5 - 9 Units	13%
10 - 19 Units	10%
20 Units or more	44%
Other	0%
Housing Prices	
Median Rent	$1,392
Median Home Value	$844,444
Median Rent as Percentage of HH Income	26%
Vehicles Available	5,620
Homeowners	30%
Renters	70%
Vehicles Per Capita	0.38
Households with no vehicle	3,130
Percent of Homeowning households	16%
Percent of Renting Households	48%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$70,067
Median Family Income	$86,658
Per Capita Income	$57,906
Percent in Poverty	12%
Employment	
Unemployment Rate	5%
Employed Residents	9,120
Managerial and Prof. Occupations	59%
Service Occupations	13%
Sales and Office Occupations	23%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	1%
Production and Transportation Occup.	4%
Journey to Work	
Workers 16 years and over	8,960
Car	28%
Drove Alone	*25%*
Carpooled	*3%*
Transit	27%
Bike	1%
Walk	34%
Other	1%
Worked at Home	9%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 101, 104, 105, 106

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Ocean View: Neighborhood at a Glance

DEMOGRAPHICS

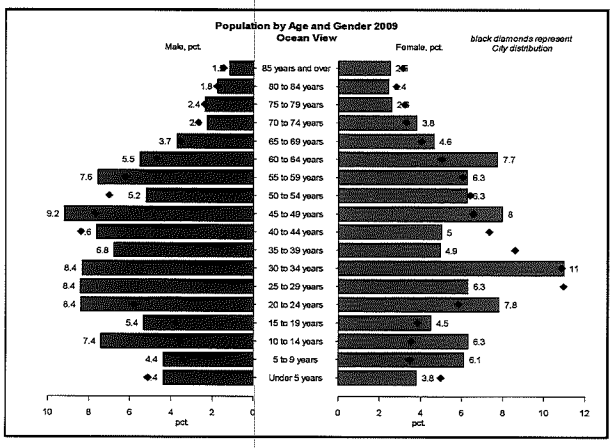
Total Population*	31,880
Group Quarter Population	*180*
Percent Female	49%
Households	6,590
Family Households	70%
Households with Children, Pct of Total	32%
Non-Family Households	30%
Single Person Households, Pct of Total	24%
Avg Household Size	3.7
Avg Family Household Size	4.7

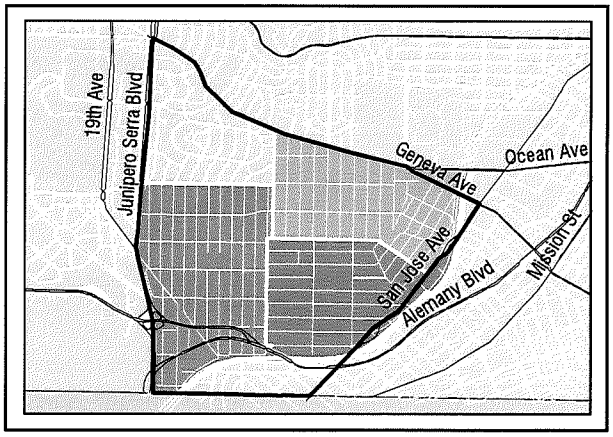
Race/Ethnicity*

Black/African American	12%
Asian	49%
White	27%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	11%
% Latino (of Any Race)	19%

Age

0 - 4 years	4%
5 - 17 years	15%
18 - 34 years	27%
35 - 59 years	34%
60 and older	20%





Educational Attainment
(Residents 25 years and older)

High School or Less	44%
Some College/Associate Degree	23%
College Degree	25%
Graduate/Professional Degree	7%

Nativity and Language

Foreign Born	45%

Language Spoken at home
(Residents 5 years and older)

English Only	40%
Spanish Only	16%
Asian/Pacific Islander	42%
Other European Language	3%
Other Languages	0%

Linguistic Isolation

% of All Households	13%
% of Spanish-Speaking Households	31%
% of Asian Language Speaking Households	25%
% of Other European-Speaking Households	6%
% of Households Speaking Other Languages	#Num!

Ocean View

HOUSING CHARACTERISTICS

Total Number of Units	7,050
Units Built 2000 to 2009+	440
Median Year Structure Built‡	1943
Occupied Units	6,590
Owner occupied	71%
Renter occupied	29%
Vacant Units	7%
For rent	10%
For sale only	10%
Rented or sold, not occupied	22%
For seasonal, recreational, or occasional us	0%
Other vacant	58%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	82%
2 - 4 Units	9%
5 - 9 Units	2%
10 - 19 Units	1%
20 Units or more	6%
Other	0%
Housing Prices	
Median Rent	$1,032
Median Home Value	$609,976
Median Rent as Percentage of HH Income	33%
Vehicles Available	11,180
Homeowners	78%
Renters	22%
Vehicles Per Capita	0.46
Households with no vehicle	530
Percent of Homeowning households	4%
Percent of Renting Households	17%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$67,475
Median Family Income	$78,365
Per Capita Income	$25,343
Percent in Poverty	11%
Employment	
Unemployment Rate	10%
Employed Residents	11,830
Managerial and Prof. Occupations	32%
Service Occupations	24%
Sales and Office Occupations	24%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	9%
Production and Transportation Occup.	11%
Journey to Work	
Workers 16 years and over	11,500
Car	59%
Drove Alone	*47%*
Carpooled	*12%*
Transit	32%
Bike	1%
Walk	4%
Other	1%
Worked at Home	3%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 312, 313, 314

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Outer Mission: Neighborhood at a Glance

DEMOGRAPHICS

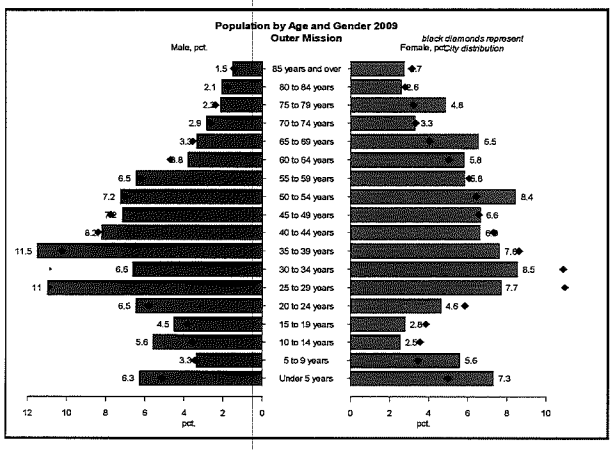
Total Population*	29,040
Group Quarter Population	*0*
Percent Female	51%
Households	7,920
Family Households	65%
Households with Children, Pct of Total	33%
Non-Family Households	35%
Single Person Households, Pct of Total	23%
Avg Household Size	3.6
Avg Family Household Size	4.5

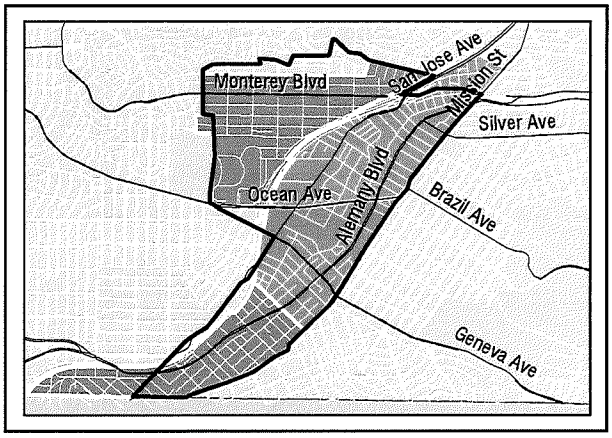
Race/Ethnicity*

Black/African American	2%
Asian	49%
White	31%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	17%
% Latino (of Any Race)	26%

Age

0 - 4 years	7%
5 - 17 years	11%
18 - 34 years	24%
35 - 59 years	38%
60 and older	21%





Educational Attainment
(Residents 25 years and older)

High School or Less	42%
Some College/Associate Degree	24%
College Degree	26%
Graduate/Professional Degree	8%

Nativity and Language

Foreign Born	47%

Language Spoken at home
(Residents 5 years and older)

English Only	37%
Spanish Only	21%
Asian/Pacific Islander	39%
Other European Language	3%
Other Languages	0%

Linguistic Isolation

% of All Households	15%
% of Spanish-Speaking Households	18%
% of Asian Language Speaking Households	28%
% of Other European-Speaking Households	30%
% of Households Speaking Other Languages	0%

Outer Mission

HOUSING CHARACTERISTICS

Total Number of Units	8,320
Units Built 2000 to 2009+	90
Median Year Structure Built‡	1939
Occupied Units	7,920
Owner occupied	66%
Renter occupied	34%
Vacant Units	5%
For rent	7%
For sale only	11%
Rented or sold, not occupied	20%
For seasonal, recreational, or occasional us	0%
Other vacant	63%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	78%
2 - 4 Units	13%
5 - 9 Units	4%
10 - 19 Units	3%
20 Units or more	2%
Other	0%
Housing Prices	
Median Rent	$1,292
Median Home Value	$674,346
Median Rent as Percentage of HH Income	26%
Vehicles Available	12,790
Homeowners	74%
Renters	26%
Vehicles Per Capita	0.45
Households with no vehicle	1,020
Percent of Homeowning households	7%
Percent of Renting Households	24%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$79,477
Median Family Income	$88,273
Per Capita Income	$32,002
Percent in Poverty	7%
Employment	
Unemployment Rate	5%
Employed Residents	14,920
Managerial and Prof. Occupations	39%
Service Occupations	19%
Sales and Office Occupations	23%
Farming related Occupations	0.6%
Construction and Maintenance Occup.	9%
Production and Transportation Occup.	9%
Journey to Work	
Workers 16 years and over	14,420
Car	57%
Drove Alone	*47%*
Carpooled	*10%*
Transit	35%
Bike	1%
Walk	3%
Other	1%
Worked at Home	3%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 255, 261, 262, 311

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Outer Richmond: Neighborhood at a Glance

DEMOGRAPHICS

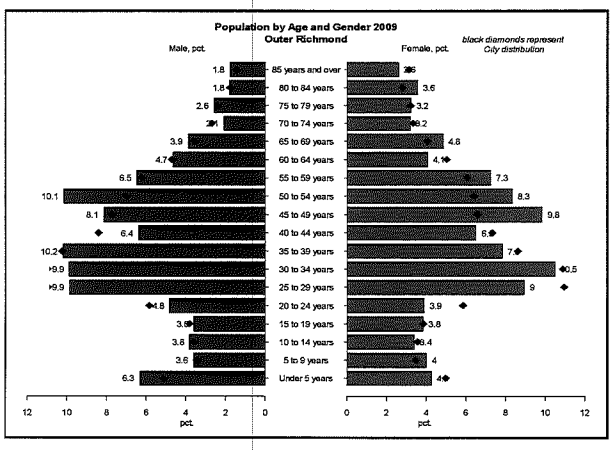
Total Population*	28,370
Group Quarter Population	*428*
Percent Female	52%
Households	12,600
Family Households	56%
Households with Children, Pct of Total	23%
Non-Family Households	44%
Single Person Households, Pct of Total	35%
Avg Household Size	2.6
Avg Family Household Size	3.5

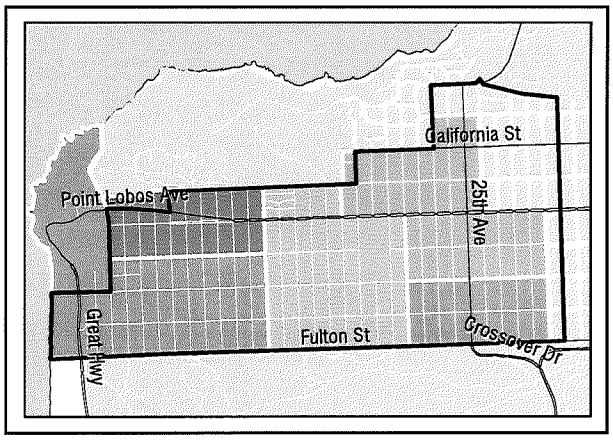
Race/Ethnicity*

Black/African American	2%
Asian	48%
White	44%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	7%
% Latino (of Any Race)	6%

Age

0 - 4 years	5%
5 - 17 years	10%
18 - 34 years	25%
35 - 59 years	41%
60 and older	19%





Educational Attainment
(Residents 25 years and older)

High School or Less	26%
Some College/Associate Degree	23%
College Degree	32%
Graduate/Professional Degree	19%

Nativity and Language

Foreign Born	40%

Language Spoken at home
(Residents 5 years and older)

English Only	48%
Spanish Only	3%
Asian/Pacific Islander	37%
Other European Language	11%
Other Languages	1%

Linguistic Isolation

% of All Households	18%
% of Spanish-Speaking Households	11%
% of Asian Language Speaking Households	36%
% of Other European-Speaking Households	36%
% of Households Speaking Other Languages	0%

Outer Richmond

HOUSING CHARACTERISTICS

Total Number of Units	13,560
Units Built 2000 to 2009+	180
Median Year Structure Built‡	1940
Occupied Units	12,600
Owner occupied	43%
Renter occupied	57%
Vacant Units	7%
For rent	23%
For sale only	4%
Rented or sold, not occupied	23%
For seasonal, recreational, or occasional us	23%
Other vacant	27%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	39%
2 - 4 Units	36%
5 - 9 Units	13%
10 - 19 Units	8%
20 Units or more	4%
Other	0%
Housing Prices	
Median Rent	$1,240
Median Home Value	$835,293
Median Rent as Percentage of HH Income	26%
Vehicles Available	16,170
Homeowners	53%
Renters	47%
Vehicles Per Capita	0.49
Households with no vehicle	2,230
Percent of Homeowning households	11%
Percent of Renting Households	23%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$72,459
Median Family Income	$89,541
Per Capita Income	$38,038
Percent in Poverty	7%
Employment	
Unemployment Rate	7%
Employed Residents	18,780
Managerial and Prof. Occupations	49%
Service Occupations	16%
Sales and Office Occupations	26%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	5%
Production and Transportation Occup.	5%
Journey to Work	
Workers 16 years and over	18,310
Car	59%
Drove Alone	*47%*
Carpooled	*12%*
Transit	30%
Bike	1%
Walk	2%
Other	2%
Worked at Home	6%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 427, 477.01, 477.02, 478, 479.01, 479.02

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Outer Sunset: Neighborhood at a Glance

DEMOGRAPHICS

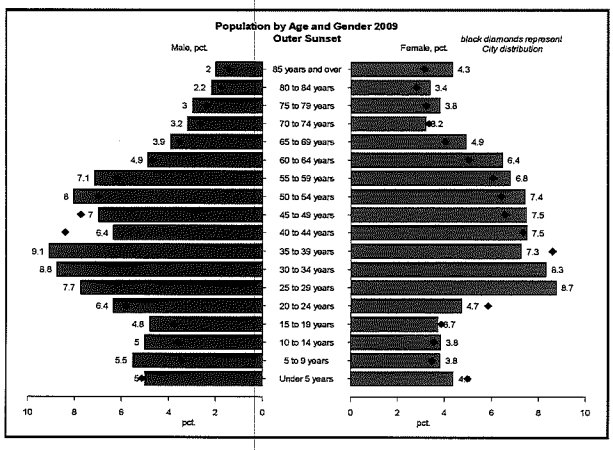
Total Population*	45,670
Group Quarter Population	*484*
Percent Female	50%
Households	16,830
Family Households	64%
Households with Children, Pct of Total	27%
Non-Family Households	36%
Single Person Households, Pct of Total	26%
Avg Household Size	3.1
Avg Family Household Size	3.8

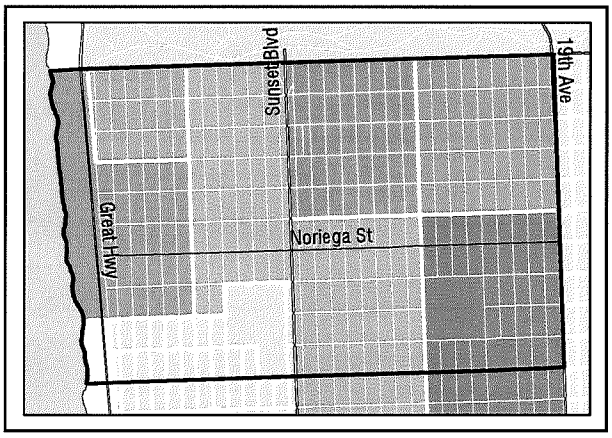
Race/Ethnicity*

Black/African American	1%
Asian	57%
White	35%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	5%
% Latino (of Any Race)	4%

Age

0 - 4 years	5%
5 - 17 years	12%
18 - 34 years	24%
35 - 59 years	37%
60 and older	23%





Educational Attainment
(Residents 25 years and older)

High School or Less	31%
Some College/Associate Degree	23%
College Degree	32%
Graduate/Professional Degree	14%

Nativity and Language

Foreign Born	49%

Language Spoken at home
(Residents 5 years and older)

English Only	40%
Spanish Only	3%
Asian/Pacific Islander	49%
Other European Language	8%
Other Languages	1%

Linguistic Isolation

% of All Households	18%
% of Spanish-Speaking Households	9%
% of Asian Language Speaking Households	35%
% of Other European-Speaking Households	24%
% of Households Speaking Other Languages	20%

Outer Sunset

HOUSING CHARACTERISTICS

Total Number of Units	17,800
Units Built 2000 to 2009+	300
Median Year Structure Built‡	1942
Occupied Units	16,830
Owner occupied	57%
Renter occupied	43%
Vacant Units	5%
For rent	13%
For sale only	12%
Rented or sold, not occupied	4%
For seasonal, recreational, or occasional us	12%
Other vacant	59%
Median Year Moved In to Unit (Own)	1991
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	68%
2 - 4 Units	22%
5 - 9 Units	6%
10 - 19 Units	1%
20 Units or more	3%
Other	0%
Housing Prices	
Median Rent	$1,353
Median Home Value	$726,851
Median Rent as Percentage of HH Income	26%
Vehicles Available	25,600
Homeowners	64%
Renters	36%
Vehicles Per Capita	0.50
Households with no vehicle	2,410
Percent of Homeowning households	11%
Percent of Renting Households	18%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$73,728
Median Family Income	$89,241
Per Capita Income	$33,633
Percent in Poverty	7%
Employment	
Unemployment Rate	6%
Employed Residents	26,580
Managerial and Prof. Occupations	46%
Service Occupations	17%
Sales and Office Occupations	23%
Farming related Occupations	0.2%
Construction and Maintenance Occup.	5%
Production and Transportation Occup.	8%
Journey to Work	
Workers 16 years and over	25,640
Car	63%
Drove Alone	*49%*
Carpooled	*14%*
Transit	27%
Bike	2%
Walk	2%
Other	1%
Worked at Home	4%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 326, 327, 328, 329, 351, 352.01, 352.02

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Pacific Heights: Neighborhood at a Glance

DEMOGRAPHICS

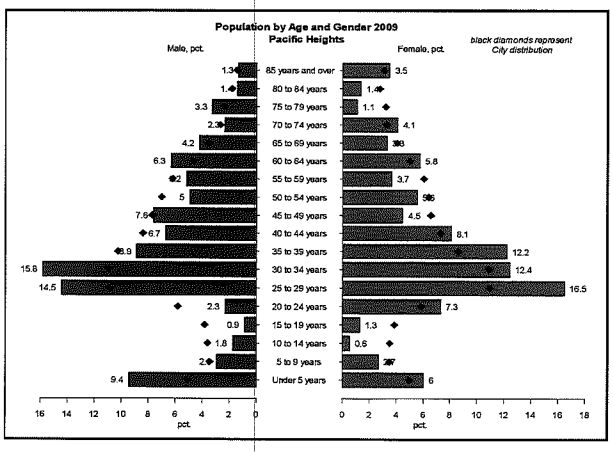
Total Population*	16,750
Group Quarter Population	*135*
Percent Female	56%
Households	10,170
Family Households	31%
Households with Children, Pct of Total	13%
Non-Family Households	69%
Single Person Households, Pct of Total	56%
Avg Household Size	1.8
Avg Family Household Size	2.8

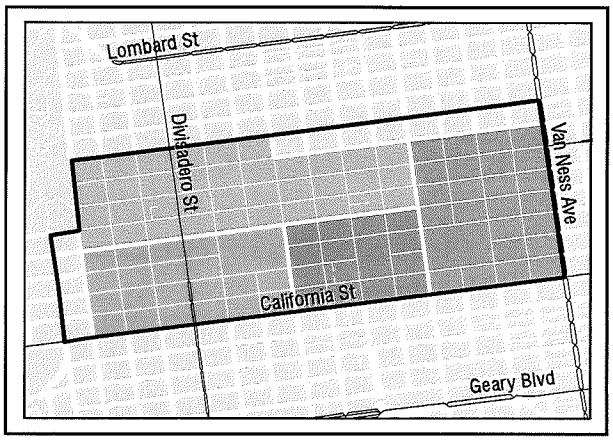
Race/Ethnicity*

Black/African American	2%
Asian	13%
White	81%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	5%
% Latino (of Any Race)	4%

Age

0 - 4 years	8%
5 - 17 years	5%
18 - 34 years	35%
35 - 59 years	34%
60 and older	19%





Educational Attainment
(Residents 25 years and older)

High School or Less	6%
Some College/Associate Degree	12%
College Degree	43%
Graduate/Professional Degree	39%

Nativity and Language

Foreign Born	15%

Language Spoken at home
(Residents 5 years and older)

English Only	87%
Spanish Only	2%
Asian/Pacific Islander	3%
Other European Language	6%
Other Languages	0%

Linguistic Isolation

% of All Households	3%
% of Spanish-Speaking Households	7%
% of Asian Language Speaking Households	45%
% of Other European-Speaking Households	10%
% of Households Speaking Other Languages	30%

Pacific Heights

HOUSING CHARACTERISTICS

Total Number of Units	11,230
Units Built 2000 to 2009+	-10
Median Year Structure Built‡	1939
Occupied Units	10,170
Owner occupied	28%
Renter occupied	72%
Vacant Units	9%
For rent	29%
For sale only	0%
Rented or sold, not occupied	27%
For seasonal, recreational, or occasional us	23%
Other vacant	21%
Median Year Moved In to Unit (Own)	2000
Median Year Moved In to Unit (Rent)	2004
Structure Type	
Single Family Housing	15%
2 - 4 Units	12%
5 - 9 Units	15%
10 - 19 Units	23%
20 Units or more	35%
Other	0%
Housing Prices	
Median Rent	$1,635
Median Home Value	$2,300,281
Median Rent as Percentage of HH Income	23%
Vehicles Available	10,940
Homeowners	39%
Renters	61%
Vehicles Per Capita	0.59
Households with no vehicle	2,390
Percent of Homeowning households	8%
Percent of Renting Households	30%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$109,307
Median Family Income	$199,160
Per Capita Income	$101,257
Percent in Poverty	7%
Employment	
Unemployment Rate	4%
Employed Residents	11,810
Managerial and Prof. Occupations	70%
Service Occupations	5%
Sales and Office Occupations	23%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	1%
Production and Transportation Occup.	1%
Journey to Work	
Workers 16 years and over	11,440
Car	47%
Drove Alone	*40%*
Carpooled	*7%*
Transit	25%
Bike	1%
Walk	11%
Other	3%
Worked at Home	13%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 131, 132, 134, 135

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Parkside: Neighborhood at a Glance

DEMOGRAPHICS

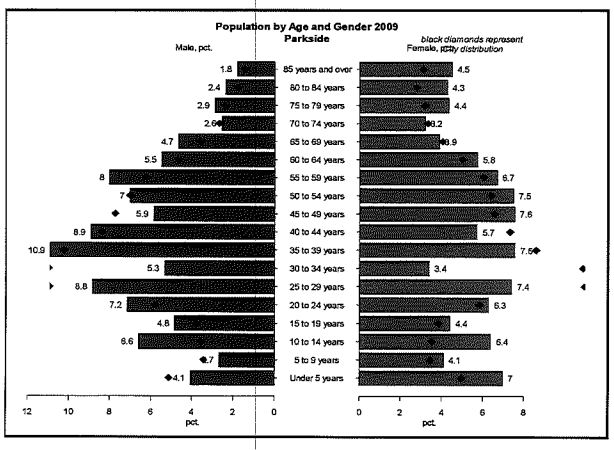
Total Population*	25,920
Group Quarter Population	*71*
Percent Female	52%
Households	6,860
Family Households	72%
Households with Children, Pct of Total	29%
Non-Family Households	28%
Single Person Households, Pct of Total	19%
Avg Household Size	3.2
Avg Family Household Size	3.8

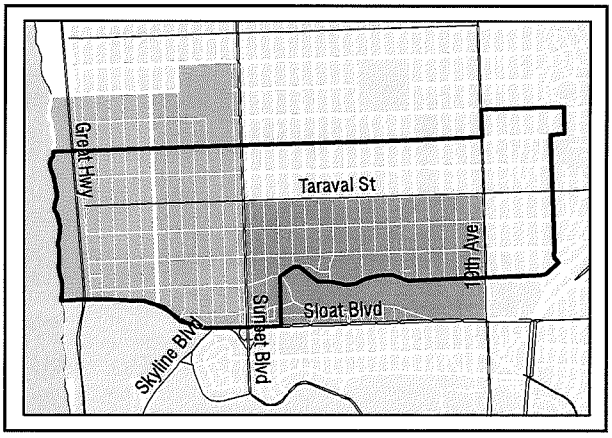
Race/Ethnicity*

Black/African American	1%
Asian	58%
White	35%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	6%
% Latino (of Any Race)	6%

Age

0 - 4 years	6%
5 - 17 years	13%
18 - 34 years	21%
35 - 59 years	38%
60 and older	23%





Educational Attainment
(Residents 25 years and older)

High School or Less	34%
Some College/Associate Degree	21%
College Degree	31%
Graduate/Professional Degree	14%

Nativity and Language

Foreign Born	43%

Language Spoken at home
(Residents 5 years and older)

English Only	42%
Spanish Only	4%
Asian/Pacific Islander	46%
Other European Language	6%
Other Languages	1%

Linguistic Isolation

% of All Households	16%
% of Spanish-Speaking Households	7%
% of Asian Language Speaking Households	32%
% of Other European-Speaking Households	25%
% of Households Speaking Other Languages	0%

Parkside

HOUSING CHARACTERISTICS

Total Number of Units	7,280
Units Built 2000 to 2009+	40
Median Year Structure Built‡	1945
Occupied Units	6,860
Owner occupied	67%
Renter occupied	33%
Vacant Units	6%
For rent	3%
For sale only	19%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	23%
Other vacant	55%
Median Year Moved In to Unit (Own)	1992
Median Year Moved In to Unit (Rent)	2002
Structure Type	
Single Family Housing	84%
2 - 4 Units	10%
5 - 9 Units	5%
10 - 19 Units	2%
20 Units or more	0%
Other	0%
Housing Prices	
Median Rent	$1,148
Median Home Value	$720,247
Median Rent as Percentage of HH Income	26%
Vehicles Available	11,160
Homeowners	71%
Renters	29%
Vehicles Per Capita	0.51
Households with no vehicle	740
Percent of Homeowning households	6%
Percent of Renting Households	21%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$83,131
Median Family Income	$95,284
Per Capita Income	$32,094
Percent in Poverty	8%
Employment	
Unemployment Rate	8%
Employed Residents	10,670
Managerial and Prof. Occupations	48%
Service Occupations	14%
Sales and Office Occupations	21%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	8%
Production and Transportation Occup.	9%
Journey to Work	
Workers 16 years and over	10,280
Car	62%
Drove Alone	*52%*
Carpooled	*10%*
Transit	26%
Bike	0%
Walk	4%
Other	1%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 330, 353, 354

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Potrero Hill: Neighborhood at a Glance

DEMOGRAPHICS

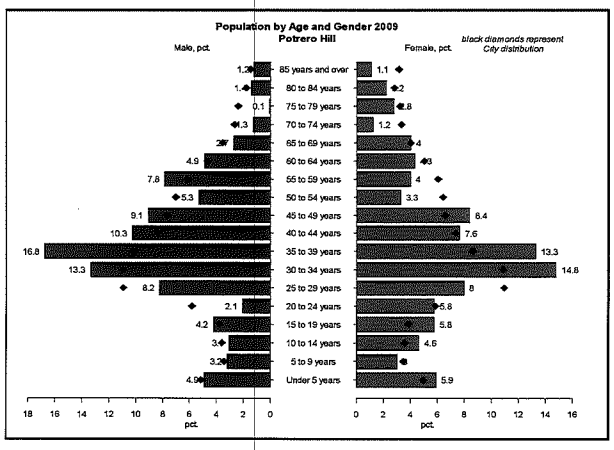
Total Population*	12,110
Group Quarter Population	*0*
Percent Female	48%
Households	5,810
Family Households	43%
Households with Children, Pct of Total	19%
Non-Family Households	57%
Single Person Households, Pct of Total	38%
Avg Household Size	2.3
Avg Family Household Size	3.2

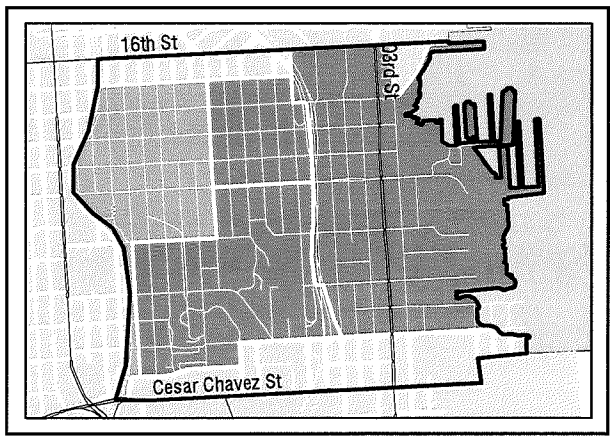
Race/Ethnicity*

Black/African American	9%
Asian	13%
White	66%
Native American Indian	0%
Native Hawaiian/Pacific Islander	1%
Other/Two or More Races	10%
% Latino (of Any Race)	13%

Age

0 - 4 years	5%
5 - 17 years	11%
18 - 34 years	27%
35 - 59 years	43%
60 and older	14%





Educational Attainment
(Residents 25 years and older)

High School or Less	18%
Some College/Associate Degree	17%
College Degree	36%
Graduate/Professional Degree	28%

Nativity and Language

Foreign Born	17%

Language Spoken at home
(Residents 5 years and older)

English Only	74%
Spanish Only	11%
Asian/Pacific Islander	5%
Other European Language	10%
Other Languages	0%

Linguistic Isolation

% of All Households	4%
% of Spanish-Speaking Households	23%
% of Asian Language Speaking Households	13%
% of Other European-Speaking Households	6%
% of Households Speaking Other Languages	0%

Potrero Hill

HOUSING CHARACTERISTICS

Total Number of Units	6,140
Units Built 2000 to 2009+	710
Median Year Structure Built‡	1946
Occupied Units	5,810
Owner occupied	45%
Renter occupied	55%
Vacant Units	5%
For rent	5%
For sale only	17%
Rented or sold, not occupied	2%
For seasonal, recreational, or occasional us	14%
Other vacant	62%
Median Year Moved In to Unit (Own)	2000
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	33%
2 - 4 Units	34%
5 - 9 Units	9%
10 - 19 Units	11%
20 Units or more	13%
Other	0%
Housing Prices	
Median Rent	$1,524
Median Home Value	$836,252
Median Rent as Percentage of HH Income	24%
Vehicles Available	7,870
Homeowners	54%
Renters	46%
Vehicles Per Capita	0.59
Households with no vehicle	780
Percent of Homeowning households	2%
Percent of Renting Households	23%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$98,182
Median Family Income	$110,657
Per Capita Income	$58,650
Percent in Poverty	16%
Employment	
Unemployment Rate	9%
Employed Residents	7,880
Managerial and Prof. Occupations	65%
Service Occupations	8%
Sales and Office Occupations	19%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	4%
Journey to Work	
Workers 16 years and over	7,780
Car	53%
Drove Alone	*48%*
Carpooled	*5%*
Transit	21%
Bike	4%
Walk	6%
Other	4%
Worked at Home	12%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 226, 227.01, 227.02, 227.03

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Presidio: Neighborhood at a Glance

DEMOGRAPHICS

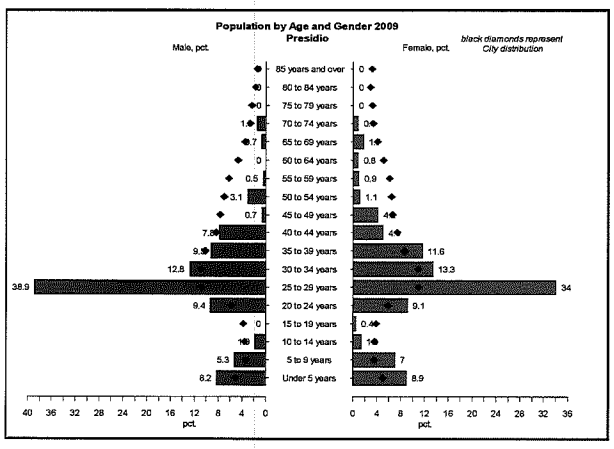
Total Population*	3,240
Group Quarter Population	*0*
Percent Female	43%
Households	880
Family Households	36%
Households with Children, Pct of Total	21%
Non-Family Households	64%
Single Person Households, Pct of Total	24%
Avg Household Size	3.0
Avg Family Household Size	3.6

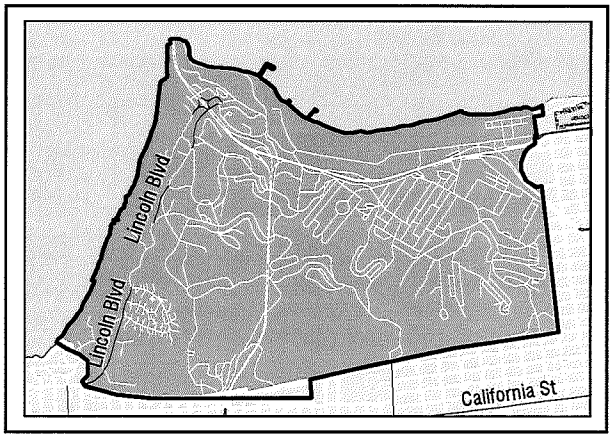
Race/Ethnicity*

Black/African American	2%
Asian	8%
White	80%
Native American Indian	0%
Native Hawaiian/Pacific Islander	1%
Other/Two or More Races	9%
% Latino (of Any Race)	4%

Age

0 - 4 years	9%
5 - 17 years	8%
18 - 34 years	59%
35 - 59 years	22%
60 and older	3%





Educational Attainment
(Residents 25 years and older)

High School or Less	6%
Some College/Associate Degree	8%
College Degree	61%
Graduate/Professional Degree	24%

Nativity and Language

Foreign Born	12%

Language Spoken at home
(Residents 5 years and older)

English Only	85%
Spanish Only	5%
Asian/Pacific Islander	4%
Other European Language	5%
Other Languages	0%

Linguistic Isolation

% of All Households	1%
% of Spanish-Speaking Households	7%
% of Asian Language Speaking Households	0%
% of Other European-Speaking Households	0%
% of Households Speaking Other Languages	0%

Presidio

HOUSING CHARACTERISTICS

Total Number of Units	1,130
Units Built 2000 to 2009+	0
Median Year Structure Built‡	1950
Occupied Units	880
Owner occupied	2%
Renter occupied	98%
Vacant Units	21%
For rent	44%
For sale only	4%
Rented or sold, not occupied	17%
For seasonal, recreational, or occasional us	0%
Other vacant	36%
Median Year Moved In to Unit (Own)	2002
Median Year Moved In to Unit (Rent)	2005

Structure Type

Single Family Housing	33%
2 - 4 Units	49%
5 - 9 Units	15%
10 - 19 Units	0%
20 Units or more	0%
Other	2%

Housing Prices

Median Rent	$2,818
Median Home Value	$883,333
Median Rent as Percentage of HH Income	26%

Vehicles Available

Homeowners	
Renters	
Vehicles Per Capita	
Households with no vehicle	20
Percent of Homeowning households	0%
Percent of Renting Households	2%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$116,807
Median Family Income	$121,591
Per Capita Income	$61,881
Percent in Poverty	9%

Employment

Unemployment Rate	3%
Employed Residents	1,910
Managerial and Prof. Occupations	59%
Service Occupations	8%
Sales and Office Occupations	30%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	1%
Production and Transportation Occup.	2%

Journey to Work

Workers 16 years and over	1,900
Car	49%
Drove Alone	*44%*
Carpooled	*5%*
Transit	27%
Bike	5%
Walk	1%
Other	3%
Worked at Home	16%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 601

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Presidio Heights: Neighborhood at a Glance

DEMOGRAPHICS

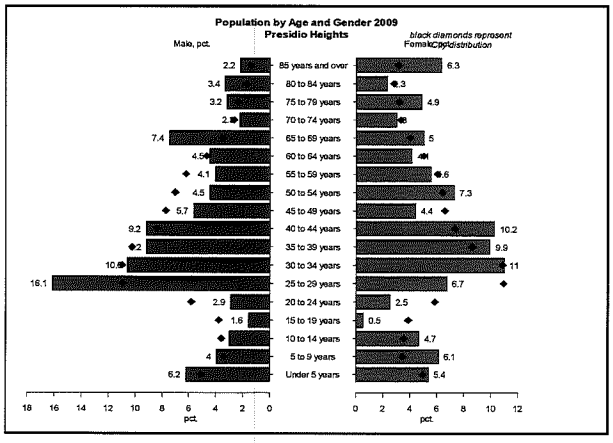
Total Population*	9,850
Group Quarter Population	*242*
Percent Female	54%
Households	4,580
Family Households	45%
Households with Children, Pct of Total	18%
Non-Family Households	55%
Single Person Households, Pct of Total	45%
Avg Household Size	2.1
Avg Family Household Size	2.9

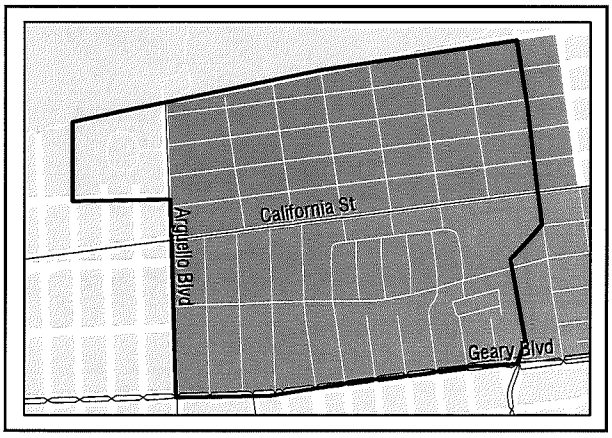
Race/Ethnicity*

Black/African American	2%
Asian	17%
White	75%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	5%
% Latino (of Any Race)	4%

Age

0 - 4 years	6%
5 - 17 years	10%
18 - 34 years	25%
35 - 59 years	35%
60 and older	24%





Educational Attainment
(Residents 25 years and older)

High School or Less	8%
Some College/Associate Degree	16%
College Degree	44%
Graduate/Professional Degree	32%

Nativity and Language

Foreign Born	19%

Language Spoken at home
(Residents 5 years and older)

English Only	78%
Spanish Only	3%
Asian/Pacific Islander	10%
Other European Language	8%
Other Languages	0%

Linguistic Isolation

% of All Households	7%
% of Spanish-Speaking Households	29%
% of Asian Language Speaking Households	29%
% of Other European-Speaking Households	20%
% of Households Speaking Other Languages	0%

Presidio Heights

HOUSING CHARACTERISTICS

Total Number of Units	5,040
Units Built 2000 to 2009+	50
Median Year Structure Built‡	1939
Occupied Units	4,580
Owner occupied	42%
Renter occupied	58%
Vacant Units	9%
For rent	12%
For sale only	5%
Rented or sold, not occupied	8%
For seasonal, recreational, or occasional us	16%
Other vacant	59%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2003

Structure Type

Single Family Housing	33%
2 - 4 Units	28%
5 - 9 Units	13%
10 - 19 Units	18%
20 Units or more	8%
Other	0%

Housing Prices

Median Rent	$1,369
Median Home Value	$1,963,021
Median Rent as Percentage of HH Income	25%
Vehicles Available	6,080
Homeowners	56%
Renters	44%
Vehicles Per Capita	0.64
Households with no vehicle	750
Percent of Homeowning households	8%
Percent of Renting Households	23%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$96,542
Median Family Income	$140,642
Per Capita Income	$74,329
Percent in Poverty	3%

Employment

Unemployment Rate	4%
Employed Residents	5,300
Managerial and Prof. Occupations	63%
Service Occupations	6%
Sales and Office Occupations	25%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	3%

Journey to Work

Workers 16 years and over	5,140
Car	58%
Drove Alone	*56%*
Carpooled	*2%*
Transit	21%
Bike	2%
Walk	5%
Other	0%
Worked at Home	14%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 133, 154

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Russian Hill: Neighborhood at a Glance

DEMOGRAPHICS

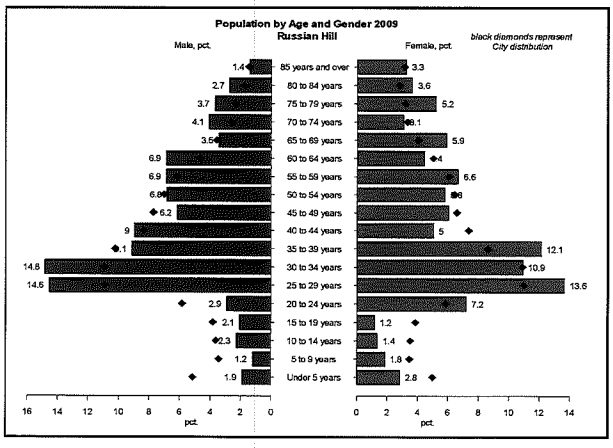
Total Population*	12,320
Group Quarter Population	*0*
Percent Female	51%
Households	9,620
Family Households	32%
Households with Children, Pct of Total	7%
Non-Family Households	68%
Single Person Households, Pct of Total	52%
Avg Household Size	1.8
Avg Family Household Size	2.7

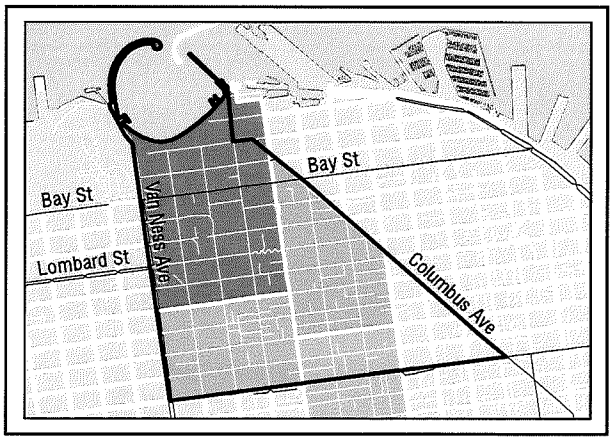
Race/Ethnicity*

Black/African American	1%
Asian	21%
White	74%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	4%
% Latino (of Any Race)	6%

Age

0 - 4 years	2%
5 - 17 years	5%
18 - 34 years	32%
35 - 59 years	37%
60 and older	24%





Educational Attainment
(Residents 25 years and older)

High School or Less	21%
Some College/Associate Degree	14%
College Degree	39%
Graduate/Professional Degree	26%

Nativity and Language

Foreign Born	25%

Language Spoken at home
(Residents 5 years and older)

English Only	70%
Spanish Only	4%
Asian/Pacific Islander	21%
Other European Language	5%
Other Languages	0%

Linguistic Isolation

% of All Households	11%
% of Spanish-Speaking Households	12%
% of Asian Language Speaking Households	62%
% of Other European-Speaking Households	7%
% of Households Speaking Other Languages	0%

Russian Hill

HOUSING CHARACTERISTICS

Total Number of Units	10,900
Units Built 2000 to 2009+	60
Median Year Structure Built‡	1939
Occupied Units	9,620
Owner occupied	29%
Renter occupied	71%
Vacant Units	12%
For rent	40%
For sale only	8%
Rented or sold, not occupied	19%
For seasonal, recreational, or occasional us	16%
Other vacant	18%
Median Year Moved In to Unit (Own)	1996
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	9%
2 - 4 Units	28%
5 - 9 Units	20%
10 - 19 Units	17%
20 Units or more	27%
Other	0%
Housing Prices	
Median Rent	$1,363
Median Home Value	$1,245,448
Median Rent as Percentage of HH Income	25%
Vehicles Available	8,800
Homeowners	41%
Renters	59%
Vehicles Per Capita	0.51
Households with no vehicle	3,380
Percent of Homeowning households	20%
Percent of Renting Households	42%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$84,537
Median Family Income	$113,223
Per Capita Income	$75,273
Percent in Poverty	9%
Employment	
Unemployment Rate	8%
Employed Residents	10,460
Managerial and Prof. Occupations	60%
Service Occupations	11%
Sales and Office Occupations	24%
Farming related Occupations	0.2%
Construction and Maintenance Occup.	2%
Production and Transportation Occup.	3%
Journey to Work	
Workers 16 years and over	10,260
Car	36%
Drove Alone	*31%*
Carpooled	*5%*
Transit	27%
Bike	1%
Walk	20%
Other	3%
Worked at Home	13%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 102, 103, 108, 109

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Seacliff: Neighborhood at a Glance

DEMOGRAPHICS

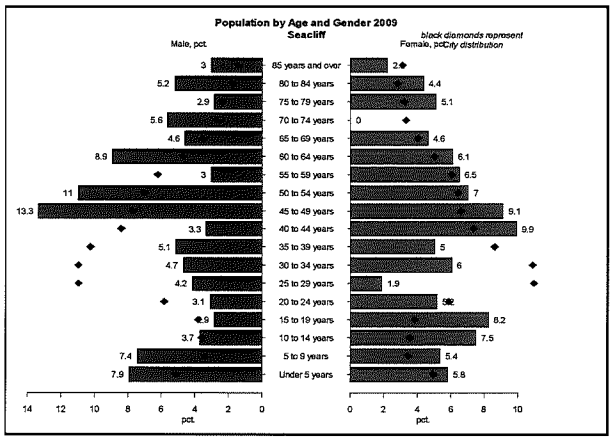
Total Population*	9,100
Group Quarter Population	*233*
Percent Female	48%
Households	990
Family Households	76%
Households with Children, Pct of Total	38%
Non-Family Households	24%
Single Person Households, Pct of Total	20%
Avg Household Size	2.9
Avg Family Household Size	3.4

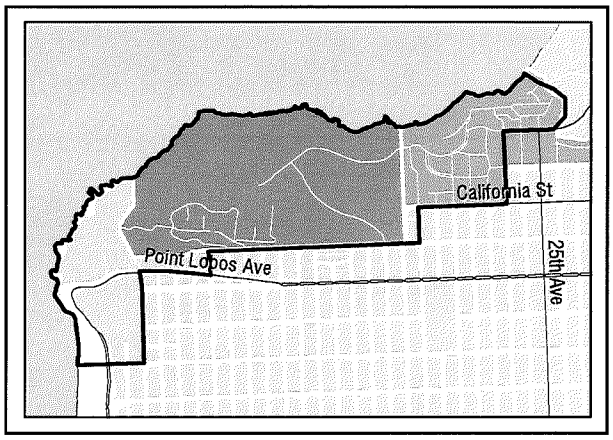
Race/Ethnicity*

Black/African American	2%
Asian	38%
White	54%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	6%
% Latino (of Any Race)	9%

Age

0 - 4 years	7%
5 - 17 years	17%
18 - 34 years	13%
35 - 59 years	37%
60 and older	26%





Educational Attainment
(Residents 25 years and older)

High School or Less	16%
Some College/Associate Degree	13%
College Degree	34%
Graduate/Professional Degree	37%

Nativity and Language

Foreign Born	14%

Language Spoken at home
(Residents 5 years and older)

English Only	77%
Spanish Only	6%
Asian/Pacific Islander	13%
Other European Language	3%
Other Languages	1%

Linguistic Isolation

% of All Households	3%
% of Spanish-Speaking Households	0%
% of Asian Language Speaking Households	22%
% of Other European-Speaking Households	0%
% of Households Speaking Other Languages	0%

Seacliff

HOUSING CHARACTERISTICS

Total Number of Units	1,120
Units Built 2000 to 2009+	0
Median Year Structure Built‡	1939
Occupied Units	990
Owner occupied	85%
Renter occupied	15%
Vacant Units	12%
For rent	23%
For sale only	16%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	16%
Other vacant	45%
Median Year Moved In to Unit (Own)	1994
Median Year Moved In to Unit (Rent)	2004
Structure Type	
Single Family Housing	77%
2 - 4 Units	12%
5 - 9 Units	4%
10 - 19 Units	4%
20 Units or more	3%
Other	0%
Housing Prices	
Median Rent	$1,500
Median Home Value	$2,301,282
Median Rent as Percentage of HH Income	24%
Vehicles Available	1,770
Homeowners	92%
Renters	8%
Vehicles Per Capita	0.61
Households with no vehicle	70
Percent of Homeowning households	5%
Percent of Renting Households	20%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$162,903
Median Family Income	$203,818
Per Capita Income	$87,976
Percent in Poverty	2%
Employment	
Unemployment Rate	4%
Employed Residents	1,240
Managerial and Prof. Occupations	64%
Service Occupations	5%
Sales and Office Occupations	25%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	2%
Journey to Work	
Workers 16 years and over	1,240
Car	77%
Drove Alone	*53%*
Carpooled	*24%*
Transit	18%
Bike	0%
Walk	0%
Other	0%
Worked at Home	5%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 428, 602

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Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

South of Market: Neighborhood at a Glance

DEMOGRAPHICS

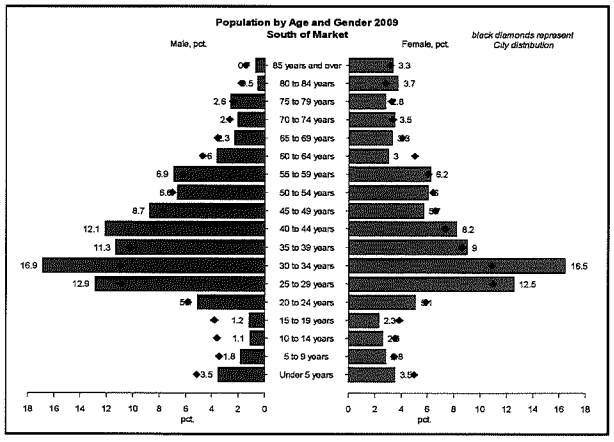
Total Population*	31,370
Group Quarter Population	*4152*
Percent Female	42%
Households	11,290
Family Households	28%
Households with Children, Pct of Total	9%
Non-Family Households	72%
Single Person Households, Pct of Total	58%
Avg Household Size	1.8
Avg Family Household Size	2.9

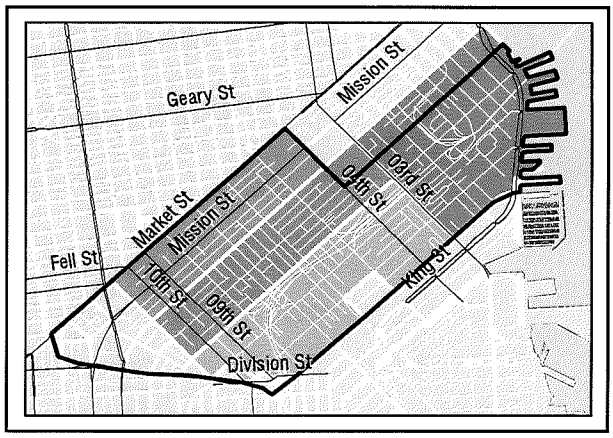
Race/Ethnicity*

Black/African American	9%
Asian	33%
White	48%
Native American Indian	1%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	9%
% Latino (of Any Race)	10%

Age

0 - 4 years	4%
5 - 17 years	5%
18 - 34 years	36%
35 - 59 years	41%
60 and older	15%





Educational Attainment
(Residents 25 years and older)

High School or Less	31%
Some College/Associate Degree	22%
College Degree	30%
Graduate/Professional Degree	17%

Nativity and Language

Foreign Born	34%

Language Spoken at home
(Residents 5 years and older)

English Only	60%
Spanish Only	8%
Asian/Pacific Islander	22%
Other European Language	10%
Other Languages	1%

Linguistic Isolation

% of All Households	16%
% of Spanish-Speaking Households	25%
% of Asian Language Speaking Households	54%
% of Other European-Speaking Households	13%
% of Households Speaking Other Languages	9%

South of Market

HOUSING CHARACTERISTICS

Total Number of Units	13,700
Units Built 2000 to 2009+	6,340
Median Year Structure Built‡	1991
Occupied Units	11,290
Owner occupied	29%
Renter occupied	71%
Vacant Units	18%
For rent	37%
For sale only	10%
Rented or sold, not occupied	17%
For seasonal, recreational, or occasional us	21%
Other vacant	14%
Median Year Moved In to Unit (Own)	2004
Median Year Moved In to Unit (Rent)	2005
Structure Type	
Single Family Housing	4%
2 - 4 Units	7%
5 - 9 Units	5%
10 - 19 Units	9%
20 Units or more	74%
Other	0%
Housing Prices	
Median Rent	$967
Median Home Value	$679,924
Median Rent as Percentage of HH Income	26%
Vehicles Available	7,840
Homeowners	45%
Renters	55%
Vehicles Per Capita	0.39
Households with no vehicle	5,080
Percent of Homeowning households	9%
Percent of Renting Households	60%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$67,572
Median Family Income	$88,793
Per Capita Income	$50,880
Percent in Poverty	23%
Employment	
Unemployment Rate	6%
Employed Residents	12,160
Managerial and Prof. Occupations	59%
Service Occupations	13%
Sales and Office Occupations	20%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	5%
Journey to Work	
Workers 16 years and over	11,780
Car	32%
Drove Alone	*28%*
Carpooled	*4%*
Transit	26%
Bike	3%
Walk	27%
Other	3%
Worked at Home	9%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 176.01, 178, 179.01, 180

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Treasure Island/YBI: Neighborhood at a Glance

DEMOGRAPHICS

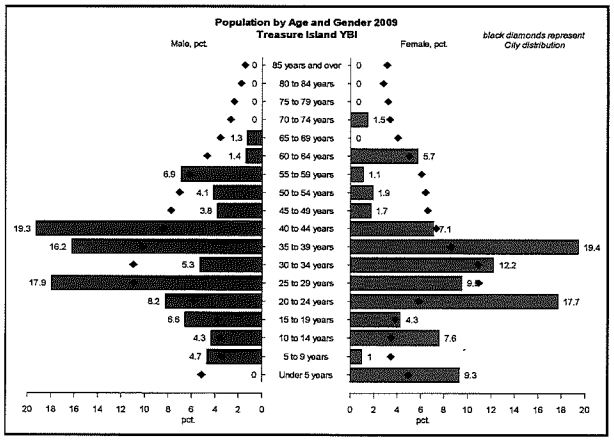
Total Population*	2,880
Group Quarter Population	*53*
Percent Female	43%
Households	640
Family Households	50%
Households with Children, Pct of Total	35%
Non-Family Households	50%
Single Person Households, Pct of Total	10%
Avg Household Size	3.9
Avg Family Household Size	3.9

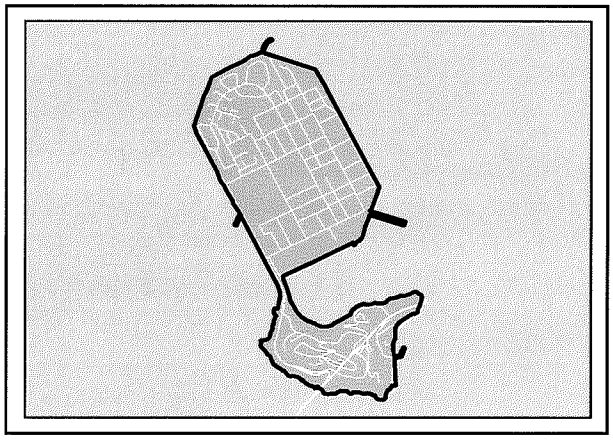
Race/Ethnicity*

Black/African American	25%
Asian	18%
White	35%
Native American Indian	1%
Native Hawaiian/Pacific Islander	1%
Other/Two or More Races	19%
% Latino (of Any Race)	22%

Age

0 - 4 years	4%
5 - 17 years	13%
18 - 34 years	36%
35 - 59 years	42%
60 and older	5%





Educational Attainment
(Residents 25 years and older)

High School or Less	26%
Some College/Associate Degree	34%
College Degree	28%
Graduate/Professional Degree	11%

Nativity and Language

Foreign Born	36%

Language Spoken at home
(Residents 5 years and older)

English Only	56%
Spanish Only	18%
Asian/Pacific Islander	13%
Other European Language	7%
Other Languages	6%

Linguistic Isolation

% of All Households	5%
% of Spanish-Speaking Households	0%
% of Asian Language Speaking Households	23%
% of Other European-Speaking Households	16%
% of Households Speaking Other Languages	0%

Treasure Island/YBI

HOUSING CHARACTERISTICS

Total Number of Units	910
Units Built 2000 to 2009+	
Median Year Structure Built‡	1964
Occupied Units	640
Owner occupied	2%
Renter occupied	98%
Vacant Units	29%
For rent	81%
For sale only	0%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	0%
Other vacant	19%
Median Year Moved In to Unit (Own)	2010
Median Year Moved In to Unit (Rent)	2010

Structure Type

Single Family Housing	19%
2 - 4 Units	29%
5 - 9 Units	43%
10 - 19 Units	4%
20 Units or more	6%
Other	0%

Housing Prices

Median Rent	$2,048
Median Home Value	$886,364
Median Rent as Percentage of HH Income	32%

Vehicles Available

Homeowners	
Renters	
Vehicles Per Capita	
Households with no vehicle	130
Percent of Homeowning households	0%
Percent of Renting Households	20%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$55,676
Median Family Income	$44,091
Per Capita Income	$25,166
Percent in Poverty	19%

Employment

Unemployment Rate	16%
Employed Residents	1,430
Managerial and Prof. Occupations	36%
Service Occupations	25%
Sales and Office Occupations	25%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	7%
Production and Transportation Occup.	6%

Journey to Work

Workers 16 years and over	1,430
Car	56%
Drove Alone	*54%*
Carpooled	*2%*
Transit	36%
Bike	0%
Walk	3%
Other	2%
Worked at Home	3%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 179.02

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Twin Peaks: Neighborhood at a Glance

DEMOGRAPHICS

Total Population*	7,040
Group Quarter Population	*1418*
Percent Female	51%

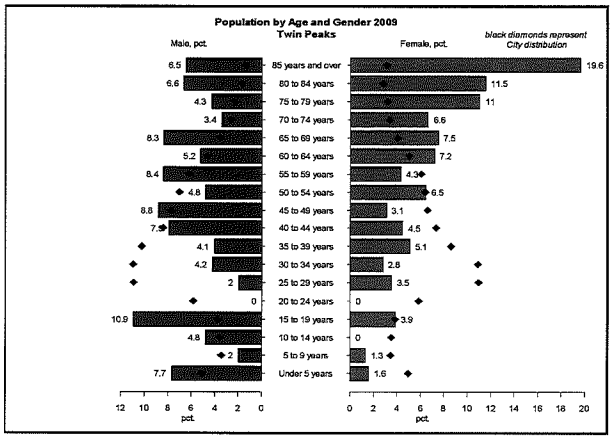
Households	1,000
Family Households	57%
Households with Children, Pct of Total	24%
Non-Family Households	43%
Single Person Households, Pct of Total	36%
Avg Household Size	2.2
Avg Family Household Size	2.9

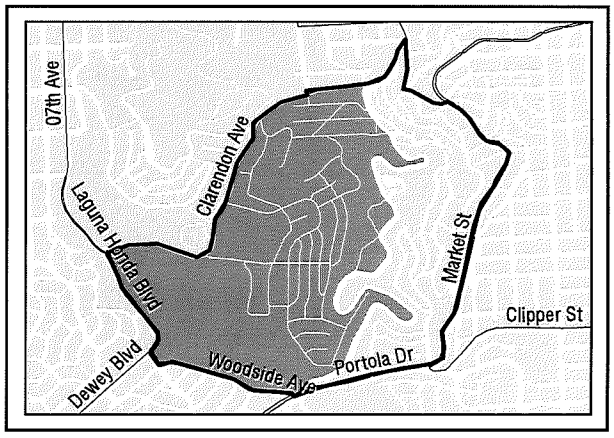
Race/Ethnicity*

Black/African American	6%
Asian	19%
White	66%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	8%
% Latino (of Any Race)	15%

Age

0 - 4 years	5%
5 - 17 years	9%
18 - 34 years	8%
35 - 59 years	29%
60 and older	49%





Educational Attainment
(Residents 25 years and older)

High School or Less	35%
Some College/Associate Degree	19%
College Degree	26%
Graduate/Professional Degree	20%

Nativity and Language

Foreign Born	32%

Language Spoken at home
(Residents 5 years and older)

English Only	60%
Spanish Only	13%
Asian/Pacific Islander	19%
Other European Language	8%
Other Languages	0%

Linguistic Isolation

% of All Households	11%
% of Spanish-Speaking Households	25%
% of Asian Language Speaking Households	17%
% of Other European-Speaking Households	39%
% of Households Speaking Other Languages	#Num!

Twin Peaks

HOUSING CHARACTERISTICS

Total Number of Units	1,050
Units Built 2000 to 2009+	0
Median Year Structure Built‡	1956
Occupied Units	1,000
Owner occupied	79%
Renter occupied	21%
Vacant Units	4%
For rent	22%
For sale only	0%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	0%
Other vacant	78%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2002

Structure Type

Single Family Housing	88%
2 - 4 Units	2%
5 - 9 Units	0%
10 - 19 Units	0%
20 Units or more	10%
Other	0%

Housing Prices

Median Rent	$323
Median Home Value	$831,868
Median Rent as Percentage of HH Income	26%
Vehicles Available	1,600
Homeowners	90%
Renters	10%
Vehicles Per Capita	0.74
Households with no vehicle	200
Percent of Homeowning households	10%
Percent of Renting Households	55%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$99,449
Median Family Income	$121,429
Per Capita Income	$37,345
Percent in Poverty	6%

Employment

Unemployment Rate	8%
Employed Residents	1,000
Managerial and Prof. Occupations	72%
Service Occupations	8%
Sales and Office Occupations	12%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	7%
Production and Transportation Occup.	0%

Journey to Work

Workers 16 years and over	1,000
Car	62%
Drove Alone	*54%*
Carpooled	*8%*
Transit	13%
Bike	0%
Walk	7%
Other	3%
Worked at Home	15%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 305

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Visitacion Valley: Neighborhood at a Glance

DEMOGRAPHICS

Total Population*	21,130
Group Quarter Population	*204*
Percent Female	49%

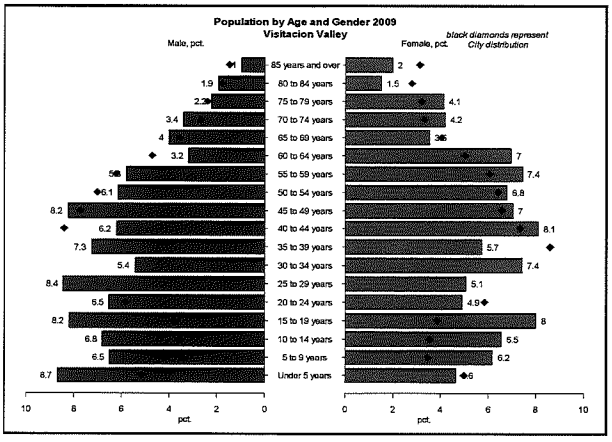
Households	5,190
Family Households	76%
Households with Children, Pct of Total	43%
Non-Family Households	24%
Single Person Households, Pct of Total	21%
Avg Household Size	3.9
Avg Family Household Size	4.8

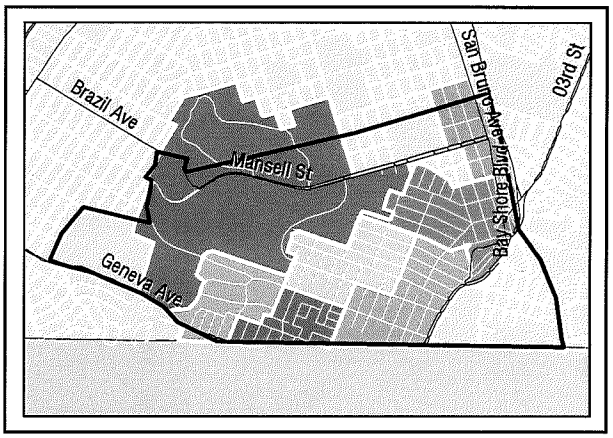
Race/Ethnicity*

Black/African American	13%
Asian	55%
White	12%
Native American Indian	1%
Native Hawaiian/Pacific Islander	3%
Other/Two or More Races	17%
% Latino (of Any Race)	15%

Age

0 - 4 years	7%
5 - 17 years	19%
18 - 34 years	21%
35 - 59 years	34%
60 and older	19%





Educational Attainment
(Residents 25 years and older)

High School or Less	63%
Some College/Associate Degree	22%
College Degree	13%
Graduate/Professional Degree	3%

Nativity and Language

Foreign Born	51%

Language Spoken at home
(Residents 5 years and older)

English Only	30%
Spanish Only	14%
Asian/Pacific Islander	55%
Other European Language	1%
Other Languages	0%

Linguistic Isolation

% of All Households	23%
% of Spanish-Speaking Households	24%
% of Asian Language Speaking Households	41%
% of Other European-Speaking Households	22%
% of Households Speaking Other Languages	0%

Visitacion Valley

HOUSING CHARACTERISTICS

Total Number of Units	5,480
Units Built 2000 to 2009+	460
Median Year Structure Built‡	1949
Occupied Units	5,190
Owner occupied	57%
Renter occupied	43%
Vacant Units	5%
For rent	13%
For sale only	5%
Rented or sold, not occupied	0%
For seasonal, recreational, or occasional us	0%
Other vacant	82%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	78%
2 - 4 Units	7%
5 - 9 Units	6%
10 - 19 Units	3%
20 Units or more	6%
Other	0%
Housing Prices	
Median Rent	$624
Median Home Value	$575,983
Median Rent as Percentage of HH Income	28%
Vehicles Available	7,510
Homeowners	71%
Renters	29%
Vehicles Per Capita	0.37
Households with no vehicle	1,100
Percent of Homeowning households	6%
Percent of Renting Households	41%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$44,373
Median Family Income	$49,447
Per Capita Income	$17,651
Percent in Poverty	15%
Employment	
Unemployment Rate	11%
Employed Residents	8,880
Managerial and Prof. Occupations	17%
Service Occupations	34%
Sales and Office Occupations	22%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	11%
Production and Transportation Occup.	16%
Journey to Work	
Workers 16 years and over	8,640
Car	63%
Drove Alone	*52%*
Carpooled	*11%*
Transit	32%
Bike	1%
Walk	1%
Other	1%
Worked at Home	2%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 258, 264.01, 264.02, 264.03, 264.04, 605.01, 605.02

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

West of Twin Peaks: Neighborhood at a Glance

DEMOGRAPHICS

Total Population*	22,830
Group Quarter Population	*0*
Percent Female	50%

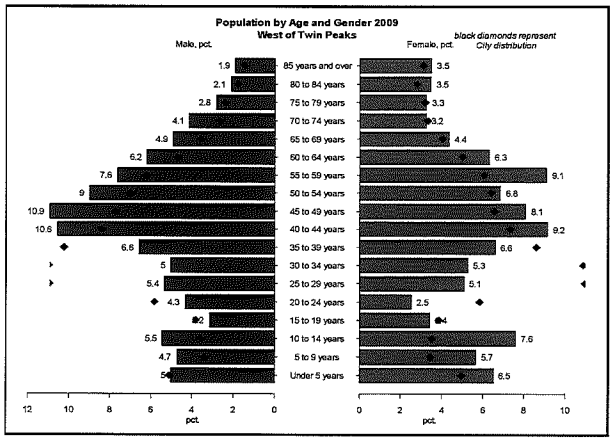
Households	10,930
Family Households	69%
Households with Children, Pct of Total	29%
Non-Family Households	31%
Single Person Households, Pct of Total	21%
Avg Household Size	2.7
Avg Family Household Size	3.3

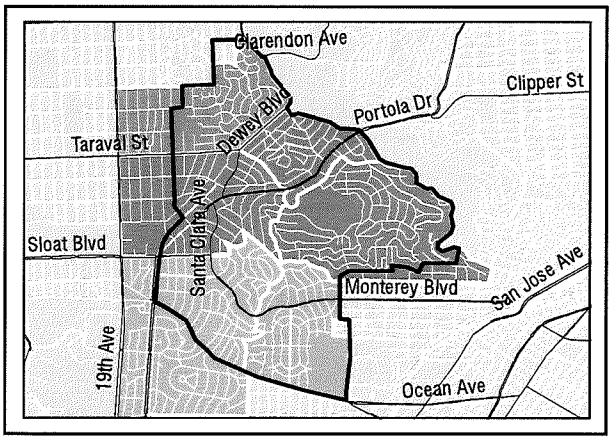
Race/Ethnicity*

Black/African American	2%
Asian	31%
White	59%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	7%
% Latino (of Any Race)	6%

Age

0 - 4 years	6%
5 - 17 years	14%
18 - 34 years	15%
35 - 59 years	42%
60 and older	23%





Educational Attainment
(Residents 25 years and older)

High School or Less	16%
Some College/Associate Degree	20%
College Degree	36%
Graduate/Professional Degree	28%

Nativity and Language

Foreign Born	27%

Language Spoken at home
(Residents 5 years and older)

English Only	64%
Spanish Only	4%
Asian/Pacific Islander	22%
Other European Language	9%
Other Languages	1%

Linguistic Isolation

% of All Households	7%
% of Spanish-Speaking Households	2%
% of Asian Language Speaking Households	22%
% of Other European-Speaking Households	16%
% of Households Speaking Other Languages	18%

West of Twin Peaks

HOUSING CHARACTERISTICS

Total Number of Units	11,500
Units Built 2000 to 2009+	60
Median Year Structure Built‡	1939
Occupied Units	10,930
Owner occupied	86%
Renter occupied	14%
Vacant Units	5%
For rent	27%
For sale only	3%
Rented or sold, not occupied	5%
For seasonal, recreational, or occasional us	18%
Other vacant	47%
Median Year Moved In to Unit (Own)	1993
Median Year Moved In to Unit (Rent)	2002

Structure Type

Single Family Housing	91%
2 - 4 Units	5%
5 - 9 Units	1%
10 - 19 Units	1%
20 Units or more	2%
Other	0%

Housing Prices

Median Rent	$1,745
Median Home Value	$952,703
Median Rent as Percentage of HH Income	22%
Vehicles Available	20,190
Homeowners	88%
Renters	12%
Vehicles Per Capita	0.68
Households with no vehicle	460
Percent of Homeowning households	4%
Percent of Renting Households	8%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income

Median Household Income	$125,027
Median Family Income	$142,617
Per Capita Income	$58,594
Percent in Poverty	4%

Employment

Unemployment Rate	5%
Employed Residents	15,410
Managerial and Prof. Occupations	59%
Service Occupations	10%
Sales and Office Occupations	22%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	4%
Production and Transportation Occup.	5%

Journey to Work

Workers 16 years and over	14,830
Car	65%
Drove Alone	*54%*
Carpooled	*11%*
Transit	24%
Bike	1%
Walk	3%
Other	1%
Worked at Home	6%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 304, 306, 307, 308, 309, 310

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Western Addition: Neighborhood at a Glance

DEMOGRAPHICS

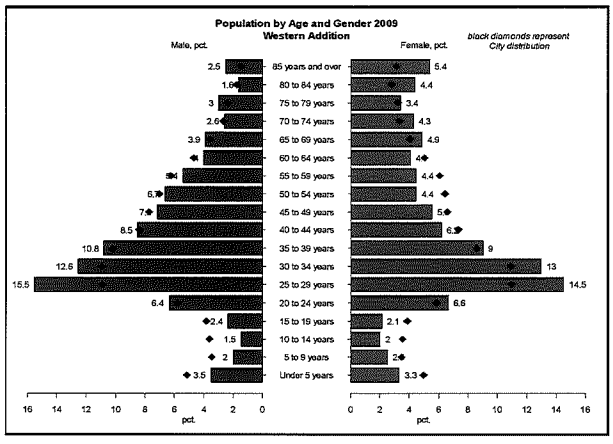
Total Population*	42,920
Group Quarter Population	*1730*
Percent Female	52%
Households	21,560
Family Households	29%
Households with Children, Pct of Total	9%
Non-Family Households	71%
Single Person Households, Pct of Total	56%
Avg Household Size	1.9
Avg Family Household Size	2.9

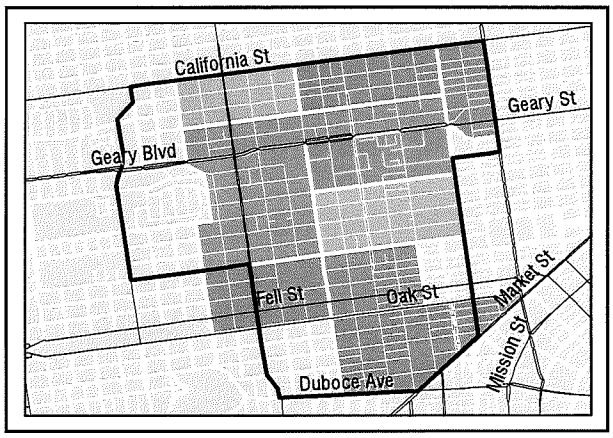
Race/Ethnicity*

Black/African American	15%
Asian	20%
White	55%
Native American Indian	0%
Native Hawaiian/Pacific Islander	0%
Other/Two or More Races	9%
% Latino (of Any Race)	9%

Age

0 - 4 years	3%
5 - 17 years	5%
18 - 34 years	35%
35 - 59 years	34%
60 and older	22%





Educational Attainment
(Residents 25 years and older)

High School or Less	22%
Some College/Associate Degree	22%
College Degree	35%
Graduate/Professional Degree	22%

Nativity and Language

Foreign Born	24%

Language Spoken at home
(Residents 5 years and older)

English Only	71%
Spanish Only	7%
Asian/Pacific Islander	11%
Other European Language	9%
Other Languages	1%

Linguistic Isolation

% of All Households	11%
% of Spanish-Speaking Households	17%
% of Asian Language Speaking Households	45%
% of Other European-Speaking Households	38%
% of Households Speaking Other Languages	65%

Western Addition

HOUSING CHARACTERISTICS

Total Number of Units	24,080
Units Built 2000 to 2009+	990
Median Year Structure Built‡	1947
Occupied Units	21,560
Owner occupied	21%
Renter occupied	79%
Vacant Units	10%
For rent	46%
For sale only	6%
Rented or sold, not occupied	8%
For seasonal, recreational, or occasional us	14%
Other vacant	26%
Median Year Moved In to Unit (Own)	2000
Median Year Moved In to Unit (Rent)	2003
Structure Type	
Single Family Housing	10%
2 - 4 Units	17%
5 - 9 Units	14%
10 - 19 Units	17%
20 Units or more	42%
Other	0%
Housing Prices	
Median Rent	$1,169
Median Home Value	$690,196
Median Rent as Percentage of HH Income	26%
Vehicles Available	15,620
Homeowners	34%
Renters	66%
Vehicles Per Capita	0.39
Households with no vehicle	9,650
Percent of Homeowning households	18%
Percent of Renting Households	52%

INCOME, EMPLOYMENT AND JOURNEY TO WORK

Income	
Median Household Income	$53,990
Median Family Income	$69,889
Per Capita Income	$47,111
Percent in Poverty	14%
Employment	
Unemployment Rate	7%
Employed Residents	24,050
Managerial and Prof. Occupations	56%
Service Occupations	14%
Sales and Office Occupations	23%
Farming related Occupations	0.0%
Construction and Maintenance Occup.	3%
Production and Transportation Occup.	5%
Journey to Work	
Workers 16 years and over	23,480
Car	32%
Drove Alone	*27%*
Carpooled	*5%*
Transit	41%
Bike	5%
Walk	12%
Other	2%
Worked at Home	7%

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 151, 152, 153, 155, 158, 159, 161, 163, 164, 168

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Appendix

Margins of Error

Statistics in this report come from the 2005-2009 American Community Survey. The ACS is based on sample data and is subject to margins of error. due to the variability of individual samples. The confidence interval is the range within which the true population value lies with a certain degree of certainty. The more certainty, the larger the necessary interval around the estimate. The Census Bureau published margin of error tables reflecting a 90 percent confidence interval.

The figures cited in this report should be taken in the context of their margins of error. This means thinking of confidence boundaries. To do this, one must know the estimate as well as the margin of error. The report has provided estimates at the neighborhood level and below are steps to find out the margins of error for each estimate.

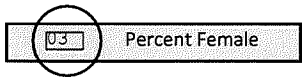
Step 1:

Identify the characteristic (data field) you're interested in from the Neighborhood at a Glance profiles in this report.

Percent Female	50%

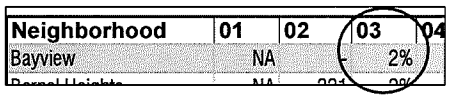
Step 2:

Refer to the mock-up on pages 81-82 to get the numeric code for the data field in question. Note that the data fields are sequentially numbered.



Step 3:

Go to the Margin of Error table on pages 83-86. Look for the row representing the neighborhood and locate the column with the numeric code you found in Step 2. That is the applicable margin of error.



Neighborhood	01	02	03	04
Bayview	NA		2%	

Step 4:

The confidence bounds will be

Value + / - MOE

For example, if one were interested margins of error for the percentage of females in the Bayview Neighborhood, one would need to locate the estimate (50%), go to the mock-up to see the ID for the field (ID number 03), and then look up this value in the Margin of Error table, under the Bayview row. The value there is 2%, meaning that the true value is likely between 48% (50% - 2%) and 52% (50% + 2%).

As a general note, MOEs are larger for smaller populations relative to the sample size. Details on language for small sub-groups may be more prone to inaccuracies than those of larger groups.

Aggregations of tract-level MOEs to the neighborhood scale were performed per the guidelines in the Census Compass Guides, Appendix 3 (*"A Compass for Understanding and Using American Community Survey Data: What State and Local Governments Need to Know"*).

To calculate medians, the Planning Department relied on published ranges and used a formula for grouped data using the method provided by the California State Department of Finance as described in their note *"Re-calculating Medians and their Margin of Errors for Aggregated ACS Data"* from February, 2011. The margins of error thus produced are known to significantly overstate the true margins of error, but this is a necessary limitation given the summary data available.

Template showing Data Field IDs, First Page

Bayview: Neighborhood at a Glance

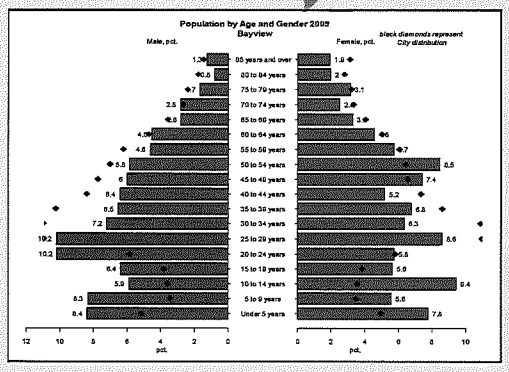
Field	DEMOGRAPHICS	
01	Total Population*	35,890
02	*Group Quarter Population*	*0*
03	Percent Female	50%
04	**Households**	9,480
05	Family Households	70%
06	Households with Children, Pct of Total	40%
07	Non-Family Households	30%
08	Single Person Households, Pct of Total	26%
09	Avg Household Size	3.6
10	Avg Family Household Size	4.5

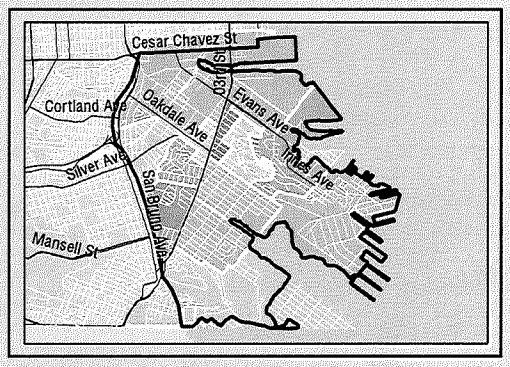
Race/Ethnicity*

11	Black/African American	32%
12	Asian	33%
13	White	12%
14	Native American Indian	1%
15	Native Hawaiian/Pacific Islander	3%
16	Other/Two or More Races	20%
17	% Latino (of Any Race)	25%

Age

18	0 - 4 years	8%
19	5 - 17 years	19%
20	18 - 34 years	26%
21	35 - 59 years	32%
22	60 and older	16%





Educational Attainment
(Residents 25 years and older)

		Field
High School or Less	56%	23
Some College/Associate Degree	26%	24
College Degree	13%	25
Graduate/Professional Degree	4%	26

Nativity and Language

Foreign Born	33%	27

Language Spoken at home
(Residents 5 years and older)

English Only	51%	28
Spanish Only	21%	29
Asian/Pacific Islander	27%	30
Other European Language	1%	31
Other Languages	1%	32

Linguistic Isolation

% of All Households	12%	33
% of Spanish-Speaking Households	27%	34
% of Asian Language Speaking Households	34%	35
% of Other European-Speaking Households	3%	36
% of Households Speaking Other Languages	23%	37

Example

Template showing Data Field IDs, Second Page

Bayview: Neighborhood at a Glance

Field	HOUSING CHARACTERISTICS	
38	Total Number of Units	10,540
39	Units Built 2000 to 2009+	760
40	Median Year Structure Built‡	1952
41	**Occupied Units**	9,480
42	Owner occupied	51%
43	Renter occupied	49%
44	**Vacant Units**	10%
45	For rent	11%
46	For sale only	11%
47	Rented or sold, not occupied	2%
48	For seasonal, recreational, or occasional us	2%
49	Other vacant	75%
50	Median Year Moved In to Unit (Own)	1992
51	Median Year Moved In to Unit (Rent)	2003
	Structure Type	
52	Single Family Housing	68%
53	2 - 4 Units	12%
54	5 - 9 Units	7%
55	10 - 19 Units	5%
56	20 Units or more	7%
57	Other	1%
	Housing Prices	
58	Median Rent	$768
59	Median Home Value	$586,201
60	Median Rent as Percentage of HH Income	29%
61	**Vehicles Available**	12,760
62	Homeowners	66%
63	Renters	34%
64	Vehicles Per Capita	0.38
65	Households with no vehicle	2,030
66	Percent of Homeowning households	8%
67	Percent of Renting Households	35%

INCOME, EMPLOYMENT AND JOURNEY TO WORK		Field
Income		
Median Household Income	$43,155	68
Median Family Income	$50,029	69
Per Capita Income	$19,484	70
Percent in Poverty	18%	71
Employment		
Unemployment Rate	14%	72
Employed Residents	13,740	73
Managerial and Prof. Occupations	23%	74
Service Occupations	26%	75
Sales and Office Occupations	25%	76
Farming related Occupations	0.4%	77
Construction and Maintenance Occup.	12%	78
Production and Transportation Occup.	13%	79
Journey to Work		
Workers 16 years and over	13,010	80
Car	62%	81
Drove Alone	*50%*	82
Carpooled	*12%*	83
Transit	29%	84
Bike	0%	85
Walk	4%	86
Other	1%	87
Worked at Home	3%	88

Additional Sources:
* 2010 Census Redistricting Data (Public Law 94-171).
+ Planning Department Housing Inventory
‡ "1939" represents 1939 or earlier

2000 Census Tracts for area: 230.01, 230.02, 230.03, 231.01, 231.02, 231.03, 232, 233, 234, 606, 609, 610

May 2011

Note: Numbers are estimates and represent sampling data from the American Community Survey and is subject to sampling and non-sampling errors. For more information, see http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf

Example

Margins of Error, By Variable By Neighborhood, Variables 01 through 23

Neighborhood	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Bayview	NA	-	2%	286	3%	3%	3%	3%	0.20	0.34	NA	NA	NA	NA	NA	NA	NA	1%	2%	3%	2%	3%	6%
Bernal Heights	NA	221	2%	228	3%	2%	3%	3%	0.14	0.34	NA	NA	NA	NA	NA	NA	NA	1%	1%	3%	2%	2%	4%
Castro/Upper Market	NA	-	2%	331	2%	1%	2%	3%	0.09	0.40	NA	NA	NA	NA	NA	NA	NA	1%	2%	3%	3%	2%	5%
Chinatown	NA	-	2%	203	3%	3%	4%	4%	0.13	0.37	NA	NA	NA	NA	NA	NA	NA	1%	3%	4%	3%	4%	6%
Crocker Amazon	NA	-	3%	155	4%	5%	5%	5%	0.29	0.46	NA	NA	NA	NA	NA	NA	NA	1%	2%	4%	3%	3%	5%
Diamond Heights/Glen Park	NA	-	4%	151	5%	3%	5%	5%	0.16	0.45	NA	NA	NA	NA	NA	NA	NA	2%	2%	4%	4%	3%	9%
Downtown/Civic Center	NA	466	2%	528	2%	1%	2%	2%	0.07	0.44	NA	NA	NA	NA	NA	NA	NA	1%	2%	2%	2%	2%	4%
Excelsior	NA	1,266	2%	241	2%	3%	3%	3%	0.17	0.28	NA	NA	NA	NA	NA	NA	NA	1%	1%	2%	2%	2%	3%
Financial District	NA	82	5%	155	5%	3%	7%	8%	0.21	1.04	NA	NA	NA	NA	NA	NA	NA	7%	15%	16%	7%	21%	26%
Haight Ashbury	NA	283	2%	330	3%	2%	4%	4%	0.12	0.42	NA	NA	NA	NA	NA	NA	NA	1%	2%	4%	3%	2%	5%
Inner Richmond	NA	2,148	2%	405	2%	2%	3%	2%	0.10	0.25	NA	NA	NA	NA	NA	NA	NA	1%	1%	2%	2%	1%	3%
Inner Sunset	NA	184	2%	310	3%	2%	3%	3%	0.11	0.29	NA	NA	NA	NA	NA	NA	NA	1%	1%	3%	2%	2%	4%
Lakeshore	NA	997	3%	247	4%	3%	4%	4%	0.18	0.41	NA	NA	NA	NA	NA	NA	NA	1%	2%	5%	3%	3%	10%
Marina	NA	-	2%	440	3%	1%	3%	4%	0.10	0.39	NA	NA	NA	NA	NA	NA	NA	1%	2%	5%	3%	2%	6%
Mission	NA	564	1%	387	2%	1%	2%	2%	0.09	0.31	NA	NA	NA	NA	NA	NA	NA	1%	1%	2%	1%	2%	3%
Mission Bay	NA	-	5%	132	7%	5%	7%	7%	0.24	0.72	NA	NA	NA	NA	NA	NA	NA	3%	5%	6%	4%	6%	9%
Nob Hill	NA	248	3%	345	3%	2%	3%	4%	0.11	0.44	NA	NA	NA	NA	NA	NA	NA	1%	1%	4%	3%	2%	5%
Noe Valley	NA	-	2%	271	3%	2%	3%	3%	0.10	0.35	NA	NA	NA	NA	NA	NA	NA	1%	1%	4%	2%	2%	6%
North Beach	NA	-	2%	330	4%	2%	4%	4%	0.13	0.47	NA	NA	NA	NA	NA	NA	NA	2%	3%	5%	3%	3%	7%
Ocean View	NA	128	2%	240	3%	3%	4%	4%	0.24	0.39	NA	NA	NA	NA	NA	NA	NA	1%	2%	3%	2%	2%	4%
Outer Mission	NA	-	2%	190	3%	3%	3%	3%	0.17	0.36	NA	NA	NA	NA	NA	NA	NA	1%	1%	2%	2%	2%	4%
Outer Richmond	NA	319	2%	316	3%	2%	3%	3%	0.14	0.33	NA	NA	NA	NA	NA	NA	NA	1%	1%	3%	2%	2%	3%
Outer Sunset	NA	273	1%	325	2%	2%	3%	2%	0.12	0.22	NA	NA	NA	NA	NA	NA	NA	1%	1%	2%	2%	1%	3%
Pacific Heights	NA	135	3%	331	3%	2%	3%	4%	0.12	0.42	NA	NA	NA	NA	NA	NA	NA	2%	2%	4%	2%	2%	6%
Parkside	NA	71	2%	205	4%	3%	4%	3%	0.16	0.33	NA	NA	NA	NA	NA	NA	NA	1%	2%	3%	3%	2%	4%
Potrero Hill	NA	-	2%	198	4%	3%	4%	4%	0.15	0.47	NA	NA	NA	NA	NA	NA	NA	1%	3%	5%	3%	4%	8%
Presidio	NA	-	9%	139	9%	6%	10%	12%	0.71	1.47	NA	NA	NA	NA	NA	NA	NA	3%	8%	10%	4%	17%	25%
Presidio Heights	NA	242	3%	185	4%	3%	5%	5%	0.14	0.42	NA	NA	NA	NA	NA	NA	NA	2%	2%	5%	3%	4%	8%
Russian Hill	NA	-	3%	338	3%	1%	3%	4%	0.10	0.37	NA	NA	NA	NA	NA	NA	NA	1%	2%	4%	3%	3%	5%
Seacliff	NA	233	0%	77	7%	9%	7%	7%	0.42	0.63	NA	NA	NA	NA	NA	NA	NA	7%	11%	15%	10%	13%	31%
South of Market	NA	2,173	2%	383	3%	2%	3%	4%	0.11	0.47	NA	NA	NA	NA	NA	NA	NA	1%	2%	3%	2%	2%	3%
Treasure Island/YBI	NA	53	4%	71	12%	11%	11%	7%	0.72	1.58	NA	NA	NA	NA	NA	NA	NA	6%	4%	9%	8%	18%	25%
Twin Peaks	NA	1,418	6%	63	8%	4%	9%	8%	0.18	0.55	NA	NA	NA	NA	NA	NA	NA	2%	5%	10%	5%	7%	10%
Visitacion Valley	NA	204	2%	185	3%	4%	4%	4%	0.25	0.40	NA	NA	NA	NA	NA	NA	NA	2%	2%	3%	2%	3%	5%
West of Twin Peaks	NA	-	1%	224	2%	2%	3%	2%	0.09	0.17	NA	NA	NA	NA	NA	NA	NA	1%	2%	2%	2%	2%	5%
Western Addition	NA	711	2%	505	2%	1%	2%	2%	0.08	0.33	NA	NA	NA	NA	NA	NA	NA	1%	1%	3%	2%	2%	4%

Note:

"NA", or not applicable, denotes that the estimate comes from the 100% count from Census 2010 and is not subject to MOE.

Margins of Error, By Variable By Neighborhood, Variables 24 through 46

Neighborhood	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Bayview	3%	2%	4%	3%	3%	2%	3%	2%	2%	7%	12%	13%	229%	495%	219	0%	819%	286	3%	3%	2%	36%	31%
Bernal Heights	3%	2%	2%	3%	4%	2%	1%	1%	2%	5%	6%	8%	35%	599%	135	0%	21%	228	3%	3%	2%	44%	59%
Castro/Upper Market	2%	2%	2%	2%	4%	1%	1%	0%	2%	4%	25%	32%	15%	320%	198	0%	323%	331	2%	3%	2%	19%	30%
Chinatown	4%	2%	4%	4%	0%	3%	4%	3%	3%	8%	337%	3%	196%	#NUM!	135	0%	19%	203	2%	2%	2%	14%	38%
Crocker Amazon	4%	3%	4%	4%	4%	2%	3%	2%	2%	8%	9%	7%	97%	781%	114	0%	1113%	155	5%	5%	3%	33%	85%
Diamond Heights/Glen Park	3%	5%	4%	3%	5%	3%	3%	3%	3%	8%	19%	41%	49%	366%	69	0%	2006%	151	4%	4%	3%	90%	26%
Downtown/Civic Center	2%	2%	2%	3%	3%	2%	2%	1%	1%	2%	11%	5%	10%	64%	307	0%	11%	528	1%	1%	2%	6%	8%
Excelsior	2%	2%	2%	3%	2%	2%	2%	1%	1%	4%	7%	5%	29%	213%	151	0%	680%	241	3%	3%	2%	54%	48%
Financial District	8%	8%	11%	7%	8%	9%	8%	8%	10%	17%	211%	15%	73%	691%	64	0%	4037%	155	5%	2%	6%	13%	19%
Haight Ashbury	3%	3%	3%	2%	4%	2%	1%	0%	2%	4%	32%	30%	15%	357%	185	0%	15%	330	3%	3%	2%	18%	10%
Inner Richmond	2%	2%	2%	2%	3%	1%	2%	1%	1%	4%	46%	5%	8%	319%	239	0%	16%	405	2%	2%	2%	15%	19%
Inner Sunset	2%	3%	3%	3%	4%	2%	2%	0%	2%	4%	48%	7%	12%	245%	168	0%	948%	310	2%	3%	2%	29%	27%
Lakeshore	4%	4%	3%	3%	6%	2%	2%	2%	2%	6%	48%	8%	11%	150%	174	0%	420%	247	3%	3%	3%	35%	34%
Marina	2%	4%	3%	2%	5%	2%	1%	0%	2%	4%	46%	34%	8%	399%	217	0%	16%	440	3%	3%	3%	12%	12%
Mission	2%	2%	2%	2%	2%	2%	1%	1%	1%	3%	5%	10%	24%	211%	252	0%	12%	387	2%	2%	1%	19%	26%
Mission Bay	4%	7%	5%	7%	9%	1%	0%	3%	4%	7%	55%	9%	14%	1100%	83	0%	276%	132	6%	7%	4%	17%	20%
Nob Hill	3%	4%	2%	3%	4%	1%	3%	1%	2%	4%	30%	6%	15%	574%	174	0%	18%	345	2%	2%	3%	13%	12%
Noe Valley	2%	3%	3%	3%	3%	3%	1%	1%	2%	5%	26%	30%	32%	257%	175	0%	56%	271	3%	3%	2%	34%	44%
North Beach	3%	4%	3%	3%	5%	2%	3%	1%	3%	5%	41%	8%	11%	290%	172	0%	1987%	330	3%	3%	3%	17%	16%
Ocean View	3%	3%	2%	4%	3%	2%	2%	0%	1%	5%	14%	6%	50%	#NUM!	151	0%	648%	240	4%	5%	3%	42%	31%
Outer Mission	2%	2%	2%	3%	3%	1%	3%	0%	1%	4%	6%	6%	14%	1200%	137	0%	392%	190	4%	4%	2%	47%	49%
Outer Richmond	2%	3%	2%	3%	3%	1%	2%	1%	1%	4%	35%	5%	10%	160%	191	0%	520%	316	3%	3%	2%	19%	28%
Outer Sunset	2%	2%	1%	3%	2%	1%	3%	0%	1%	3%	34%	4%	8%	112%	180	0%	293%	325	2%	3%	2%	29%	29%
Pacific Heights	3%	4%	3%	2%	5%	2%	0%	0%	2%	4%	55%	28%	16%	517%	157	0%	17%	331	2%	3%	3%	14%	25%
Parkside	2%	3%	3%	3%	4%	1%	3%	0%	2%	5%	28%	6%	11%	331%	126	0%	343%	205	4%	4%	3%	45%	48%
Potrero Hill	3%	3%	4%	3%	5%	2%	3%	2%	3%	7%	31%	77%	18%	614%	143	0%	1662%	198	4%	5%	2%	69%	59%
Presidio	3%	11%	6%	4%	15%	0%	7%	0%	8%	26%	12%	367%	138%	2200%	56	0%	1812%	139	3%	3%	11%	21%	7%
Presidio Heights	4%	4%	4%	3%	6%	2%	0%	1%	3%	5%	23%	9%	13%	1436%	132	0%	27%	185	4%	4%	3%	32%	30%
Russian Hill	2%	3%	3%	3%	5%	2%	2%	1%	2%	4%	33%	6%	28%	383%	163	0%	18%	338	3%	3%	3%	13%	13%
Seacliff	11%	6%	12%	4%	12%	9%	6%	8%	8%	35%	192%	107%	467%	1333%	45	0%	47%	77	7%	6%	13%	96%	98%
South of Market	3%	2%	2%	2%	5%	0%	2%	0%	2%	3%	13%	7%	6%	246%	209	0%	527%	383	2%	3%	2%	10%	8%
Treasure Island/YBI	8%	12%	13%	14%	16%	7%	8%	4%	8%	29%	131%	24%	23%	249%	60	0%	1423%	71	3%	1%	7%	16%	50%
Twin Peaks	4%	5%	5%	6%	6%	0%	0%	4%	5%	14%	14%	12%	23%	#NUM!	31	0%	554%	63	9%	8%	5%	30%	287%
Visitacion Valley	3%	2%	5%	3%	3%	2%	3%	2%	3%	10%	23%	6%	250%	1587%	139	0%	846%	185	4%	4%	3%	105%	113%
West of Twin Peaks	2%	2%	2%	2%	3%	2%	1%	1%	2%	4%	49%	6%	7%	177%	138	0%	281%	224	2%	2%	2%	37%	46%
Western Addition	2%	2%	2%	2%	3%	1%	1%	1%	1%	3%	19%	8%	12%	121%	310	0%	1490%	505	2%	2%	2%	10%	14%

Margins of Error, By Variable By Neighborhood, Variables 47 through 68

Neighborhood	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68
Bayview	59%	42%	13%	8	3	4%	3%	3%	3%	4%	6%	$ 350	$ 78,254	9%	703	4%	4%	3%	378	18%	6%	$ 12,874
Bernal Heights	81%	51%	17%	6	3	4%	3%	1%	2%	3%	5%	$ 454	$ 108,987	5%	649	4%	4%	3%	239	0%	5%	$ 20,863
Castro/Upper Market	41%	22%	19%	6	2	3%	3%	2%	2%	2%	3%	$ 224	$ 434,918	3%	728	3%	3%	4%	341	0%	3%	$ 21,234
Chinatown	46%	26%	11%	30	5	2%	3%	2%	3%	5%	5%	$ 85	$ 1,849,274	5%	310	5%	7%	2%	324	56%	3%	$ 7,680
Crocker Amazon	141%	60%	85%	11	10	7%	3%	2%	2%	6%	9%	$ 465	$ 112,401	12%	429	6%	5%	4%	112	9%	7%	$ 27,360
Diamond Heights/Glen Park	127%	90%	27%	10	11	6%	4%	2%	1%	2%	6%	$ 787	$ 662,802	11%	334	5%	4%	5%	152	0%	8%	$ 44,196
Downtown/Civic Center	10%	5%	5%	11	2	1%	1%	1%	1%	3%	2%	$ 91	$ 234,060	4%	523	3%	6%	2%	625	0%	2%	$ 6,979
Excelsior	81%	58%	28%	6	5	5%	3%	2%	3%	5%	5%	$ 477	$ 69,110	11%	712	3%	3%	3%	281	0%	9%	$ 17,196
Financial District	28%	12%	19%	22	6	8%	6%	6%	6%	6%	11%	$ 975	$ 3,614,438	13%	185	11%	14%	8%	134	13%	7%	$ 57,292
Haight Ashbury	30%	18%	15%	7	3	3%	4%	3%	2%	2%	3%	$ 196	$ 798,160	3%	633	5%	4%	4%	391	20%	4%	$ 22,584
Inner Richmond	30%	17%	11%	8	2	2%	3%	2%	2%	2%	3%	$ 166	$ 330,891	2%	912	3%	3%	3%	449	0%	3%	$ 15,754
Inner Sunset	47%	18%	23%	9	2	3%	3%	2%	2%	3%	4%	$ 254	$ 109,458	3%	702	3%	3%	3%	252	0%	3%	$ 16,848
Lakeshore	45%	34%	26%	15	4	3%	3%	4%	2%	5%	5%	$ 232	$ 441,747	9%	305	5%	4%	3%	256	57%	3%	$ 23,123
Marina	20%	10%	10%	7	2	2%	3%	2%	3%	2%	3%	$ 195	$ 1,359,852	4%	856	4%	4%	5%	329	0%	3%	$ 23,237
Mission	37%	24%	13%	4	2	2%	2%	2%	2%	2%	3%	$ 149	$ 135,136	0%	981	3%	3%	2%	563	6%	3%	$ 13,734
Mission Bay	55%	12%	22%			2%	8%	5%	2%	6%	5%	$ 1,814	$ 1,135,793	270%	290	8%	9%	8%	128	0%	8%	$ 19,137
Nob Hill	16%	9%	11%	16	2	1%	2%	2%	3%	4%	3%	$ 183	$ 366,912	2%	590	5%	6%	3%	446	0%	4%	$ 15,753
Noe Valley	49%	27%	39%	6	3	4%	4%	2%	1%	3%	4%	$ 304	$ 726,159	4%	665	4%	4%	4%	296	0%	4%	$ 25,585
North Beach	20%	12%	15%	9	3	2%	4%	3%	2%	3%	4%	$ 339	$ 713,433	3%	464	4%	6%	4%	350	0%	5%	$ 26,289
Ocean View	59%	49%	38%	8	4	5%	3%	3%	2%	4%	5%	$ 535	$ 83,492	12%	724	5%	5%	4%	152	0%	6%	$ 25,847
Outer Mission	83%	66%	50%	6	4	5%	3%	2%	2%	3%	4%	$ 345	$ 79,402	9%	757	4%	4%	3%	220	0%	6%	$ 24,790
Outer Richmond	41%	12%	18%	7	3	3%	3%	2%	2%	2%	3%	$ 210	$ 113,596	2%	791	4%	4%	3%	307	0%	3%	$ 16,858
Outer Sunset	47%	25%	16%	5	2	3%	3%	1%	1%	2%	2%	$ 224	$ 78,663	2%	993	3%	3%	2%	347	0%	4%	$ 15,656
Pacific Heights	33%	21%	17%	7	2	3%	2%	3%	3%	3%	3%	$ 290	$ 1,234,015	4%	637	4%	4%	5%	321	0%	4%	$ 24,941
Parkside	77%	37%	23%	8	5	6%	3%	1%	1%	4%	4%	$ 536	$ 103,561	9%	662	5%	5%	4%	194	0%	7%	$ 25,954
Potrero Hill	105%	59%	23%	8	4	4%	5%	3%	3%	3%	6%	$ 489	$ 203,982	5%	464	5%	6%	5%	185	4%	5%	$ 31,911
Presidio	59%	55%	27%		1	10%	13%	6%	12%	17%	12%	$ 1,716	$ 201,513	510%					133	528%	2%	$ 22,993
Presidio Heights	51%	14%	22%	16	4	5%	5%	3%	3%	4%	5%	$ 453	$ 1,658,513	6%	487	6%	4%	6%	177	0%	6%	$ 42,300
Russian Hill	26%	10%	10%	8	2	2%	3%	3%	3%	3%	3%	$ 301	$ 1,199,153	3%	659	5%	5%	4%	405	0%	5%	$ 25,610
Seacliff	193%	98%	92%	18	24	9%	13%	12%	12%	12%	23%	$ 3,842	$ 2,234,623	41%	206	6%	4%	10%	45	11%	17%	$ 108,984
South of Market	14%	9%	8%	2	2	1%	2%	1%	2%	3%	2%	$ 404	$ 125,588	1%	580	3%	5%	4%	443	7%	4%	$ 31,622
Treasure Island/YBI	70%	50%	19%			7%	12%	11%	5%	6%	21%	$ 2,474	$ 201,513	600%					149	733%	11%	$ 10,464
Twin Peaks	406%	287%	73%	5	2	8%	13%	13%	13%	14%	18%	$ 3,866	$ 220,801	400%	239	12%	7%	12%	80	0%	14%	$ 16,990
Visitacion Valley	173%	122%	55%	9	4	6%	6%	4%	5%	6%	9%	$ 507	$ 99,537	12%	497	5%	5%	3%	245	5%	10%	$ 19,879
West of Twin Peaks	76%	35%	28%	5	7	3%	2%	2%	2%	3%	4%	$ 1,254	$ 139,966	15%	703	2%	2%	3%	229	0%	13%	$ 35,339
Western Addition	21%	12%	10%	5	2	1%	2%	2%	2%	2%	2%	$ 174	$ 152,053	2%	917	3%	3%	3%	613	0%	3%	$ 11,757

Margins of Error, By Variable By Neighborhood, Variables 69 through 88

Neighborhood	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88
Bayview	$ 14,470	$ 1,549	3%	13%	885	3%	3%	3%	5%	4%	3%	885	3%	3%	3%	3%	3%	2%	3%	2%
Bernal Heights	$ 34,816	$ 3,042	2%	8%	924	2%	4%	3%	3%	2%	2%	924	3%	3%	2%	4%	1%	1%	1%	1%
Castro/Upper Market	$ 60,858	$ 4,502	1%	8%	923	2%	2%	3%	3%	2%	1%	923	3%	3%	1%	3%	1%	2%	1%	1%
Chinatown	$ 8,542	$ 2,419	4%	21%	534	5%	5%	4%	8%	5%	4%	534	5%	4%	2%	6%	5%	5%	3%	4%
Crocker Amazon	$ 29,028	$ 2,313	3%	14%	553	4%	4%	4%	5%	4%	3%	553	4%	4%	3%	6%	2%	2%	2%	2%
Diamond Heights/Glen Park	$ 77,011	$ 6,973	3%	15%	387	5%	2%	5%	5%	3%	2%	387	5%	5%	3%	7%	1%	1%	4%	3%
Downtown/Civic Center	$ 13,449	$ 2,035	3%	8%	1,019	2%	4%	2%	3%	2%	2%	1,019	2%	2%	1%	3%	1%	3%	1%	2%
Excelsior	$ 20,239	$ 1,582	2%	8%	1,035	3%	3%	3%	3%	3%	2%	1,035	2%	2%	2%	4%	0%	1%	1%	1%
Financial District	$ 175,404	$ 17,275	6%	53%	229	8%	10%	8%	17%	14%	4%	229	6%	6%	9%	6%	8%	7%	9%	9%
Haight Ashbury	$ 56,556	$ 4,741	2%	8%	808	2%	3%	3%	3%	2%	2%	808	3%	3%	2%	4%	2%	2%	1%	3%
Inner Richmond	$ 24,173	$ 2,885	2%	6%	1,242	2%	2%	3%	2%	1%	1%	1,242	2%	2%	2%	3%	1%	2%	1%	1%
Inner Sunset	$ 33,442	$ 4,126	2%	9%	892	2%	2%	2%	3%	2%	2%	892	3%	3%	2%	3%	1%	1%	1%	2%
Lakeshore	$ 33,638	$ 3,279	3%	13%	740	3%	3%	4%	4%	3%	3%	740	4%	4%	2%	5%	1%	2%	3%	2%
Marina	$ 50,988	$ 7,720	1%	8%	878	3%	1%	3%	3%	2%	2%	878	4%	3%	2%	4%	1%	1%	1%	2%
Mission	$ 19,694	$ 2,387	2%	5%	1,595	2%	2%	2%	2%	2%	1%	1,595	2%	2%	2%	3%	1%	2%	1%	1%
Mission Bay	$ 22,838	$ 11,640	4%	19%	306	7%	3%	6%	7%	6%	3%	306	7%	7%	3%	8%	1%	4%	4%	3%
Nob Hill	$ 34,491	$ 5,564	3%	9%	756	5%	3%	3%	3%	2%	2%	756	4%	4%	1%	4%	1%	4%	1%	2%
Noe Valley	$ 56,769	$ 5,879	1%	9%	843	1%	2%	3%	3%	3%	2%	843	2%	3%	1%	3%	1%	3%	1%	1%
North Beach	$ 54,082	$ 6,572	4%	12%	662	4%	3%	4%	4%	3%	3%	662	4%	4%	1%	5%	1%	5%	1%	3%
Ocean View	$ 26,244	$ 2,368	3%	7%	889	3%	5%	3%	3%	3%	3%	889	3%	3%	3%	4%	1%	2%	1%	1%
Outer Mission	$ 35,780	$ 2,876	2%	7%	906	3%	3%	3%	2%	3%	2%	906	4%	4%	2%	4%	1%	2%	1%	1%
Outer Richmond	$ 27,182	$ 3,009	1%	7%	1,039	3%	2%	3%	2%	2%	1%	1,039	4%	4%	2%	3%	1%	1%	1%	1%
Outer Sunset	$ 22,303	$ 1,943	2%	5%	1,109	2%	2%	2%	2%	2%	2%	1,109	2%	3%	2%	2%	1%	1%	1%	1%
Pacific Heights	$ 58,715	$ 10,192	3%	10%	740	3%	2%	3%	3%	3%	3%	740	4%	4%	2%	4%	1%	4%	1%	3%
Parkside	$ 26,342	$ 2,565	3%	8%	680	4%	3%	3%	3%	3%	2%	680	4%	4%	3%	4%	2%	2%	1%	3%
Potrero Hill	$ 67,441	$ 5,873	5%	13%	493	3%	2%	5%	5%	3%	4%	493	4%	4%	2%	4%	2%	2%	2%	3%
Presidio	$ 32,616	$ 18,904	5%	31%	374	7%	4%	10%	10%	7%	7%	374	7%	7%	3%	13%	3%	1%	2%	8%
Presidio Heights	$ 90,576	$ 10,718	1%	16%	451	5%	2%	6%	5%	3%	3%	451	8%	8%	1%	5%	1%	2%	3%	4%
Russian Hill	$ 58,948	$ 7,814	2%	10%	694	4%	3%	3%	3%	3%	2%	694	3%	3%	2%	4%	1%	3%	2%	3%
Seacliff	$ 110,815	$ 20,920	1%	72%	206	6%	16%	9%	21%	15%	15%	206	0%	8%	11%	9%	15%	11%	15%	11%
South of Market	$ 72,056	$ 4,760	4%	9%	673	3%	3%	3%	3%	3%	2%	673	3%	3%	1%	4%	1%	3%	1%	2%
Treasure Island/YBI	$ 15,581	$ 8,593	8%	34%	291	15%	7%	12%	13%	10%	10%	291	3%	5%	2%	16%	9%	3%	1%	3%
Twin Peaks	$ 35,097	$ 6,608	5%	56%	170	7%	7%	5%	19%	14%	13%	170	11%	11%	5%	8%	13%	6%	4%	9%
Visitacion Valley	$ 24,304	$ 1,716	4%	15%	668	3%	4%	3%	5%	4%	3%	668	3%	4%	3%	4%	3%	2%	3%	3%
West of Twin Peaks	$ 37,200	$ 3,654	1%	9%	742	2%	2%	2%	3%	2%	2%	742	3%	3%	2%	3%	1%	1%	1%	2%
Western Addition	$ 31,067	$ 3,432	2%	7%	1,147	3%	2%	2%	2%	2%	2%	1,147	3%	2%	1%	3%	1%	2%	1%	1%

Acknowledgements

Mayor

Edwin M. Lee

Board of Supervisors

David Chiu, *President*
Mark Farrell
John Avalos
David Campos
Carmen Chu
Malia Cohen
Jane Kim
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Michael Webster
Alton Chinn
Gary Chen
Scott Dowdee

Exhibit C

EASTERN NEIGHBORHOODS PDR LOSS, PLANNING DATA, April 5, 2016

	Anticipated PDR Conversion 2009-2034 (based on adopted Plan)	Occurred Conversion (from Projects Completed and Under Construction, 2009-2015)	Impending Conversion (from Entitled Projects, 2009-2015)	*Sum of Occurred and Expected Conversion*	Proposed Conversion (from Projects Seeking Entitlement, 2009-2015)	*Sum of Occurred, Expected, and Proposed Conversion*	Percentage of 25-year pace
Eastern Neighborhoods	**-3,511,000**	(1,084,000)	(410,000)	*-1,494,000*	-547,000	*(2,041,000)*	178%
Plan Areas							
- Central Waterfront	**(413,000)**	(259,000)	(41,000)	*(300,000)*	299,000	*(1,000)*	
- East SoMa	**-1,075,000**	(264,000)	(321,000)	*(585,000)*	-234,000	*(819,000)*	
- Mission	**(915,000)**	(155,000)	(32,000)	*(187,000)*	-359,000	*(546,000)*	186%
- Showplace Square/Potrero	**-1,109,000**	(406,000)	(16,000)	*(422,000)*	-254,000	*(676,000)*	

Options A, B, and C vary by the degree to which they would permit lands currently zoned for industrial uses to be converted to residential and mixed-use districts: in general, Option A would permit the least amount of such conversion, while Option C would permit the greatest conversion. Under all three options, new single- and mixed-use zoning districts would be introduced to the Planning Code. Most of the existing Heavy Industrial (M-2) and Light Industrial (M-1) use districts in the Eastern Neighborhoods would be replaced with either mixed-use residential districts (MUR), new Urban Mixed-Use (UMU) Districts that would permit residential and PDR uses, or with new Employment and Business Development (EBD) Districts that would permit PDR uses only. These districts would encourage the retention and expansion of PDR uses while in some cases also allowing limited commercial or residential uses. Some existing commercial districts would be replaced, where commercial activity would continue to be permitted, with new mixed-use residential/commercial districts or with mixed-use PDR/commercial districts, although some areas would be designated neighborhood commercial as currently defined in the Planning Code. Finally, existing residential districts could be replaced, generally with new single-use residential districts. Proposed new zoning districts include:

- **Employment and Business Development (EBD)**, in which new construction would be limited to PDR space, housing would be prohibited, and only small office and retail uses would be allowed;
- **Residential-Transit Oriented (RTO)**, which would allow generally moderate-scale residential buildings, with no maximum permitted residential density and reduced parking requirements;
- **Mixed-Use Residential (MUR)**, to promote high-density housing and a flexible mix of smaller neighborhood-serving retail and commercial uses, including some PDR uses;
- **Neighborhood Commercial Transit (NC-T)**, similar to MUR, but would not permit most PDR uses;
- **Neighborhood Commercial (Moderate Scale)**, similar to the existing NC-3 (Neighborhood Commercial-Moderate Scale) district; and
- **Urban Mixed-Use (UMU)**, which would encourage transitional development patterns between EBD and predominantly residential districts, thereby buffering potentially incompatible land uses. Non-PDR development would be required to also provide PDR space, at specified ratio(s).

In addition, the Central Waterfront would include a **Heavy PDR** district, mostly covering land under Port of San Francisco Jurisdiction that is intended to remain in heavy commercial and industrial use, and a **Pier 70 Mixed-Use District.**

The *Rezoning Options Workbook* included a potential Design PDR Use Area overlay zone in the central portion of Showplace Square, where only design-related PDR uses would be permitted, to help preserve the existing cluster of design uses. Further, subsequent drafts of the Showplace Square/Potrero Hill plan delineated a separate Arts District in part of the Seventh Street corridor, near the California College of the Arts campus, to encourage compatible arts (PDR) activities.

From: Flores, Claudia (CPC)
To: Rahaim, John (john.rahaim@sfgov.org)
Subject: FW: pre-umu
Date: Friday, March 25, 2016 4:32:00 PM

Hi John,

This is relevant for our MAP2020 work, they have been saying all along that they thought the intention of the UMU was a PDR preservation district too and it was (I found it in the 2003 rezoning options workbook because Steve mentioned it was incorporated in the Option B DEIR projections)!! But some of us were not aware that it was the case and when it was dropped. I'll fill you in when you are back, I'm getting some background from Johnny Jaramillo and Steve on this so we are clear on what we are saying to community folks.

Happy & safe travels!

Claudia

From: Wertheim, Steve (CPC)
Sent: Wednesday, March 23, 2016 7:32 PM
To: Ojeda, Teresa (CPC); Flores, Claudia (CPC)
Subject: Re: pre-umu

I killed PDR in the UMU, thank you very much. 2007. There definitely wasn't enough compatible PDR to smear across all of the UMU (and we'll be finding out if there's enough to smear across all of the Mission).

-S

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From: Ojeda, Teresa (CPC)
Sent: Wednesday, March 23, 2016 2:43 PM
To: Flores, Claudia (CPC); Wertheim, Steve (CPC)
Subject: RE: pre-umu

I was no longer part of the EN by then. I left just around the time the EIR was being drafted. It would just be Johnny and Ken. Jasper was already with SFState.

From: Flores, Claudia (CPC)
Sent: Wednesday, March 23, 2016 2:29 PM
To: Wertheim, Steve (CPC); Ojeda, Teresa (CPC)
Subject: pre-umu

Wow who knew the PDR requirement did not survive in the UMU by the time the last EN team inherited it (or did it get dropped without notice during transitions?)! I have zero recollection of this I wonder if Johnny or Jasper remember??? I am curious and mystified. Do you know Teresa?

Regardless of this, a-c projections pre-EIR in the workbook even with this "pre-umu/some pdr-required" district show quite a bit of pdr loss in B (and C). Check out the map of option C for Mission alone. Option C is all pre-UMU pink color and it has one parcel of PDR (blue) – best buy and office max of all parcels! page 70 and 71
http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=3647

Zoning Options by Community Planning Area

www.sf-planning.org

Community Planning in the Eastern Neighborhoods :: Rezoning Options Workbook - First Draft :: February 2003 37 Section Two:: Zoning Designations and Options ...

Residential – Production/Distribution/Repair

This new zoning district would create opportunities for housing, while retaining and creating space for PDR businesses that can coexist with residential uses. New developments would be required to provide some space for light and medium PDR businesses, which would be encouraged on the ground floor. Residential and other small commercial uses would also be permitted. This district could support mixed use neighborhoods where housing is constructed on top of or next to light industrial businesses.
The Residential/PDR areas in the Showplace Square study area might include additional controls that allow only design-related activities as new PDR uses. Similar to the design-focused portion of the Core
PDR zone in the Showplace Square, discussed above, one goal of this district is to enhance the existing,
well-defined cluster of design-related activities in the area.

http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=3651

so interesting to say the least... curious and mystified! Funny that we kept the same color though...

FILE NO. 150651 RESOLUTION NO.

[Calling for a Comprehensive Analysis on the State of Housing and Production, Distribution, and Repair in the Mission]

Resolution calling on the Planning Department to produce a comprehensive series of reports about the status of the Mission Area Plan of the Eastern Neighborhoods, especially with respect to its two primary goals of expanding the production of affordable housing and the preservation of Production, Distribution, and Repair uses in the Mission and report back to the Board of Supervisors.

WHEREAS, The Department of City Planning shapes the future of San Francisco and the region by generating a vision for the General Plan and in neighborhood plans, encouraging a broad range of housing and a diverse job base, and enforces the Planning Code; and

WHEREAS, The economic projections that serve as the foundation for the Eastern Neighborhoods rezoning have changed, because the Great Recession and subsequent recovery created very different market conditions than could have been anticipated in 2006-07 when the projections were made; and

WHEREAS, The Board of Supervisors adopted the Mission Area Plan of the Eastern Neighborhoods in December 2008 with the preface stating that "[a]t their core, the Eastern Neighborhoods Plans try to accomplish two key policy goals: 1) to ensure a stable future for Production, Distribution and Repair (PDR) businesses in the City, mainly by reserving a certain amount of land for this purpose; and 2) to provide a significant amount of new housing available to low, moderate and middle income families and individuals, along with 'complete neighborhoods' that provide appropriate amenities for these new residents"; and

WHEREAS, The latest report published by the Planning Department about the Mission Area was the "Mission Area Plan Monitoring Report 2006 – 2010" on file with the Clerk of the Board of Supervisors in File No. 150461, which is hereby declared to be a part of this resolution as if set forth fully herein, for a time period that included only the first two years of the Eastern Neighborhoods Plans and there have been no subsequent reports about the progress against the Eastern Neighborhoods Plan or the Mission Area Plan; now, therefore, be it

RESOLVED, That the Board of Supervisors requests that the Planning Department develop analyses and reports about the implementation of the Mission Area Plan of the Eastern Neighborhoods Plans to include, but not be limited to: 1) A complete report on all PDR demolitions and conversions, both permitted and unpermitted in the Mission, estimating the workforce impact, and detailing the addresses and square footage lost, and comparing these actual figures to the standards and projections for the Eastern Neighborhoods Plans, and comparing these statistics for the Mission Plan Area against the other areas in the Eastern Neighborhoods; and 2) A complete report on all Market Rate Housing and Affordable Housing production in the Mission Area including the locations of new housing developments, the number of units in each development and the cost of these units including Homeowner Association (HOA) fees where applicable and comparing this data to the projections and standards for the Eastern Neighborhoods Plan; and 3) An analysis of the Eastern Neighborhoods Nexus Study on file with the Clerk of the Board of Supervisors in File No. 150461, which is hereby declared to be a part of this resolution as if set forth fully herein, to assess whether the Impact Fees have been and are projected to be collected are sufficient for mitigating the impacts of current and pipelined development in the Mission; and, be it

FURTHER RESOLVED, That the Board of Supervisors requests these reports to be completed and presented to the Board of Supervisors at a public hearing before October 15, 2015.

Exhibit D

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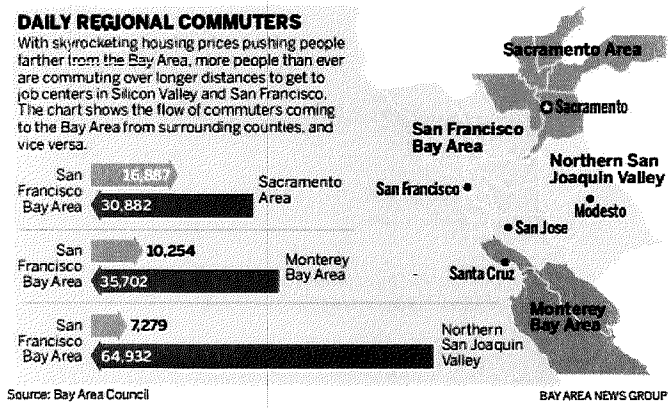
Bay Area workers commuting from edges of 'megaregion,' new report says

By Erin Baldassari, ebaldassari@bayareanewsgroup.com

POSTED: 06/30/2016 12:01:00 AM PDT | UPDATED: 22 DAYS AGO



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OAKLAND -- Over the past decade or more, the Bay Area's boundaries have been bleeding into surrounding counties as skyrocketing housing prices push residents farther from jobs centered in Silicon Valley and San Francisco.

Those residents are still employed in the Bay Area though, leading to longer commutes and mounting pressure on the region's roads and rails. While that trend has been ongoing for some time, the problems resulting from it have become particularly acute, according to a new report released Thursday by the Bay Area Council, a business-sponsored public policy advocate.

"All these people are moving around on the most congested corridors," said Jeff Bellisario, the research manager for the Bay Area Council Economic Institute, "and there's no great transit options for these commuters."

Approximately 602,000 vehicles enter and exit the nine-county Bay Area from other parts of what the council has dubbed the "Northern California Megaregion," an area comprising six counties in and around Sacramento, three Northern San Joaquin Valley area counties, and three Monterey Bay area counties.

The Northern San Joaquin Valley area is leading the region in the number of workers it is sending to Bay Area companies. Between 1990 and 2013, the number of people commuting from the valley to job centers in the Bay Area more than doubled, growing around 32,000 commuters to nearly 65,000, according to the report.

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"Silicon Valley really likes our labor force, but our labor force really doesn't like the Silicon Valley's housing costs," said Mike Ammann, president and CEO of San Joaquin Partnership, a nonprofit economic development corporation.

Advertisement

San Joaquin Valley was also one of the hardest hit in the housing market crash that spurred the Great Recession, but Ammann said the double-digit unemployment numbers in the area have since come down. Manufacturing has picked up, as has the county's distribution and transportation industries, and more housing is being built in the region again, he said.

However, this uneven growth in jobs and housing has caused gridlock on Interstate 580, and while the Altamont Corridor Express train, or ACE, is not yet at capacity, it soon will be, said Dan Leavitt, the transit agency's manager of regional initiatives.

The agency's ridership has roughly doubled in the past five years, and ACE is looking for ways to expand, Levitt said. It's currently in the process of drafting an environmental impact report, set to be released in the fall, that would study an increase in the number of round trips from four to six, and within the next decade, Leavitt said the agency hopes to offer 10 round trips.

To do that, the passenger service needs to add a second set of railroad tracks in some places, as well as make other improvements, Leavitt said, a roughly $200 million investment for the first phase and another $200 million for the second. ACE already has funding for the planning and preconstruction phase of the project, but not the actual construction, he said.

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CalTrain speeds across rush hour traffic on Interstate 280 Wednesday evening, Feb. 10, 2016, into downtown San Jose, Calif. (Karl Mondon/Bay Area News Group)

"In order for us to (expand service), we would need more infrastructure along our lines, but also other things like equipment and more parking," Leavitt said. "First and foremost, the biggest hurdle is funding."

While the state has some cap-and-trade funds available for commuter rail projects, Leavitt said the project will require investment from counties along the rail line serves.

Encouraging local governments to think regionally has never been easy, said Randy Rentschler, the legislation and public affairs director of the Metropolitan Transportation Commission, but encouraging municipal and county governments to do so has never been more critical, he said.

He pointed to the express lane on Interstate 580, which opened earlier this year, as an example of regional collaboration that provided some relief to drivers stuck in gridlock.

"The planning and the fight ... to get that money on those lanes; we had to take on most of the rest of the state to make sure that these congested areas were prioritized," Rentschler said. "We succeeded in part because we worked closely with our friends in the San Joaquin Valley area."

As people continue to move further from job centers in search of cheaper housing, Rentschler said the problems will only get worse.

"Being the repository for your neighbor's housing stock can only go so far," he said.

The report recommends, among other things, investing in regional rail lines, streamlining permitting for housing construction so it can be built closer to job centers, and encouraging job growth in the San Joaquin Valley and Sacramento areas to help relieve the daily

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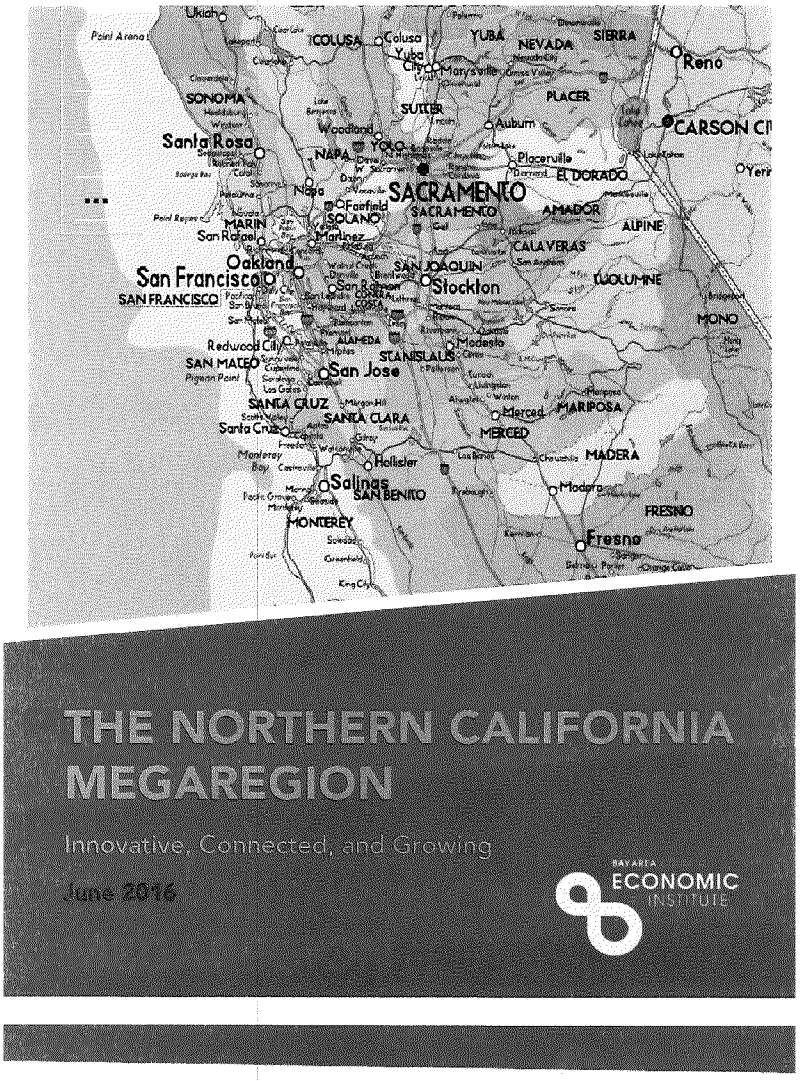
migration to the Bay Area. Coupled with that is a long-term strategy to invest in education in places like Sacramento and Merced, so that companies can more readily access a high-skilled labor pool, Bellisario said.

"Part of the conversation is about transportation, part is about the economy, but really, they both go together," Bellisario said. "We need to spread the economic footprint more evenly across the entire megaregion."

Contact Erin Baldassari at 510-208-6428. Follow her at Twitter.com/e_baldi (http://Twitter.com/e_baldi).

Northern California Megaregion (https://www.scribd.com/doc/317169313/Northern-California-Megaregion)



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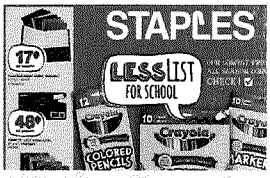

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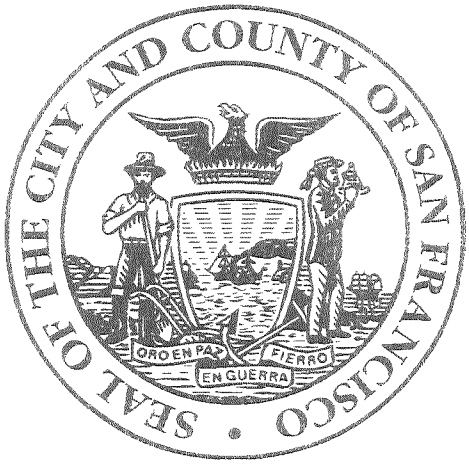
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ORO EN PAZ
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I. Letter from the Co-Chairs

Dear Mayor Lee and Transportation Task Force Members:

In his State of the City address in January of this year, Mayor Edwin M. Lee announced the creation of this Transportation Task Force to develop a plan to address the City's future transportation needs. We are pleased to submit the attached report on the City transportation system's existing conditions, proposed investment strategies, and funding options for San Francisco's transportation infrastructure through 2030.

We believe the key to maintaining and enhancing mobility for all San Franciscans is to invest in a high performing transportation system. However, multiple factors limit the City's ability to make these investments. Infrastructure is aging. The City has limited right-of-way. Transportation resources from the state and federal government are volatile. Despite these constraints, we must find ways to invest in our infrastructure to keep the transportation system reliable while taking innovative steps to maintain the core infrastructure, enhance the system, expand transportation choices, prepare for growth, and improve performance.

Managing future transportation demand requires a balancing of travel modes. All San Franciscans and visitors should be able to choose among many high-quality transportation options. The transportation system must pay special attention to those who face special obstacles in their mobility. The transportation system must serve the needs of all its users while providing efficient and low-cost travel options. The City should prioritize transportation investments that will provide the greatest mobility and promote a balanced multi-modal transportation system.

For these reasons, this report:

- Assesses the extent of San Francisco's transportation program needs, including streets and transit;
- Evaluates and recommends funding options to meet those needs in the upcoming 15 years; and
- Recommends the City pursue additional state and federal sources to fund transportation capital when new revenue opportunities become available.

As a final step, we led the Task Force in discussing the proposals and recommendations. The Task Force concurs with the following areas, and this report reflects these areas of agreement:

- The needs assessment has identified need of $10.1 billion for transportation infrastructure through 2030.
- The City has already identified $3.8 billion of funding for transportation infrastructure through 2030 leaving gap of $6.3 billion.
- Future investments should focus on primarily improving the core, next enhancing the existing system, then expanding to meet growth.
- The Task Force's priorities are to improve transportation reliability, system efficiency, accessibility and safety, equity for all users, and expanding for growth.
- The City should support two General Obligation bonds, each for $500 million, to fund bond eligible infrastructure improvements.
- Vehicle License Fees should be increased to 2 percent to fund transportation improvements.
- Sales tax should be increased by 0.5 percent to fund remaining highest priority transportation projects.
- The commitment to increase revenue for transportation improvements will position San Francisco to better compete for matching investments from state and federal sources.
- City leaders and regional agencies should continue to seek additional transportation funding to fill the gap of unfunded, underfunded, or delayed projects and priorities.
- City staff should continue to enlist and receive public input and feedback on the elements of the investment plan.
- City staff should document and share expected performance improvements and service enhancements resulting from infrastructure investments.
- This plan is a first step, and costs and investments will be refined through the City's Capital Plan and in coordination with departments and stakeholders.

The Transportation Task Force reviewed and endorsed this report on November 25, 2013.

As a next step, we recommend that this report be transmitted to the Board of Supervisors and be amended into the City's Ten-Year Capital Plan. In the coming months, we will enthusiastically support the implementation of the recommendations. We also look forward to participating in additional community processes to prioritize the projects within the investment plan, and work with the City's local and regional partners to advocate for and coordinate improvements to the transportation network.

Thank you,

Monique Zmuda and Gabriel Metcalf, Co-Chairs

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II. Executive Summary

During his 2013 State of the City address, San Francisco Mayor Lee announced the creation of a Transportation Task Force to develop a coordinated set of priorities and actionable recommendations for funding the City's transportation infrastructure between now and the year 2030. This Task Force represents a first in a generation look at identifying new local investment to address the City's transportation needs.

The City's transportation system is comprised of street, transit, bicycle and pedestrian mobility networks. Additionally, the City has shared obligations with both Caltrain and Bay Area Rapid Transit (BART) -- regional transit operators that provide vital links between San Francisco and the rest of the greater Bay Area. Combined, the City-owned and operated transportation networks, Caltrain, and BART make up the core components of the City's transportation system. This multi-modal network provides many different transportation options for those who work, visit, and live in the City, and has contributed to making San Francisco a unique and vibrant place to live. Choices the City makes today regarding this transportation system will profoundly impact how San Francisco will continue to function and grow in the future.

The City's current transportation policies affirm that a balanced, multi-modal transportation system—including public transit, automobiles, bicycles and pedestrian modes of travel—are necessary to maintain a high quality of life and promote the economic well-being of the community. To ensure a robust and reliable multi-modal transportation network in the future, San Francisco must renew its existing systems and plan for growth.

The regional Plan Bay Area projects that by 2040 San Francisco will grow to nearly one million residents, a 34% increase, and 750,000 jobs, a 29% increase. In light of the demands from future growth and the effects of an aging transportation system, the Task Force conducted a needs assessment to evaluate the current condition of the transportation system, and a funding assessment to evaluate its current and future fiscal requirements. The needs assessment indicated that the City requires infrastructure investment in the following three areas:

- Core: The City's existing transportation capital and infrastructure, which includes the existing transit fleet, streets, traffic signals, rails, bike lanes, and sidewalks.
- Enhance: Efficiency and effectiveness improvements to Core system components.
- Expand: Expansion beyond the Core investments in order to meet current demand or expected growth where Core investments do not meet the need.

SUNSET TUNNEL
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The Task Force evaluated the state of the City's transportation system and capital funding needs. The Task Force presents two main findings:

1. The City's infrastructure is inadequate to meet current demand and decline in transportation services will become more severe without new investments as the City grows and demand for transportation increases.
2. Required improvements to the City's transportation system infrastructure are estimated at $10.1 billion over the next 15 years. The City has identified $3.8 billion in funding, leaving a $6.3 billion funding gap over the next 15 years (Table 1).

TABLE 1: TRANSPORTATION SYSTEM FUNDING GAP

Transportation System Funding Needs (2013 dollars, in millions)	Total Need	Funds Identified to date	Unfunded Need	% Funded
Core Investments	$ 6,608	$ 3,587	$ 3,021	54%
Enhance Investments	$ 1,833	$ 160	$ 1,673	9%
Expand Investments	$ 1,644	$ 6	$ 1,638	0%
Total	**$ 10,085**	**$ 3,753**	**$ 6,332**	**37%**

In order to address the funding gap, the Transportation Task Force recommends an Investment Plan to fund the most critical capital programs, a Revenue Plan to help significantly reduce the funding gap, and a recommendation that the City advocate for more federal, state, and regional dollars to meet the remaining capital need.

Recommendation 1—Investment Plan

The Task Force determined that the City must make improvements to its transportation infrastructure in order to maintain economic competitiveness, promote a healthy environment, keep the City livable and dynamic, and maintain existing systems in a state-of-good repair. The Task Force prioritized the following objectives to guide new investment:

- Maintain existing assets in a state-of-good repair;
- Improve travel time and reliability;
- Reduce costs;
- Serve planned growth; and
- Improve safety and accessibility of the system.

To meet these objectives, the Task Force recommends a balance of investments that would allocate 54% of new funding to Core investments, 32% to Enhance investments, and 14% to Expand investments (Table 2).

TABLE 2: 15 YEAR INVESTMENT PLAN

15 Year Investment Plan (2013 dollars, in millions)	Proposed 2030 Spending	% of Investment Plan
Core Investments	$ 1,586	54%
Enhance Investments	$ 948	32%
Expand Investments	$ 421	14%
Total	**$ 2,955**	**100%**

The $2.96 billion Investment Plan represents a significant step in a series of many needed to improve the City's transportation system.

Recommendation 2—Revenue Plan

In order to significantly reduce the City's funding gap, the Transportation Task Force recommends a Revenue Plan including two General Obligation Bonds, the first in 2014, and the second in 2024. Combined, these bonds would generate $1 billion in new revenue by 2024, which would equal bond revenue of $829 million in 2013 dollars. The Revenue Plan would also increase the Vehicle License Fee by 1.35% and increase the sales tax by 0.5% (Table 3). Over the 15 year period, the estimated rates of revenue growth and cost escalation will vary. If costs grow more quickly than revenues, then the City's Investment Plan will need to be re-prioritized and some projects adjusted or deferred.

TABLE 3: 15 YEAR REVENUE PLAN

15 Year Revenue Plan (2013 $, in millions)	Proposed 15 Year Revenue Total	Average Per Year 2015-2030
General Obligation bond	$ 829	$ 55
Vehicle License Fee increase	$ 1,096	$ 73
Sales Tax 0.5% increase	$ 1,030	$ 69
Total	**$ 2,955**	**$ 197**

Recommendation 3—Advocate for Additional Funding

The Task Force recognizes that additional local funding cannot be the only solution to significant funding gaps and high levels of need. The Task Force recommends that the City continue to pursue additional revenue for transportation improvements through other methods. This includes regional, state, and federal advocacy, pursuing funding coordination opportunities, and consideration of policies proposed in the San Francisco County Transportation Authority's (SFCTA) Countywide Plan.

BART
ROSS

The recommended revenue measures require voter approval, some as early as November 2014. If this Task Force's Revenue Plan is accepted, the Mayor and the Board of Supervisors will work to develop proposed ballot and Charter legislation and the Board of Supervisors will conduct public hearings on the proposals. For this legislative process to be successful, elected officials and City staff must collaborate with stakeholders to ensure that proposals reflect the needs of the City and its voters.

If voters approve new revenue, the City will continue to engage with the public through forums including the annual budget process and capital planning process and with project outreach to be performed by City staff.

Though the Task Force's role is concluding, this effort is intended as the start of a much longer and larger process to secure funding for the priority transportation projects that the City's policymakers and citizens want to see implemented. Without a focused effort to secure new sources of investment, many of these transportation projects and programs will not be implemented. The Task Force will move forward with the following steps in the coming months to ensure that new investment is realized. The Task Force will:

- **Submit Task Force Recommendations to the Mayor, the Board of Supervisors/ Transportation Authority, the SFMTA Board of Directors, and the Capital Planning Committee.** This will institutionalize the recommendations and prepare them for placement on future ballots.
- **Communicate the goals and recommendations of the Task Force to the public and interested parties.** The Task Force will share the recommendations and outcomes that the public can expect as a result of the new investment.
- **Keep a strong coalition to realize the goals of the Task Force through implementation.** The Task Force's transportation capital project recommendations extend through 2030. A coalition comprised of City agencies and stakeholders that are dedicated to implementation of Task Force recommendations in the coming years will help ensure that the City's transportation infrastructure will meet users' needs.

III. Introduction

By 2040, San Francisco is projected to grow to nearly one million residents (about a 34% increase in households) and grow to 750,000 jobs (a 29% increase in employment). This increased population will place stress on the City's existing transportation system, which even today is slow, inefficient, and deteriorating. With development and growth plans in targeted areas of the City either already completed or underway, the need for efficient, available transportation becomes more evident. Lacking new investment, the City will experience failing transportation infrastructure that will further compromise the City's transportation effectiveness.

In response to this challenge, on January 28, 2013, San Francisco Mayor Lee announced during his State of the City address the creation of a Transportation Task Force (the Task Force) focused on improving the City's transportation system between now and the year 2030. The Task Force was charged with developing a coordinated set of transportation priorities and identifying new revenue sources dedicated to making the City's transportation system more reliable, efficient, and better prepared to accommodate future growth. The Task Force included representation from regional transportation agencies, private sector partners, transportation advocates, City department representatives, organized labor, and other key stakeholders.

Over the past nine months the Task Force, in coordination with City staff and regional transportation providers, identified the unfunded capital needs of the City's transportation system, and researched and identified new revenue sources to meet those needs. This report gives an overview of the many agencies, departments, commissions, and authorities that govern transportation project funding, decision-making, prioritizing and implementation. It also examines the needs for capital programming and provides recommendations for raising revenue to fund critical infrastructure improvements. The scope of this report focuses on identifying capital improvements for transportation that require strategic new investment; it does not address system operating deficits. However, the Task Force believes that as the City starts to consistently invest in critical transportation system infrastructure, it will reduce system operating costs and on-going maintenance expenses.

This report is the main product of the Task Force; it was written by department staff from the Controller's Office, Mayor's Office, and the Capital Planning Program with valuable insight from the Department of Public Works, the Municipal Transportation Agency, the San Francisco County Transportation Authority, and the Planning Department. The contents and recommendations of this report were developed between February 2013 and October 2013 and endorsed by the Task Force at its meeting of October 29, 2013. The Task Force adopted this report at its final meeting on November 25, 2013. The authors graciously thank Task Force members, staff, community representatives, and supporters who gave time and guidance, provided key content, and helped shape this report.

'It's Very Difficult Driving in the City Now': Study Shows Commuting in San Francisco Now a Crawl

By Jodi Hernandez

Family Giving Tree
Bringing Hope and Joy to Those in Need

A new study issued by the San Francisco County Transportation Authority confirms that commuting in the city has turned into an absolute crawl. Jodi Hernandez reports. (Published Tuesday, Dec. 8, 2015)

TRENDING STORIES

1 VIDEO Pokemon Go Players Invade SF to "Catch Them All"

2 McDonald's Set to Sell Gilroy Garlic Fries

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miles an hour. During the evening commute, the average speed for commuters heading home slowed down even more to 12.7 miles an hour, a 21-percent drop from two years ago.

- New Threat Against San Francisco Police Officers

"That is a consequence of this being a booming economy, a popular city," said Eric Young with the San Francisco County Transportation Authority. "More people want

4 Could Kelly's 49ers Go From Worst to First?

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to live here and there are a lot of opportunities here."

With more people from across the Bay Area traveling into San Francisco to work, keeping up with the congestion has been tough for the transportation authority.

- Facebook Not Being A Good Neighbor: Lawyers

"It's very difficult driving in the city now," commuter Suzanne Roomian said. "However the economy's great, everybody's working and I think it's kind of collateral damage."

Jodi Hernandez
@JodiHernandezTV

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Driving in SF has gotten painfully slow.Average speed during peak commute time just 12.7mph according to new study:
5:41 PM - 8 Dec 2015 · San Francisco, CA, United States

12 10

Transportation officials said they are working hard to ease the gridlock. Efforts to ease congestion include red carpet lanes, dedicated lanes for buses and more bus lines. In fact, bus travel times are holding relatively steady compared to cars.

Many commuters said public transit may be the best alternative to sitting in traffic.

VIDEO Possible Arson at Millbrae Community Center

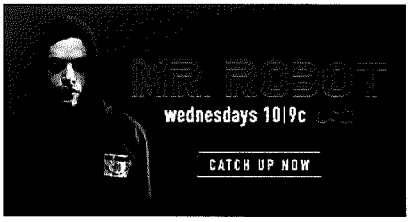
"It's simple, less stress and you don't have to pay attention," commuter Warren Cole said.

WEATHER FORECAST

San Jose, CA

61° Clear
Feels Like 61°

Radar Forecast Maps



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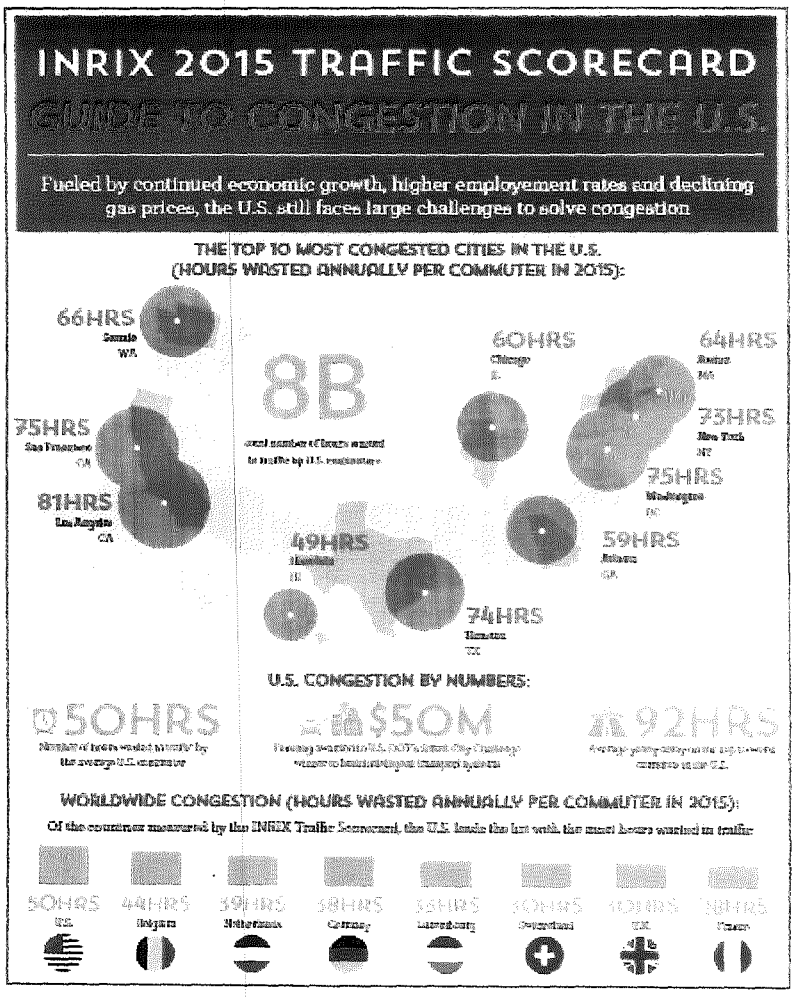
INRIX 2015 Traffic Scorecard Sets Benchmark for U.S. Cities as Federal Government Accelerates Smart City Spending

- Los Angeles, Washington D.C., San Francisco, Houston, New York and Seattle rank as most congested cities in U.S., where commuters spent a total of 8 billion hours stuck in traffic in 2015
- U.S. accounts for 50 percent of the top 10 metros with the worst traffic congestion across the U.S. and Europe; only London has worse traffic than top-ranked U.S. cities
- U.S. DOT's $50 million Smart City Challenge, continued economic growth and declining gas prices are increasing momentum among U.S. cities to improve urban mobility

Kirkland, WA—March 15, 2016— INRIX, Inc., a global leader for transportation analytics,today released its 2015 Traffic Scorecard, a benchmark for governments and agencies in the U.S. and Europe to measure progress in improving urban mobility.



The report reveals the U.S. faces large challenges to solve congestion issues, fueled by continued economic and population growth, higher employment rates and declining gas prices. Cities that have experienced the

most economic improvement during the past year are at highest risk for consequences related to worsened traffic conditions, including reduced productivity, higher emissions and increased stress levels. For example, Washington D.C., San Francisco, New York, Seattle and Boston all saw reduced unemployment rates bringing them below the national average of 5.3 percent for 2015.[1] However, according to the INRIX Traffic Scorecard, congestion in those cities alone combined to waste 1.5 billion hours for daily car commuters last year. Nationwide, commuters spent a total of more than eight billion extra hours stuck in traffic, representing almost 50 hours per driver.

City by city, here's how the top 10 cities in the U.S. with the worst traffic rank in terms of average time wasted per commuter:

1. Los Angeles, CA – 81 hours
2. Washington, DC – 75 hours
3. San Francisco, CA – 75 hours
4. Houston, TX – 74 hours
5. New York, NY – 73 hours
6. Seattle, WA – 66 hours
7. Boston, MA – 64 hours
8. Chicago, IL – 60 hours
9. Atlanta, GA – 59 hours
10. Honolulu, HI – 49 hours

Although cities have invested in multimodal options, including public transportation, pedestrian programs and bicycle lanes, a strong economy often results in more drivers on the road. For most cities, applying big data to create intelligent transportation systems will be key to solving urban mobility. INRIX's traffic analytics can help city planners and engineers make data-based decisions to prioritize spending where it will create the biggest impact now and for the future. When working with limited budgets to manage transportation systems, using data-based performance metrics can make a major difference in the outcomes of planning and implementing new infrastructure.

Fueling the transformation toward data-driven city planning is the U.S. DOT's $50 million Smart City Challenge. Last week at South by Southwest® in Austin, seven finalist cities were awarded $100,000 to refine their proposals before the winner is chosen in June. As this effort by the federal government seeks to stimulate investment in smart cities, measurement and analytics will be critical to determine which solutions are most effective, optimize ROI for taxpayers and ultimately evaluate progress.

"INRIX partners with more than 200 governments and agencies worldwide, providing them with the industry's most accurate mobility data and analytics to tackle transportation challenges and enhance intelligent movement," said Bryan Mistele, President and CEO, INRIX. "The 2015 Traffic Scorecard is our response to their need for a quantifiable benchmark to track the impact of their spending on smart city initiatives. We're excited to be a partner to many of the cities that have submitted proposals to the U.S. DOT's Smart City Challenge to help them create a better future for drivers, pedestrians, cyclists and businesses."

How the U.S. Compares to Cities Worldwide

At a city level, the U.S. accounts for 50 percent of the top 10 metros with the worst traffic congestion across the U.S. and Europe. London tops the list of gridlock-plagued cities, with 101 hours of delay per commuter, followed by Los Angeles (81 hours), Washington D.C. (75 hours), San Francisco (75 hours), Houston (74 hours), New York (73 hours), Stuttgart (73 hours), Antwerp (71 hours), Cologne (71 hours) and Brussels (70 hours).

Drivers on the top 10 worst roads globally waste on average 110 hours a year, or more than four and a half days, in gridlock. Of these corridors, four are in Los Angeles and three are in Moscow, followed by roads in London, Brussels and Munich.

Of the countries measured by the INRIX Traffic Scorecard, the U.S. leads the list of countries with the most hours wasted in traffic – an average of nearly 50 hours per commuter in 2015 – outranking Belgium (44 hours), Netherlands (39 hours), Germany (38 hours), Luxembourg (33 hours), Switzerland (30 hours), U.K. (30 hours) and France (28 hours).

Methodology

Findings in the INRIX 2015 Traffic Scorecard are drawn from traffic speed data collected by INRIX on more than 1.3 million miles of urban streets and highways in the U.S., along with highway performance data from the Federal Highway Administration. To view the full report, including an analysis of the most congested corridors in the U.S. and Europe, visit inrix.com/scorecard.

[1] United States Department of Labor, Bureau of Labor Statistics, http://www.bls.gov/home.htm.

About INRIX

INRIX is the global leader in connected car services and intelligent movement, a new approach that leverages big data and the cloud to help manage urban mobility. By aggregating a variety of sources and applying intelligence, INRIX delivers comprehensive data and solutions to help move people, cities and businesses forward. Our partners are automakers, governments, mobile operators, developers, advertisers, as well as enterprises large and small. We are literally everywhere with over 450 customers across 60 countries. INRIX has offices in Kirkland, Seattle, Santa Monica, London, Manchester and Munich.

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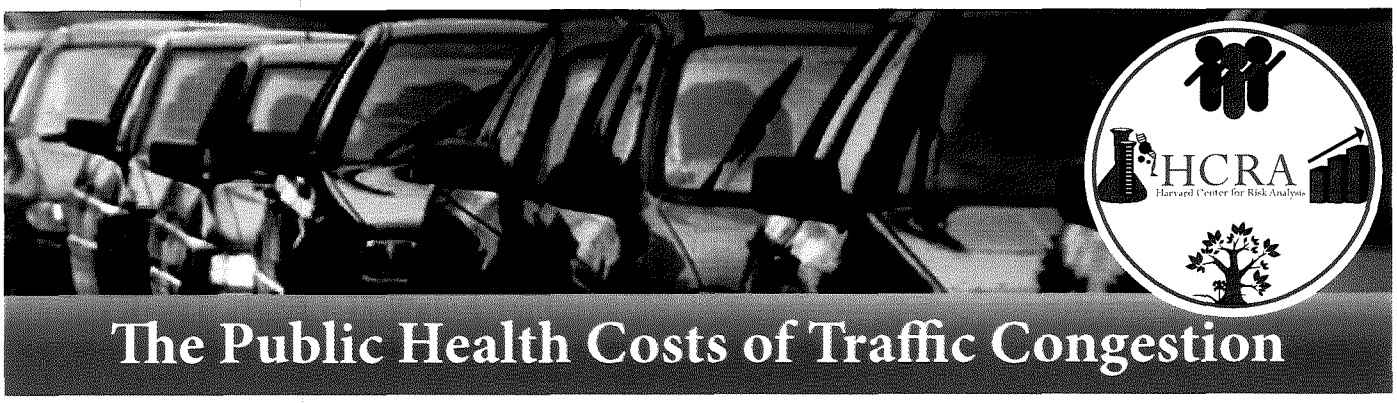


The Public Health Costs of Traffic Congestion

A Health Risk Assessment

By: Jonathan I. Levy, Jonathan J. Buonocore, & Katherine von Stackelberg

Traffic congestion is a significant issue in virtually every urban area in the United States and around the world. Anyone who spends any time commuting knows that the time and fuel wasted while sitting in traffic can not only be annoying, but can lead to real economic costs. An examination of the peer-reviewed literature shows that there are many previous analyses that estimate the economic costs of congestion based on fuel and time wasted, but that these studies don't include the costs of the potential public health impacts. Sitting in traffic leads to higher tailpipe emissions which everyone is exposed to, and the economic costs of those exposures have not been explored.

Motor vehicle emissions contain pollutants that contribute to outdoor air pollution. One in particular, fine particulate matter (referred to as $PM_{2.5}$) is strongly influenced by motor vehicle emissions. Studies that evaluate the sources of $PM_{2.5}$ in our environment find that vehicles contribute up to one-third of observed $PM_{2.5}$ in urban areas. $PM_{2.5}$ has been associated with premature deaths in many studies, and health impact assessments have shown $PM_{2.5}$-related damages on the order of hundreds of billions of dollars per year. Recently, an expert committee convened by the Health Effects Institute in Boston, Massachusetts, summarized the available evidence on exposure to traffic-generated air pollution and negative health effects. They find strong evidence for a causative role for traffic related air pollution and premature death, particularly from heart attacks and strokes. $PM_{2.5}$ is emitted directly, and it is also produced by secondary formation, as sulfur dioxide (SO_2) and nitrogen oxide (NOx) emissions contribute to the formation of sulfate and nitrate particles. Exposure to $PM_{2.5}$ also causes other health effects such as asthma attacks, and other respiratory illnesses.

In this study, we evaluate the premature deaths resulting from people breathing primary $PM_{2.5}$ and secondarily-formed particles during periods of traffic congestion and compare that to the economic costs from time and fuel wasted. We do this analysis for 83 individual urban areas. We predict how much congestion to expect in each of the 83 urban areas over the period 2000 to 2030. We use several inter-linked models to predict how much of what people are breathing in each urban area is attributable to emissions from traffic congestion. The models predict how many people will die prematurely as a result of being exposed to these traffic conditions over the long term. We assign a dollar value to the predicted deaths using a "value of a statistical life" approach as is done for most regulatory impact analyses. The analysis explores the significance of public health impacts in assessments of predicted traffic congestion to identify information gaps to be addressed to better determine the ongoing public health burden of congestion in the United States, and to set the stage for evaluating potential strategies for relieving traffic congestion. Evaluating such strategies will require models and assumptions that take advantage of conditions and the context unique to each area.

Harvard Center for Risk Analysis • Harvard School of Public Health • Boston

We estimate traffic congestion-related $PM_{2.5}$, NOx and SO_2 emissions in these 83 cities caused approximately 4,000 premature deaths in the year 2000, with a monetized value of approximately $31 billion (in 2007 dollars). This compares to the estimated $60 billion congested-related cost of wasted time and fuel in these communities during the same year. This fuel and time loss is expected to continue to grow annually over the next 20 years. Across cities and years, the public health impacts of traffic congestion range from an order of magnitude less than the lost time/fuel economic impacts, to in excess of these impacts, with variation attributable to the extent of congestion, population density, and other factors.

We forecast the mortality and public health costs of congestion, however, will diminish slightly over time in most of the areas studied—until rising again toward the end of the modeling period, 2030. In 2005, for example, we estimate congestion-related premature mortality of 3,000 lives, with a monetized value of $24 billion (in 2007 dollars). This reduction results from the continual turnover of the motor vehicle fleet to lower emission vehicles and the increased use of cleaner motor fuels.

Our estimates of the total public health cost of traffic congestion in the U.S. are likely conservative, in that they consider only the impacts in 83 urban areas and only the cost of related mortality and not the costs that could be associated with related morbidity, health care, insurance, accidents, and other factors. Our analyses indicate that the public health impacts of congestion are significant enough in magnitude, at least in some urban areas, to be considered in future evaluations of the benefits of policies to mitigate congestion.

Results

In total, across the 83 urban areas modeled, vehicle miles traveled (VMT) is projected to increase more than 30% from 2000 to 2030 (an increase from 2.97 billion daily VMT to 3.94 billion daily VMT), closely paralleling projected population growth in the urban areas of 32% (an increase from 133 million people to 176 million).

For 2005, nationwide estimates of traffic emissions attributable to time spent in congestion include approximately 1.2 million tons of NOx, 34,000 tons of SO_2, and 23,000 tons of $PM_{2.5}$. These emissions are associated with approximately 3,000 premature deaths in 2005 (Figure 1), with an economic valuation of $24 billion (in 2007 dollars). Overall, nearly 48% of the impact over the 83 urban areas is attributable to NOx emissions, with 42% attributable

Nationwide estimates for 2005 of emissions attributable to congested traffic:

- **1.2 million tons of NOx**
- **34,000 tons of SO_2**
- **23,000 tons of $PM_{2.5}$**

These emissions are associated with approximately:

- **3,000 premature deaths**

The total social cost of these impacts:

- **$24 billion**

By 2020, we predict:

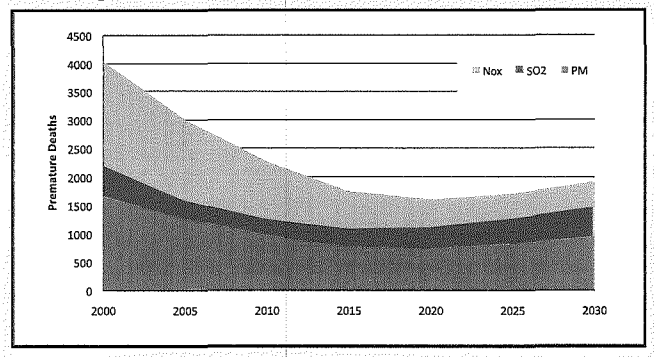
- **1,600 premature deaths**
- **$13 billion in total social costs**

By 2030, we predict:

- **1,900 premature deaths**
- **$17 billion in total social costs**

Figure 1

Projected Nationwide Premature Deaths Attributable to Congested Traffic, 2000 - 2030



This graph represents the nationwide estimates for premature deaths attributable to congested traffic for 2000-2030. The colored sections indicate the portion of these premature deaths attributable to NOx, primary $PM_{2.5}$ and SO_2.

to primary $PM_{2.5}$ and 11% attributable to SO_2. However, the relative proportion of the impact attributable to different pollutants varies significantly across urban areas. For example, the proportion due to NOx ranges from 6% in multiple Northeast cities (Hartford, CT; Boston, MA; New Haven, CT; Springfield, MA) to over 70% in less densely populated areas of Texas (Brownsville, Austin) and Washington State (Spokane).

Similarly, the proportion of impact due to primary $PM_{2.5}$ is highest in densely-populated urban areas of the Northeast (approximately 80%) and below 20% in Brownsville. The proportion attributable to SO_2 emissions is highest in California, with four urban areas in California constituting the only places with more than 20% of the mortality risk from SO_2 emissions. These relative proportions are attributable in part to high ambient sulfate in the eastern United States, which tends to reduce particulate nitrate formation, and to conditions in California favoring the secondary formation of particulate sulfate.

Figure 2

The Monetized Health Impacts Attributable to Congestion for Selected Urban Areas, 2000 - 2030

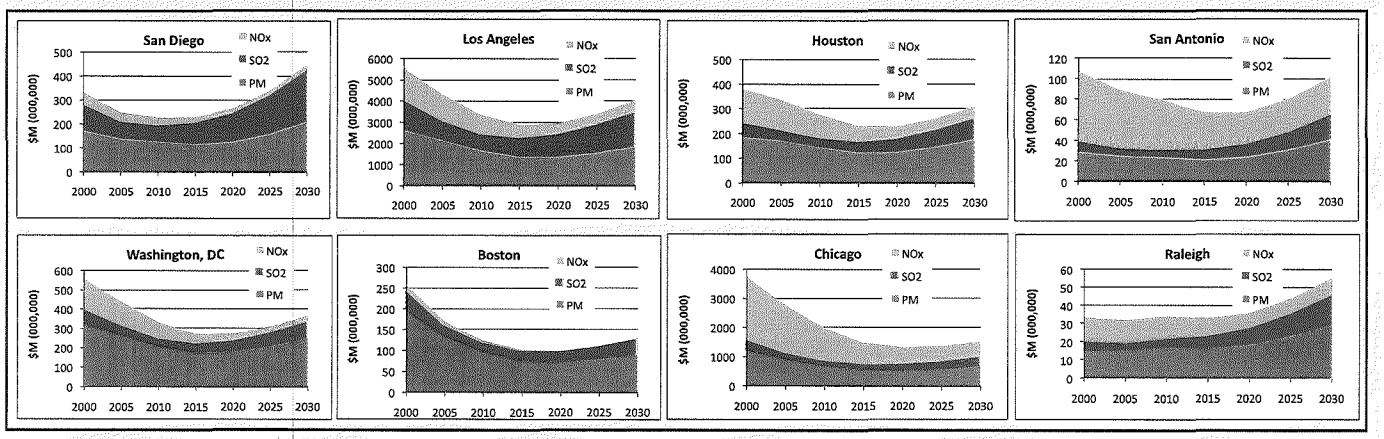
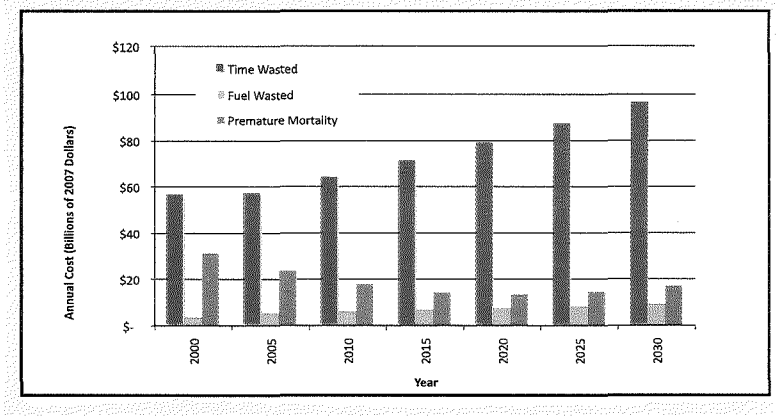


Figure 2 presents the monetized health impacts over time for selected urban areas. These trajectories differ as a function of differential population growth, congestion, population density and atmospheric chemistry. For example, monetized health impacts increase steadily over time in cities such as Raleigh NC and San Diego CA, in which VMT and population growth are significant and primary $PM_{2.5}$ makes a substantial contribution to health risk. In contrast, Chicago and other cities in the Midwest are projected to have small VMT growth and have more substantial contributions to public health damages from NOx emissions, and therefore show a steady decline in health risks over time given the larger decline in NOx emissions per vehicle-mile.

Figure 3

Figure 3 presents the economic costs from time and fuel wasted and monetized estimates of premature mortality attributable to traffic congestion across the 83 urban areas. Overall, time wasted accounts for the bulk of the economic cost associated with traffic congestion, and the cost of delay continues to increase between 2000 and 2030, as this is directly proportional to the extent of congestion. In contrast, reductions in per-vehicle emissions contribute to declines in economic costs associated with premature mortality between 2000 and 2025, with modest increases after that point.

Monetized Premature Mortality as Compared to Projected Time & Fuel Dollars Wasted Attributable to Congested Traffic



As a result, whereas the public health impacts contributed approximately 34% of the total cost of congestion in 2000, this decreases to 14% by 2030. However, the proportion of health impacts attributable to premature mortality varies substantially across urban areas. For example, in 2000, 17 urban areas had health impacts contributing less than 20% of the total cost of congestion, whereas 19 urban areas had contributions in excess of 50%. Those urban areas with relatively small contributions from public health had very high levels of congestion (near or at the 50% threshold) but did not have correspondingly high population density, including Laredo TX, Eugene OR, and Las Vegas NV. In contrast, those urban areas where public health impacts dominated had smaller percentage of time spent in congestion but greater public health benefits per ton of emissions.

Frequently Asked Questions

How was the analysis conducted?

The key components of the analysis include predicting emissions corresponding with traffic congestion for 83 individual urban areas based on travel demand models, which predict how many vehicle-miles people will be traveling in each area. We develop estimates of changes in air pollution (based on $PM_{2.5}$ concentration) associated with these emissions, and apply a concentration-response function that predicts how many people will be impacted by breathing this air pollution. Finally, we assign a dollar value to the predicted number of premature deaths.

Where did we get our data?

We develop estimates of vehicle miles traveled (VMT) based on data and methods from the Center for Urban Transportation Research (CUTR) at the University of Central Florida. We use a model developed by the US EPA called MOBILE6 to estimate city-specific emissions per VMT based on year, temperature profile, and average vehicle speed. We focus on emissions from the baseline year (2000) until 2030. The analysis is conducted for 83 individual urban areas that were previously evaluated by the Texas Transportation Institute (in order to directly compare our results with their estimates of economic costs of congestion) and are in the lower 48 states.

To estimate the changes in air pollution associated with congestion-related emissions from each urban area, we applied a source-receptor (S-R) matrix. S-R matrix is a reduced-form model containing county-to-county transfer factors across the United States, considering both primary $PM_{2.5}$ and secondary formation of sulfate and nitrate particles. To determine the health effects, we use the same studies that the US EPA uses based on a combination of published epidemiological studies and an expert elicitation study addressing the concentration-response function for $PM_{2.5}$-related mortality. To monetize the resulting estimates of

mortality attributable to congestion, we applied a value of a statistical life (VSL) of approximately $7.7M in 2007 dollars (for 2000 GDP), the central estimate used in recent EPA regulatory impact analyses.

What does it mean?

Our modeling illustrates that the public health impacts of traffic during periods of congestion, associated with premature mortality from primary and secondary $PM_{2.5}$ concentrations, are appreciable, with thousands of deaths per year and a monetized value of tens of billions of dollars per year. While the monetized public health damages are smaller than the economic value of time wasted, with the differential anticipated to grow over time, there are some geographic areas where public health damages represent a significant proportion of the total damages, even in future years when per-vehicle emissions are expected to be substantially less. Prior analyses of population exposure per unit emissions from motor vehicles demonstrated that these values were highest in dense urban areas for primary $PM_{2.5}$ and secondary sulfate, especially in California, the mid-Atlantic states, and the industrial Midwest, and were highest in the Southeast and Midwest for secondary nitrate. The urban areas with the greatest proportion of damages from public health were often found in parts of California and the Midwest, where the damages per ton of emissions were greater and the projected future population growth was lower. These findings provide an indication that considering only the direct economic costs of congestion will underestimate societal benefits of mitigating congestion, significantly so in certain urban areas.

What did we leave out?

There are clearly numerous other health endpoints or pollutants that may contribute to the public health burden of congestion, including morbidity endpoints associated with $PM_{2.5}$, mortality and morbidity from ozone, and effects of multiple air toxics. This analysis assumed no change to road infrastructure from 2005 levels, and the models, out of necessity, do not use individualized models of traffic congestion in each urban area (that is, although population and traffic demand are specific to each area, the analysis does not consider road closures, construction, or other area-specific factors that might contribute to increases or decreases in congestion over particular time periods). It is important to note that these are not traffic planning models specific to each area. These are models that predict emissions of pollutants associated with congested conditions on broader scales. Therefore, the results are approximations and represent order-of-magnitude predictions. In addition, the relative proportions across pollutants and urban areas are more robust than the specific numeric estimates.

Where do we go from here?

These results indicate that public health impacts of traffic congestion exist and should be considered when evaluating long-term policy alternatives for addressing congestion such as traffic management through congestion pricing, traffic light synchronization and more efficient response to traffic incidents, and adding new highway and public transit capacity. This analysis represents a first step, and future analyses could incorporate more sophisticated approaches for predicting expected emissions under location-specific conditions as opposed to the generalized case presented here. This exploratory study was designed to evaluate the scope of the issue; more refined estimates are possible that would address urban-area specific alternatives and impacts.

The following tables provide supporting information for our analyses that did not appear in the published paper. Note that the estimates for individual urban areas are more uncertain than the overall estimates for all 83 urban areas combined, and should be interpreted with caution. The model does not capture the nuances and dynamics of each individual urban area. Traffic demand, for example, is based on a national model, not individual models specific to each location.

Table A: Forecasted Increase in Vehicle Miles Traveled (VMT) in 83 U.S. Urban Areas: 2000-2030

Urban Area	Percent VMT Increase					
	2000-2005	2000-2010	2000-2015	2005-2020	2000-2025	2000-2030
Akron, OH	1%	1%	2%	3%	4%	6%
Albany, NY	3%	4%	4%	5%	6%	7%
Albuquerque, NM	2%	8%	14%	19%	23%	28%
Allentown--Bethlehem, PA--NJ	-3%	3%	6%	10%	13%	16%
Atlanta, GA	7%	14%	19%	22%	24%	27%
Austin, TX	6%	12%	17%	21%	25%	29%
Bakersfield, CA	9%	16%	21%	26%	30%	33%
Baltimore, MD	1%	4%	9%	13%	17%	20%
Beaumont, TX	-4%	-3%	-1%	2%	4%	7%
Birmingham, AL	1%	4%	6%	9%	12%	15%
Boston, MA--NH--RI	-5%	-3%	-2%	0%	1%	3%
Boulder, CO	0%	6%	11%	14%	17%	20%
Bridgeport--Stamford, CT--NY	0%	2%	3%	4%	5%	7%
Brownsville, TX	6%	10%	14%	17%	20%	23%
Buffalo, NY	-3%	-3%	-3%	-2%	-1%	0%
Cape Coral, FL	8%	20%	25%	30%	34%	38%
Charleston--North Charleston, SC	3%	11%	18%	25%	28%	32%
Charlotte, NC--SC	4%	13%	17%	21%	25%	28%
Chicago, IL--IN	1%	3%	5%	6%	8%	10%
Cincinnati, OH--KY--IN	-4%	-3%	-1%	0%	2%	3%
Cleveland, OH	-6%	-8%	-9%	-10%	-11%	-12%
Colorado Springs, CO	-2%	6%	12%	17%	22%	27%
Columbia, SC	-2%	7%	15%	23%	31%	36%
Columbus, OH	-1%	2%	6%	10%	13%	17%
Corpus Christi, TX	1%	6%	12%	19%	25%	29%
Dallas--Fort Worth--Arlington, TX	8%	15%	18%	21%	24%	27%
Dayton, OH	-8%	-8%	-8%	-8%	-7%	-6%
Denver--Aurora, CO	0%	7%	10%	13%	16%	19%
Detroit, MI	-3%	-3%	-2%	-2%	-1%	0%
El Paso, TX--NM	3%	7%	11%	15%	19%	22%
Eugene, OR	1%	7%	12%	16%	19%	22%
Fresno, CA	3%	9%	14%	19%	22%	25%
Grand Rapids, MI	-15%	-9%	-3%	2%	8%	14%
Hartford, CT	-2%	-1%	0%	2%	4%	5%
Houston, TX	8%	12%	15%	17%	20%	23%
Indianapolis, IN	4%	8%	12%	15%	19%	22%
Jacksonville, FL	5%	15%	19%	23%	28%	32%
Kansas City, MO--KS	0%	8%	15%	21%	28%	35%

Chart continued on next page...

Urban Area	Percent VMT Increase					
	2000-2005	2000-2010	2000-2015	2005-2020	2000-2025	2000-2030
Laredo, TX	8%	16%	22%	28%	33%	38%
Las Vegas, NV	15%	25%	32%	37%	42%	46%
Little Rock, AR	-8%	-5%	-3%	0%	3%	6%
Los Angeles--Long Beach--Santa Ana, CA	2%	4%	5%	7%	8%	10%
Louisville, KY--IN	0%	2%	4%	6%	8%	10%
Memphis, TN--MS--AR	-3%	-1%	1%	3%	5%	8%
Miami, FL	4%	8%	13%	18%	22%	26%
Milwaukee, WI	-5%	-4%	-3%	-1%	0%	2%
Minneapolis--St. Paul, MN	0%	5%	9%	14%	17%	20%
Nashville-Davidson, TN	-12%	-3%	4%	11%	17%	24%
New Haven, CT	-2%	1%	4%	7%	9%	12%
New Orleans, LA	-3%	-36%	-25%	-15%	-8%	-2%
New York--Newark, NY--NJ--CT	1%	2%	3%	5%	6%	8%
Oklahoma City, OK	3%	9%	13%	16%	19%	23%
Omaha, NE--IA	5%	10%	14%	19%	23%	27%
Orlando, FL	6%	18%	27%	32%	37%	41%
Oxnard, CA	5%	15%	25%	34%	42%	47%
Pensacola, FL--AL	-7%	4%	12%	19%	26%	31%
Philadelphia, PA--NJ--DE--MD	0%	2%	3%	4%	5%	7%
Phoenix--Mesa, AZ	8%	15%	20%	24%	29%	33%
Pittsburgh, PA	-6%	-6%	-4%	-2%	0%	3%
Portland, OR--WA	4%	7%	10%	13%	16%	19%
Providence, RI--MA	-1%	1%	4%	7%	10%	13%
Raleigh, NC	11%	28%	37%	43%	49%	54%
Richmond, VA	-4%	5%	14%	22%	31%	36%
Riverside--San Bernardino, CA	9%	15%	19%	24%	28%	31%
Rochester, NY	0%	0%	0%	0%	1%	3%
Sacramento, CA	6%	10%	14%	18%	22%	25%
St. Louis, MO--IL	1%	1%	1%	2%	2%	3%
Salem, OR	5%	11%	15%	20%	25%	29%
Salt Lake City, UT	6%	17%	27%	35%	40%	45%
San Antonio, TX	5%	15%	22%	28%	35%	42%
San Diego, CA	1%	10%	15%	20%	26%	31%
San Francisco--Oakland, CA	0%	1%	2%	3%	5%	6%
San Jose, CA	1%	2%	3%	4%	5%	6%
Sarasota--Bradenton, FL	8%	17%	25%	33%	39%	45%
Seattle, WA	2%	6%	8%	11%	14%	17%
Spokane, WA--ID	2%	8%	14%	20%	25%	30%
Springfield, MA--CT	-6%	-5%	-5%	-4%	-2%	-1%
Tampa--St. Petersburg, FL	4%	7%	10%	13%	15%	18%
Toledo, OH--MI	-5%	-6%	-5%	-5%	-4%	-2%
Tucson, AZ	5%	12%	19%	23%	26%	29%
Tulsa, OK	-8%	-2%	4%	10%	16%	22%
Virginia Beach, VA	-1%	3%	7%	10%	14%	17%
Washington, DC--VA--MD	3%	5%	7%	9%	11%	13%

Table B provides estimates of premature mortality and associated social costs across selected years to 2030 for each of the 83 urban areas. While estimates in all individual urban areas were not reported in the published paper, they are included below to provide perspective on the relative proportion of expected impacts across the 83 modeled areas. Given the underlying uncertainties and simplifications in the modeling approach, although the values are listed below with multiple significant figures for ease of comparison, the values in this table should be interpreted as order of magnitude estimates of the potential public health impacts.

Table B: Estimated Selective Public Health Impacts of Traffic Congestion With Status Quo Infrastructure & Mobility Options in 83 U.S. Urban Areas: 2000 - 2030

	2000		2005		2010		2015		2020		2025		2030	
	EPD	$M	EPD	$M	EPD	$M	EPD	$M	EPD	$M	EPD	$M	EPD	$M
Akron, OH	8	63	6	47	4	34	3	27	3	26	3	28	4	32
Albany, NY	<2	9	<2	7	<2	5	<2	4	<1	4	<2	4	<2	5
Albuquerque, NM	4	32	3	25	3	21	2	17	2	17	2	19	3	23
Allentown--Bethlehem, PA--NJ	6	44	4	31	3	25	3	21	3	21	3	24	3	29
Atlanta, GA	93	717	80	633	70	549	56	454	52	431	55	476	62	549
Austin, TX	17	129	14	110	12	92	9	73	8	67	8	73	10	85
Bakersfield, CA	2	17	2	15	2	13	<2	11	<2	11	2	13	2	16
Baltimore, MD	65	499	45	354	32	252	24	195	22	183	23	200	26	228
Beaumont, TX	<1	2	<1	2	<1	<2	<1	<2	<1	<2	<1	<2	<1	<2
Birmingham, AL	9	66	6	48	5	36	4	29	3	27	3	29	4	33
Boston, MA--NH--RI	33	257	21	169	16	125	13	102	12	100	13	112	15	130
Boulder, CO	<2	8	<2	6	<2	5	<2	4	<2	4	<2	4	<2	5
Bridgeport--Stamford, CT--NY	11	83	8	62	6	47	5	38	4	37	5	40	5	46
Brownsville, TX	4	28	3	25	3	20	2	15	2	13	2	14	2	16
Buffalo, NY	4	34	3	23	2	16	2	13	<2	12	2	14	2	16
Cape Coral, FL	10	78	9	75	10	76	8	65	8	64	8	73	10	91
Charleston--North Charleston, SC	2	18	2	14	2	13	2	12	2	14	2	17	2	21
Charlotte, NC--SC	16	120	13	102	12	92	10	78	9	78	10	89	12	105
Chicago, IL--IN	487	3,751	350	2,770	251	1,982	182	1,481	157	1,313	158	1,361	171	1,520
Cincinnati, OH--KY--IN	60	460	41	321	28	220	19	154	15	129	15	129	16	139
Cleveland, OH	34	262	21	165	14	111	10	84	9	77	9	79	10	86
Colorado Springs, CO	4	29	3	21	2	18	2	15	2	14	2	15	2	18
Columbia, SC	2	17	2	12	<2	11	<2	10	<2	11	2	14	2	18
Columbus, OH	19	150	14	109	11	83	8	69	8	68	9	76	10	89
Corpus Christi, TX	2	18	2	13	<2	11	<2	9	<2	9	<2	10	<2	12
Dallas--Fort Worth--Arlington, TX	122	941	103	816	85	671	62	507	54	455	56	483	62	547
Dayton, OH	21	161	13	103	9	70	6	48	5	40	5	39	5	42
Denver--Aurora, CO	41	319	31	245	24	192	18	144	15	126	15	132	17	148
Detroit, MI	173	1,333	116	918	76	603	52	421	43	357	41	355	43	381
El Paso, TX--NM	9	69	7	56	6	47	5	40	5	40	5	47	7	58
Eugene, OR	<2	5	<2	4	<1	4	<1	3	<1	3	<1	4	<2	5
Fresno, CA	9	70	7	58	6	49	5	42	5	42	5	47	6	56
Grand Rapids, MI	8	62	5	36	4	28	3	22	2	21	3	23	3	27
Hartford, CT	7	54	5	38	4	29	3	24	3	23	3	26	3	30
Houston, TX	50	383	43	338	35	277	29	232	28	231	30	263	35	311
Indianapolis, IN	34	264	27	210	19	153	14	113	12	100	12	103	13	112
Jacksonville, FL	5	39	4	32	4	29	3	25	3	26	3	30	4	36
Kansas City, MO--KS	18	142	14	108	11	88	8	67	7	62	8	69	9	84
Laredo, TX	<2	4	<1	4	<1	3	<1	3	<1	3	<1	4	<2	5
Las Vegas, NV	4	34	5	36	4	34	4	33	4	37	5	46	7	61
Little Rock, AR	3	22	2	14	<2	10	<2	8	<2	7	<2	7	<2	7
Los Angeles--Long Beach--Santa Ana, CA	722	5,564	547	4,324	426	3,362	360	2,924	355	2,974	394	3,396	454	4,038

EPD = Estimated Premature Deaths
$M = Estimated Cost in Millions of U.S. Dollars (2007 $)

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Table B Continued:
Estimated Selective Public Health Impacts of Traffic Congestion With Status Quo Infrastructure & Mobility Options in 83 U.S. Urban Areas: 2000 - 2030

	2000		2005		2010		2015		2020		2025		2030	
	EPD	$M	EPD	$M	EPD	$M	EPD	$M	EPD	$M	EPD	$M	EPD	$M
Louisville, KY--IN	34	265	24	192	17	138	12	101	11	89	11	91	11	99
Memphis, TN--MS--AR	16	123	11	84	8	62	6	48	5	44	5	47	6	52
Miami, FL	62	474	47	370	40	316	36	293	38	316	44	379	53	473
Milwaukee, WI	40	308	26	205	18	142	13	102	11	88	10	90	11	99
Minneapolis--St. Paul, MN	66	505	48	380	37	295	29	236	27	225	28	245	32	282
Nashville-Davidson, TN	11	84	6	50	5	42	4	34	4	32	4	36	5	43
New Haven, CT	5	35	3	25	2	19	2	17	2	17	2	19	3	22
New Orleans, LA	10	76	6	51	2	17	2	16	2	19	3	23	3	29
New York--Newark, NY--NJ--CT	644	4,962	477	3,768	337	2,658	244	1,981	212	1,772	215	1,859	234	2,079
Oklahoma City, OK	16	120	12	94	9	73	6	52	5	44	5	44	5	48
Omaha, NE--IA	7	53	6	45	4	34	3	26	3	23	3	25	3	28
Orlando, FL	25	196	21	169	21	166	19	157	19	161	22	191	27	236
Oxnard, CA	4	29	3	24	3	22	3	24	3	29	5	39	6	51
Pensacola, FL--AL	3	23	2	15	2	14	2	12	<2	12	2	14	2	17
Philadelphia, PA--NJ--DE--MD	149	1,145	102	806	71	561	51	416	45	374	46	395	50	441
Phoenix--Mesa, AZ	19	148	17	134	15	116	13	102	12	104	14	123	17	152
Pittsburgh, PA	18	137	11	87	8	63	6	51	6	51	7	57	8	69
Portland, OR--WA	20	154	16	129	13	101	10	81	9	75	9	81	11	94
Providence, RI--MA	11	81	7	59	6	44	5	38	5	39	5	45	6	55
Raleigh, NC	4	34	4	32	4	34	4	33	4	36	5	44	6	55
Richmond, VA	6	45	4	30	3	27	3	25	3	29	4	38	5	49
Riverside--San Bernardino, CA	13	98	11	90	10	80	10	79	11	89	13	111	16	144
Rochester, NY	3	24	2	17	<2	13	<2	10	<2	9	<2	10	<2	12
Sacramento, CA	69	533	60	471	48	378	39	316	36	305	40	343	46	412
St. Louis, MO--IL	103	797	74	589	51	399	34	273	27	224	25	218	26	227
Salem, OR	<1	3	<1	2	<1	2	<1	2	<1	2	<1	2	<1	2
Salt Lake City, UT	5	42	5	37	4	34	4	31	4	34	5	39	6	49
San Antonio, TX	14	108	11	89	10	80	8	68	8	68	9	81	12	103
San Diego, CA	43	331	31	249	29	227	28	229	32	265	39	339	50	449
San Francisco--Oakland, CA	235	1,813	170	1,345	124	981	90	733	77	649	78	675	85	751
San Jose, CA	42	323	31	248	24	191	19	156	18	149	19	163	21	188
Sarasota--Bradenton, FL	2	12	<2	11	<2	9	<2	8	<2	8	<2	9	<2	12
Seattle, WA	32	246	26	203	21	162	16	128	14	119	15	128	17	149
Spokane, WA--ID	<2	7	<2	5	<2	5	<1	4	<1	4	<1	4	<2	5
Springfield, MA--CT	<2	5	<1	3	<1	2	<1	2	<1	2	<1	2	<1	2
Tampa--St. Petersburg, FL	80	619	61	482	45	357	33	265	28	233	28	238	29	260
Toledo, OH--MI	12	91	8	60	5	40	3	28	3	24	3	24	3	26
Tucson, AZ	4	31	3	26	3	23	3	21	2	21	3	24	3	29
Tulsa, OK	9	68	5	43	4	35	3	26	3	24	3	25	3	29
Virginia Beach, VA	13	102	9	74	7	59	6	53	7	56	8	67	9	82
Washington, DC--VA--MD	72	556	55	438	42	330	34	273	33	272	36	310	41	366
Total	4,045	31,161	3,001	23,736	2,264	17,861	1,746	14,192	1,602	13,412	1,703	14,690	1,917	17,034

EPD = Estimated Premature Deaths
$M = Estimated Cost in Millions of U.S. Dollars (2007 $)

The Harvard Center for Risk Analysis (HCRA), founded in 1989, is recognized as a world-leader in applying decision theory, environmental and health science, and economics to a broad range of important environmental and public health issues. HCRA is a research institute within the Harvard School of Public Health, which has the objective of using a variety of analytic methods to inform public policy decisions relevant to public health. Our researchers enjoy successful collaborations across disciplines, and a hallmark of our work is synthesizing and integrating basic environmental sciences with social sciences to better inform decision making. We regularly host interdisciplinary seminars. Since 1993, HCRA has been publishing *Risk in Perspective*, a periodic publication available from our website (www.hcra.harvard.edu). Currently, HCRA hosts the Research Translation Core for a Superfund Basic Research program grant focused on gene-environment interactions (www.srphsph.harvard.edu) and is responsible for developing and communicating policy-relevant research based on the results of studies from partners across the University and MIT.

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DEMOGRAPHIA

Population Density, Traffic Density and Nitrogen Oxides (NOx) Emission Air Pollution Density in Major Metropolitan Areas of the United States

This report summarizes the latest Environmental Protection Agency (EPA) data on the density of daily traffic densities and road vehicle nitrogen oxides (NOx) emissions densities by counties within the 51 metropolitan areas with more than 1 million population in the United States as of 2010. The measures used are described under "The Measures," below.

The EPA data indicates a strong association both between:

- Higher population densities and higher traffic densities (Figure 1).
- Higher population densities and higher road vehicle nitrogen oxides (NOx) emission intensities (Figure 2)

In both cases, the relationships are statistically significant at the 99 percent level of confidence.

These relationships are summarized by population density category in Table 1, which includes total daily road vehicle travel density (vehicle miles per square mile), annual nitrogen oxides (NOx) emission intensity and a comparison to the average of all of the metropolitan area counties.

Table 1
Nox Emission & Road Travel Intensities by Population Density
Counties in Major Metropolitan Areas (Over 1,000,000 Population)

Population Density	NOx Emissions per Square Mile	Compared to Average	Road Travel per Square Mile	Compared to Average
20,000 & Over	108.1	13.7	304,064	22.1
10,000 - 20,000	79.8	10.1	173,450	12.6
5,000 - 10,000	65.1	8.3	146,149	10.6
2,500 - 5,000	40.3	5.1	84,695	6.1
1,000 - 2,500	23.1	2.9	45,064	3.3
Under 1,000	4.6	0.6	7,057	0.5
Average of Major Metropolitan Counties	7.9		13,779	

Table 3
Nox Emission & Road Travel Intensities by Population Density
Highly Urbanized Counties in Major Metropolitan Areas (Over 1,000,000 Population)

It is important to recognize that air pollution emissions alone are not a fully reliable predictor of air quality, though all things being equal, higher air pollution emissions will lead to less healthful air. This issue is described further under "Caveats." Below.

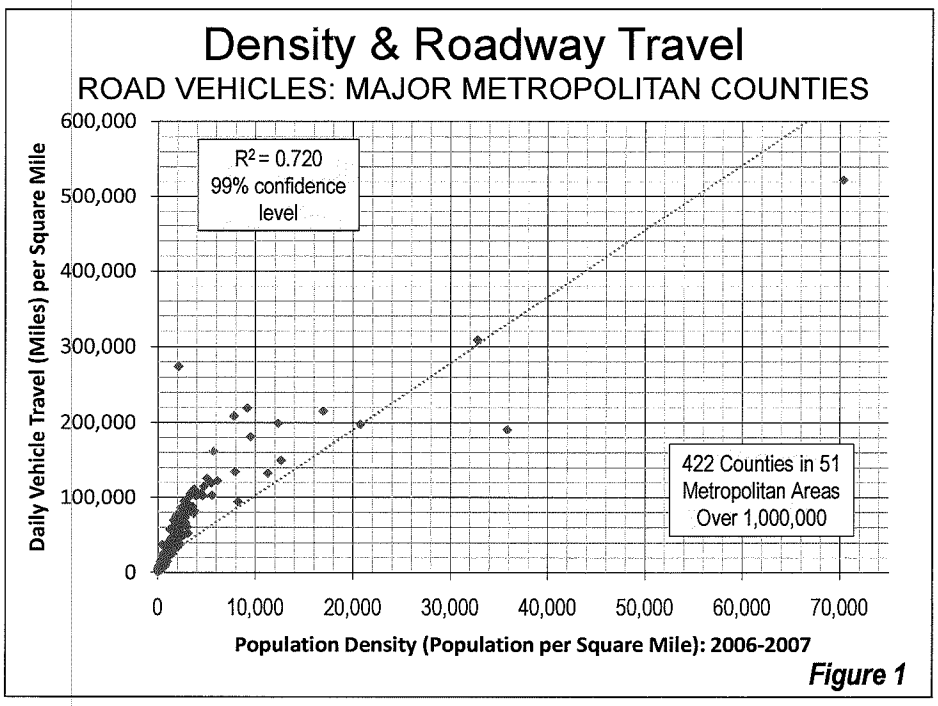


Figure 1

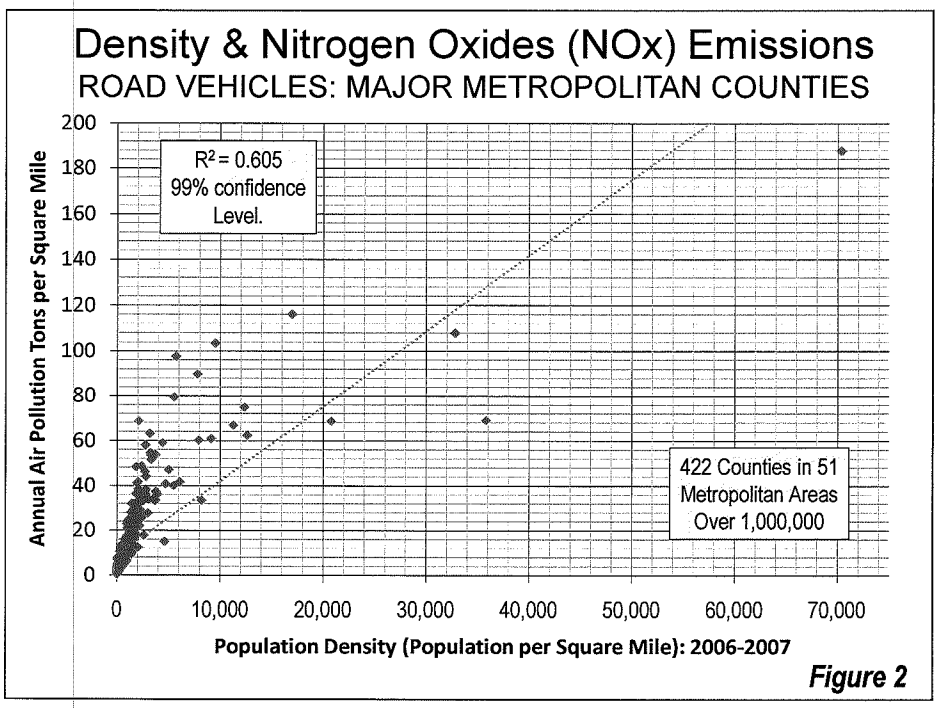


Figure 2

Data by County

Some in the urban planning community have implied that vehicle travel is lowered by higher densities and more intense transit service. It has also been implied that higher population densities are associated with lower air pollution levels.

In fact, New York County (Manhattan), the highest density county in the nation, also has the highest traffic density and the highest total nitrogen oxides (NOx) emission density out of all of the nation's nearly 3,200 counties, metropolitan and non-metropolitan. Moreover, New York County also has the highest concentration of emissions for the other criteria air pollutants, such as carbon monoxides, particulates and volatile organic compounds (2002 data).[1]

The clearest lesson from these data is that *both propositions are patently false.* The county with the highest population density in the nation (New York County) has the both the highest traffic density and nitrogen oxides (NOx) emission density. Generally, increasing population densities leads to increased traffic and air pollution density. The new traffic generated by the new residents substantially offsets any per capita reduction in driving.

Seven of the 10 counties with the highest NOx emissions concentration[2] (annual tons per square mile) in major metropolitan areas (those with more than 1 million population) are also among the top 10 in population density (2008). As noted above, New York County (Manhattan) has by far the most intense NOx emissions and is also by far the most dense. New York City's other three most urban counties (Bronx, Kings and Queens) are more dense than any county in the nation outside Manhattan and all are among the top 10 in NOx emission density (Table 3).

More concentrated traffic leads to greater traffic congestion and more intense air pollution. The data for traffic concentration is similar.[3] Manhattan has by far the greatest miles of road travel per square mile of any county. Again, seven of the 10 counties with the greatest density of traffic are also among the 10 with the highest population densities. As in the case of NOx emissions, the other three highly urbanized New York City counties are also among the top 10 in the density of motor vehicle travel (Table 3).

Table 2
Intensity of Nox Emissions & Motor Vehicle Travel (per Square Mile)

NOx Emissions				Motor Vehicle Travel			
	Density		Compared to		Density		Compared to
Rank	Rank	County	Average	Rank	Rank	County	Average
1	1	New York Co, NY	23.8	1	1	New York Co, NY	37.8
2	5	San Francisco Co, CA	14.7	2	3	Bronx Co, NY	22.3
3	3	Bronx Co, NY	13.7	3	50	Fredericksburg city, VA	19.9
4	9	Washington city, DC	13.1	4	10	Alexandria city, VA	15.8
5	16	St. Louis city, MO	12.4	5	5	San Francisco Co, CA	15.6
6	13	Arlington Co, VA	11.3	6	13	Arlington Co, VA	15.1
7	15	Cook Co, IL	10.0	7	7	Suffolk Co, MA	14.4
8	7	Suffolk Co, MA	9.5	8	4	Queens Co, NY	14.3
9	2	Kings Co, NY	8.7	9	2	Kings Co, NY	13.8
10	4	Queens Co, NY	8.7	10	9	Washington city, DC	13.1
Calculated from 2008 EPA Data				Calculated from 2005 EPA Data			
Ranking out of 422 counties				Ranking out of 422 counties			

Urbanization

Most counties have substantial rural land area, which results in lower factors for both traffic density and air pollution emission density. This is evident in Los Angeles County (California) for example, which contains most of the Los Angeles urban area, which has the highest population density of any urban area in the country. Los Angeles has been renowned for decades as having some of the country's worst air pollution. Yet, this report shows Los Angeles County to have a much lower traffic density than many

[1] Calculated from data downloaded from http://www.epa.gov/oar/data/geosel.html.
[2] http://www.epa.gov/ttn/chief/net/2008inventory.html
[3] http://www.epa.gov/ttnnaaqs/pm/docs/2005_vmt_county_level.xls

other counties. This reflects the fact that approximately one half of the land area of Los Angeles County is very low density rural, which substantially reduces the traffic density. Similarly, the air pollution emission factors in Los Angeles County are lower than would be expected because of the large share of the county that is rural.

Data from the 35 counties in which 90 percent or more of the land is developed indicates virtually the same relationships as were indicated in the overall analysis. Table 3 shows the results, which indicates a substantially the same population density/traffic density and population density/air pollution emission density relationship as in all of the metropolitan area counties.

Table 3
Nox Emission & Road Travel Intensities by Population Density
Highly Urbanized Counties in Major Metropolitan Areas (Over 1,000,000 Population)

Population Density	NOx Emissions per Square Mile	Compared to Average	Road Travel per Square Mile	Compared to Average
20,000 & Over	108.1	0.1	304,064	22.1
10,000 - 20,000	79.8	0.1	173,450	12.6
5,000 - 10,000	65.1	0.1	146,149	10.6
2,500 - 5,000	44.8	0.1	91,701	6.7
1,000 - 2,500	26.3	0.0	51,140	3.7
Under 1,000	-		-	
Average of Major Metropolitan Counties	833.3		13,779	
Counties with 90% or more in urban land (35)				

Cautions:

The air pollution data contained in this report is for emissions, not for air quality. Air quality is related to emissions and if there were no other intervening variables, it could be expected that emissions alone would predict air quality. However there are a number of intervening variables, from climate, wind, topography and other factors. Again, Los Angeles County makes the point. As the highest density large urban area in the nation is to be expected that Los Angeles would have among the highest density of air pollution emissions. However, the situation in Los Angeles is exacerbated by the fact that the urban area is surrounded by mountains which tend to trap the air pollution that is blown eastward by the prevailing westerly winds.

The EPA data for 2002 can be used to create maps indicating criteria pollutant densities within metropolitan areas. Examples of a map of the New York metropolitan area and the Portland (OR-WA) metropolitan area are shown (Figures 3 and 4), with the latter indicating the data illustration feature using Multnomah County (the central county of the metropolitan area).

The Measures:

Road Travel Volumes: Annual traffic volumes in vehicle miles are reported by EPA.[4] The annual vehicle miles for each county is divided by the number of days (365) and then by the county land area in square miles to generate a vehicle miles per square mile (density) figure. The EPA data is for 2005, which is the latest data available on the EPA website.

[4] http://www.epa.gov/ttn/naaqs/pm/docs/2005_vmt_county_level.xls.

Vehicle Air Pollution Emissions: The EPA reports annual air pollution emissions by county, both gross and by density for various pollutants on its website.[5] This analysis is based on the density of nitrogen oxides (NOx).

This report covers local air pollutants only and does not provide information on greenhouse gas emissions (nor does the EPA "Air Data" website).

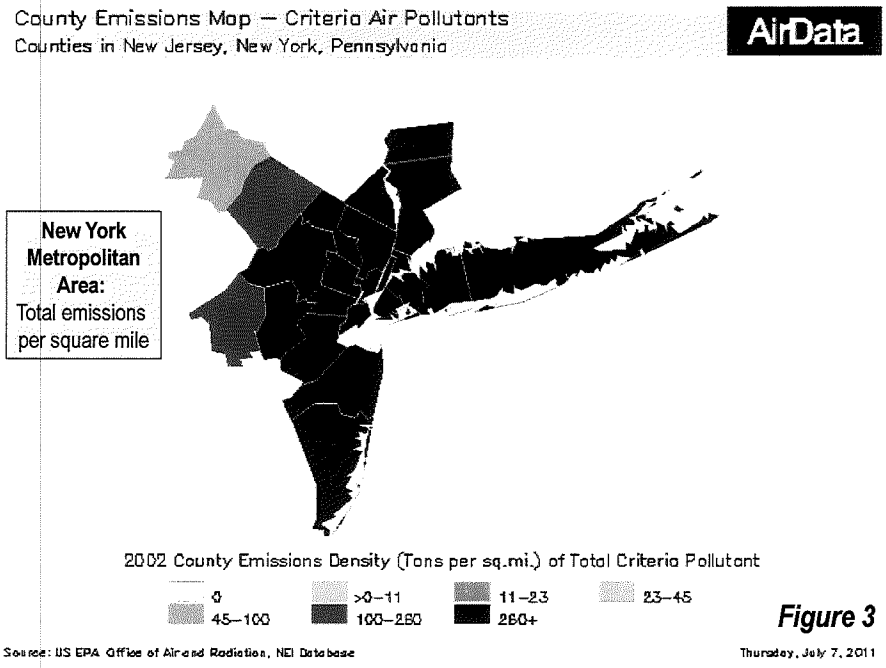


Figure 3

[5] http://www.epa.gov/air/data/geosel.html.

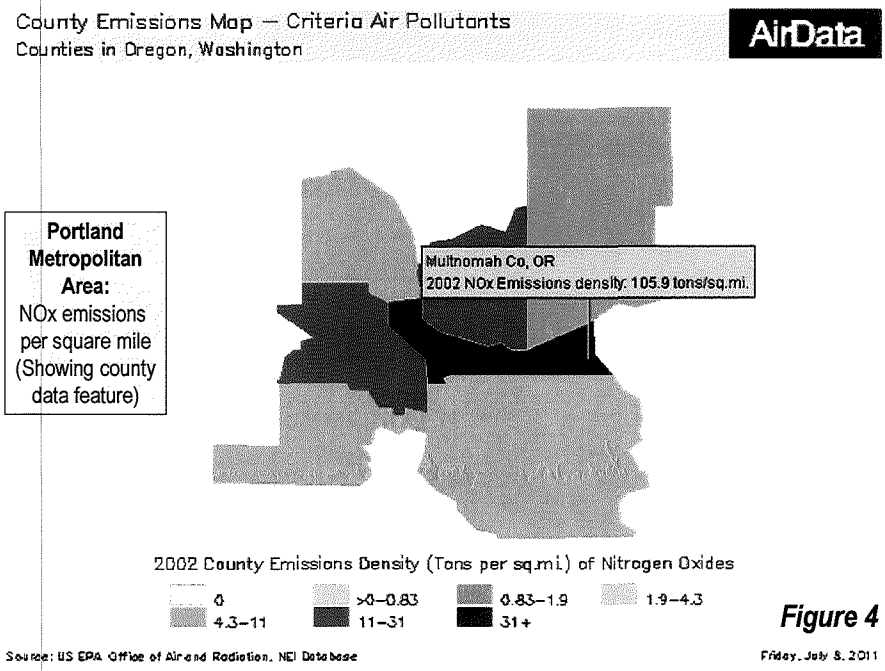


Figure 4

Other Air Pollutants

Similar relationships exist with respect to the other criteria air pollutants. In each case, the relationships between higher population densities and more intense air pollution is statistically significant at the 99 percent level of confidence. The relationships are illustrated in the following figures:

Figure 5: Carbon Monoxide

Figure 6: Volatile Organic Compounds (VOC)

Figure 7: Sulpher Dioxide (SO^2)

Figure 8: Particulate Matter less than 2.5 micrometers in diameter (PM-2.5)

Figure 9: Particulate Matter less than 10 micrometers in diameter (PM-10)

Figure 10: Ammonia ($NH^{3)}$

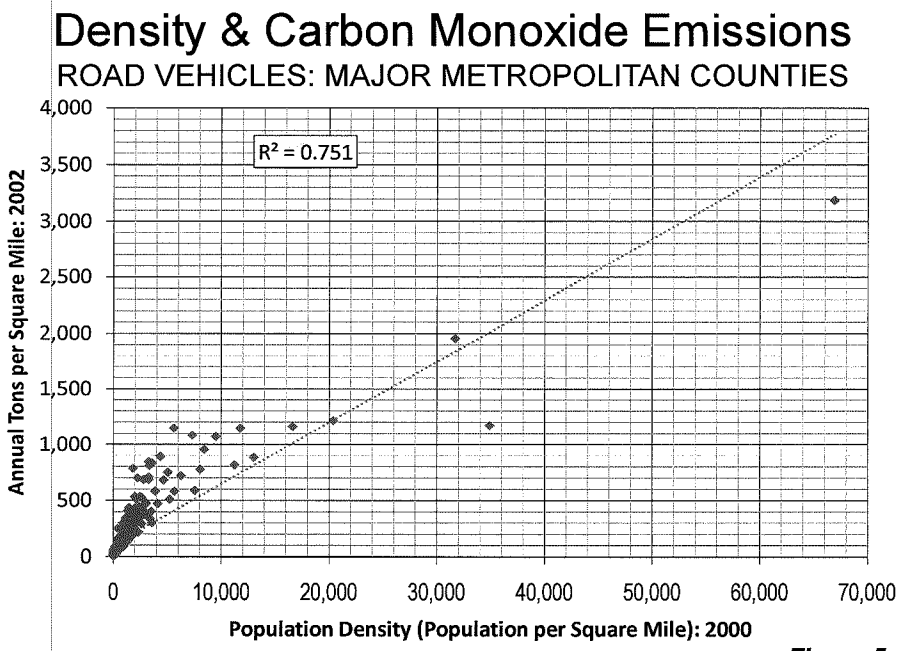


Figure 5

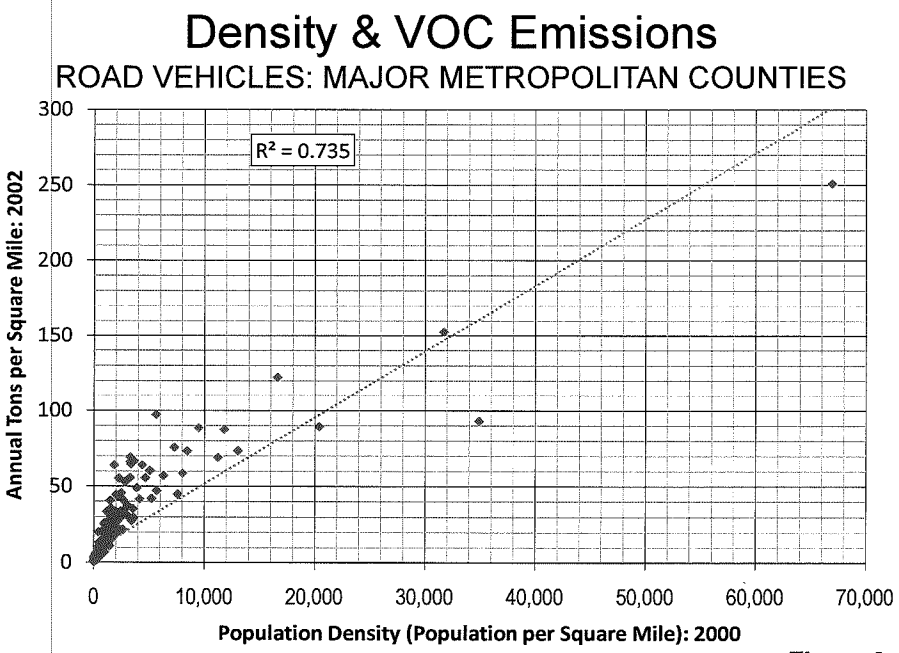


Figure 6

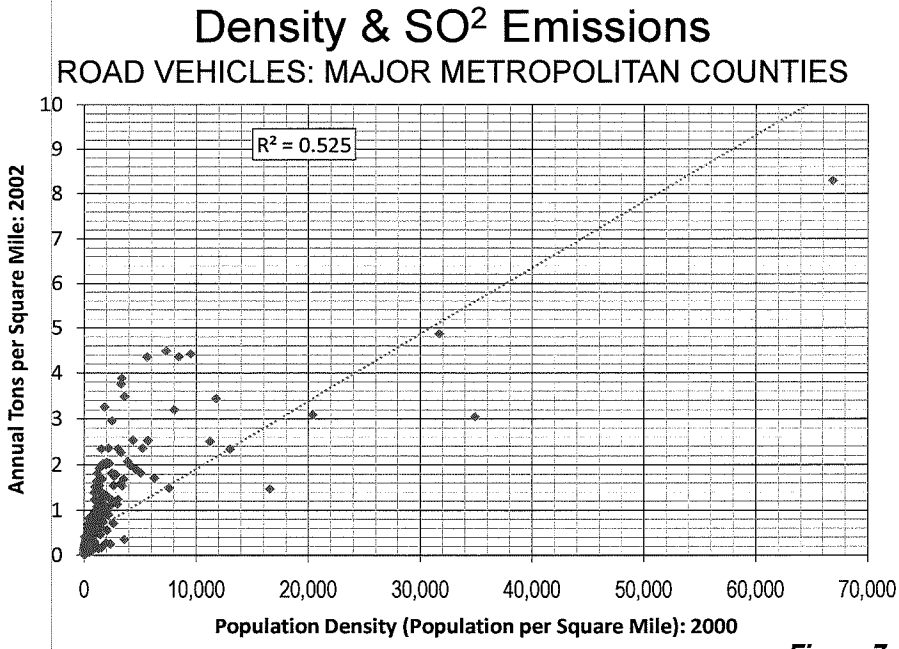


Figure 7

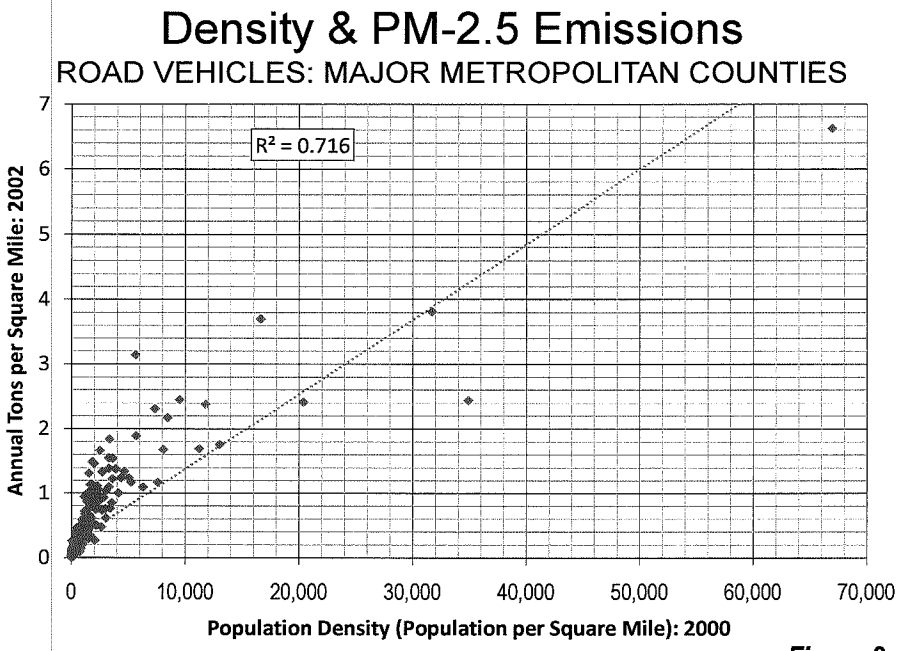


Figure 8

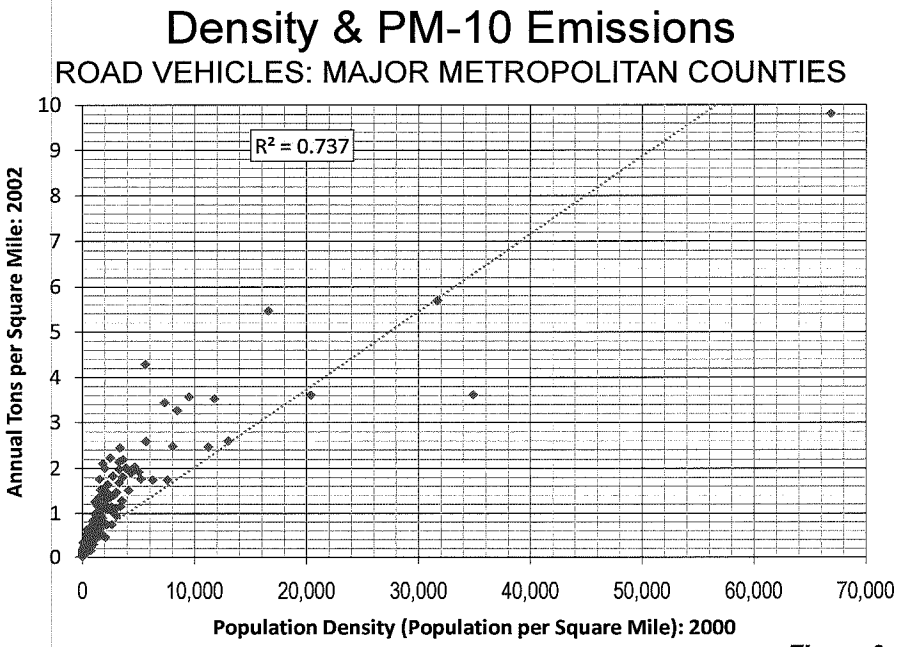


Figure 9

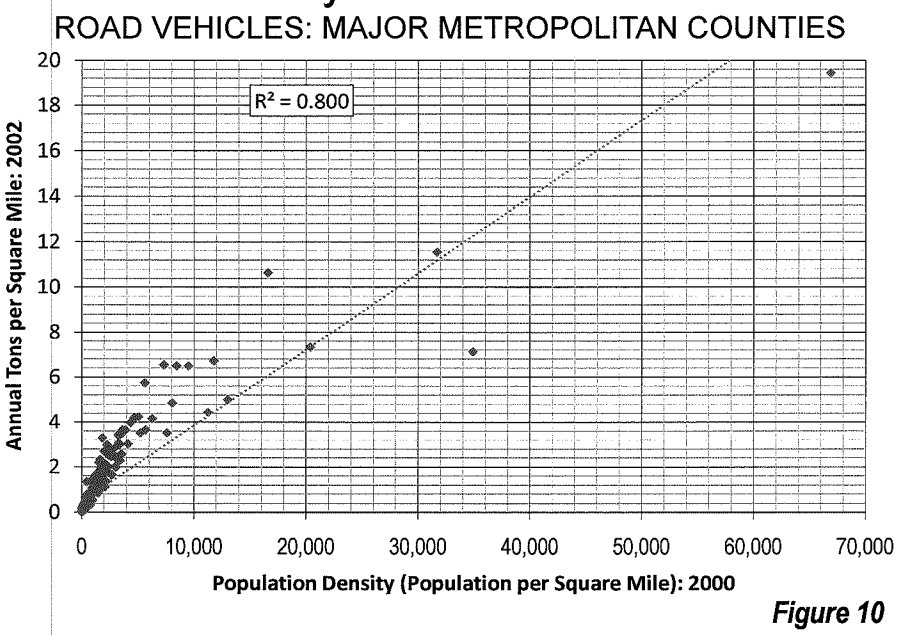


Figure 10

moveSmartSF

SAN FRANCISCO TRANSPORTATION PLAN 2040

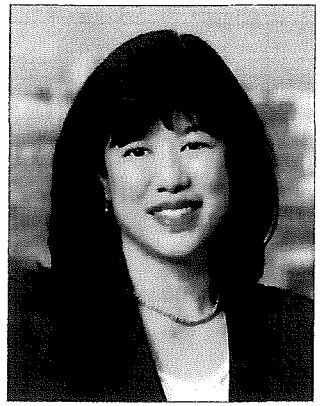
FINAL REPORT

DECEMBER 2013

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

5079

FROM THE EXECUTIVE DIRECTOR



The countywide transportation plan is where all of the city's transportation modes, operators, and networks come together. Ten years ago we developed the first long-range transportation plan and investment blueprint for San Francisco. This investment strategy served as the basis for Prop K, the half-cent transportation sales tax reauthorized by over 75% of voters in late 2003. To date, we have allocated over $1 billion in Prop K expenditures, leveraging as we did so significant regional, state, and federal matching dollars. The Transportation Authority's Prop K and other allocations have funded critical improvements in every neighborhood such as traffic calming, safe pedestrian and bicycle networks, new transit vehicles, signal priority, and street resurfacing. With the help of public and private partners, all of the Plan's signature capital investments also have been implemented or are substantially underway, including the Presidio Parkway, Transbay Transit Center, Central Subway, and Van Ness Avenue Bus Rapid Transit. During this time, the city responded together with the region to a statewide call to action on climate change, approving a generation of land use plans with transit-oriented designs and sustainable policies. Together, we weathered an economic cycle whose impacts were mitigated by our ability to use local funds such as Prop K to keep projects moving forward and competitive for new funding opportunities when they eventually arose (such as federal stimulus funds). We also partnered with the City to maintain our transportation assets, though significant needs remain. Now, as economic activity returns, we must continue to invest to address pressing maintenance and safety needs. We should deploy and manage our scarce resources efficiently. And we will develop innovative solutions and deliver the next generation of infrastructure that is necessary to meet our goals for a healthy, vibrant, and equitable transportation system for all users.

Tilly Chang

EXECUTIVE DIRECTOR, SFCTA

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B: NEEDS ANALYSIS WHITE PAPER

C: CORE CIRCULATION STUDY

D: REVENUE ASSUMPTIONS

E: OUTREACH PROCESS AND RESULTS

F: TRANSPORTATION EQUITY ANALYSIS

G: SFTP POLICY RECOMMENDATIONS

H: SMALL PROJECT DELIVERY WHITE PAPER

I: LARGE PROJECT DELIVERY WHITE PAPER

J: SUMMARY TABLE OF INVESTMENT PLAN AND INVESTMENT VISION PERFORMANCE

K: SAN FRANCISCO TRAVEL AT A GLANCE

Adopted by the Transportation Authority Board on December 17, 2013

Preparation of this report was made possible in part by the San Francisco County Transportation Authority through a grant of Proposition K local transportation sales tax funds and a grant from the U.S. Department of Transportation and the Federal Highway Administration. Content of this report does not necessarily reflect the official views or policy of the U.S. Department of Transportation.

Photo above courtesy of Perkins + Will | Report design by Bridget Smith

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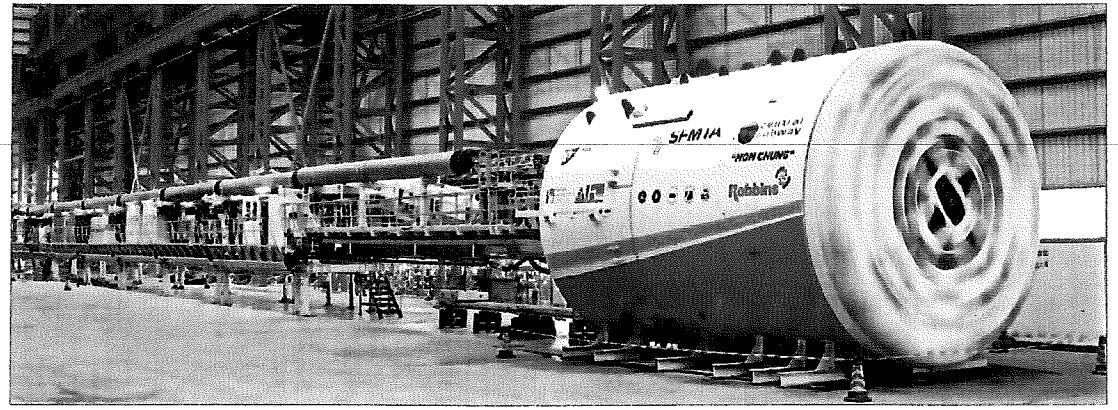
Rube Warren, BART

CHAPTER ONE

INTRODUCING THE SAN FRANCISCO TRANSPORTATION PLAN



THE SAN FRANCISCO TRANSPORTATION PLAN, OR SFTP, is the blueprint for San Francisco's transportation system development and investment over the next 30 years. The SFTP brings all transportation modes, operators, and networks together, with a view to improving travel choices for all users. Through detailed analysis, interagency collaboration, and listening to the public, we've evaluated ways to improve our system with existing and potential new revenues. The SFTP recommends a diverse investment plan that makes meaningful progress towards our important goals: livability, world-class infrastructure, economic competitiveness, and a healthy environment. The SFTP also recommends policy changes that depart from business as usual and will help us make the most of our investments.

INSIDE THE SFTP

The SFTP contains:

- The Investment Plan, to guide spending of existing and anticipated new transportation funds through 2040.
- The SF Investment Vision, to guide spending of additional new locally-controlled revenues.
- Policy recommendations and strategic initiatives to complement the Investment Plan and Vision.
- Next steps for implementing the SFTP recommendations and monitoring results.

Through 2040, we can expect about $75 billion in funding to support San Francisco's transportation system. Most of this is already committed to specific projects or purposes. This leaves $5 billion in existing and anticipated new revenues that we can decide how to spend. As shown in Figure 1, this $75 billion funds the Investment Plan. Because there is far more need than available revenues for transportation, the SF Investment Vision assumes an additional $7.5 billion in locally-controlled revenues. Figure 2 presents the highlights of the Investment Plan and Vision.

PHOTO: CENTRAL SUBWAY'S TUNNEL BORING MACHINE "MOM CHUNG" IS NOW MAKING ITS WAY BENEATH THE STREETS OF SAN FRANCISCO

FIGURE 1. SF INVESTMENT PLAN AND SF INVESTMENT VISION REVENUE
(BY USE)

The SFTP recommends a diverse investment plan that makes meaningful progress towards our important goals: safe and livable neighborhoods, well-maintained infrastructure, economic competitiveness, and environmental health.

FIGURE 2. HIGHLIGHTS OF THE SFTP INVESTMENT SCENARIOS

	INVESTMENT PLAN		SF INVESTMENT VISION	
Operations and Maintenance of Transit and Streets	$66.3B 88%	70% of highest priority transit maintenance needs met Maintains today's pavement condition	$69.7B 84%	100 % of highest priority transit maintenance needs met Pavement condition improves to "good" levels
Multimodal Street Safety, Enhancement, and Community Mobility	$1.2B 1%	About 40% of the City's Pedestrian Safety Strategy and 22% of the City's Bicycle Strategy funded Parking and peak period congestion pricing downtown help reduce auto trips by up to 10%	$2.5B 3%	100% of the Pedestrian Safety and Bicycle Strategies funded Further expansions of cost-effective employer, school, and community trip reduction programs help reduce auto trips by up to 14%
Efficiency and Expansion Projects	$7.6B 10%	15 miles of protected transit lanes Caltrain electrification and extension to a rebuilt Transbay Terminal	$10.4B 13%	Up to 33 miles of protected transit lanes, including increased BART capacity and reliability Freeway management and transit efficiency strategies, including increased BART capacity and reliability
TOTAL	**$75.1B**		**$82.6B**	

KEY FINDINGS AND POLICY RECOMMENDATIONS

- Prioritize revenues to fully fund timely vehicle replacement and rehabilitation
- Expand transit service while supporting steps to stabilize costs
- Achieve city goals for average pavement condition
- Build the pedestrian and bicycle strategies to establish safer neighborhood networks citywide
- Create more complete streets (at lower cost) through coordination with repaving
- Increase investment in employer, school, and community trip reduction programs
- Increase transparency and promote public involvement by sharing agency prioritization and development processes
- Continue to develop pricing approaches to congestion management
- Continue rapid transit network development, including bus rapid transit
- Continue to coordinate transit investment with land use development plans
- Set a vision for managing the city's freeway network
- Identify the next generation transit network priorities for BART, Caltrain, and Muni
- Consider all options for delivering projects

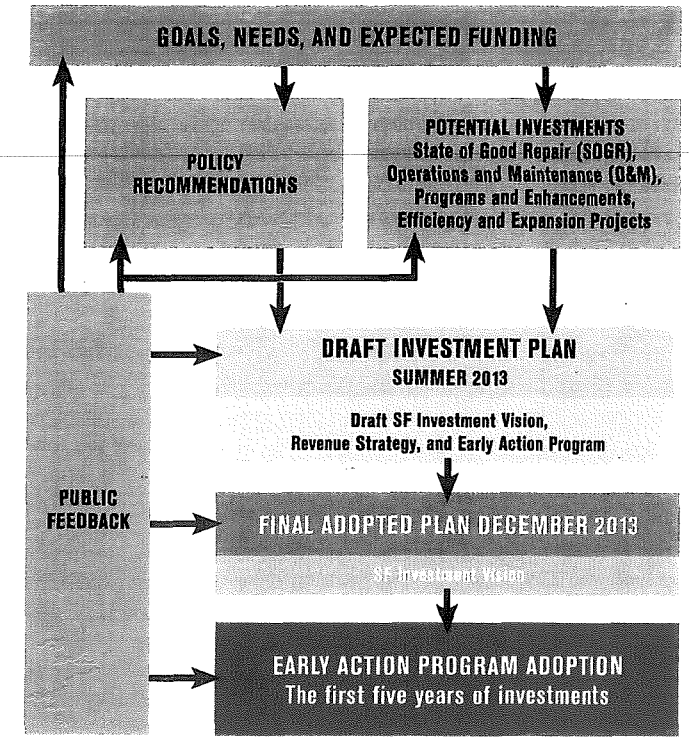


FIGURE 3. SFTP PROCESS FLOW CHART

SFTP GOALS

The SFTP positions San Francisco to meet our city's transportation system goals. We identified the four SFTP goal areas, shown in Figure 4, through Board, partner agency, and community input, and through consideration of city policies like the Transit First Policy in the City Charter and the City's Climate Action Plan. Appendix A (SFTP Plan Development Process) and Appendix B (Needs Analysis White Paper) describe how these goals and associated performance measures shaped our assessment of transportation system needs, the Investment Plans, and policy recommendations.

HOW WE DEVELOPED THE SFTP

As Congestion Management Agency (CMA) for San Francisco, the Transportation Authority is responsible for developing a long-range, countywide transportation plan. We developed the SFTP through extensive technical analysis, consultation with partner agencies, and community outreach over several years. Appendices A-J describe the technical analysis behind the plan.

Throughout the SFTP development process, we heard several consistent policy questions from our Board, partner agencies, and the public, and we responded with research and analysis. Figure 5 (next page) lists the policy research topics and associated products. The research findings led to the creation of the final policy recommendations contained in this document.

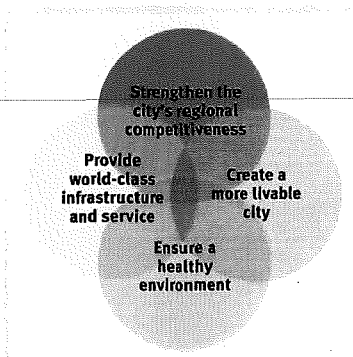


FIGURE 4. SFTP GOAL AREAS

THE SIGNIFICANCE OF THE SFTP

The priorities established in the SFTP influence the regional transportation plan prepared by the Metropolitan Transportation Commission (MTC), known as Plan Bay Area, and position San Francisco for regional, state, and federal transportation funding. Transportation projects seeking this funding must be consistent with the SFTP and Plan Bay Area.

Additionally, the SFTP informs and guides other local and regional plans and policy priorities:

- It reflects and reinforces San Francisco's Transit First Policy, adopted in 1973.
- It informs local plans and investments including the General Plan Transportation Element, the SFMTA and City and County of San Francisco Capital Plans, and regional transit operator (e.g. BART and Caltrain) expansion plans.
- It informs San Francisco's efforts to manage congestion and coordinate transportation investment with land use, as described in the Congestion Management Program (CMP).
- It guides project selection for the Proposition K (Prop K) 5-year plans. Prop K is San Francisco's half-cent transportation sales tax, approved by over 75% of voters in 2003. Prop K leverages federal, state, and other funds to direct hundreds of millions of dollars toward SFTP implementation.

Significant progress has been made on goals set in the 2004 Countywide Transportation Plan, projects that were made possible in part through San Francisco's Prop K transportation sales tax dollars, approved by over 75% of voters in 2003.

FIGURE 5. ANALYSIS AND POLICY STUDIES DEVELOPED DURING THE SFTP PROCESS

POLICY QUESTION/STRATEGIC INITIATIVE How can we...	RESEARCH PRODUCT
Meet our ambitious livability and environmental goals?	Needs Analysis White Paper (Appendix B)
Improve the social and geographic equity of our transportation system?	Transportation Equity Analysis (Appendix F)
Create complete streets that improve safety for all users?	Small Project Delivery White Paper (Appendix H)
Deliver transportation projects faster?	Small Project Delivery White Paper (Appendix H) Large Project Delivery White Paper (Appendix I)
Reduce conflicts between the local and regional transportation systems, and improve connections?	Core Circulation Study (Appendix C)
Collaborate more effectively with the private sector to manage travel demand?	Travel demand management strategic plan (expected spring 2014)
Reduce conflicts and provide for the needs generated by the fast-growing SoMa neighborhood?	Core Circulation Study (Appendix C)
Raise new revenue for transportation?	Revenue Options Analysis (available on request) Revenue White Paper (expected early 2014)
Meet the unique transportation needs of young students, visitors, and deliveries?	Needs Analysis White Paper (Appendix B)

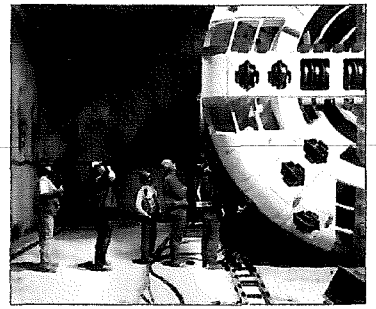
ACCOMPLISHMENTS SINCE THE LAST PLAN

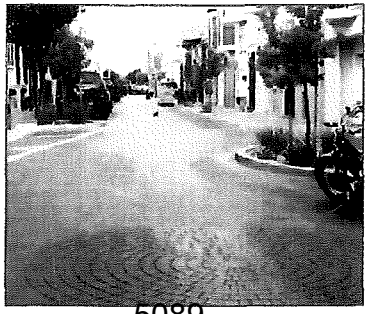
The SFTP builds on the accomplishments of the 2004 Countywide Transportation Plan,[1] including:

- Major investments in new transit capacity and system maintenance projects are constructed or underway:
  - » T-Third Light Rail linking the Bayview and South of Market.
  - » Tunneling work for the new Central Subway linking the T-Third to SoMa, Union Square and Chinatown.
  - » Replacement of the old Central Freeway with Octavia Boulevard.
  - » Replacement of Doyle Drive with Presidio Parkway.
  - » A new Transbay Transit Center under construction.
- A citywide network of rapid buses is under development:
  - » Completion of environmental work for Van Ness Avenue Bus Rapid Transit (BRT).
  - » Environmental impact analyses are underway for Geary Boulevard BRT and the Transit Effectiveness Project.
- Neighborhoods are more livable, through bicycle, pedestrian, traffic calming, and streetscape improvements:
  - » Prop K provided the first and only stable source of funding for traffic calming.
  - » Examples such as Leland Avenue, Valencia Street, and Broadway Street re-designs demonstrate new ways of improving safety, livability, and creating open space.
  - » Majority of SF Bicycle Plan constructed.
- Parking management and road pricing are key concepts in discussions about managing San Francisco's transportation system:

1 The 2004 Plan is available on the authority web site: http://www.sfcta.org/documents-and-data/documents/2004-countywide-transportation-plan

  - » SFMTA piloted variable parking pricing and management (SFpark).
  - » The Transportation Authority Board adopted the Mobility Access and Pricing Study exploring various scenarios for possible congestion charge downtown.
  - » The Board of Supervisors unanimously adopted the innovative road and parking pricing program for Treasure Island.
- Multiple Neighborhood Transportation Plans adopted by the Authority Board have established a pipeline of community-supported neighborhood transportation projects, many of which have been implemented, including in the Outer Mission, Mission South of Chavez, Tenderloin/Little Saigon, Bayview, Western South of Market, and Balboa Park.
- Numerous state of good repair investments to improve the reliability of the transportation network:
  - » Construction of the Muni Metro East Maintenance Facility, the first major expansion to the SFMTA's Light Rail Vehicle maintenance facilities since the 1970s.
  - » Acquisition of nearly 200 new hybrid buses for Muni and the construction of the Islais Creek Maintenance Facility, the first new rubber-tire maintenance facility in 60 years.
  - » Street resurfacing, traffic signal upgrades, sidewalk repairs, and new curb ramps on sidewalks citywide.





Top to bottom: Projects as diverse as the Central Subway, new bicycle facilities, the T-Third light rail line, and Western SoMa streetscape enhancements are all part of the legacy of the 2004 Countywide Transportation Plan.

THE SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Created in 1989, the Transportation Authority:

- Develops San Francisco's long-range transportation plan (SFTP)
- Helps analyze and fund transportation system improvements
- Administers the Prop K half-cent local transportation sales tax program and the Prop AA vehicle license fee.
- Manages the Transportation Fund for Clean Air (TFCA).
- Serves as Congestion Management Agency (CMA) for San Francisco under state law. Prop 111, passed in 1990, increased the state fuel tax and required urban counties to designate a CMA responsible for coordinating transportation planning, funding and other activities in a congestion management program. To learn more about the Transportation Authority, visit our web site at www.sfcta.org.

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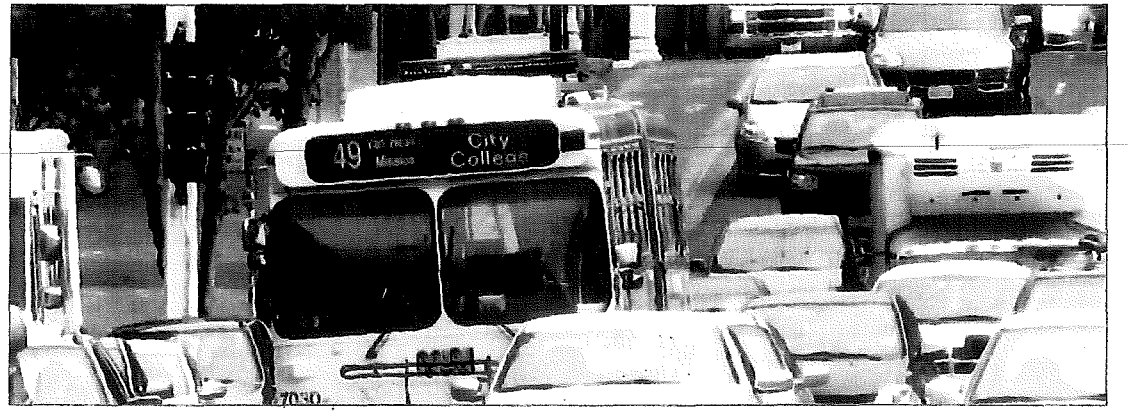
CHAPTER TWO

OUR TRANSPORTATION CHALLENGES AND OPPORTUNITIES



SEVERAL CRITICAL CHALLENGES AND OPPORTUNITIES must be considered as we strive to achieve our transportation system goals for livability, world-class infrastructure, economic competitiveness, and a healthy environment. The following section highlights these issues, and Appendix B provides additional detail. Appendix K (San Francisco Travel at a Glance) depicts three key travel trends that shaped the SFTP.

LIVABILITY

San Francisco aims to be a livable city—one where walking, bicycling, and transit are safe, comfortable, and convenient modes of travel. Accordingly,

- The SFMTA has set a goal of more than 50% of trips by walking, bicycling, and transit by 2018.
- The Mayor's Executive Directive 10-03 called for a 50% reduction in severe and fatal pedestrian injuries by 2021.
- The Board of Supervisors set a goal of achieving a 20% bicycle mode share by 2020.

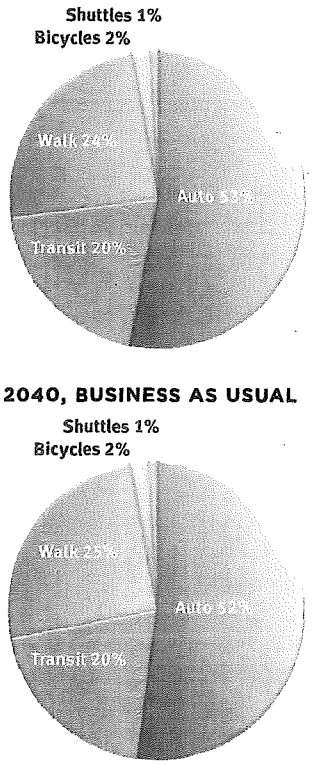
Achieving the desired growth in bicycling, walking, and transit trips while reducing the rate of injuries and fatalities will require increased investment, education, and re-allocation of street space—sometimes with difficult trade-offs—to these modes.

We asked "what would it take?" to achieve San Francisco's ambitious goals. Some of our goals, such as world-class infrastructure would require major increases in funding. Others require both new funding and bold policies that prioritize transit, walking, and bicycling in our limited rights of way. See page 19 for a summary.

MANY WANT TO WALK AND BIKE TODAY, BUT DON'T DUE TO SAFETY CONCERNS

Supporting travel by walking and bicycling requires safety improvements. Safety concerns discourage pedestrians: about 820 pedestrians are killed or injured every year in San Francisco, many on arterials roadways identified in the Walkfirst Investment Plan (Figure 6). Without

FIGURE 7. SHARE OF TRIPS BY MODE OF TRAVEL, 2013 (TOP) AND 2040 BUSINESS AS USUAL (BOTTOM)



SOURCE: SFCTA, SF CHAMP

significant new investment, this number could grow as high as 980[1] by 2040 due to projected increases in automobile trips.

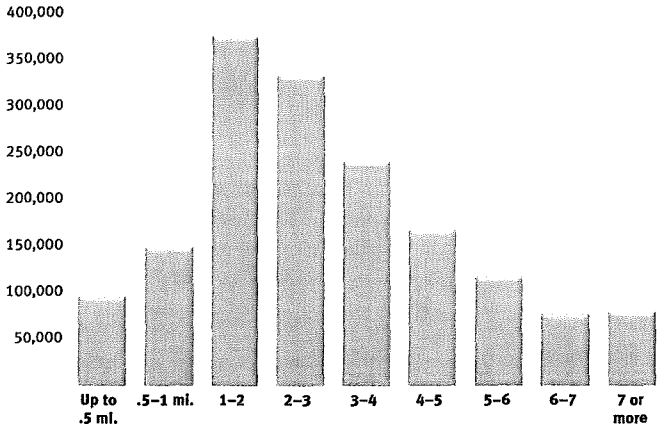
San Francisco's aging population also adds to the challenge of achieving this goal. San Francisco is projected to experience 68% growth in number of people 65 and older by 2040, making this group 20% of the population (compared to 16% today[2]). Older pedestrians are more vulnerable to serious injury or death when struck by an automobile.

Safety concerns also discourage bicycling. Surveys conducted for the SFMTA's 2012 State of Cycling Report indicate that almost half of those who do not currently bicycle say they are uncomfortable bicycling in mixed flow traffic with cars, and only 13% said they feel safe from traffic when bicycling. At the same time, 94% of respondents said they would feel comfortable riding in bicycle lanes.

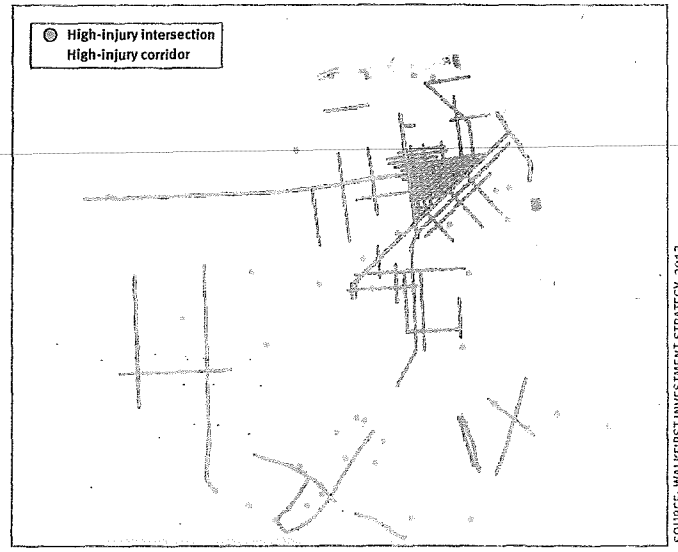
UNRELIABLE TRANSIT DISPROPORTIONATELY AFFECTS OUTER NEIGHBORHOODS

Livable neighborhoods are accessible by transit, not just during peak commute periods, but throughout the day and evening. This supports San Franciscans' ability to get to and from school, medical appointments and recreational activities by transit. Analysis of transit transfer rates and input received during outreach indicate that outlying neighborhoods, including the Bayview and Sunset, are less accessible throughout the day by transit. A shortage of maintained vehicles results in turning back buses and light rail vehicles before they serve outer neighborhoods, forcing riders into extra waits. The transit network in the lower-density Sunset neighborhoods and hilly Eastern Neighborhoods is less dense, resulting in fewer transit alternatives and fewer direct rides—and making reliability all the more important.

FIGURE 8. AUTOMOBILE TRIPS WITHIN SAN FRANCISCO BY LENGTH, 2040



SOURCE: SFCTA, SF CHAMP



SOURCE: WALKFIRST INVESTMENT STRATEGY, 2013

FIGURE 6. HIGH-INJURY PEDESTRIAN CORRIDORS

PLANNED INFILL LAND USE PATTERNS SUPPORT WALKING, BICYCLING, AND TRANSIT

The land use plans adopted by the San Francisco Planning Commission and Board of Supervisors over the last decade are expected to move us in the right direction, supporting infill and making walking and bicycling easier. As new residents and jobs locate in areas already convenient for bicycling and walking, the share of trips made by bicycling and walking is expected to grow slightly (Figure

1 Based on SFDPH Eastern Neighborhoods Impact Analysis which indicated that holding all other variables constant, a 15% increase in vehicle volume produces a 10% increase in pedestrian injury collisions.

2 Based on Association of Bay Area Governments population projections for San Francisco.

7) but additional investment is needed to meet the city's goal of more than 50% of trips by walking, bicycling and transit. San Francisco has a great potential for further increasing rates of walking and bicycling—as Figure 8 (previous page) shows, nearly 60% of all local automobile trips projected in 2040 will be less than three miles in length, a convenient distance for non-motorized travel.

COMMUNITY SUPPORT FOR TRADEOFFS IS CRITICAL TO ACHIEVE SAFE, EFFICIENT NETWORKS

Research shows that walkability contributes to the livability and affordability of neighborhoods and overall competitiveness of cities. Accordingly, the City has developed strategies that provide a vision for significantly improving the safety of pedestrian and bicycle networks (specifically, the SFMTA Bicycle Strategy and the Mayor's Pedestrian Strategy), but implementation requires investment and, at times, challenging tradeoffs. This is especially so where many of the easy, lower-cost fixes to improve bicycling and walking infrastructure (e.g., striping and signage) are already complete.

Improvements that more significantly benefit bicyclists and pedestrians do so by physically separating these travelers from vehicular traffic or by reducing vehicle traffic and speeds, which may require parking removal or increased signal delay for vehicles. Implementing these improvements requires leadership and community acceptance in return for increased safety for bicyclists and pedestrians.

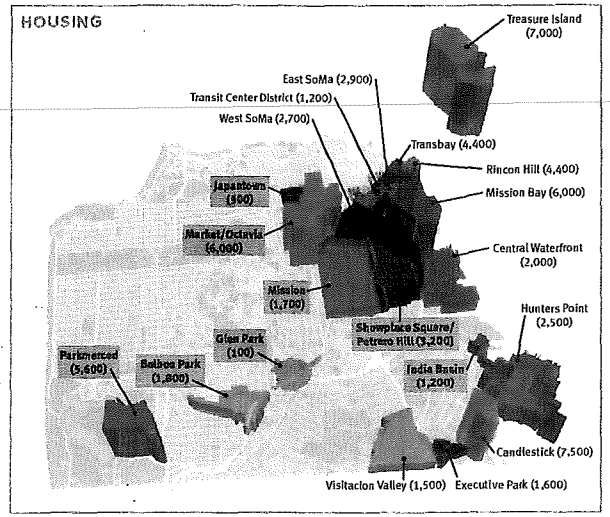
ECONOMIC COMPETITIVENESS

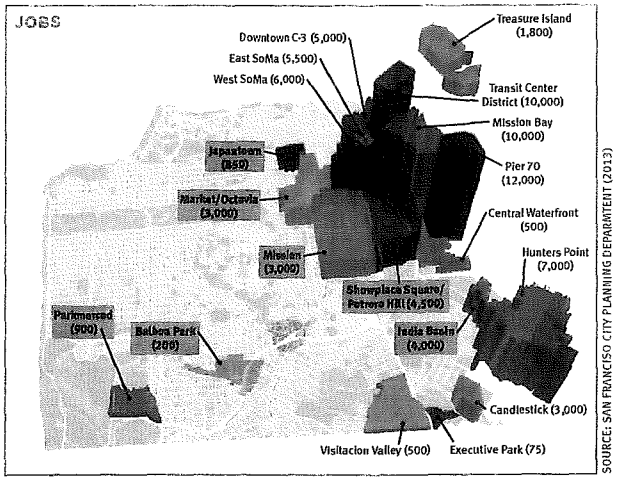
San Francisco's economic competitiveness depends on having an affordable and reliable transportation system with sufficient capacity to accommodate our travel needs efficiently.

PLANNED HOUSING AND JOB GROWTH CONTRIBUTES TO A MORE SUSTAINABLE CITY AND REGION

The Association of Bay Area Governments has forecast significant job and housing growth in the city. A city of about 800,000 residents and 570,000 jobs today is forecast to house nearly 1.1 million residents and more than 750,000 jobs by 2040—much of this

FIGURE 9. SAN FRANCISCO'S PROJECTED HOUSING GROWTH (TOP) AND JOBS GROWTH (BOTTOM) AREAS THROUGH 2040





SOURCE: SAN FRANCISCO CITY PLANNING DEPARTMENT (2013)

San Francisco's economic competitiveness depends on having an affordable and reliable transportation system with sufficient capacity to accommodate our travel needs efficiently.

By 2040, new growth will result in about 300,000 new transit trips per day on a system that is already strained by crowding and reliability issues.

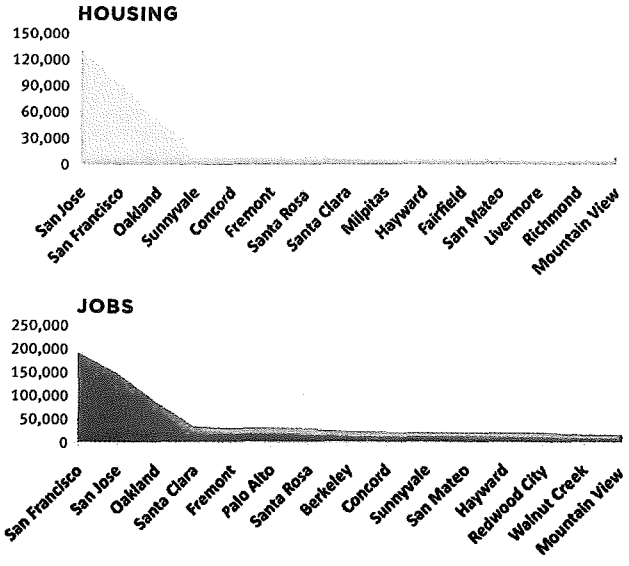
growth is expected in the downtown core, southeast, and southwest (Figure 9). This would mean adding about 9,800 new residents each year for the next thirty years, compared to about 4,200 residents that have been added per year over the prior thirty years.

These projections reflect expectations for robust regional growth and regional policy stemming from Senate Bill 375 (2008), which required regional governments to reduce greenhouse gases from transportation. To meet the SB 375 target, the Regional Transportation Plan, known as Plan Bay Area, calls for concentration of growth in densely developed areas with good transit access especially in San Francisco, San Jose, and Oakland (Figure 10)—a pattern that supports less driving and produces fewer greenhouse gases.

INCREASED TRANSIT CAPACITY AND SERVICES ARE NEEDED TO ACCOMMODATE GROWTH

Concentrating jobs and housing in San Francisco is good for the city's economy as well as the environment, but will also increase congestion and transit system crowding in downtown San Francisco and Eastern neighborhoods. By 2040, new growth will result in about 300,000 new transit trips per day on a local and regional system that is already strained by crowding and reliability issues. The San Francisco Planning Commission has adopted land use plans that direct much of the city's projected growth in the central and eastern neighborhoods, where crowding is already acute. Figure 11 compares transit crowding today and in 2040,

FIGURE 10. POPULATION AND EMPLOYMENT GROWTH PROJECTIONS IN THE TOP 25 BAY AREA CITIES (2010-2040)



SOURCE: METROPOLITAN TRANSPORTATION COMMISSION, PLAN BAY AREA (2013)

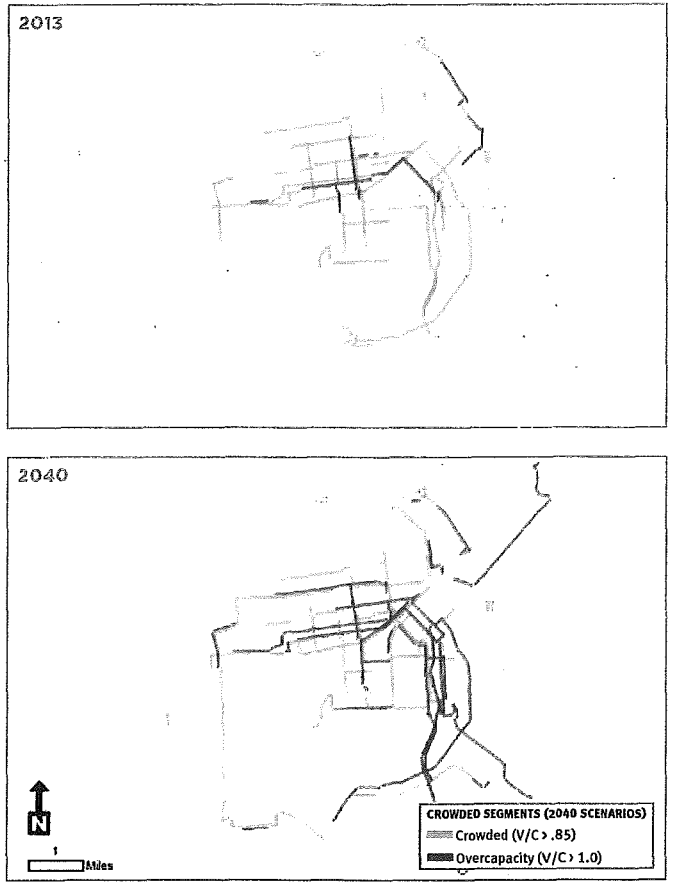
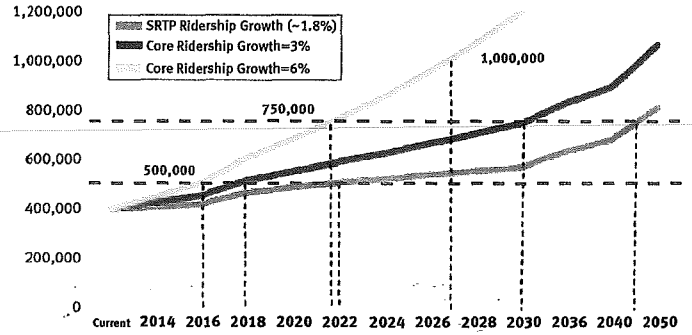


FIGURE 11. CROWDING* ON MUNI IN 2013 (TOP) AND IN 2040 (BOTTOM)

SOURCE: SFCTA, SF CHAMP

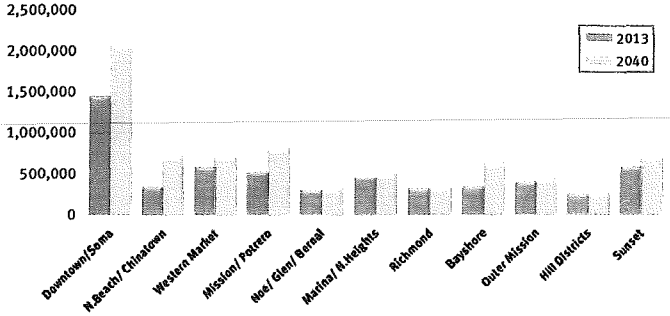
* Crowding is defined by the percent of person-hours traveled in crowded (passenger-volume-to-vehicle-capacity ratio is 85% or higher) or over-capacity conditions (volume to capacity ratio is more than 100%).

FIGURE 12. BART STATION CAPACITY CONSTRAINTS



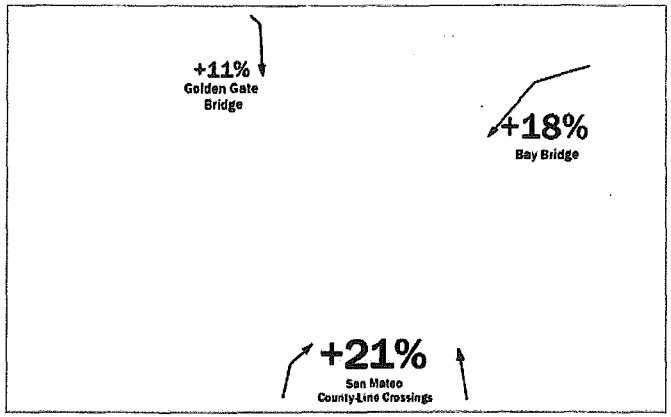
SOURCE: BART

FIGURE 13. DAILY PERSON TRIPS BY SAN FRANCISCO NEIGHBORHOOD



SOURCE: SFCTA, SF CHAMP. EACH BAR INCLUDES ALL TRIPS TO, FROM, AND WITHIN THE NEIGHBORHOOD.

FIGURE 14. CHANGE IN DAILY COUNTY LINE CROSSINGS BY AUTOMOBILE, 2012-2040



SOURCE: SFCTA, SF CHAMP

and shows that crowding will grow most on the lines expected to serve these areas and the new development areas, such as the southeast waterfront, Treasure Island, and Parkmerced.

Many regional bus and rail operators already face peak-period crowding and would also see that increase significantly by 2040. BART ridership to, from, and within San Francisco is projected to grow by 37%, and as such, the system's two most crowded stations, Embarcadero and Montgomery, are forecast to hit limits in their person-carrying capacity. BART estimates that at 500,000 daily system riders, stations will be at capacity in 2016, and at 750,000 system riders, the stations will experience significant backups at escalators and overcapacity platforms (Figure 12).

CAPACITY NEEDS MOST ACUTE IN THE CORE: DOWNTOWN, SOUTH OF MARKET, MARKET/OCTAVIA, AND EASTERN NEIGHBORHOODS

36% of trips to, from, or within San Francisco begin or end in the downtown and South of Market neighborhoods, more than any other neighborhood (Figure 13). Expected growth will significantly increase transit crowding and street congestion downtown. With projected growth and no new investment beyond already-planned projects, increased traffic will slow speeds to gridlocked conditions for cars and buses alike during peak hours. A nearly 30% reduction in projected private vehicle traffic would be necessary to avoid this condition (see Appendix C for detail). Strategies recommended to achieve this reduction are discussed on pages 29–30, and are incorporated into the SFTP Investment Plan, SF Investment Vision, and associated policy recommendations.

NETWORK DEVELOPMENT AND MANAGEMENT NEEDED FOR THE SOUTHEAST AND PENINSULA CORRIDORS

Over the SFTP period, daily automobile trips entering San Francisco from the South Bay are expected to grow by 21% (Figure 14). This results in worsening congestion on Highway 101 and 280. The planned extension of Caltrain to the new Transbay Transit Center would help accommodate this growth and provide access

for the future high speed rail system, but funding is incomplete. Better management of existing freeway space through high-occupancy vehicle lanes or other solutions is also needed.

WORLD CLASS INFRASTRUCTURE

Without a significantly increased financial commitment to reach and maintain a state of good repair, riders will see increasing delays and crowding related to vehicle breakdowns, reduced service levels, and worsening pavement condition.

San Francisco's transportation system relies on aging infrastructure that will need significant repair or replacement in the next decades. Without a significantly increased financial commitment to reach and maintain a state of good repair, riders will see increasing delays and crowding related to vehicle breakdowns, reduced service levels, and worsening pavement condition.

TRANSIT VEHICLE REPLACEMENT AND BETTER MAINTENANCE WOULD IMPROVE RELIABILITY

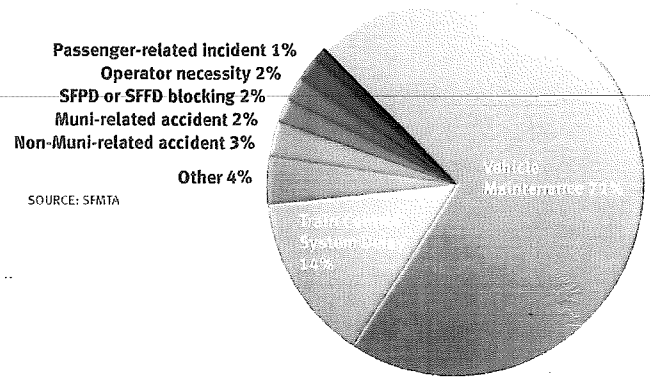
After decades of underinvestment, Muni and regional transit agencies that serve San Francisco have significant unfunded capital needs amounting to more than $5 billion through 2040 (see Appendix B for detail). These needs include new or updated facilities for maintaining transit vehicles, rail and overhead wire replacement, vehicle maintenance and replacement, and other needs.

As a result of resource limitations, Muni's vehicles have not received mid-life rehabilitations or timely replacement, resulting in a fleet that has high service unreliability and frequent expensive emergency repairs, as well as frequent unscheduled vehicle turnbacks. Figure 15 shows that vehicle maintenance is responsible for a large share of transit-service delays. Increased investment in routine maintenance and timely vehicle replacement would significantly reduce these delays and improve reliability. Figure 16 shows how breakdowns can be minimized with proper maintenance and mid-life replacement.

TRANSIT OPERATING COSTS ARE GROWING FASTER THAN REVENUES

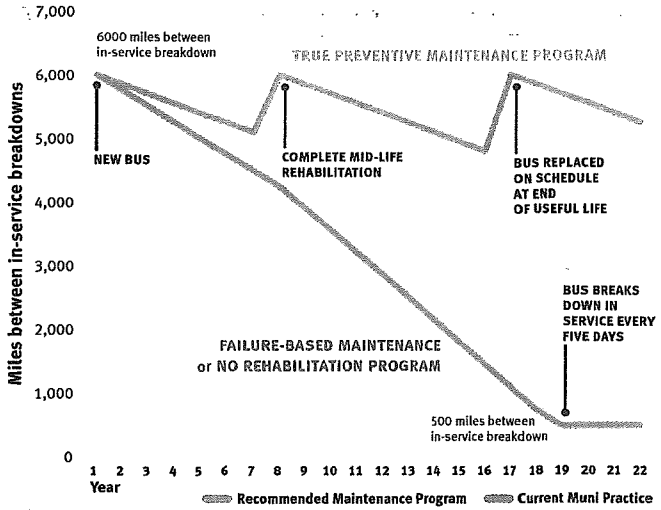
The cost of providing transit service has risen rapidly in recent years, a trend which destabilizes Bay Area transit systems and affects riders impacted by resulting service cuts. Figure 17 (next page) shows the rising real (inflation-adjusted) costs of transit

FIGURE 15. MUNI LIGHT RAIL: MAY 2013 REASONS FOR DELAY



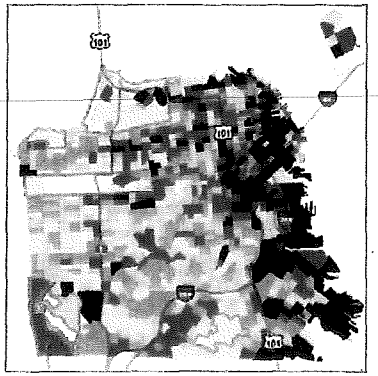
SOURCE: SFMTA

FIGURE 16. LIFE CYCLE OF A TROLLEY BUS

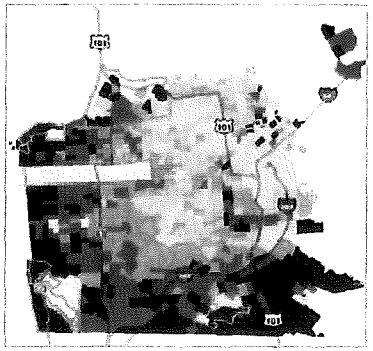


SOURCE: SFMTA (FIGURE IS CONCEPTUAL)

FIGURE 18. VEHICLE MILES TRAVELED IN 2040. (DARKER COLORS INDICATE MORE VEHICLE MILES OF TRAVEL.)



Workplace Vehicle Miles of Travel per Worker



Household Vehicle Miles of Travel per Household Automobile

SOURCE: SFCTA, SF CHAMP

creases of approximately 30% by 2040 under a business as usual scenario. Much of this VMT will be generated by driving trips to and from the downtown core (for workplace VMT), and outlying southwest and southeast neighborhoods (for household VMT)—(Figure 18).

VEHICLE TECHNOLOGY ALONE WILL NOT ACHIEVE SAN FRANCISCO'S AMBITIOUS GOALS

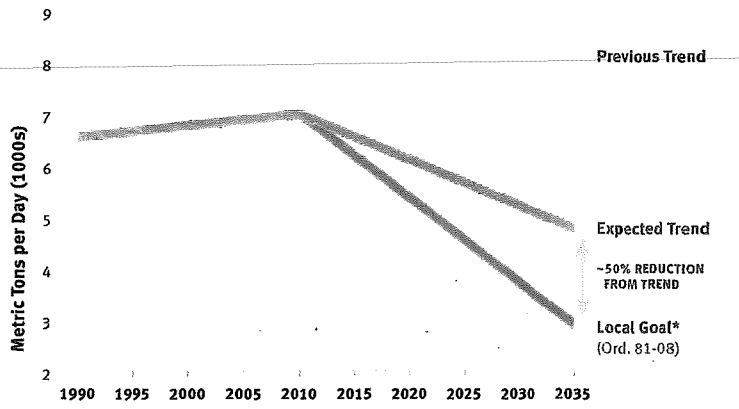
Technology will do much to reduce climate change impacts from private vehicles. Tough state laws (Pavley I and II) regulating vehicle emissions are expected to reduce greenhouse gases by more than 40%. However, this is not sufficient to allow San Francisco to achieve its aggressive greenhouse gas reduction goals, set by ordinance 81-08, which call for an 80% reduction below 1990 levels by 2050 (Figure 19). This is five times more aggressive than regional greenhouse gas reduction goals, and will take tremendous local committment and regional, state, and Federal support to achieve.

DEMAND MANAGEMENT STRATEGIES ARE CRITICAL TO ACHIEVING PROGRESS TOWARD OUR GOALS

Scenario testing conducted for the SFTP (see the "What would it take" sidebar box on page 19) revealed that, though necessary, supply-side investments such as major new transit lines and transit frequency are alone not very cost-effective at reducing greenhouse gases. Among the more cost-effective strategies are those that reduce vehicle tripmaking by more directly linking the cost or impact of driving to the decision to make a trip:

- **CONGESTION MANAGEMENT.** The Transportation Authority's 2010 Mobility, Access and Pricing study found that implementation of a peak-period congestion charge in San Francisco's northeast cordon would reduce vehicle delay by 21%, and greenhouse gases by 5% citywide, among other benefits. Congestion can also be managed through direct regulation of vehicle trips to the worksite.
- **EMPLOYER OUTREACH AND INCENTIVES.** Incentive and outreach programs in partnership with employers can provide employee travel counseling, transit promotions, tools to facilitate shared rides, and supportive services such as guaranteed ride home programs.

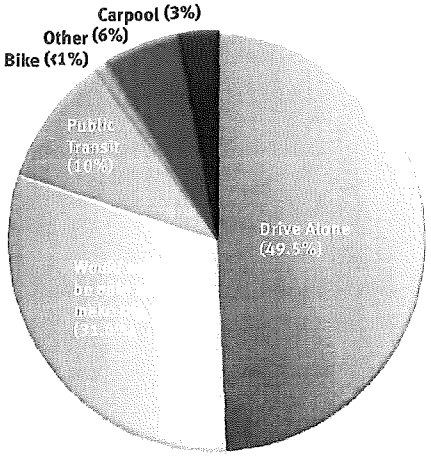
FIGURE 19. SAN FRANCISCO GREENHOUSE GAS (GHG) REDUCTION GOALS



* Assumes on-road mobile sector is responsible for proportional share of economy-wide goals set by Ordinance 81-08

SOURCE: SFMTA, SAN FRANCISCO CLIMATE ACTION PLAN

FIGURE 20. SHARE OF SHUTTLE USERS WHO WOULD DRIVE ALONE WITHOUT THE SHUTTLE*



SOURCE: SFMTA

*Surveys have indicated that shuttles are serving about 35,000 commute trips per day, or about 1% of all trips to, from, and within San Francisco.

- **PARTNERSHIPS WITH THE PRIVATE SECTOR AND COMMUNITY BASED ORGANIZATIONS.** The private sector is increasingly involved in providing transportation services, many of which could reduce single occupancy vehicle trips and greenhouse gases. The SFMTA Shuttle Partners program, for example, seeks to allow private employer shuttles to use Muni stops in exchange for a fee. SFMTA's data indicates that shuttles displace over 45 million vehicle miles traveled and 11,000 metric tons of GHG per year, and about half of shuttle riders say they would drive alone without shuttle access (Figure 20).

WHAT WOULD IT TAKE TO MEET SFTP GOALS?

To meet our adopted goals and targets for livability, world-class infrastructure, economic competitiveness, and a healthy environment would require significantly increased funding; commitments to prioritize our limited rights of way for transit, walking, and bicycling; and closer linking of the cost of driving to the decision to make a trip. Each of the aspirational scenarios described below includes a package of supply-side and demand-side improvements valued at about $10 billion above and beyond revenues we expect to have. The complete findings of "what it would take" to meet San Francisco's ambitious goals are included in Appendix B and summarized below.

LIVABILITY. We examined what it would take to meet the city's "transit first" goal of no more than 50% of daily trips by car. Expanding the capacity of transit (such as a with a second BART tube across the bay) and elevating safety through citywide traffic calming, road diets, a cycle track network, and more, decreased the expected share of trips by car by 6 percentage points to 53%. Only when paired with demand-management measures (congestion pricing) is the goal achieved (Muni and San Francisco's share of BART and Caltrain).

WORLD-CLASS INFRASTRUCTURE. We asked how much funding would be required to maintain our road conditions and transit system in a state of good repair in 2040. The unfunded cost to meet this goal is approximately $5 billion for the transit system and $1.5 billion for streets, which is in excess of the uncommitted funding available over the plan period. New revenues will be required just to meet these basic needs.

ECONOMIC COMPETITIVENESS. Competitive and reliable travel times are critical for businesses and their workers, customers, and suppliers. We analyzed what it would take to keep commute travel times from worsening in the future, given the large projected increase in new residents and jobs in the city. We found that transit and driving commute times in 2035 could be maintained at today's levels (average of 40 minutes), but it would take $5 billion worth of investments in new transit supply including an extension of Caltrain to downtown, bus rapid transit projects on key corridors, and other improvements, as well as demand management approaches including peak period area pricing and related mobility improvements.

HEALTHY ENVIRONMENT. In partnership with the city's Climate Action Plan team, we tested what it would take to meet the city's goal of reducing greenhouse gas emissions to 80% below 1990 levels by 2050. We found this goal is only possibly attainable with a robust combination of aggressive local and regional vehicle pricing, widespread use of electric vehicles, and major new infrastructure (including a new BART tube across the Bay at a cost of $10 billion).

A consistent finding across all scenarios was that strategies to manage travel demand, such as community outreach and education campaigns, employee programs, peak-period or area pricing, and parking pricing, are much more cost-effective in achieving desired goals than supply-side investments.

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CHAPTER THREE

FUNDING OUR TRANSPORTATION NEEDS

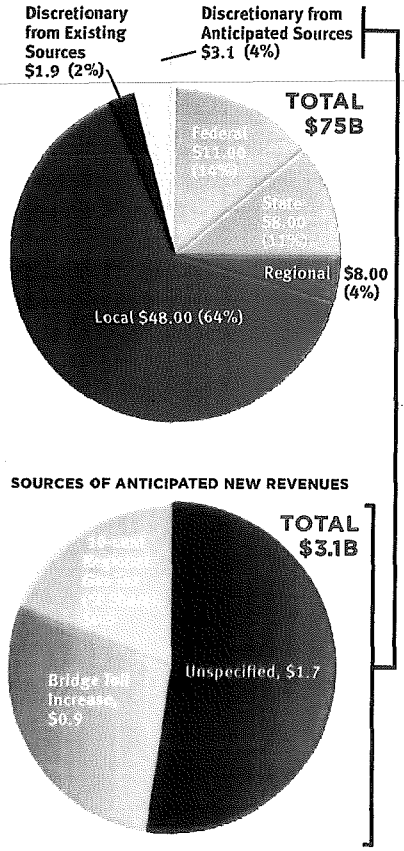
SAN FRANCISCO'S NEEDS FOR TRANSPORTATION FUNDING—even to maintain the existing transit and street networks in today's condition—far exceed expected revenues, and most funds are already committed to specific projects and purposes. The SFTP proposes ways to invest expected funding most effectively to make progress toward our goals, but analysis shows that this progress is limited without policy changes and additional investment from new revenues. Based on public input and technical analysis, we have developed two scenarios (Figure 21) that invest strategically in a diverse set of projects to make meaningful progress towards each of the SFTP's four goals. Because there is far more need than available revenues for transportation, each scenario anticipates some new revenues:

- The Investment Plan shows how existing and some anticipated new federal, state, and regional revenue (consistent with the Bay Area's long-range transportation plan, Plan Bay Area) could be spent.
- The SF Investment Vision imagines how we could get further towards our goals with major new sources of local revenue.

This chapter summarizes the revenue forecasts for the two scenarios. The next chapter describes the investments we could make and what they could achieve, along with supporting policy recommendations to get the most out of our investments.

FIGURE 21. THE INVESTMENT PLAN AND SF INVESTMENT VISION

FIGURE 22. PLAN REVENUES BY SOURCE
(IN BILLIONS OF YEAR-OF-EXPENDITURE DOLLARS THROUGH 2040)



SOURCE: SFCTA (SEE APPENDIX D FOR DETAIL)

INVESTMENT PLAN: INCLUDES BOTH EXISTING AND ANTICIPATED NEW FEDERAL, STATE, AND REGIONAL REVENUE

The SFTP Investment Plan proposes how we should invest revenues we expect to have through 2040, including some expected new federal, state, and regional funds. About $75 billion in federal, state, regional and local revenue is expected for transportation in San Francisco through 2040. Figure 22 illustrates the sources of existing and anticipated new revenues for the Investment Plan. SFTP Appendix D describes the assumptions used to estimate expected revenues in more detail. All revenues are expressed in billions of year-of-expenditure dollars over the SFTP period.

MOST EXPECTED REVENUE IS FROM LOCAL AND REGIONAL SOURCES

The federal gas tax that funds transportation is not indexed to inflation, and has not been increased since 1992. Similarly, the state has struggled with budget deficits for years. As a result, the responsibility of paying for our transportation system increasingly falls on the shoulders of local and regional governments, or through direct user payment. Over 65% of the $75 billion expected for the Investment Plan comes from local and regional funding sources, such as the Prop K transportation sales tax and the $10 Prop AA vehicle registration fee.

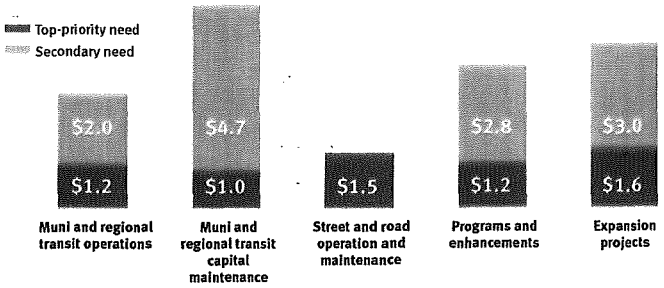
MOST EXPECTED REVENUES ARE ALREADY COMMITTED

Over 90% ($70 billion) of the expected funds are already committed to specific projects (such as the Presidio Parkway, Central Subway, and Caltrain Electrification) and purposes (such as transit and local streets operations and maintenance). This means that of the $75 billion in revenue we expect through 2040, only about $5 billion (or 7%) is discretionary, meaning we can decide how it should be invested to improve our transportation system.

ANTICIPATED REVENUES ARE INSUFFICIENT TO MEET OUR EXISTING AND FUTURE SYSTEM NEEDS

San Francisco's unfunded transportation needs far exceed the expected $5 billion in uncommitted revenue. Even if we spent every cent of discretionary funds on transit and streets maintenance, repair and replacement projects, we still would not have enough just to maintain the existing transportation system in a state of good repair—let alone make safety and livability enhancements or address planned growth. Figure 23 summarizes the transportation system investment need by category.

FIGURE 23. UNFUNDED TRANSPORTATION NEEDS BY CATEGORY



SOURCE: SFCTA, SFMTA, SFDPW, BART, MTC

TWO-PRONGED REVENUE STRATEGY

The SFTP (through its investment plans and policy recommendations) proposes ways to cost-effectively invest expected transportation funds, but analysis shows that this progress is limited unless we identify new revenues. So, the SFTP recommends a two-pronged revenue strategy. First, the Investment Plan seeks to position San Francisco well to compete for the anticipated additional new federal, state, and regional funding sources. Second, the SF Investment Vision calls for an additional $7.5 billion in locally-controlled transportation revenues. With $7.5 billion in additional local revenues, the SF Investment Vision achieves more of our maintenance, livability, and economic competitiveness goals, and makes more progress towards our ambitious environmental goals.

SF INVESTMENT VISION

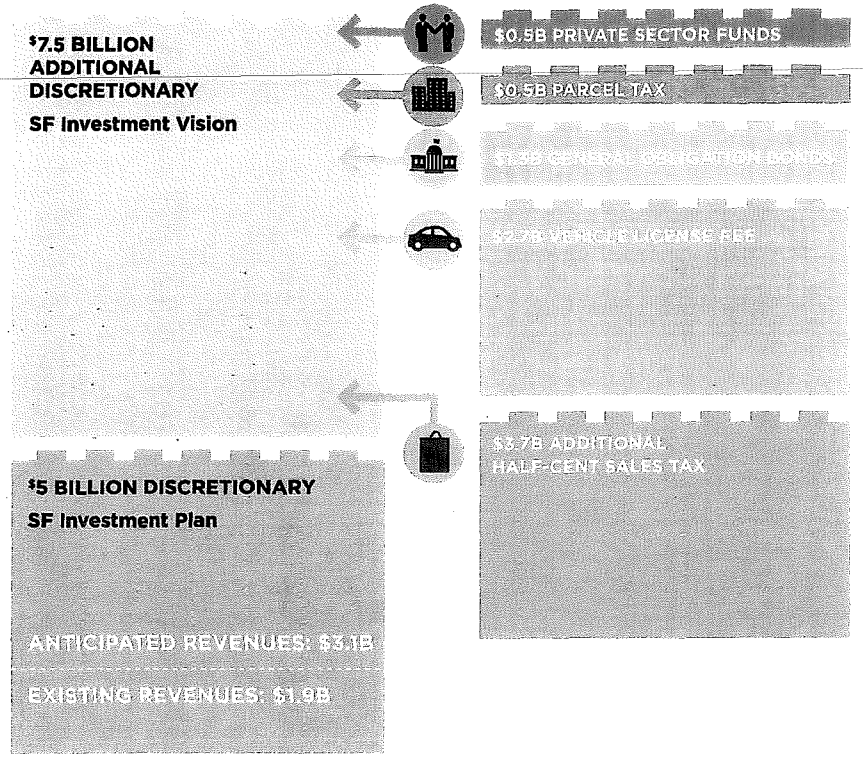
NEW LOCAL SOURCES OF FUNDING UNDER CONSIDERATION

For the SFTP, we evaluated a range of potential new local revenue sources, considering factors like revenue stability, growth potential, equity, and likelihood of being put into place. The SFTP Revenue White Paper provides a comparison table and information on the primary local sources we evaluated. A combination of sources pictured in Figure 24—such as general obligation bonds, a Vehicle License Fee, additional half-cent sales tax, or others could provide the $7.5 billion needed beyond the Investment Plan to achieve the $82.5 billion SF Investment Vision.

MAYOR'S 2030 TRANSPORTATION TASK FORCE

We coordinated SFTP development with the Mayor's 2030 Transportation Task Force. The Task Force has developed recommendations for potential new local transportation revenues, and has recommended that voters approve $1 billion in general obligation bonds, a half-cent increase in the sales tax, and a 1.35% increase in the vehicle license fee to generate just over $2.95 billion ($2013) in new transportation revenues between 2015 and 2030.

FIGURE 24. A COMBINATION OF SOURCES CAN PROVIDE $7.5 BILLION ADDITIONAL DISCRETIONARY



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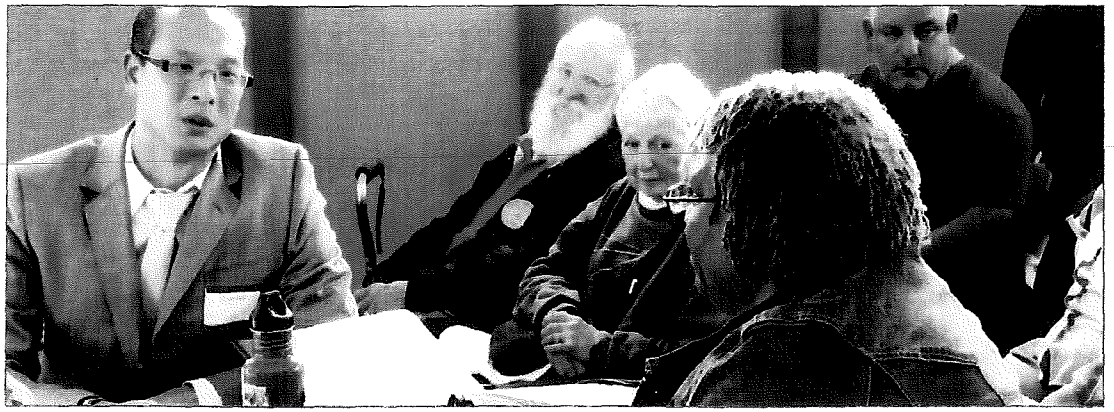
CHAPTER FOUR

INVESTMENT PLANS AND POLICY RECOMMENDATIONS



THE SFTP IS THE BLUEPRINT for the future of our city's transportation system through 2040. With input from the public (detailed in Appendix E), and informed by other agencies and robust technical analysis (Appendices A, B, and F), we've developed two investment scenarios that will allow us to make meaningful progress toward our transportation goals: the Investment Plan and SF Investment Vision. The result is a diverse investment plan paired with specific policy actions and new revenues.

CONTENTS OF THE INVESTMENT SCENARIOS

The Investment Plan and SF Investment Vision are organized into three major categories of spending:

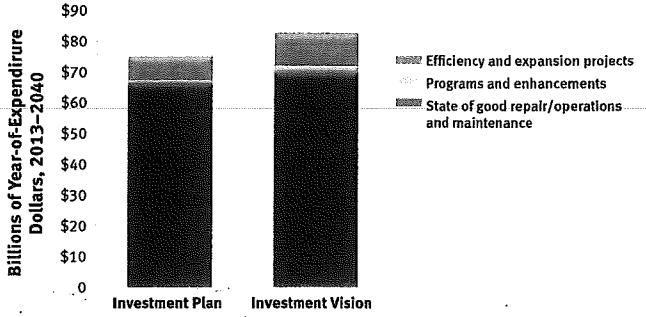
- **ONGOING MAINTENANCE AND OPERATIONS FUNDING.** Each investment scenario recommends funding levels for the ongoing maintenance and operations of our street network (including roadway-repaving street sweeping, traffic signal maintenance); and transit system operation, maintenance and replacement. The vast majority of funding is dedicated to this category.
- **TRANSPORTATION PROGRAMS AND ENHANCEMENTS.** This category includes funding for seven transportation programs that improve safety, expand or enhance the transportation system through small-to-medium scale improvements for all modes.
- **EFFICIENCY AND EXPANSION PROJECTS.** This category recommends funding for a list of major capital projects that would improve the efficiency of the existing system or cost-effectively expand system capacity.

Figure 25 (next page) provides an overview of the amount of funding dedicated to these categories in the Investment Plan and Investment Vision, and the remaining sections describe each category in detail.

The SFTP also recommends policy actions. This chapter highlights some of the key policy recommendations. For a complete list, see Appendix G.

We've developed two investment scenarios that will allow us to make meaningful progress toward our transportation goals: the Investment Plan and SF Investment Vision. What it takes is a diverse investment plan paired with specific policy actions and new revenues.

FIGURE 25. MAJOR USES OF INVESTMENT AND VISION REVENUES (COMMITTED AND DISCRETIONARY FUNDS)



SOURCE: SFCTA

DISCRETIONARY INVESTMENT: USES OF $5B AND $12.5B IN DISCRETIONARY FUNDS

As discussed in Chapter 3, 90% of the expected $75 billion in transportation revenue is dedicated to specific projects or purposes. This leaves $5 billion in expected and new revenues that we can decide how to spend. With the SF Investment Vision, a combination of new local funding sources can provide the additional $7.5 billion needed beyond the Investment Plan to go further toward our goals. Figure 26 summarizes the uses of expected and new discretionary funds in the Investment Plan and SF Investment Vision.

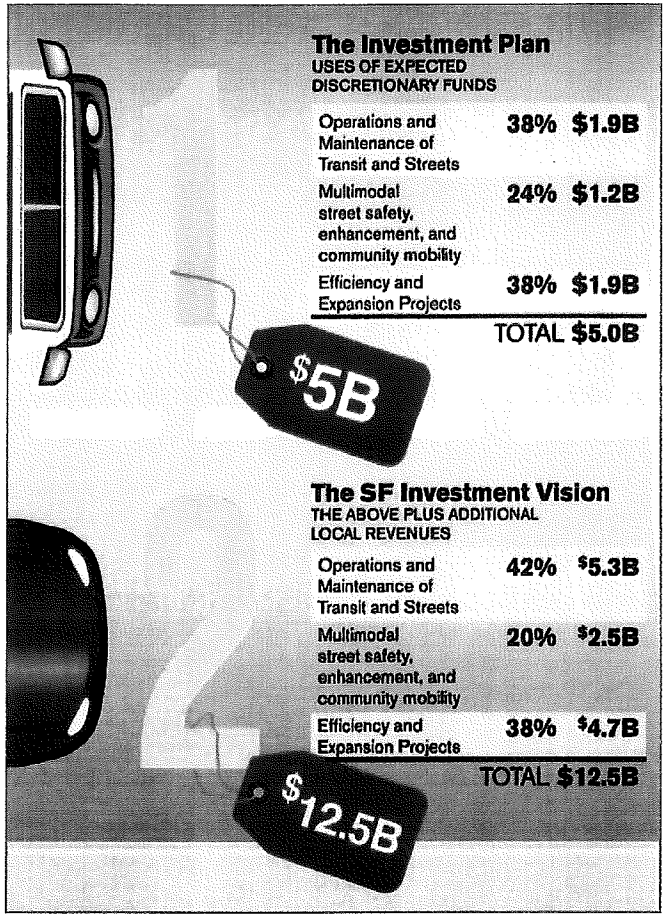
PLAN AND VISION INVESTMENTS

The following sections describe the investments proposed in the SFTP Investment Plan and SF Investment Vision.

DEDICATED MAINTENANCE AND OPERATING FUNDING

About $60 billion of the expected $75 billion in transportation revenue is already committed to operations and maintenance of the existing system and major projects that rehabilitate existing infrastructure. These include the Presidio Parkway, Yerba Buena Island Ramp Improvements, and Transbay Transit Center Phase 1. As discussed on page 16, an additional $5 billion is needed to maintain transit capital assets in an optimal state of good repair. Another $1.54 billion is needed to achieve the city's pavement condition goals. An additional $1.2 billion would be required to provide all of the transit service Muni is scheduled to provide today.[1] Figure 27 shows how we allocated funding to help address some of these maintenance and operations needs.

FIGURE 26. USES OF DISCRETIONARY FUNDS



SOURCE: SFCTA

1 Funding constraints are one factor that currently prevents Muni from operating all scheduled service.

FIGURE 27. COMPARISON OF PLAN AND VISION FUNDING LEVELS FOR MAINTENANCE AND OPERATION

INVESTMENT CATEGORY	INVESTMENT LEVEL	PLAN	VISION
State of Good Repair/Operations and Maintenance			
Muni and Regional Transit: Operations. Provides funding to operate Muni and regional transit service.	**PLAN:** Maintain today's funding and actual service levels. **VISION:** Fully fund all today's scheduled service levels.	$43.80	$45.00
Muni and Regional Transit: Capital Asset Maintenance. Provides funding to maintain and replace Muni and regional transit vehicles, stations, and maintenance facilities.	**PLAN:** Fully fund transit vehicle replacement needs for all operators; all MTA vehicle mid-life overhauls; and 70% of Score 16 (most important) assets. **VISION:** Fund 100% of Muni Score 16 needs.	$12.41	$14.06
Local Streets and Roads: System Preservation. Provides funding to re-pave streets and roads.	**PLAN:** Maintain today's pavement condition. **VISION:** Reach and maintain pavement condition index of 70 ("good").	$3.27	$3.83
Local Streets and Roads: Operations. Provides funding for street sweeping, signal maintenance, and other roadway upkeep.	**PLAN AND VISION:** Maintain today's levels of street operations.	$2.80	$2.80
Local Street and Bridges Structures: Capital Maintenance. Provides funding to maintain or replace aging structures (e.g. bridges and tunnels).	**PLAN AND VISION:** Fund unmet need of $3M/decade.	$0.01	$0.02
State of Good Repair Projects. Funds major capital replacement and rehabilitation projects.	**PLAN AND VISION:** Provide full funding for the Presidio Parkway; Transbay Transit Center Phase I Improvements; and Yerba Buena Island Ramp Improvements.	$4.01	$4.01
	SUBTOTAL (AMOUNT IN $BILLIONS YOE)	$66.30	$69.72
	PERCENT OF TOTAL INVESTMENT	88%	84%

The Investment Plan provides sufficient funding to support mid-life vehicle overhauls for Muni, extending the life of each vehicle and reducing the incidence of vehicles that are out of service.

RECOMMENDATION:

PRIORITIZE REVENUES TO FULLY FUND TIMELY VEHICLE REPLACEMENT AND REHABILITATION

Underfunding vehicle maintenance contributes to reduced reliability and unscheduled service turnbacks in outlying neighborhoods, a top concern recorded during public outreach. The Investment Plan provides sufficient funding to meet vehicle replacement needs for all transit operators as well as to support mid-life vehicle overhauls for Muni, extending the life of each vehicle and reducing the incidence of vehicles that are out of service.

Local funds prioritized for this purpose will leverage significant regional and federal monies. An example is MTC's Transit Core Capacity program, which benefits Muni, BART, and AC Transit (all of which provide San Francisco service).

RECOMMENDATION:

EXPAND TRANSIT SERVICE WHILE SUPPORTING STEPS TO STABILIZE COSTS

New funding will be necessary to increase transit service frequencies to reduce crowding and serve new riders. However, new funding should be accompanied by measures to stabilize the rapid rise in transit operating costs (described on page 17). Such measures could include prioritizing projects to speed up Muni vehicles, such as the Transit Effectiveness Project; implementing transit operator fringe benefit cost control strategies recommended in the MTC's Transit Sustainability Project; and seeking a regional funding solution to stabilize Caltrain operating and capital funding. SFMTA and other transit agencies have already committed to a 5% real reduction in costs by fiscal year 2016–2017.

RECOMMENDATION:

ACHIEVE CITY GOALS FOR AVERAGE PAVEMENT CONDITION

Smoother roads benefit all modes of travel. The SFTP Investment Vision dedicates sufficient funding for San Francisco to achieve and maintain an average pavement condition index of 70, or "good," over the life of the plan. Streets maintained at pavement score 70 are several times less expensive to keep up than streets which aren't maintained at this level.

FIGURE 28. COMPARISON OF PLAN AND VISION FUNDING LEVELS FOR PROGRAMS AND ENHANCEMENTS

INVESTMENT CATEGORY	INVESTMENT LEVEL	PLAN	VISION
Programs			
Walking and Traffic Calming. Supports new and widened sidewalk construction, sidewalk bulb outs to shorten crossing distances, crosswalk upgrades, pedestrian countdown signals, landscaping, and vehicle speed control treatments.	**PLAN:** Provides $10m/year (exceeds historic funding levels). **VISION:** Funds full build out of the Mayor's Pedestrian Strategy.	$0.28	$0.63
Bicycling. Supports physical improvements on the citywide bicycle network, such as new cycle tracks (bike lanes physically separated from moving cars), bike lanes and paths, repair of existing lanes, bicycle parking, and bicycle outreach and education.	**PLAN:** Funds a citywide cycle track network. **VISION:** Funds full buildout of the SFMTA Bicycle Strategy.	$0.15	$0.60
Regional Transit Enhancements. Supports improvements for regional transit operators serving San Francisco, including BART, Caltrain, and Golden Gate Transit, such as additional escalators at stations, new signage, and station access improvements (e.g. more bike parking).	**PLAN:** Maintain historic levels. **VISION:** Increase moderately over historic levels.	$0.20	$0.35
Muni Enhancements and Customer First Treatments. Supports new Muni equipment to improve transit reliability and passenger amenities, such as on-vehicle cameras, ticket vending machines, and new station platform information displays, as well as new and improved transit stops.	**PLAN:** Maintain historic levels. **VISION:** Increase moderately over historic levels.	$0.19	$0.29
Street and Signal Upgrades and Street Network Development. Supports new traffic signs and signals, red light photo enforcement equipment, management of major arterials such as Guerrero or Lincoln, and new streets in developing areas of the City such as Hunters Point and Candlestick Point.	**PLAN:** Doubles historic funding levels. **VISION:** Triples historic funding levels.	$0.21	$0.28
Transportation Demand Management. Supports educational, outreach, and regulatory programs that reduce single-occupant vehicle use for commuters, schools and universities, and institutions.	**PLAN:** Increase of 20% over historic funding. **VISION:** Doubles historic funding levels.	$0.06	$0.10
Equity. Supports planning, project development, and service to promote equitable access and investment.	Provides $10M/year for planning, operations, and/or implementation	$0.14	$0.28
	SUBTOTAL (AMOUNT IN $BILLIONS YOE)	$1.23	$2.53
	PERCENT OF TOTAL INVESTMENT	2%	3%

TRANSPORTATION PROGRAMS AND ENHANCEMENTS

The Investment and SF Vision Plans provide $1.2 and $2.5 billion, respectively, to eight transportation safety and enhancement programs. Figure 28 describes how the funding levels compare to historic funding and the need.

RECOMMENDATION:

BUILD THE PEDESTRIAN AND BICYCLE STRATEGIES TO ESTABLISH SAFER NEIGHBORHOOD NETWORKS CITYWIDE

As discussed on page 11, the City has set aggressive goals for increasing the share of trips made by bicycling and walking while improving safety. Public outreach indicated that bicycling and walking infrastructure are top public priorities after basic transit operations and maintenance (See Appendix E). Accordingly, the plan and vision scenarios increase funding for traffic calming, walking, and bicycling programs (combined) by 80% and 400%, respectively, over historic funding levels. The vision-level funding is sufficient to support full implementation of the SFMTA's Bicycle and Pedestrian Strategies.

Funding for pedestrian and bicycle safety can be spent most effectively by focusing it on the roadways with the highest incidence of pedestrian and bicyclist injuries and fatalities, many of which are arterial roadways. The Pedestrian Strategy has identified these 70 miles of High-Injury Corridors, which represent only 6% of San Francisco's street miles, but 60% of severe and fatal injuries.

RECOMMENDATION:

CREATE MORE COMPLETE STREETS (AT LOWER COST) THROUGH COORDINATION WITH REPAVING

Safety and enhancement projects can be implemented more efficiently through coordination with roadway repaving, which occurs on a regular schedule city-wide. The SFTP recommends setting aside some Prop K funds to advance safety project coordination with re-paving projects, utility projects, and/or major capital investments. It also recommends developing a checklist for all repaving projects to facilitate consideration of complete streets elements.

RECOMMENDATION:

INCREASE INVESTMENT IN EMPLOYER, SCHOOL, AND COMMUNITY TRIP REDUCTION PROGRAMS

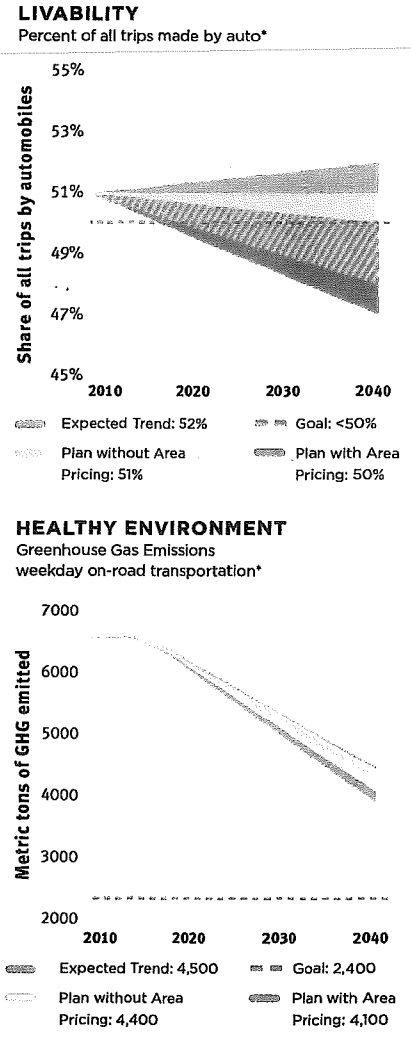
As described on page 16, San Francisco's downtown—especially as growth expands in SoMa and Mission Bay—will see transit performance decline if growth occurs as expected and travel behavior remains the same. The City's 1985 Downtown Plan introduced then-innovative demand management strategies, such as incentives for employers to provide employee travel counseling, helping to reduce peak period congestion and the need for parking. A new generation of incentive and outreach programs is needed for our growing downtown, especially South of Market and Eastern Neighborhoods. These partnerships with employers, institutions, and residential associations can provide travel counseling, incentives for taking transit, tools to facilitate shared rides, and supportive services such as guaranteed ride home programs. The SFTP increases funding for these travel demand management incentive programs by 20% and 100% over historic levels in the Investment Plan and Investment Vision, respectively.

RECOMMENDATION:

INCREASE TRANSPARENCY AND PROMOTE PUBLIC INVOLVEMENT BY SHARING AGENCY PRIORITIZATION AND DEVELOPMENT PROCESSES

Often during SFTP outreach, the public would express confusion about how San Francisco agencies identify, prioritize, and design street improvements. Fragmented institutional roles can also contribute to slower-than-desired project delivery rates. Small Project Delivery research conducted for the SFTP (Appendix H) found that coordination within and among agencies is inadequate to deliver a multi-modal vision, and that a consensus-based approach to project design diminishes the benefits of many projects. Strategies to increase project delivery and support quality projects include dedicating funds for increasing agency capacity, increasing transparency and coordination of agency prioritization processes, and enhancing public involvement in project development and planning efforts.

FIGURE 29. CONTRIBUTION OF AREA PRICING TO PLAN GREENHOUSE GAS AND AUTOMOBILE TRIP REDUCTION BENEFITS



* 2040 forecasts are derived from the Transportation Authority's regional travel demand Model, SF-CHAMP; the more ambitions end of the range represents additional travel demand management (TDM) program assumptions such as bikesharing, shuttles, carsharing, and other TDM policy efforts, which are calculated outside of the SF-CHAMP model and applied on top of modeling results.

A COMPREHENSIVE STRATEGY FOR THE SOUTH OF MARKET AND EASTERN NEIGHBORHOODS

The City's original 1984 Downtown Plan introduced new measures such as Transportation Management Associations (TMAs) to address the congestion caused by employment growth. Now a new wave of growth in the downtown, South of Market, and Mission Bay will significantly increase core crowding conflicts and congestion (see Appendix C). A comprehensive strategy is needed for the new, expanded core to manage congestion and maintain livability, including: transit capacity and other infrastructure; dedicated transit and bicycle networks; pedestrian safety measures; area-wide congestion and freeway management measures; and strengthened trip-reduction programs in partnership with employers.

RECOMMENDATION:

CONTINUE TO DEVELOP PRICING APPROACHES TO CONGESTION MANAGEMENT

Scenario testing conducted for the SFTP (see the "what would it take" sidebar box on page 19) revealed that the most cost-effective ways to reduce greenhouse gas emissions are those that reduce vehicle tripmaking by more directly linking the cost or impact of driving to the decision to make a trip. The Investment and SF Vision Plans recommend considering peak or area pricing in the Northeast Cordon, in addition to the pricing already approved for Treasure Island.[2] These projects require about $0.03 billion in start-up capital costs, which is less than .01% of the Investment

2 Analysis of Congestion Pricing can be found in the Mobility, Access, and Pricing Study (2008) on the Transportation Authority web site at www.sfcta.org. Information about Treasure Island pricing can be found at www.sfcta.org/TIMMA.

FIGURE 30. SFTP EFFICIENCY AND ENHANCEMENT PROJECT LIST

PROJECT	PLAN	VISION
Transbay Transit Center Phase 2/Caltrain Downtown Extension: Extension of Caltrain to the Transbay terminal	$2.60	$2.60
Central Subway: Extension of the T-Third light rail to downtown and Chinatown	$1.58	$1.58
Developer Funded Projects (Parkmerced, Mission Bay, Treasure Island, SE Waterfront Local Streets)	$0.90	$0.90
Caltrain Electrification/Signal System (SF remaining share of total cost)	$0.48	$0.48
Van Ness Avenue Bus Rapid Transit: Dedicated bus lanes and transit-priority treatments.	$0.13	$0.13
Long-Range Transit Network Development, including Transit Performance Initiative, one or more major projects to improve BART/Muni transit travel time, and reliability at key bottlenecks, such as the Embarcadero Muni Metro turnaround, the J-Church and N-Judah merge point, and at West Portal.	$0.14	$1.54
Expanded Transit Service and New Vehicles, Muni and Regional Operators: Increases funding for transit service by 1% over expected revenues and purchases new vehicles.	$0.41	$0.71
BART Metro: One or more major construction projects that allow BART to run more frequent transbay service to the core of San Francisco	$0.00	$0.50
M-Line West Side Alignment and Grade Separation: Relocate the M-Ocean View light rail line from the center of 19th Avenue near Stonestown to a dedicated transit lane on the west side of the road to remove conflicts with 19th Avenue auto traffic, improving pedestrian safety and transit travel speed/reliability (only environmental phase funded).	$0.12	$0.43
Better Market Street (transportation elements only): Re-designs and improves Market Street for transit, bicycling, and pedestrians.	$0.20	$0.39
Transit Effectiveness Project: Improves Muni reliability and reduces travel times system-wide through stop improvements such as bus bulb-outs, stop placement, lane modifications, signals, and other tools to prioritize transit.	$0.34	$0.34
Geary Corridor Bus Rapid Transit: Dedicated bus lanes and other transit priority treatments on Geary Boulevard to increase the speed and reliability of the 38/38-Limited lines.	$0.24	$0.24
Bayshore/Potrero Bus Rapid Transit: Dedicated bus lanes and other transit-priority treatments on Potrero Avenue and Bayshore Boulevard to increase the speed and reliability of the 9/9-Limited lines.	$0.13	$0.13
Freeway Performance Initiative: Convert freeway lanes and ramps to carpool and transit lanes, such as on I-280 between 6th Street and US 101.	$0.04	$0.13
Bi-County Program: Includes extension of the T-Third Street to Caltrain Bayshore Station and the Geneva-Harney Bus Rapid Transit	$0.09	$0.09
Bi-County Program, T-Third Street to Caltrain Bayshore Station: Extend the T-Third Muni Metro line and provide new service from Bayshore/Sunnydale to the Bayshore Caltrain station.	$0.05	$0.05

Plan Cost, but generate almost half the benefits of the Plan (Figure 29). They would also generate as much as $2.5 billion in revenue that could be re-invested into multimodal projects and programs.

EFFICIENCY AND EXPANSION PROJECTS

About six billion of the expected $75 billion in transportation revenue is dedicated to committed efficiency or expansion projects, including those under construction (Central Subway), fully funded (some development-related projects), or prioritized in regional agreements (e.g., Van Ness Avenue Bus Rapid Transit). The Investment Plan recommends dedicating about $2 billion in discretionary funding to plan our long-range transit network and provide efficiency and expansion investments. This includes new transit service and defined capital projects beyond existing commitments. See Appendix A for detail on how we prioritized projects for inclusion. Figure 30 lists project costs, and Figures 31 and 32 (pages 32, 33) illustrate project locations.

FIGURE 30 (CONTINUED)

PROJECT	PLAN	VISION
Bi-County Program, Geneva-Harney Bus Rapid Transit: Dedicated bus lanes from Bayshore Boulevard to Prague Street and transit-preferential treatments such as transit signal priority in mixed-traffic lanes from Prague to Ocean Avenue to increase the speed and reliability of the 28-Limited line.	$0.04	$0.04
Oakdale Caltrain Station: New Caltrain station at Oakdale Avenue in the Bayview.	$0.05	$0.05
Waterfront transit capacity and performance, e.g., E-Historic Streetcar Service between Fisherman's Wharf and the 4th Street Caltrain Station: Construct a turn-around track for streetcars at the Caltrain station necessary to provide permanent direct historic streetcar service between Fisherman's Wharf and the 4th Street Caltrain station.	$0.05	$0.05
Express Bus Service: Service from Candlestick and Hunters Point to Downtown.	$0.03	$0.03
Area Pricing, Capital Startup Costs: Northeast Cordon and Treasure Island.	$0.03	$0.03
Area Pricing, Ongoing Operations: Northeast Cordon and Treasure Island: Install a peak period congestion charge for cars entering or leaving downtown or Treasure Island, and invest net revenues in its implementation and related transit, pedestrian, bicycle and carpool alternatives.	N/A*	
Southeast Waterfront Transit Priority and Increased Service	N/A**	
SUBTOTAL (AMOUNT IN $BILLIONS YOE)	$7.57	$10.35
PERCENT OF TOTAL INVESTMENT	10%	13%

* The area pricing program raises approximately $2.5 billion in revenue (not reflected above) that is invested into supportive multimodal projects and programs.

** Southeast Waterfront improvements proposed to be funded by future growth in the general fund resulting from development.

RECOMMENDATION:

CONTINUE RAPID TRANSIT NETWORK DEVELOPMENT, INCLUDING BUS RAPID TRANSIT

The most cost-effective transportation projects are those that make the most efficient possible use of existing infrastructure. Bus Rapid Transit is an affordable approach to creating a network of rapid transit along key corridors throughout San Francisco, including Geneva Avenue and Potrero / Bayshore Boulevard. Another example of making the most efficient use of existing infrastructure is the Transit Effectiveness Project, which cost-effectively improves transit travel times and reliability through transit-priority treatments on Muni's Rapid Network, the top lines that carry 75% of total transit ridership. Bus Rapid Transit could also be deployed to fill gaps in regional transit connections to the city's west side.

RECOMMENDATION:

CONTINUE TO COORDINATE TRANSIT INVESTMENT WITH LAND USE DEVELOPMENT PLANS

With new state requirements to focus on reducing greenhouse gas emissions through more coordinated land use and transportation planning, regional funding frameworks increasingly emphasize Priority Development Areas (PDAs), where cities are planning for infill, transit-oriented growth. San Francisco agencies have identified PDAs, generally in the eastern part of the city. The Transportation Investment and Growth Strategy identifies the transportation needs to support this growth. As area plans and major developments are contemplated, such as along the Eastern Waterfront, transportation needs in all categories—operations and maintenance, safety and enhancements, and efficiency and expansion—should be identified and prioritized.

RECOMMENDATION: INVEST IN PLANNING AND PROJECT DEVELOPMENT TO REDUCE DISPARITIES

In response to concerns heard during SFTP outreach, we analyzed how transportation conditions such as safety, transit access, and reliability vary geographically in the city (see Appendix F). We found some disparities. For example, low-income communities experience disproportionately high numbers of pedestrian and bicyclist injuries and fatalities, and outlying neighborhoods experience worse transit reliability. We responded by proposing a set-aside equity funding program with $140 million for projects that improve equity and including equity as a consideration in project prioritization.

RECOMMENDATION:

SET A VISION FOR MANAGING THE CITY'S FREEWAY NETWORK

San Francisco's greatest increases in vehicle travel are projected to be to and from the eastern neighborhoods and the Peninsula/South Bay. Overall development and management strategies are needed for the US 101 and I-280 corridors. As the region develops the Bay Area Express Lane Network, San Francisco agencies should partner with Caltrans, the MTC, and neighboring cities and counties to develop a local strategy for managing our freeway network and related surface streets such as Potrero and Bayshore.

RECOMMENDATION:

IDENTIFY THE NEXT GENERATION TRANSIT NETWORK PRIORITIES FOR BART, CALTRAIN, AND MUNI

Addressing bottleneck points in our local and regional rail networks will significantly improve rides for existing and passengers and allow for new passengers on our system. and The SFTP identifies the need to establish a long-range, multi-operator transit network development strategy. The SF Investment Vision identifies up to $1.5 billion in expected and potential new revenues for expanding the capacity of BART, Caltrain, and Muni.

RECOMMENDATION:

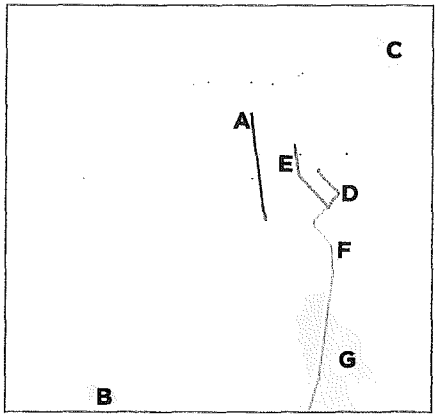
CONSIDER ALL OPTIONS FOR DELIVERING PROJECTS

Transportation projects may fall behind schedule and experience cost increases, and the public generally perceives delivery as taking too long. The SFTP Small and Large Project Delivery White Papers (Appendices H and I) explore strategies to aid project delivery. Key recommendations include consideration of a wide range of public-private partnership opportunities for major capital improvements such as the Caltrain Downtown Extension to the rebuilt Transbay Terminal, and the Treasure Island Transportation Improvement Plan.

INVESTMENT PLAN AND VISION SCENARIO BENEFITS

San Francisco's needs for transportation funding far exceed expected revenue. The SFTP proposes ways to invest the dollars we expect to have to most effectively make progress towards our goals, but analysis shows that our progress will be limited unless we identify new revenues. Figure 33 (pages 34–35) illustrates the additional benefits possible through higher funding levels. See Appendix J for more detail on plan performance results.

FIGURE 31. COMMITTED EFFICIENCY AND ENHANCEMENT PROJECTS



$9.43 billion in expected revenue is dedicated to projects that San Francisco has already committed to building.

A. Van Ness Bus Rapid Transit

B. Improvements to support development of Parkmerced

C. Improvements to support development on Treasure Island including

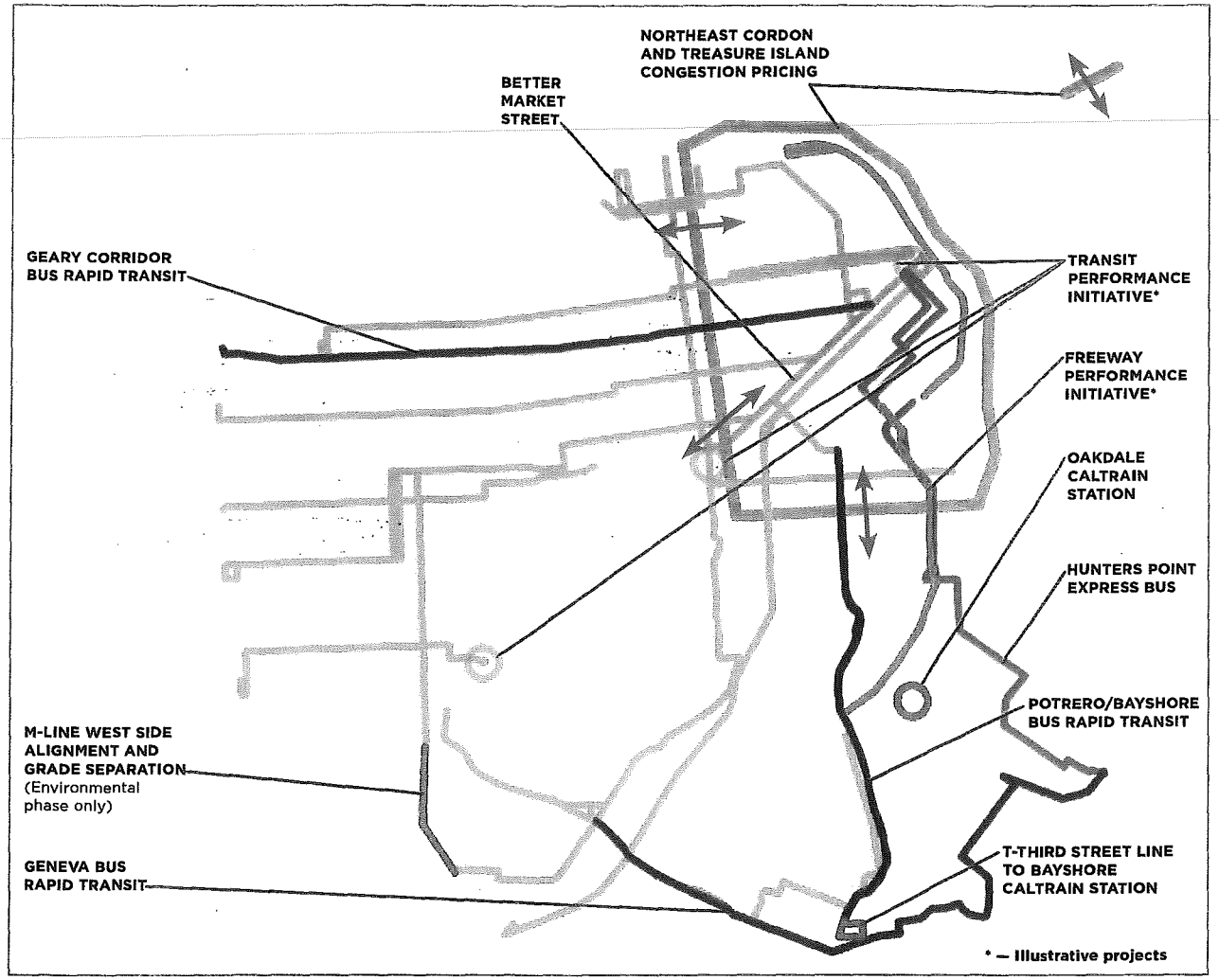
D. Extension of Caltrain to Downtown

E. Central Subway

F. Caltrain Electrification and signal system upgrade

G. Improvements to support development of Candlestick Point/Hunters Point-Shipyards

FIGURE 32. INVESTMENT PLAN DISCRETIONARY EFFICIENCY AND ENHANCEMENT PROJECTS



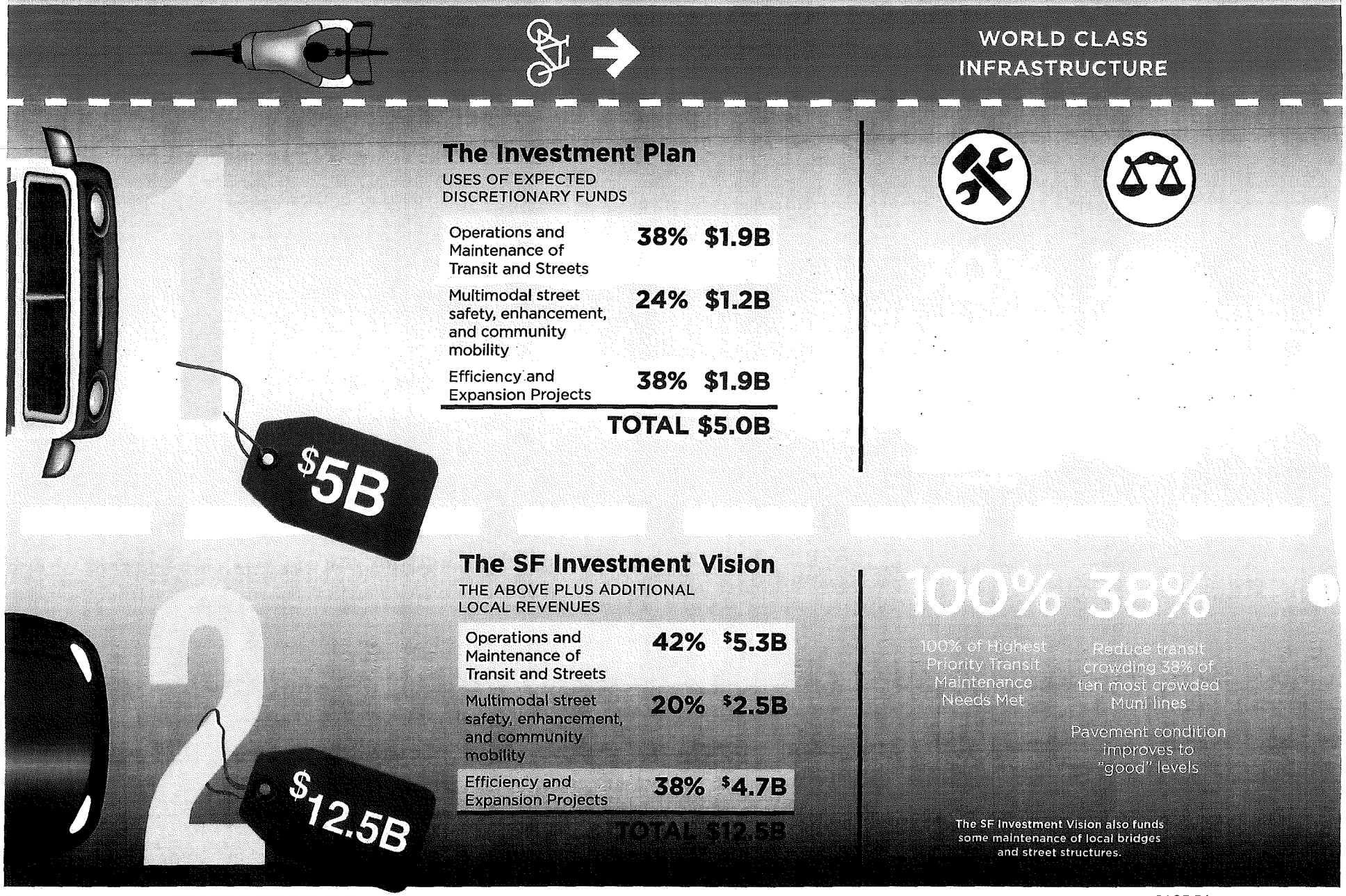


FIGURE 33. COMPARISON OF PLAN AND VISION SCENARIO BENEFITS

SAFE STREETS AND VIBRANT NEIGHBORHOODS

40MI

100% of the City's Pedestrian Safety and Bicycle Strategies (Over 40 miles of pedestrian safety improvements)

100%

100% of the City's Bicycle Strategy funded

Both scenarios include dedicated planning funds to develop safety and mobility projects in Communities of Concern and neighborhoods citywide

HEALTHY ENVIRONMENT

14%

Up to 14% reduction in auto trips

Freeway management and transit efficiency strategies to increase safety and encourage carpools.

15%

Up to 15% reduction in GHG emissions

Multimodal investments and demand management, including area pricing, downtown and on Treasure Island account for half of these benefits in both scenarios

ECONOMIC COMPETITIVENESS

33MI

Up to 33 miles of protected transit lanes

Increased BART capacity and reliability

18%

18% improvement in Muni speeds on rapid network

Muni Metro system bottlenecks addressed to improve reliability and travel times

Additional Caltrain service and/or BART express buses increase rapid connections to the South and East Bays.

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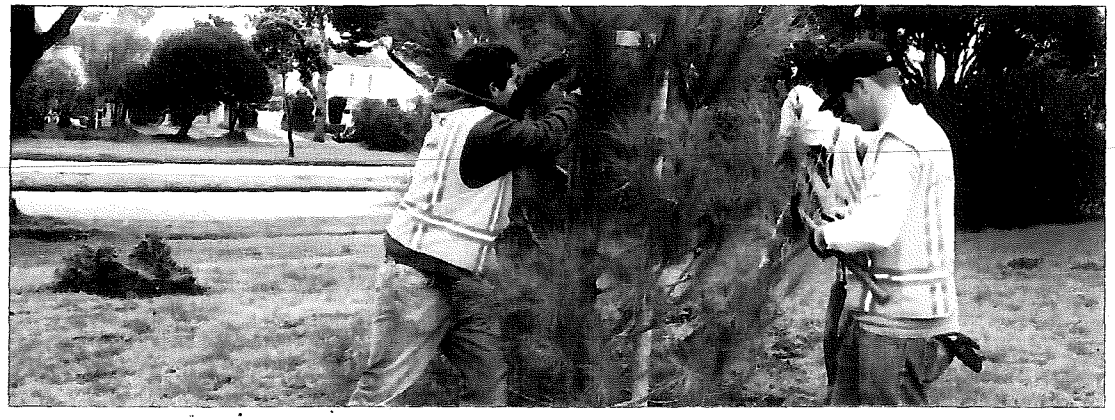
CHAPTER FIVE

NEXT STEPS



THE SFTP WILL SHAPE THE WORK of the Transportation Authority and our partner agencies in the years to come. Major next steps are:

- Rolling out the first five years of SFTP investments through an Early Action Program.
- Coordinating with the Mayor's 2030 Transportation Task Force and other local and regional partners to pursue new local revenues to address unmet transportation needs.
- Conducting monitoring and evaluation to ensure efficient and equitable progress towards SFTP goals.

Additionally, the SFTP itself will be updated approximately every several years.

EARLY ACTION PROGRAM

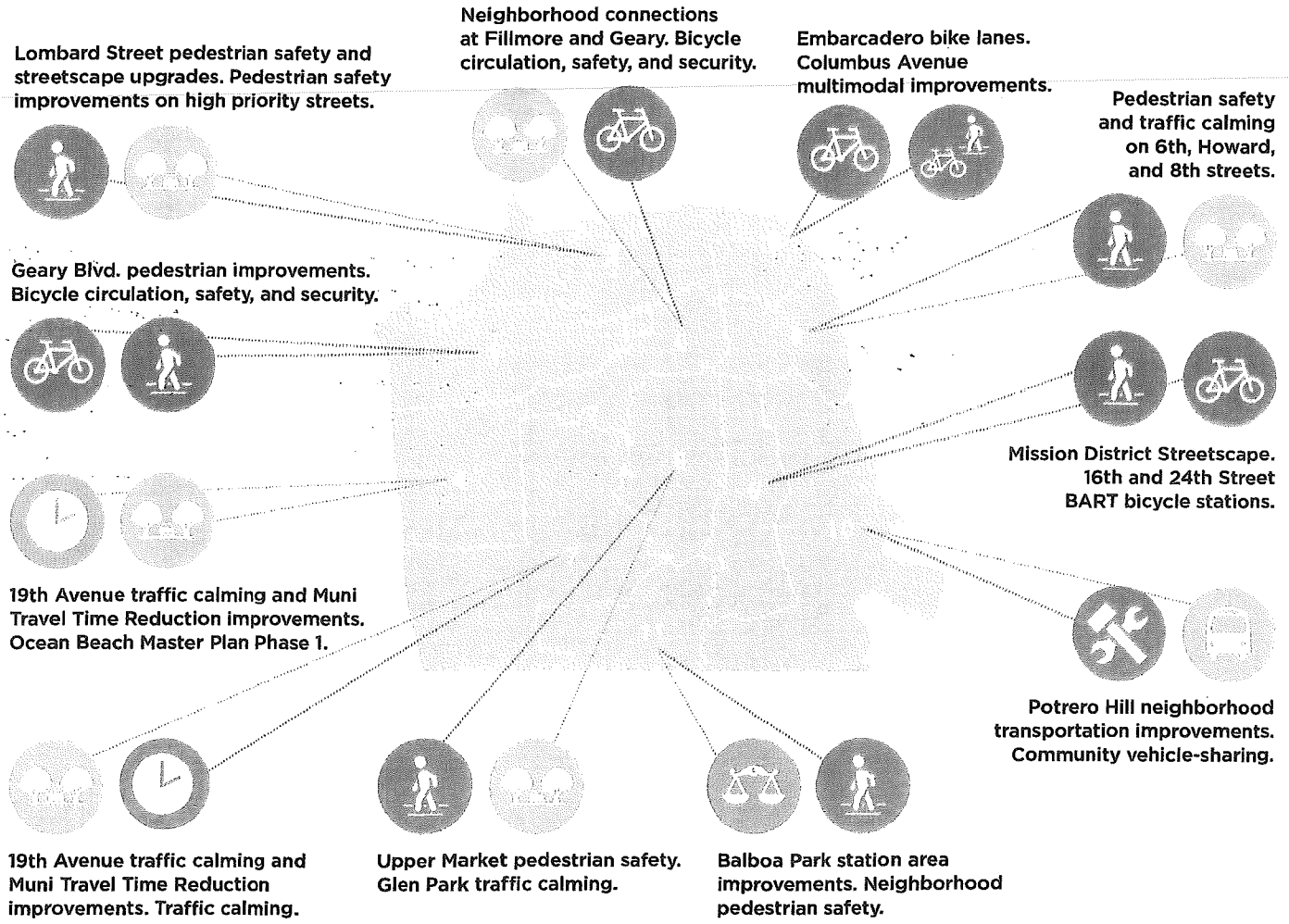
The Early Action Program represents the first five years of the 30-year SFTP and will fund improvements in every part of the city for every mode of travel. The Early Action Program uses the Prop K transportation sales tax and its ability to leverage federal, state and other funds to direct hundreds of millions of dollars toward SFTP investments. Over the next five years, city and regional agencies will work to define and implement these projects. The Figure 34 (next page) shows a representative sample of potential Early Action Program projects. We anticipate Early Action Program projects in each District. Information about these projects is available through the Authority's interactive web site, www.mystreetsf.com. We anticipate Transportation Authority Board approval of the Early Action Program in Spring 2014.

NEW REVENUES

We evaluated a range of potential new local revenue sources to meet existing and future transportation needs. A combination of sources such as private sector funds, a parcel tax, sales tax, and vehicle license fee are possible candidates for generating the additional $7.5 billion recommended for the SFTP vision. Over the past year, we worked closely with the Mayor's 2030 Transportation Task Force, which has recommended a vehicle license fee, general obligation bonds, and a half-cent sales tax increase for the 2014 and 2016 ballots. We will continue

The Early Action Program represents the first five years of investments for the 30-year SFTP and will fund improvements in every part of the city for every mode of travel.

FIGURE 34. EARLY ACTION PROGRAM: REPRESENTATIVE PROJECTS IN THE FIRST FIVE YEARS OF THE SFTP



to work with the Mayor's Office, partner agencies, and stakeholders to pursue new local, regional, state, and federal transportation funding sources. The Mayor's Transportation Task Force is further analyzing next steps for potential new local revenues.

MONITORING AND EVALUATION

Performance measurement is one of the Transportation Authority's statutory functions in its capacity as Congestion Management Agency, and as administrator of the Prop K half-cent transportation sales tax. The Transportation Authority will focus on performance tracking and evaluation in the following areas of policy interest, spanning the monitoring of system needs and trends, project delivery, and project effectiveness:

- **ONGOING MONITORING AND REPORTING.** Through biennial monitoring as Congestion Management Agency, and through www.mystreetsf.com, the Transportation Authority will track and provide information to the public on the delivery of transportation projects, including those identified for implementation in the Early Action Program. The Transportation Authority will also support the City's efforts to monitor the transportation obligations within development agreements.
- **DEMOGRAPHIC AND TRIP-MAKING TRENDS.** The Transportation Authority will continue to monitor demographic and travel behavior trends and the effect of new growth on the transportation system.
- **TRANSIT SYSTEM PERFORMANCE, ESPECIALLY EQUITY AND RELIABILITY.** SFTP outreach revealed that transit reliability is a socioeconomic and geographic equity issue, as well as a top priority for the general public. Yet data measuring and tracking reliability are limited. More research is needed to improve reliability measurement. Equity monitoring should additionally track safety trends and affordability outcomes.
- **DOCUMENTING THE COST EFFECTIVENESS OF TRANSPORTATION INVESTMENTS THROUGH BEFORE-AND-AFTER STUDIES.** The Transportation Authority will work with implementing agencies to strategically evaluate the effectiveness of new projects and programs to inform future project selection and prioritization, especially in the areas of pedestrian safety, traffic calming, and travel demand management.

Major next steps are: Rolling out the first five years of SFTP investments through an Early Action Program, pursuing new local revenues to address unmet transportation needs, and conducting monitoring and evaluation to ensure efficient and equitable progress towards SFTP goals.

STAFF ACKNOWLEDGEMENTS

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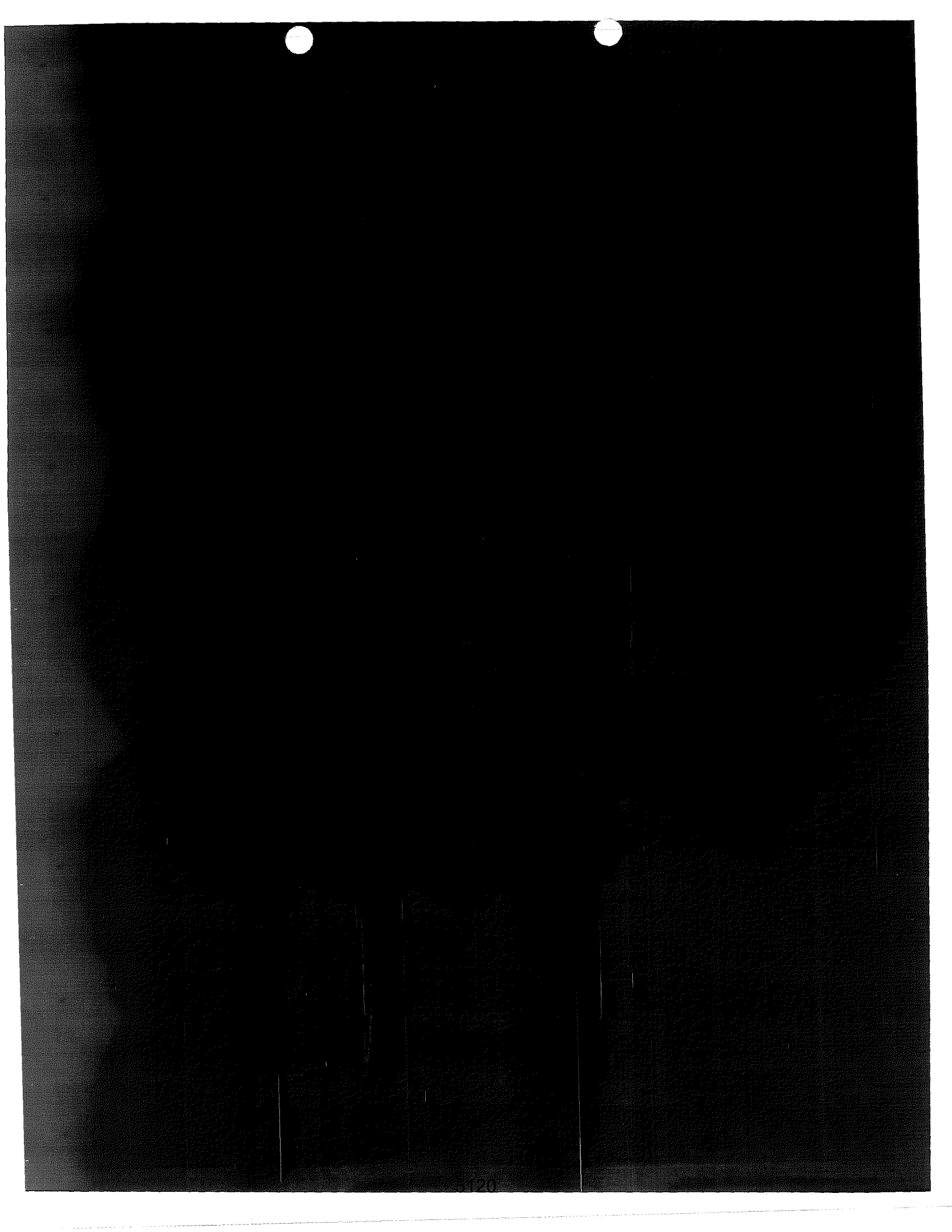

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California Housing Partnership Corporation
California's Experts on Affordable Housing Finance, Advocacy & Policy

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THE STATE CREATED THE CALIFORNIA HOUSING PARTNERSHIP CORPORATION 25 YEARS AGO AS A PRIVATE NONPROFIT ORGANIZATION WITH A PUBLIC MISSION: TO MONITOR, PROTECT, AND AUGMENT THE SUPPLY OF HOMES AFFORDABLE TO LOWER-INCOME CALIFORNIANS AND To PROVIDE LEADERSHIP ON AFFORDABLE HOUSING FINANCE AND POLICY. SINCE 1988, THE CALIFORNIA HOUSING PARTNERSHIP HAS ASSISTED MORE THAN 200 NONPROFIT AND LOCAL GOVERNMENT HOUSING ORGANIZATIONS TO LEVERAGE MORE THAN $5 BILLION IN PRIVATE AND PUBLIC FINANCING TO CREATE AND PRESERVE 20,000 AFFORDABLE HOMES.

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Support for this research was provided by the Ford Foundation

Executive Summary

California is currently debating how to invest greenhouse gas (GHG) cap-and-trade auction proceeds so that they result in real, quantifiable and verifiable greenhouse gas reductions.

A new analysis of data from Caltrans' California Household Travel Survey (CHTS) completed in February 2013 shows that a well-designed program to put **more affordable homes near transit** would not just meet the requirements set by the California Air Resources Board (ARB), but ***would be a powerful and durable GHG reduction strategy*** – directly reducing driving while creating a host of economic and social benefits.

Conducted by the nationally recognized Center for Neighborhood Technology (CNT), the analysis identified 36,000-plus surveyed households that had provided all relevant demographic and travel data and divided them into five income groups, living in three types of locations based on their proximity to public transportation:

- **Transit-Oriented Development (TOD) as defined by the California Department of Housing & Community Development (HCD)** requires homes be built within a 1/4 mile radius of a qualifying rail or ferry station or bus stop with frequent service.

- **TOD as defined by the Sustainable Communities and Climate Protection Act of 2008** (SB 375) requires housing to be built within a 1/2 mile radius of a rail or ferry station, or a bus stop but with lesser frequencies than HCD's definition.

- **Non-TOD** areas that do not meet either of these definitions.

Here are two key findings:

- Lower Income households drive 25-30% fewer miles when living within 1/2 mile of transit than those living in non-TOD areas. When living within HCD's 1/4 mile of frequent transit they drove nearly 50% less.

- Higher Income households drive more than twice as many miles and own more than twice as many vehicles as Extremely Low-Income households living within 1/4 mile of frequent transit. This underscores why it is critical to ensure that low-income families can afford to live in these areas.

In response to soaring demand from Higher Income households for condos and luxury apartment developments near public transit, there has been a surge of new development. The CNT report shows the tremendous greenhouse gas reductions the state can achieve by ensuring that more low-income households can also live in these areas through investment of cap-and-trade auction proceeds.

DESIGNING A CAP-AND-TRADE INVESTMENT PROGRAM THAT MAXIMIZES GHG REDUCTIONS

The CNT analysis provides robust evidence that an investment by the state in the creation and preservation of affordable housing located within 1/4 mile of frequent transit can dramatically reduce GHGs.

Using conservative assumptions, TransForm and the California Housing Partnership calculated that investing 10% of cap and trade proceeds in HCD's TOD Housing program for the three years of FY 2015/16 through FY 2017/18 would result in 15,000 units that would remove **105,000,000 miles of vehicle travel per year** from our roads.

Over the 55-year estimated life of these buildings, this equates to eliminating **5.7 billion miles of driving off of California roads. That equates to over 1.58 million metric tons of GHG reductions, even with cleaner cars and fuels anticipated.**

What's more, the State can significantly increase these GHG reductions. The savings in miles driven described above is based solely on location and income, but HCD has a variety of ways their program could further reduce GHGs such as giving priority to developers who provide free transit passes for residents, adjacent carsharing pods, and bicycle amenities.

Finally, TransForm and CHPC offer a methodology for verifying and reporting the reductions.

Introduction

California has been a leader on climate change since passing AB 32, the California Global Warming Solutions Act in 2006.

Recognizing that transportation-related GHGs accounted for 37% of California's total GHGs, the legislature also passed SB 375 in 2008. The primary aim of this law is to reduce the amount people drive and associated GHGs by requiring the coordination of transportation, housing, and land use planning at a regional scale.

Ensuring that households of all incomes, and especially lower-income households who use transit most, are able to live near transit and jobs is crucial to the GHG reduction framework set up by SB 375. Yet the law does not provide any new financial resources to make the production and preservation of affordable homes near transit feasible.

AB 32 enabled the California Air Resources Board (ARB) to use market mechanisms to support reductions in GHGs. With the auction of greenhouse gas pollution allowances now taking place every quarter, state leaders are debating how to invest greenhouse gas cap-and-trade auction proceeds so that they result in real, quantifiable and verifiable greenhouse gas reductions.

In May 2013, ARB released its Cap-and-Trade Auction Proceeds Investment Plan, which identified "priority State investments to achieve GHG reduction goals and produce valuable co-benefits." ARB recommended that Sustainable Communities and Clean transportation receive the largest investment amount.

Importantly, ARB also recognized that the creation and preservation of affordable homes near transit should be part of this investment strategy, specifically naming the Department of Housing and Community Development's Transit-Oriented Development Housing program (HCD TOD) as an existing program that would be able to carry out a GHG reduction program relatively quickly and efficiently.

This report begins with CNT's analysis demonstrating for the first time the interrelationship between income and living in close proximity to transit, as defined by the HCD TOD criteria as well as by the SB 375 criteria.

The report then uses this information to calculate the GHG savings that would result from investing a portion of the cap-and-trade auction proceeds in affordable TOD homes over the next three years.

The key to CNT's ability to analyze these critical relationships is excellent, recent, statewide data made available by the California Household Travel Survey (CHTS) in 2013. The CHTS data, the collection of which was coordinated by Caltrans with support from a host of state and regional agencies, consists of one day travel surveys from over 40,000 households from all 58 counties in California and was collected from February 2012 through January 2013. CNT identified 36,197 household surveys from the CHTS that contained all relevant household demographic, location, and travel information needed for this analysis. A final report from CNT with additional data is anticipated in June 2014.

DEFINING TRANSIT-RICH AREAS AND STUDY METHODOLOGY

To determine accepted definitions of transit-rich areas, CNT worked with CHPC, TransForm and other experts to review California law and programs. Two well-used definitions were identified. The first is used by the California Department of Housing and Community Development (HCD) in its Transit-Oriented Development (TOD) Housing Program and the second is from the language of SB 375 defining High-Quality Transit Areas (HQTAs).

- **HCD TOD Areas** - HCD's TOD Housing Program Guidelines define TOD areas as being within 1/4 mile of a qualifying rail or ferry station or a bus stop with ten minute headways during the peak period defined as 7am to 10pm and 3pm to 7pm on weekdays. For any transit stop to qualify, it must offer hourly service on weekday evenings from 7pm to 10pm and have at least ten trips on both Saturday and Sunday. (TOD Housing Program: Third Round Guidelines, 2013.)

- **High Quality Transit Areas (HQTAs)** – SB 375 defines HQTAs as the area within 1/2 a mile of a rail or ferry station, regardless of service frequency at that station, as well as all bus stops with at least 15-minute headways during the peak period, as defined above.

CNT identified these geographies using its proprietary AllTransitTM database, which is based on the general transit feed specification (GTFS). AllTransitTM is the most comprehensive repository of GTFS data because CNT compiles publicly available feeds, acquires feeds that exist but are not publicly available, and codes its own feeds where none exist or are available. Areas that do not meet either of these definitions are defined as "non-TOD".

INCOME CATEGORIES

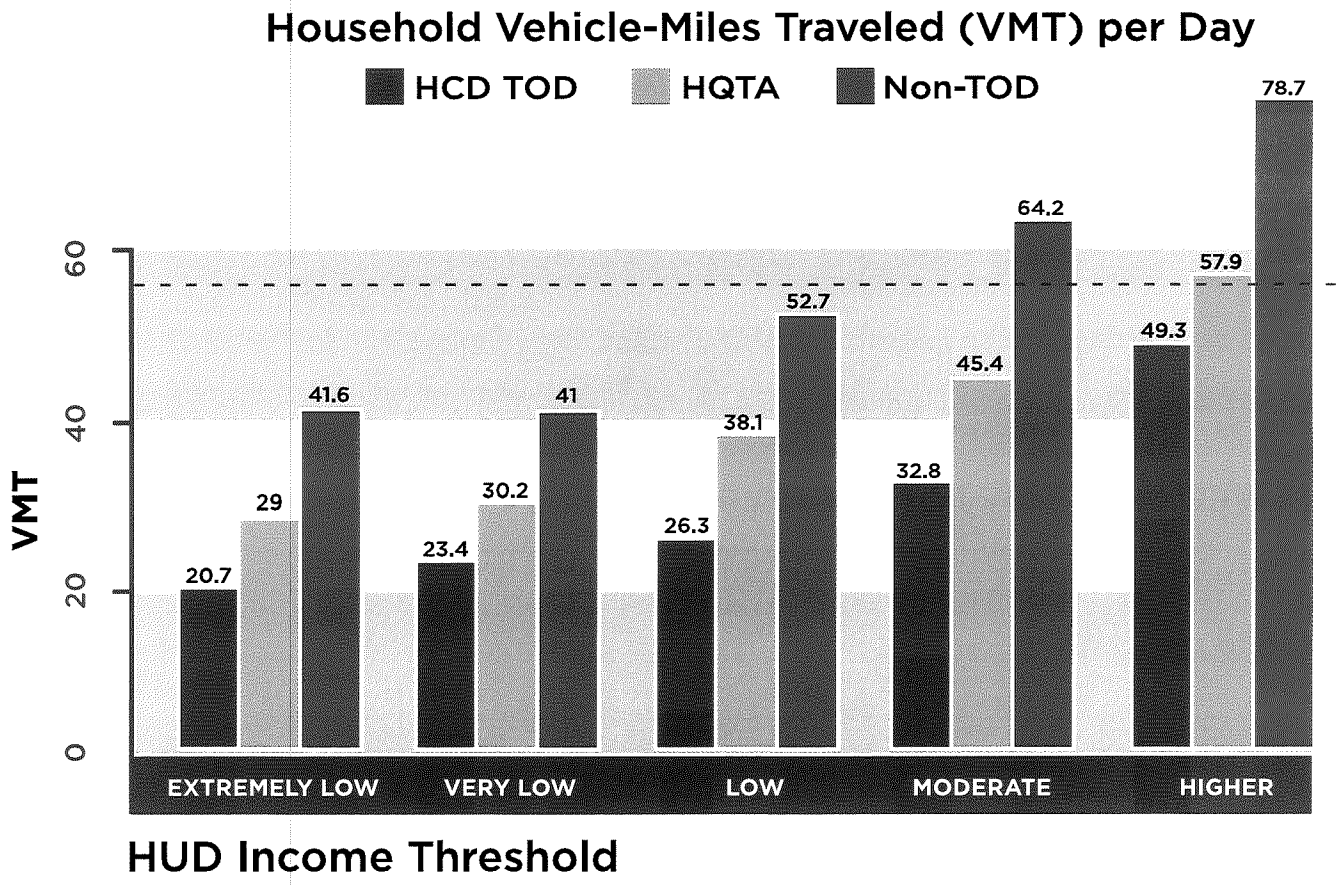
CNT categorized surveyed households using U.S. Department of Housing and Urban Development (HUD) income categories in order to compare households across all of California, which has wide variation in local incomes and housing costs. HUD publishes an annual listing of income thresholds based on the area Median Family Income (MFI) for each county by metropolitan area and includes adjustments for household size. HUD includes three lower income categories in this annual spreadsheet and CNT added two additional categories for moderate and higher income households based on the same assumptions used to calculate the lower income categories:

- **Extremely Low-Income (ELI) –** Households earning 30% or less of MFI
- **Very Low-Income (VLI) –** Households earning 50% or less of MFI
- **Low-Income (LI) –** Households earning 80% or less of MFI
- **Moderate Income –** Households earning between 80% and 120% of MFI
- **Higher Income –** Households earning more than 120% of MFI

INITIAL RESULTS

Preliminary findings from CNT's analysis of the CHTS reveal that living in proximity to transit-rich areas and household income are two major factors that impact the number of household trips as well as household vehicle miles traveled (VMT).

FIGURE 1. Household VMT per Day

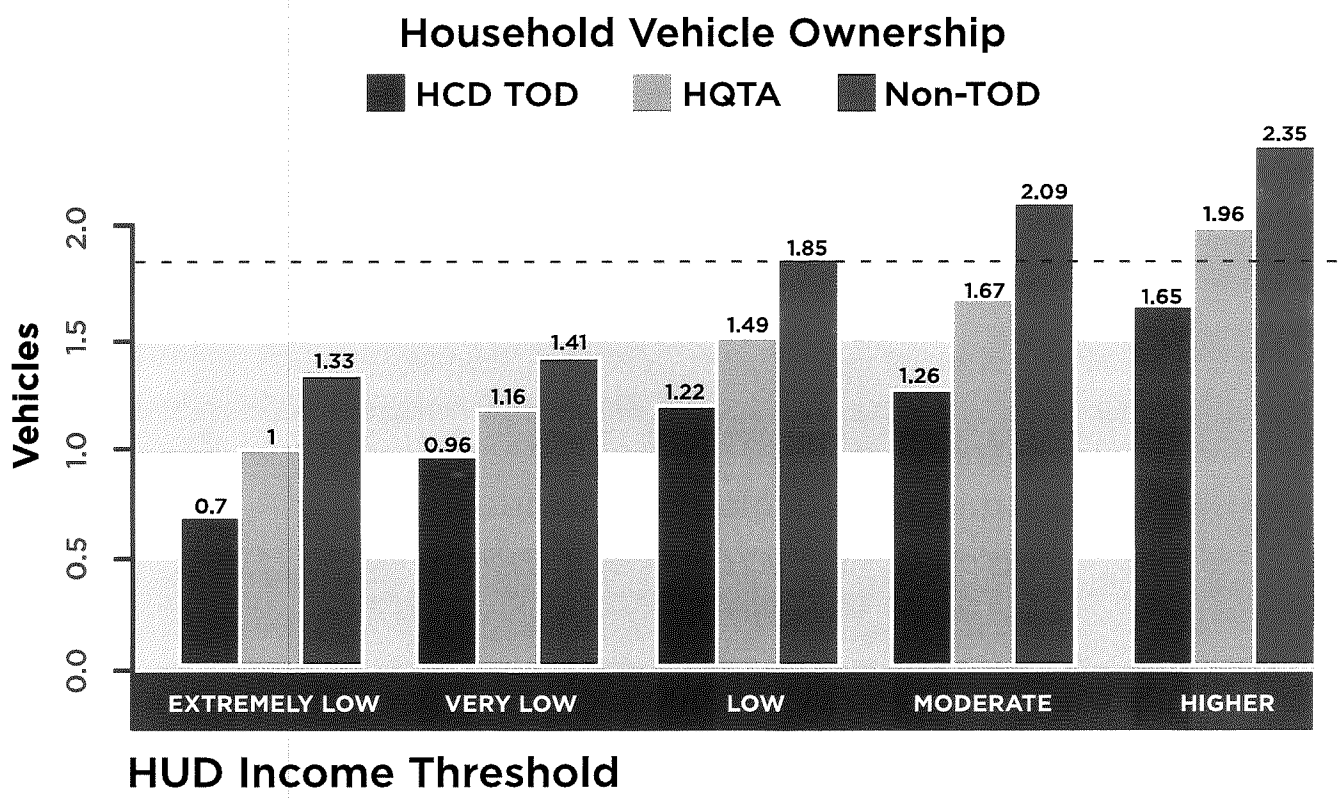


VEHICLE MILES TRAVELED (VMT)

The report data clearly shows that all income groups experience significant differences in average daily VMT depending on where they live. The difference in VMT for households living in HCD TOD areas compared to those in non-TOD areas range from 50% fewer VMT for Extremely Low-Income (ELI) to 37% fewer for Higher income households. All income groups living in HQTAs have 25-30% lower VMT than similar-income households living in non-TOD.

Extremely Low-Income households living in HCD-TOD areas have by far the lowest VMT of any household group, logging only 20.7 VMT per day on average, almost 60% less than the 49.3 average VMT of Higher income households also residing in HCD TOD areas.

FIGURE 2. Household Vehicle Ownerhship



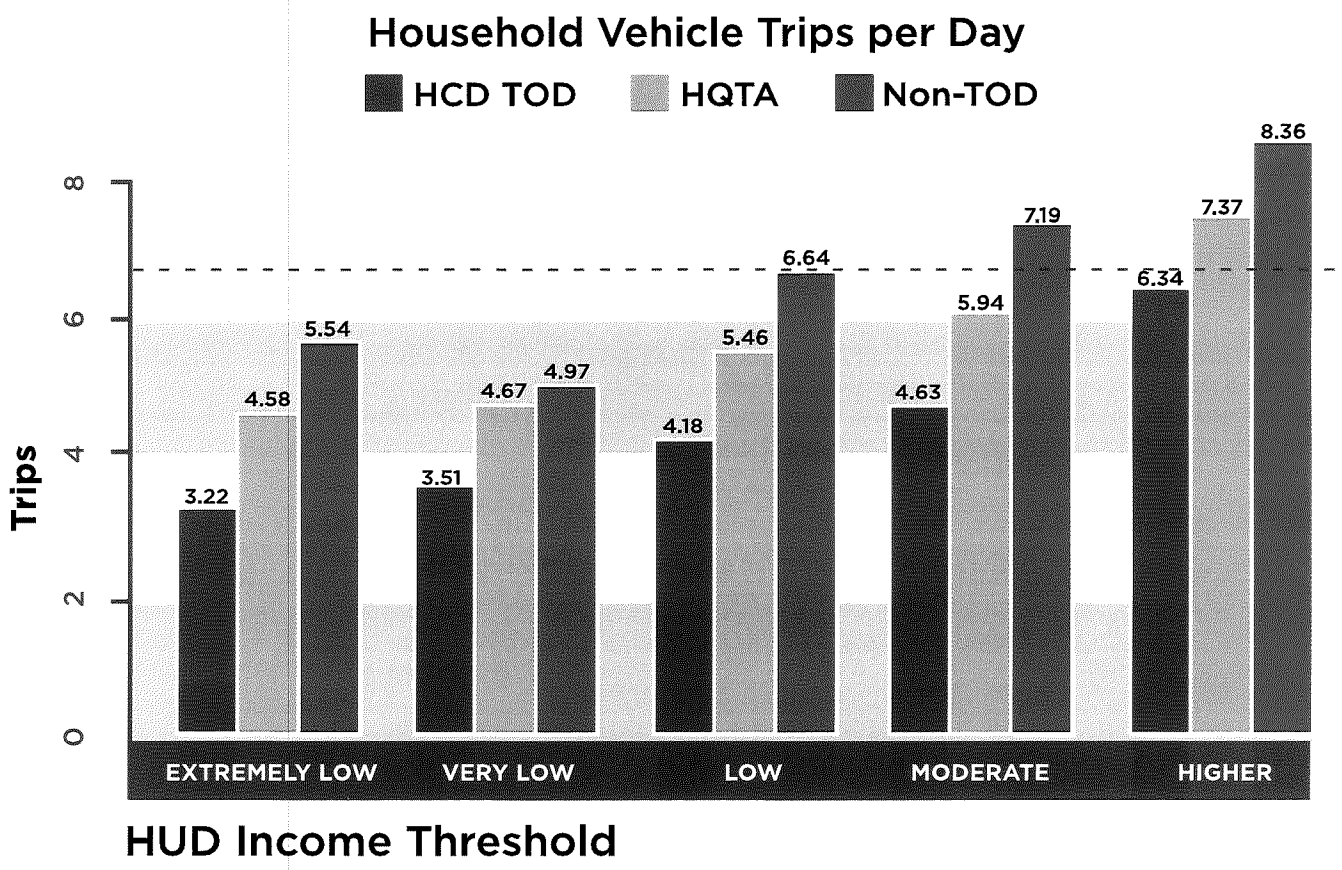
VEHICLE OWNERSHIP

The biggest single determinant of VMT–and therefore GHG emissions–is ownership of a private vehicle. Within the HCD TOD areas, all income groups own cars at a rate that is at least 30% lower than non-TOD areas. However, Extremely Low-Income households particularly economize on vehicle ownership when living in TOD. On average, these households own only 0.70 vehicles per household – less than half the number of cars owned by Higher Income households (1.65 vehicles per household).

The chart below demonstrates that, contrary to popular perception, lower income households have relatively high car ownership when they lack access to transit. This finding is significant because it indicates the large financial savings that lower income households can accrue by being able to avoid vehicle ownership by living near transit.[1] Transportation costs, primarily those associated with vehicle purchase, maintenance and operations, are the second highest household cost after housing.[2] In other words, providing affordable TOD homes not only lowers GHGs but also reduces both transportation and housing costs while providing strong access to services and employment opportunities.

There are other benefits of low-vehicle ownership rates. For example, vehicles take up significant space in the form of parking and street space. Locating affordable homes near transit allows communities to maximize the beneficial uses of these areas as shown in graphic on page 13.

FIGURE 3. Household Vehicle Trips per Day

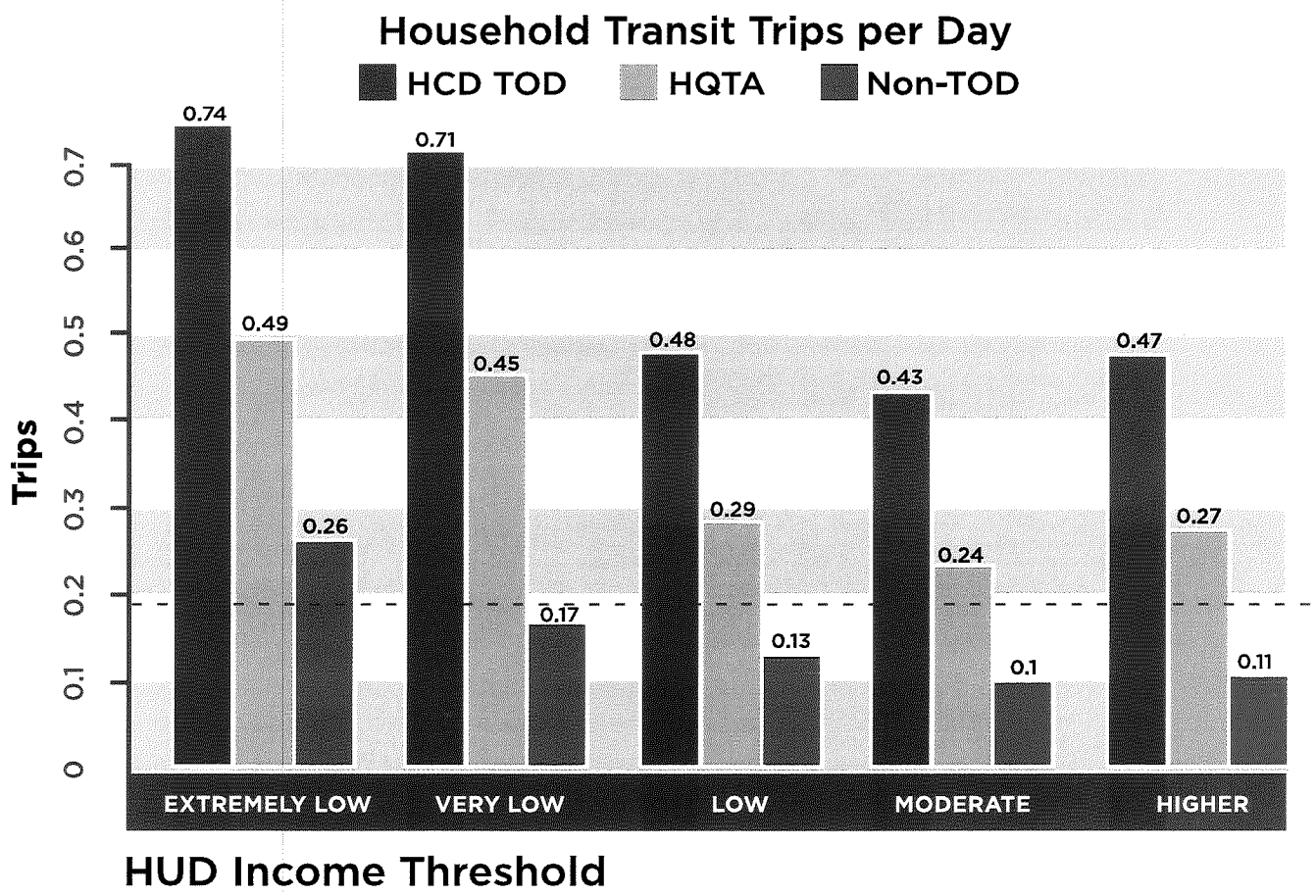


VEHICLE TRIPS

Income and location also have a significant correlation with the number of vehicle trips that are made. Figure 4, below, shows that households of all incomes make fewer vehicle trips when they live in HCD TOD areas compared to non-TOD locations. On average, Extremely Low Income households make only 3.22 vehicle trips per day – roughly half the number of trips made by Higher Income households (6.34 trips) in HCD TOD areas.

Fewer vehicle trips means not only fewer vehicle miles traveled but also less congestion and fewer vehicles idling in stop-and-go traffic. Congested driving conditions due to more vehicles on the road result in higher GHG emissions and criteria air pollutants. Reducing the number of trips in highly populated areas also has beneficial air quality impacts and can improve bicycle and pedestrian safety.[3]

FIGURE 4. Household Transit Trips per Day



TRANSIT TRIP FINDINGS

From a transportation investment policy and planning perspective, it is important to know that households in transit-rich areas not only drive less, but also use transit more. In this regard the findings on differences based on both location and income are profound:

Households living in HCD TOD areas use transit at rates that are triple or quadruple the rates of households living in non-TOD areas. The transit trip bonus[4] is much higher, however, for the groups making less than 50% of median income. Extremely Low Income and Very Low Income households living in a HCD TOD take transit 50% more than their neighbors from higher income brackets.

Designing a Cap-and-Trade Investment Program that Maximizes GHG Reductions

The California Department of Housing and Community Development (HCD) developed a program for funding affordable homes near transit, with the first rounds of funding. Initially funded by the passage of Proposition 1C in 2006 this Transit-Oriented Development Housing Program (TOD) is now depleted.

The TOD Housing program was designed with the specific goals of increasing public transit ridership, minimizing automobile trips, and promoting GHG reductions. This report demonstrates that HCD's TOD program is an excellent starting point for an affordable housing program that is focused on maximizing GHG reductions.

Some strong key attributes of the existing HCD TOD program include:

- location within 1/4 mile of frequent transit;
- strong access to services and job centers;
- serving households at lower income levels;
- offering additional points for:
  - free or discounted transit passes to residents;
  - innovative parking, including allowing shared parking between different; uses and
  - offering dedicated spaces for carsharing vehicles.

CREATING AN EVEN MORE TRANSFORMATIVE AFFORDABLE TOD HOME PROGRAM

If funding for HCD's TOD program is to be focused on further increasing GHG benefits, both for residents and for the surrounding community, the program could consider potential changes that include providing additional incentives to developers who are proposing to include more GHG-reducing measures. These measures can include:

Focus on housing more ELI and VLI households. The HCD TOD program currently sets a minimum of 15% of all units be made affordable to low income households with maximum points awarded for applicants increasing this level to 25%. However, there are no requirements to serve ELI or VLI households, per se. Now that we have new data showing the GHG associated with housing these income groups, we propose that the HCD TOD program provide incentives to developers to provide at least 10% of the homes affordable to ELI households and provide maximum points for developers willing to go above the current 25% maximum. In recognition of the greater costs involved in producing housing affordable to these lower income households, HCD TOD should consider increasing loan and grant amounts accordingly.

Free transit passes. Studies have shown that free transit passes lead to much higher transit ridership and lower GHGs. For example, a survey of 1,500 low income renters found that 64% use a transit pass more than four times per week, and 22% said their passes reduce the number of cars owned in their household.[5]

A family at First Community Housing's Fourth St. Apartments shows off their free VTA transit passes. These passes would typically cost $770 per year for adults and $495 for children.

Car share vehicles on site, with free membership for residents. Car sharing dramatically reduces vehicle ownership and trips, especially in areas with strong access to transit.[6] Yet there have been few models of long-term agreements to provide on-site carsharing. TransForm's GreenTRIP program has worked with City CarShare, Zipcar and affordable housing developers to arrange for long-term agreements for pods in or adjacent to new developments. To maximize GHG benefits and get additional points, developers could be encouraged to have electric vehicles, or at least high mileage hybrid cars, carshare pods.

Create space for bike sharing. By 2015 there will be bike sharing programs in the four major regions of California. The evidence of bike sharing's benefits and what it takes to do it well (especially the need for a larger scale) is growing by the month.[7] Creating the space for bike share pods adjacent to new developments is critical.

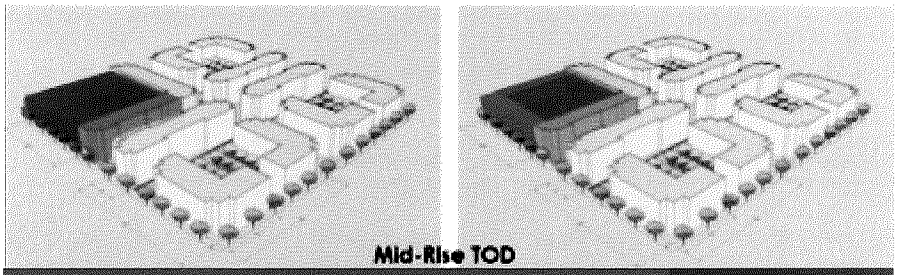
Other innovative trip reduction strategies. Providing amenities like bicycle-fixing stations, pedestrian trunks to support walking to shopping, and travel kiosks that have real-time travel information will also help reduce VMT.

Less Parking: An example of the additional benefits of affordable homes near transit.

CNT's analysis shows that Higher Income households living in HCD TOD areas have vehicle ownership rates of 1.65 vehicles/household. In comparison, extremely low income households only own on average 0.7 vehicles/household. While there are several benefits of lower vehicle ownership, the reduced need for parking is a significant one. We have developed a graphic representation showing the reduced parking needed for a hypothetical development near transit and the increase in the number of homes that can be provided.

By designating 100% of the homes as "affordable" for Extremely Low-Income households, in a prototypical eight-acre development site with an initial plan of 875 units in six-story buildings and 1.65 parking spaces per unit (parking in red), the parking can be reduced to 0.7 spaces/unit. Within the exact same building envelope the developer can add 146 units to the same building envelope (seen as green). The number of spaces can be further reduced by adding the trip reduction strategies mentioned above.

1.65 PARKING SPACES PER UNIT **vs. 0.7**



Mid-Rise TOD

	1.65 HIGHER INCOME	0.7 EXTREMELY LOW-INCOME	CHANGE
Units	875	1,021	+146
Parking Spaces	1,444	715	-729
Parking Cost ($20,000/space)	$28.8	$14.3m	-$14.5m

Estimating the future GHG reduction benefits of building affordable transit-oriented development

For this analysis, we assume that a new affordable unit will be occupied by a household moving from a location less accessible by transit. While it can not be guaranteed that new units will be occupied by a mover of this type, each new unit represents an addition to the total supply of housing near transit and an additional household living near transit that otherwise would not be able to afford to do so.

We focus our calculations on Extremely Low-Income and Very Low-Income households because public investment is most essential to building and preserving homes for these income groups. We assume that homes in affordable TOD would serve 50% ELI households and 50% VLI households.

We also assume that public investment in affordable TOD would be focused in areas meeting HCD's TOD program criteria.

The average difference in daily VMT for ELI and VLI households living in HCD TOD areas vs. non-TOD is **-19.25 VMT per day**. The annual difference is **-19.25 VMT x 365 = -7,026.3 VMT**.

If 10% of cap-and-trade funds are invested in affordable TOD as currently proposed, an average of $250 million per year will be invested in each of the three fiscal years running from 2015/2016 through 2017/2018. (This assumes total cap-and-trade allocation of $2 billion the first year, rising by $500 million per year)

Using HCD's current TOD program guidelines, we assume that each building would get the maximum of $50,000 per unit from these cap-and-trade funds. In the past, each affordable unit receiving funding has been required to remain affordable for 55 years, so we keep that timeframe as the durability of the program.

Using these conservative assumptions, investing 10% of cap-and-trade proceeds in HCD's TOD program would result in 15,000 transit-connected homes that would remove **105,000,000 miles of vehicle travel per year** from our roads.

Over the 55-year estimated life of these buildings, this equates to eliminating **5.7 billion miles of driving off of California roads. That equates to over 1.58 million metric tons of GHG reductions, even with cleaner cars and fuels anticipated[8].**

WHY THIS GHG CALCULATION IS CONSERVATIVE

The GHG benefits stated above are conservative in several ways. Most importantly, the estimate only includes direct GHG reductions from the difference in location, when in reality it will be possible to estimate additional benefits due to these factors:

- On-site trip reductions strategies that are part of HCD's TOD program.
- Access to new carshare, or through new local services (if applicable).
- Low-income households, on average, own less efficient vehicles that generate more GHGs[9]. As new vehicles quickly increase their efficiency, especially the more expensive hybrids and electric vehicles, that differential is likely to increase.
- Homes for low-income families are more compact, meaning a greater density of homes and a better use of these limited areas[10].

HOW TO BEST VERIFY ACTUAL GHG REDUCTIONS?

To analyze actual reductions of vehicle miles travelled and GHGs we recommend that HCD and ARB design a monitoring program that could include travel diary surveys, or sample trip generation studies (using black pneumatic tubes). While HCD would need to ensure proper design and implementation of these methods, they all are feasible to get a good estimate of VMT.

Finally, we suggest that firm commitments for on-site trip reduction strategies be developed. TransForm's GreenTRIP program now works to get these commitments written into the conditions of approval for the project, for example.

CONCLUSIONS

The findings of this report make clear the powerful way in which living close to transit and household income affect household travel behaviors. Increasing the amount of housing in transit-rich areas for households of all income levels can help reduce the state's GHG emissions. While private equity markets are actively investing in transit-oriented residential development for Higher Income households, there is next to no private capital to meet the need to preserve and create homes in transit-rich areas that are affordable to Low Income households.

Investing cap-and-trade funds in affordable TOD will ensure that the state captures the full GHG reduction benefits possible from the integration of land use, housing, and transportation planning. These benefits include:

- Reducing VMT for low income households by nearly 50% from non-TOD locations and achieving levels of VMT 60% below those of higher income households also living in TOD.
- Reducing car ownership by .63 vehicles per household, or more than one car for every two low income households, and freeing up land used for parking to create housing and public space.
- Decreasing vehicle trips and increasing transit trips, helping to ease congestion and increase transit ridership by at least 50% more than the ridership achieved by Higher Income households.
- Lowering household transportation costs and providing improved access to jobs and services.

Furthermore, affordable housing developers have a proven track record of implementing transportation demand management strategies like those structured into the HCD TOD program including: reduced parking, free transit passes for residents, and bike and car share on site. With these policies in place, the production and preservation of affordable TOD homes funded through cap-and-trade will reduce VMT by millions of miles per year, offering an important tool in California's efforts to reduce GHG emissions.

ENDNOTES

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3. Community Cycling Center, *Understanding Barriers to Bicycling Project*. Final Report, July 2012. http://www.communitycyclingcenter.org/wp-content/uploads/2012/07/Understanding-Barriers-Final-Report.pdf

4. The transit trip bonus is the absolute difference in the mean number of transit trips.

5. First Community Housing, *Ecopass Program*. 2009. http://www.firsthousing.com/wp-content/uploads/2009/05/ecopass1.pdf

6. "20% of car-sharing households give up one or more vehicles, and on average 34% forgo buying a new car." Transportation Research Board, *Transit Cooperative Research Program (TCRP) Report 108, Car-Sharing: Where and How it Succeeds*. 2005. http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_108.pdf

7. ITDP concludes that Bike-share systems should aim for four daily uses per bike to maximize the public cost-benefit. ITDP, *The Bike Share Planning Guide*. 2013. https://go.itdp.org/display/live/The+Bike-Share+Planning+Guide

8. Estimates used conversion factor of 273.15 CO2 grams per mile based on ARB's EMFAC 2011 CO2 emission rates. These include Low Carbon Fuel Standards and "Pavley" efficiency standards. 2035 rates were used as the average for all years.

9. "In sum, poor households that own vehicles own dirtier vehicles than wealthy vehicle owners." Sara West, "Equity Implications of Vehicle Emissions Taxes", *Journal of Transport Economics and Policy*, Volume 39, Part 1, January 2005, pp. 1–24. S http://www.macalester.edu/~wests/westjetp1910.pdf

10. California Air Pollution Control Officers Association (CAPCOA), *Quantifying Greenhouse Gas Mitigation Measures: A Resources for Local Government to Assess Emission Reductions from GHG Mitigation Measures*, August 2010.

GRAPHIC DESIGN: WWW.KIMBERLYSCHWEDE.COM

Association of Bay Area Governments

Resources for Community Development

TRANSIT ORIENTED DEVELOPMENT AND AFFORDABLE HOUSING

A Survey of Residents in Five East Bay Properties

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Phone 510-464-7900
www.abag.ca.gov

Resources for Community Development
2220 Oxford Street, Berkeley, CA 94704
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http://www.rcdhousing.org/

Transit Oriented Development and Affordable Housing:
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Foreword

This report presents key findings from a collaborative effort between the Association of Bay Area Governments (ABAG) and Resources for Community Development (RCD—a nonprofit affordable housing development company with over 2,000 units in the San Francisco Bay Area) to study the effects of Transit Oriented Development (TOD) locations on residents of affordable housing. The findings and analysis were first presented at the Association of Collegiate Schools of Planning conference, in the companion working paper entitled, "Effects of TOD Location on Affordable Housing Tenants: Travel Behavior, Access to Jobs and Services."

This research project was conceived in 2011, through discussions among Dan Sawislak, Executive Director of RCD, Cynthia Kroll, originally as Staff Research Director at the University of California Berkeley's Fisher Center for Real Estate and Urban Economics and then as Chief Economist at ABAG, and Vanitha Venugopal of the San Francisco Foundation about the impact of RCD's TOD properties on residents' quality of life and travel patterns. This pilot project, under management of Cynthia Kroll and Daniel Sawislak, surveyed residents at five RCD TOD and non-TOD properties. Participation was completely voluntary, and over 200 households responded.

Acknowledgments

Graduate students and faculty from UC Berkeley's College of Environmental Design also contributed to the project. Jonathan Malagon, a Master's student in Berkeley's City and Regional Planning Department, provided initial design and pretesting of the survey. Carlo De La Cruz devoted his summer internship and client project for the Masters of City Planning degree to this study, acting as survey manager for the implementation and analysis phases. UC Berkeley Professors Karen Chapple and Carolina Reid and RCD board member Marian Wolfe (also principal of Vernazza Wolfe Associates) reviewed the survey instrument and drafts at several stages. James Pappas, California Housing Partnership Corporation, and Robert Calkins, Contra Costa County, provided suggestions on project and survey design.

ABAG and RCD staff participated at all stages of the project. Pedro Galvao and Christy Leffall provided early conceptual input and the literature review and were part of the survey team, which also included Wally Charles, Carlo De La Cruz, Cynthia Kroll, Yeni Magana, and Bobby Lu. Sabrina Butler and Olivia King explained the operations of RCD and helped identify the properties included in the survey or pretesting. June Cummings, Michael Gliksohn and Michael Nobles were instrumental in the logistics of conducting surveys at RCD properties. In addition, property management staff of the John Stewart Company, including Sara Cha, Agueda Gomez, Wally Palega, and Morgan Or, provided essential support in working with residents and community members at each site. Members of other organizations also assisted in outreach and engagement with residents, including Anna Ybarra with Bridge Point Church and Rosemary Hatcher with Contra Costa Interfaith Housing. Liz Eckstein of RCD provided editorial input, and Leah Zippert and Victoria Rutherford of ABAG contributed to the format and design of the final document.

Special thanks to the RCD residents for sharing their experiences and opinions with us.

We are grateful for support for this research from the San Francisco Foundation, the Ford Foundation, and the Association of Bay Area Governments Finance Authority.

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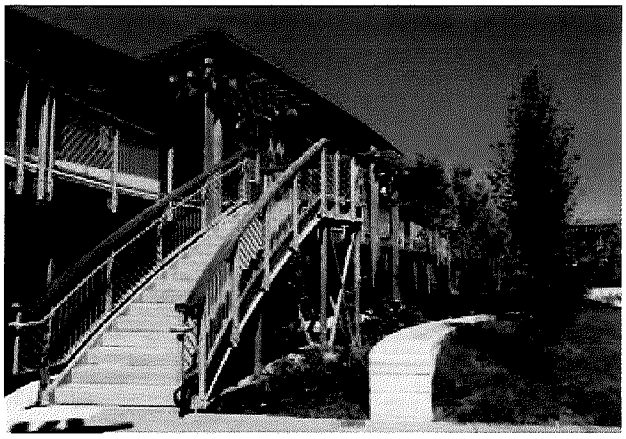


Executive Summary

Funding for affordable housing development in California is in the midst of a sea change. The Affordable Housing and Sustainable Communities program (AHSC), built on Cap and Trade revenues, is currently one of the few sources for affordable housing in California to replace dollars no longer available as redevelopment set-asides. This new funding comes with strong requirements for sustainability features in site selection, including a focus on Transit Oriented Development (TOD).

Two decades of research now demonstrate environmental, economic and social benefits are possible when housing is located near transit, but also show automobile use may continue even in TOD locations. Less research to date has explored whether TOD location of affordable housing can meet broader goals of increasing the stock of affordable housing and providing other social and economic equity advantages, while reducing GHG emissions from travel.

This study by the Association of Bay Area Governments (ABAG) and Resources for Community Development (RCD) examines the potential social, economic and environmental benefits accrued when affordability is paired with TOD by comparing affordable TOD housing and suburban non-TOD affordable housing. The study was conducted over the course of six months with responses from over 200 households at five affordable housing developments.

This report summarizes survey results, including residents' travel patterns, perceived changes in access to employment, satisfaction with nearby amenities, and improvements in quality of life since moving to the property. (See Key Survey Findings below). The report describes potential implications for policy makers and housing advocates and recommends strategies for producing greater sustainable (reductions in GHGs) and equitable (deeper levels of affordability) outcomes. (See Policy Implications below).

Key Findings

- Residents of the properties in TOD sites use public transit more and car travel less than their counterparts in locations farther from transit options. Walking and biking are also options chosen when amenities are nearby.
- Among survey respondents, lower income households, in both TOD and non-TOD locations, drive less and take transit more frequently than higher income households. Higher income households travel further distances for work, school and recreational activities compared to their lower income neighbors.
- Households are sensitive to travel costs. The property with higher cost parking and fewer spaces had lower rates of car ownership and use, yet some households expected to reduce bus use following a transit system fare increase. Residents near free shuttle service

rode the bus at a rate similar to those in the two TOD properties.

- Residents traveled the greatest distances to work, to places of worship and for medical care. Of all amenities, residents were least likely to change place of worship or medical services after moving into the RCD property.
- The great majority of residents reported that access to jobs was the same or easier after moving to an RCD property. Respondents were no more likely to report access to jobs improved in TOD sites compared to non-TOD sites.
- Most of the households surveyed had previously lived in the same city or a neighboring city. A much smaller share came from a further away, at times moving closer to a job or schooling.

Policy Implications

- Affordable TOD housing is an effective strategy for reducing GHG emissions and reduction in VMT.
- The environmental, economic and social benefits of TOD are strengthened by focusing on deeper levels of affordability, providing options for extremely low-income and very low-income households.
- Programs to increase the cost of vehicle ownership in TOD locations or boost convenience of transit beyond TOD locations can improve access or encourage households toward travel modes that reduce vehicle miles traveled in private vehicles.
- Affordable TOD is not the only mechanism to achieve both environmental and quality of life outcomes. By locating housing near work, retail, schools and recreation, reductions in GHG emissions and VMT are possible in both urban and suburban locations.
  - Affordable housing projects near amenities like grocery stores, parks and schools can produce significant VMT reduction, even outside of TOD locations.
  - Innovative programs such as free shuttle connections to bus and BART service can boost ridership by residents of affordable housing properties more distant from transit services.
- Social and economic ties may lead households qualified for housing assistance to seek opportunities close to their existing residences. **We need solutions for developing new affordable properties even where communities are not close to TOD.** Programs such as AHCS could incorporate alternative strategies to address the state's sustainability goals and meet the need for more affordable housing in locations around the state that do not meet the strict qualifications of TOD to qualify for funding.
- Employment issues are not resolved by transit accessibility alone, but a combination of travel alternatives, a denser population of employers, and property and community assistance services can improve employment options for affordable housing residents.

I. Introduction

Funding for affordable housing development in California is in the midst of a sea change. Local redevelopment agencies were previously the single largest locally generated source of funds available to California communities for affordable housing. With the termination of redevelopment and the emergence of the state's Cap and Trade revenues, including the Affordable Housing and Sustainable Communities Program (AHSC), developers are more than ever looking for opportunities to link affordable housing with Greenhouse Gas (GHG) reduction strategies to help achieve sustainability goals set forth as part of California's Greenhouse Gas Emission Reduction program (SB 862).[1]

Once viewed as a secondary benefit of smart design, housing located near transit is now viewed as a significant component in achieving the State's goal of reducing GHG emissions to pre-1990 levels by 2020. For many advocates and affordable housing developers, transit oriented development (TOD) is not simply the preferred model, but one of the only viable options for developers competing for existing funds (both Federal and State) for affordable housing.

As developers and local jurisdictions compete for Greenhouse Gas Reduction funds and other financing subsidies, it will be important to fully understand the benefits and implications of using affordable TOD as either a sustainable (reduction of GHG) or equitable (quality of life) strategy. Extensive research on the effects of TOD on residents' travel patterns has shown the potential benefit of lowering GHG emissions through reduced vehicle miles traveled (VMT). Research is at an earlier stage of study on the relationship between TOD-located affordable housing and GHG or VMT reduction, as well as the potential quality of life benefits of affordable TODs.

This study illustrates the experiences of more than 200 households in five San Francisco Bay Area affordable housing developments categorized as either TOD or non-TOD based on their proximity to major transit lines. The study identifies benefits achieved through the creation and preservation of affordable housing near transit, and also reveals possible strategies to reduce GHG emissions in non-TOD affordable housing sites.

The results contribute to the growing evidence that affordable TOD is an effective strategy for the reduction of GHG emissions and VMT for residents of affordable housing. The diverse experiences of residents in the properties surveyed also indicates that other viable strategies can bring a portion of the benefits of affordable TOD in places where transit options are limited. The development of housing within amenity and service rich areas (including retail, recreation, religious, and employment

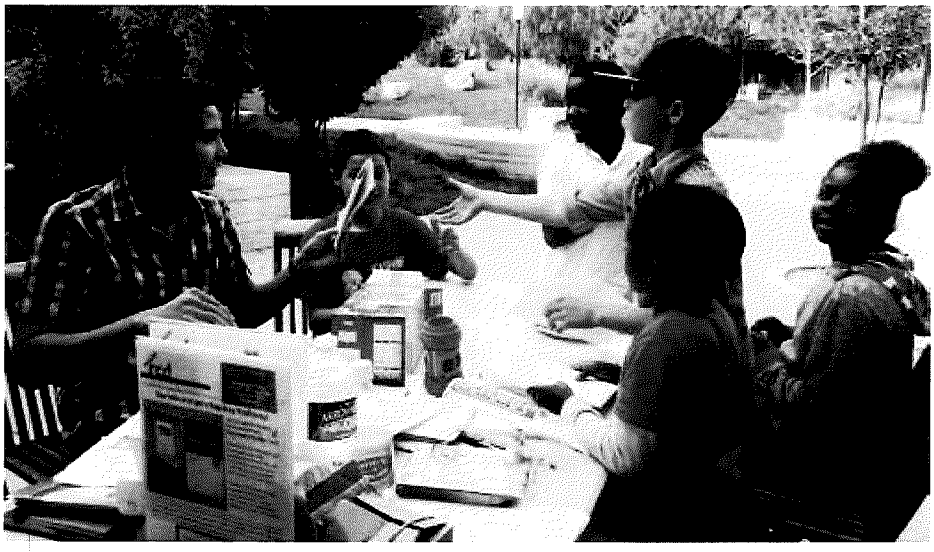
1. California's redevelopment-linked Tax Increment Financing provided $1.7 billion in funding for affordable housing for the 2005/06 and 2006/07 fiscal years. In that same timeframe, Low Income Housing Tax Credits provided over $3.7 billion in financing and $5.2 billion in housing vouchers. Although LIHTC far exceeds the total amount of funds generated through Redevelopment in that year, TIF was the single largest source of funds generated within California.

opportunities) that do not qualify as TOD can also produce significant benefits, improving both the quality of life for residents and meeting sustainability goals by reducing GHGs through reduced VMT. Thoughtful site selection remains a critical strategy for housing developers, sustainability advocates, and residents alike.

This research concludes at a time when California, a leader in green and sustainable policies, is once again a leader in rising housing costs, exacerbating the competition for existing affordable housing. Among developers, this has led to increased competition for land, driving up construction costs, as well as increased competition for funding and financing for affordable housing development. The result is a housing affordability crisis affecting more and more low and moderate-income households in urban and suburban communities.

Although this report focuses on potential benefits from locating affordable housing near transit, a discussion of affordable housing and TOD is framed by the larger context in California to develop greater amounts of housing for people at low to moderate income levels. The study results show the value and utility of affordable housing combined with accessibility to transit and services as a strategy that impacts both greenhouse gas reduction and housing affordability in California.

Section 2 of this report describes how the sites were selected for the survey and provides additional background on the properties and their resident mix. Section 3 summarizes the significant responses to the survey, organized by major findings related to research questions. This is the heart of the report, with major subsections on car ownership and usage, public transit usage, distances traveled, and quality of life related responses. Section 4 discusses the implications of the survey results considering the broader context of the community setting, while Section 5 provides concluding policy implications and recommendations.



Survey sites reflect a mix of property and resident characteristics

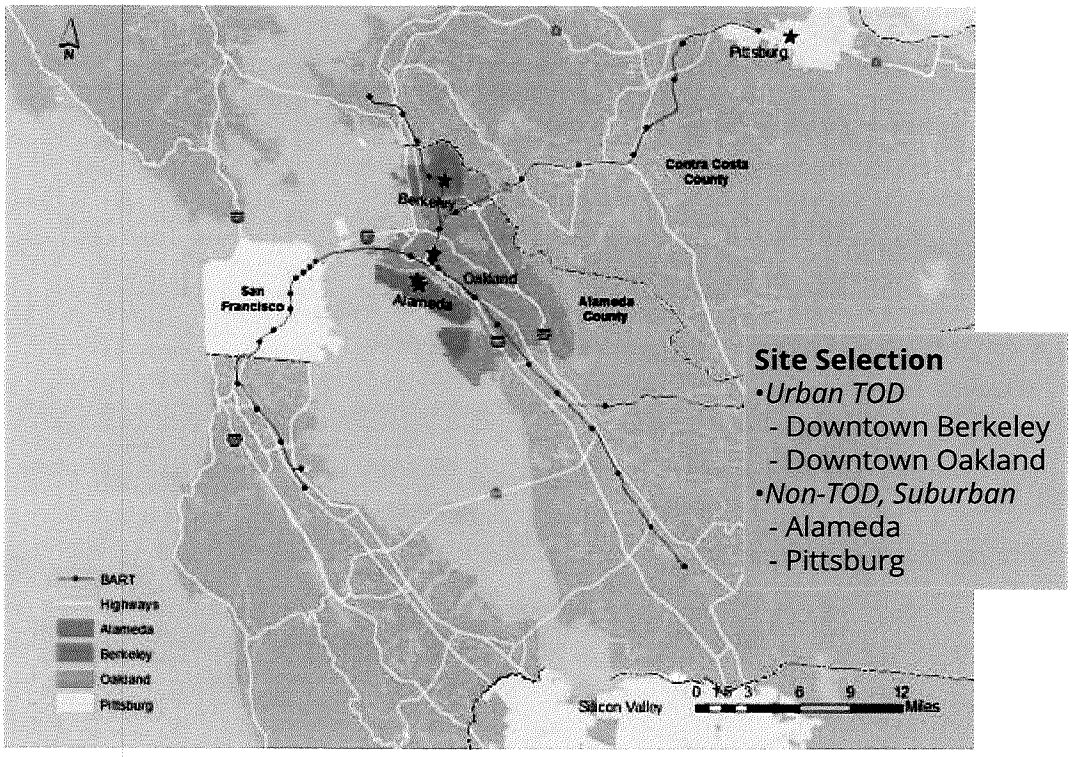
2. Research Approach and Survey Design

This project centered on the design and administration of a short survey of residents intended to collect information on:

- Household travel patterns
- Ease of accessing services and job opportunities
- Residents' satisfaction with the location and convenience of their current housing.

Background information provided by the households and RCD added context to the responses. The survey also provided several opportunities for residents to respond to qualitative or open-ended questions.

The five properties located in four cities in the study sample have a mix of attributes and characteristics, with regard to accessibility of the location, surrounding amenities in the area, and the demographics of resident households. Two of the properties are in TOD locations (Downtown Berkeley and Downtown Oakland). Three are not in TOD locations—two in the City of Alameda and one in the City of Pittsburg.



Survey design began in the fall of 2013 and included several stages of review and pretesting. A final design for the survey was completed by the spring of 2014. Implementation and administration of the survey took place during the summer of 2014. Appendix A provides an extended discussion of the project methodology and survey design. The research approach supplemented survey responses with informal conversations and observations during survey periods and with demographic information provided by the property management company. Our research asked the following questions:

- Do residents at affordable TOD housing sites travel less distance to work, school and services than residents of affordable housing sites in other locations?
- Do residents of affordable housing sites at TOD locations make greater use of public transit than residents of affordable housing sites in other locations?
- Do residents of affordable housing sites at TOD locations have greater access to services (medical, groceries, etc.) and to enhanced employment opportunities (larger pool of jobs to choose from, higher salaried jobs, faster to find a job) than residents of affordable housing at other locations?
- How are other advantages or challenges provided by living in affordable properties affected by property location?

The detailed data collected allows for more nuanced analysis within these research questions on effects of household characteristics and trip type on mode choice and distance traveled. Open ended qualitative responses further expand on some of the findings from the survey. For additional in-depth reporting of the survey methodology, structure and results, refer to the companion working paper entitled, "Effects of TOD Location on Affordable Housing Residents: Travel Behavior, Access to Jobs and Services."

RCD Property Characteristics in the Context of Transit Oriented Development

The survey was conducted across five properties located in four cities in Alameda and Contra Costa counties. The four cities vary in density, ethnic and racial demographics, as well as median income and percentage of people who are low income. Although each city, and by extension each property, varies in its specific characteristics and demographic composition, selection of the five sites focused on the ability to distinguish each site as a TOD or non-TOD property, as well as the type of location in a region wide context (downtown, more central suburban location, more distant suburban location). Observation of the sites as well as resident responses later highlighted additional location advantages and characteristics of each site and each city.

Defining Transit Oriented Development

For the purposes of this study, TOD was defined using the California Department of Housing and Community Development (HCD) definition in its Transit-Oriented Development Housing Program. Developments were categorized as TOD if they were within one quarter mile of a qualifying rail or ferry station or bus stop with ten minute headways during the peak period[2]. The two downtown urban sites in our study, Berkeley and Oakland, both qualify as TOD sites by HCD's standards.

The Berkeley Site – Downtown, Urban TOD

The Berkeley site is located within the central downtown business district. It is less than two blocks from Bay Area Rapid Transit (BART) and bus lines, as well as many of the city's main public attractions and amenities. Within a 10-15 minute walk residents can access movie theatres, the main public library, convenience stores and pharmacies, grocery stores, restaurants, and other recreational and retail stores. Moreover, the site is located immediately adjacent to the UC Berkeley campus, the largest employer in the East Bay, providing additional access to potential resources and employment opportunities.

The property is part of a larger sustainable development that includes the David Brower Center, a nonprofit office space, art gallery, and conference center. The Berkeley property is the only one in the study without free parking for residents and with less than one parking spot available per unit.

Oakland – Downtown, Urban TOD

The Oakland site is comparable to Berkeley for its proximity to nearby transit and downtown amenities and services. The site is within two blocks of BART and bus, and a short walk from the main business district. The site is part of the growing investment and expansion of downtown Oakland, located in the newly redeveloped 'Uptown' neighborhood. Nearby services and amenities include access to Lake Merritt, retail stores and restaurants, art galleries, community

[2] Peak period is defined as 7am to 10am and 3pm to 7pm on weekdays. For any transit stop to qualify, it must offer hourly service on weekday evenings from 7pm to 10pm and have at least ten trips on both Saturday and Sunday. (TOD Housing Program: Third Round Guidelines, 2013)

spaces, and the Oakland Ice Center. Other services include an Alameda County Social Services offices located two blocks away, as well as several city, county and state offices that provide important resources for individuals and families on public assistance.

Although the property is categorized as TOD due to its access to transit, the property offers each household one free parking space. Within a half mile of Oakland's Chinatown and Koreatown neighborhoods, the location offers easy access to many of the ethnic grocery stores and business frequented by residents.

Alameda – Central, Suburban non-TOD

The Alameda sites were developed as part of the city's plan to convert and develop the Alameda Naval Air Station and Fleet and Industrial Supply Center. The two properties surveyed are located within a few blocks of each other and are within walking distance to Alameda Landing, a newly developed entertainment and shopping center. At the time of this study the Alameda Landing development was partially completed, with main anchor retail stores such as Target open for business and other business and retail stores slated for opening within the next year.

The Alameda properties do not qualify as TOD under HCD's criteria, although the area has enough transit access to qualify as a Priority Development Area identified in Plan Bay Area, the Bay Area's Sustainable Community Strategy. The nearest BART station is located two miles away in Oakland and the closest bus stop is half a mile away from the two sites. Two free shuttle services, with stops within a mile of the sites, link Alameda to the Lake Merritt and 12th Street BART stations in Oakland. Although the sites are not located within the city's main business district, they are close to recreational and education facilities. The nearest education facilities, College of Alameda and the Ruby Bridges Elementary School, are both within a half mile, while other middle and high schools are less than a mile away from the property. In addition, parks and recreational trails are located within a mile of the properties, providing access to green space for residents. Both locations include an ample supply of free street parking in addition to free, dedicated parking spaces for residents.

Pittsburg – Outlying, Suburban non-TOD

Pittsburg is about a 30 mile drive northeast from Oakland, almost 40 miles from San Francisco. The Pittsburg site is characterized by its proximity to Highway 4 as well as a large shopping plaza. Although the highway acts as a physical barrier to a number of amenities and services located on the opposite side of the highway, the site itself is none the less near retail and service amenities. A number of food establishments and grocery stores are within a quarter mile of the property along the major avenue leading to the highway. Several religious and educational amenities are also nearby. Two religious organizations are within a half mile of the property, while education facilities (Los Medanos Elementary, Heights Elementary, and Pittsburg High) are within one mile.

The Pittsburg site had the largest number of families with children among the five sites. In fact, residents under the age of 18 outnumbered adult residents, contributing to the strong need and interest in the after school program. Like the Alameda sites, it also has one free parking space assigned to each unit, in addition to free street parking.

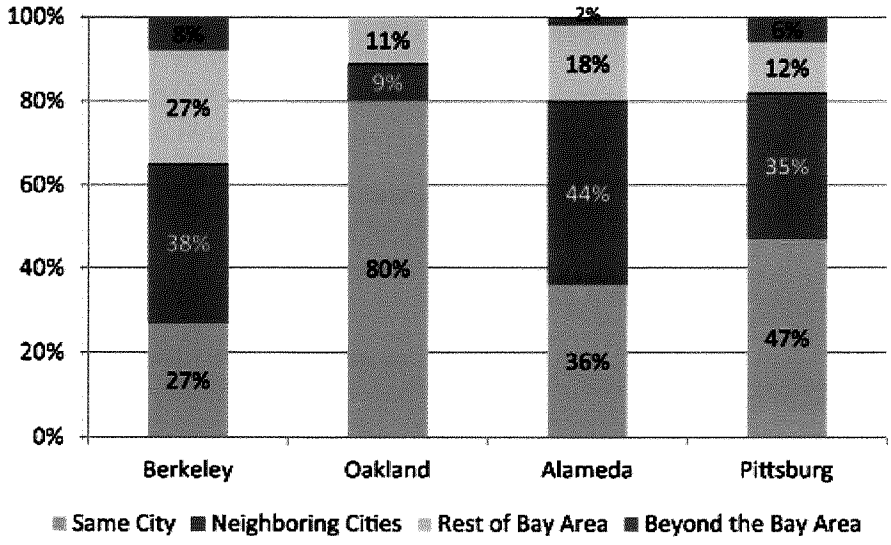
Other Variations Among Sites

In order to compare survey results across geographies and properties, sites selected have similar characteristics, including the number of units, the range of incomes served, and on-site amenities provided, which include services and property management offices, laundry, community room, computer room, and shared open space. All sites were newly constructed between 2006 and 2010.

Although this study controlled for external variables such as neighborhood characteristics, level of subsidies, and residential characteristics, each property and its surrounding environment inevitably produced a unique context that informed and affected the everyday travel patterns and perceptions of residents. Two significant variations among properties include the community from which the household moved and the language mix spoken at the property.

Despite the lottery system used by the property owner and management company in allocating units, the properties tended to draw from nearby communities. Each property had a large proportion of residents that previously lived in the same city where the property is located, with neighboring cities providing the majority of the other residents, as shown in Figure 1. Anecdotal remarks by many of the residents pointed to the prevalence of households that were long term residents of the city or region, prior to moving. Some residents cited their desire to stay close to family and friends as a motivating factor for staying within the same city or area. They were also more likely to become aware of nearby housing opportunities.

Figure 1: Previous Place of Residence of Survey Respondents by Property City



Source: ABAG and RCD Survey, July and August 2014

This characteristic of the properties has implications for both responses and policy. The previous residence of the person providing survey responses influenced the benefits experienced of moving to an area with greater access and opportunities for employment and transit. In terms of policy, residents' travel patterns as well as satisfaction with their location should be viewed in the context of the alternatives offered within the city and neighboring cities more broadly.

The language mix spoken at the property presented some challenges in administering the survey. Of the responding households, about one third spoke a language other than English at home. Most frequently mentioned were Spanish (10 percent), Arabic (eight percent) and Chinese (seven percent), but 13 percent reported speaking another language, among which were Tagalog, Farsi, Greek, Czech, Amharic, Somali, Vietnamese, Cambodian, Burmese, Mongolian, Punjabi, Nepali, Hindi, and Korean. About 80 percent of foreign language households also had at least one English speaker in the household, although in some cases, these were the children of the household, with the parent relying on the child to translate if necessary. The survey was conducted in three languages, English, Spanish and Chinese, with other households included where someone in the household or a neighbor could translate from English. Thus it is possible the responses exclude households speaking less common languages without English speakers in the household. (Overall response rates are described in Appendix B)

The survey was conducted in three languages.

Affordability in the Region and the RCD Properties Surveyed

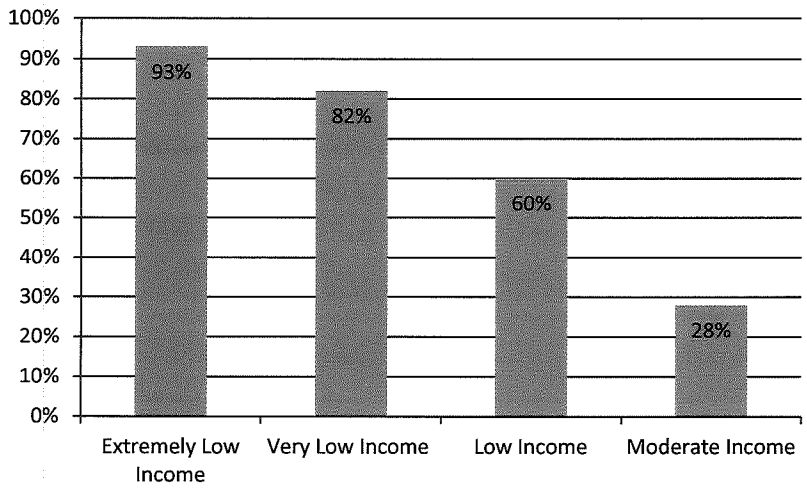
The California Context

According to a recent report by the Legislative Analyst's Office, housing costs in California, for both ownership and rental, continue to outpace the rest of the country, especially in coastal areas such as the Bay Area.[3] Although the cost of housing varies throughout the state, a majority of California communities are well above the U.S. average of $840 per month for rental units. Around the time of the survey, California's average monthly rent was about $1,240, fifty percent higher than the rest of the country. Coastal Metro areas such as San Francisco are more than double the state average and about six times higher than Bakersfield, the state's least expensive metro. Oakland and other East Bay communities similarly have higher average monthly rent costs ($1,390 per month) than the California and national averages.

The high cost of housing can be attributed to many factors, including the desirability of living in coastal communities such as the Bay Area and the ongoing shortfall in the development of new housing, both affordable and market rate, to keep up with growing demand. As housing costs rise for renters and owners, the pressure on existing housing will only continue to exacerbate the current affordability crisis, disproportionately affecting households with the least financial resources, the extremely low income and very low income households.

Facing increased demand for affordable and adequate housing paired with a constrained housing supply, rising costs, and limited incomes, many households respond with a combination of trade-offs. These often include spending a larger share of income on housing, postponing or foregoing homeownership, living in more crowded or substandard housing, commuting further to work each day, or sometimes choosing to work and live elsewhere. Although the high cost of housing affects all communities and households of all incomes, it affects lower income households at greater rates. Figure 2 illustrates the share of California working families that spend more than 50 percent of their income on housing by income category.

Figure 2 – Housing Cost Burden by Income Category • (Based on Percent of Area Median Income)



Source: Center for Housing Policy tabulations of 2012 American Community Survey Public Use Microdata Sample.

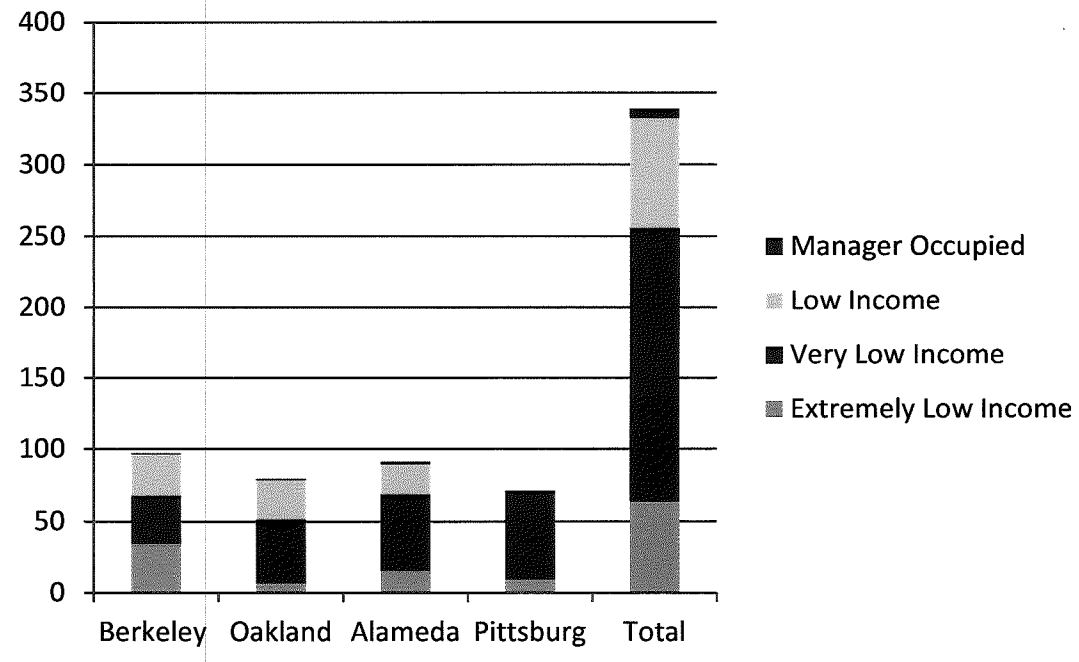
[3] Legislative Analyst's Office Report, California's High Housing Costs: Causes and Consequences, 2015

Income Levels at Survey Properties

The properties in the study serve a range of income types, but with the exception of units set aside for management and maintenance of the properties all units are designated for families below moderate income levels. Figure 3 illustrates the number of units in each property and their affordability criteria. Households need only meet the restrictions on income upon the time of application and eligibility certification. Therefore, it is not a perfect representation of the actual household income for the residents, but the data does illustrate the mixture of affordability at each site. Berkeley is notable as having the largest number of units dedicated to extremely low income households, but also has almost equal numbers of households categorized each as very low and low income. Apart from the Berkeley property, units at all of the other properties were primarily designated for very low income households. However, because residents do not need to move if incomes rise, some of the survey respondents fall into the moderate income range.

Throughout the report, key findings are presented by TOD v.s. non-TOD location and by income category.

Figure 3: Units by Property Location and Income Category • (Based on Percent of Area Median Income)



Source: Compiled by ABAG from property data provided by RCD.

In addition to the income restrictions for each unit, reported annual income was used to determine a household's appropriate income category. Information on household income was drawn from data collected during the recertification process in which a household must report its annual income, but was added to the survey data only after randomly assigned identification numbers to units allowed separation of all identifiable information from the units personal and financial information. ABAG and RCD categorized surveyed households using U.S. Department of Housing and Urban Development (HUD) income categories for the San Francisco Bay Area region. HUD publishes an annual listing of income thresholds for each county based on the metropolitan area Median Family Income (MFI), adjusted for household size. Based on HUD's income categories and survey responses, this report defines four categories for a household's affordability threshold:

- Extremely Low-Income – Households earning 30 percent of MFI and below
- Very Low-Income – Households earning between from above 30 percent to 50 percent of MFI
- Low-Income – Households earning from above 50 to 100 percent of MFI
- Moderate/Higher-Income – Households earning more than 100 percent of MFI.

Our analysis used these income categories to examine differences in residents' travel pattern and other significant behaviors or perceptions by income. Throughout this report, key findings are presented by property location and type (e.g., TOD vs non-TOD, Berkeley vs Pittsburg) or by income categories (e.g., extremely low income vs higher income).

3. Key Findings

Residents of affordable TOD housing drive less and travel shorter distances than residents of sites with less transit access. Where BART or bus transit is available, residents will take advantage of it. Yet it is also true that owning a car makes it more likely a resident will choose to drive to a destination, and inexpensive, available parking makes it more likely a resident will own a car. Nevertheless, both the TOD and non-TOD properties offered residents improved access to services relative to their prior locations, and residents often chose a mode of travel other than driving to reach nearby services.[4]

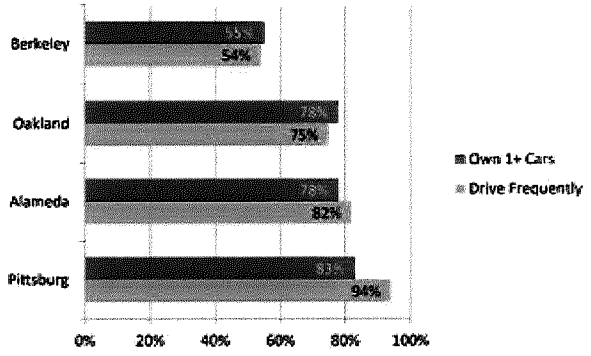
The subsections that follow describe survey results on car ownership and use, public transit use, distance traveled, amenities, and quality of life.

Car Ownership and Use

Our findings indicate that the biggest single determinant of VMT—and therefore GHG emissions—is the ownership of a private vehicle. With the exception of Berkeley, which had restricted parking, ownership rates among the properties were similar (see Figure 4).

Vehicle ownership increased the likelihood that households travel by car on a regular basis. However, residents living in TOD were less likely than their non-TOD counterparts to use a car during the week. Only 54 percent and 75 percent of residents living in the Berkeley and Oakland TOD sites, respectively, reported using a car regularly during the week, compared to 81 percent and 94 percent for residents of Alameda and Pittsburg properties, respectively. This trend of greater car use for non-TOD resident remained significant when controlling for car ownership. Residents of affordable TODs own and use cars at a lower rate than residents in non-TOD sites.

Figure 4 – Car Ownership and Use by City



Source: Compiled by ABAG from property data provided by RCD.

[4] All findings reported in this document were analyzed to ensure a 95% confidence interval on all significant findings. Further explanation on the methodology, coding and analysis of the survey results refer to the companion working paper entitled, "Effects of TOD Location on Affordable Housing Tenants: Travel Behavior, Access to Jobs and Services."

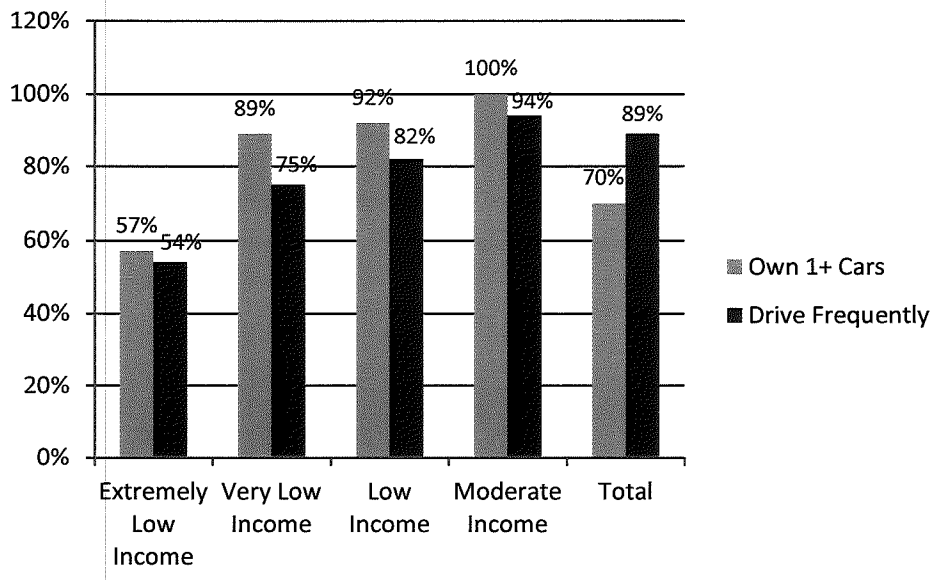
Car Ownership and Use by Income Threshold

Higher income households tend to drive and own cars at a higher rate, while lower income households have lower ownership rates and use a car less frequently. When comparing the rates of car ownership and regular car use, the differences between TOD and non-TOD become clear. However, travel patterns and mode choice are not uniform across all income levels. As we analyze the travel patterns by income thresholds, a more nuanced model of travel patterns emerges for both TOD and non-TOD residents. Residents below the 30 percent of AMI threshold have the lowest car ownership rates among all residents in both TOD and non-TOD properties. Among extremely low income residents, 57 percent owned cars, while ownership rates were close to or above 90 percent for all other income groups, as shown in Figure 5.

Despite differences in driving patterns across income groups, when controlling for car ownership, it becomes evident that ***even taking household income and car ownership into account, a TOD location significantly reduces automobile use.***[5] Even higher income households that owned cars were less likely to drive and more likely to use transit if they lived in a TOD location.

Some of the survey results on trip patterns and distances, discussed in greater detail later in this section, also point to additional factors contributing to the likelihood of trips taken by car. Residents were more likely to use a car when traveling more than five miles), traveling with more than one passenger, and for grocery related trips.

Figure 5: Car Ownership by Income Threshhold (by percent of Area Median Income)



Source: Compiled by ABAG from property data provided by RCD.

[5] The statistical tests demonstrating this finding are reported in the working paper cited earlier, "Effects of TOD Location on Affordable Housing Tenants: Travel Behavior, Access to Jobs and Services."

Restricted Parking and the Cost of Parking

Among the five properties within our study, four properties (three non-TOD and one TOD property) provided one free parking space for each unit. The exception is the Downtown Berkeley TOD property which has less than one parking space for each unit and charges for the use of a parking space. This may contribute to the lowest rate for car ownership and usage among all properties surveyed. The Berkeley property had a 20 percent lower rate of car ownership and usage compared to the similar Downtown Oakland TOD location (55 percent of households owned a car in Berkeley compared to 78 percent of households that owned a car in Oakland). It is likely that cost of parking and the limited availability of spaces, combined with the higher proportion of lower-income households contributed to the low rate of car ownership and use at the Downtown Berkeley site.

"It's very costly to pay for parking space in Berkeley; parking tickets are ridiculous and I spend unnecessary time and gas, driving around looking for parking."

--[Adult student, Berkeley]

Four of the properties provided one free parking space per unit.

Use of Public Transit

Use of Public Transit by City

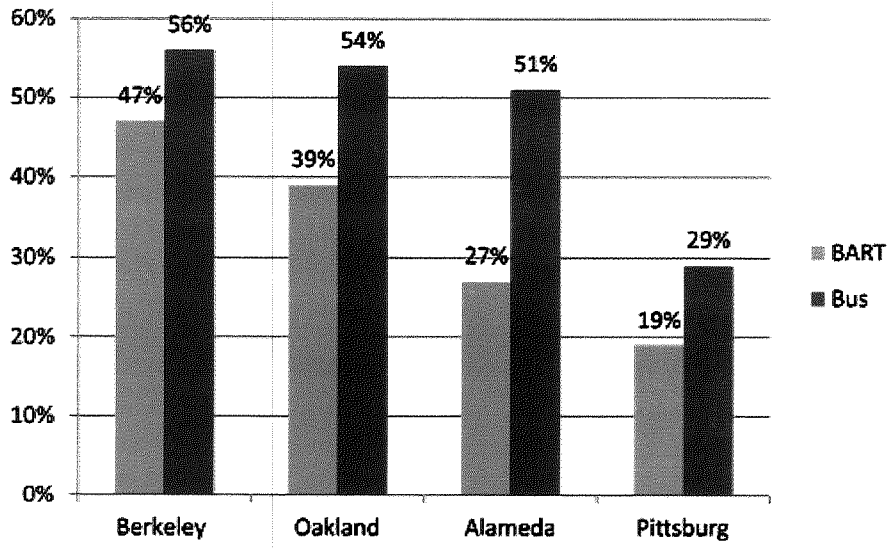
Residents in TOD sites used bus and BART at a higher rate than non-TOD residents. There were significant differences in travel mode choice, especially in relation to BART usage, when comparing the TOD localities to the non-TOD suburban sites (see Figure 6).

Households that live in TOD sites were more likely to use BART frequently, and often cited the convenience and proximity of BART as a strong motivator for using transit. Residents of both TOD and non-TOD localities provided anecdotal comments on their own perceptions of transit convenience. If a household perceived the transit station to be "too far away" they were less likely to use transit. The proximity to BART remained a strong indicator of a resident's likelihood to use transit, regardless of whether the household owned a car.

Frequency of traveling by bus was also greater at TOD locations, but the Alameda sites also showed bus use comparable to the TOD sites. Although the nearest bus stops were half a mile away (greater than the quarter mile distance needed to qualify as TOD), residents perception of its convenience was significantly high. Currently, the Alameda site is served by six AC Transit lines, including a Transbay line that provides direct access to Downtown San Francisco, as well as the free Estuary Crossing Shuttle connecting to Lake Merritt BART station and the Alameda Landing Express—a free shuttle connecting the Alameda Landing retail development to Downtown Oakland and 12th Street BART.

By contrast, although the Pittsburg site is also within a half mile of bus lines, the bus service is less frequent, charges full fare, and was perceived by residents as inconvenient. Thus, ***transit schedules and cost may also have an impact on VMT.***

Figure 6: Households Using BART or Bus at Least a Few Times Per Week, by City



Source: ABAG analysis from RCD resident survey, 2014

"Our home is connected to all major bus lines and BART. No need to really drive."

--[Mother of three, Oakland]

"Public transportation is not as available or accessible as before. Therefore I drive more."

--[Father of one child, retired and disabled, Pittsburg]

Use of Public Transit by Income Threshold

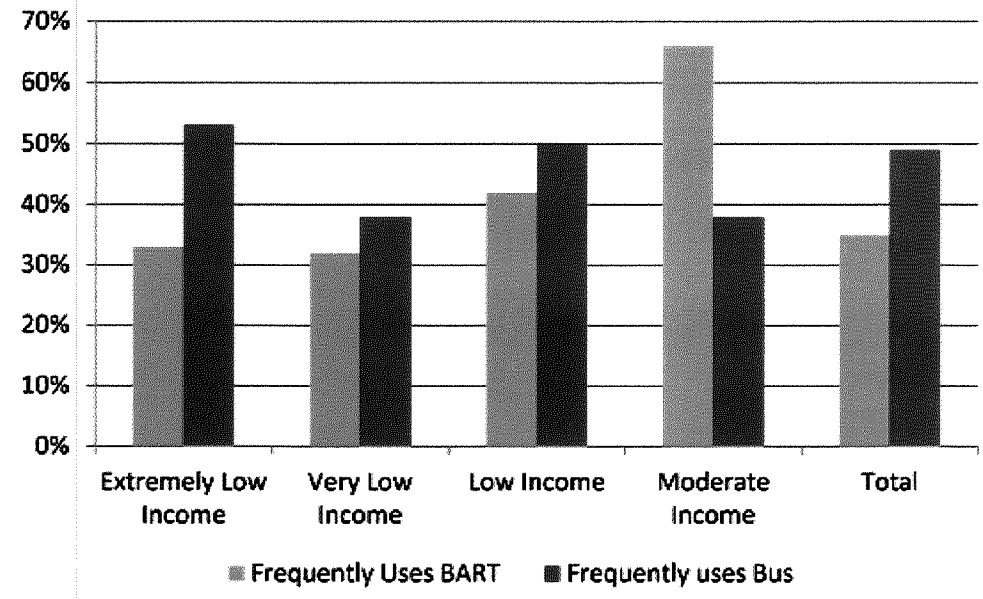
Within the income range of residents, higher income households use BART more frequently and the bus less often compared to lower-income households. Alternatively, lower income households ride buses more frequently than their higher income counterparts and use BART less (see Figure 7). This trend was observed for both households that owned a car and households that did not. The difference between households that used public transit can be attributed to the actual (and perceived) higher cost of BART and the limited destinations reachable by rail. Open ended questions revealed that many residents felt that BART didn't "take them where [they] needed to go" [6] so they instead opted for the bus.

Other factors that influenced residents' transit use included a higher likelihood of using BART for commuting to work or traveling longer distances. Likewise, residents were more likely to use a bus if they were traveling longer distances or traveling to medical destinations.

> *"Don't live as close to public transit."*
>
> *--[Husband with wife with two children, Pittsburg, explaining decreased use of transit since moving to the property]*

> *"I have more bus options now. Where I lived before, not all buses, such as Transbay, went down there, or come as often."*
>
> *--[Alameda retired and disabled female]*

Figure 7: Use of BART or Bus at least a Few Times Per Week by Income Category



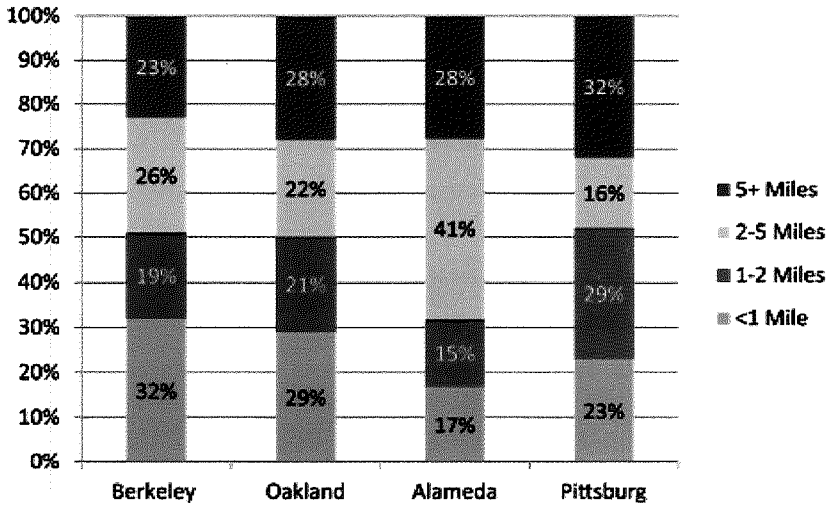
Source: ABAG analysis from RCD resident survey, 2014

[6] Interview with retired Berkeley resident from RCD resident survey, 2014

Distance Traveled

Residents of TOD sites were more likely to be traveling to destinations less than a mile away. Alternatively, residents of suburban non-TOD sites were more likely to be traveling to destinations more than five miles away. (See Figure 8). However, both Pittsburg and Alameda residents still had a notable share of trips to destinations less than one or two miles away. As shown in Table 1, some types of destinations were equally or more convenient to the non-TOD sites as compared to the TOD sites. Pittsburg residents traveled the shortest average distances for groceries and school and below average distances for leisure activities. Nevertheless, overall after

Figure 8: Reported Destinations by Distance Ranges and City



Source: ABAG analysis from RCD resident survey, 2014

Table 1: Average Distance Traveled by Destination, Mode and City (miles)

	Berkeley	Oakland	Alameda	Pittsburg	Overall Average
Work	4.0	6.8	8.3	15.0	8.0
Groceries	2.3	3.3	2.6	1.8	2.5
Leisure	3.9	2.5	2.1	2.9	3.1
School	2.4	4.6	3.8	1.5	3.3
Medical	5.4	4.0	6.7	10.4	6.3
Worship	7.3	2.7	6.3	10.7	6.5
Car	5.6	4.6	6.3	8.2	6.2
BART	9.7	8.7	16.7	38.6	12.1
Bus	4.6	3.8	7.3	12.5	5.6
All Destinations,					
Modes	4.1	3.9	5.1	7.7	5.0

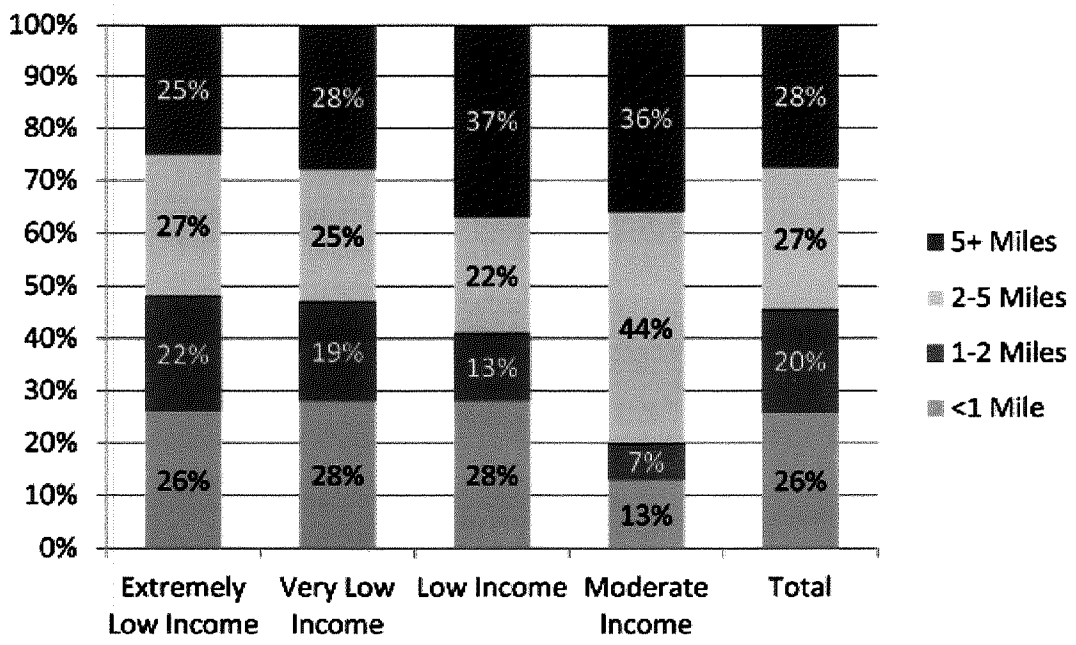
Source: ABAG analysis from RCD resident survey, 2014

adjusting for type of destination and mode, living in Alameda rather than Pittsburg reduced average distances traveled by car by 19 percent; Berkeley compared to Pittsburg reduced car travel distance by 23 percent; Oakland residents drove to destinations 32 percent closer than Pittsburg residents.

Location and proximity to transit remains an important factor when measuring the distance traveled by residents. But for households that don't own a car, income also influences trip length. Households categorized as extremely low income and very low-income (households below 50 percent of AMI) had the largest share of trips taken within two miles. Households with incomes above 50 percent of AMI had a significantly larger share of trips that were more than five miles away and a sizable share of trips between two and five miles (see Figure 9). Although the typical trip length varied across different income categories, further analysis of survey results reveal that location remained a strong predictor of a household's travel pattern, even after taking income into account, with shorter distances traveled overall by households living TOD properties.

Our findings indicate that both income and proximity to transit remain important factors in determining the distance and length of travel. Therefore, if one of the major intended outcomes

Figure 9 – Percent Traveling Different Distances by Income Category



Source: ABAG analysis from RCD resident survey, 2014

Amenities and Location Advantage

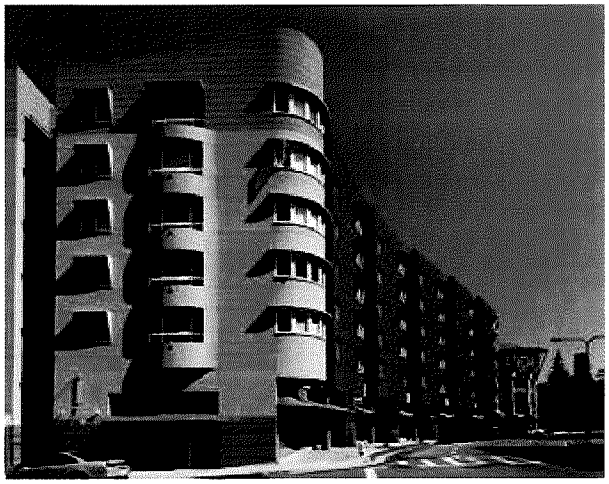
Proximity to transit-rich areas, car ownership, and household income remain critical factors when considering household travel behavior and consequently GHG production through VMT. But other strategies and factors can also play a vital role in further reducing the amount of GHG emissions by residents, most notably the proximity of nearby parks, retail, schools, and recreational amenities.

Residents of both TOD and non-TOD sites are more likely to walk if the destination is to a park, retail outlet, school, or recreational facility. Although transit remains an important factor in household car ownership and use, it is not the only factor influencing travel behavior. Residents, even in the suburban non-TOD sites of Alameda and Pittsburg, reported they often enjoyed the easy access of nearby amenities that allowed them to not use a car.

This ease of access is made possible by the strategic location of the properties. Although located further away from transit (BART and bus), properties in both cities are near shopping and parks. The selection of sites in amenity rich areas is driven in part by regulations and criteria set forth by affordable housing financing programs, such as the Low Income Housing Tax Credit (LIHTC).

Under the current LIHTC criteria affordable housing developers are granted more points for locating within a quarter mile from parks and other services. By locating affordable housing ***in amenity rich neighborhoods, residents were able to access the services and shops on a regular basis without relying on a car, further reducing GHG emissions through fewer VMT.***

Other types of destinations often require more distant travel. These included commuting to work, trips to visit friends, family, place of worship, child care, or a medical visit. When residents in both TOD and non-TOD locations took a trip for worship or medical reasons, they commonly traveled further than five miles. The difference in travel patterns by type of amenities suggests that not all nearby amenities may be used at the same rate by local residents. Anecdotal comments and survey results suggest that existing social ties to previous amenities or communities heavily influenced whether a resident was likely to change some amenity destinations.



In amenity-rich Berkeley, reisidents were able to access services and shops without relying on a car.

As Figure 10 illustrates, households were less likely to change their place of worship, medical care provider, and the school for their children. After moving to the RCD property, residents were most likely to change where they travel for groceries, recreation and entertainment. This implies that more than just proximity affects a household's decision to travel shorter or longer distances to reach particular services or amenities.

Although the current criteria for LIHTC and other subsidy programs measure amenities as comparable advantages (giving equal points for a diverse range of different amenities), our findings indicate that ***social ties and a resident's willingness to change location, greatly affect the actual use of nearby amenities.***

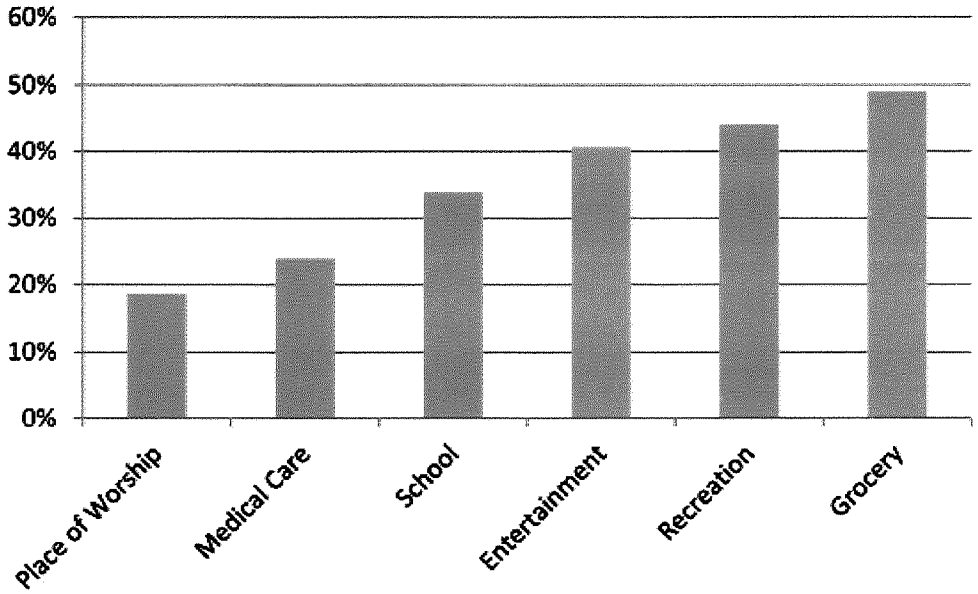
"Everything from bank, groceries stores, library, and parks are within walking distance."

--[Wife and husband with three children, Berkeley]

"My doctor is further away now. But shopping for clothes, crafts, home, etc. is easier."

--[Woman with a disability living with a care giver, Alameda]

Figure 10: Changes after Moving to an RCD Property



Source: ABAG analysis from RCD resident survey, 2014

Quality of Life

Beyond analyzing the potential impact on GHG emission and VMT, this study also focused on potential improvements to residents' quality of life. The survey asked a series of questions designed to gauge a household's perceived level of satisfaction with current housing and the benefits made possible by living near transit and/or amenity rich areas.

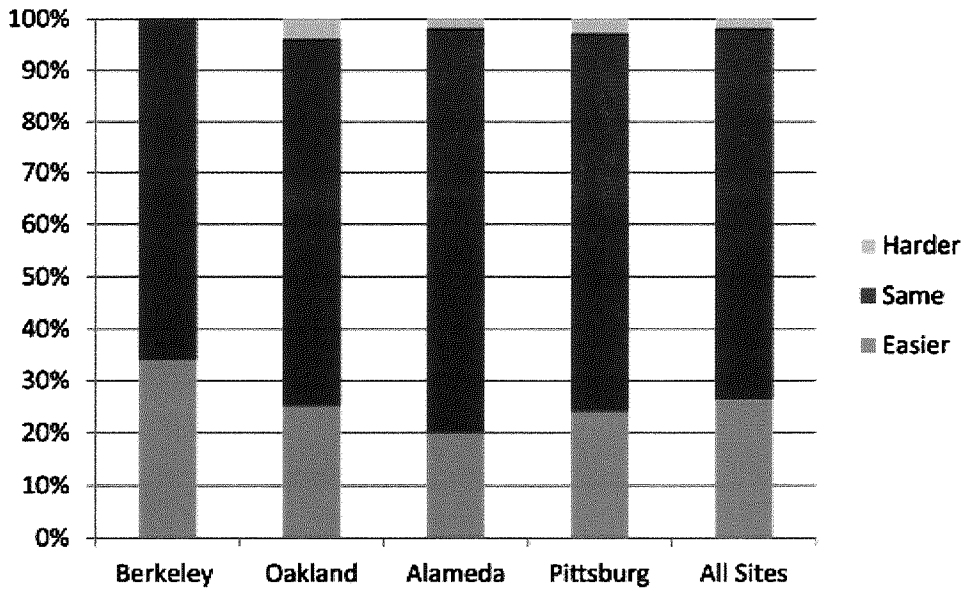
Benefits and perceived improvements to a household's quality of life were reported by residents in both TOD and non-TOD properties.

Access to jobs and employment opportunities improved or stayed the same for the majority of residents in all properties. Only a small proportion of all residents (less than four percent at each site) felt that their access to job opportunities was reduced since moving to the property site (see Figure 11). This relative level of satisfaction can be attributed to factors including the proximity of potential retail employers (for example in downtown Berkeley or Alameda Landing) or the ability to use transit to access jobs in other urban employment centers like Downtown San Francisco and Oakland.

Qualitative responses to questions about employment opportunities provided further context and nuance to residents' perceived ease or complexity in accessing job opportunities. For example, one Berkeley resident commented that although there were greater employment opportunities in the surrounding area, the competition and requisite skills for those jobs also increased. Although access to job opportunities and employment increased or stayed the same for a majority of residents, ***access to job opportunities in the surrounding area or via transit did not necessarily translate into securing regular employment.***

The study also focused on potential improvements to residents' quality of life.

Figure 11: Access to Jobs from the RCD Properties



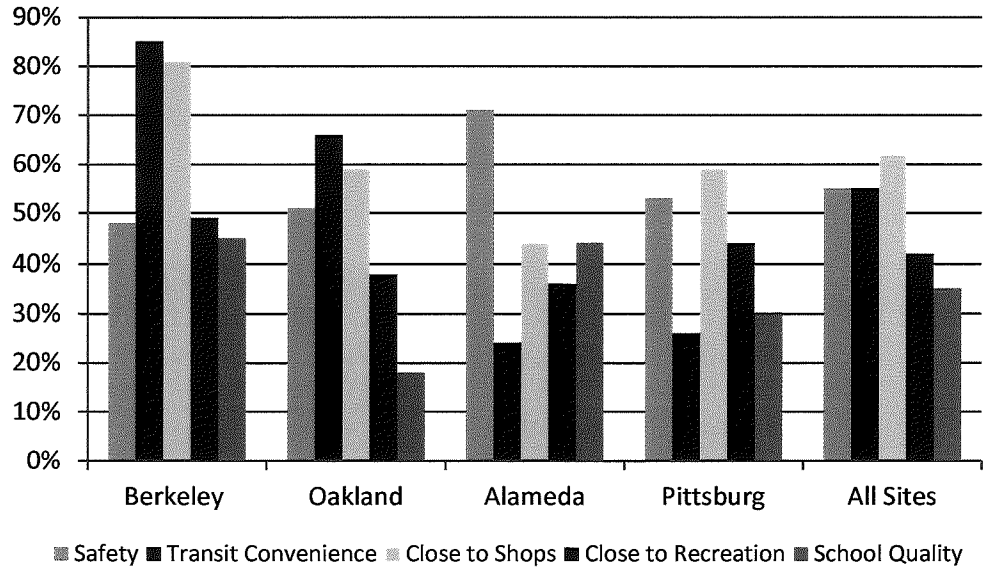
Source: ABAG analysis from RCD resident survey, 2014

Residents who were seeking job opportunities and employment commented positively on the assistance provided on-site either through counseling services or amenities offered. One Alameda resident wrote, "All I had to do was go to the [property] computer lab and the one-stop career center at the college." A Berkeley resident commented, "We have the computer lab [on-site] and library accessible." From an Oakland resident, "If I became unemployed, the job center to look for jobs is within walking distance." And a Pittsburg resident noted, "The Internet [at the property's computer lab] is free for job search." Residents also appreciated the broader support the property facilities provide, from financial counseling to encourage timely payment of rent to after school and tutoring programs for children.

Other advantages attributed to the property location varied by city (see Figure 12). Berkeley residents reported the highest satisfaction in transit convenience (84 percent of households) and nearby shops (82 percent of households). Alameda residents identified safety (71 percent of households) as the most prominent location advantage. Pittsburg residents identified nearby shops (61 percent of households) as the most prevalent location advantage. Oakland residents reported comparable levels of satisfaction to the other properties on safety, transit, shopping, and recreation (51 percent, 66 percent, 59 percent, and 38 percent respectively), but rated school quality the lowest (18 percent of households).

> *"I feel that the possibility of being hired is a lot more challenging here in Berkeley. Especially if the job is here in Berkeley. Your chances of being hired for a middle class job(s) are a great deal more competitive."*
>
> *--[Adult student, Berkeley]*

Figure 12: Percent of Households Responding Yes to Listed Advantage of Their Location



Source: ABAG analysis from RCD resident survey, 2014

Variation in location advantages for each property can partly be attributed to the differences in transit access (TOD vs non-TOD) as well as the surrounding neighborhood or community. Residents' perceptions of each property were linked to the accessibility of amenities or services within walking distance as well as the services offered on-site. But residents also understood the opportunities and challenges of each property location as part of the larger narrative and reputation of each city. For example, many Oakland residents felt that although the immediate neighborhood was safe, the city as a whole remained dangerous. These larger narratives attached to each city help to form residents' perception and informed their personal level of satisfaction with the property.

Alameda residents identified safety as a location advantage

4. Incorporating the Larger Context

The study findings show that although policy and planning decisions (such as parking policies and proximity to transit) are essential, they are not sufficient in guaranteeing sustainable outcomes, such as reduction in GHG emissions through VMT. Moreover, as the quality of life related questions indicated, it was often the larger context of the surrounding city and community that affected residents' overall perception and satisfaction. Residents cited particular external factors such as the perception of a fare increase on public transit or the convenience of nearby shopping and retail as having a large role in determining household behaviors.

Two examples illustrate the larger environmental factors that may affect the quality and effectiveness of affordable housing and transit use.

Planning for the Future - Alameda Landing

During planning and pre-development of the two Alameda sites, the future development of Alameda Landing as a mixed retail and shopping center was not part of the planning for the developments. At the time of this study, the Alameda Landing development was still under construction, with a few retail stores already open, but with several more slated for completion by the end of 2015.

The proximity of the Alameda Landing development now provides a broad array of employment and retail opportunities that were previously unavailable. The retail development also now provides a free shuttle that connects residents to two BART stations (Downtown Oakland 12th Street and Lake Merritt). Although the Alameda sites did not originally include the Alameda Landing development as part the network of services and amenities that would be accessible to residents, it has significantly changed the perception and satisfaction among residents. Without the advantages of the retail development and transit connectors, residents might not have used BART or the bus as often or reported the same level of satisfaction or convenience in accessing retail and employment. The Alameda Landing example illustrates some benefits of neighborhood investments beyond housing that will accelerate GHG reductions through reduced VMT.

> *"Because there are now free shuttle service and it takes me where I need to go."*
>
> *--[Wife and husband with two children, Alameda]*

Perception and External Challenges: Transition to Day Pass

Berkeley residents reported the highest level of satisfaction and convenience in transit accessibility among all properties, yet many residents also reported concern over the cost of transit, in particular the anticipated increase in bus provider AC Transit's day fare. At the time of the survey, AC Transit was initiating a fare modification that would change its policy regarding single fares and transfers. It would no longer provide a transfer for a marginal cost, instead offering Day Passes upon the second trip, theoretically saving the passenger money if they took multiple trips a day. This fare modification was not necessarily a fare increase in the direct sense, but it was perceived as a doubling of the fares and consequently was met with high levels of concern. Many of the residents cited the fare increase when justifying their use of other forms of transportation, including using a car or carpooling with a friend. The perception of the fare increase was strong enough to change at least a few residents' satisfaction with the transit service and altered their travel behavior as a result.

Although proximity to transit provides a strong indicator and motivating factor for residents, they do not on its own sufficiently explain or ensure particular outcomes. ***The larger context that informs residents' quality of life and travel patterns illuminates the kind of factors that influence transit choices, even in transit rich areas.***

> *"AC Transit's fare increase has caused me to drive every day instead of taking the bus!!!"*
>
> *--[Retired adult, Berkeley]*

Urban TOD supports local housing needs.

5. Conclusion

The results of the survey make clear some of the ways in which proximity to transit and household income levels affect travel patterns. The findings also highlight the range of advantages that affordable housing properties can offer to low income residents in a region with rapidly escalating housing costs. The results have implications for state and regional housing policy and for affordable housing development strategies.

Findings

The findings of this report make clear some of the ways in which proximity to transit and household income affect household travel patterns.

- **A regional problem needing local solutions:** Affordable housing properties draw residents primarily from nearby communities.
- **Affordable housing residents respond to transit opportunities:** Residents of affordable housing properties in TOD sites use public transit more and car travel less than their counterparts in locations farther from transit options. Walking and biking are also options when amenities are nearby.
- Lower income households make the greatest use of transit opportunities: Among survey respondents, lower income households, in both TOD and non-TOD locations, drive less and take transit more frequently than higher

TOD siting of affordable housing is an effective strategy to reduce GHG emissions

income households. Higher income households travel further distances for work, school and recreational activities compared to their lower income neighbors.

- **Households are sensitive to travel costs:** The property with higher cost parking and fewer spaces had lower rates of car ownership and use, yet some households expected to reduce bus use following a transit system fare increase.
- **More households will walk or bike to nearby destinations:** By reducing the distances between housing and work, housing and retail, and housing and recreation, reductions in GHG emissions and VMT are possible in both urban and suburban locations.
- **Residents traveled the greatest distances to work, to places of worship and for medical care:** Of all amenities, residents were least likely to change place of worship or medical services after moving into the RCD property.
- **The great majority of residents reported that access to jobs was the same or easier after moving to an RCD property:** Respondents were no more likely to report access to jobs improved in TOD sites compared to non-TOD sites.
- **TOD is a viable and highly effective strategy to reduce GHG emissions through the reduction of VMT, but it is not the only mechanism to achieve both environmental and quality of life outcomes:**
  - Affordable housing projects near amenities like grocery stores, parks and schools can produce significant VMT reduction, even if transit links are weaker than at TOD locations.
  - Innovative programs such as free shuttle connections to bus and BART service can boost ridership by residents of affordable housing properties more distant from transit services.

Recommendations

Affordable and Green

Due to current standards and policy measures that incentivize strategic site selection—such as proximity and access to surrounding amenities and services—affordable housing development has the potential to further promote sustainable goals and outcomes apart from simply providing greater access to transit. The environmental, economic and social benefits of housing near transit are strengthened by focusing on deeper levels of affordability, by ensuring that developments include units dedicated to extremely low-income and very low-income households. ***Sustainability and equity are not competing goals; by focusing on equity as an outcome we strengthen the effectiveness of sustainable strategies.***

•

Weighting Amenities by Relation to Travel Patterns

The type of amenity and the larger social context influence a resident's willingness to use nearby services and amenities. The survey results suggest that a ***reevaluation of the weighting of amenities in allocating funds, focusing on the type of amenity and likelihood of using a nearby service, could extend resources to additional projects with the potential for providing beneficial outcomes in reducing GHGs and improved quality of life for residents.*** This is particularly relevant in suburban areas which have few TOD sites to offer but a growing low income population as well as lower land costs.

Sensitivity to Costs

Because low income households are very sensitive to costs of travel, cost factors become tools for influencing the level of driving or use of transit. ***Restrictions or pricing on parking in transit rich areas combined with transit subsidies or free shuttle services to access transit can contribute to goals of GHG emissions reduction.***

TOD and Beyond

Affordable TOD continues to be a viable model for reducing GHG and the total VMT taken by low-income households. However, high land costs and fierce competition in urban areas and the amount of land available in TOD locations will limit the ability to reduce GHG emissions and VMT through this approach. TOD should not be the only solution for meeting the housing needs of low and moderate income households. Non-TOD localities, those not well serviced by transit, can still promote reductions in VMT and GHG emissions by supporting affordable housing developments close to amenities and services such as retail, grocery stores, schools, recreation, and employment opportunities. ***By reducing the distance needed to travel for everyday activities and errands, residents in non-TOD sites can reduce their GHG emissions and VMT by utilizing nearby services.***

Flexibility in Setting Goals

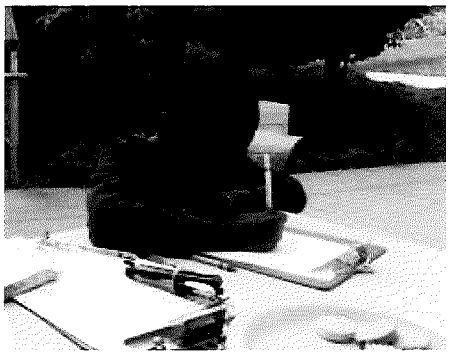
TOD policy and programs that provide a mixture of different levels of affordability may provide needed accessibility for households that often travel shorter distances (typically lower income households) while providing opportunities for households that often travel further distances by car (typically moderate income households) to choose alternative and sustainable transportation options. ***Survey results suggest a strategy for affordable housing in TOD locations may be most effective when focused on different types of benefits at different income levels.***

Local solutions to address local needs

Low-income households are struggling in every local jurisdiction and region of the state. The high prevalence of survey respondents who relocated within the local area points to the need for housing to serve existing residents in the local areas. ***Strategic development of both TOD and non-TOD in urban and suburban should continue to be supported in order to meet the local housing needs of every community, while furthering state wide and regional goals of sustainability and GHG reduction.***

APPENDICES

The survey team developed Children's Surveys to occupy and inform children while the parent responded to the survey.



Appendix A -- Survey Methodology*

**This methodology section is drawn from a preliminary report entitled, "Effects of TOD Location on Affordable Housing Tenants: Travel Behavior, Access to Jobs and Services." The preliminary findings were presented at the American Institute of Certified Planners conference in 2014.*

Preparation for the survey, a written questionnaire, took place over several months, during which time the research team developed questions, solicited feedback on the approach from RCD staff, set up an advisory group for further feedback on overall approach, the sample, and questionnaire design, and pre-tested a series of versions of the questionnaire. One member of the research team took on the role of survey manager. The manager developed a schedule for administering the survey in each city, with separate but overlapping time periods for each site as well as a survey protocol described below.

Questionnaire Design and Pretest

Survey design had to meet several goals, as follows:

1) Provide information on residents' travel patterns (including destination, mode choice and distance traveled)
2) Provide information on the ease of accessing services and job opportunities,
3) Identify residents' satisfaction with the location of their current housing relative their previous home; and
4) Provide enough background information on the household to help explain differences in responses.

Furthermore, the survey design had to be sensitive to households with limited reading ability and language facility, including non-English-speaking households. Finally, we expected the time required to answer the survey to be a factor in response rates, so the level of detail desired needed to be traded off with the time burden of answering the questions. The English version of the full survey is presented in Appendix C.

The first page of the survey explains the purpose, the gift card incentive, privacy guarantees, as well as the completely optional nature of the survey. The next page begins with asking for information on each member of the household (relation to the respondent, age, and whether the person is employed, a student, retired, or other, such as disabled). This portion of the survey is followed by a few simple questions on the location of their previous residence and vehicle ownership or use.

The next set of questions asks about travel modes and destinations. First, respondents are asked to check off from a set of choices how frequently household members travel by BART, bus, car, walking, bike, or other means. Then respondents are asked to list up to six destinations members of the household travel to regularly, giving the location, who is traveling there, mode(s), frequency, and noting variations in the routine (for example, do

they use a different mode at night compared to daytime). A series of questions follow on whether destinations changed when they moved into their current housing, and whether these destinations are easier or harder to reach compared to where they lived before.

The questionnaire ends with short questions on employment change and ease of finding a job, a check list of advantages of their current housing location, background occupation and demographic information, and whether the household would be willing to participate in a more detailed interview. The survey took most respondents 15 to 20 minutes to complete.

Questions regarding household income, lease agreements, and unit size were intentionally omitted from the survey. The survey team relied upon information collected by the property management company in order to analyze demographic information regarding each household to determine important social characteristics. Compiling background demographic and personal information on the units followed strict procedures that protected the anonymity of the residents and households.

The questions used in the final form of the survey were developed through a rigorous review and pretesting process. The first questionnaire was pretested with a population at a UC Berkeley married student housing complex. This pretest provided valuable feedback on the clarity of questions as well as the effects of wording and visual layout on the ease and accuracy of response. This information was used to create a version 2 of the survey, which was sent to a group of advisors, including a professor of housing at UC Berkeley, a consultant on housing policy who is also on the Berkeley Housing Advisory Commission and on the board of RCD, research staff of a housing advocacy organization, and a county housing official who had extensive experience surveying Contra Costa County affordable housing residents. Their feedback was used to refine the survey instrument and the approach to survey administration.

After further revision, volunteers from ABAG responded to the next survey draft. This led to refinement of survey language and increased opportunities for open ended responses ("Don't you want to know *why* they make these choices?" our administrative aide asked us). The last pretesting exercise took place at an RCD property that was not included in the survey sample. The populations taking the survey in this pretest were participants in a regular social services meeting, and were residents of special needs units on the property. This population received gift cards for participating in the survey. The respondents completed the survey and then spoke with us about the experience. This last pretest led to some small revisions in the survey instrument but was also very informative in terms of survey administration techniques. We concluded that a personal presence would be important to answer questions and to provide assistance to those with physical or learning disabilities. We also concluded that it would be important to have survey instruments in languages other than English. The survey was translated into Chinese and Spanish by summer interns at ABAG and checked by other native speakers.

Survey Administration

Survey administration depended on a mixture of tactics and methods designed to maximize the household response rate, while working within the limitations set forth by the property owner and manager, the limited budget, and time-table to distribute and collect the survey. The outreach strategy used five main elements to encourage participation and response, including i) letters, fliers and copies of the survey delivered to each individual household's door; ii) a $20 gift card for each household that completed and returned the survey; iii) presence of the survey team sitting at tables on-site to introduce the survey and increase its visibility; iv) informational evening gatherings during the week that survey staff was present at each site where survey response assistance was available and gift cards were distributed; v) entry of the name of each household that completed the survey in a raffle drawing for an iPad mini. Four iPad minis were raffled, one in each city.

The general structure of the outreach strategy was similar for each site, but was tailored to the specific characteristics of the property. We tabled daily for five to six days at properties in Berkeley, Oakland, Pittsburg and one of the two properties in Alameda. Tables were set up in the lobby or central courtyard or near the mailboxes, with survey staff present for at least three hours/day. In the first two properties (Berkeley and Oakland), we varied time of day, but we found there was little interest in morning hours (7:00AM to 10:00AM) and few adults around midday (11:00AM to 1:00PM), so tabling was concentrated from 4:00PM to 7:00PM in the last cities. The second Alameda property was not conducive to this type of tabling—the apartments are centered around the parking lot with mailboxes spread among several different locations along the parking lot within a half-block long area. Instead, we posted flyers announcing tabling at their neighboring property. Even with repeated follow-up in the form of flyers and additional copies of the survey, this brought a response rate of only 15 to 20 percent. Ultimately, the team tabled outside the property's office on three occasions—two late afternoon/early evening periods and one Sunday morning to coincide with a neighborhood church service on the property, finally boosting the response rate at this property to almost 40 percent.

Beyond the information and assistance that was provided through tabling, word of mouth was effective in reaching additional households. Perhaps the strongest networking happened through the children living on the property. Early in the outreach process it became clear that engagement with residents and parents was influenced by the dynamic and demeanor of the children in the family. We developed Children's Surveys to occupy children while the parent responded to the survey. The Children's Surveys were designed to relate to the main Resident's Survey but also as a fun activity. Children's Surveys were available at all five sites and were particularly helpful in the developments that had a large community of children who regularly played in the common space(s). The Children's Surveys not only allowed the parents to fill out the survey with minimal distractions, it also allowed the children to be informed messengers about the purpose of the survey, what we were asking, and why it was important for residents to fill out. By using the Children's Survey as an educational opportunity, we increased the response rate for households with children. Older children were also ambassadors of the survey, bringing their parents in on raffle day to fill out the survey and be eligible for the raffle.

Holding informational events further increased the response rate. This was most effective where there was already a core of residents who were active in the community. The RCD executive director attended two of the events and the evening provided not only additional responses but also an opportunity for feedback from the residents on a variety of aspects of living in the project, from barriers to car share use (credit card required) to temperature control issues in some of the units.

Appendix B -- Survey Response Rate*

**This Survey Response Rate section is drawn from the preliminary report entitled, "Effects of TOD Location on Affordable Housing Tenants: Travel Behavior, Access to Jobs and Services." The preliminary findings were presented at the American Institute of Certified Planners conference in 2014.*

The response rate, excluding vacant units, was 60.5 percent across the five properties.[7] The rate of response varied significantly by city, as shown in Table B-1.[8] The TOD locations had higher response rates than the more suburban locations. However, close to 50 percent of households responded in even the more suburban locations. The response rate does not differ significantly by household income category (see Table B-2). The lowest rate of response was among units with households in the income range of $24,000 to $40,000, neither the highest nor the lowest range of incomes among property units.

Table B-1: Response Rate by City

	Number			Percent		
City	0	1	Total	0	1	Total
Alameda	46	45	91	50.6%	49.5%	100%
Berkeley	35	62	97	36.1%	63.9%	100%
Oakland	22	58	80	27.5%	72.5%	100%
Pittsburg	35	36	71	49.3%	50.7%	100%
Total	138	201	339	40.7%	59.3%	100%
% Excluding Vacant	131	201	332	39.5%	60.5%	100%
Pearson chi2(3) = 12.4630 Pr = 0.006						

Table B-2: Response by Income Category

	Number			Percent		
Income category	0	1	Total	0	1	Total
Less than 12,000	30	52	82	36.59	63.41	100
$12,000 to $24,000	34	55	89	38.2	61.8	100
$24,000 to $40,000	43	41	84	51.19	48.81	100
$40,000 to $59,999	18	25	43	41.86	58.14	100
60K plus	13	28	41	31.71	68.29	100
Total	138	201	339	40.71	59.29	100
Pearson chi2(4) = 6.0328 Pr = 0.197						

[7] Response rate before excluding vacant units was 59.3 percent

[8] Stata software calculated Pearson's Chi-Squared statistics to show the level of significance of differences in the distribution of responses.

Response rates also varied significantly by ethnic group, when the entire pool of households is analyzed. White, Black or African American, and mixed ethnicity households were most likely to respond while Hispanic households were the least likely to complete the survey. These differential response rates may in part be related to where the households reside, as shown in Table B-3. For example 57 percent of Hispanic households in TOD sites responded to the survey, compared to only 32 percent in the non-TOD sites. At this geographic level, the Hispanic response rate is much closer to the average overall response. However, a much higher proportion of Hispanic households lived in the suburban sites, compared to other ethnic groups.

Table B-3: Ethnic Variations by City Property and by Response Rate					
	Ethnicity (Row 1, Percent of population in city property; Row 2 Response rate of ethnic group in city)				
City	Asian/Pacific Islander	Black or African American	Hispanic	Other or Mixed	White
Alameda	34.8% of HH 45.2% response	46.1% of HH 56.1% response	12.4% of HH 18.2% response	0% of HH --	6.7% of HH 66.7% response
Berkeley	2.7% of HH 50.0% response	56.8% of HH 71.4% response	6.8% of HH 40.0% response	14.9% of HH 72.7% response	18.9% of HH 71.4% response
Oakland	26.7% of HH 70.0% response	36.0% of HH 74.7% response	2.7% of HH 100% response	28.0% of HH 81.0% response	6.8% of HH 60.0% response
Pittsburg	10.0% of HH 42.9% response	55.7% of HH 53.9% response	28.6% of HH 45.0% response	1.4% of HH 0% response	4.3% of HH 66.7% response
Total	19.5% of HH 53.3% response	48.4% of HH 63.1% response	12.3% of HH 39.5% response	10.7% of HH 75.9% response	9.1% of HH 67.9% response
Statistics for ethnicity differences in response rate: Pearson chi2 (4) = 12.5145 Pr = 0.014; when ethnic differences in response calculated by city, the differences were not significant.					

While response rate differences show some bias in the sample, the sample is large enough that we are able to explore the characteristics of different locations and household characteristics in the analysis.

Appendix C – Transportation and Housing Survey for Residents

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Transportation and Housing Survey for Residents

Resources for Community Development (RCD)* is currently conducting a survey to find out how current residents access different services and amenities from their home, such as employment and job training, grocery stores, child care and other services. Your answers to this survey are extremely valuable and will help RCD better serve you and your neighbors and create better housing for all residents.

This survey will take approximately 15 to 20 minutes to complete. All households that complete the survey will each receive a $20 gift card (only one survey per household).

Households that complete a survey by JULY 31st will also be entered into a raffle to win an iPad mini.

Answering these questions is completely up to you. You may refuse to answer any of the questions, and you may stop the survey at any time, however only completed surveys will receive a gift card. We recommend doing this survey as a family/household or having one person fill out the survey who can answer the questions for the entire unit.

All names provided will be kept private and will be separated from any of the responses you provide. Any facts that might identify you will not appear when we present this study or publish its results.

In addition to the survey, RCD is conducting interviews with residents based on their answers. If you are willing to speak to RCD further about your responses, please provide your contact Information at the end of the survey. Households that are chosen to participate in the follow-up interview/conversation will receive an additional gift card.

Do you agree to take this voluntary survey?

O Yes, I consent to take this survey.
O No, I do not consent to take this survey.*

*If no, please return the blank survey in the envelope provided.

Survey for [property name] Residents

*RCD in partnership with the Association of Bay Area Governments (ABAG) will be conducting this survey on transportation and services for residents of affordable housing. The survey team will include a UC Berkeley Graduate Student and ABAG staff.

Please tell us about you and the other people in your unit

1. Please confirm that you live at [property name] by checking: O Yes or O No

Unit Number: _____

2. Who currently lives with you in the unit?

	Relationship to you (e.g. mother, son, roommate)	Age	Gender	Employed (Y/N)	Student (Y/N)	Retired (Y/N)	Other: (e.g. disability)
1	Self						
2							
3							
4							
5							
6							
7							
8							

3. When did you move into [property name]? Year: _____

4. Where did you live before? Please let us know by identifying the nearest intersection, city and state that you lived in before.

Street Address or Cross Streets:	How long did you live there?
City: State (if not California):	O Less than 1 year O 1 year or longer

5. Do you or the people you live with have access to a motor vehicle (car, truck, motorcycle)? **[Check all that apply]**

- O Yes. If yes,
  - How many motor vehicles does the household own? (Number:_____)
  - Where is (are) the vehicle(s) parked (check all that apply):
    - O At the apartment property O On the street O Other _____
- O No motor vehicle access
- O Car share membership
- O Other vehicle access (such as carpooling), please explain:

Please tell us about your usual travel choices

6. How often do you or the people you live with travel by? **[Check one for each method]**

	Almost Daily	Few times per week	Few times per month	Once per month	Rarely	Never
BART	O	O	O	O	O	O
Bus	O	O	O	O	O	O
Car	O	O	O	O	O	O
Walking	O	O	O	O	O	O
Bike	O	O	O	O	O	O
Carpool	O	O	O	O	O	O
Other:_____	O	O	O	O	O	O

7. What are the **main** travel destinations for you the people you live with during a typical week (Monday-Sunday)? **[List each destination only once and no more than 6 destinations in total]**

Type of Destination: (examples: Work; School; Daycare; Grocery Store; Library; Park; doctor; Church)	**Address , Cross Streets, or Neighborhood:** Please include city (example: Shattuck between Vine and Rose, Berkeley)* * Details will help us calculate distances traveled	**Who is going there?** (example: self and daughter)	**How do you/they usually get there?** (e.g. bike; walk + bus; drive + BART + walk)	**Days/ Week or month** (e.g. 5 days per week; once a month)	**Does the time of day change how you get to this destination?**
example: Hospital	*Grand and Broadway, Oakland*	*Self*	*BART + Walk*	*2 / week*	*At night I drive*
1.					
2.					
3.					
4.					
5.					

8. Since moving to [property name] do you and the people you live with: **[Check one]**
   - O Use public transportation **MORE** than we did before
   - O Use public transportation **ABOUT THE SAME** as we did before
   - O Use public transportation **LESS** than we did before

   If your use of public transportation has changed, **please explain why**:

9. Since moving to [property name] do you and the people you live with: **[Check one]**
   - O Use a private vehicle **MORE** than we did before
   - O Use a private vehicle **ABOUT THE SAME** as we did before
   - O Use a private vehicle **LESS** than we did before

   If your use of a car has changed, **please explain why**:

10. Do you or anyone you live with receive discounted transit passes or subsidized parking at home or work?
    - O Yes, *please provide a description of the type of pass or parking arrangement in the box below
    - O No
    - O Other, please explain:

11. **Overall transportation costs** (e.g. the cost of driving, gas and public transit) for me and the people I live with have: **[Check one and explain in the box below]**
    - O **INCREASED** since moving to [property name]
    - O **STAYED THE SAME** since moving to [property name]
    - O **DECREASED** since moving to [property name]

    Please explain what has led to the changes (e.g. higher gas prices, use bus instead of car, live closer to job):

Please tell us how your life has changed since moving to [property name]

12. Since moving to [property name] have you or any of the people you live with changed where you/they go for any of the following services?

Destination	No Change	Change	Does not apply (N/A)	Details or Comment
School (K-12 or college)				
Employment Services & Training				
Groceries				
Medical Care				
Library				
Child Care				
Parks, Recreation and Open Space				
Entertainment (Theater, Cafes)				
Place of Worship				
Other:_____				

13. How does the location of [property name] compare with your previous home when traveling to the following services?

	Easier to reach	Harder to reach	About the same	N/A
Work	○	○	○	○
School (K-12 or college)	○	○	○	○
Employment Services & Training	○	○	○	○
Groceries	○	○	○	○
Medical Care	○	○	○	○
Library	○	○	○	○
Child Care	○	○	○	○
Parks, Recreation and Open Space	○	○	○	○
Entertainment (Theater, Cafes)	○	○	○	○
Place of Worship	○	○	○	○
Other: _____	○	○	○	○

Comments (add any details on reasons for changes here):

14. Have you or any of the people you live with taken a **new** job since moving to [property name]?

- O Yes, *please provide the address or cross streets and city of previous job in the box below
- O No
- O Other, please explain:

15. Since moving to [property name] **finding a job** is now: **[Check one]**

- O **EASIER** than where I/we lived before
- O **NEITHER** easier nor harder to find a job than where I/we lived before
- O **HARDER** than where I/we lived before

Comments (add any details you choose here)

16. What are some advantages of moving to the [property name] neighborhood? **[Check all that apply]**

- O Neighborhood is safer
- O Neighborhood has better access to transit services, car-share or carpooling options
- O Neighborhood has better access to shops, services and restaurants
- O Neighborhood has better access to recreational opportunities
- O Neighborhood has better quality of local schools

Other or Comments:

The questions that follow give context to the results for all of the surveys. As in your earlier responses, all individual information will be kept confidential.

17. Please list the occupation of **each household member** that is currently employed. If an individual holds more than one job, please list each job on a separate line.

Person	**Part time / Full Time**	**Industry and Occupation** (e.g. retail-sales person, construction - manager, etc.)	**Comments** (e.g. self-employed, disability leave)
Self			

18. Which race or ethnicity best describes you?
[Check all that apply]

- O Asian/Pacific Islander
- O Black/African-American
- O White/Caucasian
- O Latino/Hispanic
- O Native American/Alaskan Native
- O Other, please specify: _____
- O Prefer not to answer

19. What languages are spoken at home?
[Check all that apply]

- O English
- O Spanish
- O Tagalog (Filipino)
- O Chinese, dialect:_____
- O Arabic
- O Other, please specify: _____

20. Please provide your name and contact information if you are willing to have an additional interview with us. Households selected for a follow up interview will receive an additional **$20** gift card.

Name: **Phone or e-mail:**

This concludes the survey. Your answers will help RCD provide better services and housing for all residents.

Thank you for your time!

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Resources for Community Development
2220 Oxford Street, Berkeley, CA 94704
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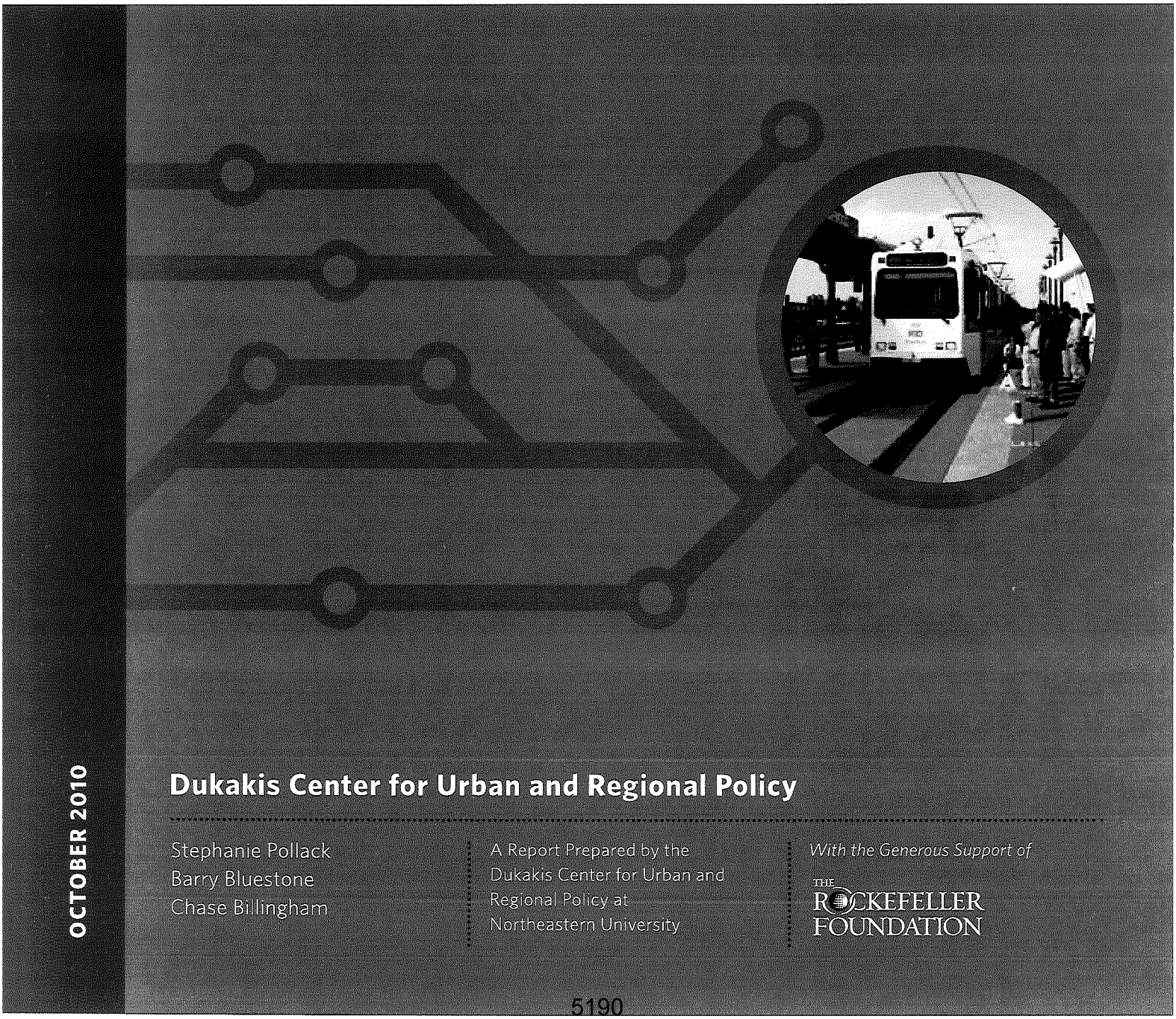
Maintaining Diversity In America's Transit-Rich Neighborhoods:

Tools for Equitable Neighborhood Change



Dukakis Center for Urban and Regional Policy

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A Report Prepared by the Dukakis Center for Urban and Regional Policy at Northeastern University

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Executive Summary

More than 3,000 transit-rich neighborhoods (TRNs) in U.S. metropolitan areas have fixed-guideway transit stations and hundreds more such neighborhoods could be created over the next decade if current plans for new transit systems and stations are realized. Americans are increasingly using transit and showing more interest in living in transit-rich neighborhoods. For neighborhood and equity advocates from Atlanta to Seattle and Minneapolis to Houston, however, this good news is tempered by a growing concern about gentrification and displacement. Will current neighborhood residents, many of them low income and/or people of color, benefit from planned transit stations? Or will they be displaced by wealthier and less diverse residents lured not only by transit but also by the other amenities that come with transit-induced neighborhood revitalization?

Planners and policymakers would appear to face a Hobson's choice if transit investment and expansion inevitably lead to gentrification and displacement: either make the transit investment and accept loss of neighborhood diversity as collateral damage, or avoid transit expansion projects serving diverse, lower-income neighborhoods and leave those residents with poor public transit or none at all.

This report is based on research that was designed to address this dilemma. We wanted to understand whether gentrification and displacement are actually occurring in transit-rich neighborhoods. To the extent that undesirable patterns of neighborhood change were found, we also wanted to understand the underlying mechanisms in order to propose policy tools that could be used to shape equitable neighborhood change in both old and new TRNs.

Our research found that transit investment frequently changes the surrounding neighborhood. While patterns of neighborhood change vary, the most predominant pattern is one in which housing becomes more expensive, neighborhood residents become wealthier and vehicle ownership becomes more common. And in some of the newly transit-rich neighborhoods, the research reveals how a new transit station can set in motion a cycle of unintended consequences in which core transit users—such as renters and low income households—are priced out in favor of higher-income, car-owning residents who are less likely to use public transit for commuting. We believe that the risk that transit investment could catalyze undesirable neighborhood change is substantial enough that it needs to be managed whenever transit investments or improvements are being planned. We therefore present a toolkit of policy tools for shaping equitable neighborhood change in TRNs, tools that are increasingly available and in use across the country.

This report is divided into four parts. The first chapter documents the diversity of the transit-served metropolitan areas and TRNs in the United States and explores the symbiotic relationship between diverse neighborhoods and successful transit. The second chapter reviews the most recent literature on neighborhood change, gentrification and displacement, both in general and in TRNs, and highlights the different ways in which gentrification can occur and the importance of understanding who moves into gentrifying neighborhoods. The third chapter presents the results of our new research on patterns of neighborhood change in 42 neighborhoods in 12 metropolitan areas first served by rail transit between 1990 and 2000, and draws conclusions about the likely mechanisms underlying the observed patterns of change in those neighborhoods. The final chapter summa-

rizes a new web-based Policy Toolkit for Equitable Transit-Rich Neighborhoods designed to directly address the most likely drivers of undesirable neighborhood change in TRNs in order to help planners, policymakers and advocates shape equitable neighborhood change and ensure that the many benefits of transit investment are shared by all.

Why Diversity Matters: Transit and Neighborhood Diversity

Concerns about gentrification and displacement associated with transit have traditionally been framed as issues of equity: will neighborhood change in TRNs adversely affect people of color and lower-income residents? These equity concerns emanate from the fact that transit-rich neighborhoods, and the larger metropolitan areas in which they are located, are extraordinarily diverse and home to a disproportionate share of lower-income households and people of color.

In 2010, there were 36 transit systems in the United States providing what transportation planners call fixed-guideway (rail rather than bus) transit, with one additional such system scheduled to open in 2011. These 37 regional transit systems serve a total of 41 Metropolitan Statistical Areas (MSAs) as defined by the U.S. Census. Using 2000 Census data, we calculate that nearly half of all Americans and more than two-thirds of all U.S. workers live in those 41 transit-served metros, as do over half of all blacks, 60 percent of all Hispanics and 70 percent of all immigrants in the United States. In addition, slightly more than half of all U.S. rental housing is located in transit-served metros.

People of color, low-income households and renters share two related characteristics that may explain their concentration in transit-served metropolitan areas. First, in a country where over 95 percent of all households own at least one car, these three groups are disproportionately likely to live in households without vehicles. In addition, people of color, low-income households and renters are all more likely to use transit than the average American. These three groups represent the majority of what we refer to as core transit riders, those most likely to regularly use transit.

Even as they work to attract a broader range of riders, transit systems need to maintain their core ridership to ensure that total ridership continues to grow. Transit planners frequently speak of the need for transit-oriented development to support ridership, but what transit stations need is transit-oriented neighbors who will regularly use the system. There is a symbiotic relationship between diverse neighborhoods and successful transit: transit systems benefit from and depend on the racial and economic diversity of the neighborhoods that they serve, just as low-income households and people of color depend on and benefit from living in neighborhoods served by transit.

Neighborhood Change and Transit: What We Know

Neighborhoods change over time, in ways that both benefit and harm those who have been living there. Researchers, policymakers and advocates have long been concerned about patterns of neighborhood change that reduce the racial and/or economic diversity of neighborhoods. The second chapter of this report explores prior studies that can help us understand how the presence of new or improved transit can change the surrounding neighborhood.

While the terms gentrification and displacement are frequently used interchangeably, recent research highlights the importance of distinguishing between these two related patterns of neighborhood change. Gentrification is a pattern of neighborhood change in which a previously low-income neighborhood experiences reinvestment and revitalization, accompanied by increasing home values and/or rents. Gentrification, while frequently controversial, can be either good or bad for a neighborhood, depending on who benefits from the reinvestment and revitalization.

Gentrification may or may not be associated with displacement, a pattern of change in which current residents are involuntarily forced to move out because they cannot afford to stay in the gentrified neighborhood. Recent studies indicate that displacement may not be the sole mechanism driving change in gentrifying neighborhoods. The demographic composition of gentrifying neighborhoods can be altered through a process of succession or replacement driven by accelerated turnover of the housing stock. This housing turnover is marked both by unequal retention of existing residents (with wealthier and/or better-educated residents more likely to remain) and in-migration of wealthier, better-educated residents. This pattern of change, while differing from the traditional model of involuntary displacement, nevertheless raises serious equity concerns as the result is much the same: the resulting neighborhood is more expensive and populated by higher-income residents.

Few studies have been done on gentrification in TRNs and those report varying results: in some cases new transit is put in place with little neighborhood change, while other TRNs experience extensive gentrification. When this literature is supplemented with studies of changing travel behavior in specific transit-oriented development projects in those neighborhoods, however, important insights emerge. Certain demographic groups—including core transit riders who traditionally use transit, and also potential riders who may choose to use transit—are attracted to well-planned TRNs in a self-selection process that may contribute to the process of replacement recently observed in gentrifying neighborhoods. Understanding neighborhood change in TRNs therefore requires a detailed understanding of both who lived in those neighborhoods before the transit was built and who lives there afterward.

Neighborhood Change and Transit: What We Learned

To better understand patterns of neighborhood change in newly transit-rich neighborhoods, the third chapter of the report analyzes socioeconomic changes in 42 neighborhoods in 12 metropolitan areas first served by rail transit between 1990 and 2000. Because prior research on gentrification and TRNs had looked at only a few characteristics, we explore a broad range of population, housing and transportation characteristics. For each of the 42 neighborhoods analyzed, we studied changes between 1990 and 2000 in population, racial and ethnic composition, and in-migration; the number of housing units, tenure, housing value and rent; household income; and the use of public transit for commuting purposes and automobile ownership. We then compared the neighborhood level changes to those in each neighborhood's corresponding metropolitan area to see if patterns of neighborhood change in the TRNs differed from corresponding changes in the region.

As in prior studies, we found that patterns of neighborhood change varied across the transit-rich neighborhoods we investigated. Many of the TRNs changed in ways that were roughly similar to the underlying pattern of change in their larger metro areas. We focused, however, on those TRNs where changes were more pronounced than those in the surrounding metropolitan area. In these neighborhoods, a predominant pattern of neighborhood change could be discerned: with the addition of transit, housing stock became more

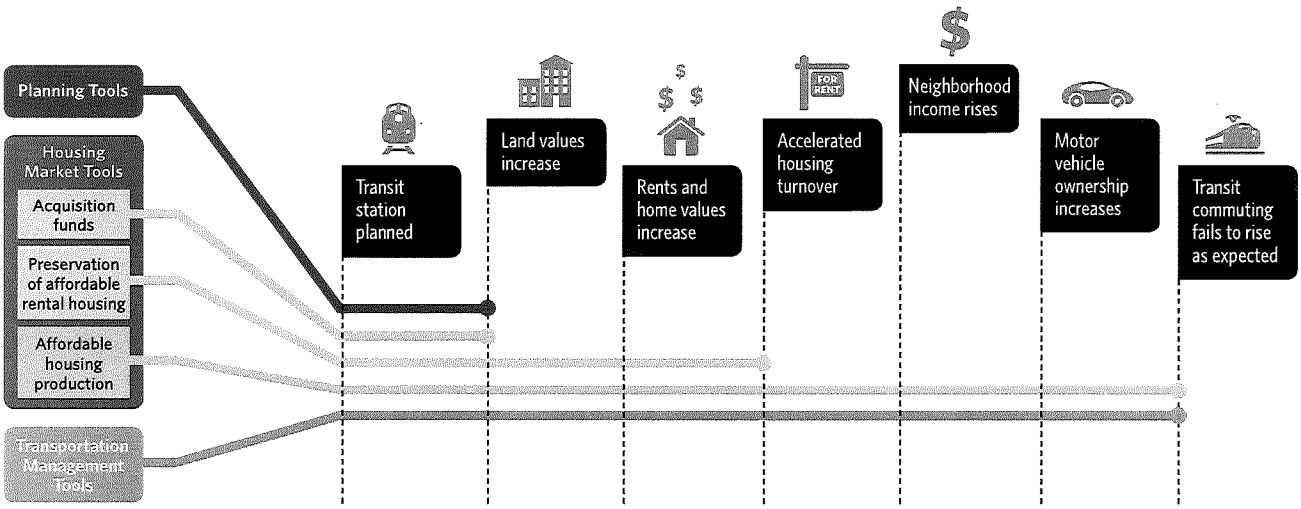
expensive, neighborhood residents wealthier and vehicle ownership more common. We found evidence of gentrification in the majority of newly transit-served neighborhoods, if gentrification is defined as a pattern of neighborhood change marked by rising housing costs and incomes.

Our research also provides support for the conclusion that neighborhoods with a large number of renters are more susceptible to gentrification. Indeed, when we specifically looked at the neighborhoods where the new stations were light rail —neighborhoods which, in our study, were more likely to be dominated pre-transit by low-income, renter households than those in the heavy rail and commuter rail neighborhoods— almost every aspect of neighborhood change was magnified: rents rose faster and owner-occupied units became more prevalent.

Our research did not, however, find that a new transit station automatically leads to fundamental change in a neighborhood's racial composition. Perhaps, as other recent studies of gentrification have found, the relatively higher retention of higher-income black and Hispanic households and/or the in-migration of racially mixed, higher income residents results in a wealthier neighborhood but one with a racial composition similar to that of the pre-transit neighborhood.

Gentrification can be a positive form of neighborhood change but can also have adverse consequences. Our analysis found evidence of at least two gentrification-related concerns. Even if no displacement can be proven to occur in TRNs, rapidly increasing rents mean that those renter households who choose to remain and take advantage of the new transit will experience higher housing cost burdens. In addition, neighborhood revitalization sometimes attracts not only higher-income residents but also car-owning residents.

Breaking the Cycle of Unintended Consequences in Transit-Rich Neighborhoods



In some of the neighborhoods studied, the new transit station seems to have set in motion a cycle of unintended consequences that reduced neighborhood residency by those groups most likely to use transit in favor of groups more likely to drive. Utilization of public transit for commuting in this problematic subset of newly transit-served neighborhoods actually rose more slowly (or, in some cases, declined faster) than in the corresponding metropolitan area as a whole. Whether by displacement or replacement, or a combination of the two, in some transit-rich neighborhoods the pattern of change is working against the goal of attracting transit-oriented neighbors: the most likely potential transit riders are being crowded out by car owners less likely to be regular users of transit. This cycle, illustrated above, raises concerns about both equity, because core transit riders are predominantly people of color and/or low income, and about the success of new transit investments in attracting desired levels of ridership.

A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods

Our research reveals that transit investment can sometimes lead to undesirable forms of neighborhood change. Understanding the mechanisms behind such neighborhood change can, however, allow policymakers, planners and advocates to implement policies and programs designed to produce more equitable patterns of neighborhood change. The final chapter of the report summarizes a new web-based Policy Toolkit for Equitable Transit-Rich Neighborhoods which describes three types of policy tools, as illustrated above.

PLANNING TOOLS: Because neighborhood change can happen quickly, particularly in neighborhoods dominated by rental housing, policymakers need to get ahead of potential problems by using coordinated and community-responsive planning tools that begin at the same time as transit planning, explicitly consider the risks of gentrification and include everyone with a stake in the neighborhood's future.

HOUSING MARKET TOOLS: Because one of the most noticeable and damaging signs of transit-induced gentrification is rapidly rising rents and housing values, policies that address housing are critical. The Toolkit focuses on three categories of housing market tools:

- Funding for land and property acquisition;
- Preservation of existing affordable rental housing; and
- Affordable housing production.

TRANSPORTATION MANAGEMENT TOOLS: Because one characteristic of gentrifying TRNs is an increase in wealthier households who are also more likely to own and use private vehicles and less likely to use transit for commuting, policies must be designed to attract core and potential transit riders to transit-rich neighborhoods, particularly non-vehicle owning households.

CHAPTER 1

Why Diversity Matters: Transit and Neighborhood Diversity

Americans are increasingly using transit and showing more interest in living near transit, in what we call transit-rich neighborhoods (TRNs). After decades of flat growth alternating with declines, transit ridership in the United States began rising in 1995 and has been growing steadily for more than a decade. Public transportation ridership grew 36 percent between 1995 and 2008, almost three times the 14 percent growth rate of the U.S. population. In 2008, U.S. transit systems carried passengers on 10.5 billion trips, the largest number of trips taken on transit since 1956. Despite a recession-induced ridership drop of 3.8 percent in 2009, the year closed out as the fourth year in a row in which ridership exceeded 10 billion trips (American Public Transportation Association [APTA], 2010).

Transit systems—not just transit ridership—are also growing, with new stations and even entire systems being planned and built. There are already more than 3,300 fixed-guideway transit stations in the United States, according to the Center for Transit-Oriented Development (CTOD, 2006)[1], and hundreds more transit-rich neighborhoods could be created over the next decade if current plans for new transit systems and stations are realized. Two dozen new light rail lines and extensions to existing systems began operation between 2003 and 2007 (CTOD, 2009a) and 175 new fixed-guideway transit lines entered the New Starts Program, the federal funding source for transit, between 1998 and 2008. More than 80 cities and regions throughout the country are currently planning more than $250 billion in transit projects (Belzer & Poticha, 2009). This public investment in transit infrastructure has, in turn, catalyzed billions of dollars in private investment in housing and commercial development near new transit stations and, in some cases, near decades-old existing stations (CTOD, 2008).

Good News or Bad?

For neighborhood and equity advocates from Atlanta to Seattle and Minneapolis to Houston, however, this good news is tempered by a growing concern about gentrification and displacement. Will current neighborhood residents, many of them low income and/or people of color, benefit from planned transit stations? Or will they be displaced by wealthier and less diverse residents lured not only by transit but also by the other amenities that come with transit-induced neighborhood revitalization?

Planners and policymakers would appear to face a Hobson's choice if transit investment and expansion inevitably lead to gentrification and displacement: either make the transit investment and accept loss of neighborhood diversity as collateral damage, or avoid transit expansion projects serving diverse, lower-income neighborhoods and leave those residents with poor public transit or none at all.

This report is based on research that was designed to address this dilemma. We wanted to understand whether gentrification and displacement is actually occurring in transit-rich neighborhoods. And, to the extent that undesirable patterns of neighborhood change were found, we wanted to understand the underlying mechanisms in order to propose policy

[1] CTOD defines fixed-guideway transit as including light rail, heavy rail (subways), commuter rail, streetcars, trolley buses, bus rapid transit and cable cars. Buses, although an important type of transit, do not operate on fixed guideways (CTOD, 2006). We define a transit-rich neighborhood as one that is served by such fixed-guideway transit.

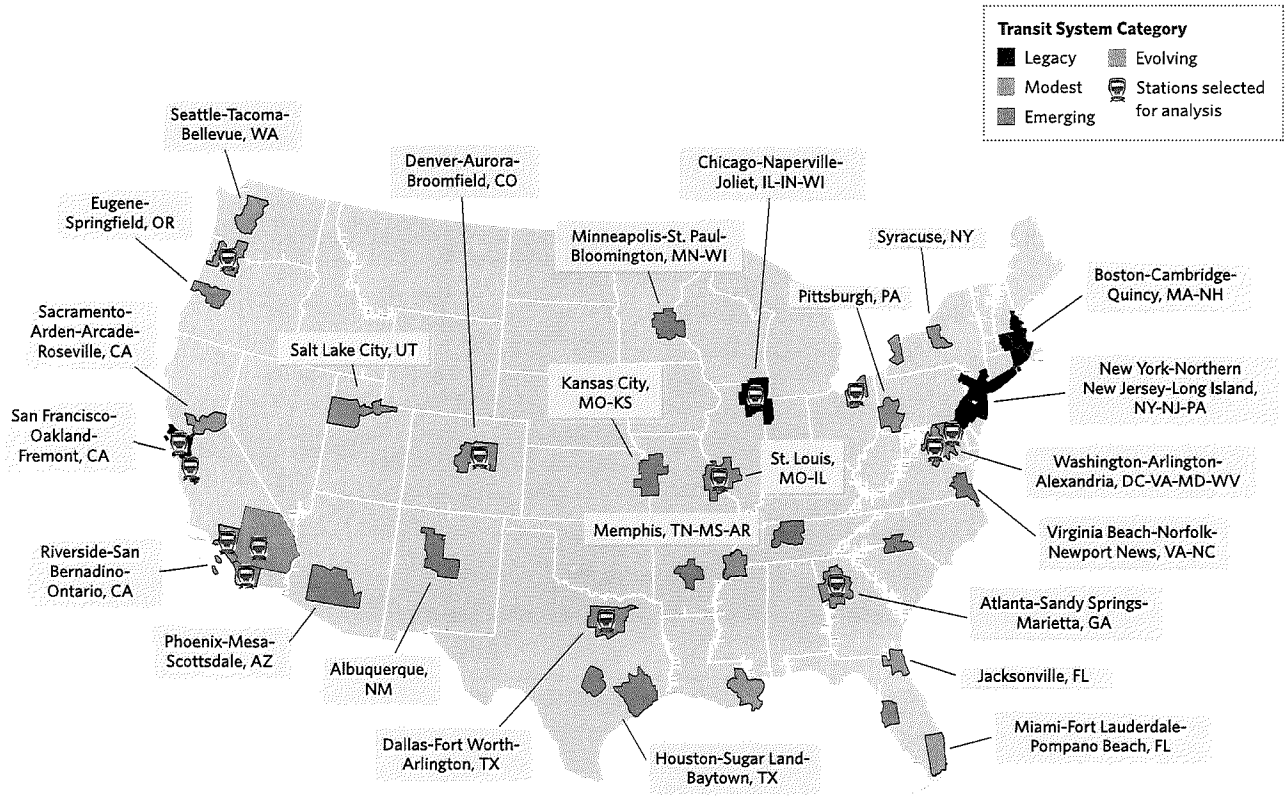
tools that could be used to shape equitable neighborhood change in both old and new TRNs. Before presenting this new research and an accompanying Policy Toolkit, however, we provide some context by documenting the extraordinary reservoir of diversity currently found in America's transit-served metropolitan areas and transit-rich neighborhoods, and exploring the symbiotic relationship that exists between those diverse neighborhoods and successful transit.

Where Is the Transit?

Transit-rich neighborhoods are concentrated in the nation's largest and most economically important metropolitan areas. As defined by the federal Office of Management and Budget, a metropolitan area is a region with "at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties." The United States currently has 366 metropolitan statistical areas (MSAs). The Brookings Institution's Metropolitan Policy Program has demonstrated that the United States is a metropolitan nation, with its metropolitan areas containing 83 percent of the U.S. population and 85 percent of the nation's jobs.[2]

The relatively small number of metropolitan areas which have fixed-guideway transit comprise a large proportion of the nation's largest and most economically important regions. As illustrated in **Figure 1.1 and Table 1.1**, all but three of the 25 most populous metropolitan areas in the United States had rail transit systems in 2005. Phoenix subsequently opened its first transit line in 2008; Detroit, the largest metro area without a rail transit system, is currently working to begin construction of its first light rail line, the M-1. Cincinnati, the only other top-25 metro area without rail transit, has plans to build both streetcar and light rail systems. In addition, 16 of the other 25 metro areas ranked in the country's top 50 by population either had transit systems in 2005 or have built systems since then. **Table 1.1** categorizes each transit system by size following the system used by the Center for Transit

FIGURE 1.1 Transit-Served Metropolitan Areas



[2] The web site of the Metropolitan Policy Program can be found at http://www.brookings.edu/metro/About-Us.aspx.

TABLE 1.1 Transit in America's Largest Metropolitan Areas

Rank by Population	Metropolitan Statistical Area	Population 2005	Transit System 2005
1	New York-Northern New Jersey-Long Island, NY-NJ-PA	18,747,320	Extensive
2	Los Angeles-Long Beach-Santa Ana, CA	12,923,547	Large
3	Chicago-Naperville-Joliet, IL-IN-WI	9,443,356	Extensive
4	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	5,823,233	Extensive
5	Dallas-Fort Worth-Arlington, TX	5,819,475	Medium
6	Miami-Fort Lauderdale-Miami Beach, FL	5,422,200	Medium
7	Houston-Baytown-Sugar Land, TX	5,280,077	Small
8	Washington-Arlington-Alexandria, DC-VA-MD-WV	5,214,666	Large
9	Atlanta-Sandy Springs-Marietta, GA	4,917,717	Medium
10	Detroit-Warren-Livonia, MI	4,488,335	None (In Planning)
11	Boston-Cambridge-Quincy, MA-NH	4,411,835	Extensive
12	San Francisco-Oakland-Fremont, CA	4,152,688	Extensive
13	Riverside-San Bernardino-Ontario, CA	3,909,954	Large (part of LA)
14	Phoenix-Mesa-Scottsdale, AZ	3,865,077	To open in 2008
15	Seattle-Tacoma-Bellevue, WA	3,203,314	Medium
16	Minneapolis-St. Paul-Bloomington, MN-WI	3,142,779	Small
17	San Diego-Carlsbad-San Marcos, CA	2,933,462	Medium
18	St. Louis, MO-IL	2,778,518	Medium
19	Baltimore-Towson, MD	2,655,675	Medium
20	Tampa-St. Petersburg-Clearwater, FL	2,647,658	Small
21	Pittsburgh, PA	2,386,074	Medium
22	Denver-Aurora, CO	2,359,994	Small
23	Cleveland-Elyria-Mentor, OH	2,126,318	Medium
24	Portland-Vancouver-Beaverton, OR-WA	2,095,861	Large
25	Cincinnati-Middletown, OH-KY-IN	2,070,441	None (In Planning)
26	Sacramento--Arden-Arcade--Roseville, CA	2,042,283	Medium
27	Kansas City, MO-KS	1,947,694	Small
28	Orlando, FL	1,933,255	None (In Planning)
29	San Antonio, TX	1,889,797	None
30	San Jose-Sunnyvale-Santa Clara, CA	1,754,988	Extensive (part of SF)
31	Las Vegas-Paradise, NV	1,710,551	Small (private)
32	Columbus, OH	1,708,625	None
33	Virginia Beach-Norfolk-Newport News, VA-NC	1,647,346	To open in 2011
34	Indianapolis, IN	1,640,591	None
35	Providence-New Bedford-Fall River, RI-MA	1,622,520	Extensive (part of Boston)
36	Charlotte-Gastonia-Concord, NC-SC	1,521,278	Small
37	Milwaukee-Waukesha-West Allis, WI	1,512,855	None
38	Austin-Round Rock, TX	1,452,529	To open in 2010
39	Nashville-Davidson--Murfreesboro, TN	1,422,544	To open in 2006
40	New Orleans-Metairie-Kenner, LA	1,319,367	Small
41	Memphis, TN-MS-AR	1,260,905	Small
42	Jacksonville, FL	1,248,371	Small
43	Louisville, KY-IN	1,208,452	None
44	Hartford-West Hartford-East Hartford, CT	1,188,241	None (In Planning)
45	Richmond, VA	1,175,654	None
46	Oklahoma City, OK	1,156,812	None
47	Buffalo-Niagara Falls, NY	1,147,711	Small
48	Birmingham-Hoover, AL	1,090,126	None
49	Rochester, NY	1,039,028	None
50	Salt Lake City, UT	1,034,484	Medium

The geographic distribution of transit in the United States has changed in recent decades as new transit systems have begun service and older ones have expanded.

Oriented Development: extensive systems are those that have 201 or more stations, large systems have 70-200 stations, medium systems have 25-69 stations and small systems have 24 or fewer stations.

As of 2010, there were 36 fixed-guideway transit systems in the United States, with one more (in the Virginia Beach-Norfolk-Newport News, Virginia, metropolitan area) under construction and scheduled to open in 2011.[3] These 37 fixed-guideway transit systems serve a total of 41 Metropolitan Statistical Areas (MSAs), as shown in **Figure 1.1** and **Table 1.2**. While most of the transit-served metropolitan areas are coincident with a single MSA, in three cases we combine several MSAs in order to define a transit-served metropolitan area that is geographically matched to the region's transit system.[4]

The geographic distribution of transit in the United States has changed in recent decades as new transit systems have begun service and older ones have expanded. In order to understand and assess the different types of transit-served metropolitan areas in the country, we grouped the transit-served metros into four categories based on (1) the transit system's age, (2) its size and transit expansion plans, (3) the surrounding metro area's projected population growth rate and (4) the projected employment-growth rate for the area. As shown in **Table 1.2**, we have divided U.S. transit systems and the metropolitan areas they serve into four categories: legacy, evolving, emerging and modest systems. The legacy transit systems are the five oldest and largest transit systems in the United States: Boston, Chicago, New York, Philadelphia and San Francisco. All have transit systems that are more than a century old and these five systems alone account for more than two-thirds of all transit-rich neighborhoods in the nation. But a large and growing number of TRNs are located beyond these five legacy systems. A second group of 14 metros—including Atlanta, Los Angeles and Washington, D.C.—was categorized as having evolving transit systems because both the metro areas and their transit systems (originally constructed starting in the 1970s, through the 1990s) are generally growing at a more rapid pace than those in the legacy systems. A third set of metros was categorized as having emerging transit systems because none had rail transit until after 2000 and all have plans to grow their new transit system to at least medium size (25 or more stations) by 2030; these include many fast-growing Sun Belt metros such as Phoenix, Houston and Albuquerque. Finally, a handful of modest transit systems exist in smaller metros with limited or no plans to grow their transit systems; most (with the exception of Jacksonville) expect little job or population growth over the next two decades.

To better understand these different transit-served metropolitan areas and their economic importance and socioeconomic composition, we aggregated data from the 2000 Census to create a composite profile of transit-served metropolitan areas in the United States.

[3] Two transit systems included in the Center for Transit Oriented Development's database of transit systems and stations are not included in our calculations. Island Transit in Galveston, Texas, has been omitted both because Galveston is included in the Houston MSA and because the six-mile trolley service originally opened in 1988 has been suspended since being severely damaged by Hurricane Ike in 2005. Las Vegas has only a privately owned transit service, a monorail, with seven stops but no fixed-guideway public transit as yet.

[4] The Boston metropolitan area combines three MSAs which are served by the Massachusetts Bay Transportation Authority's commuter rail network; the San Francisco metropolitan area combines the San Francisco and San Jose MSAs, which are linked by the Caltrain commuter rail system; and the Los Angeles metropolitan area combines the Los Angeles and Riverside MSAs, which are linked by the Metrolink commuter rail system.

TABLE 1.2 Categories of Transit-Served Metropolitan Areas

Transit-Served Metro Areas	Year of Initial Operation	Transit System Size in 2005	Anticipated Transit System Size in 2030*	Metropolitan Statistical Area(s)
5 Legacy Systems				
Boston MA	1897	Extensive	Extensive+	Boston-Cambridge-Quincy MA-NH Worcester MA Providence-New Bedford-Fall River RI-MA Providence-New Bedford-Fall River RI-MA
Chicago IL	1893	Extensive	Extensive+	Chicago-Naperville-Joliet IL-IN-WI
New York NY	1904	Extensive	Extensive+	New York-Northern New Jersey-Long Island NY-NJ-PA
Philadelphia PA	1907	Extensive	Extensive+	Philadelphia-Camden-Wilmington PA-NJ-DE-MD
San Francisco CA	1878	Extensive	Extensive+	San Francisco-Oakland-Fremont CA San Jose-Sunnyvale-Santa Clara CA
14 Evolving Systems				
Atlanta GA	1979	Medium	Large	Atlanta-Sandy Springs-Marietta GA
Baltimore MD	1983	Medium	Large	Baltimore-Towson MD
Dallas-Fort Worth TX	1996	Medium	Large	Dallas-Fort Worth-Arlington TX
Denver CO	1994	Small	Large	Denver-Aurora-Broomfield CO
Los Angeles CA	1990	Large	Extensive	Los Angeles-Long Beach-Santa Ana CA Riverside-San Bernardino-Ontario CA
Memphis TN	1993	Small	Medium	Memphis TN-AR-MS
Miami FL	1984	Medium	Large	Miami-Fort Lauderdale-Pompano Beach FL
New Orleans LA	1835	Small	Medium	New Orleans-Metarrie-Kenner LA
Portland OR	1986	Large	Extensive	Portland-Vancouver-Beaverton OR-WA
Sacramento CA	1987	Medium	Large	Sacramento—Arden-Arcade—Roseville CA
Salt Lake City UT	1999	Medium	Large	Salt Lake City UT
San Diego CA	1995	Medium	Large	San Diego-Carlsbad-San Marcos CA
Seattle WA	1982	Medium	Large	Seattle-Tacoma-Bellevue WA
Washington DC	1976	Large	Extensive	Washington-Arlington-Alexandria DC-VA-MD-WV
12 Emerging Systems				
Albuquerque NM	2006	Small	Medium	Albuquerque NM
Austin TX	2010	Small	Medium	Austin-Round Rock TX
Charlotte NC	2007	Small	Large	Charlotte-Gastonia-Concord NC-SC
Eugene OR	2007	Small	Medium	Eugene-Springfield OR
Houston TX	2004	Small	Medium	Houston-Sugar Land-Baytown TX
Kansas City MO-KS	2005	Small	Medium	Kansas City MO-KS
Little Rock AK	2004	Small	Medium	Little Rock-North Little Rock-Conway AR
Minneapolis-St. Paul MN	2004	Small	Medium	Minneapolis-St. Paul-Bloomington MN-WI
Nashville TN	2006	Small	Medium	Nashville-Davidson—Murfreesboro—Franklin TN
Norfolk VA	2011	Under construction	Medium	Virginia Beach-Norfolk-Newport News VA-NC
Phoenix AZ	2008	Small	Medium	Phoenix-Mesa-Scottsdale AZ
Tampa FL	2002	Small	Medium	Tampa-St. Petersburg-Clearwater FL
6 Modest Systems				
Buffalo NY	1984	Small	Small	Buffalo-Niagara Falls NY
Cleveland OH	1913	Medium	Medium	Cleveland-Elyria-Mentor OH
Jacksonville FL	1971	Small	Unknown	Jacksonville FL
Pittsburgh PA	1897	Medium	Medium	Pittsburgh PA
St. Louis MO	1993	Medium	Medium	St. Louis MO-IL
Syracuse NY	1970	Small	Small	Syracuse NY

*Based on projections by the Center for Transit-Oriented Development, 2006.

Diversity in Transit-Rich Metropolitan Areas and Neighborhoods

In compiling data from the 2000 Census for the 41 MSAs served by fixed-guideway transit, we created two aggregate data sets, one for the principal cities in each of the transit-served metro areas and one for the metropolitan areas as a whole. Transit systems tend to be constructed in a spoke-and-hub pattern designed to move trips to the central business district in the principal city of a metropolitan area; transit stations tend to be concentrated in or near the principal city rather than spread throughout entire MSA. Because regional transit systems serve principal cities more intensively than the region as a whole, transit use for commuting, as reported on the American Community Survey, is more than 11 percentage points higher in the principal cities than in the suburban portions of America's metropolitan areas (Istrate, Puentes & Tomer, 2010). For this reason, we looked at both the MSAs as a whole and at their principal cities.

Constituting just over 10 percent of all U.S. metropolitan areas, transit-served metros are economically important and extraordinarily diverse. As of 2000, as shown in **Figure 1.2**, transit-served metropolitan areas were home to nearly half of the country's residents and over 70 percent of its workforce. The principal cities in these metro areas alone contained 19 percent of the nation's population and 29 percent of its workforce.

Transit-served metropolitan areas are also places of concentrated racial and ethnic diversity. As shown in **Figure 1.3**, transit-served metropolitan areas are home to half of the black population, over 60 percent of the Hispanic population, and over 70 percent of the nation's immigrants. About two-thirds of the blacks and one-half of the Hispanics in the U.S. live in the principal cities of these metros.

Finally, transit-served metropolitan areas include a disproportionate share of U.S. rental housing. In 2000, as shown in **Figure 1.4**, transit-served metro areas accounted for slightly more than half of the nation's rental housing; the principal cities of these 41 metro areas alone accounted for nearly 30

FIGURE 1.2
Economic Importance of Transit-Served Metropolitan Areas

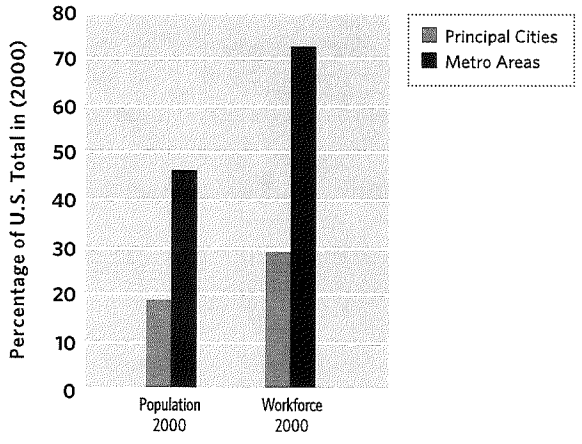


FIGURE 1.3
Diversity in Transit-Served Metropolitan Areas

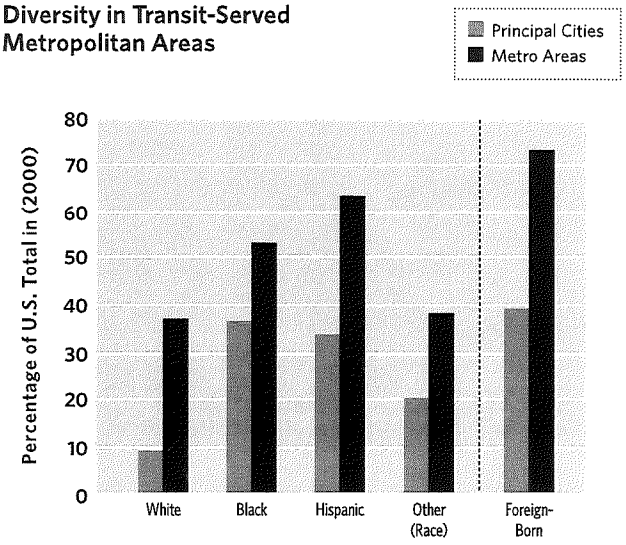
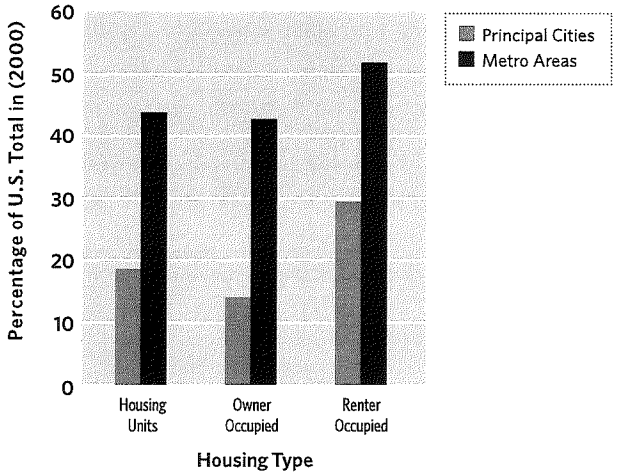


FIGURE 1.4
Housing in Transit-Served Metropolitan Areas



percent of all rental units. Rental housing is even more concentrated in those portions of transit-served metropolitan areas closest to transit stations: an analysis of 2000 Census data found that renters made up nearly two-thirds of those living in the 3,300 transit zones (areas within a one-half mile radius of fixed guideway transit stations) in the Center for Transit Oriented Development's database (CTOD, 2006). Similarly, a recent analysis of federally subsidized affordable rental apartments in 20 metropolitan areas identified nearly 200,000 such units within one-quarter mile of transit stations (Harrell, Brooks & Nedwick, 2009).

These high concentrations of people of color, immigrants and renters could be attributed to the inclusion of a handful of particularly large and diverse regions among the transit-served metropolitan areas. Our analysis did find that the metropolitan areas served by the five large legacy transit systems (Boston, Chicago, New York, Philadelphia and San Francisco) are home to one in five blacks and Hispanics in the United States. But, as shown in **Figures 1.5** and **1.6**, the 14 evolving transit systems are also diverse, with nearly one-third of all the nation's Hispanics and one-fifth of all U.S. blacks living in these faster-growing metros, including Atlanta, Dallas, Miami, Salt Lake City and Washington, D.C. These metros are also home to over one-third of all foreign-born residents; another 30 percent of immigrants live in the five metros served by legacy systems. Metro areas served by the dozen evolving systems also have significant populations of black, Hispanic and immigrant residents.

Our findings about the diversity of transit-served metropolitan areas are consistent with other analyses of diversity in TRNs. The Center for Transit-Oriented Development, for example, analyzed the demographics of more than 3,300 transit zones (similar but not identical to our TRNs) and found that 86 percent were either more economically diverse, more racially diverse, or both, than the average census tract in the same metropolitan area. Nearly 60 percent of those living in the transit zones were non-white and 65 percent were renters (CTOD, 2007).

Transit-rich neighborhoods and the larger metropolitan areas in which they are located are extraordinarily diverse places and are home to a disproportionate share of people of color, immigrants and renters in the United States. These are among the groups that neighborhood and equity advocates are concerned about when they worry about gentrification and displacement in transit-rich neighborhoods. But is equity the only concern if neighborhood diversity is put at risk by transit? Should transit planners and supporters be concerned as well?

FIGURE 1.5

Diversity in Different Types of Transit-Served Metropolitan Areas—Blacks

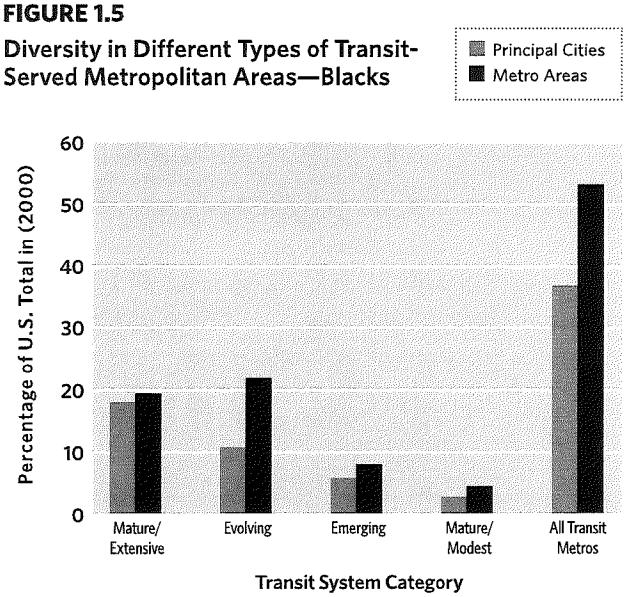
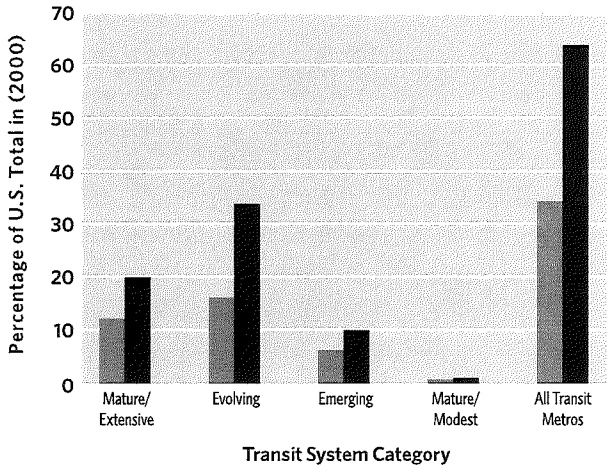


FIGURE 1.6

Diversity in Different Types of Transit-Served Metropolitan Areas—Hispanics



Transit and Neighborhood Diversity

Putting issues of equity aside, there are reasons to be concerned if transit-rich neighborhoods gentrify and their diversity is reduced. One potential concern is that neighborhood change could affect transit ridership, since nearby neighborhoods would seem to be vital sources of transit passengers.[5] Changing neighborhoods, and changing neighbors, could affect transit use and thus the very reason for the transit investment.

In order to evaluate the importance of neighborhood diversity to transit success, we reviewed the available data and literature on the demographics of transit users and on the travel behavior of diverse populations. One important source of data was published in 2007 by the American Public Transportation Association in its report *A Profile of Public Transportation Passenger Demographics and Travel Characteristics Reported in On-Board Surveys*. That report compiled information from questionnaires completed by over 496,000 public transit riders sampled between 2000 and 2005 by transit systems that carry 60 percent of all transit trips. These data present the most complete picture to date of the demographics and travel behavior of the people who use transit in the United States (APTA, 2007). Another key source of data is the 2001 National Household Travel Survey (NHTS)[6], a U.S. Department of Transportation effort sponsored by the Bureau of Transportation Statistics and the Federal Highway Administration to collect data on long-distance and local travel by the American public. NHTS survey data are collected from a sample of households and expanded to provide national estimates of trips and miles by travel mode, trip purpose and a host of household attributes. The data allow analysis of daily travel by all modes, including characteristics of the people traveling, their household and their vehicles. While the decennial Census and American Community Survey data include information only on commuting trips, which constitute less than one-fifth of all trips, the NHTS provides more comprehensive data on trips made for all purposes (Pucher & Renne, 2003).

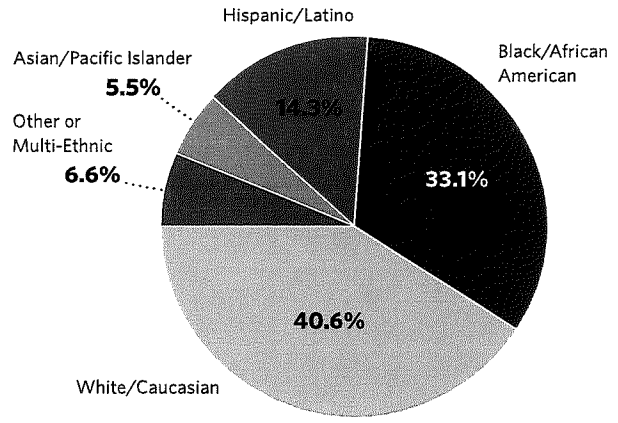
Our review of the literature identified three demographic groups who are more likely to use transit and more likely to live near transit than other Americans: people of color, low-income households and renters. In a country where over 95 percent of all households own at least one car, these three groups are also disproportionately likely to live in households without vehicles. Vehicle ownership—or, rather, lack of ownership—is a strong predictor of transit use. While only 4.3 percent of U.S. households lack a car, according to 2006-2008 American Community Survey data, 36 percent of all workers 16 years and older who report that they commute to work using public transportation live in households without a vehicle available. The APTA on-board survey data (2007) similarly found that only 45 percent of transit riders had a vehicle available to them to make the trip for which they chose transit. Residents of households without vehicles use transit for 19.1 percent of trips, while the addition of even a single vehicle to a household drops transit use to 2.7 percent of all trips. Many households "abandon public transportation as soon as they own their first car" (Pucher & Renne, 2003 at 57). Transit users are far less likely to own cars then other Americans—and those without cars are far more likely to use transit.

People of color follow this pattern of owning fewer motor vehicles and using more transit. Blacks, Hispanics and Asians all rely more heavily on transit than whites, even after controlling for income (Blumenberg *et al.*, 2007). Blacks are almost six times as likely as whites to travel by public transit; Hispanics use transit less than blacks but still about three times more than whites (Pucher & Renne, 2003). Other analyses have similarly found that minorities are several times more likely to use public transit than whites (Lin & Long, 2008). The APTA data from on-board surveys (2007) found that the majority of transit riders in America are non-white, as shown in **Figure 1.7**. An analysis of the 2001 NHTS data found that blacks and Hispanics comprise 54 percent of all transit users (Pucher & Renne, 2003). Similarly, the 2006-2008 American Community Survey data indicates that, of all those who report using public transportation to commute to work, only 40 percent are non-Hispanic whites.

[5] Since nearly 60 percent of transit riders walk to transit (APTA, 2007), they are presumably coming from locations relatively close to the transit station.

[6] Initial data from the 2009 version of the National Household Travel Survey (NHTS) was released in January 2010. Shortly afterwards, however, the Federal Highway Administration announced that it would be releasing enhanced data later in 2010, in part due to conflicting data on transit utilization in the NHTS as compared to the Federal Transit Administration's National Transit Database. Given these concerns specifically about transit-related data, and the in-depth analyses of the 2001 NHTS data already undertaken, this report relies on the 2001 rather than 2009 NHTS data. The web site for the 2001 and 2009 National Household Travel Surveys and previous Nationwide Personal Transportation Surveys can be found at http://nhts.ornl.gov/index.shtml.

FIGURE 1.7
Ethnicity of Transit Passengers



Source: APTA, 2007

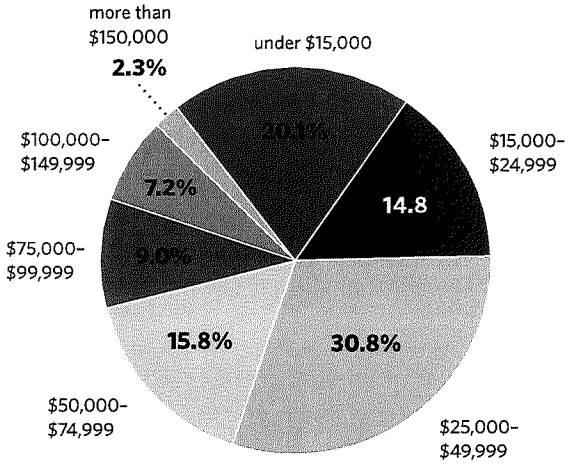
People of color also concentrate in transit-rich neighborhoods. For example, CTOD has calculated that while blacks were only 12 percent of the U.S. population and 14 percent of the population in transit-served metro areas in 2000, they made up 23 percent of all residents living within one-half mile of transit stations in 2000. Similarly, Hispanics made up 24 percent of all transit zone residents, even though they were only 18 percent of residents throughout the transit-served metropolitan areas and 13 percent of the U.S. population. Asians, representing 4 percent of U.S. residents, were 8 percent of the residents of transit zones. As a result, whites were only 41 percent of transit zone residents even though they made up 69 percent of the U.S. population in 2000 (CTOD, 2006).

The traditional explanation for increased transit use and concentration of people of color in TRNs is that they are disproportionately low income and low-income households are more likely to use and live near transit. Giuliano (2000), however, analyzed the 1995 NHTS data and rejected the conclusion that racial/ethnic differences can be explained solely by income and other household characteristics. She found that different racial/ethnic groups exhibit "fundamental differences in what motivates travel choices." (Giuliano, 2000 at 130). Race and ethnicity, she concludes, play a significant and complex role in travel behavior independent of income and residential location characteristics.

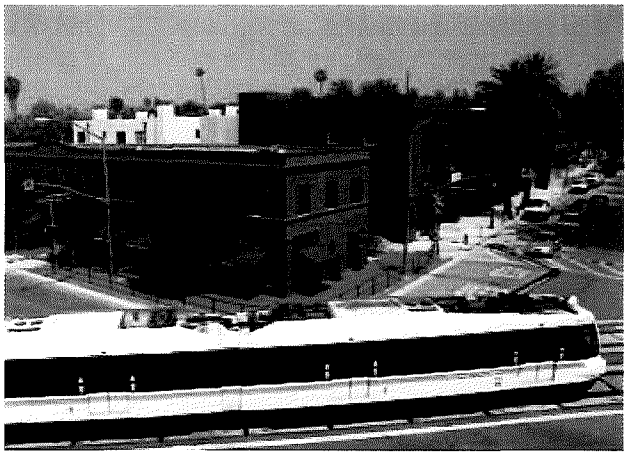
Like people of color, lower-income households are also more likely to use transit, more likely to live near transit and less likely to own a car. While transit is used by Americans of all incomes, those from lower income and working-class households use transit far more than upper income Americans. The APTA transit passenger survey data (2007) found that the majority of transit riders live in households with an annual income of $50,000 or less, as shown in **Figure 1.8**. The median income of transit passengers (in 2004 dollars) was $39,000, about 12 percent lower than the U.S. median income at the time the surveys were done between 2000 and 2005.

Lower-income households are also less likely to own a car. As Pucher and Renne (2003 at 55) summarize in their analysis of the 2001 NHTS data, "[i]ncome is the primary determinant of auto ownership, which, in turn, is the main determinant of modal choice." While automobile ownership has become near universal in the United States among higher-income households, 26.5 percent of households with incomes less than $20,000 do not own a motor vehicle, a figure which drops to 5 percent for households with incomes in the $20,000-$39,999 range and even lower levels for higher-income groups. They note that "it is probably unique to the United States that three-fourths of even its poorest households own a car. This reflects the extent to which the car has become a virtual necessity for even the most basic transportation needs in most American metropolitan areas" (Pucher and Renne, 2003 at 55).

FIGURE 1.8
Household Income of Transit Passengers



Source: APTA, 2007



Historically, these three demographic groups—people of color, low-income households and renters—have been able to find housing in transit-rich neighborhoods. As a result, TRNs are more racially diverse, less wealthy and contain a higher proportion of rental housing than other neighborhoods.

Unfortunately, the need for low-income households to own a vehicle imposes economic hardship on many of them. The average American family spends 19 percent of its monthly budget on transportation, the second highest item after housing. Using transit can create substantial savings: living in location-efficient neighborhoods (with a good mix of uses and access to public transportation) can provide a 16 percent cost savings compared to living in an automobile-dependent exurban neighborhood (CTOD, 2007). A recent Brookings Institution analysis similarly found that the working poor (those with incomes less than twice the federal poverty threshold, with a median income of $20,280 in 2003) spent 8.4 percent of their income just on commuting to work, if they commuted by driving, compared to 5.8 percent if they used public transit (Roberto, 2008).

A final important group when assessing transit ridership is renters. With a disproportionate amount of rental housing located in transit-served metros and transit-rich neighborhoods, it should come as no surprise that renters are disproportionately represented among transit riders. While only 29 percent of all workers 16 years and older live in rental households, according to 2006-2008 American Community Survey data, 58 percent of those who report that they commute to work using public transportation are renters. A recent Brookings analysis of this data found that two-thirds of transit commuters in the principal cities of the 100 largest U.S. metropolitan areas, as well as more than 40 percent of those living in the suburban portions of those metros, are renters (Istrate, Puentes & Tomer, 2010). Like members of low-income households and people of color, renters are far less likely than homeowners to own a car. The 2006-2008 American Community Survey data indicates that while 95 percent of American homeowners own one or more motor vehicles, nearly 20 percent of renter households own no motor vehicle.

Historically, these three demographic groups—people of color, low-income households and renters—have been able to find housing in transit-rich neighborhoods. As a result, TRNs are more racially diverse, less wealthy and contain a higher proportion of rental housing than other neighborhoods. But current residents of both existing and new transit-rich neighborhoods find themselves increasingly concerned as growing numbers of Americans consider whether to take advantage of the many benefits of living in transit-rich neighborhoods. Demand for housing near transit is expected to far outstrip supply over the next two decades (CTOD, 2007). Those groups who want to live near transit and benefit from proximity to transit stations may not be able to compete successfully for the limited supply of housing, especially affordable housing, in transit-rich neighborhoods. If these TRN residents are displaced from their neighborhoods and replaced by higher-income, less diverse residents, the transit systems that rely on them may suffer as well.

Transit and Diverse Neighborhoods Need Each Other

When evaluating how best to maximize future ridership of both existing and new transit, planners sometimes distinguish between two types of transit riders: those who use transit by necessity, sometimes disparagingly referred to as captive riders, and those who could use a vehicle for their trip but nonetheless choose to use transit, often referred to as choice riders (Krizek & El-Geneidy, 2007). Such planners often assume that the captive riders will remain transit users indefinitely and therefore the key to increasing ridership is to attract more choice riders.

Transit planners looking for potential riders could start by looking in zero-car households. And, as we have seen, low income households, people of color and renters are more likely to live in such zero-car households.

For total transit ridership to increase, however, transit systems need to both keep the riders that they already have and to attract new riders. Rather than dividing transit users into captive or choice riders, transit planners should instead focus on those we refer to as "core riders", as well as those who have been called "potential riders". (Krizek & El-Geneidy, 2007).

By core riders we mean those people who are known to be the most frequent and regular users of transit. Such regular users make the vast majority of transit trips. More than 80 percent of transit trips are taken by people who ride three or more days per week, and nearly two-thirds by passengers who use transit five or more days per week (APTA, 2007).

As the data in this chapter demonstrate, transit systems rely heavily on three groups for their core ridership: low-income households, people of color and renters. Based on 2001 National Household Travel Survey data, Pucher & Renne (2003) calculated that low-income white households and people of color together account for a full 63 percent of the nation's transit riders (Pucher & Renne, 2003). The American Public Transportation Association's on-board survey data gathered between 2000 and 2005 similarly finds that typical transit riders have lower incomes, greater racial and ethnic diversity and lower rates of car ownership than other Americans (APTA, 2007).

While keeping these core riders is critical, so is attracting new transit riders. Krizek and El-Geneidy (2007 at 74) coined the term "potential riders" to describe people who are "not currently using transit for a variety of reasons and/or concerns but may consider the idea of using transit". They distinguish between such potential riders and those they refer to as "auto captives", who cannot or will not consider using transit or live in places where transit is not even available.

One of the most important sources of potential transit riders is households that do not have—either by choice or by necessity—a personal vehicle. Cervero, for example, has found that the probability of using rail to commute is highest "when the worker lives in a zero-car household. Adding one car results in probabilities plummeting" (2007 at 2082). Transit planners looking for potential riders could start by looking in zero-car households. And, as we have seen, low income households, people of color and renters are more likely to live in such zero-car households.

While diverse neighborhoods and their residents, who are disproportionately low-income, people of color and/or renters, benefit from access to transit, transit systems also benefit from proximity to economically and racially diverse neighborhoods. Low-income households, people of color and renters are critical populations for transit systems seeking to maintain their core ridership and increase their total ridership. These are the people who most need high-quality, affordable transit—and the ones most likely to use such transit when it is provided.

Planners frequently speak of the need for transit-oriented development to support ridership, but what transit stations really need is transit-oriented neighbors who will regularly use the system. There is a symbiotic relationship between diverse neighborhoods and successful transit: transit systems benefit from and depend on the racial and economic diversity of the neighborhoods that they serve, just as low-income households, people of color and renters depend on and benefit from living in neighborhoods served by transit. Transit agencies and planners should therefore be as concerned as equity advocates about any potential displacement of people of color, low-income households or renters from transit-rich neighborhoods.

CHAPTER 2

Neighborhood Change and Transit: What We Know

Neighborhoods change over time, in ways that both benefit and harm those who have been living there. Understanding the process of neighborhood change is always challenging.

Researchers, policymakers and advocates have long been concerned about patterns of neighborhood change that reduce the racial and/or economic diversity of neighborhoods. The good news is that a growing share of U.S. neighborhoods are becoming more racially and ethnically diverse, both because fewer neighborhoods deliberately exclude minorities entirely and because recent immigration has made the population as a whole more diverse (Turner & Rawlings, 2009). But progress in creating racially and economically diverse neighborhoods has been slow, so forces that threaten to bring gentrification and displacement to neighborhoods that are currently racially and economically diverse are of particular concern.

One set of diverse neighborhoods that appear to be under pressure are the more than 3,300 neighborhoods that have a fixed-guideway transit station and the hundreds more where new transit is being planned. The desirability of these transit-rich neighborhoods (TRNs) may change because a new transit station is added, because an existing station is upgraded or service frequency is increased, or even because a decades-old transit-rich neighborhood close to the central business district becomes more attractive as gasoline prices rise and traffic congestion worsens.

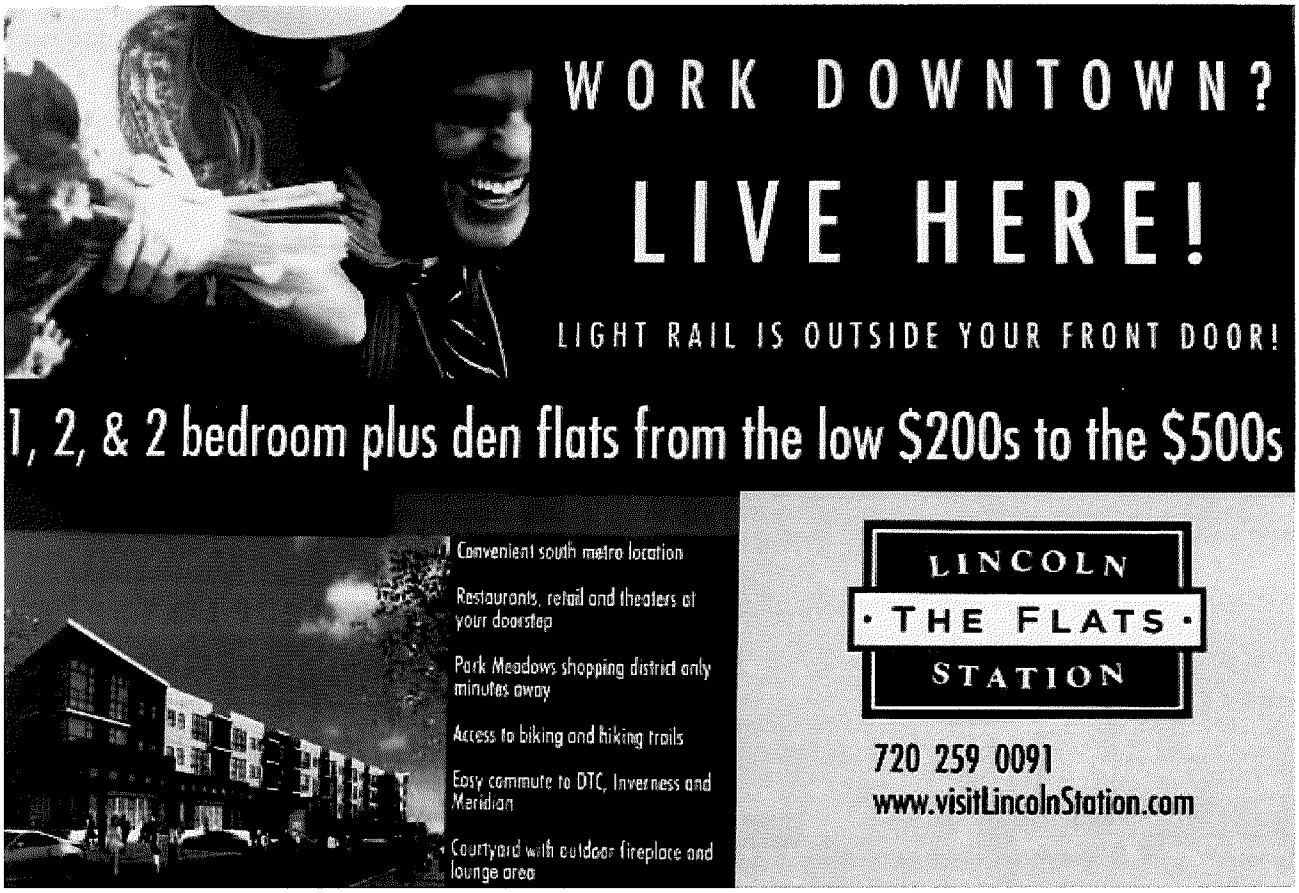
If understanding neighborhood change is complicated, then understanding neighborhood change in TRNs is very complicated. Two sets of literature can, taken together, help us understand how the presence of new or improved transit might change the surrounding neighborhood. First, we review recent studies on neighborhood change, gentrification and displacement in general to better understand the processes that drive neighborhood change. Then, to understand how such change plays out in TRNs, we look at studies of changing demographic and travel patterns in transit-served neighborhoods and transit-oriented developments.

Patterns of Neighborhood Change: Gentrification and Displacement

While the terms gentrification and displacement are frequently used interchangeably, recent research highlights the importance of distinguishing between these two related patterns of neighborhood change.

Gentrification is a neighborhood change process characterized by increasing property values and incomes. Some researchers include the process of displacement within the definition of gentrification, defining gentrification as occurring when wealthier residents move into a neighborhood. Others define gentrification in economic, rather than demographic, terms by focusing on a neighborhood's revitalization (Chapple, 2009). Kolko (2007 at 1), for example, defines gentrification as "the upgrading of urban neighborhoods, especially neighborhoods starting from low average income, low housing values, or high poverty rates." Defined in such economic terms, gentrification can be a positive or destructive form of neighborhood change, depending on who benefits from the reinvestment and revitalization.

Displacement, whether considered as an inevitable part of gentrification or not, is a pattern of change in which current residents are involuntarily forced to move out because



they cannot afford to stay in the gentrified neighborhood (Freeman, 2005). Displacement may be immediate or occur over time, with the prior residents departing as their housing cost burden increases due to rising rents and housing values caused by gentrification and they can no longer afford to live in their old neighborhood (Chapple, 2009).

Recent studies indicate that displacement, as traditionally understood, may not be the sole or even primary mechanism driving change in gentrifying neighborhoods. These researchers distinguish between neighborhood change processes that involve the forced departure of lower-income residents and those that occur through the normal processes of housing turnover and succession. Several recent studies demonstrate that the demographic composition of gentrifying neighborhoods can be altered through a process of succession or replacement driven by accelerated turnover of the housing stock. This housing turnover is marked both by unequal retention of existing residents (with wealthier and/or better-educated residents more likely to remain) and in-migration of wealthier, better-educated residents (Freeman, 2005). One recent study, for example, looks at demographic processes in gentrifying census tracts between the 1990 and 2000 Census—an investigation similar to that we describe in the next chapter, but with the benefit of confidential data from the long form that allowed the researchers to investigate the underlying mechanism driving the gentrification. The study concluded that, during the 1990s, the process of gentrification was distinguished by the disproportionate retention and income gains of black high school graduates living in the gentrifying neighborhoods combined with in-migration by white college graduates (McKinnish, Walsh & White, 2008).

This pattern of change, while differing from the traditional model of involuntary displacement, nevertheless raises serious equity concerns. Whether caused by displacement or replacement or some combination of the two, the result is much the same: the gentrified neighborhood is more expensive and populated by higher-income residents. Understanding the drivers of these changes, however, is important in order to shape policy interventions that best address the neighborhood change processes associated with gentrification.

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Transit and Neighborhood Change

In an urban setting, virtually any large public infrastructure project is likely to have at least some impact on the demography of surrounding neighborhoods. New transportation infrastructure simultaneously creates disamenities, such as noise and traffic congestion, and amenities, such as increased mobility and accessibility (Kilpatrick *et al.*, 2007).

The interstate highway system provides one example of how transportation investment impacts metropolitan demography. From the 1950s through the 1990s, the extension of the U.S. interstate system into the central business districts of many cities displaced thousands of households and commercial businesses in adjoining neighborhoods while enhancing the value of the downtown office towers that were made more accessible from the suburbs. The existence of inner-city interstates made it more convenient for downtown workers to live in the suburbs and commute to work, often making it possible for middle-class families to leave the city (Jackson, 1985).

Although once considered to be a disamenity and even a poverty magnet, transit is increasingly viewed as a desirable amenity for an urban neighborhood. Households may prefer transit-rich neighborhoods because of the added ease of commuting or traveling to other parts of the city or metropolitan area. The area adjacent to the new transit stop often experiences blossoming commercial activity with the introduction of shops, restaurants and night spots that attract even those who do not use public transit for commuting (Bluestone, Stevenson & Williams, 2008). In recent studies, access to transit has increased the value of nearby property, with properties in TRNs experiencing a premium effect compared to similar properties without transit access (CTOD, 2008).

Such an increase in property values can, of course, trigger gentrification. While noting that "[n]o research to date has explicitly examined the relationship between transit investment and gentrification," Chapple (2009, at 2) expresses concern "that the area around rail transit stations may be particularly susceptible to gentrification—and potentially displacement as well."

The studies that have been done on gentrification and transit-rich neighborhoods report varying results. Some TRNs seem to experience little change, others gentrify, and some attract poorer rather than wealthier residents. One widely cited example of transit-driven gentrification is the Davis Square transit station in Somerville, Massachusetts, which opened in 1984 as part of an extension of the MBTA's Red Line in metropolitan Boston. Before the station was built in 1970, only 8.2 percent of Davis Square adult residents were college graduates, far lower than the 14.7 percent share in metropolitan Boston. By 2000, 49.7 percent of Davis Square's adult population had a college degree, higher than the metro area's 39.6 percent share (Kahn 2007), a classic indicator of gentrification. In Chicago, Lin (2002) found evidence of gentrification in the form of rising property values closer to transit stations between 1975 and 1980 and again from 1985 to 1991, but concedes that the pattern was interrupted between 1980 and 1985.

Although once considered to be a disamenity and even a poverty magnet, transit is increasingly viewed as a desirable amenity for an urban neighborhood.

Other studies have found different patterns of neighborhood change in different transit-rich neighborhoods and metropolitan areas. Baum-Snow and Kahn examined transit utilization in sixteen metropolitan areas that expanded their transit systems between 1970 and 2000 and, as part of their analysis, analyzed mean household income trends. They found that income in the newly transit-served areas was lower than that in other areas within the same metro and that this income gap widened between 1970 and 2000 in all but two of the cities studied. Because the newly transit-served neighborhoods became poorer, relative to other areas within their regions, after the new transit opened, Baum-Snow and Kahn concluded that public transit remains a poverty magnet rather than a catalyst for gentrification (Baum-Snow & Kahn, 2005 at 25).

Kahn subsequently analyzed fourteen of the cities in which new rail transit was built between 1970 and 2000 specifically to better understand gentrification trends. He looked at two

indications of gentrification—changes in home values and the share of community residents with college degrees—in census tracts in 14 different metropolitan areas where new transit stations were built between 1970 and 2000. He differentiated between stations with parking and those without, hypothesizing that park-and-ride stations would generate less gentrification because the parking garage "creates a 'lose/lose' for wealthy incumbent members of the tract. They do not want to use this rail transit mode and the quality of life in their community will fall due to congestion, traffic and rising crime exposure" (Kahn, 2007 at 170). But even accounting for the two types of transit stations failed to produce a consistent pattern of neighborhood change. Kahn found some but not all walk-and-ride stations (those without parking) had a statistically significant, positive effect on home prices and were associated with a statistically significant increase in the share of adults who are college graduates. Neighborhoods close to new park-and-ride communities, Kahn found, often experienced increases in poverty. Kahn concluded that "[a]cross the 14-city sample, new transit's local impacts differ significantly" with signs of gentrification around walk-to stations in metropolitan areas like Boston and Washington, D.C., but no evidence of gentrification around such neighborhoods in Los Angeles and Portland (Kahn, 2007 at 181).

A recent study of neighborhood change in the Bay Area between 1990 and 2000 by the University of California at Berkeley's Center for Community Innovation identified only 102 gentrifying census tracts (7.3 percent of all tracts in the Bay Area). Of these, however, 85 census tracts included transit stations, with about half having BART rapid transit (subway) stations and others having commuter rail, Muni Metro, and even cable car stops. However, some of the tracts that were classified as becoming more middle income, becoming lower income and becoming "bipolar" (with growth of households at both the lowest and highest of income groups) were also home to transit stations (Chapple, 2009). In short, in this study many but not all gentrifying neighborhoods were transit-rich and while some transit-rich neighborhoods were gentrifying, others were experiencing very different patterns of change.

Even fewer studies address the issue of displacement in transit-rich neighborhoods. Citing three studies indicating that some neighborhoods around some rail transit stations had been attracting increasing numbers of higher income households and experiencing rising property values, Pucher and Renne (2003, at 61) conclude that "[t]he gentrification of working class neighborhoods has helped revitalize many inner cities and older suburbs, while increasing transit use among the affluent. Unfortunately, it has reduced the accessibility of low-income households to rail transit." They support this conclusion with data from the 2001 National Household Travel Survey, which found a modest increase in transit trips made by the highest income group between the 1995 and 2001 surveys and a modest decrease in rail transit trips made by the lowest income group during the same period.

One flaw in many of these studies is the tendency to look at only a few potential indicia of gentrification: housing values but not rents, or proportion of college-educated residents but not income. With so few variables to analyze, researchers are often at a loss to explain the different patterns of neighborhood change observed in different neighborhoods or over different periods of time.

One flaw in many of these studies is the tendency to look at only a few potential indicia of gentrification: housing values but not rents, or proportion of college-educated residents but not income. With so few variables to analyze, researchers are often at a loss to explain the different patterns of neighborhood change observed in different neighborhoods or over different periods of time. The addition of a new transit station—and perhaps even the continuing attraction of an older transit station—can catalyze a process of neighborhood change that produces gentrification and, potentially, displacement of prior residents by higher-income and potentially more racially homogeneous residents with the ability to pay higher rents and buy more expensive homes. Such gentrification and displacement does occur in some TRNs. But it is equally clear that transit does not inevitably lead to gentrification and displacement: some neighborhoods see little change, while others actually experience increased poverty. More research is needed—beginning with that presented in the next chapter—to help sort out which TRNs are most likely to experience gentrification and displacement.

In transit-rich neighborhoods in particular, one obvious indicator of undesirable gentrification would seem to be rising automobile ownership associated with the increase in incomes that accompanies gentrification.

Neighborhood Change and Change in Travel Behavior

The limited literature on gentrification and displacement in TRNs frequently overlooks one critical characteristic of such neighborhoods: whether or not residents are using the transit. As discussed in the previous chapter and succinctly stated by Pucher and Renne (2003, at 11), "[i]ncome is the primary determinant of automobile ownership, which, in turn, is the main determinant of whether people drive or use transit." In transit-rich neighborhoods in particular, one obvious indicator of undesirable gentrification would seem to be rising automobile ownership associated with the increase in incomes that accompanies gentrification. Yet studies of gentrification rarely consider trends in vehicle ownership or transit use for commuting, even though such data is included in the Census and American Community Survey data so frequently used in the studies.

One recent study examined commuting choices in gentrified neighborhoods in three Canadian cities. Danyluk and Ley (2006) investigated the relationship between gentrification and the mode of transportation that the neighborhood's wealthier residents chose for commuting trips. They found, unfortunately, that neighborhood residents were less likely to use transit and slightly more likely to drive (although more likely to bicycle) than residents of similar, non-gentrified districts.

Another tool for understanding how travel behavior changes in TRNs, then, is recent studies in the transportation and travel behavior literature which examine changing travel patterns in TRNs—or at least in specific developments, usually called transit-oriented developments (TODs)—in those neighborhoods. A review of this literature by the Transit Cooperative Research Project, for example, found that "TOD residents are generally associated with lower automobile ownership rates" and that residents "without access to an automobile are more likely to forego travel or to make trips on foot or by transit." (Evans & Pratt, 2007 at 17-18).

Perhaps the most useful insights come from the literature on the role of self-selection among those living in TODs. Certain demographic groups—including low-income and minority core transit riders as well as wealthier riders who choose to use transit—are disproportionately attracted to well-planned transit-oriented developments. Cervero (2007), for example, concludes that a combination of a lifestyle preference for living near transit and public policies shape travel behavior in TODs (and, perhaps, TRNs). The model he developed predicts that Asian-American and Hispanics tend to be more attracted than whites to live near transit stations, as do lower-income households (those making less than $40,000). Perhaps most tellingly, his model demonstrates that the most transit-oriented neighbors are those from households without cars: the probability of using transit for commuting drops sharply when one car is added to a zero-car household and sharply again for workers from two-car households. Cervero notes that this is consistent with his earlier survey work, which found that station-area residents from zero-car households were 14 times more likely to commute on rail transit than those from three-car households.

The self-selection process that Cervero and others describe in TRNs may contribute to the process of replacement observed in recent studies of gentrifying neighborhoods. Freeman (2005), for example, notes that to understand gentrification requires looking not only at who is moving *out* of a neighborhood but also at who is moving *into* the neighborhood. He concludes (at 487) that researchers overlook "the extent to which changes in the characteristics of in-movers could be the more important force [than those moving out] in determining the way that neighborhoods change." Similarly, the demographics of those who self-select residence in a TRN may influence neighborhood change in TRNs. The types of in-movers in gentrifying TRNs are also important to understand. If the in-movers own two or more cars, for example, they may be far less likely to use the transit available in their new neighborhood.

Understanding neighborhood change in TRNs therefore requires a detailed understanding of both who lived in those neighborhoods before the transit was built, who lives there afterwards and how any changes came about. In the next chapter, we undertake just such an exploration.

CHAPTER 3

Neighborhood Change and Transit: What We Learned

To better understand patterns of neighborhood change in newly transit-rich neighborhoods, this chapter presents the results of new research analyzing socioeconomic change in 42 neighborhoods in 12 metropolitan areas first served by rail transit between 1990 and 2000. Because prior research on gentrification and TRNs has looked at only a limited number of neighborhood characteristics, we decided to explore a much broader range of factors related to population, housing and transportation across a variety of different transit systems. After explaining how the research was accomplished and what was learned, we present our conclusions about the likely mechanisms underlying the observed patterns of change in transit-rich neighborhoods.

Methods and Data

We began this research by identifying 12 metropolitan areas in which one or more new heavy, light or commuter rail stations had opened between the 1990 Census and the 2000 Census. We chose to focus on those that opened by 1997 to allow time for demographic changes to emerge before the 2000 Census. Having divided U.S. transit systems into four categories based on their age and number of stations served as explained in Chapter 1, we made certain to include new stations added to the oldest and most extensive legacy transit systems (Chicago and San Francisco) as well as stations added to smaller and slower-growing modest transit systems (Cleveland and St. Louis). Not surprisingly, the largest number of new stations was found in evolving transit systems, the growing transit systems in growing metropolitan areas. We identified new stations built between 1990 and 1997 in the three largest evolving transit systems in Los Angeles, Portland, and Washington, D.C.; in the medium-sized evolving systems in Atlanta, Baltimore, Dallas and San Diego; and in the small but fast-growing transit system in Denver. (The fourth category of transit systems, which we call emerging transit systems, are those which first opened rail transit stations after 2000 and so could not be included in our analysis of neighborhood change that occurred between 1990 and 2000). We selected a subset of stations that avoided data limitations and complications, where the census information for 1990 and 2000 could be compared to geographies that covered roughly the same half-mile radius around each station as explained below. We also made certain to include station areas with different kinds of rail, stations with and without parking and stations in various types of neighborhoods. The resulting set of 42 stations in 12 different metropolitan areas, detailed in **Appendix B**, is sufficiently robust and heterogeneous to provide important insights into the difficult question of whether and how neighborhoods in different metropolitan areas change due to the presence of transit.

For each of the new stations identified for consideration, we examined census block group maps to construct approximations of the station's surrounding neighborhood. A census block group contains a number of census tracts including between 600 and 3,000 individuals with an ideal number of about 1,500 residents. A block group was included in the defined transit-rich neighborhood if the majority of its land area was within a one-half mile radius of the station. With the proper block groups identified, we collected data from Summary Files 1 and 3 of the 1990 and 2000 U.S. Census for each selected block group and aggregated the block-group-level data into TRN-level data.

Since prior research had frequently looked at only a few variables—such as housing values but not rents, or proportion of college-educated residents but not household

income—and often could not explain why some neighborhoods gentrified while others did not, we decided to explore a broad range of potential factors. For each of the 42 transit station areas to be analyzed, we decided to examine changes between 1990 and 2000 in population growth, housing units (both total number and tenure), racial and ethnic composition, household income (both median income and households with incomes above $100,000), housing costs (both gross rents and home values), in-migration, public transit use for commuting and motor vehicle ownership. We collected data on the same variables at the level of the metropolitan statistical area (MSA) for each of the 12 MSAs where the new transit stations were located.

We analyzed the data in three stages. First, we calculated percentage changes on each variable for each station and its corresponding MSA. For comparison, we measured the 1990-2000 demographic change in each TRN against the corresponding change in the surrounding MSA. Researchers frequently use the MSA in which a neighborhood is embedded as a reference area when studying neighborhood change (Freeman, 2005). This comparison is designed to control for any systemic fixed effects, which are changes that occurred throughout the metropolitan area for reasons presumably unrelated to the siting of a new transit station. The numerical difference between the percentage change on each variable in each TRN and the percentage change on each variable in the MSA is used to determine whether there has been a significant change in a demographic factor that might be due to the siting of a transit stop.

Second, after examining the raw differences in the rate of change between each station area and the surrounding MSA in our first analysis, we re-analyzed all of the data using a more conservative approach because small differences in the results between TRNs and their metro areas may not truly reflect real differences due to the small size of the samples. This "large differences" approach considered a transit station difference from its MSA to be meaningful where the value for the 1990-2000 percentage change in a station neighborhood is 20 percentage points higher or lower than the 1990-2000 percentage change in the MSA variable.

Third, to determine whether patterns of neighborhood change vary depending on the type of transit built (light rail, heavy rail or commuter rail), we divided the 42 stations into three groups based on transit types and all of the data were re-analyzed for these three categories of TRNs.

For a more detailed explanation of the methods and data, see **Appendix A**.

Initial Analysis and Conclusions

Our first analysis involved determining how much and in what direction a particular demographic change in each of the 42 transit-rich neighborhoods differs from that of each TRN's metropolitan area. The numerical difference between the percentage change on each variable in each TRN and the percentage change on each variable in the MSA is used to determine whether there has been a change that might be due to the siting of a transit station.

Population Growth (see Figure 3.1)

For nearly two-thirds (64 percent) of the 42 transit stations in this study, the population grew more quickly between 1990 and 2000 in the TRN than in its metropolitan area as a whole. This disproportionate increase in population was seen in 27 out of the 42 TRNs.

Housing Units (see Figure 3.2)

Not surprisingly, an increase in population requires a boost in housing production. In 55 percent of the TRNs, housing production increased more dramatically in the neighborhood than in the metropolitan area as a whole. Similarly, in the neighborhoods around 62 percent of the stations the proportion of owner-occupied units increased more than in the surrounding metropolitan area.

Racial and Ethnic Composition (see Figure 3.3)

One measure of gentrification is a change in the racial composition of a TRN. If an area becomes more attractive because of a new station and the amenities it brings, the population in the TRN might become more non-Hispanic white with a decline in the ranks of black and Hispanic households. But this does not always seem to be the case in the 42 TRNs in our study. Roughly half of the TRNs experienced an increase in the proportion of non-Hispanic white households relative to the change for the TRN's metro area. The other half, however, saw their non-Hispanic white population either decline between 1990 and 2000 or increase but more slowly than the rate of increase in their metro areas.

Household Income (see Figure 3.4)

While the racial and ethnic composition does not seem to have changed in any consistent way within the new TRNs, the economic composition of those neighborhoods did. Median household income increased more than in the surround-

FIGURE 3.1
Population Growth
(Initial Analysis)

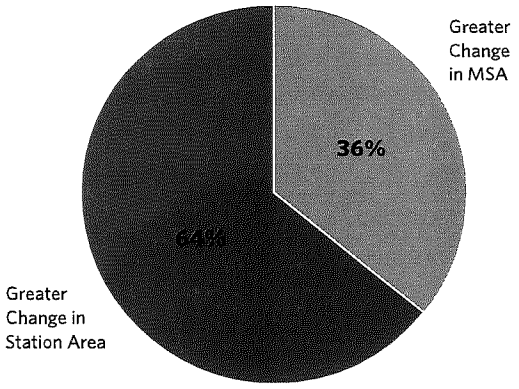


FIGURE 3.2
Total Housing Units
(Initial Analysis)

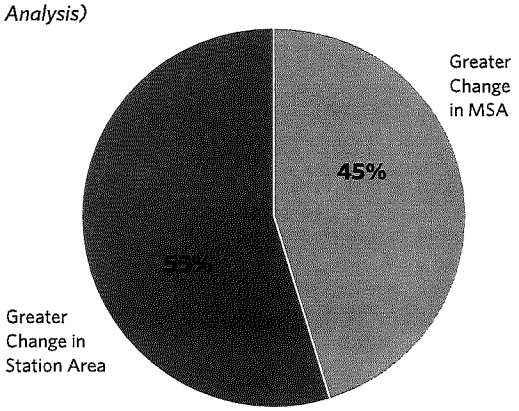


FIGURE 3.3
Non-Hispanic White Population Growth
(Initial Analysis)

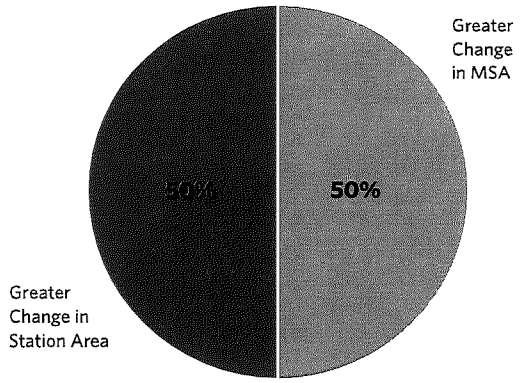
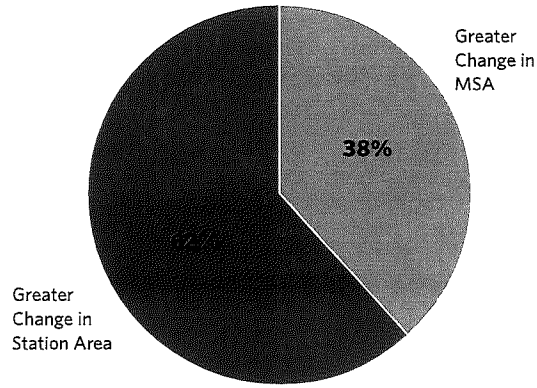


FIGURE 3.4
Median Household Income
(Initial Analysis)



ing metro area in more than three-fifths (62 percent) of the TRNs. The proportion of households with incomes exceeding $100,000 a year also rose more sharply than their metro areas in 60 percent of the TRNs.

Housing Costs (see Figure 3.5)

The increase in incomes in these neighborhoods is reflected in the cost of housing. Median gross rent increased faster than in their metro areas in nearly three-quarters (74 percent) of the TRNs. The impact on home prices was even more dramatic, with nearly nine out of ten (88 percent) TRNs experiencing an increase in median housing values greater than the increase in home prices in the metro area.

In-Migration (see Figure 3.6)

That new transit stations attract new residents is shown by both the increase in population in these neighborhoods and by in-migration trends (the rate of people reporting that they did not live in their current home five years earlier). In more than seven out of ten (71 percent of) TRNs, the percentage of neighborhood residents who had lived in a different house five years earlier exceeded the in-migration rate increase for the associated metro area. For most TRNs, this would seem to reflect both absolute growth in population and, potentially, the substitution of new households for ones that had previously lived in these neighborhoods.

Public Transit Use for Commuting (see Figure 3.7)

One would expect that with a new transit station, the proportion of nearby residents using public transit for their commutes would increase. In fact, this is not always the case. In 17 of the 42 TRNs (40 percent), public transit use for commuting actually declined relative to the change in transit use in the metro area once the new station opened. As discussed in chapter 1, to the extent that increased housing costs drive out lower income families who are more likely to use public transit, a new transit station can reduce the percentage of the neighborhood population using public transit. Total transit boardings may still increase, however, if the neighborhood population rises fast enough or if neighborhood residents use transit for trips other than commuting trips.

Motor Vehicle Ownership (see Figure 3.8)

The relative reduction in the proportion of the TRN households using public transit in 40 percent of the neighborhoods studied is consistent with the finding that automobile ownership increased faster in nearly three-quarters (71 percent) of these neighborhoods, with ownership of two or more autos increasing in nearly three in five (57 percent). When upper income households move into an area, they are more likely to own motor vehicles and to use them for their commute.

A number of important conclusions can be drawn from this first round of analysis. The first is that a new transit station frequently catalyzes neighborhood growth and in-migration of new neighborhood residents. In two-thirds of the station areas, the population grew faster in the TRN than in the

FIGURE 3.5
Median Gross Rent
(Initial Analysis)

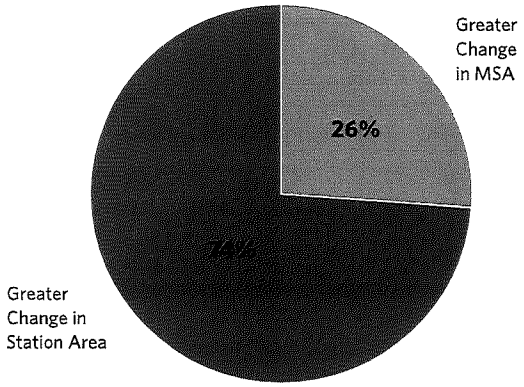


FIGURE 3.6
In-Migration
(Initial Analysis)

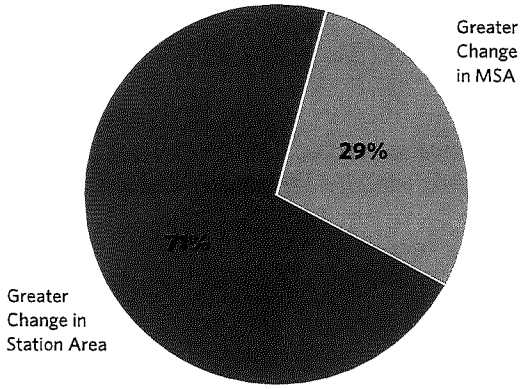


FIGURE 3.7
Public Transit Use for Commuting
(Initial Analysis)

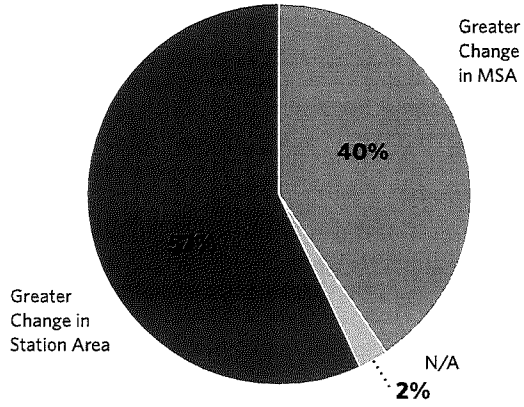
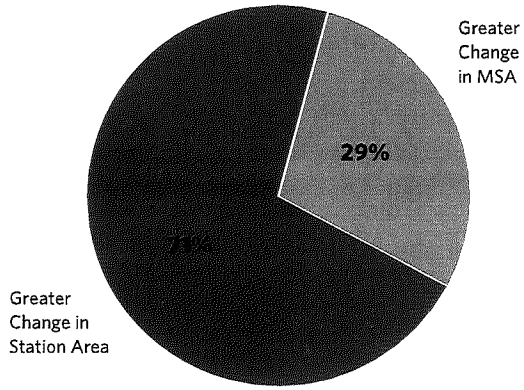


FIGURE 3.8
Motor Vehicle Ownership
(Initial Analysis)



metro as a whole. In more than 70 percent of the TRNs, the number of people reporting that they did not live in their current home five years earlier is higher in the TRN than in the corresponding metro.

Newly transit-served neighborhoods not only grow—they change. The most predominant pattern of change is that after a transit station goes into operation, the typical neighborhood resident is wealthier and the housing stock more expensive, two indicators of gentrification. In more than 60 percent of the TRNs, median household income rose faster than in the surrounding metros; in nearly two-thirds of the TRNs, the proportion of households with annual incomes exceeding $100,000 rose more sharply than in their metro areas. We also found a stunningly high incidence of disproportionately rising rents and housing values. Rents increased faster than in their metro areas in nearly three-quarters of the TRNs. The impact on home prices was even more dramatic, with nearly nine out of ten TRNs experiencing an increase in median housing values greater than the increase in home prices in their metropolitan area. Hence, gentrification occurred in an overwhelming majority of the newly transit-served neighborhoods that we studied, if gentrification is defined (as discussed in Chapter 2) as a neighborhood change process characterized by increasing property values and incomes.

Given these findings, we wanted to explore whether neighborhoods that began with a larger number of renters were more susceptible to gentrification, as other studies have found (Chapple, 2009). To discern whether gentrification occurs more often in neighborhoods with initially high proportions of renters rather than homeowners, we looked for a correlation between the rate of homeownership in 1990 (before the transit station opened) on the one hand and both the percentage change in the non-Hispanic white population between 1990 and 2000 and the percentage change in median household income between 1990 and 2000 on the other. In both cases we found that a higher initial proportion of renters was correlated with a larger change in racial and ethnic composition and larger increases in median household income.[1] This provides plausible evidence that neighborhoods with a large number of renters are more susceptible to gentrification.

While we can confidently say that our analysis found evidence of gentrification in the majority of newly transit-served neighborhoods, it is more difficult to determine whether this gentrification was accompanied by involuntary displacement of former neighborhood residents. Displacement can be difficult to detect and document, even with far more sophisticated data than were available for our analysis (Freeman, 2005; McKinnish, Walsh & White, 2008). In this initial round of analysis, the data indicate that a new transit station does not automatically lead to a fundamental change in the racial or ethnic composition of the TRN. On the other hand, the higher in-migration rate and rapid increase in incomes in a majority of TRNs suggest that lower income residents may be leaving the area.

Displacement is not, however, the only problem associated with gentrification. Another negative consequence of gentrification involves not those neighborhood residents who leave but those who remain behind. We found larger increases in both rents and home values in the newly transit-served neighborhoods than in the corresponding metropolitan areas in roughly three-quarters of the TRNs studied. For existing homeowners in these TRNs, this was a boon. For existing renters, however, this likely caused many to pay a higher proportion of their income for shelter and could eventually force them to seek housing elsewhere. Our findings therefore raise the concern that new transit is associated with higher housing cost burdens for renters who remain in the neighborhood.

Another troubling finding from the first round of analysis was that the placement of a new transit station did not consistently increase the number of neighborhood residents reporting that they used public transit for their commute. Indeed, in over half of the TRNs we studied, public transit use for commuting by neighborhood residents actually declined relative to the change in transit use in the metro area after the new station opened. This was perhaps not surprising since automobile ownership increased more than in the corresponding metro area in nearly three-quarters of these newly transit-served neighborhoods, with ownership of two or more autos increasing in nearly three in five. Another adverse consequence of the gentrification observed in newly transit-served neighborhoods is that the higher income households living in the TRN

[1] We ran simple zero-order correlations between the rate of homeownership in 1990 in the TRNs in each city with the percentage change in the non-Hispanic white population between 1990 and 2000 and separately with the 1990-2000 percentage change in median household income. Across all 42 TRNs in the 12 MSAs in the study, there was a negative correlation (-.596) between the initial homeownership rate and racial/ethnic change and a nearly identical negative correlation (-.580) with the change in median household income.

bring and use more vehicles and may therefore undermine efforts to shift commuting trips to the newly-built transit.

Gentrification, as discussed in Chapter 2, can be a positive or destructive form of neighborhood change. This initial round of analysis found evidence of gentrification and of at least two negative consequences of such gentrification in TRNs: higher housing cost burdens for renters and an influx of automobile-owning households less likely to use transit for commuting.

Large Differences Analysis

The preceding analysis was based on simple point estimate differences in each of the factors under investigation. However, the demographic data used in this analysis come from a 5 percent sample of the U.S. Census of population for 1990 and 2000. Because of the sample size, small differences in the results between TRNs and their metro areas may not truly reflect real differences. To provide more confidence in our results, we re-analyzed all of the data under the condition that a large difference between demographic changes in the TRN and those experienced in the metro area as a whole would be said to exist only where there was at least a 20 percentage point difference between the TRN and its surrounding metro area. If we were to discover only a few such cases, we would have to conclude that—while there were theoretical reasons that new transit has an impact on the surrounding neighborhood's demographics—there was not sufficient evidence that a new transit station in fact contributes to such neighborhood change. If, however, we were to discover many cases in which such large differences existed between the changes seen in TRNs and those in the corresponding metros, such a finding would reinforce the results of our initial analysis.

Population Growth (see Figure 3.9)

Using this criterion, in about half of the TRNs the growth in population in the TRN was within 20 percentage points of that in the surrounding metro area during the decade in which the transit station opened. However, in nearly a third of the TRNs, the population grew at least 20 percentage points more than in the metro area as a whole, while in only one-eighth of the cases did it grow substantially less.

Housing Units (see Figure 3.10)

Unsurprisingly, given the population growth, in nearly three-quarters of all cases (74 percent), the change in the number of housing units in the TRN was within 20 percentage points of that of its MSA. However, in nearly one-fourth (10 TRNs, or 24 percent) of the new TRNs, the percentage increase in new housing units constructed between 1990 and 2000 exceeded the percentage increase in the MSA by at least 20 percentage points. By contrast, in only one TRN was the increase in housing units at least 20 percentage points lower than in the surrounding MSA.

Changes were also seen in the tenure of neighborhood housing stock. A full third of the TRNs experienced an increase in homeownership that was at least 20 percentage points greater than the surrounding metro area. In only one case did a TRN experience a rise in homeownership rate at least 20 percent lower than its MSA.

Racial and Ethnic Composition (see Figure 3.11)

In about half (52 percent) of the TRNs we did not find a difference of 20 percentage points or more between the TRN

FIGURE 3.9
Population Growth
(Large Differences Analysis)

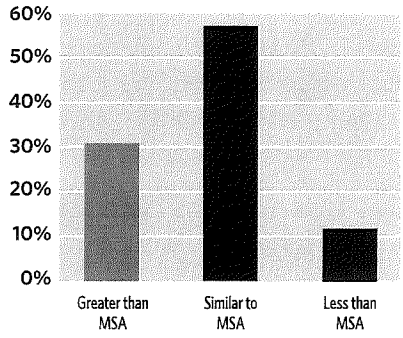
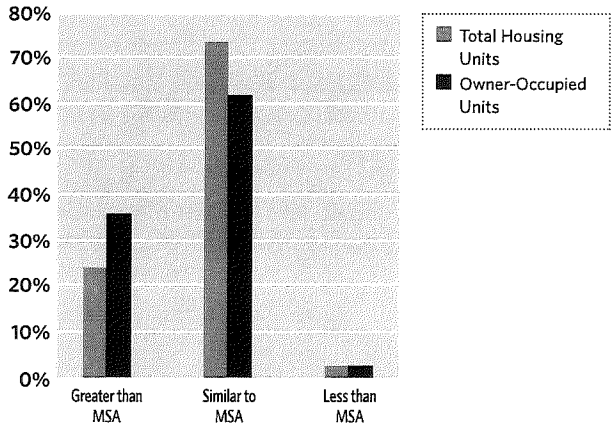


FIGURE 3.10
Total Housing Units
(Large Differences Analysis)



and its metro area in the relative rate of change in the non-Hispanic white population. Indeed, where the relative change was substantial, the non-Hispanic white population in the new TRNs was nearly twice as likely (31 percent versus 17 percent) to experience a much larger *decrease* in its representation in these new transit-rich neighborhoods (or a much lower increase) than the surrounding MSA. The results for non-Hispanic blacks appear to confirm this finding. Relative to their MSAs, the non-Hispanic black populations in the new TRNs were actually a bit more likely to experience an increase (29 percent) in their ranks than a decrease (19 percent). Three-fourths (75 percent) of the TRNs experienced a substantial percentage change in their Hispanic representation, but the number experiencing a substantial growth relative to their MSAs was about the same as the number experiencing a relatively lower growth rate (38 percent versus 36 percent). These results are consistent with the findings of the initial analysis that, whatever else a new transit station may portend for its neighborhood, neighborhood racial and ethnic composition does not change substantially.

Household Income (see Figure 3.12)

As was true in the initial round of analysis, greater change was seen in neighborhood economic composition than in racial and ethnic composition. Over half (57 percent) of the 42 TRNs experienced change in their median household income that was within 20 percentage points of the change in their respective MSAs. But of the remaining 18 TRNs, 13 (31 percent) saw incomes rise much faster than their surrounding metro areas, while only five (12 percent) experienced incomes that increased much slower. Further, 55 percent of the TRNs experienced a substantial increase in the proportion of families earning at least $100,000 per year; in only about a quarter (26 percent) of the TRNs did median household income rise by substantially less than the surrounding metro area.

Housing Costs (see Figure 3.13)

Nowhere did we find a more pronounced difference between TRNs and their metro areas than in the data on increasing median housing value. In more than two-thirds (29) of the 42 TRNs, home values increased at least 20 percentage points faster between 1990 and 2000 than in their surrounding metro areas. In only four did home values increase at a much slower rate than their surrounding MSAs.

Although the evidence for rising rents is not quite so strong as for rising home values, more than a third of the TRNs in the study experienced median gross rent increases in excess of 20

FIGURE 3.11
Racial and Ethnic Composition
(Large Differences Analysis)

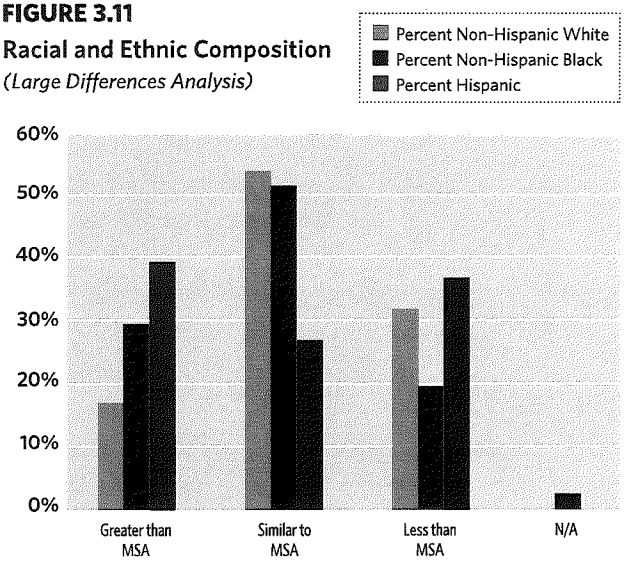
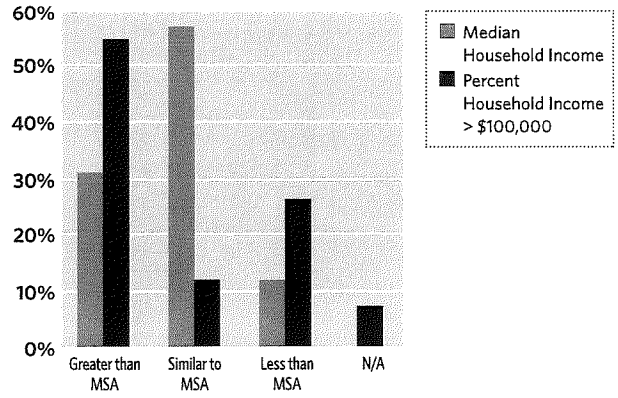


FIGURE 3.12
Household Income
(Large Differences Analysis)



percentage points more than their surrounding MSAs while only one TRN out of the 42 experienced a substantially lower increase than its metro area.

In-Migration (see Figure 3.14)

In the initial analysis a substantial majority of TRNs were more likely to experience more rapid in-migration (the rate of people reporting that they did not live in their current home five years earlier) than their surrounding metro areas, but the large differences analysis found that in four-fifths of the cases the in-migration rate in the TRN was within 20 percentage points of the rate in the corresponding MSA. In seven of the remaining TRNs (17 percent), the TRN in-migration rate exceeded the MSA in-migration rate by at least 20 percent-

FIGURE 3.13

Housing Costs

(Large Differences Analysis)

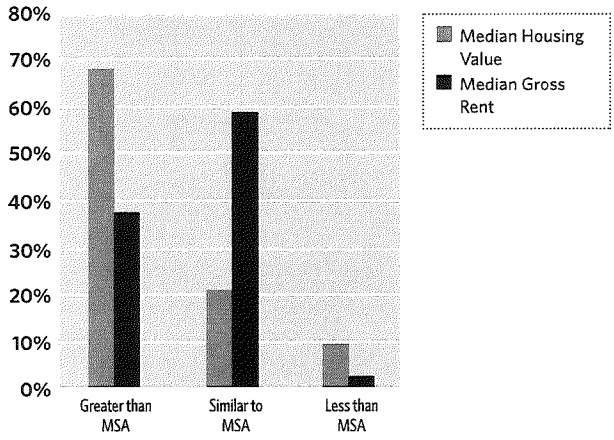


FIGURE 3.14

In-Migration

(Large Differences Analysis)

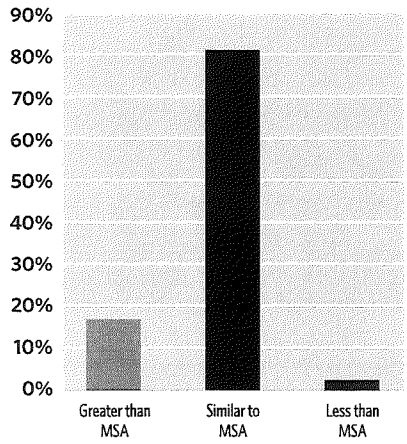


FIGURE 3.15

Public Transit Use for Commuting

(Large Differences Analysis)

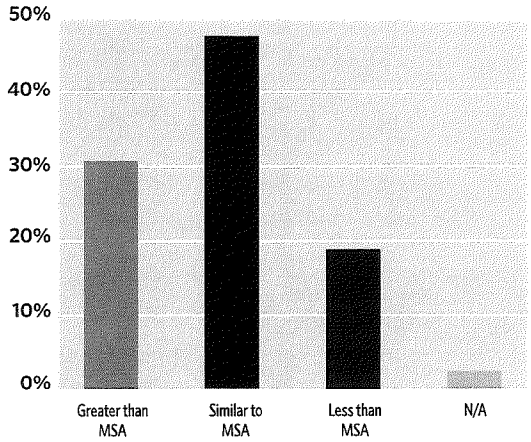
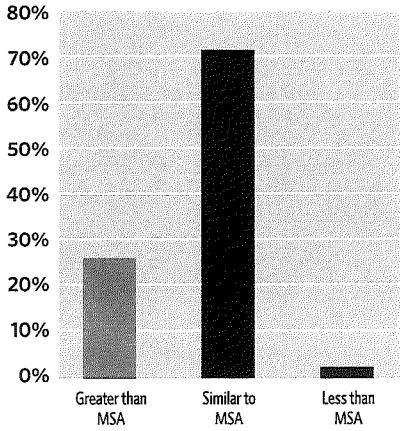


FIGURE 3.16

Motor Vehicle Ownership

(Large Differences Analysis)



age points, and in only one case out of 42 was the TRN in-migration rate at least 20 percentage points lower than the overall MSA rate.

Public Transit Use for Commuting (see Figure 3.15)

The results of this more strenuous +20 /-20 percent test for public transit use by commuters found that transit utilization rates in the TRNs were not substantially different from those for the entire metro about half of the time. In about one-third (31 percent) of the TRNs, reported use of transit for commuting rose substantially faster than in the surrounding metro area, with the new transit station apparently succeeding in attracting residents who were also transit commuters. However, in one-fifth (19 percent) of the TRNs the use of public transit rose substantially less than in the MSA or fell by more.

Motor Vehicle Ownership (see Figure 3.16)

In 70 percent of the cases, the increase in household car ownership is within 20 percentage points of that in the corresponding MSA. However, motor vehicle ownership rates rose substantially faster in the TRN than in the corresponding MSA in more than one-quarter of TRNs (26 percent) and rose by substantially less than their surrounding metro areas in only one case.

As expected, the +20/-20 percent test produces a smaller number of TRNs in which substantial demographic shifts are

observed. For almost all of the factors studied, at least half of the time the change in a given variable is within 20 percentage points of the same changes seen throughout the metro area. But focusing on those cases in which the TRN experiences substantially greater change than its metropolitan area, the direction of change is consistent with the findings from our initial round of analysis, with most of the TRNs experiencing the same type of change seen in the initial analysis and only a handful of TRNs experiencing a different pattern of change. So even this very conservative method of analysis, in which change in the newly-transit served area must exceed that in the metro area by 20 or more percentage points to be considered meaningful, provides further support for many of our initial conclusions.

While cause and effect are always difficult to prove conclusively, the large-differences analysis strongly suggests that gentrification concerns are well-founded. New transit stations are associated with a pattern of neighborhood change marked by sizeable increases in population and household income, particularly at the high end of the income spectrum, and by rising homeownership rates, housing values and residential rents. In more than two-thirds of the TRNs, home values increased at least 20 percentage points faster between 1990 and 2000 than in their surrounding metro areas. More than a third of the TRNs experienced median gross rent increases in excess of 20 percentage points more than their surrounding MSAs. Three out of every five TRNs saw the proportion of families earning at least $100,000 per year grow more than 20 percentage points faster than in the metro as a whole. In line with rising income, a full third of the TRNs experienced an increase in homeownership which was at least 20 percentage points greater than the surrounding metro area.

The large-differences analysis also reinforces the concern that neighborhood gentrification in too many newly transit-served neighborhoods is associated with undesirable changes in travel behavior. In more than one-quarter of the TRNs, automobile ownership rose at a rate more than 20 percentage points greater than that in the surrounding metro. Similarly, in roughly one-fifth of the TRNs the use of public transit rose substantially less than in the MSA or fell by more. The good news is that reported use of transit for commuting rose substantially faster than in the surrounding metro area in nearly one-third of the TRNs, with the new transit station apparently succeeding in attracting residents who were also transit commuters. However, given the recent investment in new transit, the finding that use of public transit for commuting in one-fifth of TRNs was substantially less than that in the corresponding metro area is troubling.

The large-differences analysis, like the initial analysis, did not find clear evidence of involuntary displacement. In-migration rates in most of the TRNs were within 20 percentage points of those for the corresponding metros. And while household income rose faster in many of the TRNs, this did not seem to correlate with a displacement of non-Hispanic black families or Hispanic households. We cannot conclude that rising household incomes or rising property values are due to wealthy households moving into TRNs and directly displacing lower income families. Instead, as other recent studies of gentrification have found (McKinnish, Walsh & White, 2008), the mechanism may be one of succession or replacement rather than displacement. Rents rise in the existing rental stock and are higher in the new housing stock, more for-sale housing is built, and higher income residents join their lower-income predecessors in the newly transit-served neighborhood. The result, however, is similar: on average, the changed neighborhood post-transit is wealthier, rents are higher and residents are more likely to own cars.

Transit Type Analysis

The first two rounds of analysis were designed to evaluate whether the construction of new transit stations of any type could cause changes in neighborhood demographics including gentrification and displacement. But it is possible that certain types of transit lead to a much higher potential for both gentrification and displacement. By separately studying heavy rail, commuter rail, and light rail transit stations, we were able to dig deeper into the gentrification and displacement phenomenon. Hence, a third and final round of analysis, in which we sorted the 42 TRNs by their types of stations, helps explain where gentrification is most likely to occur. The results of this transit type analysis demonstrate that neighborhoods surrounding new light rail stations experience considerably more substantial demographic shifts than those surrounding new heavy rail and commuter rail stations.

Population Growth (see Figure 3.17)

Light rail neighborhoods saw their populations increase at a rate that exceeded their metro areas by 21 percentage points, on average. Meanwhile, heavy rail neighborhoods outpaced

FIGURE 3.17
Population Growth
(Transit Type Analysis)

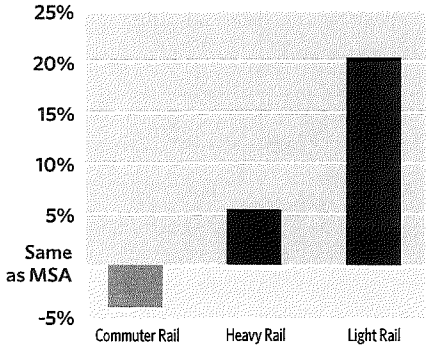


FIGURE 3.18
Total Housing Units
(Transit Type Analysis)

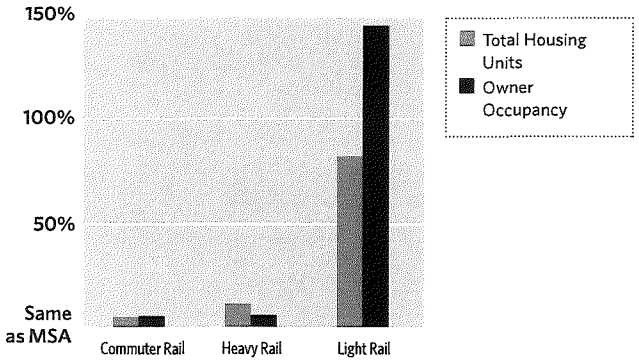


FIGURE 3.19
Racial and Ethnic Composition
(Transit Type Analysis)

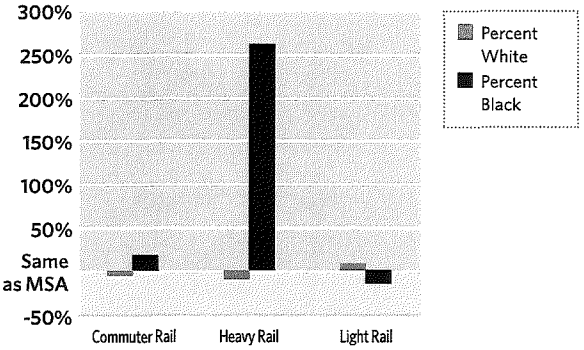
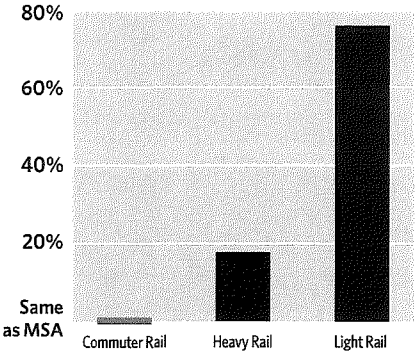


FIGURE 3.20
Median Household Income
(Transit Type Analysis)



their MSAs by an average of only five percentage points and commuter rail neighborhoods actually lagged their MSAs in population growth.

Housing Units (see Figure 3.18)

A similar finding emerged from an analysis of added housing units. On average, the growth in housing around light rail transit stations exceeded housing construction in surrounding metro areas by 82 percentage points; the corresponding figures for heavy rail and commuter rail neighborhoods were 11 and four percentage points, respectively.

Moreover, owner-occupied units became much more prevalent in light rail TRNs. Owner occupancy increased at a rate that exceeded the surrounding metro areas by 146 percentage points, on average, where light rail was developed. In heavy rail and commuter rail neighborhoods, the differential was negligible.

Racial and Ethnic Composition (see Figure 3.19)

In both commuter rail and heavy rail neighborhoods, the growth in the white population trailed that of the metro area as a whole. By contrast, light rail neighborhoods became slightly whiter, on average, than their metro areas. The growth in the black population in heavy rail neighborhoods substantially exceeded that of their surrounding metro areas (although the increase is only 74 percent when 2 stations are eliminated as outliers). For commuter rail neighborhoods, the differential was 18 percentage points. By comparison, light rail neighborhoods became less black, on average, than their metro areas between 1990 and 2000.

Median Household Income (see Figure 3.20)

On average, light rail neighborhoods saw their median income rise by 77 more percentage points than their metro areas; for heavy rail neighborhoods, the difference was 18 percentage points, and for commuter rail neighborhoods it was just two percentage points.

FIGURE 3.21
Housing Costs
(Transit Type Analysis)

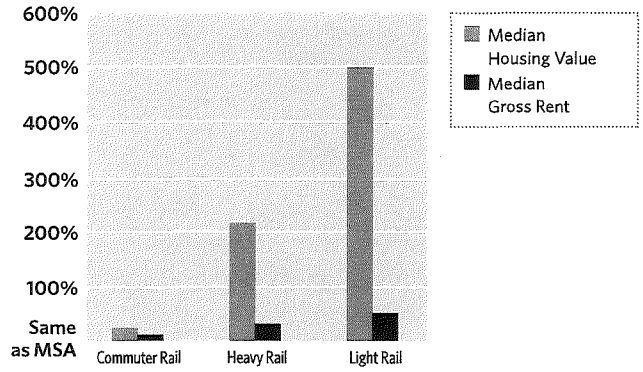


FIGURE 3.22
In-Migration
(Transit Type Analysis)

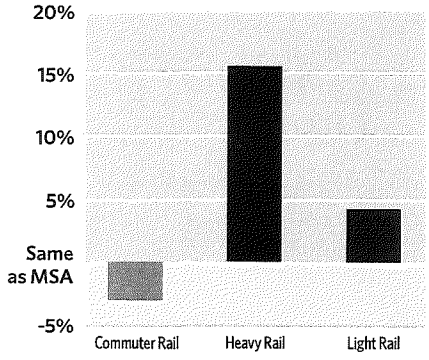


FIGURE 3.23
Public Transit Use for Commuting
(Transit Type Analysis)

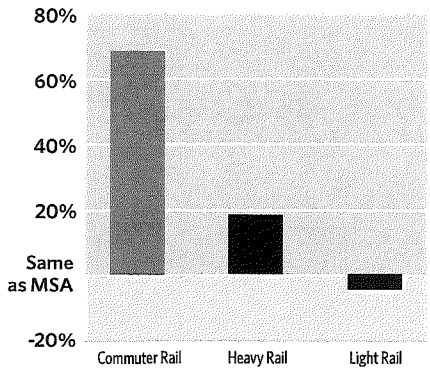
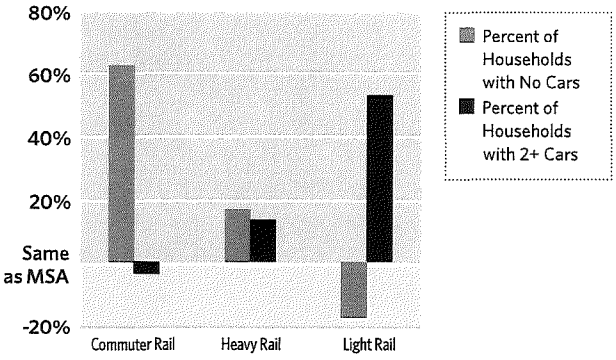


FIGURE 3.24
Motor Vehicle Ownership
(Transit Type Analysis)



Housing Costs (see Figure 3.21)

While the median value of owner-occupied homes rose by 24 more percentage points in commuter rail neighborhoods than in their metro areas, the differential was 217 percentage points for heavy rail neighborhoods, and a staggering 500 percentage points for light rail neighborhoods.

Median rent rose by 50 percentage points more in light rail neighborhoods than in their metro areas. By comparison, rents in the new heavy rail TRNs exceeded the increase in rents in their MSAs by just 30 percentage points, and in commuter rail neighborhoods by just 10 percentage points.

In-Migration (see Figure 3.22)

Neighborhoods served by different types of transit experienced different patterns of in-migration (the rate of people reporting that they did not live in their current home five years earlier). Both light rail and commuter rail neighborhoods saw increases in in-migration that exceeded rates in their MSAs, by 4 percentage points for light rail and more than 15 percentage points for heavy rail. Commuter rail neighborhoods, by contrast, experienced slightly less in-migration than their corresponding metro areas.

Public Transit Use for Commuting (see Figure 3.23)

Where heavy rail and commuter rail stations were placed, the increase in public transit use exceeded that in their MSAs. But use of public transportation for commuting in light rail neighborhoods actually declined in 12 of the 16 light rail TRNs after the transit station went into operation.

Motor Vehicle Ownership (see Figure 3.24)

The percentage of households owning no car fell dramatically in the light rail TRNs, while the growth in the percentage of households owning two or more cars outpaced the metro areas by 52 percentage points, on average. In the heavy rail

TABLE 3.1

Comparison of Means *(Light Rail TRNs vs. Heavy Rail and Commuter Rail TRNs)*

	Total Population		Total Housing Units		Percent White		Percent Black		Percent Hispanic		Median Household Income		Median Gross Rent	
	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.
All Others	0.022	0.056	0.089	0.08	-0.086	0.051	1.91	1.071	0.278	0.211	0.125	0.076	0.237	0.088
Light Rail	0.206	0.066	0.822	0.491	0.083	0.094	-0.156	0.071	0.114	0.249	0.769	0.293	0.503	0.213
t-statistic	-2.06	*	-1.94	+	-1.71	+	1.46		0.48		-2.69	*	-1.35	

+ p<.10 * p<.05 ** p<.01

	Median Housing Value		Percent Owner-Occupied		Percent of Residents Living in a Different House 5 Years Ago		Percent of Workers Taking Public Transit to Work		Percent of Households with 0 Cars		Percent of Households with 2+ Cars	
	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.	Mean	S.E.
All Others	1.523	1.066	0.057	0.052	0.093	0.039	0.341	0.121	0.319	0.229	0.076	0.059
Light Rail	4.996	2.147	1.461	0.658	0.042	0.031	-0.047	0.099	-0.177	0.066	0.524	0.524
t-statistic	-1.62		-2.86	**	0.89		2.19	*	1.58		-3.39	**

+ p<.10 * p<.05 ** p<.01

and commuter rail neighborhoods, however, the percentage of households owning no car increased. The percentage of households owning two or more cars increased more modestly in the heavy rail than in the light rail neighborhoods and declined slightly in the commuter rail neighborhoods. These changes in the commuter rail and light rail neighborhoods may reflect a process of self-selection in which some new residents choose to live near transit and reduce their car ownership and/or use (Cervero, 2007). In the light rail neighborhoods, car ownership patterns—fewer households without a vehicle and more households with two or more—may instead reflect the neighborhood's higher income levels.

This final round of analysis revealed significant differences in neighborhood change patterns associated with different types of transit. A new light rail station (as opposed to heavy rail or commuter rail) magnifies almost every aspect of neighborhood change. To confirm this finding, we conducted additional statistical analyses. We conducted a series of two-tailed t-tests on all of these variables, comparing the neighborhood-metro area differentials of light rail TRNs to those of TRNs surrounding all other types of transit stations. The results are displayed in **Table 3.1**. Light rail neighborhoods experienced statistically significant changes in many of the variables compared to neighborhoods with new commuter rail or subway stations. The most striking differences included greater increases in median income and in the proportion of owner-occupied homes, as well as increases in the percentage of households with two or more cars.[3]

These differences in neighborhood change patterns between 1990 and 2000 likely reflect differences in where light rail, heavy rail and commuter rail stations are located. In the light rail neighborhoods, nearly three-fourths (74 percent) of the households were renters and they had an average median household income of only $14,028, less than 40 percent of the commuter rail station average. Median household income in the nine commuter rail station neighborhoods averaged $36,825 in 1990 and only 53 percent of the housing units in these neighborhoods were renter-occupied. Rental occupancy and median household income in the heavy rail station neighborhoods fell in between that in light rail and commuter rail neighborhoods, but closer to the latter. Nearly 58 percent of the households in heavy rail neighborhoods were renters and they averaged $29,791 in median income. As the light rail neighborhoods were initially dominated by lower income renters, the addition of higher income families to these neighborhoods apparently magnified patterns of

[3] For the differences between light rail neighborhoods and all others on the change in median income, t=-2.69. For the change in percent owner occupied housing, t=-2.86. For the change in the percentage of households with two or more cars, t=-3.39. The differences are large enough in many cases that, despite the relatively small sample size, they are statistically significant at p<.05.

neighborhood change and accelerated gentrification and some of its adverse consequences.

Conclusions

As in prior studies, we found that patterns of neighborhood change varied across the transit-rich neighborhoods we studied. Many of the TRNs changed in ways that were roughly similar to the underlying pattern of change in their larger metro areas. Taking into account all of the information provided in the three sets of analyses, however, we conclude that there are substantial shifts in demographic and economic characteristics associated with the siting of a new public transit station. Focusing particularly on TRNs where changes were more pronounced than those in the surrounding metropolitan area, a predominant pattern of neighborhood change could be discerned: with the addition of transit, housing became more expensive, neighborhood residents wealthier and vehicle ownership more common. Many TRNs therefore experience gentrification, a pattern of neighborhood change marked by rising housing costs and incomes.

Our research also supports the conclusion that neighborhoods with a large number of renters are more susceptible to gentrification. Indeed, when we specifically looked at the neighborhoods where the new stations were light rail—neighborhoods which, in our study, were more likely to be dominated pre-transit by low-income, renter households than those in the heavy rail and commuter rail neighborhoods—almost every aspect of neighborhood change was magnified: rents rose faster and owner-occupied units became more prevalent, for example. In these TRNs, with their high population of low-income renters before the light rail station opened, in-migration by higher-income families

appears to have disproportionately changed the demographic structure and substantially increased the risk and pace of gentrification.

While we can confidently say we found some evidence of gentrification in the majority of newly transit-served neighborhoods, it is more difficult to determine whether this gentrification was accompanied by involuntary displacement of former neighborhood residents. Our research did not find strong evidence of disproportionate changes in the racial/ethnic composition of the newly transit-served neighborhoods. Despite evidence of gentrification based on housing values, rents and incomes, we did not find that new transit stations led to a reduction in the proportion of blacks and Hispanics or a substantial increase in the proportion of non-Hispanic white households in most TRNs. Perhaps the relatively higher retention of higher-income black and Hispanic households and/or the in-migration of racially mixed, higher-income residents results in a wealthier neighborhood, but one with a racial composition similar to that of the pre-transit neighborhood.

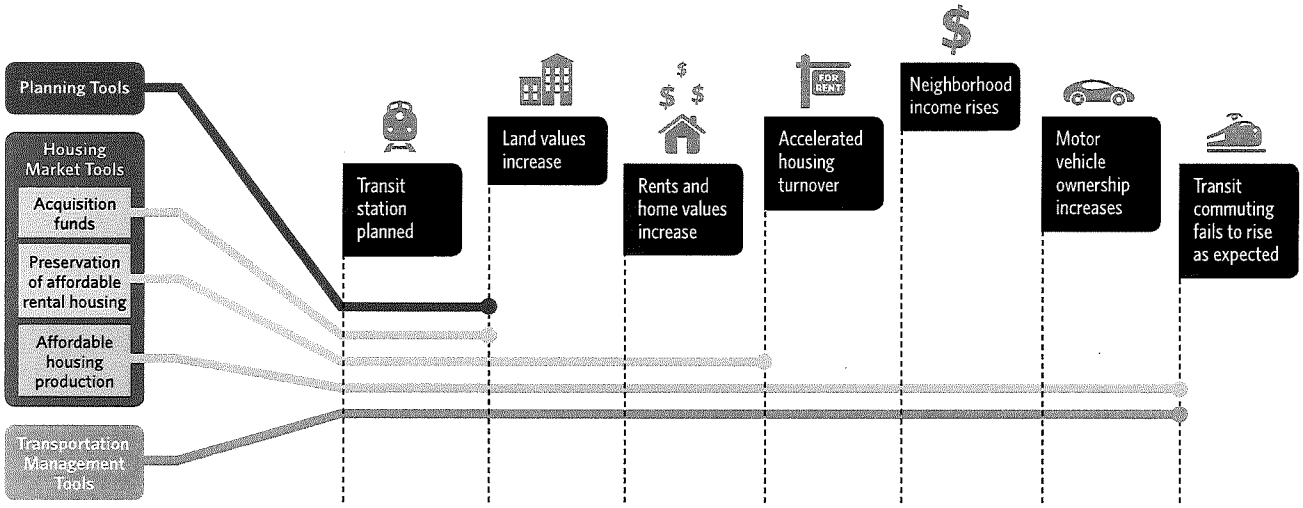
Displacement is not, however, the only problem associated with gentrification. Gentrification can be a positive form of neighborhood change, one associated with neighborhood revitalization, better amenities for all neighborhood residents and rising home values that benefit existing homeowners. But gentrification can also have adverse consequences and our analysis found evidence of at least two negative consequences of gentrification in transit-rich neighborhoods: higher housing cost burdens for renters and an influx of automobile-owning households less likely to use transit for commuting.

A new transit station may also set in motion a cycle of unintended consequences that reduces neighborhood residency by those groups most likely to use transit in favor of groups more likely to drive.

New transit brings with it rising rents and home values, particularly when light rail is located in previously lower-income neighborhoods dominated by rental housing. While neighborhood incomes also increase, the income of individual households will not necessarily change. As landlords raise rents, households that choose to remain and take advantage of the new transit may suffer from higher housing cost burdens.

A new transit station may also set in motion a cycle of unintended consequences that reduces neighborhood residency by those groups most likely to use transit in favor of groups more likely to drive. In some newly transit-served neighborhoods, rising rents and home values attract not only higher-income residents but also car-owning residents. Use of public transit for commuting in this problematic subset of newly transit-served neighborhoods actually rose slower (or, in some cases, declined faster) than in the metropolitan area as a whole. Whether by displacement or replacement, or a combination of the two, in some transit-rich neighborhoods the pattern of change is working against the goal of attracting transit-oriented neighbors: the most likely potential transit riders are being crowded out by car owners less likely to be regular users of transit. This cycle raises concerns both about equity, because core transit riders are predominantly people of color and/or low income, and about the success of new transit investments in attracting desired levels of ridership. But, as illustrated below and detailed in the next chapter, policy tools can be deployed to produce more equitable patterns of neighborhood change.

Breaking the Cycle of Unintended Consequences in Transit-Rich Neighborhoods



A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods

CHAPTER 4

Gentrification and its associated adverse consequences are not an inevitable consequence of transit investment, but undesirable patterns of neighborhood change can and do occur in transit-rich neighborhoods. While not every TRN will experience increases in the number of higher income residents, rising rents and higher rates of car ownership some—perhaps most—will. Our findings, however, provide a framework for better understanding the mechanisms behind such changes, one which can inform efforts by policymakers, planners and advocates to shape more equitable patterns of neighborhood change.

This policy framework is based on three of the most important findings from our research. First, gentrification can happen quickly, particularly in neighborhoods initially dominated by rental housing and lower-income renters. Our research found rapid increases in home values and rents within a few years after transit stations opened, perhaps in part because transit stations are planned and built over many years and so landowners and landlords begin to anticipate higher values even before the new station opens its doors. *Planning tools* should explicitly consider the risks of gentrification and the goals of equitable neighborhood development and be designed to involve current neighborhood residents and all those with a stake in the neighborhood's future.

Second, changes in housing markets are key drivers of gentrification in transit-rich neighborhoods. Neighborhood change appears to involve the rapid turnover of rental properties, accompanied by higher rents that in turn attract wealthier households to the neighborhood. But while neighborhood incomes increase, the income of individual households does not necessarily change. Therefore, as landlords raise rents those lower- and moderate-income households that choose to remain in the neighborhood to take advantage of the new transit may suffer from higher housing cost burdens. *Housing market tools* should be used to maximize the amount of affordable housing, particularly affordable rental housing, near transit stations.

Finally, in some newly transit-served neighborhoods rising rents and home values attract not only higher-income residents but also car-owning residents. In such TRNs the pattern of neighborhood change works against the goal of attracting transit-oriented neighbors: the most likely potential transit riders are crowded out by car owners less likely to be regular users of transit. This pattern of neighborhood change raises concerns both about equity and about the success of new transit investments in attracting desired levels of ridership. *Transportation management tools* should work to concentrate core transit riders—particularly non-vehicle owning households—in TRNs in order to maximize the number of neighbors likely to use transit.

The good news is that such policy tools that are increasingly available and in use across the country. In conjunction with this report, the Kitty and Michael Dukakis Center for Urban and Regional Policy at Northeastern University has launched a web-based *Policy Toolkit for Equitable Transit-Rich Neighborhoods* (http://www.dukakiscenter.org/TRNEquity). The remainder of this chapter presents some of the tools included in the online toolkit, which includes links to additional information about each of the tools and will be updated periodically with new tools.

Residents of economically and racially diverse transit-rich neighborhoods need and deserve the mobility and other benefits that transit brings. With these tools, planners, policymakers and advocates can work together to reduce the risks and adverse consequences of gentrification in transit-rich neighborhoods and ensure that the many benefits of transit investment are shared by all.

PLANNING

Planning Tools

Planning for new transit stations and for enhancements in existing transit-rich neighborhoods should be designed to address the potential for gentrification and to mitigate undesirable forms of neighborhood change. Planning efforts should:

- **Begin early:** Land values and rents can rise quickly, even before a transit station becomes operational, so the planning process for anticipating and mitigating undesirable neighborhood change must begin as early as possible, preferably at the outset of the transit planning process.
- **Be intentional:** The risks of gentrification and displacement, and the importance of economic and racial diversity in transit-rich neighborhoods, will not automatically be considered in conventional transit planning, so planning processes need be designed from the outset to address issues of equitable neighborhood change.
- **Include all stakeholders:** Everyone with a stake in a transit-rich neighborhood's future must have the opportunity to participate, particularly those who have the most at risk but can be difficult to bring to the table, such as renters, low-income households, people of color and immigrants.
- **Coordinate across agencies:** Comprehensive planning for neighborhood change in TRNs can involve transportation, housing and other government agencies at the local, regional, state and sometimes federal level; these agencies' planning processes should be coordinated rather than disjointed, because multiple overlapping processes can drain participants' energy and resources and allow critical issues, such as equity, to fall between the cracks.
- **Be implemented:** Planning matters only if the resulting plans are carried out, so implementation steps need to be built into all comprehensive and coordinated planning processes for addressing gentrification and neighborhood change in transit-rich neighborhoods.

PLANNING

Policy Tool: Comprehensive Transit-Oriented Development Strategy

Example: San Leandro CA Downtown Transit-Oriented Development Strategy

Summary: Communities can develop comprehensive strategies to preserve existing affordable housing and produce additional affordable housing in neighborhoods near existing or planned transit stations and then follow up to ensure their implementation.

While transit stations are operated by transit agencies, land use and economic development planning for the neighborhoods around those stations is controlled by the municipality. Comprehensive planning for transit-oriented development (TOD) therefore requires the active engagement of local government.

In 2007, the Bay Area city of San Leandro, California completed a Downtown Transit-Oriented Development (TOD) Strategy designed to foster transit-oriented development and revitalize downtown San Leandro. Grants to support the planning process were made by the regional metropolitan planning organization, the Metropolitan Transportation Commission, and the Alameda County Transportation Improvement Authority. The extensive community engagement process included a Downtown TOD Citizen Advisory Committee appointed by the City Council and community meetings that ultimately involved hundreds of residents.

Almost two-thirds of all rental housing in San Leandro is located within a half mile of the local Bay Area Rapid Transit (BART) station. Residents were concerned that, as the properties near transit increase in value, owners would increase rents and displace current renters. San Leandro's strategy for mixed-use and mixed-income transit-oriented development therefore emphasizes rental housing preservation and identifies sites for future development of as many as 3,000 housing units over the next twenty years, including both market-rate and affordable housing.

The San Leandro strategy includes a number of efforts to increase affordable housing near the downtown BART station. For example, the city will use dollars from in-lieu fees paid by developers within the downtown TOD zone under its inclusionary zoning ordinance to subsidize affordable housing adjacent to the BART rail station. The city has also lowered parking ratios for the entire TOD to a maximum of one space per unit to make new affordable housing development more feasible. In addition, the plan identifies specific sites for future housing development and commits the city to both target existing resources to the area near the transit station and aggressively pursue additional resources for affordable housing production.

In March 2009, the San Leandro City Council unanimously approved the first new for-rent affordable housing project under the TOD zone strategy. The 100-unit Alameda will be developed by nonprofit Bridge Housing as part of a larger project called The Crossings, which will also include 200 units of market-rate apartments developed by Westlake Development. The Alameda will be the first new apartments in San Leandro geared toward low-income families built in over twenty years; 40 percent of the units will have 3 bedrooms to accommodate larger families.

For additional information: www.sanleandro.org/depts/cd/plan/polplanstudies/downtownplan/todoview.asp

PLANNING

Policy Tool: Community Benefits Agreements

Example: Longfellow Station Community Benefits Agreement (Minneapolis, MN)

Summary: When community coalitions negotiate community benefit agreements with developers of transit-oriented and other development projects, cities often incorporate the terms into their development approvals and therefore ensure that the deal is legally binding.

As defined by the Partnership for Working Families, a community benefit agreement is "a project-specific, negotiated agreement between a developer and a broad community coalition that outlines the project's contributions to the community and ensures community support for the project." CBAs were developed to ensure that developers receiving government benefits, such as tax increment financing, could be held accountable to generate the project benefits that were promised. Benefits addressed in CBAs may include living wages, local hiring and training programs, affordable housing, environmental remediation and funds for community programs.

Perhaps the best example of a CBA focused on ensuring both affordable housing and transit orientation is that negotiated by the Longfellow Community Council (a citizen participation group for the Longfellow, Cooper, Howe and Hiawatha neighborhoods) in Minneapolis for a mixed-use complex called Longfellow Station. The project's being developed by Capital Growth Real Estate for the abandoned Purina Mills site across from the 38th Street light rail station on the Hiawatha Line and would consist of 197 housing units and 10,000 square feet of retail space.

The Longfellow Station CBA was signed in February 2008 after two years of negotiations. While the affected neighborhood is largely middle-class, the portion of the neighborhood along the transit corridor is the most economically disadvantaged part and contains the highest concentration of rental units. The CBA requires at least 30 percent of the Longfellow Station housing units to be affordable, which exceeds the city's 20 percent requirement. A mix of unit sizes will be provided, with family-size units having access to green space (Soursourian, 2010).

The Longfellow CBA is notable for focusing on reducing vehicle use and promoting alternative transportation. For example, the CBA requires the developer to provide free one-month transit passes to residential tenants and offer on-site transit fare purchase. The development must also include bicycle storage and parking as well as dedicated parking for car sharing. The development will have limited parking for personal automobiles and those spaces will be leased separately from residential units.

For additional information: www.communitybenefits.org/section.php?id=155
http://communitybenefits.blogspot.com/2008/03/longfellow-cba.html

PLANNING

Policy Tool: Broad-based Community Engagement

Example: Great Communities Collaborative (San Francisco Bay Area, CA)

Summary: Community-based organizations and nonprofits can work together to ensure that a broad cross-section of community residents participate effectively in local land use planning efforts around transit stations.

The Great Communities Collaborative was formed in response to plans to add up to 100 new public transit stations in the San Francisco Bay Area by 2015. The goal of this collaboration among local and national non-profit organizations is for all people in the Bay Area to live in "great communities" by 2030, which are communities with a mix of jobs, shops, homes and community services that are affordable across all incomes and have access to quality transit.

The Collaborative works to help citizens better understand, participate in and influence plans for transit oriented development. They want to ensure that people, particularly low-income people and people of color, are deeply engaged in local land use planning for transit stations so they can shape future growth. As part of its efforts, the Collaborative provides technical assistance to local leaders to ensure that residents participate effectively in local government processes.

The Collaborative has also developed the Great Communities Toolkit, a free, downloadable compendium of resources to help those advocating for sound transit station development. Their toolkit helps community groups shape transit-oriented development opportunities, ensuring affordable homes, local shops, access to job centers and improved community service.

For additional information: http://www.greatcommunities.org/

PLANNING

Policy Tool: Broad-based Community Engagement

Example: BeltLine Community Engagement Framework (Atlanta, GA)

Summary: Government agencies can put in place multiple mechanisms to ensure broad-based community participation in planning for both transit and future development in neighborhoods along the transit corridor.

The BeltLine Project, an initiative of the Atlanta Development Authority, is a 25-year, $2.8 billion effort to create a network of public parks, multi-use trails and transit along a historic 22-mile railroad corridor circling downtown Atlanta and connecting 45 neighborhoods directly to each other. The BeltLine Project includes green space, affordable housing, brownfields remediation, historic preservation and public art.

Atlanta BeltLine Inc., an affiliate of the Atlanta Development Authority tasked with planning and implementing the BeltLine project, has developed a community engagement framework "to keep Atlanta residents informed and actively engaged in the BeltLine's creation so that the BeltLine reflects the aspirations of its many neighborhoods and communities." There are quarterly public briefings for the general public, which are recorded and shown on Atlanta's cable channel. Two advisory bodies have been established, one focused on housing and one for the 6,500 acre tax allocation district created to help finance the project. Five study groups were created to provide community input for each of the five geographic sections of the BeltLine corridor. Finally, the Community Engagement Advocate Office was created to inform the community about current BeltLine issues and ensure active and meaningful community engagement in BeltLine matters.

For additional information:
www.beltline.org/Home/tabid/1672/Default.aspx

PLANNING

Policy Tool: Coordinated Planning by Local Governments and Transit Agencies

Example: Pennsylvania Transit Revitalization Investment Districts

Summary: Planning grant programs can be structured to require local governments to coordinate their planning efforts with those of transit agencies.

Planning grants can provide local governments with the resources and incentive to undertake early and coordinated planning for development in neighborhoods with existing or planned transit stations. And, if structured properly, such funding can also ensure planning coordination between local governments and transit agencies.

In 2004, Pennsylvania enacted the Transit Revitalization Investment District (TRID) Act. TRIDs are intended to generate mixed-use development, focus community revitalization efforts around a public transit station and boost transit ridership. New public investments around transit stations frequently increase private land values, which in turn generates additional tax revenue. The act allows local governments, working with transportation agencies and, in some cases, school districts, to create value-capture areas near transit stations in which this additional revenue may be applied to public transportation capital improvements, related site development improvements and maintenance.

This program ensures coordination between local governments and transit agencies by requiring them to collaborate before a TRID can be designated. The local government must undertake a planning study before a TRID can be designated and implemented. The Pennsylvania Department of Community and Economic Development, in cooperation with the Pennsylvania Department of Transportation, provides local governments with up to $75,000 for these required studies. Grants are provided on a ratio of 75 percent state share/25 percent local share; the local share can be provided as cash or a combination of cash and in-kind professional services.

One of the first TRID planning grants was made to the Borough of Marcus Hook, located along the Southeastern Pennsylvania Transportation Authority's (SEPTA's) Northeast Corridor rail line. The borough and SEPTA are using the planning grant to evaluate potential development in the station area, including a developer's proposal for a 120-unit housing development with a mix of rental and for-sale units. The planning grant will also allow the borough and SEPTA to form a management authority required to administer the TRID.

In Philadelphia, planning funds were used to develop an award-winning TRID master plan for two SEPTA stations, 46th Street Station on Market Street in West Philadelphia and the Temple Regional Rail Station located at 9th and Berks streets in North Philadelphia. The planning process was designed to develop a collective vision for the future of both stations and included public meetings, interviews and focus group discussions.

For additional information: www.landuselawinpa.com/Transit_Revitalization_Investment_District_Act.pdf

PLANNING

Policy Tool: Transit Corridor Planning

Example: The Fairmount Line CDC Collaborative (Boston, MA)

Summary: Community development corporations (CDCs) can play a critical role in planning for equitable transit-oriented development around existing and planned transit stations along a transit corridor and then in implementing the planned transit-oriented development.

Planning for transit and accompanying transit-oriented development should occur at different scales, for both specific station areas but also for entire transit corridors. In Boston, four community development corporations (CDCs) worked together to create their own vision for the Fairmount Line, the only commuter rail line entirely within city limits. The four share contiguous boundaries along the line and serve over 175,000 largely low- and moderate-income and minority residents. The Massachusetts Bay Transportation Authority, is investing $100 million to expand transit service in the corridor by upgrading two existing stations and constructing four additional stations.

The Collaborative's two major goals are to bring transit equity to the residents in the distressed neighborhoods along the Fairmount line and to spearhead smart-growth, transit-oriented development. The collaborative has successfully pushed for smart-growth, transit-oriented-development urban villages and created a vision document, entitled *Boston's Newest Smart Growth Corridor,* that outlines their urban village concept. The four CDCs collectively are working to develop a pipeline of 1,500 new and preserved housing units and 780,000 square feet of new commercial space in the Fairmount Line corridor.

For additional information: www.dbedc.org/fairmount.html

PLANNING

Policy Tool: Transit Corridor Planning

Example: The Corridor Development Initiative (Twin Cities, MN)

Summary: A proactive, facilitated process can be used to bring all interested parties together to shape development projects along transit corridors before they are submitted to a municipal agency for approval.

The Corridor Development Initiative (CDI) fosters a partnership among neighborhoods, city government, developers and a technical team of development consultants, design experts and facilitators to raise the level of dialogue around redevelopment opportunities along major transit corridors. CDI takes citizens out of the role that they usually play—reacting to development proposals made by others—and puts them into a proactive role of shaping development in their community.

A typical initiative lasts six months and is overseen by an advisory group. CDI brings together all interested parties to learn, discuss, analyze, and grow to understand market realities that face a particular development site, all before any proposal is submitted to a governing agency. The heart of the program is an "interactive block exercise" facilitated by a team of design and development experts in which participants develop their own housing or mixed-use development proposals and test them for financial viability. The process concludes with the preparation of design principles that articulate how the community partners would like development to occur in their neighborhoods while balancing community values, city goals, development realities, and design opportunities.

Corridor development initiatives have been conducted in 16 communities in the Twin Cities metropolitan area since 2002.

For additional information: www.corridordevelopment.org/aspx

Housing Market Tools

Changes in housing markets are a key indicator of neighborhood change in transit-rich neighborhoods. In many newly transit-served neighborhoods both rents and housing values rise sharply and additional market-rate ownership housing is built. In order to address the underlying causes of gentrification and undesirable patterns of neighborhood change in transit-rich neighborhoods, housing market tools should include:

- **Funding for land and property acquisition:** Because transit stations are planned and built over many years, land and property values often begin to rise even before the new station opens its doors. To keep projects affordable, developers must have access to financing before land and properties become too expensive. Such funding is needed both to preserve existing affordable housing and to acquire (and, in some cases, landbank) vacant or commercial land for subsequent housing production.
- **Preservation of existing affordable rental housing:** Many TRNs are dominated by renters rather than homeowners and one of the mechanisms by which gentrification occurs is through the turnover of rental units, accompanied by higher rents that only wealthier households can afford. Existing affordable rental housing in neighborhoods where transit is planned should be preserved, preferably well before the transit is operational. Preservation strategies should target both subsidized affordable housing (especially that in need of rehabilitation or subject to the expiration of affordability restrictions) and unsubsidized housing that has historically been affordable for neighborhood residents but is at risk of becoming unaffordable as market rents rise.
- **Production of affordable housing:** Increased production of affordable and workforce housing in TRNs can help slow the rate of rising rents and housing prices. Such housing can be built both as stand-alone residential projects and as part of mixed-income and mixed-use transit-oriented development projects.

Many of the policies in this section of the toolkit can be used for more than one of these purposes (for example, for either preservation or production) and can be combined to create comprehensive strategies for maintaining housing affordability in transit-rich neighborhoods.

HOUSING

Policy Tool: Transit-Oriented Development Acquisition Funds

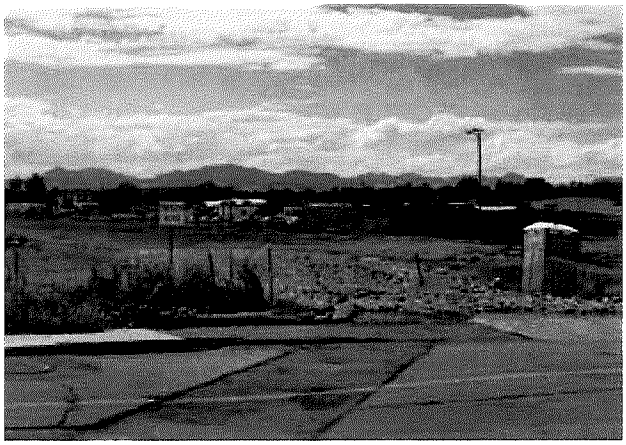
Examples: South Corridor Land Acquisition Fund (Charlotte, NC)
Denver Transit Oriented Development Fund (CO)
Bay Area Affordable Transit-Oriented Development Fund (CA)

Summary: Acquisition funds for transit-oriented development can be used to acquire sites near transit for future development of affordable housing or to acquire and preserve existing affordable housing before planned transit projects drive up land and property values.

In 2005 the Charlotte, North Carolina City Council appropriated $5 million to the South Corridor Land Acquisition Fund to purchase land near planned transit stations along its South Corridor Light Rail for future transit-oriented development (TOD) and specifically development of transit-served affordable housing. In 2006, the city began a joint development project with the transit authority at the Scaleybark Station to establish a flagship mixed-use, mixed-income village. Using money from the South Corridor Land Acquisition Fund and several other sources, the city eventually purchased 17 acres of land for $9.2 million. The planned project will include 80 affordable housing units, which will be built by the Charlotte Mecklenburg Housing Partnership, as well as 820 market-rate housing units, retail space, a hotel and park land (CTOD, 2008b).

Denver has taken the concept of TOD acquisition funds to a new level with the creation of its Transit Oriented Development fund as a tool for supporting transit-oriented development in connection with the region's ambitious FasTracks transit expansion which will ultimately create 70 new rail transit stations throughout the region. Initially capitalized with $2.5 million in city funding to match a grant from the MacArthur Foundation, the fund has grown to $15 million as other investors have joined the project. Enterprise Community Partners serves as the financial manager of the fund while the Urban Land Conservancy (ULC), a Denver nonprofit, oversees land purchases and acts as the sole borrower. The Fund's goal is to create or preserve over 1,200 affordable housing units by buying property in current and future transit corridor (Soursourian, 2010). Early in 2010, the Urban Land Conservancy (ULC) used the Fund's resources to purchase and preserve 36 affordable homes in the 50-year-old Dahlia Street Apartments.

A new San Francisco Affordable Transit-Oriented Development Fund is expected to begin making investments in 2011 after the Metropolitan Transportation Commission approved a commitment of up to $10 million. MTC staff estimate that a $40 million TOD Fund could be used to help finance the acquisition of at least 20 to 30 acres around the region, which, depending on the density of build-out, would support development of anywhere from 1,100 to 3,800 units of affordable housing.



For additional information: www.denvergov.org/DenverOfficeofStrategicPartnerships/Partnerships/DenverTransitOrientedDevelopmentFund/tabid/436574/Default.aspx
www.mtc.ca.gov/news/press_releases/rel490.htm

HOUSING

Policy Tool: Housing Trust Funds and Other Acquisition Funds

Examples: Affordable Housing Trust Fund (Charlotte, NC)
Land Acquisition for Affordable New Development Initiative (MN)

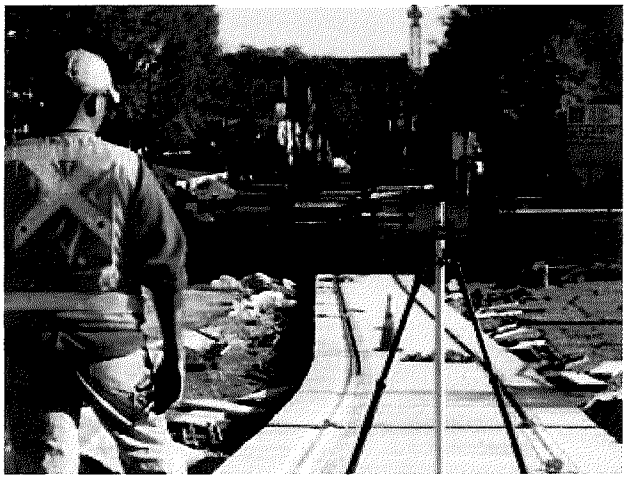
Summary: Housing trust funds and other land acquisition resources not exclusively targeted to transit-oriented development can be used to acquire sites for affordable housing developments near existing and planned transit stations.

Housing trust funds are distinct funds established by city, county or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing. Currently 38 states and more than 500 city and counties have housing trust funds, which may choose to use some of their resources to support preservation of affordable rental housing near transit and/or production of such housing.

Charlotte, North Carolina's City Council established a Housing Trust Fund in 2001 with an initial $10 million to provide financing for affordable housing. Voters later approved an additional $35 million for the HTF. The trust fund provides public financing to private developers in exchange for affordable units, using a competitive bid process. The funding can be either a loan or grant and can be used either for land acquisition or for construction.

Charlotte has been using its affordable Housing Trust Fund at the same time as it has been building and expanding its transit system. One HTF-supported transit station project is South Oak Crossing. Developed by the Charlotte Mecklenburg Housing Partnership and completed at the end of 2007, this was the first mixed-income housing project in the South Corridor, Charlotte's recently opened light rail system. The complex is on a 10-acre site within walking distance of the Arrowood Station, and includes 100 affordable and 92 market-rate two- and three-bedroom rental units. The $18 million project used $4.3 million from the HTF in addition to low-income housing tax credits, bonds and other funding.

Minnesota recently established a revolving loan fund to support the acquisition of land for affordable housing called the Land Acquisition for Affordable New Development (LAAND) initiative. Sites accorded priority include those within one-half mile of a transitway included in the region's planned 2030 transitway system or within one-half mile of a local bus route. The program is funded by Minnesota Housing, the Metropolitan Council and the Family Housing Fund. One of the four projects awarded LAAND funding in 2008 was the Seward Commons mixed-use, transit-oriented development project near the Franklin Avenue light rail station on Minneapolis' Hiawatha Line. The planned development on this four acre site includes 187 units of rental and ownership housing, with nearly 30 percent of the housing affordable.



For additional information: www.communitychange.org/our-projects/htf/housing-trust-funds
www.charmeck.org/city/charlotte/nbs/housing/Pages/HousingTrustFund.aspx
www.metrocouncil.org/services/LAANDdescription.pdf

HOUSING

Policy Tool: Low-Income Housing Tax Credits

Examples: California LIHTC allocation
Georgia LIHTC allocation

Summary: Both preservation and production of affordable housing can be financed in part through the Low-Income Housing Tax Credit (LIHTC) program, particularly in states that favor transit-accessible projects in their qualified allocation plans.

The federal Low-Income Housing Tax Credit (LIHTC) program provides tax credits that developers can use to raise capital for the acquisition, rehabilitation or construction of affordable housing. State housing agencies allocate housing tax credits through a competitive process, specifying how they will allocate their LIHTCs in a Qualified Allocation Plan and implementing regulations that may award "points" for certain kinds of projects, state preferences (without awarding points) or set aside a specified portion of tax credits for certain kinds of projects.

A recent report on Preserving Affordable Housing Near Transit published by Enterprise Community Partners found that 32 states (and Washington, D.C.) award points to projects near transit in their scoring criteria (Quigley, 2010). California, for example, has a category of amenities points, and projects can be awarded up to 15 amenities points. Projects near transit can qualify for up to seven of these points, all of which are awarded if a project is part of a transit-oriented development strategy, is within a quarter-mile of a transit or bus station that receives frequent service during peak hours and its density exceeds 25 units per acre. Other projects are awarded from three to six points depending on the site's proximity to different types of transit services (COTD, 2009b).

The Enterprise report focused specifically on preservation of affordable housing near transit and found that 21 states include set-asides for affordable housing preservation and an additional 25 states award points in their scoring criteria for preservation. The Georgia Department of Community Affairs' 2010 plan for awarding LIHTCs reserves a portion of its tax credits for preservation and also awards three points to projects within one-half mile of a rapid transit system and one point to projects within one mile of transportation and services. Oglethorpe Place apartments, located only blocks from the Metropolitan Atlanta Rapid Transit Authority's West End station (and well served by bus routes) is one example of a project that benefited from an allocation of LIHTCs. A for-profit developer financed the preservation of this 144-unit property with tax credits in return for reserving 20 percent of the units for families earning less than 50 percent of median income; affordability is protected through 2027 (Quigley, 2010).

For additional information: www.treasurer.ca.gov/ctcac/tax.asp
www.practitionerresources.org/cache/documents/674/67410.pdf

HOUSING

Policy Tool: Corridor-Based Tax Increment Financing Districts

Example: Dallas TOD Tax Increment Financing District (TX)

Summary: Instead of conventional Tax Increment Financing districts that apply to a single geographic area around one transit station, cities can create corridor-based districts designed to allow revenue sharing among neighborhoods in the transit corridor.

Cities use tax increment financing (TIF) to finance economic development within a targeted geographic area without raising taxes. The city or a partner developer makes capital improvements in the area which lead to rising property values and therefore higher property tax receipts; the incremental tax revenue increases over a predetermined base are then captured by the TIF district as revenue and used to reimburse the city or partner developer for the cost of the initial (and any subsequent) improvements in the district.

In 2008, after four years of negotiations between the City of Dallas, developers and multiple stakeholder groups, the Dallas City Council approved a 558-acre Tax Increment Financing district linking the neighborhoods around seven Dallas Area Rapid Transit stations. The corridor-based Transit Oriented Development TIF will allow for revenue sharing from more prosperous neighborhoods in the northern portion of the corridor to less-developed areas in the Lancaster corridor area south of the Trinity River. While 40 percent of the new tax dollars from the two northern sub-districts around Mockingbird and Lovers Lane stations will go back into those districts, 40 percent will be allocated to improvements in the Lancaster corridor and 20 percent to affordable housing development anywhere within the TIF district.

For additional information:
www.housingpolicy.org/toolbox/strategy/policies/tif.html
www.dallas-ecodev.org/business/tifs/todTIF.htm

HOUSING

Policy Tool: Corridor-Based Tax Increment Financing Districts

Example: BeltLine Affordable Housing Trust Fund (Atlanta, GA)

Summary: Tax Increment Financing districts can be created on a corridor-wide basis and a portion of the revenues generated can be dedicated specifically to the preservation and development of affordable housing throughout the corridor.

When public investment leads to rising property values, incremental tax revenue increases over a predetermined base can be captured and used to further improve the area.

The BeltLine Project will create a network of public parks, multi-use trails and transit along a historic 22-mile railroad corridor circling downtown Atlanta. The primary mechanism for financing this 25-year, $2.8 billion effort a Tax Allocation District (TAD). While the TAD was being shaped, Georgia STAND-UP, a community think-and-act tank, raised concerns about gentrification and the displacement of current residents and worked to ensure that the TAD resolution recognized "the importance of balanced and equitable development of the city in a manner that preserves the dignity of existing residents".

In addition to financing part of the transit project, the 6,500 acre TAD will support the development of as many as 5,600 affordable/workforce housing units through the BeltLine Affordable Housing Trust Fund, which receives 15 percent of TAD proceeds. The Atlanta City Council has also allocated $8.3 million to the trust fund to provide grants to developers for acquisition, renovation or construction of single and multifamily housing affordable to families at or below 60 percent of median income.

For additional information:
www.housingpolicy.org/toolbox/strategy/policies/tif.html
www.beltline.org/Home/tabid/1672/Default.aspx

HOUSING

Policy Tool: Inclusionary Zoning

Examples: Montgomery County, MD
Carlsbad, CA

Summary: Communities with transit stations can adopt inclusionary zoning requirements to ensure that a modest share of newly-constructed rental and homeownership units in the area around the station are affordable.

Inclusionary zoning helps create privately-financed affordable housing when communities attract new housing construction, as is often the case in newly transit-served communities. Most inclusionary requirements are enacted as a zoning ordinance and require that a modest proportion (usually between 10 and 25 percent) of units in a housing development be affordable. Some inclusionary zoning ordinances compensate developers by providing density bonuses.

Montgomery County, Maryland adopted its Moderately Priced Dwelling Unit Ordinance, the first inclusionary zoning requirement in the US, in 1976. The ordinance requires developers of mixed-use projects with 20 or more residential units to make 12.5 percent to 15 percent affordable for lower-income households in exchange for a 22 percent density bonus. To date, this ordinance has resulted in the construction of more than 11,800 affordable units. The ordinance applies to all developments including those near Metro transit stations. A garden apartment community across the street from the Glenmont Metro station in Silver Spring, for example, was redeveloped with a mix of 1,550 apartments, condominiums, live-work units and townhomes—12.5 percent of which are "moderately priced" workforce housing (CTOD, 2009b).

Many California communities, empowered by state authorizing legislation, have adopted inclusionary requirements. The Carlsbad, California Inclusionary Housing Ordinance requires that no less than 15 percent of all residential units in any residential subdivision with more than 7 homes must be affordable to households below 70 percent of median income; rental units must remain income-restricted for at least 55 years. As a result of this inclusionary zoning requirement, the Poinsettia Station transit-oriented development in Carlsbad provides 92 affordable rental homes within walking distance of the commuter train station. Nonprofit developer Bridge Housing worked with Benchmark Pacific, developer of a larger master-planned community, to create these units in order to satisfy affordability requirements.

For additional information: www.mitod.org/inclusionaryzoning.php?tab=1&return=listpos12
www.housingpolicy.org/toolbox/strategy/policies/inclusionary_zoning.html

HOUSING

Policy Tool: Incentive Programs for Housing Production

Example: Chapter 40R Smart Growth Housing Districts (MA)

Summary: In order to overcome local resistance to zoning allowing for construction of dense, affordable housing, states can create incentive programs which reward local communities that create such zoning near transit.

Adopted in 2004, Massachusetts's Smart Growth Zoning and Housing Production Act, known as Chapter 40R, rewards municipalities that adopt zoning allowing as-of-right construction of housing in smart growth locations, including near transit stations. Chapter 40R encourages cities and towns to zone for compact residential and mixed-use development, creating zones pre-approved for higher-density development that will attract developers.

The district overlay must allow housing to be built as of right at densities of at least eight to 20 units per acre, depending on the type of housing. It also must require at least 20 percent of the new units to be affordable. If a municipality adopts zoning that meets these and other standards, Chapter 40R provides for direct cash payments. Localities receive a zoning incentive payment when they adopt the overlay, plus a density bonus payment of $3,000 per unit if and when units are built. A related program reimburses the town's increased education costs for K-12 students who move into 40R housing.

To date, 28 Smart Growth Zoning Districts have been adopted by Massachusetts communities allowing as-of-right development of over 9,800 housing units in smart growth locations. The first 40R district was created adjacent to a commuter rail station in Plymouth.

For additional information:
www.mapc.org/sites/default/files/Chapter_40R_Report.pdf

HOUSING

Policy Tool: Incentive Programs for Housing Production

Example: Housing Incentive Program (San Francisco, CA)

Summary: Federal transportation funds can be used by metropolitan planning organizations to encourage the production of dense affordable housing near transit and thereby boost transit ridership.

The metropolitan planning organization in the San Francisco Bay Area, the Metropolitan Transportation Commission, established the Housing Incentive Program (HIP) to fund transportation-related livability infrastructure in qualifying affordable housing projects. The program is funded with two types of federal transportation funds, from the Congestion Mitigation and Air Quality (CMAQ) program and Transportation Enhancements program.

HIP rewards local governments that build housing near transit, thereby helping to establish the residential density and ridership markets necessary to support high-quality transit service. The maximum grant per jurisdiction is $3 million and the exact dollar amount is determined by the density of the qualifying housing development and the number of affordable and market rate bedrooms. Qualifying housing projects must be located either within a half mile of a rail station or one-third mile of a bus stop, and the transit must be relatively frequent (every 15 minutes or less during peak hours). The housing project must have a density of at least 30 units per acre.

Grant amounts increase to encourage both greater density and greater affordability. The grants start at $1,000 per bedroom for any housing built at a density of 30 units per acre. The grant amount increases to up to $2,000 per bedroom at densities of 60 units per acre. Grants are increased by $500 per bedroom if the unit is affordable.

For additional information:
www.mtc.ca.gov/planning/smart_growth/hip.htm

HOUSING

Policy Tool: Incorporating Affordable Housing in Joint Development

Examples: Washington Metropolitan Area Transit Authority (DC)
Portland TriMet (OR)
Denver Regional Transit District (CO)

Summary: Transit agencies can leverage the production of affordable housing near transit and increase their ridership by adopting joint development and transit-oriented development policies that encourage production of affordable housing as part of joint development efforts.

While transit agencies are not generally in the real estate development business, they frequently become involved in development efforts near their stations if they own surplus land. The sale or lease of transit authority property for development is called "joint development" because the process involves a partnership between transit agencies and developers. Such joint development may represent an excellent opportunity to spur the production of affordable housing near transit.

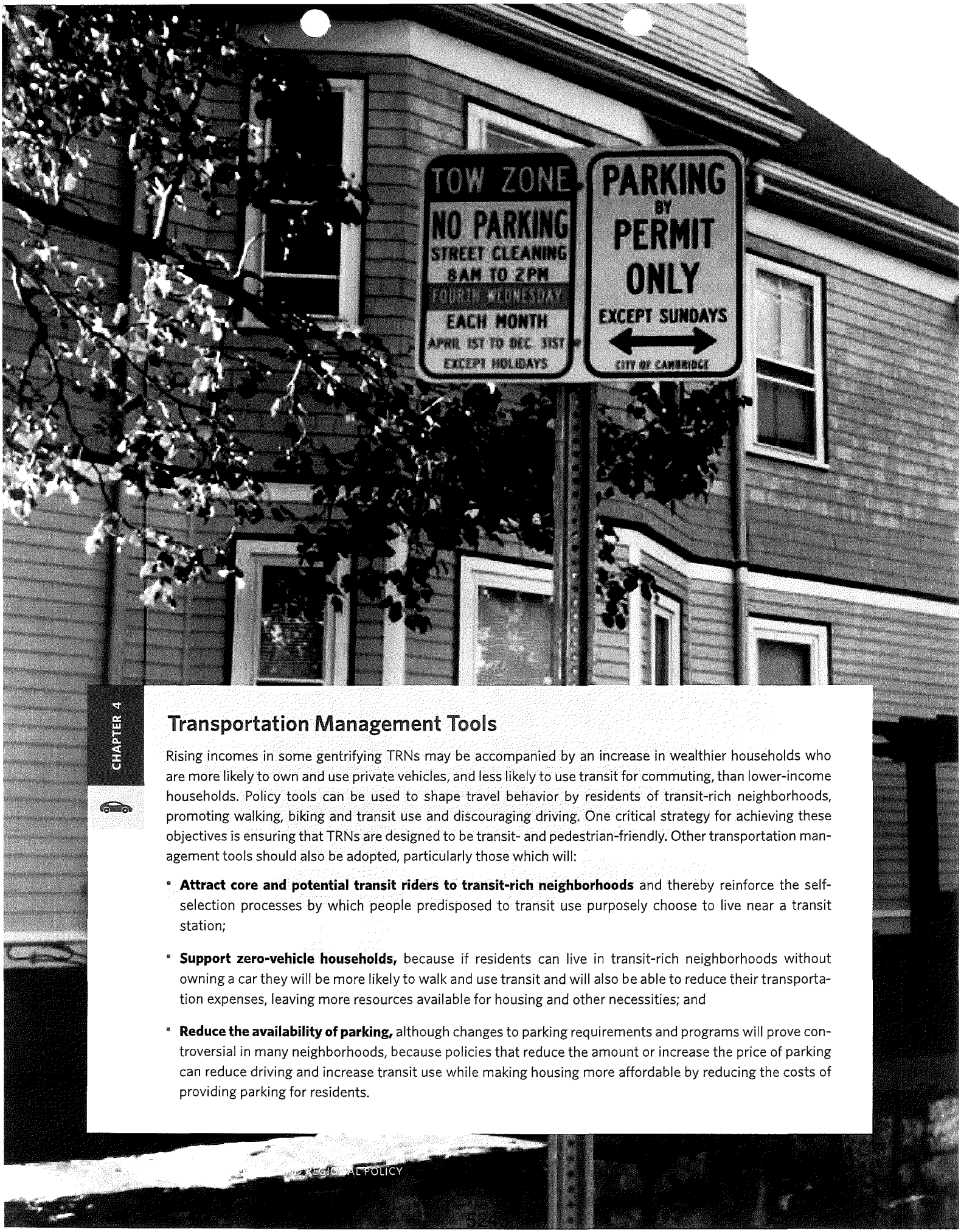
Many transit agencies' joint development policies and programs are designed primarily to maximize revenue to the transit agency by leveraging real estate assets for the most profitable use. But a growing number of transit agencies have worked to incorporate affordable housing into their joint development projects, spurred in part by the realization that the residents of such housing are more likely to ride the transit system and generate fare revenue for the agency. A recent survey conducted by Denver non-profit FRESC found that at least nine transit agencies have joint development policies with provisions designed to spur production of affordable housing and six others have practices of including affordable units in projects even in the absence of written policy (Kneich & Pollack, 2009).

The Washington Metropolitan Area Transit Authority or Metro has long required inclusion of affordable housing for joint development projects on land it controls, even before Washington, D.C. adopted an inclusionary zoning ordinance. The disposition agreements issued in connection with redevelopment around the Columbia Heights metro station, for example, required that a minimum of 20 percent affordable housing be included on all seven parcels (Quigley, 2010).

In Portland, Oregon,Tri-Met worked in a public-private partnership to redevelop an odd-shaped parcel formed by a light rail alignment that proved unsuitable for mixed-use development. The Goose Hollow Stadium Station apartment project, built in 1998, ended up as a 100 percent affordable, 115-unit project with ground floor retail that required only 69 parking spaces because so few residents own cars.

In Denver, the Regional Transit District is in the process of adopting a new policy that would require considering whether surplus land should be used for affordable housing before surplus land is sold or subject to joint development (Quigley, 2010).

For additional information: www.practitionerresources.org/cache/documents/673/67333.pdf



Transportation Management Tools

Rising incomes in some gentrifying TRNs may be accompanied by an increase in wealthier households who are more likely to own and use private vehicles, and less likely to use transit for commuting, than lower-income households. Policy tools can be used to shape travel behavior by residents of transit-rich neighborhoods, promoting walking, biking and transit use and discouraging driving. One critical strategy for achieving these objectives is ensuring that TRNs are designed to be transit- and pedestrian-friendly. Other transportation management tools should also be adopted, particularly those which will:

- **Attract core and potential transit riders to transit-rich neighborhoods** and thereby reinforce the self-selection processes by which people predisposed to transit use purposely choose to live near a transit station;
- **Support zero-vehicle households,** because if residents can live in transit-rich neighborhoods without owning a car they will be more likely to walk and use transit and will also be able to reduce their transportation expenses, leaving more resources available for housing and other necessities; and
- **Reduce the availability of parking,** although changes to parking requirements and programs will prove controversial in many neighborhoods, because policies that reduce the amount or increase the price of parking can reduce driving and increase transit use while making housing more affordable by reducing the costs of providing parking for residents.

TRANSPORTATION

Policy Tool: Transit Incentives for Housing Developments

Examples: Santa Clara Valley Transportation Authority ECO pass program (CA)
Pilot TOD Pass Programs in Portland, OR and Contra Costa, CA

Summary: Transit agencies may be able to increase ridership by residents of transit-rich neighborhoods and transit-oriented developments by selling discounted transit passes to housing developers for distribution to their residents.

While many transit authorities offer monthly or annual pass programs to large employers, a few also offer pass programs to residential developments such as apartments, condominiums or homeowner associations. The Santa Clara Valley Transportation Authority (VTA) offers a residential version of its Eco Pass at a deep discount to housing developers in order to increase ridership and expose people to public transit. The residential Eco Pass provides unlimited rides on VTA bus and light rail seven days a week.

Any residential community with 25 units or more that is defined by a geographical boundary, such as an apartment building or condominium complex, may join Residential Eco Pass. Eco Passes must be purchased for all residents five years of age or older. Discounted pass prices are based on the number of residents and the level of VTA services at a given residential community.

One residential developer that takes advantage of the Residential Eco Pass program is First Community Housing (FCH), is a non-profit affordable housing developer. By both locating its developments adjacent to transit and providing free, annual Eco Passes to all of its tenants, FCH was able to reduce the parking requirements at each of its properties. Jeff Oberdorfer, Executive Director of FCH, notes that "an urban structured parking space can cost from $22,000 to $40,000 per space. Saving the construction cost of two parking spaces pays for our entire Eco Pass program."

Both Portland, Oregon and Contra Costa, California have piloted universal pass programs for transit-oriented development (TOD) residents. When Portland piloted a free pass program for residents of new TODs including the Orenco project on the Westside light rail line, the percentage of residents reporting use of transit increased from 30 percent (before passes) to 83 percent (Evans & Pratt, 2007). In a pilot project beginning in June 2008, the Metropolitan Transportation Commission partnered with the Alameda-Contra Costa Transit District (AC Transit) to provide free transit passes to residents of select transit-oriented developments (TODs) in the East Bay. Participants received passes providing unlimited free access on the AC Transit bus system for six months to one year. MTC found that bus ridership increased, participants made on average one fewer automobile trip per week and one-quarter of the participants continued to use the passes at their own expense after the free usage period ended.

For additional information: www.vta.org/ecopass/ecopass_resi/index.html
www.firsthousing.com/wp-content/uploads/2009/05/ecopass1.pdf
www.mtc.ca.gov/planning/smart_growth/tod/T4T/T4T_summary.pdf

TRANSPORTATION

Policy Tool: Reduced Parking Requirements for Residential Development

Examples: Zoning codes in San Francisco, CA, Portland, OR and Seattle, WA

Summary: Reducing or eliminating off-street parking requirements for housing developments in transit-rich neighborhoods both helps reduce vehicle ownership and use and makes housing more affordable.

Most local zoning codes require residential and other developments to include a minimum amount of parking for each unit. Such provisions guarantee that all housing will have parking readily available, preventing spillover parking on neighborhood streets but also encouraging automobile ownership and use. Requiring housing developers to provide parking increases development costs and makes the resulting housing less affordable. In order to reduce vehicle use and housing costs, a handful of cities have moved to reduce or eliminate off-street parking requirements for housing development, particularly in locations well-served by transit and for affordable housing developments whose residents are less likely to own cars.

According to the Institute for Transportation and Development Policy, "San Francisco has evolved over the last half century from a municipality that once required one parking space for every new dwelling to one of the most innovative examples of parking management in the country" (Weinberger, Kaehny & Rufo, 2010 at 50). The city has eliminated zoning requirements for a minimum number of parking spaces for residential, commercial or other projects in the downtown. In addition, the city established maximum allowable amounts of parking; for example, a maximum of one space is permitted for every four downtown residential housing units. Outside of downtown, neighborhoods can eliminate residential minimum parking requirements by adopting neighborhood plans; the 1997 Mission Bay Redevelopment Plan eliminated parking minimums for housing. More recently, the 2005 Rincon Hill Plan was the first to eliminate minimum parking requirements for all uses in a residential neighborhood (Weinberger, Kaehny & Rufo, 2010).

In Portland, Oregon, parking minimums do not apply to developments in the densest commercial neighborhoods, including downtown, neighborhood commercial districts and central residential districts. As part of its strategy to promote transit-oriented development, Portland does not apply parking minimums to any sites within 500 feet of a transit line that provides service at least every 20 minutes during peak hours (EPA, 2006). Portland has also established maximum parking requirements at such sites; downtown, for example, no more than 0.7 spaces per 1,000 square feet can be provided at sites within walking distance of frequent transit service (MTC, 2007).

Seattle's zoning code reduces minimum parking requirements for affordable housing, senior housing and housing for people with disabilities. Parking requirements are also reduced for multi-family developments that allow on-site parking for car sharing. Parking minimums have been eliminated for downtown locations and reduced for mixed-use, dense neighborhoods (EPA, 2006).

For additional information: www.mtc.ca.gov/planning/smart_growth/parking_seminar/Toolbox-Handbook.pdf
www.itdp.org/documents/ITDP_US_Parking_Report.pdf

TRANSPORTATION

Policy Tool: Unbundling the Price of Parking

Examples: San Francisco, CA unbundling requirements
Buckman Heights and Buckman Terrace, Portland OR

Summary: Encouraging or requiring the separate pricing of residential parking, often called unbundling, can reduce demand for parking as well as combined housing/transportation costs for residents.

Residential parking is generally provided as an inseparable part of housing arrangements: a parking space is part of the apartment lease or condominium purchase. The price of parking can, however, be separated or "unbundled" from that of the housing either if developers and landlords choose to do so or if municipal regulators so require. As San Francisco's Metropolitan Transportation Commission has explained, "Unbundling parking is an essential first step towards getting people to understand the economic cost of parking and providing users with the opportunity to opt out of parking and make alternative travel decisions. Without unbundled parking, tenants experience parking as free, while transit costs them money" (MTC, 2007 at 31).

Beginning in 2005, San Francisco began requiring that developers in some neighborhoods unbundle accessory parking spaces from the sale of a residential unit. The city's logic was that by including a parking space as part of a residential unit, a seller prevents a buyer from deciding whether or not he or she needs a parking space. The pilot program began in a single neighborhood and was subsequently extended to other neighborhoods. In 2008, San Francisco made unbundled residential parking a requirement throughout the city (Weinberger, Kaehny & Rufo, 2010). While this requirement does not apply to rental housing, the city has also encouraged the unbundling of parking in rentals. The 141-unit Symphony Towers apartments development was granted a variance and allowed to construct only 51 spaces (rather than the 141 that would have been required) because of its use of unbundled parking (and provision of two car sharing parking spaces) (MTC, 2007).

The developer of the Buckman Heights mixed-use development and Buckman Terrace Apartments in Portland, Oregon unbundled the price of parking as part of a comprehensive strategy to reduce the number of parking spaces that had to be provided. Prendergast & Associates built the development on a site adjacent to the central city Lloyd District, nine blocks from light rail and near high-frequency bus routes. Buckman Heights is a 144-unit mixed-income apartment building with 58 on-site parking spaces (0.4 spaces/unit); tenants pay $15-30/month for parking. Buckman Terrace is a 122-unit apartment building with 70 structured parking spaces (0.57/unit); tenants pay $50/month for parking (as of 2006 when this information was collected). The developers also took advantage of a Portland zoning provision that allowed them to eliminate 14 required on-site parking spaces at Buckman Heights apartments and substitute 56 secure, covered bike parking spaces (EPA, 2006).

For additional information: www.mtc.ca.gov/planning/smart_growth/parking_seminar/Toolbox-Handbook.pdf
www.itdp.org/documents/ITDP_US_Parking_Report.pdf

TRANSPORTATION

Policy Tool: Car Sharing

Example: Boston's Proposed Comprehensive Car Sharing Strategy

Summary: The easy availability of shared cars in transit-rich neighborhoods and transit-oriented developments may reduce automobile usage and ownership and allow residential developments to be built with fewer parking spaces.

Car sharing organizations, which may be non- or for-profit, distribute cars around a city or region for the use of their members. Members have access to a fleet of vehicles for short term use, allowing them to either supplement their own vehicles or choose not to own an automobile. Studies show that car sharing reduces vehicle travel and ownership. One study of San Francisco's City CarShare program found that nearly two-third of members lived in zero-vehicle households and nearly 29 percent had gotten rid of one or more of their cars (Cervero, 2009). Zipcar, the largest car sharing company in the US, reports that 90 percent of members drove 5,500 miles or less per year and that its members report a 47 percent increase in public transit trips after joining.

Several transit-served cities encourage provision of parking spaces for car sharing in residential developments and some even allow the developer to reduce the required amount of parking to be provided for residents. As part of the development review process in Boston, Massachusetts, for example, the number of parking spaces that can be provided in ownership developments near transit is frequently restricted and the developer is required to provide parking for one or more car sharing vehicles to reduce the risk that resident households with more than one vehicle will park on neighborhood streets. Seattle's zoning code grants reductions in minimum parking requirements for multi-family developments that allow dedicated, on-site parking for the city's recognized car-sharing operator. Rich Sorro Commons in San Francisco's Mission Bay was permitted to provide only 85 parking spaces for its 100 affordable housing units due to a combination of its excellent proximity to transit, provision of below-market units to tenants less likely to own a car and provision of two parking spaces for City CarShare (EPA, 2006).

The City of Boston may soon move forward with a comprehensive proposal, developed by the mayor's Climate Action Leadership Committee, to maximize car sharing by Boston residents. The goal is to "ensure that every Boston resident lives within one-quarter mile of a shared car by 2020." The Boston area is home to Zipcar, which has more than 18,000 members and 450 cars in Boston. The committee decided that "ensuring citywide access to shared cars is, therefore, a potentially powerful way of reducing vehicle miles traveled while ensuring that Boston residents have access to cars when needed." The strategy for citywide access to shared cars involves actively promoting car sharing through a partnership with one or more shared-car companies; working with community-based organizations to promote car sharing, particularly in neighborhoods where market demand may not yet exist; revising zoning laws as necessary to allow for shared car parking as of right throughout the city; and creating opportunities for placing shared cars on municipal property.

For additional information: www.cityofboston.gov/Images_Documents/BCA_full_rprt_r5_tcm3-19558.pdf

Methodology

APPENDIX A

This Appendix provides more detail on the methods and data underlying the research presented in Chapter 3 analyzing neighborhood change in neighborhoods first served by rail transit at some time between the 1990 and 2000 Census.

Identifying the Neighborhoods to be Analyzed

The first task was to identify a set of transit-rich neighborhoods for analysis. At the time of the 2000 Census, 26 metropolitan areas in the United States were served by fixed-guideway transit: light rail (streetcars), heavy rail (subways), or commuter rail. Since Salt Lake City's entire rail transit system did not begin operation until 1999, at the very end of our study period, it was excluded.

We then researched transit station expansion projects during this decade, with a goal of identifying projects involving a variety of different transit types (light rail, heavy rail, and commuter rail) across a variety of different categories of transit systems. Having divided U.S. transit systems into four categories (based on age, number of stations served, and the extent to which they are or are not expanding), the goal was to include at least two systems from each category if possible. We identified San Francisco's and Chicago's transit systems as two legacy systems that had added new stations in the study time frame. Cleveland's and St. Louis's transit systems were two modest systems that had added new stations. As expected, the largest number of new stations were found to be in evolving systems, those that are growing and where the findings from this study can most directly impact future expansion plans. We wanted to ensure that the analysis included some of the country's fastest growing metropolitan areas; unfortunately, many of these have emerging (post-2000) transit systems or systems that are still being planned. From the set of evolving systems, we included new stations in both Atlanta and Dallas, the only two of the nation's fastest-growing metropolitan areas with transit systems that were at least medium-sized in 2005 and growing. The remaining stations are from slower-growing metropolitan areas with evolving transit systems: Baltimore, Denver, Los Angeles, Portland, San Diego, and Washington, D.C. This analysis produced a list of 12 transit-served metros with new stations that could be included.[1]

Data limitations and complications made it impossible to include every new station that opened during the decade in each of those 12 metropolitan areas in our analysis. Some expansions, for example, involved multiple stations serving common census tracts or the addition of a new line to an existing station that had previously served other lines. In order to provide some time for neighborhood change effects to become apparent, we chose to focus primarily on new stations that were in operation by 1997. From the station expansions in these 12 different metro areas and transit systems that occurred between 1990 and 1997, we selected a subset of stations that avoided data limitations and complications while ensuring that the station areas to be analyzed included:

- Heavy (subway), light (streetcar), and commuter rail stations;
- Stations with parking (park and ride) and without (walk to);
- Stations that represented the terminus of new lines and new intermediate stations;
- Stations that served only one transit line and stations that represented more than one line or type of transit; and
- Stations in different types of neighborhoods (central business district, urban mixed-use, and suburban locations).

This produced a list of 49 potential stations for our analysis.

[1] This set of metros may not represent every U.S. transit system in which a new heavy, light, or commuter rail station was added during this decade.

Constructing Transit Station Geographies

For each of the 49 stations, we examined Census block group maps to construct approximations of the station's surrounding neighborhood. A block group was included in the analysis if the majority of its land area lay within a one-half mile radius of the station. Following this strategy, we constructed neighborhoods for each station according to the Census Bureau's block group designations in 1990 and 2000.

For the majority of stations, block group boundaries shifted between the two decennial censuses. We selected for analysis only those stations around which the surrounding block groups' boundaries did not shift, or shifted in a way that allowed for identical or near-identical neighborhoods to be constructed. We excluded seven transit stations because we were unable to construct adequate block group neighborhoods for them. Of these seven, five were excluded because the boundaries of block groups had shifted so radically that approximating the same perimeter for the 1990 and 2000 data proved impossible; the other two were excluded because the block group that surrounded them was so large the majority of land in any block group was not within a half-mile radius of the station. Of the 42 remaining transit-rich neighborhoods near new stations, 23 had identical boundaries in 1990 and 2000, while 19 had near-identical boundaries. To form identical neighborhoods for both years, a few block groups were included despite the fact that somewhat less than 50 percent of their territory lay within a half mile of the station.

The resulting set of 42 stations in 12 different metropolitan areas is robust and heterogeneous enough to provide important insights into the difficult question of whether, and, if so, how, neighborhoods in different metropolitan areas change due to the presence of transit. Of the total number of stations, 18 serve heavy rail (subway), 15 serve light rail (streetcar), and the remaining nine serve commuter rail lines. Thirty of the stations went into operation between 1990 and 1995 with the remaining 12 between 1996 and 1999.[2]

Table A at the end of this Appendix provides data for the 42 stations in this study on the transit authority, the line or lines involved, the type of transit (heavy, light, or commuter rail), the date when the station officially opened, the station type (intermediate or terminus), parking status (walk only, park and ride) local parking, number of parking spaces, and station neighborhood type (urban, suburban, commercial, mixed use).

Collecting Census Data on Transit-Rich Neighborhoods

Since prior research frequently found inconstant patterns of neighborhood change and often could not explain why some neighborhoods gentrified while others did not, we decided to explore a broad range of potential explanations. For each of the 42 transit station areas to be analyzed, we decided to examine changes between 1990 and 2000 in population growth, housing units (both total number and tenure), racial and ethnic composition, household income (both median income and households with incomes above $100,000), housing costs (both gross rents and home values), in-migration, public transit use for commuting, and motor vehicle ownership.

We collected this data from Summary Files 1 and 3 of the 1990 and 2000 U.S. Census for each selected block group, and aggregated the block group-level data into data sets for each of the 42 transit rich neighborhoods. Simultaneously, we collected data on the same variables at the level of the metropolitan statistical area (MSA) for each of the twelve MSAs where the new transit stations were located. This extensive database, with values for these variables for every transit-rich neighborhood and its MSA in both 1990 and 2000, is available to researchers and others, and can be found online at **http://www.dukakiscenter.org/TRNEquity**.

The Three Rounds of Analysis

Our analysis of this dataset proceeded in three stages. First, we calculated percentage changes on each variable for each station and its corresponding metropolitan statistical area. For comparison, we measured the 1990-2000 demographic change in each TRN against the same change in the surrounding MSA. Researchers frequently use the MSA in which a neighborhood is embedded as a reference area when studying neighborhood change (Freeman, 2005). This comparison is designed to control for any systemic fixed effects, which are changes that occurred throughout the metropolitan area for reasons presumably unrelated to the siting of a new transit station. The numerical difference between the

[2] All but 2 stations in this group opened in 1996 and 1997; two stations in Washington, D.C. whose openings were repeatedly delayed until 1999 were included.

percentage change on each variable in each TRN and the percentage change on each variable in the MSA is used to compare transit stations across MSAs. In our initial analysis, we only examined raw differences in the rate of change between each station area and the surrounding MSA.

In our second analysis, because small differences in the results between TRNs and their metro areas may not truly reflect real differences due to the small size of the samples, we re-analyzed all of the data using a more conservative approach. This large differences approach considered a transit station difference from its MSA to be meaningful only where the value for the 1990-2000 percentage change in a station neighborhood is 20 percentage points higher or lower than the 1990-2000 percentage change in the MSA variable.

To determine whether patterns of neighborhood change vary depending on the type of transit built (light rail, heavy rail, or commuter rail), we conducted a third round of analysis. In this round, the 42 stations were divided into three groups based on transit types and all of the data was re-analyzed for these three categories of transit rich neighborhoods.

APPENDIX B

New Transit Stations Selected for Analysis

Station Name	Transit Authority	Line(s)	Type of Transit	Date Opened	Station Type	
Buckhead	MARTA	Red Line	Heavy rail	June-96	Intermediate	
Dunwoody	MARTA	Red Line	Heavy rail	June-96	Intermediate	
Indian Creek	MARTA	Blue Line	Heavy rail	June-93	Terminus of line	
Kensington	MARTA	Blue Line	Heavy rail	June-93	Intermediate	
John Hopkins Hospital	Maryland Transit Administration	Metro Subway	Heavy rail	June-95	Terminus of line	
Shot Tower/ Market Place	Maryland Transit Administration	Metro Subway	Heavy rail	June-95	Intermediate	
35/Archer	Chicago Transit Authority	Orange	Heavy rail	October-93	Intermediate (in middle)	
Ashland	Chicago Transit Authority	Orange	Heavy rail	October-93	Intermediate (2d closest to Loop)	
Halsted	Chicago Transit Authority	Orange	Heavy rail	October-93	Intermediate (closest to Loop)	
Kedzie	Chicago Transit Authority	Orange	Heavy rail	October-93	Intermediate (2d from terminus)	
Pulaski	Chicago Transit Authority	Orange	Heavy rail	October-93	Intermediate (1st in from terminus)	
Western	Chicago Transit Authority	Orange	Heavy rail	October-93	Intermediate (3d from terminus)	
Flats East Bank	Greater Cleveland Regional Transit Authority	Blue/Green/ Waterfront	Light rail	July-96	Intermediate	
Tower City	Greater Cleveland Regional Transit Authority	Red/Blue/ Green/ Waterfront	Heavy (Red) and light rail	December-90	Central Business District	
Ledbetter	DART	Blue Line	Light rail	May-97	Terminus of line	
Pearl	DART	Red, Blue, Green Lines	Light rail	June-96	Intermediate (originally terminus)	
St. Paul	DART	Red, Blue, Green Lines	Light rail	June-96	Intermediate	
VA Medical Center	DART	Blue Line	Light rail	May-97	Intermediate (1st in from terminus)	
Westmoreland	DART	Red Line	Light rail	June-96	Terminus of line	
16th and California	Regional Transportation District	Red F/Blue H/Green D	Light rail	October-94	Intermediate (paired)	
16th and Stout	Regional Transportation District	Red F/Blue H/Green D	Light rail	October-94	Intermediate (paired)	
18th and Stout	Regional Transportation District	Red F/Blue H/Green D	Light rail	October-94	Intermediate (transfer station)	
27th and Welton	Regional Transportation District	Green D	Light rail	October-94	Intermediate	
Downtown Pomona	Metrolink	Riverside Line (purple)	Commuter rail	June-93	Intermediate	
Montebello/Commerce	Metrolink	Riverside Line (purple)	Commuter rail	June-93	Intermediate (1st from LA end)	
Moorpark	Metrolink	Ventura County Line (yellow)	Commuter rail	1992	Intermediate	

	Parking Status	# Parking Spaces	Station Neighborhood	Additional Notes
	Walk To Only	0	Suburban mixed-use (retail)	Part of 7-mile North Line expansion from City of Atlanta up to Fulton County and DeKalb County
	Park and Ride	1,048	Commercial/Retail	Part of 7-mile North Line expansion from City of Atlanta up to Fulton County and DeKalb County
	Park and Ride	2,350	Suburban residential	Part of extension of East Line, the first time the rail line went beyond the I-285 perimeter.
	Park and Ride	1,946	Suburban residential	Part of extension of East Line, the first time the rail line went beyond the I-285 perimeter; MARTA owns 6 acres for future dev't
	Walk To Only	0	Urban mixed-use	One of two stops added in 1995 extension; blighted neighborhood being redeveloped
	Walk To Only	0	Urban mixed-use	One of two stops added in 1995 extension
	Park and Ride	70	Urban residential	Part of new Orange Line (7 stations) added to extend service to Southwest Side neighborhood; construction began in 1985
	Walk To Only	0	Urban mixed-use	Part of new Orange Line (7 stations) added to extend service to Southwest Side neighborhood; construction began in 1985
	Park and Ride	31	Urban industrial	Part of new Orange Line (7 stations) added to extend service to Southwest Side neighborhood; construction began in 1985
	Park and Ride	157	Urban mixed-use	Part of new Orange Line (7 stations) added to extend service to Southwest Side neighborhood; construction began in 1985
	Park and Ride	390	Urban mixed-use	Part of new Orange Line (7 stations) added to extend service to Southwest Side neighborhood; construction began in 1985
	Park and Ride	200	Urban mixed-use	Part of new Orange Line (7 stations) added to extend service to Southwest Side neighborhood; construction began in 1985
	Walk To Only	0	Urban mixed-use	Blue/Green light rail extended 2.2 miles from Tower City through The Flats to waterfront
	Nearby Paid Parking	0	Central Business District	Completely rebuilt station opened inside Tower City Center shopping complex in 1990 serving pre-existing but previously separate transit lines, 4000+ paid parking spaces but no free transit parking
	Park and Ride	368	Lower density mixed-use	Southern terminus (in South Dallas) of Blue Line, part of which opened in 1996, extended south to Ledbetter in 1997 and further north in 2001
	Walk To Only	0	Central Business District	Originally the northern terminus when Red and Blue Lines opened in 1996, w/Red beyond in 1997, Blue extended in 2001 and Green added in 2009
	Walk To Only	0	Central Business District	Part of opening of Red and Blue lines serving CBD in 1996, first 11.2 miles of 20-mile light rail transit starter system since completed
	Walk To Only	0	Mixed-use (hospital/ residential)	Blue Line station prior to terminus at Ledbetter, with huge VA hospital on one side and residential neighborhood on other
	Park and Ride	700	Lower density mixed-use	Southern terminus of Red Line, part of initial segment opened in 1996 (extended further north in 1997 and again in 2007)
	Walk To Only	0	Central Business District	Part of original system opened in 1994; one block from 16th/Stout and is served only by northbound trains
	Walk To Only	0	Central Business District	Part of original system opened in 1994; one block from 16th/California and is served only by southboundbound trains
	Walk To Only	0	Central Business District	Part of original system opened in 1994; one block from 18th/California and is served only by southboundbound trains
	Walk To Only	0	Urban mixed-use	Part of original system opened in 1994, farther from CBD than other stations in study
	Park and Ride	300	Urban mixed-use	Station on Riverside Line, the fourth Metrolink line added to system in June 1993
	Park and Ride	250	Urban industrial	Station on Riverside Line, the fourth Metrolink line added to system in June 1993
	Park and Ride	240	Lower density mixed-use	One of original stations on Ventura County (Yellow) Line of Metrolink, also an Amtrak station, in Moorpark, a suburban "city" in Ventura County, with about 38,000 residents

APPENDIX B

continued

Station Name	Transit Authority	Line(s)	Type of Transit	Date Opened	Station Type	
Orange Station	Metrolink	Orange County Line, IEOC Line	Commuter rail	March-94	Intermediate	
Rialto	Metrolink	San Bernadino line	Commuter rail	1993	Intermediate (1st in from terminus)	
Tustin Station	Metrolink	Orange County Line, IEOC Line	Commuter rail	March-94	Intermediate	
Mall/Southwest 4th Avenue and Mall/ Southwest 5th Avenue stations	TriMet	MAX blue, red	Light rail	March-90	Intermediate (paired)	
Encinitas	North County Transit District	Coaster	Commuter rail	February-95	Intermediate	
Old Town Transit Center	North County Transit District	Coaster	Commuter rail	February-95	Intermediate (1st from terminus)	
Solana Beach	North County Transit District	Coaster	Commuter rail	February-95	Intermediate	
Colma	Bay Area Rapid Transit	Red and Yellow lines	Heavy rail	February-96	Intermediate (originally terminus)	
Castro Valley	Bay Area Rapid Transit	Blue line	Heavy rail	May-97	Intermediate (1st from terminus)	
8th and Pine	Metrolink	Rail Red, Blue	Light rail	July-93	Intermediate	
Delmar Station	Metrolink	Rail Red	Light rail	July-93	Intermediate	
Stadium Station	Metrolink	Rail Red, Blue	Light rail	July-93	intermediate	
Union Station	Metrolink	Rail Red, Blue	Light rail	July-93	intermediate	
Columbia Heights	Washington Metropolitan Area Transit Authority	Green/Yellow	Heavy rail	September-99	intermediate	
Georgia Ave-Petworth	Washington Metropolitan Area Transit Authority	Green/Yellow	Heavy rail	September-99	intermediate	
Shaw-Howard U	Washington Metropolitan Area Transit Authority	Green/Yellow	Heavy rail	May-91	intermediate	

	Parking Status	# Parking Spaces	Station Neighborhood	Additional Notes
	Park and Ride	225	Urban mixed-use	Orange County Line began as Metrolink's fifth line in March 1994, Inland Empire-Orange County line opened in Oct 1996, Amtrak service added 2007
	Park and Ride	165	Lower density mixed-use	Part of 1993 extension of San Bernadino Metrolink line from Pomona to San Bernadino
	Park and Ride	310	Mixed-use	Orange County Line began as Metrolink's fifth line in March 1994, Inland Empire-Orange County line opened Oct 1996, station located in shopping plaza adj. to Marine base
	Walk To Only	0	Central Business District	Added to MAX, along transit mall (free transit zone) as part of construction of Pionner Place Mall (which does have 200 parking spaces)
	Park and Ride	?	Residential	One of 8 stations on new Coaster commuter rail service connecting San Diego to northern coastal (eg beach) communities opened in 1995
	Park and Ride	787	Urban mixed-use	OTTC opened in mid-1990s and in addition to Coaster serves Amtrak and San Diego Trolley (beg'g in 1996)
	Park and Ride	?	Lower density mixed-use	One of 8 stations on new Coaster commuter rail service connecting San Diego to northern coastal (eg beach) communities, also serves Amtrak
	Park and Ride	2238	Small town	Terminus of BART on SF peninsula until service extended south in 2003, remote airport pkg, Colma is a town w/pop of 2000 & many cemeteries but land for housing avail on one side
	Park and Ride	1123	Lower density residential	Built as part of Bay Area Rapid Transit's Dublin/Pleasanton extension, and service began on May 10, 1997.
	Walk To Only	0	Central Business District	Blue Line opened in 2006
	Park and Ride	362	Lower density mixed-use	Blue Line opened in 2006
	Walk To Only	0	Urban commercial (nearby stadium)	Blue Line opened in 2006
	Walk To Only	0	Urban commercial (nearby stadium)	Blue Line opened in 2006
	Walk To Only	0	Urban residential	Green Line (final in Metro) built in pieces, with 1991 scheduled opening repeatedly delayed and last of stations finished in 2001
	Walk To Only	0	Urban mixed-use	Green Line (final in Metro) built in pieces, with 1991 scheduled opening repeatedly delayed and last of stations finished in 2001
	Walk To Only	0	Urban residential	Green Line (final in Metro) built in pieces, with this and 2 stations opened in 1991 while others were repeatedly delayed

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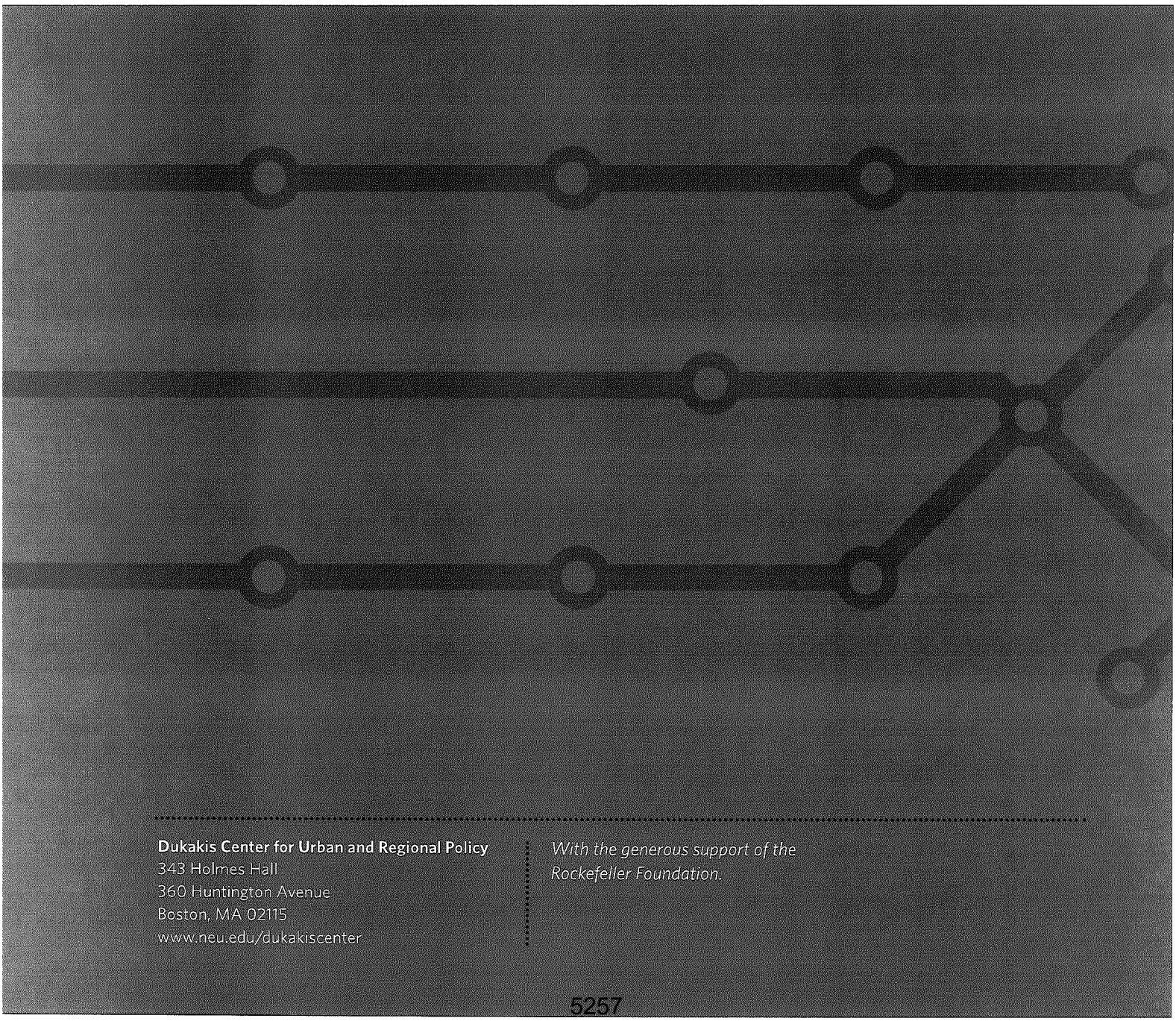
RESOURCES

The Dukakis Center's Policy Toolkit for Equitable Transit-Rich Neighborhoods builds on (and links to) several excellent policy resources that have been developed to deal with various aspects of affordable housing, transit-oriented development and equitable development. These include:

- The Center for Housing Policy's Housingpolicy.org Toolbox for Increasing the Availability of Affordable Homes; **www.housingpolicy.org/toolbox/affordability.html**
- The Center for Transit-Oriented Development's Tools section in its Mixed-Income Transit-Oriented Development Action Guide; and **www.mitod.org/tools.php**
- PolicyLink's Transit-Oriented Development section in its Equitable Development Toolkit. **www.policylink.org/site/c.lkIXLbMNJrE/b.5137373/k.E65E/**



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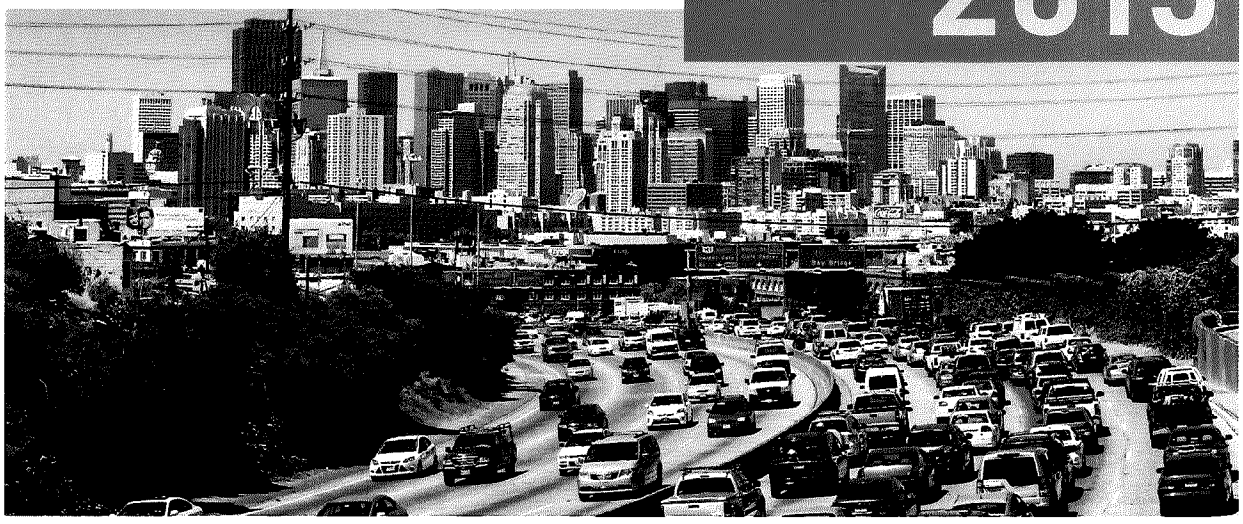

CONGESTION MANAGEMENT PROGRAM

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

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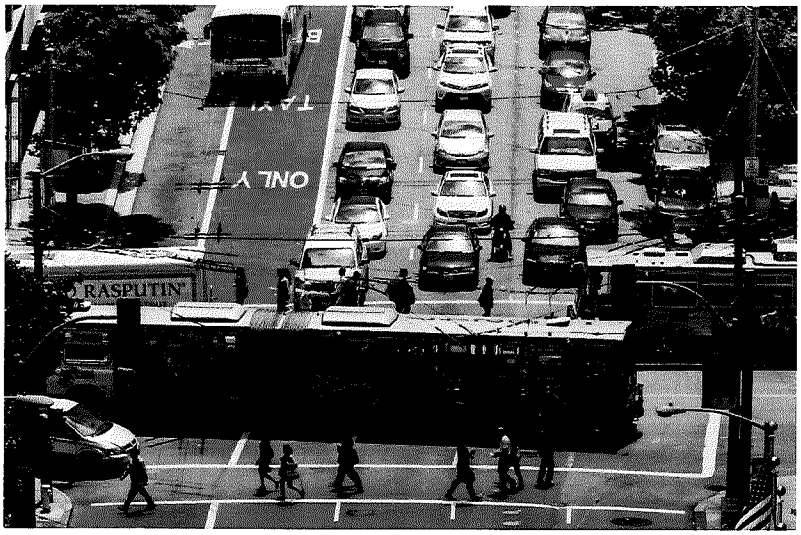

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CHAPTER ONE

BACKGROUND AND PROGRAM OVERVIEW

KEY TOPICS

- CMP Background
- Congestion Management in San Francisco
- 2015 Program Overview and Key Changes from 2013 CMP

1.1. Background

1.1.1 | Purpose of the CMP

The purpose of the 2015 San Francisco Congestion Management Program (CMP), prepared by the San Francisco County Transportation Authority, (the Transportation Authority) is to:

- Comply with state law by adopting a biennial CMP and submitting it to the Metropolitan Transportation Commission (MTC) for a conformance finding.
- Guide San Francisco agencies involved in congestion management;
- Outline the congestion management work program for fiscal years 2015/16 and 2016/17; and
- Set forth policies and technical tools to implement the CMP work program.

1.1.2 | Organization and Approach

The document follows MTC's Guidance for Consistency of Congestion Management Programs with the Regional Transportation Plan, per MTC Resolution 3000, last revised July, 2013.[1]

Each element required by the CMP legislation is discussed in a separate chapter. Each chapter describes the element's context in San Francisco, the work plan, and implementation guidance. The Transportation Authority Board will adopt any revisions developed during fiscal years 2015/16 and 2016/17 as amendments to the 2015 San Francisco CMP.

The 2015 CMP updates information from the 2103 CMP and reflects several important developments since 2013. The Transportation Authority prepared most of the 2015 CMP. The data in Chapter 4 (Multimodal Performance) is derived from a report prepared by Iteris, Inc. on behalf of the Transportation Authority. In preparing the CMP update, the Transportation Authority has consulted with the San Francisco Municipal Transportation Agency (SFMTA) and other partner agencies to update policies and compile system performance data.

1.1.3 | Origins and Intent of the CMP Legislation

CMP requirements were established in 1989 as part of a bi-partisan state legislative package, known as the Katz-Kopp-Baker-Campbell Transportation Blueprint for the Twenty-First Century (AB 471).

[1] For the complete text of MTC's guidance, please refer to Appendix 1.

These requirements became effective when voters approved Proposition 111 on June 5, 1990. AB 1963 (Katz) in September 1994 and AB 2419 (Bowler) in July 1996 further modified CMP law. The passage of AB 298 (Rainey), effective January 1, 1997, made the CMP exempt from the California Environmental Quality Act (CEQA). SB 1636 (Figueroa), passed in September 2002, amended CMP requirements to allow local jurisdictions to designate Infill Opportunity Zones (IOZs). For the complete text of the CMP legislation, see Appendix 2.

The 1989 state legislation not only provided for increases in transportation funding, but also made significant changes in the requirements for planning and programming the transportation projects funded from these revenue sources. The goal of the legislation is to prioritize transportation funding decisions based on transportation system performance, local land use decisions and their impacts on transportation, and transportation control measures that address air quality goals.

The CMP requirements are the legislature's response to the traffic congestion experienced by all urbanized areas of California. Traffic congestion is widely perceived as outpacing the ability of the traditional transportation planning process to provide solutions. In San Francisco, with its high-intensity land uses and extensive transit network, traffic congestion poses a different problem than in lower-density counties, challenging conventional interpretations of the nature of the congestion problem. For the majority of the state's highly suburbanized metropolitan areas, traffic congestion has its roots in the following:

- Transit does not work well in the suburbs. The low-density suburban growth pattern throughout the state's metropolitan areas does not lend itself to cost-effective transit service, and therefore mobility depends largely on automobiles and freeways.
- Freeways full of solo drivers are inefficient investments. Pricing strategies (e.g., tolls, paid parking at work sites) are politically complicated, and ridesharing strategies (i.e., carpooling and vanpooling) have shown narrow success in sprawled suburbs. Most automobiles still carry just one person, regardless of trip purpose or time of day. The result is inefficient roadway facilities: even when full of cars, they carry only a fraction of the number of people they could accommodate.
- Building freeways and widening roads to address transportation demand is not cost-effective. Because land for transportation facilities is scarce, construction costs have escalated, and environmental constraints are significant, the real costs of capital investment in roads have risen dramatically. These high-cost facilities, which maximize automobile trips but do not maximize the number of people carried, result in a high cost per person transported.

The CMP legislation aims to increase the productivity of existing transportation infrastructure and encourage more efficient use of scarce new dollars for transportation investments, in order to effectively manage congestion, improve air quality, and ultimately allow continued development. In order to achieve this, the CMP law is based on five mandates:

- Require more coordination between federal, state, regional, and local agencies involved in the planning, programming, and delivery of transportation projects and services;
- Favor transportation investments that provide measurable and quick congestion relief;
- Link local land use decisions with their effect on the transportation system;
- Favor multimodal transportation solutions that improve air quality; and
- Emphasize local responsibility by requiring a Congestion Management Agency (CMA) in each urban county in the state.

1.2. Congestion Management in San Francisco

1.2.1 | Applicability of the Concept

The main impetus for the CMP legislation was worsening *suburban* transportation conditions, caused by land use patterns that perpetuate over-reliance on the private automobile. San Francisco has an extensive transit network and long-standing policies to encourage a multimodal transportation system. Congestion management goals are reinterpreted here (within the constraints of State law) to add value to San Francisco's transportation planning process. The City's Transit First policy, for instance, gives rise to our local interpretation of CMP rules: San Francisco tolerates a certain level of traffic congestion in order to enhance the competitiveness of transit service in comparison to private automobiles. The San Francisco General Plan also specifically discourages roadway capacity increases, stating that:

> "The existing vehicular capacity of the bridges, highways and freeways entering the city should not be increased and should be reduced where possible." (SF General Plan, Transportation Element, Objective 3, Policy 1).

If interpreted as improving the throughput of cars in the roadway network, congestion management is at odds with this policy. However, by re-interpreting congestion management as maximizing person throughput, then we have opportunities to capitalize on the City's significant supply of transit services, high densities, and relatively pedestrian-friendly environment. San Francisco can achieve congestion management goals if the measures of performance support the City's transportation and land use patterns and priorities.

1.2.2 | | Relationship to RTP Goals

In July 2013, MTC and the Association of Bay Area Governments (ABAG) adopted Plan Bay Area, the region's long-range Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS). The CMP provides context and implementation tools for San Francisco in advancing the goals established in Plan Bay Area, particularly those that pertain to transportation: climate protection, healthy and safe communities, adequate housing, equitable access, economic vitality, and transportation system effectiveness, with emphases on decreasing automobile use and maintaining the system in a state of good repair. These goals are directly supported in San Francisco's CMP through transportation and land use policies; strategic investments and system management; and the performance measures the Transportation Authority uses to monitor transportation system performance. These elements are discussed throughout the 2015 CMP, as appropriate.

1.2.3 | | Future Trends and Strategies

The City's track record highlights the importance of maintaining travel *options,* not just to prevent worsening congestion, but to improve access and mobility for San Francisco residents, workers, and visitors, as the city continues to grow and develop.

Understanding demographic trends is important in charting future action. A development boom in the 1970s and 1980s was characterized by the growth of the city's financial district. This boom was followed by modest employment growth until the mid-1990s. Employment growth in San Francisco and the rest of the Bay Area has been cyclical in the years since, with employment booms accompanied

by increases in construction followed by periods of economic recession. Currently, employment growth and construction of both commercial and residential development are robust.

Future economic and population growth in the Bay Area will differ significantly in pace and character from historic development trends. Regional land use forecasts and policies call for focused housing and employment growth in the region's urbanized core areas. This growth, in conjunction with rising incomes and the increase in commuting by San Francisco residents to job locations outside of the city, will bring new pressures to the local and regional transportation networks. This pattern is already in evidence, with thousands of new housing units and hundreds of thousands of square feet of commercial space currently under construction and more in the pipeline.[2]

Increasing numbers of San Francisco residents are out-commuting to take advantage of work opportunities in other Bay Area counties: the number of San Francisco residents traveling daily to work in Santa Clara County or San Mateo County is approximately 75% the number of Santa Clara County and San Mateo County residents employed in San Francisco.[3] These trends result in auto congestion and high transit ridership both into and out of San Francisco in the peak periods. Long-distance, auto-dominated commute patterns (such as the peninsular corridor) are heavy contributors to regional VMT. Efforts to combat global climate change have made clear the imperative to reduce vehicle miles traveled (VMT) at the regional level. However, current fiscal conditions are difficult for both infrastructure improvements and transit operating expenses, with declining Federal and State funding, resulting in an increasing reliance on local funding sources for solutions to both local and regional transportation challenges.

In spring of 2013, ABAG and MTC released their Draft Plan Bay Area detailing their land use projections to 2040. According to the Plan, San Francisco is set to absorb 90,000 new households by 2040 (using 2010 as a baseline), bringing the number of households to 470,000. Since 2010, San Francisco has added 7,000 net new housing units, and 50,000 more are already in the pipeline.[4] Employment in San Francisco is expected to increase by 190,000 jobs, culminating in over 750,000 jobs in the city by 2040. Enriching the city's inventory of available and auto-competitive transportation options–particularly transit system development–will be a key strategy for congestion management in San Francisco. In order to meet congestion management goals within San Francisco's transportation policy framework, auto-competitive transportation alternatives should be prioritized, including the following types of projects:

- Transit service and reliability enhancements. This is essential to ensure that transit is a viable option to the private automobile as new residential neighborhoods develop, especially in the city's eastern neighborhoods. Non-traditional transit options (zonal express bus service, demand responsive, etc.) may need to be explored as additional alternatives to drive-alone in some instances.
- Bicycle facility and bicycle safety enhancements. Bicycling is a primary mode of travel for a growing number of trips. Bicycling can be a suitable modal shift for many San Francisco automobile trips. We can make this option more viable by improving comfort and safety for cyclists in the City.
- Pedestrian facility and pedestrian safety enhancements. Many trips regardless of the primary mode begin or end with a pedestrian trip, and many San Franciscans make a substantial number

[2] San Francisco Pipeline Reports, San Francisco Planning Department.

[3] Estimated from the 2010-2012 California Household Travel Survey Data

[4] San Francisco Housing Inventory Reports, San Francisco Planning Department

of their trips entirely as pedestrians. Pedestrian safety and access are critical to meet the growing demand for pedestrian-friendly neighborhoods and employment centers.

The Prop K Expenditure Plan for the local half-cent transportation sales tax is San Francisco's investment blueprint for congestion relief: on November 4, 2003, San Francisco voters extended the existing half-cent sales tax (Prop B) and approved a new 30-year Expenditure Plan, with a 75 percent approval rate. The primary goal of the Expenditure Plan is to implement the priorities of the countywide San Francisco Transportation Plan through investment in a set of projects and programs that include planning, maintenance and rehabilitation, and improvements to the city's multi-modal transportation system.

Congestion and demand management measures are also necessary to avoid further deterioration of transit travel times. San Francisco's congestion management activities will also need to focus on key improvements to congested roadway facilities to enable transit to get out of automobile traffic and to improve conditions for pedestrians and bicyclists. Particular attention will be paid to projects that improve the operating efficiency of the existing system, such as bus transit priority treatments. These projects help transit re-gain operating speed and retain or expand its market share.

Bus Rapid Transit (BRT) project development is continuing for two key corridors in the Transit Priority Network: Van Ness Avenue and Geary Boulevard, and the Transportation Authority completed a Feasibility Study for BRT Geneva Avenue and Harney Way. The SFMTA is leading the next phase of the Geneva BRT study. These efforts are examples of our commitment to separating transit right-of-way from congested city streets in an effort improve overall person throughput and reduce transit travel times in key corridors. These BRT corridors, which were identified in the Countywide Transportation Plan and Prop K Expenditure Plan, were also confirmed as priorities in the SFMTA's Muni Forward *Rapid Network*.

The 2004 Countywide Transportation Plan (CWTP) identified pricing as an important demand management tool in the County's congestion management toolkit. In September 2009, the Transportation Authority approved the final report of the *San Francisco On-Street Parking Management and Pricing Study*, which examined the role of parking pricing to manage demand, increase availability, and reduce excess vehicular circulation. In December 2010, the Transportation Authority approved the final study report on the feasibility of implementing an areawide congestion pricing program to manage weekday peak-period congestion. This *Mobility, Access, and Pricing Study* (MAPS) informs policy-makers of the benefits, costs, and impacts of a potential congestion pricing program. The Transportation Authority initiated the Parking Supply and Utilization Study in the summer of 2013 in partnership with the San Francisco Municipal Transportation Agency to evaluate how parking management, focused on private supplies of off-street parking, could reduce roadway congestion and shift trips to walking, cycling, and transit. In December of 2013, SFMTA released the evaluation of the SF*park* Pilot Project, which implemented variable, demand responsive parking prices for on-street parking and SFMTA-owned parking garages. The evaluation found an average decrease in parking prices, decreased vehicle miles traveled, and decreased greenhouse gas emissions.

The Transportation Authority is partnering with the San Francisco Planning Department (SF-Planning) and the SFMTA on the Transportation Sustainability Program (TSP), which supports sustainable transportation through a coordinated multiple-strategy approach. The first component of the TSP, the Transportation Sustainability Fee (TSF), supports transit by funding transportation improvements targeted to offset impacts from new development. The second component, the Transportation Demand Management (TDM) program, will provide guidance and an easy-to-use tool for developers to promote sustainable transportation options for residents, workers, and patrons traveling to and from

the site. The third component focuses on aligning San Francisco's policies with forthcoming changes to traffic impact analysis under the California Environmental Quality Act, through California Senate Bill (SB) 743, which will require lead agencies to replace level-of-service (LOS) -- a measure which implies auto-centric impacts and mitigation measures -- with a vehicle miles traveled (VMT)-based metric that better identifies projects' environmental transportation impacts and also enables those impacts to be addressed through multi-modal solutions.

In December, 2013, The Transportation Authority Board adopted the San Francisco Transportation Plan (SFTP), which updates the 2004 CWTP, is the city's 30-year plan to identify goals, needs, and investment priorities for the city's transportation system and serves as the citywide long-range transportation planning document. The SFTP recommends an investment plan for projected transportation funds between now and 2040, proposes a San Francisco investment vision and revenue strategy for potential new local revenues, and proposes policy recommendations. The Transportation Authority will begin an update to the SFTP starting in 2016.

Congestion management activities during the next two fiscal years are set forth in the work plan section at the end of each chapter in this document. These activities will include advancing the recommendations established in the SFTP, multiple planning and environmental studies, development of key system improvement projects, and continued neighborhood transportation planning efforts. The Transportation Authority will also continue to develop the San Francisco Travel Demand Model in order to measure performance of the multimodal system, analyze Capital Improvement Program (CIP) changes and perform project delivery oversight, and improve forecasting of system performance impacts associated with transportation investments, policies, and land use changes. Since 2013, the Transportation Authority has continued to update and enhance the San Francisco Travel Demand Model.

1.3. Program Overview and Key Changes from the 2013 CMP

1.3.1 | Mandated Program Components

The following statutory requirements of CMP legislation are mandated for all urban counties in the state:

1. A CMP updated biennially. The CMP must contain the following:

- A designated CMP roadway network
- Traffic level of service (LOS) standards and a methodology for monitoring LOS on the designated CMP roadway network
- Transit service standards
- A multimodal performance element
- A land use impact analysis methodology
- A seven-year multimodal CIP;

2. A common database and method to analyze impacts of local land use decisions on the CMP network; and

3. A designated CMA for the county.

1.3.2 | Transportation Fund Programming

The CMP legislation included the creation of new funding sources, as well as changes to existing fund programming mechanisms, tied to implementation of CMP requirements. The Transportation Authority at the local level and MTC at the regional level have been empowered to make CMP conformance determinations affecting funding eligibility.

- State Fuel Tax Increment: The CMP legislation established a 9-cent per gallon in-crease in the state's fuel tax. In order to receive these revenues, urban counties must conform with CMP requirements, particularly performance monitoring and the implementation of required CMP elements. The CMP document itself must be updated every two years.
- Regional Improvement Program (RIP): RIP funds are programmed through the Regional Transportation Improvement Program (RTIP), which is biennially developed and adopted by MTC, and subsequently adopted into the State Transportation Improvement Program (STIP) by the California Transportation Commission (CTC). In order to be considered for funding through the RTIP, transportation projects must be included in the CIP of the CMP.
- Federal Surface Transportation Program (STP) and Congestion Management and Air Quality (CMAQ) Program Funds: In 1992, the California legislature passed SB 1435, which reconciled the CMP programming process with the then new federal Intermodal Surface Transportation and Efficiency Act (ISTEA). As a result, projects seeking certain STP or CMAQ funds (continued under TEA-21, SAFETEA-LU, and MAP-21) must be prioritized by each CMA in their biennial CIP for the CMP.

1.3.3 | Relationship to Ongoing Planning and Programming Efforts

CMPs are a component of a more comprehensive set of ongoing transportation planning and programming efforts at the local and regional levels:

- RTP: The CMP implements the local portion of the RTP and must be consistent with it. MTC determines consistency among CMPs in the region. MTC makes these determinations as a part of the conformance finding process for CMPs.
- RTIP: The RTIP is a 5-year programming document for a variety of federal and state funding sources (e.g., RIP) that are sub-allocated to the region. In the Bay Area, MTC works with the CMAs to develop the RTIP for our nine-county region. RTIPs statewide are approved collectively as the STIP by the CTC. For certain projects to be included in the RTIP, they must be included in the CMP CIP.
- City of San Francisco General Plan: According to the City Charter (section 3.524), the General Plan is a comprehensive, long-term, guide for the future development of the City and County. The General Plan guides transportation demand management measures that are addressed as part of the CMP. Chapter 6 addresses the Planning Department's role in making consistency findings for the CMP's CIP. While the General Plan provides the policy framework, State law does not require that the CMP be incorporated into the General Plan.
- **Air Quality Attainment Plans:** MTC's RTP is required by federal law to conform to the State Implementation Plan for improvement of air quality. Since the CMP must be found consistent with the RTP, the CMP must therefore also conform to the provisions of the State

Implementation Plan. In addition, the San Francisco CMP documents implementation of transportation control measures (TCMs) included in the 2010 Bay Area Clean Air Plan adopted by the BAAQMD pursuant to State requirements. Appendix 11 lists the currently adopted regional TCMs and how they are incorporated into San Francisco's congestion management strategies. BAAQMD is currently working on a 2015 update to the 2010 Clean Air Plan. The 2015 plan will include a Regional Climate Protection Strategy to help se the Bay Area on a pathway toward meeting long-term (i.e., 2050) greenhouse gas reduction goals.

1.3.4 | Key Changes from 2013 CMP

The following sections highlight the most significant updates included in the 2015 CMP.

CHAPTER 4: This chapter introduces a new multimodal count collection effort in order to establish trends in demand over time by different modes. It also includes substantive performance monitoring for auto and transit.

CHAPTER 5: The Transportation Demand Management (TDM) Element has been updated to reflect recent changes to planning code requirements, advancements to San Francisco TDM strategies, including new policies requiring TDM measures for new developments, commuter benefits and the Commuter Shuttle Policy, carsharing, bike sharing, and other policies. We also included information on the TDM programs included in area plans, development agreements, and institutional master plans. Two new pilot projects, the BART Travel Incentives Pilot Project and SF Moves Neighborhood Outreach Pilot Project, are also discussed in this chapter. Finally, updates to ongoing TDM projects and studies are included.

CHAPTER 6: This chapter includes new discussion of the preliminary draft of changes to CEQA guidelines released by the Governor's Office of Planning and Research on August 6, 2014, following the elimination of automobile level-of-service as a significant impact in CEQA environmental review. It also includes discussion of the Core Capacity Transit Study.

CHAPTER 7: This chapter reflects amendments made to the CIP. Per adopted procedures, the CIP is amended concurrently with Transportation Authority programming decisions. An ongoing work program item related to the CIP includes monitoring of state and federal funds to ensure that timely use of funds requirements are met. These requirements impose deadlines for project milestones such as obligation of funds, award of contracts and completion of construction. Failure to meet the deadlines can result in loss of funds to the project, the County, and/or the Bay Area Region.

CHAPTER 8: The Transportation Authority's San Francisco Travel Demand Forecasting Model has under-gone improvements since 2013, which are discussed in this chapter.

1.3.5 | Public Input

A public hearing on the Draft 2015 San Francisco CMP is scheduled for the December 8, 2015 meeting of the Transportation Authority Plans and Programs Committee. The Transportation Authority Board is scheduled to consider approval of the 2015 CMP on December 15, 2015.

CHAPTER TWO

CONGESTION MANAGEMENT AGENCY ROLE & RESPONSIBILITIES

KEY TOPICS

- Legislative Requirements
- Legislative Intent and Application to San Francisco
- San Francisco County Transportation Authority

2.1. Legislative Requirements

California Government Code section 65089 (a), as amended, states "A congestion management program shall be developed, adopted, and updated biennially, consistent with the schedule for adopting and updating the regional transportation improvement program, for every county that includes an urbanized area, and shall include every city and the county. The program shall be adopted at a noticed public hearing of the agency. The program shall be developed in consultation with, and with the cooperation of, the transportation planning agency, regional transportation providers, local governments, the [California] department [of Transportation], and the air pollution control district or the air quality management district, either by the county transportation commission, or by another public agency, as designated by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county." For the complete text of the CMP statutes see Appendix 2.

2.2. Legislative Intent and Application to San Francisco

One of the main thrusts of the CMP legislation is to foster coordination of local land use and transportation investment decisions at the county or subregional level. In order to ensure local involvement in this process the CMP law vests significant authority and responsibility in the Congestion Management Agencies (CMAs). For example, in order to receive state and federal funds, transportation projects in an urban county must now be recommended by that county's CMA as part of its Congestion Management Program[1]. CMAs therefore act as a policy forum and technical resource to guide and help resolve transportation problems within counties when those problems have implications across city boundaries. San Francisco's distinct status as a city and county dictates a somewhat different role for the CMA in this regard, with the focus of involvement shifting to address problems across county lines (such as the effects of regional commute patterns into San Francisco), as well as issues of

[1] If a county opts out of preparing a CMP, per ABE 2419 (Bowler), MTC will work with the appropriate agencies to establish project priorities for funding.

coordination of city department activities affecting congestion management, such as trip reduction program implementation or transit service improvements.

2.3 The San Francisco County Transportation Authority

2.2.1 | Designation and Composition

On November 6, 1990, the Board of Supervisors designated the San Francisco County Transportation Authority (the Transportation Authority) as the CMA for the County. The Transportation Authority Board of Commissioners consists of the eleven members of the San Francisco Board of Supervisors, acting as Transportation Authority Commissioners.

2.2.2 | Roles and Responsibilities

The Transportation Authority is a special-purpose government agency, created on November 7, 1989, when San Francisco voters passed Proposition B. Proposition B increased the local sales tax by ½ cent for a period of 20 years, to fund San Francisco transportation projects and services. In November 2003, voters approved a new Expenditure Plan (Prop K), which superseded Prop B and extends the ½ cent sales tax for 30 years. The Transportation Authority administers, prioritizes, and programs Proposition K revenues. These revenues also leverage large amounts of State and Federal funds for transportation investments in San Francisco.

On November 2, 2010 San Francisco voters approved Proposition AA, authorizing collection of an additional $10 fee annually on motor vehicles registered in San Francisco and approving an Expenditure Plan for the new funds. The fee will fund local street repair, improvements to pedestrian and bicycle conditions, and public transit enhancements. As with Prop K, the Transportation Authority administers, prioritizes, and programs Prop AA funds.

In its capacity as the CMA for San Francisco, the Transportation Authority has primary responsibilities in the following areas:

- Develop and adopt the biennial CMP and related implementation guidance;
- Monitor City agencies' compliance with CMP requirements;
- Program Federal, State, and regional transportation funds;
- Review the programming of all transportation funds for San Francisco;
- Provide policy input into the regional transportation planning and programming process; and
- Develop and periodically update the long-range transportation plan for San Francisco.

The Transportation Authority's dual responsibilities – strategic programming of proposition-authorized funds through Strategic Plan processes, and prioritizing and programming of State and Federal funds through the CMP process – are an opportunity to coordinate San Francisco's transportation planning decisions and optimize the City's investments in transportation infrastructure and services. Leveraging State and Federal funds through strategic use of Proposition K monies is a primary example of the efficacy of this process. The San Francisco Transportation Plan improves the effectiveness of this

process by linking transportation objectives and policies to a specific list of transportation investments, prioritized across a long-range planning horizon. The CMP's 7-year CIP and the Authority's Prop K Five-Year Prioritization Programs serve as the main implementation tools for the San Francisco Transportation Plan.

As the CMA, the Transportation Authority served as the lead coordinator for San Francisco involvement in the regional process to develop a Sustainable Communities Strategy (SCS) and update the Regional Transportation Plan (RTP). Plan Bay Area, which integrates the SCS and RTP into a single regional plan, was adopted in July 2013. As required by SB 375 (Steinberg), passed in 2008, Plan Bay Area integrates long-range land use, housing, and transportation planning in the region to reduce greenhouse gas emissions from motor vehicles.

Assembly Bill No. 981, the Treasure Island Transportation Management Act, authorizes the Board of Supervisors (BOS) of the City and County of San Francisco to designate a board or agency to act as the transportation management agency (TMA) for Treasure Island and implement the Treasure Island Development Program's transportation plan. In October 2011, the Transportation Authority Board recommended to the Board of Supervisors and the Treasure Island Development Authority (TIDA) that the Transportation Authority be designated as the Treasure Island Mobility Management Agency (TIMMA). Subsequent resolutions tasked the Transportation Authority with advancing agency formation documents, planning, and grant-writing.

In addition, acting as the CMA, the Transportation Authority plays a key role in evaluating and providing guidance on major local transportation projects and land use policies that may affect the performance of the transportation system.

2.2.3 | Implications of the Board's Multiple Roles

As described above, the San Francisco Board of Supervisors also serves as the Transportation Authority's Board of Commissioners. These multiple roles require careful balancing of the Board's responsibilities. Policy decisions made by the Board of Supervisors may have negative congestion management impacts and place the Transportation Authority Board, as CMA, in a position to find the City in non-conformance with the CMP. This may in turn generate difficult Proposition K funding choices for the Transportation Authority Board.

In order to minimize the potential for conflict, the Transportation Authority cannot limit its role to just monitoring CMP conformance after the fact. Instead, the Transportation Authority must take a proactive role to serve as a resource in analyzing the potential transportation implications of transportation and land use related actions, projects, or policies proposed for the City. In order to fulfill this responsibility, the Transportation Authority regularly participates in and comments on studies and discussions of key San Francisco transportation and land use issues, such as the Transit Effectiveness Project (now part of Muni Forward), the Transportation Sustainability Program, Better Market Street, and the Transit Core Capacity Study. This approach allows the Board to anticipate potential problems, instead of reacting when congestion impacts reach crisis proportions and require hasty actions.

2.2.4 | Relationship to City Agencies

State law mandates that the Transportation Authority, acting as CMA, biennially determine if the City is in conformance with the adopted Congestion Management Program. A finding of non-conformance

has potentially significant consequences for transportation funding in the City. Also according to state law, it is the City's responsibility to ensure that transportation projects, programs, and services are put in place, through its implementing departments, to maintain conformance with the CMP.

In fulfilling its CMA mandate, the Transportation Authority must function as an independent agency to be able to objectively and credibly evaluate CMP conformance. This dictates a special relationship with City departments involved in transportation-related actions which must be assessed at least biennially relative to their congestion management impacts. On the other hand, because of the Board's multiple roles, as described in the previous section, the Transportation Authority's approach is to act as a resource, maximizing coordination with the City departments responsible for planning and implementation of transportation actions, so that such actions may be evaluated for congestion management impacts before they are put in place.

2.2.5 | Relationship to Regional Planning/Programming Agencies

As the Congestion Management Agency for San Francisco, the Transportation Authority plays a key liaison role with the Metropolitan Transportation Commission (MTC), the Bay Area's regional transportation planning agency, and with the Bay Area Air Quality Management District (BAAQMD), the agency responsible for implementation and monitoring of the region's Clean Air Plan. The Transportation Authority coordinates local input into MTC's Regional Transportation Plan (RTP), which establishes the overall vision for long-range transportation development and funding in the region, and the Regional Transportation Improvement Program (RTIP). Through its membership in the Bay Area Partnership, the Transportation Authority plays a key role in shaping the evolution of planning and programming processes affecting San Francisco's ability to make effective transportation investments and preserve its economic vitality. Further, through its leadership in this regional forum the Transportation Authority is in a position to influence the debate over the vision and goals for transportation and land use planning in the Bay Area, bringing to bear San Francisco's unique perspective on multimodal transportation, mobility, and livable communities.

CHAPTER THREE

CMP-DESIGNATED ROADWAY NETWORK

KEY TOPICS

- Legislative Requirements
- San Francisco CMP Roadways
- Work Program Items

3.1. Legislative Requirements

California Government Code Section 65089(b)(1)(A) requires that the designated Congestion Management Network include at least all state highways and principal arterials. No highway or roadway designated as part of the system may be removed from the system. The statutes do not define 'principal arterial.'

The statutes also refer to regional transportation systems as part of the required land use impacts analysis program, California Government Code Section 65089(b)(4). In 1991, the Bay Area's Congestion Management Agencies (CMAs) developed Congestion Management Program (CMP) networks in coordination with MTC's Metropolitan Transportation System (MTS). The MTS network, which includes both highways and transit services, was subsequently designated as the Congestion Management System, as required by the federal Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991. The MTC contracted with the congestion management agencies in the Bay Area to help develop the MTS and to use the CMPs to link land use decisions to the MTS.

3.2. San Francisco CMP Roadways

CMP legislation requires that all state highways (including freeways) and principal arterials are included in the CMP network. The network must be useful to track the transportation impacts of land development decisions, as well as to assess the congestion management implications of proposed transportation projects. San Francisco's network therefore includes numerous local thoroughfares since most urban traffic occurs on city arterials (rather than on the freeways). The next sections document the network selection criteria and process used in the initial San Francisco CMP in 1991, and describes the current network.

3.1.1 | Selection Criteria

Consistent with State requirements, the San Francisco CMP roadway network includes all freeways and state highways, as well as principal arterials. San Francisco has defined principal arterials as the Major Arterials designated in the Transportation Element of the City's General Plan, defined as follows:

"cross-town thoroughfares whose primary function is to link districts within the city and to distribute traffic from and to the freeways; these are routes generally of citywide significance; of varying capacity depending on the travel demand for the specific direction and adjacent land uses."

Several additional arterials – Market Street, Mission Street, Sutter Street, and West Portal – are also included in the CMP roadway network. These streets experience significant conflicts between auto traffic and transit service.

3.1.2 | Segmentation Method

The 1993 CMP documented the criteria used in 1991 to segment the CMP roadway network in San Francisco, including freeway facilities (see Appendix 3). The following five criteria determined segment limits for the city arterials in the CMP: predominant development patterns (e.g., number of driveways, institutional uses); changes in speed limits; major cross streets; significant changes in traffic volumes; and freeway ramps. These criteria are generally recognized as significant in explaining the operating profile of a roadway.

For freeway facilities the segmentation criteria are simpler. They include major interchange on and off ramps, and points were two freeway facilities merge or bifurcate.

3.1.3 | Current Network

The complete CMP roadway network for San Francisco consists of 233 directional miles on both arterials and freeways.

Table 3-1: 2015 Monitored Segment Miles

ROADWAY TYPE	TOTAL DIRECTIONAL MILES
Arterial	198.2
Freeway	34.9
Total	233.1

As discussed in Chapter 4, performance monitoring was conducted in 2013 for the entire CMP network. The 2013 monitoring network is show in Figure 3-1, including the distinction between "official" and "additional" segments.

FREEWAYS AND STATE HIGHWAYS

San Francisco's CMP roadway network includes freeway segments on Interstate 80, Interstate 280, and US Route 101. State routes designated along City streets are also part of the CMP roadway network, as follows:

- US Route 101 – Richardson Avenue, Lombard Street west of Van Ness Avenue, and Van Ness between Lombard Street and Market Street;
- Route 1 – Park Presidio Boulevard, 19th Avenue, and Junipero Serra Boulevard south of 19th Avenue;
- Route 35 – Sloat Boulevard between 19th Avenue and Skyline Boulevard as well as Skyline Boulevard.

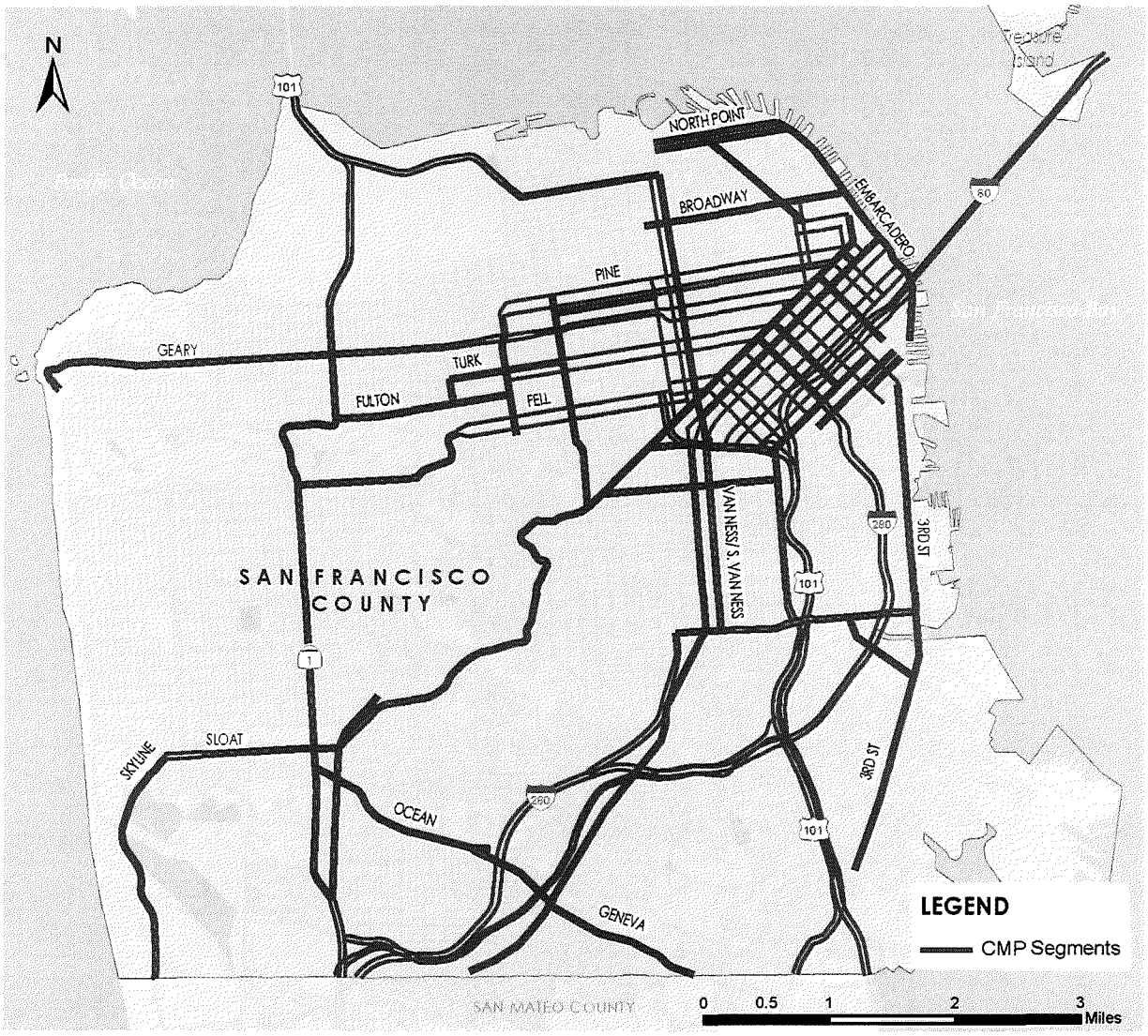
CITY ARTERIALS

The remaining CMP network arterials are city arterials. A table of all arterials included in the CMP network is included in Appendix 3.

3.1.4 | Network Changes

State law prohibits the removal of roadway facilities from the initially designated CMP network (unless facilities are physically removed from the transportation system, such as the Embarcadero Freeway). New facilities may be added to the CMP network without restrictions, subject to the established criteria for inclusion. No network segmentation changes are proposed in the 2015 CMP. Appendix 3 lists all CMP arterials where segmentation changes have been made since 1991, including a technical justification.

From time to time the Transportation Authority may also monitor additional segments that are not part of the official CMP network. These do not constitute official changes to the CMP network, but may be included to support current planning and system management efforts. The Transportation Authority has not monitored any additional segments in 2015.



Data Sources: Iteris, Inc. & 2015 SFCTA LOS Monitoring

This map is for planning purposes only.

Figure 3.1: Spring 2015 Monitored Segments

3.1.5 | Relationship to the MTS

San Francisco's CMP roadway network is broadly consistent with the Metropolitan Transportation System (MTS) defined by MTC. The MTS is a regional network of roadways, transit corridors and transfer points. The State highways and major thoroughfares designated in San Francisco's CMP roadway network are all included in the San Francisco portion of the regional MTS network. In a few instances, the local CMP roadway network is not identical to the regional MTS network due to differences in the criteria used to define each network. San Francisco's CMP and MTS networks are coordinated with the networks of adjacent counties, to ensure regional connectivity.

A 1993 agreement delegated responsibility from MTC to the Transportation Authority to implement certain mandates in the federal Interstate Surface Transportation and Efficiency Act (ISTEA) of 1991 and by extension, under the Safe, Accountable, Flexible, Efficient Transportation Equity Act—A legacy for Users(SAFETEA-LU) of 2005. These include the analysis of potential impacts on the MTS of proposed local land use decisions (see Chapter 6). The MTS roadway network was updated in 2001 to reflect "support for 'smart growth' and 'environmental justice' by including new focus on facilities that serve major areas of high density, and that provide essential access to disadvantaged neighborhoods."

3.1.6 | Non-Automobile Networks

Transportation performance measures in the San Francisco CMP have broadened to increasingly incorporate multimodal performance. However, the city's dense grid allows parallel streets in the same corridor to serve different transportation functions, and the designated CMP roadway network does not necessarily align with the most important or heavily traveled routes for transit riders, bicyclists, or pedestrians. Therefore, many of the non-auto performance measures in this CMP include data from non-CMP portions of the street network or use citywide metrics. Some multimodal measures, such as transit speed, use data collected along CMP network segments to facilitate comparisons with automobile performance. Chapter 4 provides details on multimodal performance.

3.3. Work Program Items

- Participate in any future MTC efforts to redefine the Metropolitan Transportation System (MTS).

CHAPTER FOUR

MULTIMODAL PERFORMANCE

KEY TOPICS

- Legislative Requirements
- Legislative Intent and Application to San Francisco
- Applications of Multimodal Performance Measures
- Legislatively Required Performance Measures (Auto LOS and Transit)
- Summary of Monitoring Results
- Local Performance Measures (Transit, Bicycle, and Pedestrians)
- Work Program Items

This chapter presents the 2015 CMP multimodal performance results, including analyses of traffic congestion, transit, and non-motorized performance measures. It combines the traffic Level of Service (LOS) and multimodal performance elements required under state CMP legislation, reflecting the legislation's requirement that LOS be included as one of several multimodal performance measures. This approach is also consistent with San Francisco's urban, multimodal environment. Vehicular traffic congestion remains an important metric of transportation performance in San Francisco, but the City and County's Transit First policy and emphasis on person mobility place higher priority on the performance of alternative modes including transit, bicycles, and pedestrians than on private vehicle speeds.

4.1. Legislative Requirements

4.1.1 | LOS Monitoring

The California Government Code requires that San Francisco use automobile LOS standards to measure the performance of the CMP roadway network, but permits CMAs a choice among the following methodologies for measuring LOS:

- Transportation Research Board Circular 212 (TRC 212);
- Transportation Research Board's Special Report 209: *Highway Capacity Manual (HCM)*; or
- A uniform methodology adopted by the CMA that is consistent with *the Highway Capacity Manual*

The CMA is required to biennially determine the City's conformance with the CMP, including attainment of LOS standards.

In accordance with CMP legislation, the county and city governments are required to show that CMP route segments within their jurisdiction are operating at or above the CMP traffic LOS standard for all segments outside of any designated Infill Opportunity Zone (IOZ). Section 65089(b)(1)(B) states that "In no case shall the LOS standards established be below the LOS E or the current level, whichever is

farthest from LOS A except when the area is in an infill opportunity zone. When the level of service on a segment or at an intersection fails to attain the established level of service standard outside an infill opportunity zone, a deficiency plan shall be adopted pursuant to section 65089.4". In addition, Section 65089.3 establishes that "The [California] [D]epartment [of Transportation] is responsible for data collection and analysis on state highways, unless the agency designates that responsibility to another entity."

Senate Bill 1636 (Figueroa), passed in 2002, authorized local jurisdictions to designate IOZs. IOZs must meet eligibility criteria to ensure they are compact, mixed-use areas that are well-served by transit. In December 2009, the San Francisco Board of Supervisors designated all then-eligible areas within the City and County of San Francisco as an IOZ (see Appendix 4). Senate Bill 743 (Steinberg), passed in 2013, changed the eligibility criteria for IOZ designation. Under the new criteria, an IOZ is an area designated by a city or a county within a half mile of a major transit stop or corridor that is included in a regional transportation plan. Areas that are designated transit priority areas within the regional Sustainable Communities Strategy are eligible for designation. Previous law also set a December 2009 deadline for jurisdictions to designated IOZs and terminated an IOZ designation if no development project was completed within the zone within four years of designation; SB 743 repealed both provisions. Within a designated IOZ, the local jurisdiction is not required to maintain traffic conditions to the LOS standard. Thus, CMP route segments located within an IOZ are exempt from the minimum LOS standards and deficiency plan requirements mandated elsewhere by the CMP legislation.

4.1.2 | Multimodal Performance Monitoring

The CMP legislation also requires a multimodal performance element. AB 1963 in 1994 modified Section 65089(b)(2) of the Government Code to replace the transit service standards requirements previously mandated for the 1991 and 1993 CMPs. The revised statutes state that the CMP shall include "[a] performance element that includes performance measures to evaluate current and future multimodal system performance for the movement of people and goods. At a minimum, these performance measures shall incorporate highway and roadway system performance, and measures established for the frequency and routing of public transit, and for the coordination of transit service provided by separate operators. These performance measures shall support mobility, air quality, land use, and economic objectives, and shall be used in the development of the capital improvement program..., deficiency plans..., and the land use analysis program....".

4.2. Legislative Intent and Application to San Francisco

The original CMP legislation defined performance narrowly as roadway LOS. The amendments acknowledged the need for diversified solutions to complex transportation problems in urban areas, and the inadvisability of tackling them with just one mode. Current performance element requirements recognize that the transportation system performance should be measured for all modes: automobile, transit, bicycle, and pedestrian.

According to the CMP legislation, deficiencies are detected only on the roadway system. Improvements on the LOS scale ensure better travel conditions for motorists, but the LOS scale does not take into account the person throughput capacity of a roadway. A city arterial may carry the maximum number

of automobiles at acceptable speed, but if each vehicle carries only the driver, then throughput of the facility is suboptimal. San Francisco therefore includes performance standards and measurements that evaluate all aspects of the City's multimodal transportation network. San Francisco's high transit, pedestrian, and bicycle mode shares and extensive non-auto mode networks mean that the city benefits from a multimodal approach to system performance.

Consistent with State law, the 2015 San Francisco CMP distinguishes between two categories of performance measures. Legislatively Required measures include roadway LOS plus three transit service performance measures: routing, frequency, and inter-operator service coordination. These are the elements of congestion and multimodal performance measurement that are explicitly required by State congestion management statutes. Section 4.4 details the Legislatively Required metrics.

Local performance measures include multimodal metrics that are not used for determination of CMP conformance under State legislation but reflect performance goals for alternative modes in the City of San Francisco. The local measures are used for planning purposes and to track trends over time. Transit measures included in the 2015 CMP include transit speeds, transit-to-auto speed ratios, transit speed variability. In addition to these, we also include the service standards and milestones reported by the SFMTA, which include measures of transit crowding, transit on-time performance, and bunches and gaps in transit service. Non-motorized metrics include volumes, network connectivity, and safety. These measures are discussed in further detail in Section 4.5.

4.3. Applications of Multimodal Performance Measures

State law requires that link (roadway) LOS be used for determining CMP conformance and conducting deficiency planning, except within a designated Infill Opportunity Zone. Multimodal performance measures will be used for the following purposes:

- CMP conformance determinations. Link (roadway) LOS will continue to be used for conformance determinations for areas that are not designated by the City as an IOZ. Although areas within the designated IOZ are exempt from deficiency planning requirements, the Transportation Authority will continue to monitor multimodal performance, including LOS.
- CIP amendments. The Transportation Authority will continue to evaluate the potential impacts of proposed CIP changes on the performance of the multimodal network. This information is used as one of the factors in determining Transportation Authority concurrence with such proposals.
- Deficiency plans. Link LOS measurements will be used for deficiency determinations. Portions of the congestion management network within a designated IOZ are exempt from deficiency planning requirements. See Appendix 8 for more information on deficiency plans.
- Land use impacts analysis. Multimodal performance measures will be used for the analysis of impacts of local land use decisions on the CMP network.

4.4. Legislatively Required Performance Measures

4.4.1 | Roadway Level of Service (LOS)

This is the most traditional and best documented performance measure. The CMP legislation defines roadway performance primarily by using the LOS traffic engineering concept to evaluate the operating conditions on a roadway. LOS describes operating conditions on a scale of A to F, with "A" describing free flow, and "F" describing bumper-to-bumper conditions. The HCM defines LOS as "...a quality measure describing operational conditions within a traffic stream, generally in terms of such service measures as speed and travel time, freedom to maneuver, traffic interruptions, and comfort and convenience."

Designation of much of San Francisco as an Infill Opportunity Zone strengthens the Transportation Authority's efforts to develop and employ multimodal performance measures appropriate to a dense, multimodal, urban environment. Under the CMP legislation, CMP segments within an IOZ are exempt from minimum LOS standards. The Transportation Authority continues to work with partner agencies to collect data and develop robust metrics that adequately monitor and evaluate multimodal system performance.

Still, continued monitoring of automobile LOS is useful for a variety of reasons. As the most extensive historical dataset available, LOS allows for the monitoring of traffic conditions over a long period of time. Congestion is also an important factor in the performance of surface-running transit service: where transit operates in mixed traffic, increased congestion will slow transit. Finally, ongoing monitoring of both automobile and transit speeds within the same corridor facilitates the assessment of relative modal performance. As such, the Transportation Authority monitored automobile LOS on the designated CMP network during 2015.

The traffic LOS standard for San Francisco is consistent with CMP-mandated criteria and was established at E in the initial (1991) CMP network. Facilities that were already operating at LOS F at the time of baseline monitoring, conducted to develop the first CMP in 1991, are legislatively exempt from the LOS standards. CMP segments that are within a designated IOZ are also exempt from LOS conformance requirements.

MONITORING APPROACH

The Transportation Authority uses INRIX data, a commercial dataset which combines several real-time GPS monitoring sources with data from highway performance monitoring systems, as the primary source for official speed and LOS calculations. INRIX data is supplemented with floating car data where INRIX data is not available. This method was adopted in the 2013 CMP after initial conducted as part of the 2011 CMP found that results calculated from INRIX were appropriate for use in speed and LOS calculations. The 2011 analysis found that speeds from INRIX data were, on average, higher than speeds from floating car runs, but fell within the range of variability of floating car results for a given segment and time period.

Prior to 2013, the Transportation Authority used the floating car method to collect travel time data on the CMP network. However, the resource-intensity of this method led to small sample sizes, which yielded relatively high variability in the results. In 2013, MTC contracted with INRIX to obtain region-wide commercial speed data, and has made the data available free of charge to CMAs and other local governments for planning and monitoring purposes.

The INRIX and floating car data were collected in April and May, 2015, which is the typical CMP monitoring period for San Francisco.

The methodology and results of the 2015 LOS Monitoring effort are detailed in Appendix 5.

SUMMARY OF 2015 LOS MONITORING RESULTS

Table 4-1, below, presents the change in CMP network average travel speeds, calculated as time-mean speed, between 2013 and 2015 for the AM and PM peak periods (7:00 to 9:00 a.m. and 4:30 to 6:30 p.m., respectively).

Table 4-1: CMP Network Average Travel Speed

CATEGORY	TIME PERIOD	TIME-MEAN TRAVEL SPEED 2013*	2015	PERCENT CHANGE
Arterial	AM	17.1 mph	14.6 mph	- 15%
	PM	16.0 mph	12.7 mph	- 21%
Freeway	AM	38.2 mph	37.6 mph	- 2%
	PM	29.5 mph	26.3 mph	- 11%

* The method used to calculate CMP speeds was improved for the 2015 CMP, and 2013 speeds have been recalculated using the updated method for comparison to 2015 results. See Appendix 5, Attachment 5.4 for details.

Average travel speeds on the CMP network have decreased since 2013 for all times measured times and road types. Average arterial travel speeds have decreased 15% from 17.1 mph to 14.6 mph in the AM peak and decreased 21% from 16.0 mph to 12.7 mph in the PM peak. The average travel speed on freeways decreased 2% from 38.2 mph to 37.6 mph and 11% from 29.5 mph to 26.3 mph in the PM peak.

Freeway segment speeds are historically highly variable. They tend to be slower during the PM peak than the AM. Inbound segments in the AM peak tend to be slower than their outbound counterparts, and outbound segments in the PM peak tend to be lower than their inbound counterparts. Freeway speeds ranged from a decrease of 7.2 mph (on US 101/Central Freeway from I-80 to Market in the PM peak) to an increase of 7.1 mph (on US 101/Central Freeway from Market to I-80 in the AM peak). The last was the 3rd slowest CMP freeway segments in 2013, and has moved to only the 6th slowest. The slowest four segments from 2013 are again the four slowest segments in 2015, and each decreased slightly in speed.

Out of 232 CMP arterial segments, average AM peak speeds increased or stayed the same on 36 segments and decreased on 210 segments. In the PM peak, average arterial speeds increased or stayed the same on 26 CMP segments and decreased on 220 segments. The analysis confirms expectations of decreased speeds across the network.

In the AM peak period, 4 arterial segments and 4 freeway segments were found to operate at LOS F. In the PM peak period, 20 arterial segments and 6 freeway segments were found to operate at LOS F. Each arterial segment operating at LOS F in the morning peak is within an IOZ, and each freeway segment operating at LOS F also operated at LOS F during base year monitoring, and so all CMP segments are exempt from deficiency planning requirements during the morning peak. Similarly, all CMP freeway and arterial segments operating at LOS F in the evening peak period are exempt because they are either within an IOZ or operated at LOS F during base year monitoring.

Full LOS monitoring results can be found in Appendix 5.

DEFICIENCY PLANNING

Since all segments measured at LOS F in the 2015 monitoring were exempt and did not represent a deficiency, and since San Francisco was not found to be deficient for any of the Legislatively Required transit performance measures, no deficiency planning process is triggered by the 2015 CMP. The Transportation Authority is continuing to collaborate with other agencies to incorporate additional multimodal performance measures into the CMP (see subsequent sections of this Chapter) and to improve the performance of the multimodal transportation system regardless of whether a specific deficiency is identified. For a detailed discussion regarding the CMP deficiency planning process, see Appendix 8.

4.4.2 | Transit Coverage/Routing

This refers to the pattern and hierarchy of the transit route network (e.g., radial/grid, rapid/local, etc.) and the service area covered (e.g., percent of total population served within one-quarter mile; or percent of total urbanized area served). San Francisco County has the most extensive transit coverage of any Bay Area county. As shown in Table 4-A at the end of this chapter, the Muni coverage standard is to provide service running at least 19 hours per day within a ¼ mile walking distance. Other transit operators serve smaller areas of the City and primarily provide connections to other parts of the region.

4.4.3 | Transit Frequency

This is the number of transit vehicles (buses, trains, or ferries) per hour (e.g., 4 buses per hour). The inverse of the frequency is called "headway," which is the time between transit vehicles (e.g., 15 minutes between buses).

Figure 4-1 shows key transit service routes in San Francisco operated by MUNI including Rapid, Metro, and Cable Car services.

Table 4-A, found at the end of this chapter, shows frequency (headway) and coverage standards for the major transit operators that provide service in San Francisco.

A number of transit operators provide connections to and from points outside the city. Because of the predominantly suburban, low-density environment in which they function, which limits the amount and kinds of service they can provide, these operators have significantly different standards from those that Muni is expected to achieve in San Francisco. These differences are reflected in Table 4-A. The transit standards are essentially established policy and in most cases are taken directly from each operator's Short Range Transit Plan.

4.4.4 | Interoperator Coordination

This addresses the linkages between transit services provided by different operators (e.g., timed transfers at transit centers, joint fare cards, etc.), to facilitate the use of transit.

Senate Bill 602 required that MTC, in coordination with the Bay Area's Regional Transit Coordinating Committee (RTCC), develop rules and regulations for fare and schedule coordination in MTC's nine-county Bay region. SB 1474, passed in 1996, set coordination objectives for the region's transit services, and MTC has adopted Resolution 3055, Transit Coordination Implementation Plan, to comply with SB 1474. This MTC-led process is considered sufficient to meet the intent of CMP law regarding transit service coordination in the region. Compliance with MTC's process by Muni and all other

operators serving San Francisco will therefore constitute sufficient grounds for a finding of conformance with CMP transit coordination requirements.

The Transportation Authority is currently engaged with partner agencies in various efforts that seek to improve transportation system connectivity and ease interoperator transfers. This unified system, centered on a single farecard known as Clipper, is now operational in San Francisco and provides interoperator functionality. Eventually, Clipper will be part of an even more comprehensive multimodal system. This "integrated mobility account" would potentially include non-transit systems, namely FasTrak (automated bridge-tolling), on- and off-street parking payment, and, if implemented, congestion pricing fees. Such a system would provide ready access to account information through web and mobile interfaces. With a centralized mobility management system, users could also be encouraged to make better transportation decisions and evaluate travel costs and tradeoffs in a more comprehensive manner.

4.5. Local Performance Measures

In measuring performance, we are measuring the ability of the system to satisfy the transportation needs of all San Franciscans, and we must therefore measure performance with reference to particular groups of users—e.g., transit riders, bicyclists, and pedestrians.

Traffic congestion has been measured with a widely recognized, standard approach—LOS—for decades. By contrast, information about the performance of the rest of the transportation network, for those who choose to take transit, bicycle, or walk, is less standardized. Although the 2010 Highway Capacity Manual (HCM) now includes a methodology to calculate multi-modal LOS, its applicability to San Francisco's dense urban grid network is limited (see Appendix 5 for further discussion). Historically, certain transit system data has been collected in response to federal or state requirements tied to eligibility for funding. Typical data collected included total daily ridership—an indicator of current demand for service, and cost per passenger mile, an indicator of cost effectiveness. Increasingly, however, operators are deploying on-board monitoring technologies to help adjust daily operations, improve ongoing system planning, and inform longer-range capital planning.

Similarly, data pertaining to bicycle and pedestrian trips has historically been seldom available. When collected, it is usually in connection with a specific project proposal, and is not a part of a systematic effort that provides a picture of the user's experience.

Multimodal performance data is increasingly needed for system performance measurement pursuant to updates of the San Francisco Transportation Plan and congestion management planning as well as for project planning, transportation impact analysis, and project prioritization. It is necessary to provide better information to the traveling public, as well as to inform policy decisions about funding of transportation projects and services.

By applying the performance measures for travel by car, transit, bicycle, or foot to different neighborhoods in the city, we can produce a countywide picture of comparative mobility between neighborhoods, modes (e.g. transit vs. auto), or types of users (e.g. transit dependent, elderly). We can also evaluate the accessibility of different parts of the city by analyzing the number of destinations that are reachable by different modes of transportation.

The Transportation Authority's travel demand model and GIS database are the main tools for analysis of system performance data.

The Transportation Authority also continues its ongoing technical and policy vehicles for development of further local performance measures. The groundwork for further measures has been supported with allocations of Prop K funding for projects devoted to ongoing collection of multimodal data, such as automatic passenger counters (APCs) on transit vehicles, in-pavement bicycle volume counters, and intersection-level automated pedestrian counters.

4.5.1 | Transit Speed and Variability

APC DATA COLLECTION AND ANALYSIS METHODOLOGY

The San Francisco Municipal Transportation Agency (SFMTA) uses both automatic vehicle locator (AVL) and automatic passenger counter (APC) systems to collect robust, real-time data on bus performance and ridership. AVL and APC data support a wide range of operations, planning, and customer service activities.

AVL technology is installed on Muni's entire fleet of diesel (including hybrid) buses, electric trolley-buses, and light-rail vehicles. A GPS-based real-time monitoring system, AVL is useful both from an operational perspective (i.e., NextBus) and planning perspective. In 2007, the Transportation Authority used AVL data to validate travel demand model improvement efforts, which linked modeled transit speeds dynamically to auto speeds. (The San Francisco model is discussed in further detail in Chapter 8.) The 2007 CMP included, for the first time, reporting of transit speeds on key monitored segments of the Muni system.

APCs are a more robust on-board monitoring tool than AVLs. The SFMTA's APC system provides both running time (i.e., speed) information as well as passenger activity (boardings and alightings) data. In March 2005, the Transportation Authority approved the first of several allocations of Prop K funds to support the procurement and installation of APCs on a portion of Muni's bus fleet. SFMTA's Transit Effectiveness Project (TEP), (now Muni Forward), significantly accelerated the deployment of APCs on Muni's diesel bus and trolley bus fleet, in order to provide the high-resolution (i.e., stop-level and route-level) data necessary for the TEP's comprehensive system analysis.

More generally, the resources and analyses developed for the TEP's original analysis have provided SFMTA with a set of valuable tools and skills for data driven decision-making. Operations-level data, collected in real-time on a sufficient sample of vehicles and runs, supports a range of planning activities, from short-term resource deployment to financial planning and long-range system development. APC data is regularly shared between the SFMTA and the Transportation Authority for planning purposes, including for CMP reporting.

The SFMTA currently has APCs deployed on a significant portion of its bus fleet. Guided by a deployment plan, equipped vehicles are rotated across the system each month; thus each individual run (i.e., a particular scheduled departure of a specific route) is sampled on a regular basis (at least once per month). This is valuable for detailed service planning purposes. For broader system performance monitoring and planning purposes, such as the CMP, the APC data can be aggregated to a weekday peak period and have a relatively large sample set.

APC data was used to report transit speeds in 2009, 2011, and 2013. For the 2015 CMP the LOS monitoring consultants (Iteris) processed two months of APC data collected on Muni's bus (diesel and trolley coach) fleet. Muni light rail vehicles are not currently equipped with APCs, and were thus not

included in the analysis. After undergoing a quality control "cleaning" to eliminate faulty and outlier data samples, the data was filtered to include only weekday peak periods. The same AM and PM peak time periods were as used as in the LOS Monitoring (7:00am-9:00am and 4:30pm-6:30pm).

The APC equipment relies on GPS technology to recognize Muni's designated stop locations as a vehicle traverses its route. The processed dataset provides stop-to-stop travel speed, inclusive of dwell time. Dwell time is assigned to the "upstream" stop: the segment-level data represents upstream stop-arrival point to downstream stop-arrival point. In this way, the processed data corresponds with the travel time and through-speed experience by a transit rider as he or she passes multiple stops while on-board. (This is comparable to manner in which automobile speed is reported in this chapter by including fully-stopped intersection delay in the calculation of through-travel speed.). Where the transit travel time results have been mapped to CMP segmentation, the bus stop segments were split at CMP boundaries, and the distance of each bus segment within a CMP segment was used to weight the average speed over the segment.

The APC dataset is from April and May of 2015, the same period as the roadway LOS monitoring effort. This allowed the comparison of auto to transit speeds on the portions of the CMP network for which Muni data was available. For each segment, the ratio of auto-to-transit speed was calculated. This figure is equivalent to the ratio of transit travel time to auto travel time. A ratio of 2 would indicate that, for a particular route, on-board transit travel time is twice that of auto travel time.

TRANSIT SPEEDS

Transit speeds on the CMP network have declined slightly since 2013, likely due to increasing traffic congestion. Compared to 2013, the average transit speeds (collected for buses only) in 2015 on the CMP network[1] decreased from 8.8 mph to 8.7 mph in the AM peak period. In the PM peak period transit speeds decreased from 8.1 mph to 7.9 mph. A roughly equal number of segments decreased as stayed the same or increased in average transit speed, for both AM and PM peak periods; in the AM, 65 segments decreased in speed while 68 stayed the same or increased, and in the PM 67 segments decreased and 67 stayed the same or increased. Figures 4-2 and 4-3 illustrate average bus speeds on CMP segments in the AM and PM peak periods, respectively.

Transit performs better, relative to auto speeds, in 2015 than it did in 2013. In 2013, auto speeds were greater than transit speeds by a factor of 2 or more on 42% of segments in the AM peak and 49% in the PM peak, for all CMP segments for which transit speeds were reported. In 2015, the number of segments with auto speeds exceeding transit speeds by that amount decreased to only 23% in the AM peak and 19% in the PM peak. The average auto-to-transit speed ratio decreased from 2.0 to 1.7 in the AM peak and 2.1 to 1.7 in the PM peak. Table 4-2 and Table 4-3 display segments with auto-to-transit speed ratios over 2.0 for the AM and PM peak periods, respectively.

Since 2013, one of the CMP segments with the highest auto-to-transit ratio, Fulton Street from 10th Avenue to Arguello, has been operating as part of a pilot service change that has established a limited-stop 5L-Fulton line during daytime hours. Transit speeds improved significantly, from 6.7 mph to 8.8 mph in the AM peak and from 4.5 mph to 9.9 mph in the PM peak. Similarly, the auto-to-transit speed ratio dropped from over 4 to under 2. Improvements to the 14R, which runs the length of Mission St from downtown to the county line, were implemented through one of Muni Forward's travel time reduction projects, and in 2015 CMP monitoring, auto-to-transit speed ratios dropped on all Mission/Otis CMP segments. Several other segments with high auto-to-transit ratios are planned for

[1] Transit average speeds are unweighted.

transit improvements, including Van Ness Avenue with the Van Ness Avenue Bus Rapid Transit (BRT) and on Geary Blvd with the Geary BRT project. On Market Street between Van Ness and Embarcadero, where, as part of a planned series of safety enhancements, several turning restrictions direct traffic off of Market Street and transit-only lanes were painted bright red to encourage better compliance, surface transit has become more competitive with autos in both directions and both morning and evening peak travel periods.

Transit became less competitive relative to auto on 22 segments in the AM peak and 21 segments in the PM peak. By comparison, transit became more competitive relative to transit on 110 segments in both the AM and PM peak periods.

Although useful, the current analysis of individual segments does not account for the number of riders affected on segments or transit routes with different levels of performance. In future monitoring cycles, ridership data could be added to the analysis to enable identification of transit routes that affect the greatest numbers of riders. Route-level speed and travel time information may also be useful.

TRANSIT SPEED VARIABILITY

The standard deviation and coefficient of variation of travel time provide indicators of how reliable transit vehicle travel times are for a given segment. The standard deviation provides an absolute measure of variability, and indicates in minutes how far from the mean speeds typically range. The coefficient of variation (CV) is calculated by dividing the standard deviation by the average speed, thereby normalizing the results to compare relative variability between faster and slower segments. The CV is expressed as a percentage of the mean speed.

Transit speed variability is high for many segments. Coefficients of variation on many segments are 20% or more, indicating that transit travel time on a typically 30-minute trip is more than six minutes faster or slower than average more nearly one-third of the time. The coefficient of variation exceeds 30% for 23 segments in the PM peak and 15 segments in the AM peak, representing approximately ten percent of monitored segments. Table 4-4 and Table 4-5 display these least reliable segments in the AM and PM peak period.

Full results are included in Appendix 7.

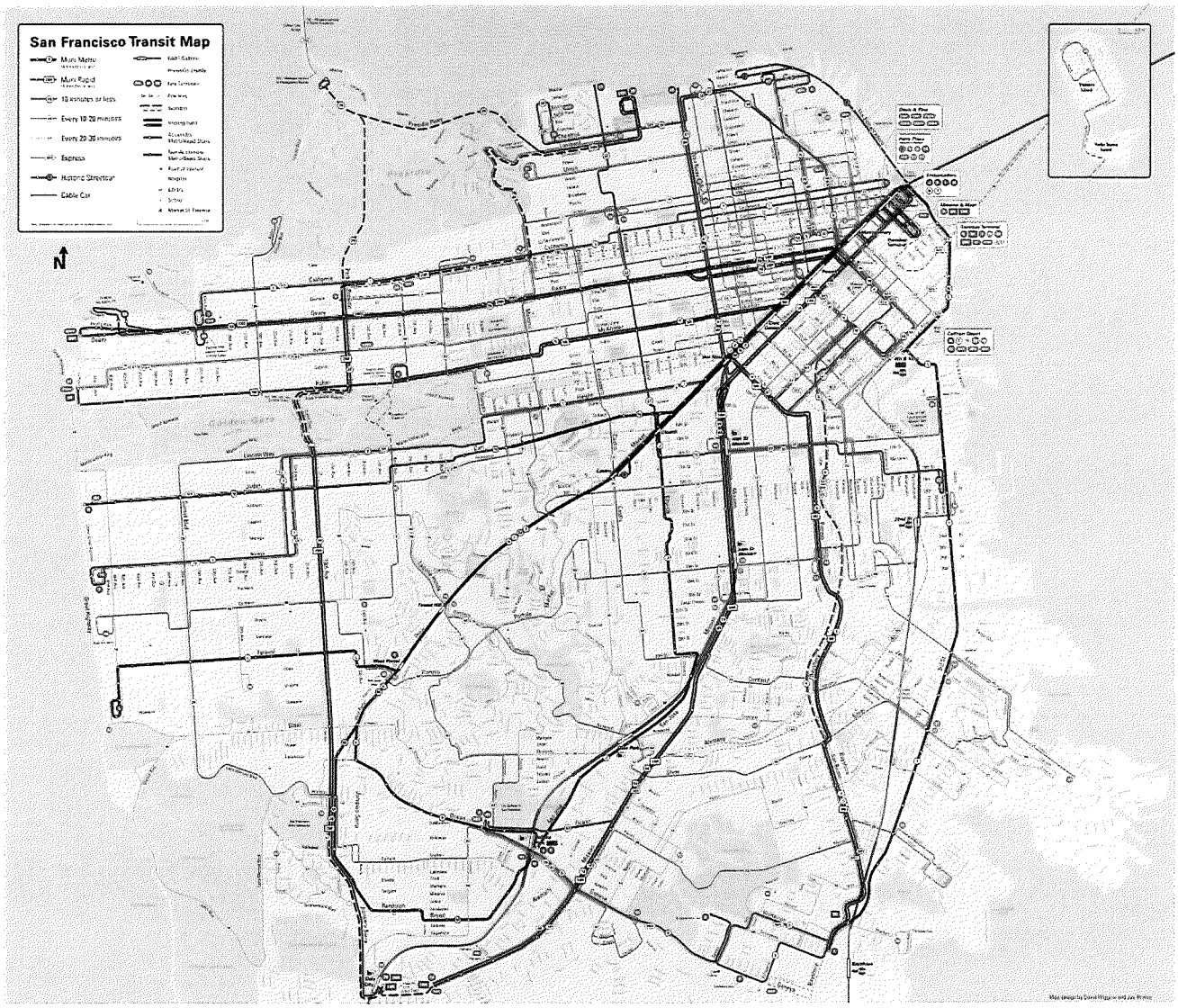
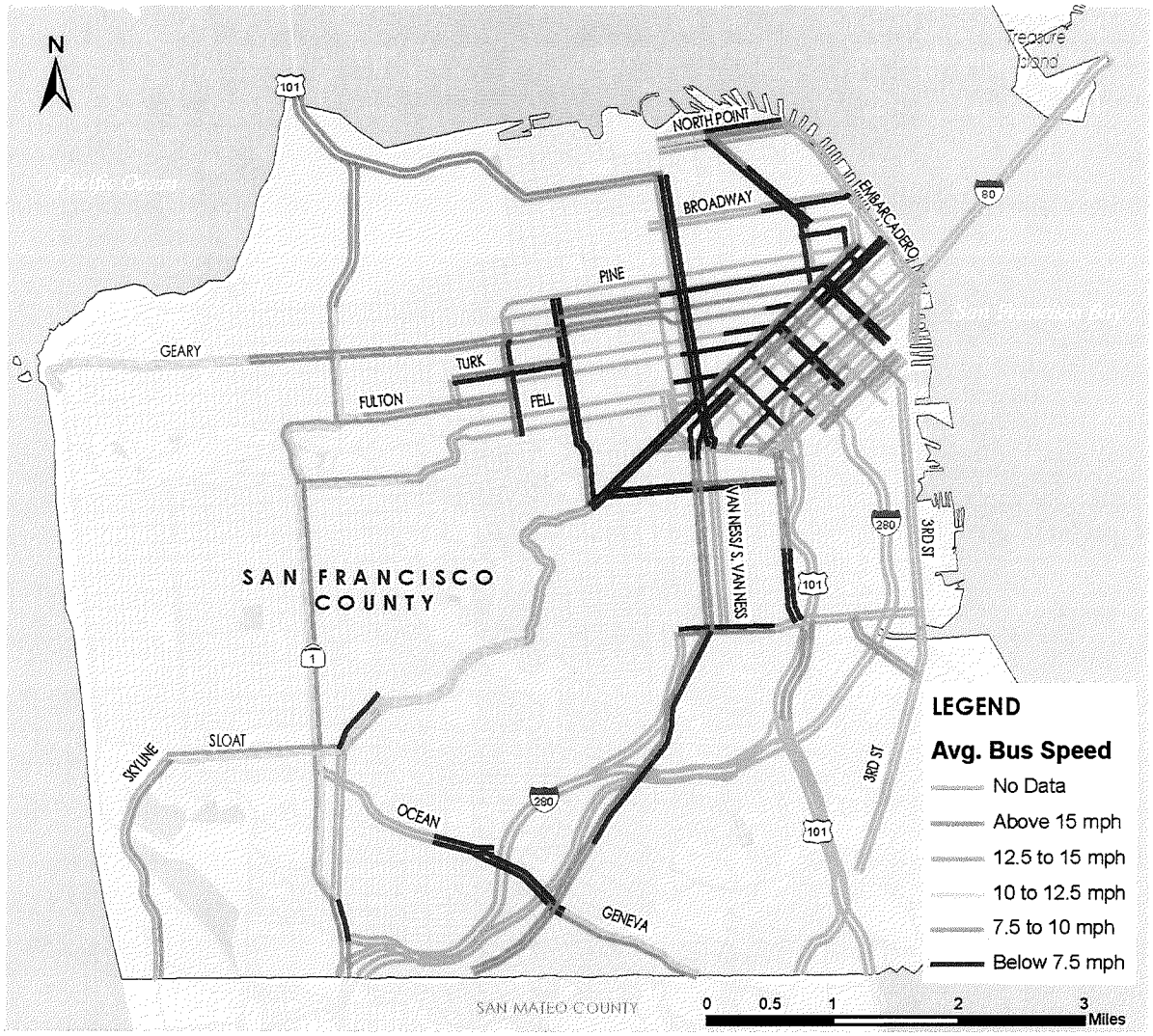


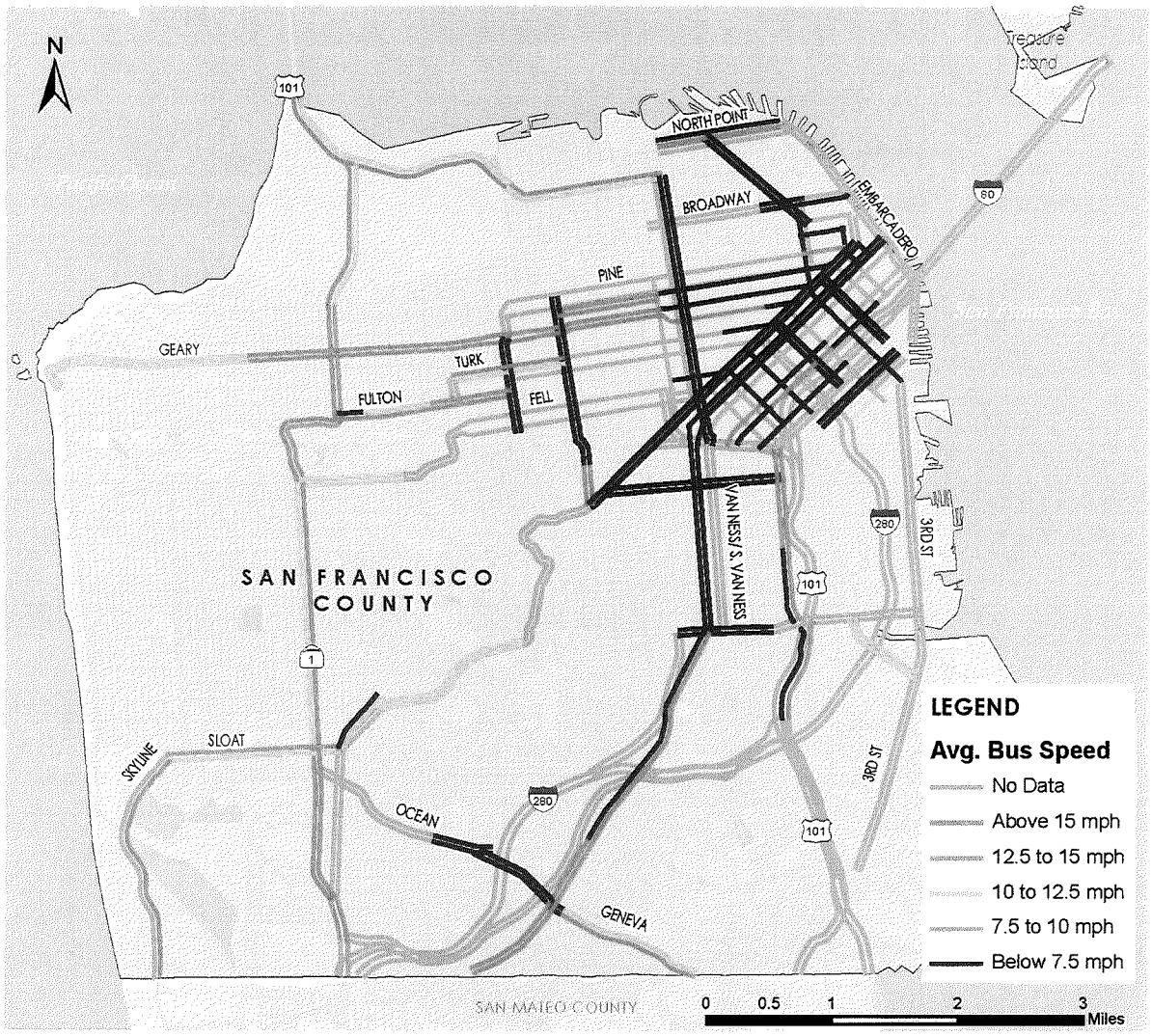
Figure 4-1: Muni San Francisco Transit System Map



Data Sources: Iteris, Inc. & SFMTA Automatic Passenger Counters

This map is for planning purposes only.

Figure 4-2: 2015 Average Muni Bus Speeds on CMP Network Segments, Weekday AM Peak



Data Sources: Iteris, Inc. & SFMTA Automatic Passenger Counters

This map is for planning purposes only.

Figure 4-3: 2015 Average Muni Bus Speeds on CMP Network Segments, Weekday PM Peak

Table 4-2: CMP Segments with Auto-to-Transit Speed Ratios above 2.0 during AM Peak

CMP SEGMENT	DIR.	AVG. AUTO SPEED (MPH)	AVG.TRANSIT SPEED (MPH)	AUTO/TRANSIT SPEED RATIO
Market/Portola: Guerrero to Castro	W	15.1	5.4	2.8
J. Serra: County Line to Brotherhood	N	27.0	9.8	2.8
Bayshore: Jerrold to Industrial	S	24.4	8.9	2.7
Doyle/ Richardson/ Lombard: County Line to SF Cemetery	E	25.4	9.7	2.6
Columbus: Greenwich to Montgomery	S	11.8	4.8	2.5
Van Ness/S. Van Ness: Washington to Lombard	N	12.7	5.2	2.4
Harrison: 8th Street to Division	W	14.0	6.0	2.3
Mission/Otis: 14th Street to 9th Street	N	12.4	5.4	2.3
Van Ness/S. Van Ness: Washington to Golden Gate	S	12.8	5.7	2.2
Market/Portola: Van Ness to Guerrero	W	14.3	6.4	2.2
16th St: Market to Mission	E	13.1	5.9	2.2
19th Ave/Park Presidio: US 101 to Lake	S	39.7	17.9	2.2
Geneva: Paris to Cayuga	W	10.7	4.9	2.2
Cesar Chavez: Bryant to Guerrero	W	13.1	6.0	2.2
North Point: Embarcadero to Columbus	W	13.9	6.4	2.2
Doyle/ Richardson/ Lombard: SF Cemetery to County Line	W	35.1	16.2	2.2
Ocean: Miramar to Howth	E	11.9	5.5	2.2
Potrero: 21st Street to Cesar Chavez	S	14.5	6.8	2.1
Turk: Stanyan to Divisadero	E	15.7	7.4	2.1
West Portal: Ulloa to Sloat	S	14.8	7.0	2.1
Fulton: Park P. to 10th Avenue	E	19.3	9.2	2.1
Potrero: 21st Street to Division	N	19.5	9.3	2.1
J. Serra: 19th to Brotherhood	S	39.3	18.9	2.1
16th St: Mission to Market	W	13.3	6.4	2.1
Sloat: Skyline to Junipero Serra	E	23.0	11.1	2.1
Van Ness/S. Van Ness: Golden Gate to Washington	N	11.1	5.4	2.1
Van Ness/S. Van Ness: 13th to Golden Gate	N	13.0	6.4	2.0
8th St: Market to Bryant	S	13.5	6.7	2.0
Harrison: 4th Street to 8th Street	W	17.2	8.6	2.0
Ocean: Howth to Miramar	W	11.4	5.7	2.0

Table 4-3: CMP Segments with Auto-to-Transit Speed Ratios above 2.0 during PM Peak

CMP SEGMENT	DIR.	AVG. AUTO SPEED (MPH)	AVG.TRANSIT SPEED (MPH)	AUTO/TRANSIT SPEED RATIO
Columbus: Montgomery to Greenwich	N	4.4	12.5	2.8
Market/Portola: Guerrero to Castro	W	4.8	13.0	2.7
Bayshore: Jerrold to Industrial	S	7.5	19.3	2.6
West Portal: Ulloa to Sloat	S	5.8	14.3	2.5
Mission/Otis: 14th Street to 9th Street	N	5.4	13.3	2.5
Columbus: Greenwich to Montgomery	S	4.2	10.2	2.4
Fulton: Park P. to 10th Avenue	E	8.8	20.6	2.3
Harrison: 1st Street to 4th Street	W	5.6	13.1	2.3
North Point: Columbus to Van Ness	W	5.7	13.2	2.3
Market/Portola: Guerrero to Van Ness	E	5.3	12.2	2.3
Market/Portola: Van Ness to Guerrero	W	4.8	10.9	2.3
16th St: Market to Mission	E	6.0	13.5	2.3
Van Ness/S. Van Ness: Golden Gate to Washington	N	5.2	11.7	2.3
Van Ness/S. Van Ness: Washington to Lombard	N	7.4	16.4	2.2
Fulton: 10th Avenue to Park P.	W	6.7	14.7	2.2
Skyline: County Line to Sloat	N	16.4	35.8	2.2
Doyle/ Richardson/ Lombard: County Line to SF Cemetery	E	18.5	39.9	2.2
Hayes: Market to Gough	W	5.4	11.2	2.1
Folsom: 8th Street to 4th Street	E	4.6	9.5	2.1
Harrison: 8th Street to Division	W	6.2	12.8	2.1
19th Ave/Park Presidio: US 101 to Lake	S	18.8	38.0	2.0
Geneva: Cayuga to Paris	E	5.3	10.7	2.0
Ocean: Miramar to Howth	E	5.5	11.1	2.0
Sloat: Skyline to Junipero Serra	E	11.2	22.6	2.0
Ocean: Howth to Miramar	W	4.3	8.6	2.0

Table 4-4: Least Reliable Transit Segments (CV>30%), AM Peak

SEGMENT	DIR.	AVG. TRANSIT SPEED (MPH)	S.D. TRANSIT SPEED (MPH)	COEFFICIENT OF VARIATION
J. Serra: County Line to Brotherhood	N	9.8	7.7	79%
J. Serra: 19th to Brotherhood	S	18.9	12.2	65%
J. Serra: Brotherhood to 19th	N	7.2	4.3	60%
Evans: Cesar Chavez to 3rd Street	E	9.8	4.4	45%
Townsend: 2nd Street to 7th Street	W	9.2	3.9	42%
Masonic: Page to Geary	N	7.4	3.1	42%
Doyle/ Richardson/ Lombard: Lyon/Francisco to SF Cemetery*	W	16.2	6.5	40%
Doyle/ Richardson/ Lombard: SF Cemetery to County Line	W	16.2	6.5	40%
2nd St: Brannan to Market	N	7.2	2.7	38%
Market/Portola: Van Ness to Guerrero	W	6.4	2.2	34%
Doyle/ Richardson/ Lombard: County Line to SF Cemetery	E	9.7	3.1	32%
Doyle/ Richardson/ Lombard: SF Cemetery to Lyon/Francisco	E	9.7	3.1	32%
Fulton: Park P. to 10th Avenue	E	9.2	2.9	32%
Main: Mission to Market	N	8	2.5	31%
Bayshore: Jerrold to Industrial	S	8.9	2.7	30%

Table 4-5: Least Reliable Transit Segments (CV>30%), PM Peak

SEGMENT	DIR.	AVG. TRANSIT SPEED (MPH)	S.D. TRANSIT SPEED (MPH)	COEFFICIENT OF VARIATION
Sloat: Skyline to Junipero Serra	E	11.2	10.8	96%
Main: Mission to Market	N	6	5.5	92%
Townsend: 2nd Street to 7th Street	W	5.7	3.5	61%
North Point: Columbus to Embarcadero	E	7.9	3.8	48%
Pine: Market to Kearny	W	8.9	4.2	47%
Fulton: 10th Avenue to Park P.	W	6.7	3.1	46%
5th St: Brannan to Market	N	3.8	1.7	45%
2nd St: Brannan to Market	N	5.7	2.5	44%
19th Ave/Park Presidio: Lake to US 101	N	11.3	4.8	42%
Fulton: Park P. to 10th Avenue	E	8.8	3.3	38%
Bayshore: Jerrold to Industrial	S	7.5	2.8	37%
J. Serra: County Line to Brotherhood	N	13.2	4.9	37%
Doyle/ Richardson/ Lombard: Lyon/Francisco to SF Cemetery*	W	10.8	4	37%
Doyle/ Richardson/ Lombard: SF Cemetery to County Line	W	10.8	4	37%
Beale/Davis: Clay to Mission	S	7.1	2.6	37%
J. Serra: 19th to Brotherhood	S	17.2	6.2	36%
Harrison: 1st Street to 4th Street	W	5.6	2	36%
Folsom: 8th Street to 4th Street	E	4.6	1.6	35%
Townsend: 7th Street to 2nd Street	E	5.1	1.7	33%

2nd St: Market to Brannan	S	4.6	1.5	33%
Cesar Chavez: Guerrero to Bryant	E	6.8	2.2	32%
Bayshore: Industrial to Cesar Chavez	N	9.7	3.1	32%
Broadway: Montgomery to Embarcadero	E	5.6	1.7	30%

4.5.2 | Muni Service Standards and Milestones

In November 1999, San Francisco voters passed Proposition E which, among other changes, amended the City Charter to require the creation of service standards and milestones for Muni to attain. The SFMTA Board of Directors updates these periodically. Table 4-B lists the service standards and milestones that directly pertain to the improvement of Muni performance.

Muni on-time performance as measured by arrival times against published schedules has fallen since the last CMP update in 2011 from 73% to 60%, below the goal of 85%. Headway adherence has remained constant, with approximately 65% adherence, also below the 85% goal. The proportion of scheduled service hours actually delivered fell to 95 percent from 97% in 2011. The goal for service delivered is 98.5%. Finally, the proportion of vehicles too full to board (pass-ups) increased in the morning peak period to 6.5% (from 5% in 2011) but decreased slightly in the afternoon peak from 8% in 2011 to 7% in 2013. Both morning and afternoon peak pass-ups remain above the 4% goal.

4.5.3 | Pedestrian and Bicycle Volumes

The City and County of San Francisco has placed a high priority on shifting travelers' modes to increase the number of trips made by walking and bicycling. Unlike automobile and transit volumes, increasing volumes of pedestrian and bicycle traffic are a direct indicator of system performance because increased use of these modes alleviates, rather than causes, traffic congestion and transit crowding. Walking and bicycling are space-efficient, healthy, and environmentally beneficial ways to travel, and have minimal negative impact on surrounding communities.

The Transportation Authority estimates from the 2010-2012 California Household Travel Survey (CHTS) that during the study period approximately 24% of trips to, from, and within San Francisco were made by walking, while approximately 2% were made by bicycle. Trips beginning and ending in San Francisco were estimated to be about 34% walking and 3% bicycling. In 2010, the San Francisco Board of Supervisors adopted a resolution establishing an ambitious citywide goal of 20% of trips being made by bicycle by 2020.

Little data has historically been available to measure the numbers of trips made by walking and bicycling, but City and County agencies are now working together to collect volume data for both modes on a more regular basis.

In 2009, the Transportation Authority approved two Prop K allocations to develop SFMTA's ability to collect pedestrian and bicycle data on a regular basis, and in 2013 the Transportation Authority approved an allocation to further develop an automated bicycle counter system. These efforts have collected mode-specific volume data at key locations in the city, although the pedestrian count effort has focused more on collecting data at many different locations than on developing a consistent but smaller set of locations to track over time.

Unlike for automobile and transit performance, volume information—tracked over time—is a reasonable proxy for the "performance" of a non-motorized mode of travel and the shifting usage to

that mode. Under the City's Transit First policy, the Countywide Transportation Plan, and numerous other policy documents, increases in pedestrian and bicycle travel are central and explicit goals.

CITYWIDE BICYCLE COUNTING PROJECT

SFMTA has conducted citywide bicycle counts at key intersections and corridors since 2006. The number of bicycle count locations has grown over the years – 21 in 2006, 40 in 2011, 51 in 2013, and 79 survey locations in 2014. While annual bicycle counts have in the past been completed each August, the count date was moved to late September in 2011 both to align more closely with the bicycle counting standards set by the National Bicycle and Pedestrian Documentation Project (NBPDP) and to capture bicycle trips taken while school is in session. Additionally, count duration has been increased from approximately one-and-a-half to approximately two hours. Counts continue to be conducted primarily during the PM peak period. During the 2014 count effort, video data collection technology was utilized for the first time. This approach captures a more holistic picture of trips at key locations by also counting people walking, taking transit, and traveling in vehicles in the city.

Figure 4-4 shows bicycle counts from 2011 through 2014. It must be noted that count locations have been increasing and the figure shows counts from the same 38 counters for all three years. There has been a significant increase of about 14% in bicycle counts from 2011 to 2013. Assuming uniform growth, the annual growth would be 7%. However, it appears that the growth from 2013 to 2014 has been marginal at 1.5%. A comparison with data back from 2006 (when the counts project started) shows that 3,748 bicycles in 2006 have grown to 11,473 bicycles in 2014 at 19 overlapping locations – a 206% increase over 8 years. A total of 26,817 bicycles were observed at 79 survey locations in 2014. Full results of the bicycle count are available in the SFMTA's 2014 Bicycle Count Report.

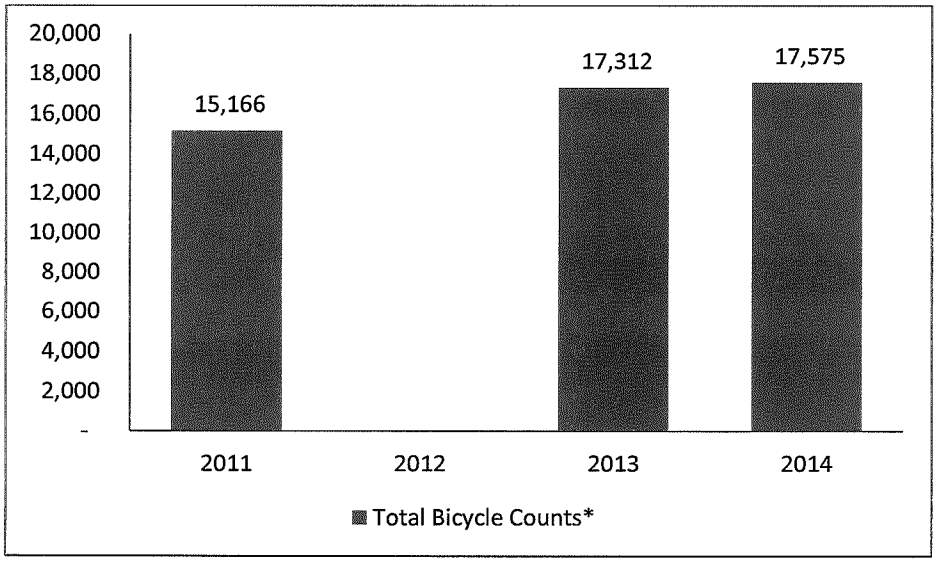


Figure 4-4: Manual Bicycle Counts 2011-2014

* Volumes represented are at the same 38 locations for all three years. No data collected in 2012.

Source: SFMTA Annual Bicycle Count Survey 2014

In recent years, there has been a proliferation of automated counters due to the fact that manual method of data collection is limited by staffing constraints and lacks the ability to quantify bicycle usage at different times of the day, seasonally, and throughout the year. SFMTA currently operates 25

automated bicycle counters all over the city that operate round the year. Data from these automatic bicycle counters has become available for the first time in 2013, providing a set of continuous streams of ridership data in a cost-effective manner. SFMTA plans to add 50 additional counters by 2017. The automated bicycle count data is more robust than that collected manually on a specific day during a specific week. Figure 4-5 shows that monthly weekday bicycle counts collected by 19 automated counters from 2013. Due to gaps in data remaining counters were excluded from the analysis. While SFMTA's citywide bicycle counting effort show an increase in cycling, counts from automated counters indicate a slight decrease. This could indicate that cycling has been relatively flat since 2013, but it could also indicate that cyclists are changing their routes as infrastructure is built, so they are not being counted at the fixed counter locations.

In addition to the SFMTA, SFCTA has initiated a manual bicycle counts effort this year that it intends to continue in future. This effort was implemented along with counting both turn movements and pedestrians at the selected intersections. Bicycle counts were recorded for 2 hours each in the AM (7AM – 9AM) and PM (4:30PM – 6:30PM) peak periods at 14 intersections around the city. The counts by location are reported in Table 4-7. In contrast to the SFMTA counts, these were recorded between the last week of April and third week of May 2015.

Table 4-7: SFCTA Bicycle Counts, April-May 2015

COUNT LOCATION	AM (7-9)	PM (4:30-6:30)	TOTAL
3rd St & 16th St	61	96	157
3rd St & Evans Ave	61	63	124
3rd St & Palou Ave	73	76	149
6th St & Howard St	91	478	569
19th Ave & Holloway Ave	35	50	85
Geneva Ave & Alemany Blvd	21	24	45
Leavenworth St & Eddy St	20	44	64
Mission St & 16th St	121	199	320
Montgomery St & Bush St	87	44	131
Park Presidio Blvd & Geary Blvd	11	11	22
Portola Dr & O'Shaughnessy-Woodside	30	11	41
Potrero Ave & 16th St	74	100	174
South VanNess Ave & 13th St	67	154	221
Stockton St & Broadway	81	78	159
All locations	833	1,428	2,261

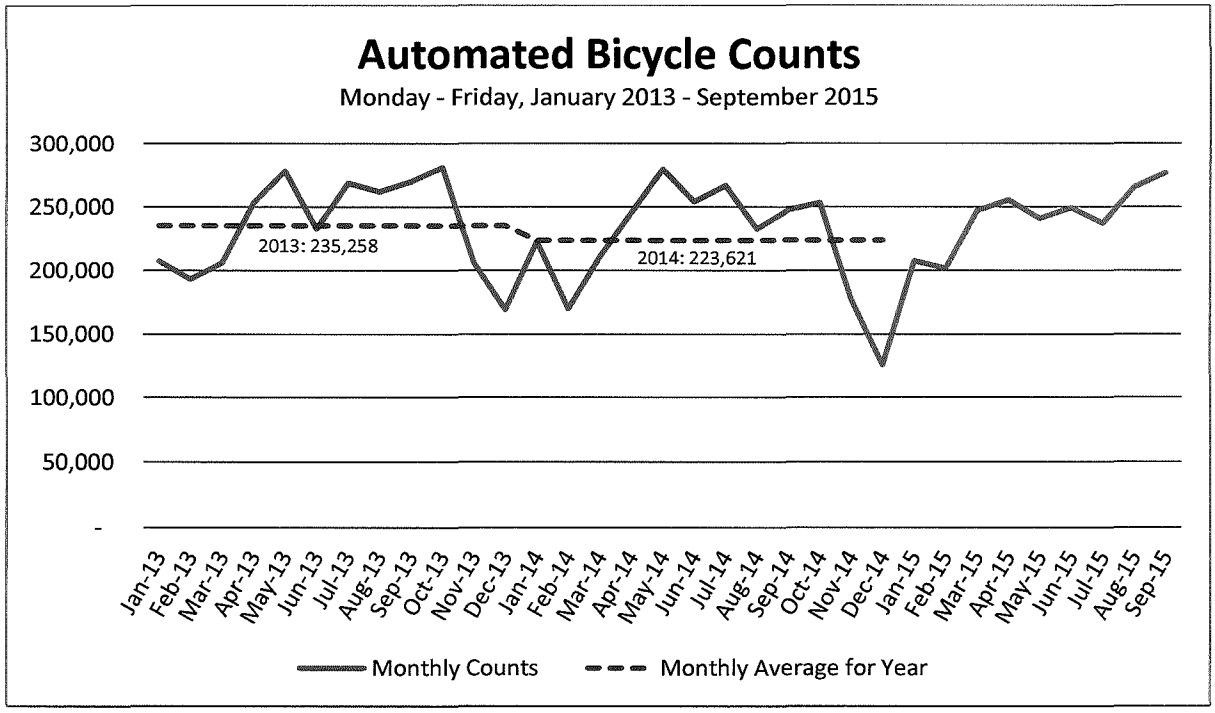


Figure 4-5: Monthly Automated Bicycle Counts (Weekday) 2013-2015

4.5.4 | Bicycle Network Connectivity

The extent and connectivity of the pedestrian and bicycle networks are important metrics of non-motorized transportation performance. Comprehensive networks that allow pedestrians and bicyclists to travel easily and safely between destinations are essential to encourage non-motorized travel as an alternative to driving and contributing to traffic congestion.

The San Francisco Bicycle Plan, adopted by the SFMTA in 2009, includes improvements to and expansion of the City's existing bicycle routes, which comprised 208 total miles in 2008. The Plan, which was originally adopted in 2005 but subject to a four-year court injunction that was lifted partially in 2009 and entirely in 2010, calls for 34 miles of new Class II bicycle lanes in addition to the previously existing 45 miles, 75 miles of shared on-street bike routes marked with sharrows, new and improved bicycle parking citywide, as well as additional programs, policies, and projects to improve bicycle connectivity and safety.

Since the Bicycle Plan injunction was lifted, the City has moved rapidly to implement it. 30 of the 34 miles of Class II bicycle lanes proposed in the plan had been completed as of August 2014. In addition, six bike lane projects developed after the 2009 Bike Plan were also completed adding another 3.2 miles. Progress on the Plan has also included upgrades to existing bike infrastructure including sharrows and pilot installation of separated bikeways, bike boxes at intersections, and colored pavement treatments to increase the visibility and safety of bicycling on City streets. 51 of the 75 miles of shared bike routes identified in the 2009 Bike Plan had been completed as of August 2014.

Table 4-8 summarizes length of bicycle facilities by type. As of October 2015, the completed network included 436 miles of bike routes, of which 16% were Class I paths and 32% were Class II designated bicycle lanes. The rest are Class III signed routes in shared lanes, many of which have wide shoulders or are marked with sharrows. There are also 13 miles of Class IV bike facilities that are separated by a vertical element from the rest of traffic.

Table 4-8: San Francisco Bicycle Facilities, 2011 to 2015

	2011		2013		2015	
FACILITY TYPE	MILES	% TOTAL	MILES	% TOTAL	MILES	% TOTAL
Bicycle Path (Class I)	69	18%	69	16%	69	16%
Bicycle Lane (Class II)*	121	31%	132	31%	140	32%
Bicycle Route (Class III)	193	49%	213	50%	214	49%
Separated Bikeways (Class IV)**	6	2%	12	3%	13	3%
Total	389	100%	427	100%	436	100%

Source: SFMTA

* includes bike lanes and buffered bike lanes (paint buffer only). ** includes bike lanes with vertical barrier element (such as curb, planter, parking).

The SFMTA 2013-2018 Bicycle Strategy recommends that a new "Comfort Assessment" methodology related to what is termed "Level of Traffic Stress" (LTS) be used going forward. This recognizes the fact that there are diverse arrays of bike facility characteristics that may not be accurately described by just the "Class" level categories. The methodology would further promote the city's goal to create a network that is comfortable for all users, especially vulnerable user groups like youths, the disabled, seniors, and low-income communities. The strategy report identified that about 20 miles of the city's bicycle network has buffered bike lanes, and cycle tracks that satisfy the comfort level of most people. The strategy also stresses that consistency of LTS along corridors is as important as the LTS itself. This kind of an assessment could help identify network gaps and intersection "hot spots".

4.5.5 | Pedestrian and Bicycle Safety

Safety for pedestrians and cyclists are key measures of non-motorized transportation performance, and a critical policy priority for the city of San Francisco. The City and County of San Francisco adopted Vision Zero as a policy in 2014, committing to build better and safer streets, educate the public on traffic safety, enforce traffic laws, and adopt policy changes that save lives. The goal is to create a culture that prioritizes traffic safety and to ensure that mistakes don't result in serious injuries or death.

In tracking progress towards reducing injuries and fatalities, the primary source of data is the California Statewide Integrated Traffic Records System (SWITRS) maintained by the California Highway Patrol, which compiles all local collision reports into a unified database. Fatalities from traffic collisions are tracked, and collisions resulting in injury are classified by severity of injury. Table 4-9, below, displays injury and fatality statistics by involved party for the most recent decade for which traffic collision data has been analyzed (2003-2013).

As shown in Table 4-9, injury collisions among all users has varied throughout the decade, with no clearly discernible trends; injuries peaked in 2012 and then fell to their lowest level in the decade in the following year.

One clear trend is an increase in bicyclist collisions, which grew steadily over the decade, increasing by 112 percent between 2003 and 2012. This increase is likely due to the significant rise in bicycling activity observed in recent years and to the citywide injunction on bicycle improvements which was in place from 2006 until August 2010.

Collisions resulting in injury are a more reliable indicator of safety trends than traffic deaths: fatal collisions, being rarer events, are subject to more random fluctuation and greater relative (percentage) shifts on a year-to-year basis. Still, across a longer timeframe, traffic fatalities have declined significantly. Annual traffic deaths among all users in the 1960s regularly exceeded 100 per year; during the 2003-2013 period, annual traffic fatality totals have varied between 23 and 42 annually. Pedestrian fatalities have represented approximately 60% of total traffic deaths during this ten-year period, with annual figures varying between 13 and 25 pedestrian fatalities per year.

Since the launch of the Vision Zero policy in 2014, city agencies have redoubled efforts to reduce traffic injuries and fatalities. The SFMTA committed to implementing 24 safety engineering projects in 24 months, and has implemented 17 as of fall, 2015. During the same period, a major safety education campaign focused on increasing driver yielding to pedestrians was completed, and police citation activity increased significantly.

Table 4-9: Traffic Collision Injuries and Fatalities by Involved Party, 2003-2013

	YEAR	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Injury Collisions	All Users	3,511	3,038	3,227	2,869	3,021	3,010	2,877	3,081	3,111	3740	2562
	Pedestrians	815	727	747	726	796	799	695	784	844	942	518
	Bicyclists	311	316	343	343	451	468	531	599	630	658	454
Fatal Collisions	All Users	41	33	26	28	42	27	30	23	28	31	34
	Pedestrians	25	20	14	15	24	13	17	14	17	16	21
	Bicyclists	1	1	2	2	1	3	1	1	4	2	4

Source: California Highway Patrol SWITRS Annual Report

4.5.6 | Multimodal Volume Monitoring

Congestion on city streets and crowding on transit are the outcome of several factors including, for congestion, the number of cars driving; the roadway capacity available; construction, lane blockages, and other special events; allocation of signal green-time to various competing modes and movements, and for crowding, the number of riders; vehicle size, frequency of service, origin-destination demand patterns. These factors can be roughly classified into supply-side and demand-side. In order to understand the latter, and create a set of data that can be analyzed longitudinally by various modes, with the 2015 CMP the Transportation Authority began a biennial multimodal volume monitoring program which, in the first year, collected mainline traffic volumes at 29 locations and intersection traffic, bike, and pedestrian counts at 14 locations. Figure 4-7 shows locations where counts were collected. The mainline counts are continuous 3-day midweek counts (including two locations where weekend counts were also collected). The intersection counts were conducted on one day, with 2-hour AM peak and 2-hour PM peak counts, totaling 4-hours of counts at each location. By collecting volume at a fixed set of locations on a biennial basis, we can form a basis for some insight into trends over time. This complements the SFMTA's annual bicycle count program. Results of multiday mainline traffic counts are shown in Table 4-10. Results of multimodal peak period intersection counts are shown in Table 4-11

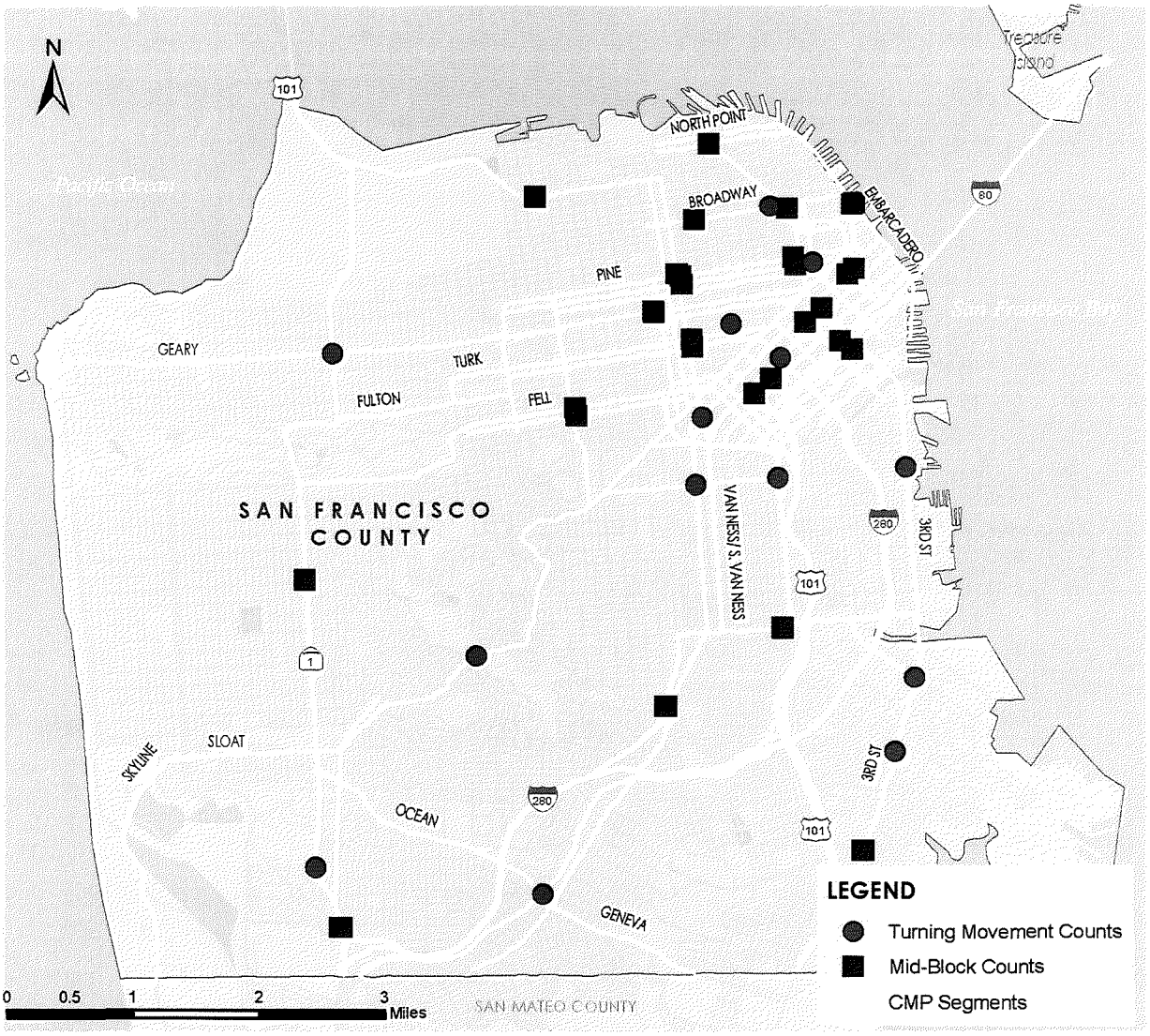


Figure 4-7: Locations of Turning Movement and Mid-Block Counts

Table 4-10: Traffic Volumes at Mainline Count Locations

	NORTHBOUND			SOUTHBOUND		
LOCATION	DAILY	AM	PM	DAILY	AM	PM
19th Ave between Moraga and Noriega	31,547	2,600	4,190	35,793	4,276	4,815
1st St between Mission and Minna	-	-	-	15,061	2,001	1,236
3rd St between Fitzgerald and Gilman	11,169	1,754	1,270	9,892	1,217	1,501
3rd St between Minna and Howard	29,231	3,661	3,274	-	-	-
4th St between Minna and Howard	-	-	-	14,859	1,242	2,274
7th St between Howard and Folsom	22,434	2,719	2,980	-	-	-
8th St between Tehama and Celementina	-	-	-	19,721	2,454	1,920
Columbus Ave between Broadway and Pacific	11,798	1,411	1,677	13,102	2,018	1,327

Fremont St between Mission and Natoma	19,928	2,493	2,109	-	-	-
Junipero Serra Blvd between Font and Brotherhood Ramps	50,644	5,931	6,234	49,438	6,408	6,720
Mission St between 24th and 25th	7,477	1,026	957	7,007	524	1,079
San Jose Ave between Randall and Saint Mary's	20,457	3,399	2,867	17,793	2,354	3,248
The Embarcadero between Broadway and Washington	19,132	2,576	2,022	16,424	2,140	1,664
Van Ness Ave Between California and Pine	25,347	2,997	2,799	21,788	2,025	3,121
	Eastbound			Westbound		
Bay St between Leavenworth and Columbus	11,572	2,562	1,325	10,806	947	2,357
Broadway Tunnel between Larken and Powell	16,423	2,114	1,867	14,345	1,295	2,412
Bryant St between 3rd and 4th	20,518	3,227	1,680	-	-	-
Bush St between Grant and Kearny	29,037	3,693	3,244	-	-	-
Bush St between Van Ness and Polk	21,215	2,985	2,021	-	-	-
Cesar Chavez St between York and Hampshire	28,494	3,287	3,782	25,407	3,592	3,282
Fell St between Divisadero and Scott	-	-	-	28,481	2,815	4,080
Geary Blvd between Laguna and Gough	18,189	3,298	2,099	16,443	1,499	2,595
Golden Gate Ave between Van Ness and Polk	13,569	1,997	1,726	-	-	-
Harrison St between 3rd and 4th	-	-	-	24,093	2,489	3,178
Lombard St between Broderick and Divisadero	25,346	3,920	2,939	25,452	2,214	3,820
Oak St between Divisadero and Scott	27,873	3,616	3,095	-	-	-
Pine St between Grant and Kearny	-	-	-	15,109	1,542	2,164
Pine St between Van Ness and Polk	-	-	-	18,327	1,276	2,867
Turk St between Van Ness and Polk	-	-	-	11,917	1,231	1,825

Table 4-11: Multimodal Volumes at Intersection Count Locations

	AM			PM		
LOCATION	VEHICLE TRAFFIC	BICYCLES	PEDESTRIANS	VEHICLE TRAFFIC	BICYCLES	PEDESTRIANS
3rd St and 16th St	3,574	61	172	4,043	96	254
3rd St and Evans Ave	3,445	61	218	3,496	63	230
3rd St and Palou Ave	3,192	73	780	3,696	76	969
6th St and Howard St	5,265	91	835	6,044	478	1,121
19th Ave and Holloway Ave	9,123	35	1,803	10,079	50	2,297
Geneva Ave and Alemany Blvd	5,287	21	216	5,651	24	402
Leavenworth St and Eddy St	2,049	20	1,336	2,225	44	2,216
Mission St and 16th St	2,913	121	3,279	4,238	199	5,352
Montgomery St and Bush St	3,385	87	7,395	2,158	44	9,165
Park Presidio Blvd and Geary Blvd	10,847	11	796	11,226	11	812
Portola Dr and O'Shaughnessy / Woodside	7,625	30	398	8,091	11	270
Potrero Ave and 16th St	4,452	74	776	5,834	100	785
South Van Ness Ave and 13th St	8,918	67	299	8,846	154	395
Stockton St and Broadway	4,178	81	3,554	4,514	78	4,295

4.6. Work Program Items

Work program items consist of those intended to improve the City's performance monitoring as well as initiatives targeted at improving system performance. Transportation Authority work program elements intended to continue and enhance performance monitoring include:

- Monitor CMP network speeds and LOS in Spring 2015.
- Collect vehicle, transit, pedestrian, and bicycle count information to understand longitudinal trends in demand.
- Monitor transit travel times and reliability on the CMP network and Muni Rapid Network, and work with SFMTA to further develop and establish regular spatial reliability data reporting.
- Work to include transit ridership in future monitoring results in order to estimate person-throughput on the CMP network.
- Coordinate with City departments to improve the availability and collection of data about level of service and performance of all modes. Examples of modal performance analyses include SFMTA's planned bicycle network comfort index study to inform project prioritization.
- With OEWD, SFMTA, and other partner agencies, support development of a data monitoring practice for all-night transportation as part of the Late Night Transportation Study.
- Coordinate with the SFMTA on bicycle counting and pedestrian counting projects.
- Collaborate with other City agencies to refine and standardize metrics for bicycle and pedestrian performance.

In addition, the Transportation Authority and City agencies will continue to engage in planning efforts and implement projects to improve performance of the transportation system. The San Francisco Transportation Plan, scheduled for adoption in December 2013, focuses on prioritizing projects and programs and developing strategies to improve system performance. The Transportation Authority will, as part of its efforts to improve performance:

- Continuously improve the San Francisco Model's capability to model all modes of transportation, including bicycle and pedestrian trips.
- Work with SFMTA to identify Transit Performance Initiative priorities (the City's long range priorities for BART, Caltrain, and Muni Metro). Fund a Long Range Transit Network Development study to identify solutions to Muni Metro system bottlenecks and include solutions that would improve the travel time and reliability of Muni Metro tunnel operations.
- Continue to participate in multimodal corridor improvement efforts such as the Better Market Street Project and BRT projects.
- Through a partnership with the region, counties, and Caltrans, identify and promote San Francisco's priorities for the regional freeway network. Set a vision for the management of the City's freeway management through the Freeway Performance Initiative.
- Continue to participate in citywide pedestrian safety initiatives, including through the Pedestrian Safety Task Force, by coordinating with other City agencies to implement the WalkFirst investment strategy, and by supporting the City's traffic calming program.
- Coordinate with SFMTA on development and implementation of the bicycle network.
- Dedicate Prop K funds to the design and implementation of complete streets enhancements that "Follow the Paving."

Table 4-A

Transit Service

Frequency and Coverage Standards

MUNI

Frequency Standard (headway in minutes)

		Weekday	
Route Type	**Day**	**Evening**	**Late Night**
Rapid	10	15	20
Grid	20	20	30
Circulator	30	30	--
Specialized		Based on demand	

		Weekend	
Route Type	**Day**	**Evening**	**Late Night**
Rapid	12	15	20
Grid	20	20	30
Circulator	30	30	--

Coverage Standard

All residential neighborhoods in San Francisco should be within a quarter of a mile of a Muni bus stop or rail line stop.

AC TRANSIT

Frequency Standard (headway in minutes)

SERVICE TYPE	**TIME PERIOD**				
	Peak	**Mid-day**	**Night**	**Owl**	**Weekend/Holidays**
Transbay Express	10-30	--	--	--	--
Transbay Basic	10-15	30-45	45-60	--	30

Coverage Standard

AC Transit provides two levels of service to the Transbay Terminal in San Francisco. Transbay Express provides medium to high frequency peak-hour service between San Francisco and selected areas of the District where there is demand for transit services which BART cannot meet. Transbay Basic provides direct service between San Francisco and major East Bay areas that are not well served by BART; the service operates all day at a medium to high frequency on a local and/or limited stop basis.

Table 4-A (cont.)

BART

Frequency Standard (headway in minutes)

LINE

TIME PERIOD	Pittsburg/ Bay Point	Dublin/ Pleasanton	Fremont-Daly City	Richmond-Millbrae	Downtown San Francisco (Combined)
Weekday Peak	5	15	15	15	2.7
Weekday Mid-day	15	15	15	15	3.8
Weekday Night	20	20	--	--	10.0
Saturday Day	20	20	20	20	5.0
Saturday Night	20	20	--	--	10.0
Sunday/Holiday all day	20	20	--	--	

Coverage Standard

BART rail service is provided between the hours of 4:00 a.m. and approximately 1:30 a.m. Monday through Friday, 6 a.m. to approximately 1:30 a.m. on Saturdays, and 8 a.m. to approximately 1:30 a.m. on Sundays and major holidays. Closings for individual stations are timed with the schedule for the last train beginning at approximately midnight.

BART has eight stations in San Francisco: Four spaced a half mile apart on Market Street and four at variable distances in the central and southern areas of the City.

CALTRAIN

Frequency Standard
Three trains per hour during peak periods, supplemented by Baby Bullet express service twice per hour during peak periods.

Sixty-minute headways on weekday midday, evening, and weekend service. Weekend service is supplemented by two Baby Bullet express trains.

Coverage Standard
The Caltrain system operates on a 77.2-mile route between San Francisco and Gilroy. There are 33 stations in the 19 cities that Caltrain serves, including two in San Francisco. San Francisco is also directly served by the Bayshore Caltrain station, located immediately south of the City/County limits in San Mateo County

Table 4-A (cont.)

GOLDEN GATE TRANSIT

Frequency Standard (headway in minutes)

SERVICE TYPE	TIME PERIOD Peak	Base
Commute Bus	60 (peak direction only)	
Basic Service Bus	60	60
Larkspur Ferry	2 hrs	2 hrs
Sausalito Ferry	2 hrs	2 hrs.

Coverage Standard

Commute bus routes operate weekdays, in the peak travel direction, between residential areas in Marin and Sonoma Counties and the San Francisco Financial District and Civic Center.
Basic service routes operate all day, seven days a week, between the Transbay Terminal and Civic Center in San Francisco and various suburban centers within Marin and Sonoma Counties.

Commute bus service will be considered in the commute and/or reverse-commute directions along service corridors with a demonstrated or projected daily ridership that supports at least two round-trips carrying 30 passengers per trip on average (120 passengers per day) when resources are available to improve service.

On ferries, improved headways will be considered in cases where the maximum load factor is exceeded and resources are available to improve service.

SAMTRANS

Frequency Standard (headway in minutes)

SERVICE TYPE	TIME PERIOD Peak	Off-Peak
Coastal	90	90
Community	60	--
Local	60	60
Multi-City	60	60
Mainline	30	60

Coverage Standard

SamTrans' goal is to ensure 70 percent of county residents live within walking distance (i.e., one quarter mile) of a bus stop. Transit access is determined by mapping all active bus stops within the system and then calculating the population (based on 2010 Census data) within one-quarter mile radii of those stops. This information is then compared to the total county population.

Table 4-B: Muni Service Standards and Goals 1999-2015

STANDARD	FY 99/00 Actual	FY 02/03 Goal	FY 02/03 Actual	FY 03/04 Goal	FY 03/04 Actual	FY 04/05 Goal	FY 04/05 Actual	FY 05/06 Goal	FY 05/06 Actual	FY 06/07 Goal	FY 06/07 Actual	FY 08/09 Goal	FY 08/09 Actual
Vehicles that run on time	46%	75%	71%	85%	68%	85%	71%	85%	69%	85%	71%	85%	73.30%
Scheduled service hours delivered	95.6%	97.5%	94.5%	98.5%	97.3%	98.5%	94.3%	98.5%	94.2%	98.5%	94.3%	98.5%	97%
Vehicles too full to board	0.2%	<5%	1.6%	<5%	2.1%	<5%	0.4%	<5%	1.6%	<5%	1.30%	<5%	AM: 3.9% PM: 2.8%
Peak period load factors (% of capacity)	Various	<85%	2 lines exceeded goal	<85%	3 lines exceeded goal	<85%	6 lines exceeded goal	<85%	7 lines exceeded goal	<85%	14.9% of lines exceeded goal	<85%	TBD in Next SRTP
Actual headways vs. scheduled	45%	85%	75%	85%	69%	85%	69%	85%	60%	85%	61%	85%	60.2%
Percentage of transit trips with <2 min bunching on Rapid Network													
Percentage of transit trips with +5 min gaps on Rapid Network													
Vehicle availability	99.6%	98.5%	99.6%	98.5%	99.0%	98.5%	98.4%	98.5%	98.3%	98.5%	99.1%	99.0%	TBD in Next SRTP

Sources: San Francisco Municipal Railway FY2008 - FY2027 Short Range Transit Plan, 2008, Prop E Annual Reports, Monthly Strategic Plan Metrics Reports.

Table 4-B: Muni Service Standards and Goals 1999-2015, Continued

STANDARD	FY 09/10 Goal	FY 09/10 Actual	FY 10/11 Goal	FY 10/11 Actual	FY 11/12 Goal	FY 11/12 Actual	FY 12/13 Goal	FY 12/13 Actual	FY 13/14 Goal	FY 13/14 Actual	FY 14/15 Goal	FY 14/15 Actual
Vehicles that run on time	85%	73.50%	85%	73%	85%	60.1%	85%	60%	85%	59%	85%	59%
Scheduled service hours delivered	98.5%	96.6	98.5%	97%	98.5%	96.7%	98.5%	97%	98.5%	97%	98.5%	97%
Vehicles too full to board	N/A	AM: 4.5% PM: 4.4%	<4%	AM: 5.2 % PM: 8.3%	<4%	AM: 5.9% PM: 7.1%	<4%	AM: 5.9% PM: 7.1%	<4%	AM: 7.4% PM: 8.6%	<4%	AM: 7.4% PM: 8.6%
Peak period load factors (% of capacity)	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP
Actual headways vs. scheduled	>85%	60.1%	>85%	64.7%	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping	Replaced by Bunching / Gapping
Percentage of transit trips with <2 min bunching on Rapid Network					Measure in Development	3.9%	Measure in Development	4.0%	Measure in Development	4.0%	Measure in Development	4.8%
Percentage of transit trips with +5 min gaps on Rapid Network					Measure in Development	19.5%	Measure in Development	17.8%	Measure in Development	18.6%	Measure in Development	17.2%
Vehicle availability	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP	TBD in Next SRTP

Sources: San Francisco Municipal Railway FY2008 - FY2027 Short Range Transit Plan, 2008, Prop E Annual Reports, Monthly Strategic Plan Metrics Reports.

CHAPTER FIVE

TRAVEL DEMAND MANAGEMENT ELEMENT

KEY TOPICS

- Legislative Requirements
- Legislative Intent and Application to San Francisco
- TDM Policy Framework
- TDM Policies and Programs
- Plans and Studies
- Work Program

5.1. Legislative Requirements

The Congestion Management Program legislation[1] requires that the CMP include a travel demand management (TDM) element. TDM refers to tools and strategies that can reduce congestion and driving alone while encouraging travel by walking, bicycling, transit, carpooling, and other modes of travel. TDM can include policies, requirements on new development, and information/outreach programs designed to facilitate the use of sustainable transportation options. This section describes San Francisco's TDM Policy Framework and TDM programs. .

5.2. Legislative Intent and Application to San Francisco

The CMP legislation's requirement for a TDM element encourages local policy and programs to promote travel behavior changes to reduce congestion and associated impacts identified in the CMP.

5.3. TDM Policy Framework

San Francisco has several guiding policy documents that shape the development of TDM activities. These include:

- **Transit First Policy.** In 1973, the City Planning Commission and the Board of Supervisors adopted the Transit First policy, giving priority to transit rather than accommodating the single occupant automobile. Over the next twenty years, Transit First has evolved into a set of policies advocating travel demand management and prioritization of alternative modes. The City's Transit First Policy is documented in the City Charter, the Transportation Element of the City's General Plan, the Planning Code, and other City ordinances.

[1] California Government Code Section 65098 (b)(3)

- **San Francisco General Plan.** The San Francisco General Plan includes multiple objectives relevant to TDM (see sidebar box). Many of the city's recent area plans, including the Transbay Transit Center District Plan (2009), the Eastern Neighborhoods Transportation Implementation Planning Study (2011), the Central Corridor Plan (Draft – 2013), and others, also include TDM objectives.
- **Inter-Agency TDM Strategy.** In 2014, City agencies developed an Interagency Travel Demand Management Strategy outlining the city's approach to TDM, including activities related to (1) Implementing new TDM Policies, (2) Enforcement of existing policies, and (3) Developing supportive programs and services.

5.3.1 | Objectives in the General Plan

The Transportation Element of the General Plan lays out the City's policy of transit-oriented solutions for accommodating growth in travel demand and discouraging single-occupant automobile travel:

- Objective 3: Maintain and enhance San Francisco's position as a regional destination without inducing a greater volume of through automobile traffic.
- Objective 4: Maintain and enhance San Francisco's position as the hub of a regional, city-centered transit system.
- Objective 7: Develop a parking strategy that encourages short-term parking at the periphery of downtown and long-term intercept parking at the periphery of the urbanized bay area to meet the needs of long-distance commuters traveling by automobile to San Francisco or nearby destinations.
- Objective 10: Develop and employ methods of measuring the performance of the city's transportation system that respond to its multi-modal nature.
- Objective 11: Establish public transit as the primary mode of transportation in San Francisco and as a means through which to guide future development and improve regional mobility and air quality.
- Objective 16: Develop and implement programs that will efficiently manage the supply of parking at employment centers throughout the city so as to discourage single-occupant ridership and encourage ridesharing, transit and other alternatives to the single-occupant automobile.
- Objective 17: Develop and implement parking management programs in the downtown that will provide alternatives encouraging the efficient use of the area's limited parking supply and abundant transit services.
- Objective 20: Give first priority to improving transit service throughout the city, providing a convenient and efficient system as a preferable alternative to automobile use.
- Objective 21: Develop transit as the primary mode of travel to and from downtown and all major activity centers within the region.
- Objective 23: Improve the city's pedestrian circulation system to provide for efficient, pleasant, and safe movement.
- Objective 27: Ensure that bicycles can be used safely and conveniently as a primary means of transportation, as well as for recreational purposes.
- Objective 28: Establish parking rates and off-street parking fare structures to reflect the full costs, monetary and environmental, of parking in the city.

- Objective 32: Limit parking in downtown to help ensure that the number of auto trips to and from downtown will not be detrimental to the growth or amenity of downtown.
- Objective 34: Relate the amount of parking in residential areas and neighborhood commercial districts to the capacity of the city's street system and land use patterns.

5.3.2 | Regional TDM Requirements - Transportation Control Measures

San Francisco is subject to regional air district requirements to implement TDM measures (also referred to as Transportation Control Measures) to address air quality issues. In 1991 as required by the California Clean Air Act (CCAA), the Association of Bay Area Governments (ABAG), the Bay Area Air Quality Management District (BAAQMD), and the Metropolitan Transportation Commission (MTC) jointly prepared the Bay Area Clean Air Plan, which included measures to reduce the total *number of trips* and miles traveled, ("Transportation Control Measures," or TCMs). The most recent Plan, the *2010 Bay Area Clean Air Plan*, was adopted by BAAQMD in March 2010. The Plan for the first time addresses greenhouse gases, as well as ozone, particulate matter, and air toxics. It also included new and revised TCMs.

Local agencies are expected to incorporate TCMs into planning and implementation for transportation and land use programs. The region, through the MTC, is held responsible for overall progress toward the stated goals. The CMP process provides an opportunity to integrate local planning and programming into the regional air quality planning process. Appendix 11 lists the currently adopted regional TCMs, and discusses how San Francisco's congestion management strategies contribute to, or reinforce, these measures.

5.4. TDM Policies and Programs

San Francisco currently has a range of TDM strategies including programs focused on employers, neighborhoods, schools, new development requirements and enforcement, and policies to promote sustainable modes. These strategies are described below in the following categories:

- TDM requirements on new development, including planning code requirements, requirements in area plans and development agreements.
- TDM policies, including the Commuter Benefits Ordinance and the Commuter Shuttle Policy.
- TDM programs including the on-street carsharing pilot program, bicycle sharing program, residential outreach program, and others.

5.4.1 | TDM Requirements on New Development

AREA PLANS AND DEVELOPMENT AGREEMENTS

Numerous TDM requirements are included within area plans and negotiated agreements for major developments. Significant examples include the following:

- **The Transit Center District Plan** emphasizes Transportation Demand Management as a means of reducing the reliance on automobiles and encouraging mode shifts to transit, carpooling, bicycling, and walking. The plan goals state that 95 percent of trips should be made by transit, walking, or bicycling. It includes supplementary objectives to reach this goal, such as parking

supply and management tools; transit incentives, and expansion of Section 163 requirements (see below).

- **The Park Merced Transportation Plan** includes shuttles to Daly City BART and a Shopper's Shuttle to local destinations. In addition, a transportation coordinator will coordinate and manage additional TDM programs.
- The **Candlestick Point & Hunters Point Shipyard Phase II Transportation Plan** proposes new bus service and infrastructure, and requires a Transportation Coordinator to manage unbundled parking, bicycle support facilities, provide transit passes (paid by homeowner's dues), and implement dynamic pricing for visitor parking. The TDM Program will target both residents and employers in the area, with employers expected to provide bicycle parking and amenities, carpooling and vanpooling services, Guaranteed Ride Home program, information on transportation alternatives, commuter checks, telecommuting options, and parking cash-out programs.
- The **Treasure Island Transportation Implementation Plan** includes a congestion pricing program, parking policies, mandatory pre-paid transit vouchers, ramp metering, and special events and emergency access transportation planning. The program will disincentivize residents' use of personal automobiles and increase the appeal of transit, walking, and bicycling. In addition, the parking policies will utilize parking maximums instead of minimums, and unbundle parking prices. Transit passes would also be mandatory for residential units and hotel guests. Additional TDM programs proposed in this plan include Bay Area Bikeshare stations, carshare availability, and employer TDM programs. In 2014, the San Francisco Transportation Authority was designated as the Mobility Management Agency for Treasure Island, and will be responsible for implementation of TDM on Treasure Island.

INSTITUTIONAL MASTER PLANS

TDM measures are also present in Institutional Master Plans, which city planning code requires for .all medical and post-secondary educational institutions in the City and County of San Francisco; currently 41 institutions are subject to the requirement. IMPs describe any planned campus expansions and present mitigations for reducing the impact of the expansion on the surrounding neighborhood; this could include TDM measures such as shuttles, changes to parking policy, etc. For example, the Institutional Master Plan prepared by the California Pacific Medical Center in 2008 describes the campus TDM program, which includes elements such as free transit passes, vanpool subsidies, and other measures.

SECTION 163 REQUIREMENTS AND TMASF

Planning Code Section 163 requires that all new development of over 100,000 square feet of new office space (or 25,000 square feet in some districts), or 100 residential units in specific zoning designations undertake measures to mitigate impacts on the transportation system, for the lifetime of the project. Section 163 was first added to the Planning Code in 1985 (Ordinance 414-85) as a means to mitigate the transportation impacts, and thus allow a greater density of development than would otherwise be possible. It was subsequently expanded to all new development of over 100,000 sf in downtown areas zoned C-3, and has more recently been expanded again to include other non-residential, office space outside of the C-3-O, and residential development

Planning Code 163 requires that project sponsors provide onsite transportation brokerage and management service to building occupants that include coordination, encouragement, and promotion of TDM activities, including:

- Transit and ridesharing
- Reduced parking demand and efficient use of parking
- Provision of car-sharing pods and use of car-sharing services (per Section 166)
- Flex-time or staggered work hours program
- Other activities determined by the Planning Department to be appropriate to meeting the purpose of this requirement

Buildings can elect to meet Section 163 requirements on their own or by contracting with a City-approved provider (or vendor) of transportation brokerage services or administering TDM services on their own. Currently, TMASF Connects, a non-profit organization, is the only City-approved vendor of transportation brokerage services. TMASF was first incorporated as a non-profit in 1989 and began to provide transportation management services in 1990. TMASF provides information support and promotions to its currently 68 member building tenants to reduce drive alone rates. Its member buildings report a single-occupancy vehicle (SOV) mode share of less than 10 percent in the last several years. TMASF's activities include providing a web site with transportation resources for employers and travelers, publishing a newsletter, issuing traveler alerts, and organizing periodic campaigns to promote sustainable commute alternatives.

MISSION BAY TRANSPORTATION MANAGEMENT ASSOCIATION

As a condition of the Mission Bay Development Plan, the Mission Bay Transportation Management Association (TMA) was formed and began operating in May 2010. The TMA operates shuttle service to and from BART and Caltrain, facilitates TDM marketing, provides bicycle parking assistance, and provides information via a website. Membership includes all property owners and developers. According to the 2014 Mission Bay Annual Report, projected annual shuttle ridership is expected to reach 394,160 boardings and ridership has continually increased since the inception of the shuttle in 2010.

PLANNING CODE REQUIREMENTS

The San Francisco Planning Code contains numerous additional requirements to help ensure new developments include features to support sustainable transportation. For example:

- Unbundled parking is required for residential buildings with ten or more dwelling units
- Carshare parking is required for residential and nonresidential development
- Secure bicycle parking is required across most types of development
- Showers and lockers are required for most commercial uses and for large retail uses

5.4.2 | TDM Policies and Programs

COMMUTER BENEFITS ORDINANCE

In August 2008, the City enacted a landmark Commuter Benefits Ordinance (CBO), which became effective on January 19, 2009. The ordinance requires businesses with locations in San Francisco and more than 20 employees to offer commuter benefits such as transit, vanpool, and bicycle programs to their eligible employees. In 2012, the Bay Area Air Quality Management District (BAAQMD) and the Bay Area Metropolitan Transportation Commission implemented a similar program on a pilot basis, but focused on employers with fifty or more full-time employees in the region (the local ordinance applies to employers in San Francisco with at least twenty employees nationwide).

The San Francisco Department of the Environment (SFE) is working with the region to coordinate both the local and regional ordinances for seamless implementation and program management. SFE works with employers with less than 50 employees and coordinates with the region when outreaching to employers with 50 or more employees. 2520 employers subject to the SF Commuter Benefits Ordinance have submitted a compliance form, with a cumulative 25,000 employees participating in their employer's commuter benefit program.

SFMTA COMMUTER SHUTTLE POLICY

Numerous employers, educational institutions, medical facilities, office buildings, and transportation management associations offer shuttle service to their employees, students, and clients. Some buildings are required to provide shuttle service as part of their conditions of approval, and an employer may comply with San Francisco's Commuter Benefits Ordinance by offering a free commute shuttle to employees. The majority of the commuter shuttles are closed systems that provide service to a specific population and are not open to the general public. Most shuttles are provided for free to employees (or students, tenants, etc.).

In 2014, SFMTA launched the Commuter Shuttles Pilot Program to create clear and enforceable locations and guidelines for private shuttle loading and unloading and reduce conflicts with Muni and other vehicles. In October, 2015, SFMTA released a Commuter Shuttle Policy that permits ongoing use of the shared stops subject to additional requirements.

SFMTA CARSHARING POLICY

Carsharing programs are encouraged in San Francisco as a means to reduce car ownership and decrease VMT[2]. The precise number of carsharing members in San Francisco is unknown but is increasing. In Plan Bay Area, the Metropolitan Transportation Commission (MTC) estimated a total of 60,000 carsharing members in the region when accounting for both City CarShare and Zipcar.

To further encourage carsharing, SFMTA developed a carsharing policy in 2013. The policy outlines a process whereby private carsharing companies can apply to use on-street parking spaces for carshare vehicles. Currently, 202 on-street parking spaces are reserved for carshare vehicles. The spaces are granted to three Carshare organizations (Zipcar, City CarShare, and Getaround), that SFMTA has qualified for the program. SFMTA will be evaluating the program and recommending next steps in spring, 2016.

EMERGENCY RIDE HOME PROGRAM

The San Francisco Department of Environment (SFE)'s Emergency Ride Home (ERH) program promotes sustainable commuting by ensuring a free or low-cost ride home in cases of emergency. The program pays for a ride home for employees of registered businesses in the event of illness, severe crisis, unscheduled overtime, or disruption of carpool or vanpool schedules. The program is designed to remove some of the risks and reliability concerns associated with the choice of carpooling or relying on transit service for the commute trip. SFE promotes the ERH program to City employees and all San Francisco employers and commuters. As of October 2015, over 780 San Francisco businesses were enrolled in the program.

[2] Cervero, R., Golub, A., & Nee, B. (2007). City CarShare: Longer-term travel demand and car ownership impacts. Transportation Research Record: Journal of the Transportation Research Board, 1992, 70-80.

CITYCYCLE PROGRAM

SFE has administered and promoted a bicycle fleet program, CityCycle, since 2005. The aim of the program is to convert a portion of the vehicle fleet of the City and County of San Francisco to bicycles through departmental efforts supplemented by targeted promotion. A Transportation Fund for Clean Air (TFCA) grant funds the bicycles, trailers, locks, helmets, and bike maintenance plan for bicycles in the City's fleet. SFE staff administers the program, including outreach to all City staff making a significant number of vehicle trips to accomplish their work duties. There are currently almost 300 CityCycle bicycles in use across 30 city departments. The SFE estimates that these bicycles eliminate about 30,000 vehicle miles of travel annually from San Francisco city streets.

CARPOOLS

SFMTA encourages the use of carpools and vanpools during the morning and evening commutes. The City provides a casual carpool pick-up location on Beale Street between Howard and Folsom, adjacent to the Temporary Transbay Terminal site. At this location, there is signage indicating several East Bay destination locations.

SFMTA also administers a program through which major employers (those with Transportation Brokerage Services described above) may provide parking for employee carpool vehicles (three or more riders) in City-owned garages at a reduced rate. The City also provides a limited amount of designated on-street parking in the downtown area for registered/permitted vanpool vehicles.

BIKESHARING

The first phase of the regional Bay Area Bike Share program opened on August 29, 2013 with 700 bikes at 70 stations in San Francisco and along the peninsula as a pilot program of the Bay Area Air Quality Management District and the Metropolitan Transportation Commission (MTC), and was initially operated by Alta Bikeshare. Half of the bikes are in San Francisco, concentrated around downtown and SoMa. In May 2015, MTC entered into contract with a private company, Motivate, which has promised to radically expand the program to as many as 7,000 bicycles throughout the Bay Area, drawing on corporate sponsorships for funding.

BART TRAVEL INCENTIVES PILOT PROJECT

Crowding on the BART system has reached untenable levels, especially in the Transbay market connecting the East Bay with downtown San Francisco. Trains have been operating above 100% of programmed capacity during peak periods in this corridor since 2012, and growth is expected to continue. BART predicts ridership growth at between 2 and 6 percent per year through 2040. BART is working on a number of capacity enhancing solutions, but all of these projects will take several years to come online and a more immediate solution is needed.

The Transportation Authority and BART are working together on a pilot project to address crowding by incentivizing riders to shift their travel to the shoulders of the peak period or other stations and routes. This will involve creating a BART loyalty program whereby riders receive rewards for using BART during off-peak periods. Traveler responses to the incentives will be monitored closely using transit smart card (Clipper) data, and incentives would be adjusted accordingly for maximum effect. The pilot is expected to launch during 2016.

SF MOVES NEIGHBORHOOD TDM OUTREACH PILOT PROJECT

SF Moves is a program that connects people who live, work, or own and operate businesses within certain San Francisco neighborhoods with resources to inform them about and familiarize them with

the City's transportation options. SF Moves is currently limited to residents, employees and business owners and managers within the Mission District, but will be expanded to other neighborhoods during 2016.

SF Moves is a partnership of the San Francisco Municipal Transportation Agency (SFMTA) and the San Francisco Department of the Environment through funding by the Bay Area Air Quality Management District's Transportation Fund for Clean Air and the San Francisco County Transportation Authority's Proposition K (San Francisco's half-cent local sales tax for transportation). The pilot is modeled on neighborhood TDM outreach programs demonstrated to be successful in other cities such as Portland, Oregon and Seattle, Washington.

5.4.3 | Parking Management

The General Plan, Planning Code, and Zoning Code guide parking management in San Francisco. San Francisco's existing parking policies are intended to support the city's development, and have been especially successful in the downtown area by limiting the provision of parking provided with new office development. Parking policies are also designed to support the City's Transit First policy through a combination of regulatory controls, revenue transfers, regulations, and incentives. The San Francisco Transportation Plan and Prop K Expenditure Plan category D1 provide policy guidance and funding for parking management initiatives. In November 2007, San Francisco voters approved Proposition A, which shifted responsibility for parking regulations, fees, and fines from the Board of Supervisors to SFMTA. In 2007, the Transportation Authority and the Metropolitan Transportation Commission (MTC) applied for and subsequently received a U.S. Department of Transportation (USDOT) Urban Partnership Program (UPP) grant, which includes $19.4 million for a demonstration of variable parking pricing as part of the Federal initiative to fight congestion. SFMTA is leading the implementation of the variable parking pricing pilots through the SF*park* program.

SFPARK

SF*park* was a demonstration project funded through the Department of Transportation's Urban Partnership Program. For the SF*park* pilot projects, the SFMTA used several strategies to make it easier to find a space and improve the parking experience, including:

- Demand-responsive pricing
- Making it easier to pay at meters and avoid citations
- Longer time limits
- Improved user interface and product design
- Improved information for drivers, including static directional signs to garages and real-time information about where parking is available on- and off-street
- Highly transparent, rules-based, and data-driven approach to making changes to parking prices

SF*park* piloted and cultivated several emerging technologies, including smart meters, parking sensors, and a sophisticated data management tool. The demonstration ran from 2010-2014, after which SFMTA evaluated the program. To isolate and measure the effects of policy changes, the SFMTA designated seven parking management districts as pilot areas, which included 6,000 metered spaces, or a quarter of the city's total metered parking spaces, and 12,250 spaces in SFMTA-administered garages, or 75 percent of the off-street spaces managed by the SFMTA. The SFMTA also used two additional areas as control areas where no changes to parking management or technology were implemented. The SFMTA collected "before", "mid-point", and "after" data in both pilot and control areas. The

evaluation found several benefits including better parking availability, improved ease of payment, and reduced circling for parking and associated reductions in greenhouse gas emissions and vehicle miles traveled, among other benefits. SFMTA is in the process of determining next steps for the SF*park* program.

5.5. TDM Studies and Plans

This section describes recently-completed and ongoing studies and planning efforts relevant to TDM.

5.5.1 | Travel Demand Management Toolkit

The SFMTA, City Planning Department, and SFCTA are partnering to develop a toolkit of TDM measures for new development. The toolkit will be used to ensure a consistent approach to including TDM in new development and ensuring that the most effective measures are prioritized. The toolkit is expected to be complete by 2016.

5.5.2 | TDM Partnership Project

In fall 2015, the Transportation Authority completed the Travel Demand Management Partnership Project, a three-year effort completed in collaboration with the SFMTA, SFE, and the Planning Department, and funded through the MTC's Bay Area Climate Initiatives Program, the Prop K half-cent sales tax for transportation, and the Transportation Fund for Clean Air. The purpose of the program was to pilot test new methods of engagement with the private sector, especially major employers and institutions, and to strengthen collaboration among agencies responsible for TDM. The partnership gave rise to the Commuter Shuttles Pilot Program and the Inter-Agency TDM Strategy, mentioned previously. The project final report recommended focusing employer outreach efforts on employers with a strong internal champion.

5.5.3 | Mobility Access & Pricing Study and Parking Supply and Utilization Study

In December, 2010, the Transportation Authority Board approved the final report of the San Francisco Mobility, Access and Pricing Study (MAPS). The study assessed the potential for implementing a peak-hour congestion charge in the northeast portion of the city, and found that the charge would be effective in reducing congestion. Following adoption of the study, stakeholders suggested exploring whether better downtown parking management could achieve some of the same benefits as congestion pricing.

In response, the Transportation Authority initiated the Parking Supply and Utilization Study in Summer 2013 in partnership with the San Francisco Municipal Transportation Agency. The Study is evaluating how parking management, focused on private supplies of off-street parking, could reduce roadway congestion and shift trips to walking, cycling, and transit. The Study is developing and evaluating different policy alternatives; recommendations are expected in December, 2015.

5.5.4 | San Francisco Transportation Plan

The San Francisco Transportation Plan, adopted in 2013, identifies TDM as a cost-effective investment to move closer to the plan's goals. Therefore, the SFTP recommends a 20 percent increase in funding

in the Investment Plan and a 100 percent increase in funding in the SF Investment Vision scenario. The Investment Plans also recommend the implementation of congestion pricing in the northeast cordon and on Treasure Island.

SFTP POLICY RECOMMENDATIONS RELATED TO TDM

- Implement the recommendations of the TDM Partnership Program including a SFMTA Shuttle Partners Program
- Explore an area-wide parking cap or employer trip reduction programs for SoMa/Mission Bay
- Develop TDM program that touches employers, visitors, schools, and residents
- Develop proactive employer outreach and incentive programs in the downtown core, southwest, and southeast parts of the city, and investigate formation of transportation management associations (TMAs) in these areas
- Increase enforcement efforts to ensure TDM measures included in existing development agreements are implemented, and step up enforcement of the city's commuter benefits ordinance
- Support SFMTA's regulatory programs to allow safe integration of third party providers
- Support development and implementation of the Transportation Sustainability Program
- Further evaluate potential congestion pricing program for the Northeast Cordon

In partnership with the SFMTA and the Planning Department, the Transportation Authority will begin a major update to the SFTP in 2016 as part of a Long Range Transportation Planning Program (LRTPP). As part of this effort, the team will further analyze TDM's role in meeting citywide goals such as vehicle miles travelled. This study will work in partnership with the SFMTA-led TDM framework and strategy. The LRTPP anticipates completing a visioning exercise in 2016, modal studies (including TDM) in 2017, and an update to the SFTP in 2018.

5.6. Inter-Agency Work Program

- Implement the Inter-Agency TDM strategy, developing an integrated TDM framework to guide the development of TDM activities across the City.
- Complete the TDM Toolkit for new development.
- Support enforcement of TDM-related developer commitments and planning code requirements.
- Complete the SF Moves residential outreach pilot, evaluate results and determine next steps.
- Continue enforcement of the SF Commuter Benefits Ordinance and increase rates of compliance.
- Complete the evaluation of the on-street carsharing program and determine next steps.
- Complete the BART Travel Incentives pilot project and determine next steps.
- Complete the San Francisco Parking Management and Utilization studies, and determine next steps for downtown parking management.
- Update the SFTP as part of Long Range Transportation Planning Program, including components focused on Travel Demand Management.
- Continue all other ongoing TDM programs and activities.
- Continue to work on regional TDM initiatives, coordinating with both regional entities (BAAQMD and MTC), and neighboring local agencies.

CHAPTER SIX

LAND USE IMPACTS ANALYSIS PROGRAM

KEY TOPICS

- Legislative Requirements
- Legislative Intent and Application to San Francisco
- Institutional Framework for a CMP Land Use Analysis Program
- Neighborhood Transportation Planning
- Infill Opportunity Zones
- Transportation Impact Analysis
- Work Program

6.1. Legislative Requirements

The California Government Code section 65089(b)(4) requires that Congestion Management Programs (CMPs) include a program to analyze the transportation system impacts of local land use decisions. These analyses must measure impacts using CMP performance measures, and estimate the costs of mitigating the impacts. The estimates should exclude costs associated with inter-regional travel and provide credit for public or private contributions to regional transportation system improvements. The legislation specifies that land use analysis programs should be coordinated with California Environmental Quality Act (CEQA) efforts, wherever applicable.

The CMP legislation also requires the Transportation Authority, as the Congestion Management Agency, to "develop a uniform database on traffic impacts for use in a countywide transportation computer model..." that will be used "to determine the quantitative impacts of development on the circulation system..." (California Government Code section 65089(c)). The database must be consistent with the modeling methodology used by regional planning agencies, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG), to comply with the CMP.

The Transportation Authority's GIS database, including ABAG Projections data, updated CMP networks, and numerous other data items (such as roadway level of service, transit ridership, travel behavior survey results, etc.) constitutes the uniform database for San Francisco. In addition, the Transportation Authority has an activity-based travel demand forecasting model used in combination with the uniform database. This is further detailed in Chapter 8.

In September of 2002 the legislature passed SB 1636, which is intended to "remove regulatory barriers around the development of infill housing, transit-oriented development, and mixed use commercial development" (65088(g)) by enabling local jurisdictions to designate "infill opportunity zones." These zones (IOZs) are defined as areas with compact, transit-oriented housing and mixed use in close proximity to transit service. The CMP network segments within a designated IOZ are exempt from CMP traffic level of service (LOS) standards. SB 743 revised the definition and requirements related to IOZs, as discussed in section 6.5. A map of San Francisco's IOZs can be seen in Figure 6-2.

On September 27, 2013, the governor signed into law SB 743, which revised the criteria for determining the significance of transportation impacts within transit priority areas. Transit priority areas are defined as areas within a half mile of a major transit stop, either existing, or planned, which in San Francisco comprises most of the city. The text of SB 743 specifically eliminates automobile delay as measured by level of service as a significant impact on the environment in transit priority areas. Parking impacts from infill development also shall not be considered significant impacts on the environment. On August 6, 2014, the Governor's Office of Planning and Research released a preliminary discussion draft of changes to CEQA guidelines, which identified vehicle miles traveled as generally the most appropriate measure of transportation impacts. After soliciting comments, the Office of Planning and Research has indicated that it intends to release final changes to CEQA guidelines in late 2015, with rulemaking complete in early 2016.

6.2. Legislative Intent and Application to San Francisco

The General Plan and the City Charter are the primary institutional parameters that frame the City's process for reviewing land development impacts on the transportation network. San Francisco is a Charter City, and it has a consolidated city and county government. An eleven-member Board of Supervisors serves as the legislative body for the City's unified city and county government. The City Planning Commission (CPC) has responsibility for land use decision-making throughout the City. The Mayor appoints the seven members of the CPC. Among the responsibilities of the CPC are the following:

- Exclusive authority to act on General Plan policies and area land use plans (per City Charter);
- Holding public hearings on all appeals to Negative Declaration determinations and certification of local Environmental Impact Reports; and
- Discretionary actions on Conditional Use permits, (which can be appealed to the Board of Supervisors) and decisions by the Zoning Administrator, Discretionary Reviews, and others that can be appealed to the Board of Appeals

In addition, both the CPC and the Board of Supervisors must approve all rezoning.

The Planning Department's land use responsibilities include transportation matters. The Planning Department has primary responsibility for assessment of the transportation impacts of development proposals, and to determine consistency with land use and transportation policies in the General Plan. The existing local regulations include measures to mitigate project-specific transportation impacts within the policy and priority framework of the General Plan, the long-range transportation plan, and the Capital Improvement Program (CIP) of the CMP.

As CMA for San Francisco, the Transportation Authority ensures that the City complies with CMP requirements including land use impact monitoring. AB 1619, passed by the California State Assembly in 1994, stipulates that the CMA should prepare any countywide transportation plan. Pursuant to a December 1994 action, the Board of Supervisors directed the Transportation Authority to prepare a countywide transportation plan, and to coordinate City Departments. An Interagency Project Charter for San Francisco Long Range Transportation Planning Program, executed in December 2015, between the Transportation Authority, the SFMTA, and the Planning Department, outlines roles and responsibilities for developing the Countywide Transportation Plan. The most recently adopted Plan,

now known as the San Francisco Transportation Plan (SFTP), was adopted by the Board in December of 2013. The Transportation Authority is currently completing an update of the Plan, which is expected to be adopted by the Transportation Authority Board in 2016.

6.2.1 | Policy Issues in Land Use and Transportation Demand

LOCAL TRANSPORTATION IMPACT ANALYSIS

The CMP-based land use analysis program links the City's land development decisions to conditions on the regional transportation system. This link already exists at the regional level in MTC's Regional Transportation Plan (RTP), which links long-range planning for transportation investment with estimates of land development based on regional demographic growth and economic development.

The City already has in place an extensive process for evaluating the transportation impacts of land development proposals. This process, which ensures the City's compliance with State and Federal environmental review requirements, is the responsibility of the Planning Department. In particular, with the passage of California Senate Bill 743 (see section 6.6), the City plans to align its CEQA review and development approval process to better align with RTP goals such as a vehicle miles traveled reduction target. Nevertheless, as CMA, the Transportation Authority has a role in ensuring that the impacts of land use decisions on the transportation system are analyzed with a uniform methodology, consistent with the long-term strategic goals of the General Plan and the San Francisco Transportation Plan.

UNIFORM METHODOLOGY

The Transportation Authority, as CMA, retains its own GIS database and travel demand model to analyze transportation and provide uniform assumptions for City departments. For major land use decisions, the Transportation Authority's tools are used to assess transportation impacts and ensure that the methodology used to assess them is consistent with MTC models and ABAG data.

One key aspect of the CMP approach to land use impacts analysis is that, pursuant to state law, the Transportation Authority will also be responsible for reviewing transportation analysis of specific development projects under CEQA and determining the consistency of these "sub-area" analyses with the citywide model. Examples of this role include our work to support the Bayview/Hunters Point Redevelopment Area Environmental Impact Report (EIR), the Transbay Center District Plan EIR, and the Market/Octavia Better Neighborhoods Plan EIR, and the Central SoMa Plan and EIR.

The primary purpose of the land use analysis program is, therefore, to inform decisions on the supply of transportation infrastructure to the City and how the City should best spend scarce transportation dollars. This program adds no new requirements to the existing local project environmental review process, but it provides a long-term transportation investment policy context for local environmental review. It also informs decision-making in the reverse direction: as CMA, the Transportation Authority is responsible for commenting on local land use decisions and making such comments with an understanding of how land use choices will shape future transportation demand. With the passage of California Senate Bill 743 and the future use of Vehicle Miles Traveled as a primary metric for determining traffic related environmental impacts, review of land use project will be more consistent with other goals in the SFTP and related City documents.

6.2.2 | Consistency with Long Term Strategic Goals of General Plan and San Francisco Transportation Plan

San Francisco has been able to maintain one of the highest levels of transit use among U.S. cities because of its relatively high-density development and because topography and geography limit vehicular access routes to and from the City.

There have been significant numbers of non-resident commuters into the city for over a century. To improve the balance of housing and jobs, during the 1980s San Francisco actively promoted new residential development. Extensive revisions to the City's General Plan and rezonings were undertaken. Each of these land use plans—the Downtown Plan, Rincon Hill, North of Market, Chinatown, Neighborhood Commercial, Van Ness Avenue, South of Market, and Mission Bay—incorporated measures to retain and enhance opportunities for residential development.

In recent years, several more area plans have been developed or adopted including: the Market/Octavia Plan, Eastern Neighborhoods Plan, Balboa and Glen Park BART Station Area Plans, the Treasure Island Plan, and the Transbay Center District Plan. In addition, housing development has been promoted by the policies of the San Francisco Redevelopment Agency and its successor agency, the Office of Community Investment and Infrastructure, in various areas, including the Rincon Point/South Beach, Yerba Buena Gardens, Transbay, the Bayview Hunters Point Redevelopment Plan Areas, Candlestick Point-Hunters Point Shipyard Phase 2, Parkmerced, and Visitacion Valley.

San Francisco's continued role as a regional employment center and its policy of housing development have had an impact on the demand for transportation in the city. A primary mission of the Transportation Authority is to strategize investment in the city's transportation infrastructure and promote the development of demand management tools to address growing travel demand. Infrastructure investment is intended both to address future growth in transportation demand and to improve the city's current transportation system. Demand management is needed to promote a balanced and cost-effective transportation system.

In past decades San Francisco's primary transportation challenge was to absorb new jobs downtown without proportionately increasing the number of workers commuting by car. That challenge was successfully met with the construction of BART and MUNI services focused on downtown commuting, combined with limits on parking provision.

Today San Francisco's transportation challenges are more varied. They are numerous and located across the city, throughout the various neighborhoods as well in core areas, which can expect not only employment growth but also extensive residential growth. Challenges include competitive transit service for non-commute and reverse commute trips; neighborhood parking management; safety for pedestrians and bicyclists; improved transit reliability and speed through the development of a transit priority network; and reducing emissions of pollution and greenhouse gasses. Increasingly, the imperative to address regional land use and transportation relationships is moving to the fore, with the targeting of resources to Priority Development Areas (PDAs) and development of a regional High Occupancy/Toll (HOT) lane system. In addition, state laws promulgated in 2006 and 2007 require greater integration of land use and transportation planning processes in recognition of the climate change challenge. Climate change issues and initiatives are discussed further in Section 6.3.5, below.

Underlying these needs is the challenge of finding new mechanisms to pay for needed transit and other improvements as development decisions are made. A discussion of the city's initiative to update transportation impact and mitigation fees is provided in Chapter 4.

NOTE: California Government Code Section 65089(b)(4) requires the land use program to assess the impacts of land development on regional transportation systems. In the 1991 San Francisco CMP this

was interpreted to mean impacts on the CMP roadway network. However, the federal Intermodal Surface Transportation Efficiency Act (ISTEA), passed in 1991, explicitly requires the development of a metropolitan transportation system (MTS), including both transit and highways. As discussed in Chapter 3, MTC contracted with the Transportation Authority, acting as CMA, to help develop the MTS and to use the CMP process to link land development decisions to impacts on the MTS. For purposes of the land use analysis program, the San Francisco CMP will use the San Francisco component of the MTS, but conformance with roadway level of service (LOS) standards will continue to be assessed using the CMP roadway network, which is a subset of the multimodal MTS.

6.3. Institutional and Policy Framework for a CMP Land Use Analysis Program

6.3.1 | Prop K Mandate

When voters approved Prop K in November 2003, they approved various policies and priorities in the Expenditure Plan designed to implement San Francisco's Transit First policy, and improve the coordination of land use and transportation.

Transit investment accounts for 65 percent of the San Francisco transportation sales tax expenditure plan (74 percent if paratransit is included), and the investment program supports the City's future growth plans.

The Expenditure Plan directs the Transportation Authority to "give priority for funding to major capital projects that are supportive of adopted land use plans with particular emphasis on improving transit supply to corridors designated for infill housing and other transit-supportive land uses."

The Plan goes on to define transit-supportive land uses as "those which help to increase the cost-effectiveness of transit service by improving transit ridership and reducing traffic along transit corridors."

All projects must also demonstrate consistency with the Prioritization Criteria in the Expenditure Plan. This includes "compatibility with existing and planned land uses, and with adopted standards for urban design and for the provision of pedestrian amenities; and supportiveness of planned growth in transit-friendly housing, employment and services."

Finally, the Expenditure Plan provides funding for neighborhood planning studies and local match for regional planning and capital grants such as the Community-Based Transportation Planning (CBTP) and Transportation for Livable Communities (TLC) grant program. TLC supports transit-oriented development and funds related improvements for transit, bicyclists, and pedestrians including streetscape beautification improvements such as landscaping, lighting, and street furniture.

6.3.2 | MTC/CMA Transportation/Land Use Work Plans

MTC provides the nine Bay Area CMAs with a share of regional planning funds ("3% Planning Funds") to support local and county-level planning functions established under state and federal law. These activities include the development of the CMP.

In 2003, MTC approved the San Francisco CMA's Transportation – Land Use Coordination Work Program (T-PLUS). T-PLUS recognizes the expanded role for the CMAs in coordinating transportation and land use planning, such as through the Transportation for Livable Communities (TLC) program. Pursuant to MTC's CMA Transportation/Land Use initiative, the Transportation Authority focuses on the following activities to help integrate transportation and land use decisions:

First, the Transportation Authority prioritizes transportation planning funds and capital investments that meet performance criteria or demonstrate a strong vision for coordinated land use and transportation development.

The Transportation Authority provides technical guidance and assistance with the planning process to partner agencies, communities, and project sponsors, including neighborhood planning, thereby facilitating access to discretionary state and regional grants and providing for coordinated county-level input into the regional transportation planning process.

The Transportation Authority promotes legislative activities that encourage smart growth, more sustainable transportation and development-related investment decisions by the City and developers, and more efficient travel decisions by all transportation system users. Examples include the Transportation Authority's support of the State Resources Agency's revisions to the CEQA Guidelines Transportation Checklist and our work with local partner agencies to reform the City's CEQA transportation impact analysis process.

The Transportation Authority coordinates county-level input into the regional Sustainable Communities Strategy (SCS), the RTP, and related regional land use planning efforts.

Finally, the Transportation Authority conducts project and program delivery oversight to ensure efficient use of funds and effective project delivery.

6.3.3 | Plan Bay Area and Priority Development Areas

ABAG and MTC have been working for years to encourage the region's municipalities to plan for compact, transit-oriented development to meet the region's sustainability goals. This work was previously conducted through the FOCUS program that invited municipalities to nominate locations to be considered as Priority Development Areas (PDAs) or Priority Conservation Areas (PCAs) based on regionally established criteria. In 2013, the region adopted Plan Bay Area, the first SCS for the San Francisco Bay Area prepared pursuant to Senate Bill 375 (Steinberg). PDAs and PCAs are key "building blocks" of the region's land use strategy presented in Plan Bay Area.

San Francisco has identified twelve PDAs, generally in the eastern part of San Francisco, and generally locations that have been comprehensively planned as part of an Area Plan process. Collectively, San Francisco's PDAs make up approximately 25% of San Francisco's land area and have the capacity to take on approximately 80% of the housing growth and 60% of the job growth that has been forecast in San Francisco as a part of the Plan Bay Area process (or about 80,000 housing units out of 92,000 and 143,000 jobs out of 191,000). San Francisco's PDAs were first identified and approved by the San Francisco Board of Supervisors in 2007 and have been updated since then to reflect slight changes to boundaries. San Francisco's PDAs are shown in Figure 6-1. San Francisco has also identified four Priority Conservation Areas (PCAs), as adopted by the Board of Supervisors in 2015: Sutro Tower, Aquavista/Twin Peaks, Bayview Radio Property, and Palou/Phelps Open Space. In August 2015, ABAG approved three additional regional PCAs that cross San Francisco: California Coast Trail (along the Pacific coast), San Francisco Bay Water Trail (including access points in San Francisco's Marina

District), and San Francisco Bay Trail (along the Embarcadero, through the Marina and over the Golden Gate Bridge).

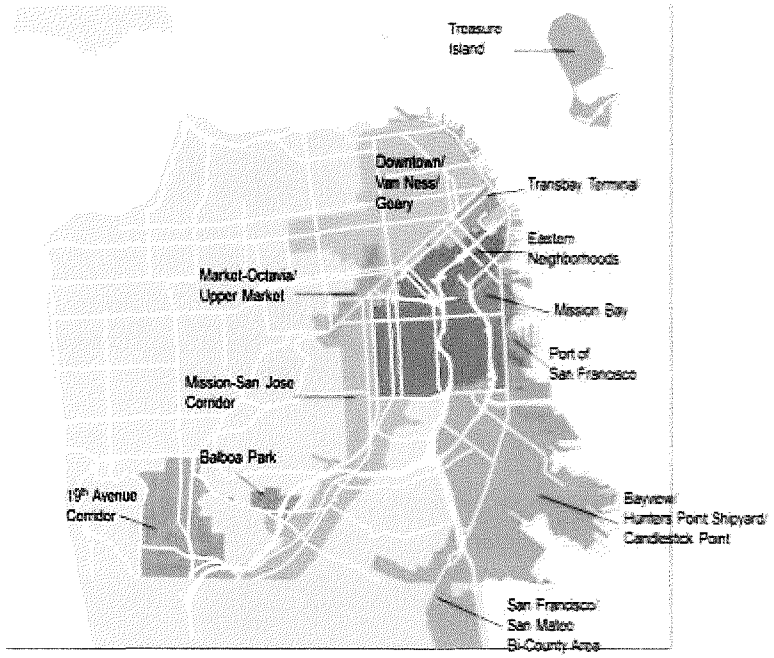


Figure 6-1: Priority Development Areas in San Francisco

As a part of Plan Bay Area, the region has begun to identify more robust funding incentives for PDAs and PCAs, as demonstrated through the One Bay Area Grant (OBAG) framework using funds from the Cycle 2 federal Surface Transportation Program and from the Congestion Mitigation and Air Quality Improvement Program for the five-year cycle (Fiscal Years 2012-13 through 2016-17). This includes the County OBAG program, administered by the Bay Area's Congestion Management Agencies (CMAs), that was created to incentivize jurisdictions to fulfill the region's land use and sustainability goals in several ways as listed below. More recently, these efforts to link transportation funding with PDAs and PCAs through the regional transportation plan and funding framework continue as part of the Plan Bay Area 2040 update and Cycle 2 OBAG (Fiscal Years 2017-18 through 2021-22) development processes.

- Cycle 1 County OBAG funds were distributed to the region's nine CMAs using a funding formula that was based 50 percent on population, 25 percent on historic housing production (with 12.5 percent of that share for affordable housing), and 25 percent on future housing growth assigned through the Regional Housing Needs Allocation (with 12.5 percent of that share for future affordable housing). While this change did not increase San Francisco's share of funding, it is an important policy direction of linking land use planning with transportation investment. For Cycle 2, MTC is considering giving an even greater weight to housing production and affordable housing, which would increase San Francisco's share from Cycle 1, despite the reduction in total OBAG program-wide funding.
- San Francisco and the other larger CMAs were required to program 70 percent of funds to support PDAs (smaller CMAs were required to program 50 percent of funds to support PDAs).

- All jurisdictions receiving funds were required to have a certified Housing Element and have adopted a Complete Streets policy to be eligible for funds.
- Each CMA was required to create a Transportation Investment and Growth Strategy that describes how it expects to support its PDAs through transportation investment. The Transportation Authority prepared San Francisco's Transportation Investment and Growth Strategy that was adopted by the Transportation Authority Board in July 2013.

The OBAG funding framework also created a new program being administered in concert with the Coastal Conservancy to support Priority Conservation Area-related planning and implementation activities.

In order to facilitate growth and transportation investments in the San Francisco's PDAs, the $2.38 million in Local PDA Planning funds were administered by the San Francisco Planning Department (SF Planning) in line with the Transportation Investment and Growth Strategy (see Table 6-1 for the list of projects).

Table 6-1: Local PDA Planning Projects in San Francisco

PROJECT	PDA SUPPORTED	FUNDING LEVEL
Rail Storage Alternatives Analysis & Boulevard Feasibility Study	Multiple (Mission Bay, Eastern Neighborhoods, Transbay Terminal)	$514,940
Embarcadero Multi-Modal Planning	Multiple (Port of San Francisco, Mission Bay, Eastern Neighborhoods, Transbay Terminal, Downtown/Van Ness/Geary)	$250,000
Bayshore Station Re-location	San Francisco/San Mateo Bi-County Area	$392,000
M-Ocean View Re-Alignment Study	19th Avenue Corridor	$492,000
Ocean Avenue Pedestrian and Streetscape Improvements	Balboa Park	$342,000
Caltrain North Terminal Study to Support Future Operations	Mission Bay	$177,060
Market/Noe Technical Analysis	Market & Octavia	$100,000
Administration	n/a	$112,000

6.3.4 | Multi Agency Land Use and Transportation Studies

In addition to projects identified to receive PDA Planning Funds, San Francisco is leading or plans to lead several studies in which transportation is closely tied to land use development. All planned development areas are located within PDAs and involve a multi-agency approach in which the Transportation Authority has a supporting role.

CORE CAPACITY TRANSIT STUDY

The Core Capacity Transit study is a multi-agency study to identify and prioritize the major investments needed to serve the growing demand for transit service in to the San Francisco Core, both from within the City and County of San Francisco as well as Transbay trips. The study will consider short, medium, and long term investments that could help upgrade the overall transportation system in these markets, with an eye towards the interrelationship between changes in local and regional land use and both transit service demand and provision. This study is expected to be completed in 2017.

6.3.5 | Climate Change Initiatives

AB 32, enacted in 2006, established a statewide target for greenhouse gas (GHG) emissions reduction and gave the California Air Resources Board (CARB) the authority to regulate GHG emissions, including those from private vehicles. The target reduction is to reach 1990 emission levels by 2020. In 2008, CARB approved a Scoping Plan that outlines the state's approach to reducing GHG emissions. Among other strategies, AB 32 calls for implementation of a cap-and-trade program to regulate GHGs, which commenced in January 2013.

SB 375, passed in 2008, provides a mechanism for the implementation of AB 32 for the transportation sector, which is responsible for approximately 40 percent of the state's GHG emissions. As required by SB 375, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) have developed Plan Bay Area the Bay Area's Sustainable Communities Strategy (SCS), described above.

Further proactive approaches that are both realistic and effective in addressing GHG reduction are needed to achieve AB 32 goals. It is also only prudent to recognize that there are limits to what can effectively be achieved in any one region. Climate change is not a local issue, and the federal government will need to play an expanded role in helping the state and region achieve GHG reductions. The effectiveness of that role will depend, in large measure, on the direction of federal climate legislation and the degree to which updates to federal surface transportation legislation will be able to secure reliable and stable revenues for transportation infrastructure projects and services, beyond what the state is able to fund in the foreseeable future.

It is inescapable that, in order for GHG reduction efforts to be effective, there will be a need to realign not just travel behavior, but locational choices for many economic activities that take place in the region. A timid approach will only produce marginal results. Local jurisdictions will be called to do their part in accepting growth, density and changes in travel behavior, and the region will need to realign its transportation investment priorities to provide funding for the infrastructure necessary to support those choices.

Locally, the City of San Francisco has adopted a citywide ordinance (81-08) that sets ambitious goals for local reduction to achieve an 80% reduction below 1990 levels by 2050. The Transportation Authority's SFTP effort is exploring strategies to meet that goal for the transportation sector, finding that efforts to significantly increase investment in non-auto transportation infrastructure and strong pricing and other demand management policies will not be enough to get the City to its GHG reduction goals, and that unprecedented behavior change is necessary. The Transportation Authority also coordinated with the San Francisco Department of the Environment (SFE) and the SFMTA on the 2013 update to the Climate Action Strategy (CAS) for the Transportation Sector, a component of the City's Climate Action Plan.

6.3.6 | Regional Land Use Forecasts

For most forecasting activities, the Transportation Authority is required to use regionally-adopted projections of future Bay Area land use growth, including the distribution and nature of that growth across the region's individual jurisdictions.

In 2013, ABAG adopted its most recent regional land use forecast. The SCS Jobs Housing Connection targets San Francisco to absorb an additional 90,000 households by 2040 (using 2010 as a baseline),

bringing the number of households to 470,000. Employment in San Francisco is projected to add 190,000 jobs by 2040, bringing the total to more than 750,000 jobs located in the city.

The region will require bold investment and system management policies—both to achieve a future in which Bay Area growth is more focused and to reach targets that cannot be attained with land use strategies alone. The need for substantial VMT reduction to reduce climate change impacts makes transit investment a priority need, with increased funding necessary for operations, maintenance, and prioritized capital projects. Transit is most constrained in the region's core areas, as was demonstrated by recent record levels of ridership across multiple Bay Area systems, including consistent ridership counts at or above capacity on multiple corridors and services.

System management and demand management must also begin to be more of a focus in the City's and region's investment programs. Pricing strategies, in particular, will be a crucial growth management tool and means of self-help for the region, system operators, and local jurisdictions. Pricing policies are already regionally supported through development of a regional HOT lane system, regional parking pricing initiatives, and initiatives to use pricing incentives to shape travel demand.

The region must recognize the real and pressing infrastructure and service needs of core areas if the RTP/SCS and related regional planning work is to be meaningful. San Francisco is committed to playing a central role in the region's sustainable growth.

6.4. Neighborhood Transportation Planning

The Transportation Authority supports community-based transportation improvements by leading and funding neighborhood-focused transportation planning studies. These efforts help address community transportation concerns and engage community leadership in the transportation planning process, especially in underserved and disadvantaged communities.

Over the last decade, the Transportation Authority, working with other agency partners, has completed several neighborhood transportation plans, many of which were funded with grants from the Metropolitan Transportation Commission's Community Based Transportation Planning (CBTP) program, which focuses planning resources in minority and low-income communities – referred to by MTC as Communities of Concern. These plans have included the following:

- Chinatown Neighborhood Transportation Plan and Pilot Study (2015)
- Potrero Hill Neighborhood Transportation Plan (2015)
- Western SOMA Neighborhood Transportation Plan (2012)
- Bayview Hunters Point Neighborhood Transportation Plan (2010)
- Columbus Avenue Neighborhood Transportation Plan (2010)
- 19th Avenue Park Presidio Neighborhood Transportation Plan (2008)
- Mission-Geneva Neighborhood Transportation Plan (2007)
- Mission South of Chavez Neighborhood Transportation Plan (2007)

The Transportation Authority also manages the Neighborhood Transportation Improvement Program, a Proposition K funded program established to support community-based neighborhood scale planning efforts in San Francisco neighborhoods, especially in underserved neighborhoods and areas with vulnerable populations (e.g. seniors, children, and/or people with disabilities). The goal of the program

is help neighborhoods in each supervisorial district create a pipeline of grant-ready projects that have a high degree of community and agency consensus. Another objective of the program is to increase the capacity of neighborhoods and Community-Based Organizations (CBOs) to undertake neighborhood transportation planning. Current projects include:

- District 1: Improving Connections from Golden Gate Park to the Presidio
- District 2: Lombard Study: Managing Access to the "Crooked Street"
- District 2: Lombard Street / U.S. 101 Corridor Pedestrian Safety Study
- District 5: Western Addition Community Based Neighborhood Transportation Plan (also funded with MTC CBTP funds)
- District 9: Alemany Interchange Improvement Study
- District 10: Cesar Chavez / Bayshore / Potrero Intersection Improvement Project
- District 10: Potrero Hill Pedestrian Safety and Transit Access

6.5. Infill Opportunity Zones

Senate Bill 1636 (Figueroa), passed in 2002, granted local jurisdictions the authority to designate Infill Opportunity Zones (IOZs) in areas meeting certain specified requirements. Within a designated IOZ, the CMA is not required to maintain traffic conditions to the automobile level of service (LOS) standard. The San Francisco Board of Supervisors adopted San Francisco's IOZ on December 8, 2009.

SB 743 (Steinberg), passed in 2013, changed the eligibility criteria for IOZ designation. Previously, local jurisdictions that met a minimize population threshold could designate an IOZ in areas that met certain criteria regarding zoning and transit proximity. Under the new requirements, jurisdictions may designate an IOZ in any area:

- That is within a half mile of a major transit stop or corridor that is included in the RTP;
- That is within a designated transit priority area within the regional SCS; and
- Where an IOZ would be consistent with the jurisdiction's General Plan and any applicable Specific Plan.

Figure 6-2 identifies the current IOZ areas in San Francisco. Under the new criteria, additional areas could be eligible for designation. See Appendix 4 for the Board of Supervisors resolution on the IOZ.

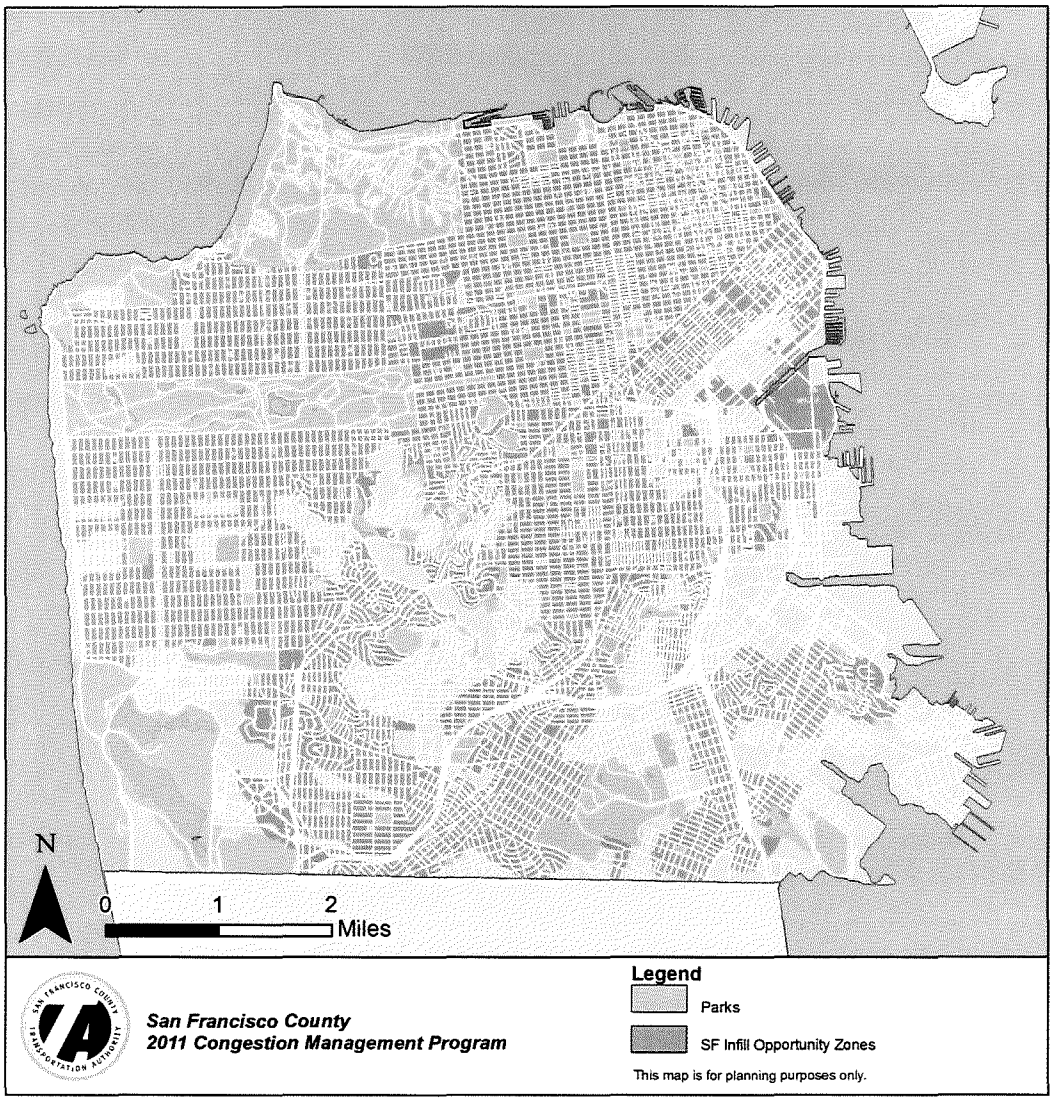


Figure 6-2: San Francisco IOZs

6.5.1 | Congestion Management Agency Requirements

State congestion management law requires CMAs to establish vehicle level of service (LOS) standards for a designated countywide network of roadways (see Chapter 3). Within a designated IOZ, CMP automobile LOS standards are not applicable. Instead, an alternative metric can be applied for local analysis of transportation impacts. The Transportation Authority is coordinating with relevant City agencies through the Transit Sustainability Fee effort to develop and implement the alternative to LOS, consistent with statutory requirements. The investment strategies, program funding, and policy recommendations in the San Francisco Transportation Plan is representative of the flexible level of service mitigation options as is required under SB 1636.

6.6. Transportation Impact Analysis

San Francisco's approach to conformance with the CMP land use impacts analysis requirements is based on the existing process administered by the Planning Department. The Planning Department works from its Transportation Impact Analysis Guidelines for Environmental Review (see Appendix 8).

The Transportation Authority is currently partnering with the Planning Department and other City agencies to improve the City's CEQA transportation impact analysis methodology and process, by advancing a measure consistent with SB 743 for assessing transportation impacts.

6.6.1 | Uniform Land Use Analysis Methodology

The Transportation Authority uses tools and analysis techniques that use regionally-consistent land use assumptions. For example, in updating the SFTP the Transportation Authority used land use forecasts developed by the Planning Department (subject to regional requirements for consistency with ABAG), generated new estimates of future travel demand, and tested alternative projects and investment strategies to address those future transportation needs.

6.6.2 | Transit Impact Development Fee

First enacted in 1981, the Downtown Transit Impact Development Fee (TIDF) ordinance was enacted as a means to have new development pay its fair share for expanded transit capacity to serve that development. TIDF assesses a one-time fee per square foot on new or converted office space in the downtown area.

In 2004, the Board of Supervisors recognized that a significant number of new transit trips would be generated by non-residential development. The Board approved an amendment to the TIDF legislation that expanded the ordinance to include the following land uses: visitor services; medical and health services; cultural, institutional, and educational (CIE); retail and entertainment; office use; and production, distribution, and repair (PDR). The legislation was also amended to include all new developments citywide, rather than just in the downtown office area. The 2004 TIDF ordinance established a fee schedule, which is subject to annual adjustment without further action by the Board of Supervisors to reflect changes in the relevant Consumer Price Index, as determined by the City Controller. The current fee schedule was last updated in February 2013, based on a nexus study completed in 2011, and is shown in Table 6-2. In addition to the annual fee adjustments, the ordinance lowered the threshold for triggering the TIDF from 3,000 square feet of new development to 800 square feet. It also established a new policy credit against the fee that could be available for small businesses and projects that provide less than the maximum authorized parking.

Table 6-2: 2013 TIDF Ordinance Fee Schedule

LAND USE CATEGORY	TIDF PER SQ. FT. OF DEVELOPMENT
Visitor Services	$12.64
Medical and Health Services	$13.30
Cultural/Institution/Education	$13.30
Museums	$11.05
Retail/Entertainment	$13.30
Management, Information and Professional	$12.64
Production/Distribution/Repair	$6.80

Appendix 9 contains a copy of the 2004 TIDF ordinance.

The revenues from the fee may subsidize capital and operating expenses for existing and new transit service. New development generates more transit trips, which add to the already heavily utilized transportation system, especially in the downtown area during peak periods. This, in turn, creates a greater burden on the City transit system. Because transit operates at or near capacity during peak periods, ridership growth must be addressed through increased Muni service frequencies. However, constrained infrastructure (e.g., Market Street tunnel) and reduced operating funding (e.g., from the state) limit the ability of Muni to increase peak-period service.

The impact fee levied on developers must be related to providing new or expanded transit service to support peak period travel generated by new development (including any costs associated with operations or capital). The need for transit services as a result of new development must be established. Furthermore, the proposed expenditures of the fee and the dollar amount of the fee must also have a "nexus" to the development project impacts.

At the time of writing, the Transportation Sustainability Fee, which increases the amount of the TIDF and expands its application to market rate residential development, is under consideration by the Board of Supervisors for approval.

6.6.3 | Transportation Sustainability Fee Nexus Study

CEQA TRANSPORTATION IMPACT ANALYSIS AND IMPACT FEE MITIGATION REFORM

CEQA requires California's public agencies to determine the potential for proposed projects to have significant impacts on the environment, including transportation impacts. CEQA also encourages agencies to develop thresholds of significance—the quantitative point at which an environmental effect may be considered significant—to facilitate these determinations. Although CEQA gives local jurisdictions discretion to adopt impact measures and significance thresholds, many agencies in California measure a project's effects on transportation using the Highway Capacity Manual's intersection Level of Service (LOS) measure, which measures delay to automobiles.

In October 2008, the Transportation Authority adopted the Final Report on the Automobile Trip Generation Impact Measure as an alternative to automobile LOS. The Report recommends that the City measure the transportation impacts of projects under CEQA based on the net new automobile trips generated (ATG) by a project. Project sponsors could mitigate trip generation impacts by paying a new auto trip mitigation fee (ATMF) that would fund a set of citywide and local area projects designed to address environmental impacts caused by the project.

The proposed replacement measure and mitigation approach was considered superior to the existing practice because it was:

- A better indicator of environmental effect than LOS;
- Consistent with the City's Transit First Policy and other environmental and health goals;
- More efficient and transparent for the Planning Department to implement and for project sponsors to understand; and
- A more effective approach to transportation impact mitigation.

In a separate but related development the Transportation Authority worked with the State Office of Policy and Research in 2009 to revise the CEQA Guidelines section on transportation impact analysis, which removed the exclusive reference to automobile LOS and replaced it with an option for local jurisdictions to select an alternative measure of transportation impact. The revisions also deleted references to parking as a transportation impact area.

In 2011, the Transportation Authority, together with the Planning Department, SFMTA and Mayor's Office of Economic and Workforce Development (OEWD), completed a Nexus Study for the proposed fee, the Transportation Sustainability Fee Program. The fee would be based upon the motorized trips generated by a project and fund a package of improvements designed to offset the transportation impacts of development including transit service and priority improvements, transportation demand management projects and bicycle and pedestrian network enhancements. Legislation for the Program was introduced to the San Francisco Board of Supervisors in May 2012. Since then, the City has been simultaneously pursuing environmental review and updating of the fee Nexus Study to be consistent with Plan Bay Area. On September 27, 2013, the governor signed into law SB743, which revised the criteria for determining the significance of transportation impacts within transit priority areas.

In the fall of 2014, the State of California Office of Planning and Research released draft guidelines for implementation of SB 743, indicating that vehicle miles traveled would be the primary metric for evaluating transportation impacts. Final guidelines are anticipated by the end of 2015 and completion of the rulemaking process will likely be completed by the end of 2016. At that point in time, level of service will no longer be used to determine transportation impacts under CEQA.

6.7. Work Program

The Transportation Authority will continue to work jointly with City departments and regional agencies to assess the transportation impacts of planned growth, to better link transportation and land use planning, and advance climate change-related goals related to transportation. Specifically, the Transportation Authority will:

- Support the development of the regional land use model.
- Continue to develop applications of land use data within the GIS and model databases to conduct multimodal performance measurement and analysis (e.g., the relationship of land use patterns to transit usage and coverage).
- Participate in statewide, regional, and local SB 375 implementation activities by coordinating San Francisco input and advocating for San Francisco priorities in such activities as the setting of targets and preparations for the next RTP/SCS.
- Coordinate with appropriate City departments to reform transportation impact analysis in San Francisco through participation in the Transit Sustainability Fee Nexus Study and follow-up efforts.
- Continue development of the Neighborhood Transportation Planning and PDA Planning efforts as recommended in the Transportation Investment and Growth Strategy.
- Coordinate with appropriate city departments to develop and adopt the 2017 SFTP update.

- Continue to review and provide technical support to ongoing area plans and land use studies under development, including PDA projects as listed in Table 6-1.

CHAPTER SEVEN

CAPITAL IMPROVEMENT PROGRAM

KEY TOPICS

- Legislative Requirements
- Relationship to Other Plans
- Relationship to City Department Activities
- Funding and Programming
- Amendment
- Project Delivery

7.1. Legislative Requirements

California Government Code 65089(b)(5) requires that the CMP contain a seven-year Capital Improvement Program (CIP), developed by the Congestion Management Agency (CMA), the Transportation Authority for San Francisco, to maintain or improve the transportation system performance measures established in the CMP, and to address impacts on the regional network, as identified through the land use impact analysis program.

7.2. Relationship to Other Plans

7.2.1 | Regional Transportation Plan and Countywide Transportation Plan

The CMP statute requires that each CMP be consistent with the long-range Regional Transportation Plan (RTP), developed by the regional transportation planning agency (the Metropolitan Transportation Commission, or MTC, for the Bay Area), and each county's component of the RTP must be supported by a long-range countywide transportation plan (San Francisco Transportation Plan, or SFTP), developed by the CMA. The CIP is intended to serve as a short or medium-range implementation vehicle for investment priorities as prioritized in the long-range plans.

Through the RTP, the MTC establishes the Bay Area's vision for transportation with supporting policies and investment strategies, including a list of specific projects and programs. Inclusion of projects and programs in the RTP is a prerequisite for receiving state and federal transportation grants for certain state or federal approvals and a requirement for capacity expanding projects that may have air quality impacts. The MTC adopted the most recent RTP, titled Plan Bay Area, in July 2013. Plan Bay Area is the region's first RTP that explicitly integrated transportation and land-use strategies to meet the SB 375 requirements to accommodate future population growth and reduce greenhouse gas emissions.

The Transportation Authority develops the SFTP for San Francisco, consistent with MTC guidelines, to guide transportation investment and to serve as a basis for RTP assumptions. The Transportation Authority adopted the SFTP in December 2013, which identified four goals (economic competitiveness, safe and livable neighborhoods, environmental health, and well maintained

infrastructure) and proposed scenarios that invest strategically in a diverse set of projects to make progress toward each of the goals. The Transportation Authority ensures the CIP projects, as well as their selection processes, are consistent with the SFTP. The SFTP is discussed in further detail in Chapter 6 (Land Use Impacts Analysis).

7.2.2 | Prop K and AA Expenditure Plans

In 2003, 75% of San Francisco voters approved Prop K, extending the existing half-cent sales tax for transportation and adopting a new 30-year Expenditure Plan. The 30-year Expenditure Plan directs $2.35 billion (in 2003 $'s) to a list of transportation projects that were developed through the first SFTP and are expected to leverage another $9.6 billion in other federal, state and local funds. In 2010, San Francisco voters approved Prop AA, authorizing an additional $10 vehicle registration fee on motor vehicles registered in San Francisco. Prop AA revenues fund projects in a 20-year Expenditure Plan and are meant to complement Prop K by adding funding to address capital shortfalls (e.g. in street resurfacing) and provide new funding for pedestrian safety, which has few dedicated funding sources.

As further discussed in the Funding and Programming section, the Prop K Strategic Plan and 5-Year Prioritization Programs (5YPPs) continue to ensure Prop K investments, one of the major funding sources for the CIP, are aligned with the updated SFTP priorities.

7.2.3 | Bay Area Clean Air Plan

The Transportation Authority ensures that the CIP conforms to air quality mitigation measures for transportation-related vehicle emissions, as detailed in the Bay Area Air Quality Management District's (BAAQMD) Clean Air Plan and related documents. This also raises San Francisco projects' competitiveness for external funds, since the MTC gives priority to proposed projects that support or help implement the mitigation measures outlined in the Clean Air Plan. See Appendix 11 for San Francisco's trip reduction efforts in relationship to the regional mitigation measures.

7.2.4 | Other Capital Plans and Short Range Transit Plans

Each City department develops its own capital investment plans for inclusion in San Francisco's ten-year Capital Plan. In addition to the citywide Capital Plan, the SFMTA has multiple short-term and long-term processes to prioritize its capital needs, including its Strategic Plan, Transit Fleet Management Plan, Short Range Transit Plan, and an Enterprise Asset Management System under development. Five regional transit operators that serve San Francisco also develop their own capital plans and Short Range Transit Plans: BART, AC Transit, SamTrans, Golden Gate Transit, and Caltrain. The Transportation Authority considers these plans as an input into its programming process to facilitate better coordination of San Francisco programming decisions with citywide and regional priorities in compliance with CMP requirements. Also see Section 7.3: Relationship to City Department Activities.

7.2.5 | San Francisco General Plan

The San Francisco City Charter assigns responsibility to the Planning Department for consistency review of capital improvements with the General Plan. This consistency review function is incorporated into the Transportation Authority's CIP programming process. If necessary, projects in the CIP may be

submitted to the Planning Department for a General Plan consistency check. However, in practice, this is not typically required as the SFTP is consistent with the General Plan.

7.3. Relationship to City Department Activities

The changes in programming introduced by the 1995 CMP, as explained in this chapter, do not substantially alter programming-related activities currently performed by City departments. The goal of the process is, in fact, to streamline the programming process so that complete and timely information is available to the Transportation Authority Board, providing a well-defined context that facilitates strategic programming policy decisions. It is important to note, for example, that each City department or other eligible project sponsor will continue to develop its own capital investment plans. The Transportation Authority's intent is not to suggest changes to the priorities within those plans, but rather to steer the overall programming strategy and analysis of trade-offs, with a particular focus on the fund sources included in this CIP.

The Transportation Authority review process, as explained in Section 7.5, provides the required structure to analyze programming and performance data that will inform those Transportation Authority Board decisions. It is important to note that the process is intended to function using information already developed by project sponsors. The most significant value added by the Transportation Authority's review process is in providing an overall context for transportation programming strategy and system performance to facilitate Transportation Authority Board decisions.

Key roles and responsibilities of the City departments and the Transportation Authority in the transportation programming process are summarized below.

7.3.1 | City Departments

1. Prepare plans, prioritize capital improvement programs and develop financial plans on an annual or biannual basis
2. Use financial constraints and strategies imposed by external agencies in addition to those established by the Transportation Authority and departments for various funding sources
3. Revise financial plans at regular intervals to reflect changes in project scope, budget or schedule, and changes in funding projections
4. Process CIP amendments through the Transportation Authority, and obtain Transportation Authority Board approval or administrative review before submittal of new information to outside agencies
5. Check eligible project list consistency with the San Francisco General Plan before adoption by Authority Board (performed by the Planning Department)
6. Make prioritization recommendations at the time of eligible project consistency review

7.3.2 | Transportation Authority

1. Develop, adopt, and update the CMP and its CIP
2. Process CIP amendments according to the established procedures
3. Provide input into the MTC, state, and federal agencies' process for the preparation and updates of the Regional, State, and Federal Transportation Improvement Programs (RTIP, STIP, and TIP) in coordination with sponsors.
4. Provide Prop K and Prop AA revenue estimates and advise on financial strategies

5. Develop Prop K and Prop AA Strategic Plan and 5YPP updates to respond to revisions in departments' and other project sponsors' (e.g. regional transit operators) capital and financial plans and to reflect CIP amendment decisions
6. Notify outside programming agencies of decisions on CIP amendments
7. Program the Prop K, the Prop AA, and the local (40%) portion of the TFCA funds, as well as discretionary funds as directed by the MTC, state, and federal agencies

7.4. Funding and Programming

As a result of the Transportation Authority's role as the Prop K and Prop AA administrator and the CMA, the capital priorities programming process not only involves state and federal funds that are required by state law to be programmed through the CMP but also incorporates the Prop K and Prop AA programming strategy. Listed below are major CIP funding sources administered by the Transportation Authority. Importantly, as described in the Relationship with Other Plans section, the Transportation Authority ensures that all CIP projects, as well as the programming and project selection processes, are consistent with the RTP, SFTP, and other requirements attached to the funding.

Evaluation of potential impacts of CIP projects on multimodal system performance is embedded throughout the project selection and monitoring processes. The results of the CMP multimodal system performance analysis and any deficiency findings will also be incorporated into the future CIP development as appropriate. Please refer to Chapter 4 for a detailed discussion of multimodal system performance.

7.4.1 | Surface Transportation Program / Congestion Mitigation Air Quality Program

Conformance with the CMP is required for a local jurisdiction to receive federal Surface Transportation Program (STP) funds or Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds. STP funds are among the most flexible and are used to support a wide range of transportation improvement projects across all modes. CMAQ funds are intended for projects that reduce transportation related emissions. Both funds are distributed mainly by the regional transportation planning agency, i.e. the MTC for the Bay Area. The MTC has divided the Bay Area's share of STP and CMAQ funds into multiple programs under the umbrella of the One Bay Area Grant (OBAG) program. Each of the OBAG programs typically has its own associated policies and guidelines in pursuant of RTP goals. Since the 2013 CMP, the MTC extended the overall STP/CMAQ investment framework from a four-year to a five-year period (originally federal fiscal years 2012/13 through 2015/16, now through 2016/17) since federal revenues had come in lower than expected for the first four years and projects were taking longer to deliver. One of the centerpieces of OBAG is the county share program, which is intended to better integrate the region's transportation program with land use and housing policies and to promote transportation investments in Priority Development Areas (PDAs). PDAs refer to locally-identified, regionally designated infill development opportunity areas within existing communities. Since the adoption of the final OBAG program of projects in June 2013, the Transportation Authority has provided monitoring and support for sponsor agencies as projects advance through the design and construction phases under the federal aid guidelines. See Appendix 12 for the updated project list.

7.4.2 | State Transportation Improvement Program

Inclusion in the CIP is a prerequisite for inclusion in the State Transportation Improvement Program (STIP), a five-year program of projects adopted by the California Transportation Commission (CTC) every two years. Priorities for approximately 75% of the STIP programming capacity are set by regional transportation planning agencies, and the remaining 25% is established by the state. The Regional Transportation Improvement Program (RTIP) is the MTC's submittal to the state, which is merged with other regions' RTIPs and additional CTC priorities to become the STIP. In the Bay Area, the practice has been for the CMAs to establish priorities for their county share, subject to the MTC's concurrence and the CTC approval of the region's RTIP. The Transportation Authority's Board-adopted list of San Francisco RTIP priorities include remaining commitment of about $147 million to four projects: Central Subway (first priority, $75.5 million), payback to MTC of an advance for Presidio Parkway (second priority, $34 million), Caltrain Electrification ($20 million), and Caltrain Downtown Extension to a Rebuilt Transbay Terminal ($17.9 million).

The STIP used to be a significant, although highly variable source of state funds for highways, local streets and roads, transit rehabilitation and expansion projects, and pedestrian and bicycle projects. In recent cycles, the biennial STIP programming cycles have experienced a drastic reduction in available funding, due primarily to reduced revenues from fuel taxes, but also to the lack of an adequately funded multi-year federal transportation bill. Given that this year's fund estimate is only $46 million statewide (vs. $1.3 billion in 2014 STIP), CTC is making no new funds available for CMAs in the 2016 STIP. In accordance with MTC's 2016 RTIP Policies and Procedures, CMAs must still submit their carryover programming and any associated changes from the 2014 STIP to MTC. Appendix 12 shows the San Francisco draft 2016 RTIP priorities. The 2016 STIP is expected to be approved by MTC in December 2015, followed by the CTC's adoption in March 2016.

7.4.3 | Prop K Transportation Sales Tax

Prop B was the first half-cent local sales tax for transportation in San Francisco, approved by San Francisco voters in 1989. Prop K, passed by the voters in November 2003, extended the half-cent local sales tax for transportation and adopted a new 30-year Expenditure Plan, superseding the prior one. At the time of the Expenditure Plan adoption, Prop K was expected to generate $2.35 billion (in 2003 $'s) over 30 years and to leverage close to $10 billion in federal, state, and other local funds.

The Expenditure Plan established four overall categories of investment and attached mandatory percentage shares of total Prop K revenues: Transit (65.5%), Street and Traffic Safety (24.6%), Paratransit (8.6%), and Transportation System Management / Strategic Initiatives (1.3%). The Expenditure Plan details eligible projects and programs, including named major capital projects (e.g. Central Subway, Caltrain Downtown Extension to a Rebuilt Transbay Terminal, Caltrain Electrification, and Replacement of Doyle Drive) and 21 programmatic (i.e. not project-specific) categories, ranging from street resurfacing to pedestrian and bicycle improvements to transit vehicle replacements to transportation demand management. Appendix 13 provides a summary of the Expenditure Plan, which lists the eligible projects and programs along with their shares of Prop K funds and expected leveraging goals.

As required by the Expenditure Plan, the Transportation Authority Board adopts a Prop K Strategic Plan to guide the day-to-day implementation of the Prop K program, and for each of the programmatic categories, a 5YPP. The Prop K Strategic Plan is the financial tool that guides the timing and allocation of Prop K revenues over the 30-year Expenditure Plan period, and it considers many factors, such as the presence of matching funds and the likelihood of projects to move forward in the year proposed. The 5YPP includes prioritization criteria, a five-year list of projects (with scope, schedule, cost, and

funding information), and performance measures. The Strategic Plan and 5YPPs are updated quadrennially in coordination with updates to the RTP and may, between quadrennial updates, be amended as needed, as determined and recommended by the Executive Director. In 2014 the Transportation Authority approved the 2014 Strategic Plan and 5YPPs, which cover Fiscal Years 2014/15 - 2018/19. The update was strongly coordinated with Plan Bay Area and the SFTP update. Appendix 14 provides a list of programmatic categories in the Expenditure Plan and refers to the current 2014 5YPP project lists. Appendix 15 summarizes the funding levels in the 2014 Strategic Plan baseline as adopted in September 2014.

7.4.4 | Prop AA Vehicle Registration Fee

Prop AA is a $10 countywide vehicle registration fee that was passed by San Francisco voters in 2010. Total revenues are estimated over the 30-year period at approximately $150 million (year of expenditure), or approximately $5.0 million annually, to fund smaller, high-impact projects throughout the city on a pay-as-you-go basis. The Prop AA Expenditure Plan established four categories of investment and attached mandatory percentage shares over 30 years: Street Repair & Reconstruction (50%), Pedestrian Safety (25%), and Transit Reliability & Mobility Improvements (25%). In December 2012, the Transportation Authority Board approved the first Prop AA Strategic Plan, which guides the timing of expenditures, and sets policies for day-to-day management of the program. The Strategic Plan directs $26.4 million to projects through Fiscal Year 2016/17. See Appendix 16 for the Prop AA Strategic Plan Programming.

7.4.5 | Transportation Fund for Clean Air

The Transportation Fund for Clean Air Program (TFCA) was established to fund the most cost effective transportation projects that achieve emission reductions from motor vehicles. Funds are generated from a $4 surcharge on the vehicle registration fee. Forty percent of the funds are set aside for Program Managers for each of the nine counties in the Bay Area Air Quality Management District (BAAQMD). The Transportation Authority is the designated TFCA Program Manager for San Francisco. In that capacity, it programs approximately $800,000 every year to clean air vehicles, shuttle operations, bicycle and pedestrian improvements, and other eligible transportation projects that help clean up the air by reducing motor vehicle emissions. The Transportation Authority also provides assistance to project sponsors in applying Regional TFCA funds, programmed directly by the BAAQMD. The remaining sixty percent of the revenues, referred to as the Regional Fund, is distributed on a competitive basis to applicants from the nine Bay Area counties. See Appendix 12 for the list of San Francisco TFCA projects selected since the last CMP.

7.4.6 | Lifeline Transportation Program

The MTC established the Lifeline Transportation Program (LTP) to improve transportation choices for low-income persons as part of the 2005 RTP. For the Cycle 4 LTP, the MTC assigned a total of up to $4.9 million in two different funding sources (i.e. federal Job Access and Reverse Commute (JARC) and State Transit Assistance (STA) funds) to the Transportation Authority, and assigned state Prop 1B funds to transit operators, including $6.1 million to the SFMTA and $4.6 million to BART, to program with the Transportation Authority's concurrence. See Appendix 12 for the Cycle 3 LTP project list.

7.5. Amendment

The previous sections describe the central role of the CMP in establishing standards and measuring or otherwise assessing the performance of the multimodal transportation system, and the role of the CIP in helping to maintain that level of performance. Any proposed changes to CIP projects must therefore first be assessed by the Transportation Authority for potential effects on the system performance. Because project viability can be affected by changes in any component of its funding package, the requirement for Transportation Authority review applies to all funding components of CIP projects, whether they are directly programmed by the Transportation Authority or not. There are two kinds of CIP amendments: policy level and administrative level.

7.5.1 | Policy-Level CIP Amendments

Policy-level amendments apply to changes that are deemed by the Transportation Authority to be significant enough that they have the potential to affect the performance of the multimodal transportation system, such as scope, schedule, or budget changes that will affect the year of delivery (completion), the amount or availability of operating funds, the year of programming, the fund source designation, or any other aspect of the funding packet requiring action by the MTC or the CTC for funds initially prioritized or programmed by the Transportation Authority. Policy-level amendments require approval by the Transportation Authority Board prior to processing of the change by the project sponsor.

Regardless of the funding source or other programming aspects affected, the Executive Director may rule that a requested CIP amendment is administrative if the proposed changes, involving one or more projects and one or more funding sources, requires programming actions that can be authorized at the staff level at the MTC or the CTC, or at the regional office level for federal agencies, such as administrative TIP amendments, or if it results in the following:

- no net change in the total amount of funds allocated to each of the projects involved; and
- no change to the total amount of dollars of each funding source, all affected projects combined; and
- no increase in Prop K or Prop AA match required, all affected projects combined; and
- when a programming year is involved, it will have no effect on the delivery schedule for the project because the schedule is determined by documented external factors.

7.5.2 | Administrative-Level CIP Amendments

These apply mostly to programming changes that can alter the overall transportation programming strategy for San Francisco even though their individual effects on system performance may only be very marginal. Such programming changes will trigger the need for administrative level review even if they are not tied to a specific project listed in the CIP as long as they affect San Francisco's share of a transportation funding source listed in the CIP. The purpose of this requirement is to ensure that the Transportation Authority has the required information to evaluate programming strategy and the performance of CIP projects in the context of the universe of programming and project delivery decisions in San Francisco. Administrative-level amendments will only require notification to and concurrent review by the Transportation Authority's Executive Director or her designee. In addition,

proposed changes to Prop K and Prop AA programming will automatically trigger administrative-level review and, at the Executive Director's discretion, may require policy-level amendments.

7.5.3 | Applicability of CIP Amendments

Applicable funding sources include but are not limited to those programmed directly by the Transportation Authority, such as county share STP/CMAQ, RIP, LTP (JARC, STA, and STP), TFCA, Prop K, and Prop AA. Certain funding sources are programmed through state or regional processes and typically become available to project sponsors through a separate application procedure. In some cases, the funds are allocated on a first-come, first-served basis, so project sponsors' ability to act quickly is crucial. Further, many sources have timely use of funds requirements where failure to meet deadlines can result in loss of funds to the project or to San Francisco or prohibition from applying for future cycles until deadlines are met. The MTC has requested that CMAs assist with oversight of certain funding sources (e.g. Highway Safety Improvement Program) even if not directly prioritized by CMAs. The intent is to improve project delivery and specifically to avoid loss of funds to the region. The Transportation Authority encourages sponsors to proactively notify the Transportation Authority of any project delivery issues or other issues that may threaten a project's ability to meet timely use of fund deadlines, whether sources covered by CIP amendments or not. The Transportation Authority can serve as a resource and facilitator to help resolve delivery issues and avoid loss of funds to San Francisco projects.

7.5.4 | Amendment Process

In order to avoid additional reporting burdens on project sponsors, there is no specific form or format for submittals to the Transportation Authority. However, project sponsors wishing to make application to regional, state, or federal programming agencies for changes affecting current CIP programming must provide a brief written explanation (email is acceptable) and a description of proposed changes.

The Transportation Authority performs an initial administrative level review, to determine the need for further application information as well as to suggest the appropriate level CIP amendment required. This is followed by detailed, concurrent reviews for programming and performance implications. The process also calls for discussions with project sponsors to resolve any issues identified by the Transportation Authority's review, and establishes basic procedures to ensure disposition of the requests for review within a reasonable period of time. The timelines proposed below will vary depending upon the urgency of the request and external factors, such as deadlines established by the MTC or Caltrans.

REQUEST IN-TAKE REVIEW: Upon receipt of a request for programming changes, the Transportation Authority will perform an initial staff-level review. Within ten (10) working days after receipt of the request, the Transportation Authority will communicate in writing to the applicant the need for any additional information, necessary in order to further process the application. Within ten (10) working days after receipt of all information necessary to complete the request, the Transportation Authority will notify the applicant in writing if the amendment is approved administratively; appears to be administrative but requires additional information to approve; or is a policy-level amendment requiring Transportation Authority Board action. If the Transportation Authority finds that a policy-level amendment will be required, the communication will include:

- a schedule for Transportation Authority Board approval;

- a preliminary list of unresolved conformance or consistency issues identified in connection with the request; and
- a proposed course of action for resolution of these issues, including, at least, consultation and joint efforts with the applicant.

DETAILED REVIEW FOR POLICY-LEVEL AMENDMENT: Unless otherwise specified in the proposed schedule for resolution of issues, within ten (10) working days after the notification, the Transportation Authority will complete a detailed review of the request. The detailed review will include two components: a programming review, and a performance review. To expedite the process, both reviews will be carried out concurrently at the Transportation Authority.

The programming review will evaluate issues of Prop K and Prop AA Strategic Plan consistency and CMP CIP conformance, focusing on the following key strategic programming and fiscal policy factors:

- **Cost of Money:** Does the proposed change limit availability of funding by Prop K or Prop AA category or by state or federal funding source? Does it require or bring the Transportation Authority closer to the need to bond in order to deliver the Prop K program? Does it otherwise affect other CIP funding sources so as to increase the cost of money?
- **Leveraging Capacity:** Does the proposed programming change improve or worsen the Transportation Authority's prospective ability to capture state and federal funds for San Francisco projects? Does it increase the required local (Prop K, Prop AA, or other) match?
- **Other Programming Policy Consistency:** Does the proposed programming change result in a skew of the funding category targets established in the Prop K or Prop AA Strategic Plan? Does it substantially alter the programming priorities established in the Strategic Plan of 5YPPs? Does it substantially alter the programming priorities established in the latest CMP CIP?

The performance review will evaluate impacts on the performance of San Francisco's multimodal transportation system according to the criteria described below. These analyses are intended to provide order-of-magnitude findings about future system performance, particularly cumulative impacts on operating conditions at the facility, corridor, or systemwide level. The process is not focused on prediction of minor changes in individual CMP network segments.

- **Effects of Schedule Changes on Performance:** Does the proposed programming change involve or result in a delay in the delivery (completion) of any CIP projects? Are there significant anticipated impacts on system performance because of completion delays?
- **Effects of Scope Changes on Performance:** Does the proposed programming change result in a downsizing of CIP projects?
- **Potential Deficiencies:** Does the proposed programming change create the potential for a deficiency on the CMP network? Does it adversely affect the City's ability to implement already adopted deficiency plans? Does it adversely affect the likely effectiveness or delivery timelines for an already adopted deficiency plan?
- **Multimodal Balance:** Does the proposed programming change affect the multimodal balance of the CIP? Does it significantly degrade performance conditions for one mode vis-à-vis other modes? Is it likely to significantly affect certain categories of travelers vs. others (e.g., will it adversely affect off-peak transit riders vs. drivers, or local vs. through trips?).
- **Subarea Impacts.** The analysis will address questions such as is the proposed programming change likely to result in disproportionate adverse impacts to system performance for one subarea of the City vs. the others?

DISPOSITION OF POLICY-LEVEL AMENDMENT REQUESTS: If there are no outstanding issues identified during the review process, the item will be scheduled for Transportation Authority Board action at the next meeting, with a recommendation for approval. If issues identified during the review process are not resolved within the time frame specified in the initial notification, the Transportation Authority will establish a schedule for final resolution of these issues, and invite the pertinent programming agencies to facilitate the process. The findings and recommendations from this process will be agendized for Transportation Authority Board action on a schedule determined by the Executive Director.

As part of the evaluation process for all CIP Amendments, the Transportation Authority will explicitly consider and recommend adjustments to the Prop K and Prop AA Strategic Plans and to the TFCA program, as appropriate, to maintain consistency. Such adjustments will be scheduled for Transportation Authority Board action concurrently with the corresponding CIP Amendments.

The Transportation Authority will notify the pertinent regional, state, or federal agencies of the Transportation Authority Board action on policy level CIP Amendments, and/or staff-level approval of Administrative-Level CIP Amendments, as appropriate.

7.6. Project Delivery

One of the key purposes of the CMP is to establish the link between transportation investment and system performance. Programming projects in the CIP is only half of the picture. In order to be effective, the CIP must also function as a transportation project *delivery* mechanism. Failure to deliver projects or delays in implementation can affect system performance. Further, depending upon the fund source, delay in obligating funds or implementing a project can result in loss of funds to the project, to San Francisco, and/or to the Bay Area. In the long run, poor project delivery rates can influence state and federal authorization levels for transportation funding, leading to fewer resources to dedicate to maintaining and improving the transportation system.

The Transportation Authority has mechanisms in place for tracking Prop K and Prop AA project delivery (i.e., the Strategic Plan, 5YPPs, the Portal, MyStreetSF.com, and ongoing project management oversight activities). As a CMA, the Transportation Authority continues to work with the MTC and Caltrans to monitor project delivery rates for projects programmed in the RTIP and federal TIP, and serve as a resource to facilitate and advocate for San Francisco sponsors.

CHAPTER 8

TRAVEL DEMAND MODEL AND UNIFORM DATABASE

KEY TOPICS

- Legislative Requirements
- Legislative Intent and Application to San Francisco
- Technical Approach
- Work Programs Items

8.1. Legislative Requirements

California Government Code section 65089 (c), requires that each Congestion Management Agency (CMA), in consultation with the regional transportation planning agency (the Metropolitan Transportation Commission (MTC) in the Bay Area), the county, and local jurisdictions, develop a uniform database on traffic impacts for use in a countywide transportation computer model. The CMA must approve computer models used for county sub-areas, including models used by local jurisdictions for land use impact analysis. All models must be consistent with the modeling methodology and databases used by the regional transportation planning agency.

8.2. Legislative Intent and Application to San Francisco

Congestion management legislation was enacted in part to help transportation planning agencies identify the source of the transportation impacts of land use decisions. All Bay Area counties except San Francisco include multiple local jurisdictions each of which has authority over land use within its boundaries. The transportation impacts of decisions made in one local jurisdiction are felt across local jurisdictional boundaries. The travel demand model is intended as a technical tool to analyze land use impacts across local jurisdictions from a uniform technical basis.

As a unified City and County, San Francisco is spared the need to estimate transportation impacts across city boundaries, although inter-county impacts must still be considered. San Francisco's travel demand forecasting challenge is primarily the forecasting of travel by modes other than the private automobile, (e.g. transit, pedestrian, and cycling trips).

The Transportation Authority continually updates and refines their travel demand forecasting model, San Francisco Chained Activity Modeling Process (SF-CHAMP). Since the creation of the original San Francisco model in 2000, the model's geographic scope has been extended to the full nine-county Bay Area, along with significant improvements to pricing sensitivity and time-of-day modeling. The

Metropolitan Transportation Commission (MTC) has also now developed an activity based model with a similar structure.

In 2014, the Transportation Authority completed SF-CHAMP 5.0, which was calibrated using Census 2010 and The California Household Travel Survey (CHTS) 2010-2012. Previous model versions used earlier Census and household travel survey data. The Model Consistency Report for CHAMP 5.0 is included as Appendix 17. In 2015, the Transportation Authority updated their model to SF-CHAMP 5.1, which includes an updated bicycle route choice model, and are currently testing SF-CHAMP 5.2 which will include more accurate representation of parking prices and better sensitivity to them.

The Transportation Authority continues to use its Geographic Information System (GIS) database as a supplemental analysis tool for appropriate CMP purposes.

The model is integrated with the Transportation Authority's GIS database. The GIS is ideally suited for the graphic display of model outputs and more detailed spatial analysis. Together, GIS and the San Francisco Travel Demand Forecasting Model can be very effective both for sketch planning and the policy-level travel demand and performance forecasting exercises associated with long-range planning. The Transportation Authority's integrated model and GIS allow the ready presentation of data using graphics and maps.

The following section provides an overview of the San Francisco Travel Demand Forecasting Model and the GIS database.

8.3. Technical Approach

8.3.1 | The San Francisco Travel Demand Forecasting Model

The San Francisco Travel Demand Forecasting Model, known as SF-CHAMP, is a computer-based tool used to assess the impacts of land use, socioeconomic, and transportation system changes on the performance of the transportation system. SF-CHAMP was developed to reflect the unique transportation, socioeconomic, and land use characteristics of San Francisco and the Bay Area. The Model uses residents' observed travel patterns; detailed representations of the region's transportation system, population and employment characteristics; transit line boardings during specific time periods; roadway volumes; bicycle networks; tolling and parking pricing; and the number of vehicles available to households to simulate daily travel activity and measure performance. Future year transportation, land use, and socioeconomic inputs are used to forecast future travel demand.

I. ACTIVITY-BASED MICROSIMULATION

SF-CHAMP incorporates a state of the art approach to forecasting travel demand. This activity-based microsimulation model is sensitive to a broad array of conditions that influence travelers' choices.

One of the fundamental differences between SF-CHAMP and traditional models is that it is tour-based not trip-based. A tour is a sequence of trips made by an individual that begins and ends at home without any intermediate stops at home, whereas a trip is a single movement from an origin to a destination. Furthermore, the Transportation Authority's model predicts tours for individual household members (over five years old) and the resulting trips that comprise each tour, rather than just trips for each household, as in most traditional travel demand models. Tour-based models do not

require data beyond what is needed to develop a four-step travel model system. However, the tour-based methodology allows the model to:

- deal more realistically and precisely with trip chaining and interrelationships between individual trips made over the entire day;
- separate travel into mandatory and discretionary tours; and
- provide a more precise estimate of volumes that can support microsimulation models.

The second fundamental difference between SF-CHAMP and traditional models is that each individual's travel patterns are microsimulated, allowing previous decisions and preferences to inform subsequent decisions. Importantly, the combination of microsimulation and tour-based methodology allows decision-makers to understand not just the changes in the magnitude and direction of trip-making associated with a transportation or land use change, but also which San Francisco or Bay Area residents are most directly affected by that change. This equity analysis is a key advancement over traditional four-step models. Tour-based models also account more reliably for the complexities involved in multi-mode trip making. SF-CHAMP addresses the tradeoffs between modes for the full tour, as well as the tradeoffs between modal options of trips within a tour.

II. MODEL APPLICATIONS

The Transportation Authority uses the SF-CHAMP to provide detailed forecasts supporting a number of specific planning applications, including the countywide transportation plan known as the San Francisco Transportation Plan (SFTP), the Transportation Authority's Strategic Analysis Reports (SARs), policy analyses, mobility assessments, the Transit Core Capacity Study, the Regional Transportation Plan, the Transportation Sustainability Fee Nexus Study, and environmental analyses. Current model applications include Better Market Street, the Parking Supply and Utilization Study, the Freeway Corridor Management Study, and the Treasure Island Mobility Management Study.

Historically, the Transportation Authority also applied the model to assess Proposition K Expenditure Plan performance and impacts, as well as the full 2004 Countywide Transportation Plan package.

III. MODEL DEVELOPMENT AND ENHANCEMENTS

The key inputs required to develop and apply a travel demand forecasting model include information on household and individual travel behavior (obtained in a household travel survey), representations of the pedestrian, transit, and roadway networks, and spatial representations of employment and residential characteristics. In the SF-CHAMP, most of the model components were estimated (the process of establishing the relationship between various relevant inputs) using household travel data collected by the Metropolitan Transportation Commission (MTC). In addition to the household travel survey, a "stated preference" survey collected preference data on transit reliability, crowding, personal security, and auto parking availability and cost.

Note that SF-CHAMP is not a single model but, in fact, a series of component models that operate in a coordinated fashion, each with its own unique purpose. The following paragraphs provide brief overviews of the model inputs and components. Figure 8-1 illustrates how the model components are structured to produce travel demand forecasts.

At the time of its initial release, SF-CHAMP was one of the first activity-based travel demand models used in practice and has been continuously used and updated both in order to take advantage of new data, and to be appropriately sensitive to issues confronted in new projects and plans for which it is

used. SF-CHAMP version 5.1 is the current version of the model. The following paragraphs discuss the evolution of SF-CHAMP from version 3.0 to 5.1.

SF-CHAMP 3.0 is a hybrid model that forecasts the daily activity patterns and travel for San Francisco residents, but uses the Metropolitan Transportation Commission's (MTC) BAYCAST-90 model for non-San Francisco residents. This approach was appropriate to keep the initial implementation of an advanced tool manageable. For modeling pricing policies in San Francisco, however, this approach was limiting because much of the travel activity within San Francisco is generated by residents of other counties. In order to treat the entire Bay Area region in a consistent manner, CHAMP 4.0 predicts the daily activity patterns and tours of every Bay Area resident in all nine counties.

SF-CHAMP version 4.0 Harold added capabilities with respect to pricing sensitivity. Previous model versions did not have an explicit toll-choice model. Rather, SF-CHAMP 3.0 considered any bridge tolls during the "highway assignment" model component. SF-CHAMP 4.0 uses a "nested logit" approach for modeling tolls, which more accurately represents carpool cost-sharing, variations in travelers' values-of-time, and relationship to mode choice. Through this enhancement, it is possible to represent the choice of driving around a congestion pricing zone for free, or paying a toll to take advantage of time savings offered by reduced congestion in the priced area.

The SF-CHAMP 4.0 model was also enhanced to use continuous value-of-time distributions, rather than a single value of time for each of three income groups. This particular enhancement allows for a much greater range of variability across individuals, and is very well suited to models, such as SF-CHAMP, implemented in a micro-simulation framework. A new stated-preference survey was used to analyze the elasticities of mode and time-of-day choice to pricing policies. In addition, the following structural changes were made:

- Destination choice for non-work tours was moved up in the model chain so that chosen destinations can inform time-of-day choice (work destination choice already preceded time-of-day choice); and
- A detailed half-hourly trip time-of-day choice model was added to the end of the model chain, specifically to model peak spreading for auto trips.

SF-CHAMP version 4.3, Fury, incorporated significant advances in transit, pedestrian, and bicycle modeling. In order to more robustly address the effects of transit crowding, SF-CHAMP version 4.3, Fury, incorporated an iterative transit assignment was used that incorporated a feedback function that calculated dwell times as a function of boardings and alightings, and sought an equilibrated transit assignment similar to how highway assignment has been traditionally addressed. A bicycle route choice model, estimated using the CycleTracks smartphone data, was added in order to capture the effects of bicycle infrastructure construction. Furthermore, a simplified pedestrian route choice model was added in order to take into account hills and varying levels of pedestrian attractiveness. All of these improved route choice components were then used to estimate new mode choice models, which also included additional modes such as Ferry. These mode choice models were estimated using BATS2000 data and also included a more nuanced understanding of the effects of congested travel time on the utility of driving. In addition to mode choice, the auto ownership models were re-estimated using BATS2000 data. All models were calibrated to 2000 and where possible 2010 conditions and validated using transit boardings and vehicle count data.

Mode choice models were re-calibrated for SF-CHAMP 5.0 using California Household Travel Survey 2010-2012, which performed better than previous household travel surveys at capturing all trips made by a household during the survey day, and especially non-motorized trips, which are historically more

likely to be underreported. The calibration also used observed highway volumes from Caltrans' Performance Measurement System (PeMS), and observed transit data from BART, Muni, AC Transit, Caltrain, and other transit operators. SF-CHAMP 5.1 implements and updated bicycle route choice model, which was estimated using data obtained from CycleTracks and calibrated using bicycle counts from SFMTA's array of permanent, automatic bicycle counters.

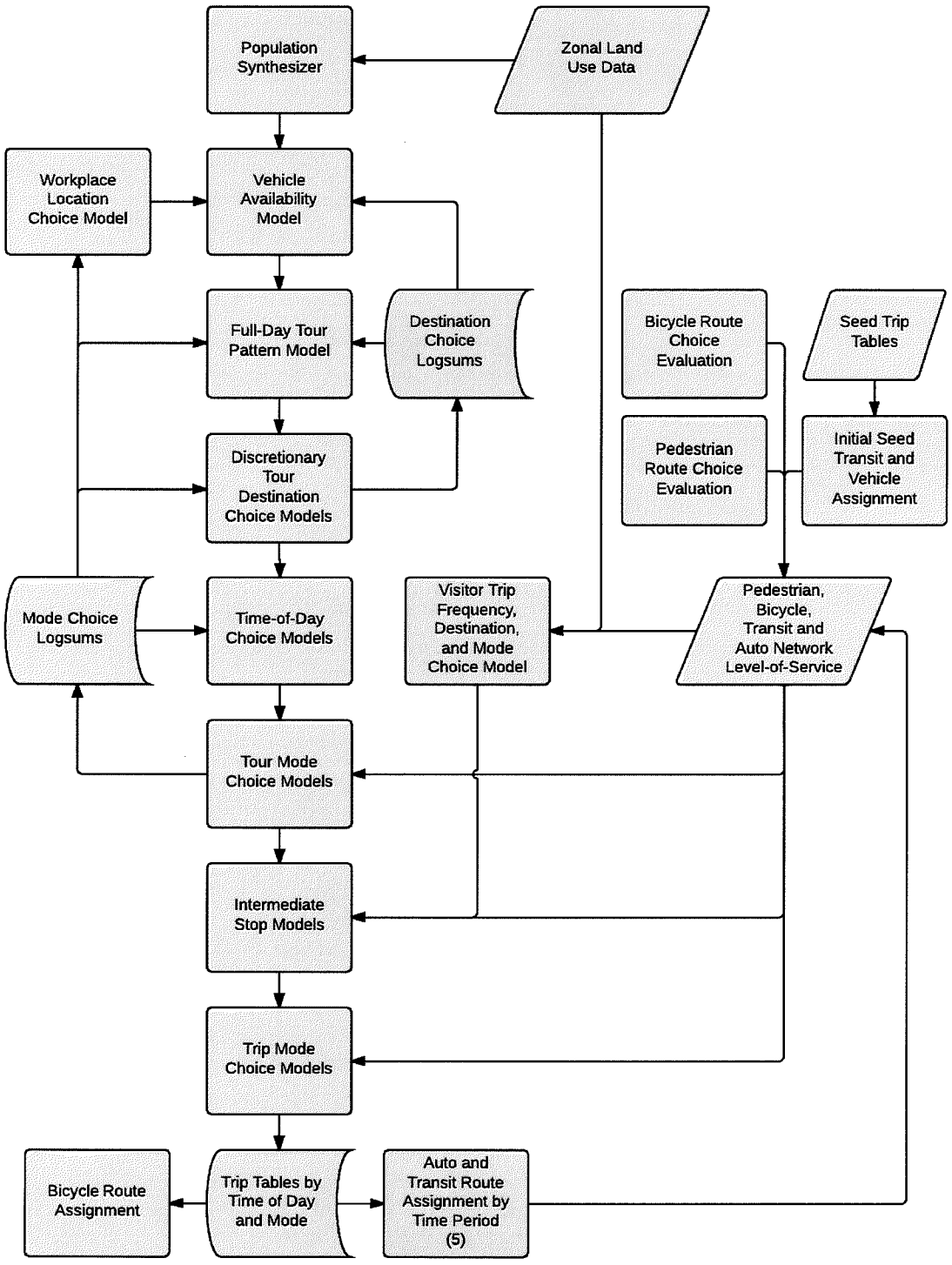


Figure 8-1: CHAMP 5.1 Model Components

IV. MODEL INPUT AND COMPONENTS

San Francisco's travel demand model has the capability to use any standard set of ABAG land use projections as an input. Currently, most projects use the Sustainable Communities Strategies - Jobs Housing Connection ABAG forecast for population, households, jobs, and employed residents. Outside of San Francisco, the direct land use inputs to the MTC model are used. Within San Francisco, the San Francisco Planning Department allocates the countywide control totals for population, households, jobs, and employed residents to Transportation Analysis Zones (TAZs). Base year and future year forecasts were developed using a parcel-level residential and employment database, inventories of new development projects under construction, approved, and under review, and information on development potential for major area plans.

The San Francisco 981 TAZ system is used within the City and County of San Francisco. Outside of the City, the San Francisco Model zone system is the same as the MTC Model 1454 zone system. Overall the model has approximately 2,250 zones. As part of the CHAMP 3.0 release, the model zone system was updated in 2007 to reflect MTC's new 1,454-zone system. The number of zones within San Francisco was also increased from 766 to 981 as part of this update.

SF-CHAMP's transportation networks are very detailed and use network assumptions consistent with the MTC Regional Transportation Plan. Within San Francisco, the network is the original City base map developed by the San Francisco Department of Public Works. It is highly spatially accurate and it includes every street segment within the City. For external counties, the roadway network from the MTC regional model highway network was used as a base. All local and regional transit route alignments and all stop locations are coded in the SF-CHAMP's transit networks. Outside San Francisco, the MTC regional model transit network is used to represent the pertinent transit services. The model networks are ground-truthed and updated on an ongoing and project-specific basis.

V. POPULATION SYNTHESIS

The model uses a synthesized population of Bay Area residents. As described earlier, SF-CHAMP is an activity-based microsimulation model. This means that the model works at the level of the individual decision-maker – each Bay Area resident. It is therefore necessary to create a representation of each decision-maker. TAZ-level totals of households, population, and employed residents, as well as census-based distributions of household configuration, age, and income-level serve as inputs to the population synthesis model.

The model samples the Census Public Use Microdata Sample (PUMS) (from the American Communities) household records, and then assigns these to the TAZ, based on the control totals and marginal distributions. The result is a file with one record for each decision-maker. It matches all control totals and distributions when aggregated to the TAZ-level.

VI. VEHICLE AVAILABILITY

The vehicle availability model predicts the vehicles available in each household for each Bay Area resident. The model estimates the probabilities of having zero, one, two, or three or more vehicles available. The Model accounts for tradeoffs for auto ownership based on the employment locations of workers in the household. This is a significant factor for auto ownership in a transit-rich environment such as San Francisco..

The vehicle availability model was validated primarily on two key variables, number of workers per household and super district1, using the 2010 Census and CHTS 2010-2012.

VII. FULL DAY PATTERN MODEL

The main feature of the full day pattern approach is that it simultaneously predicts the main components of all of a person's travel across the day. Predicting tours (a sequence of trips made by an individual that begin and end at home without any intermediate stops at home) rather than trips is a significant improvement over traditional trip generation procedures because of the relationships between trips on any tour. Figure 8-2 illustrates the difference between trips (as estimated in the traditional four-step process) and tours.

Several models are used to predict the full day pattern. The **Primary Tour Generation Models** predict whether each individual will make either no tour on a typical weekday or will make a primary tour for one of the following purposes: work, school, or other. The individual's primary tour is defined as the longest tour in elapsed time made with a stop at work, school, or for other purposes. All of these tours are home-based. Work-based tours and secondary home-based tours are also predicted. The models also predict whether there are intermediate stops on each primary tour: none, one, or more on the outbound portion only, one or more on the inbound portion only, or one or more on both portions. Subsequent models predict the exact number of intermediate stops on each tour leg.

By using tours as a key unit of travel, we capture the interdependence of different activities in a trip chain. This provides a better understanding of non-home-based trips, especially in the case of the work-based sub-tours that represent a significant proportion of non-home-based travel.

The full-day pattern tour models were validated by converting tours to trips and comparing these to the CHTS 2010-2012.

VIII. TIME OF DAY MODELS

The time-of-day model predicts the period when the traveler leaves home to begin the primary tour simultaneously with the period when the traveler leaves the primary destination to return home. It also predicts the time period of any intermediate stops. The periods used in SF-CHAMP are defined as:

- Early (3:00 AM to 5:59 AM)
- AM peak (6:00 AM to 8:59 AM)
- Midday (9:00 AM to 3:29 PM)
- PM peak (3:30 PM to 6:29 PM)
- Late (6:30 PM to 2:59 AM)

Activity-based models can account for tradeoffs between trip chaining and time of day by evaluating time of day decisions at the tour level rather than the trip level. Pricing policies (such as parking or toll policies) can be tested more accurately by including these tradeoffs between the need to travel for purposes that are time-dependent (such as day care or work) and the desire to avoid peak period pricing. Activity-based models can also account more reliably for the complexities involved in multi-mode trip making.

[1] Superdistrict is a geographic area defined by MTC.

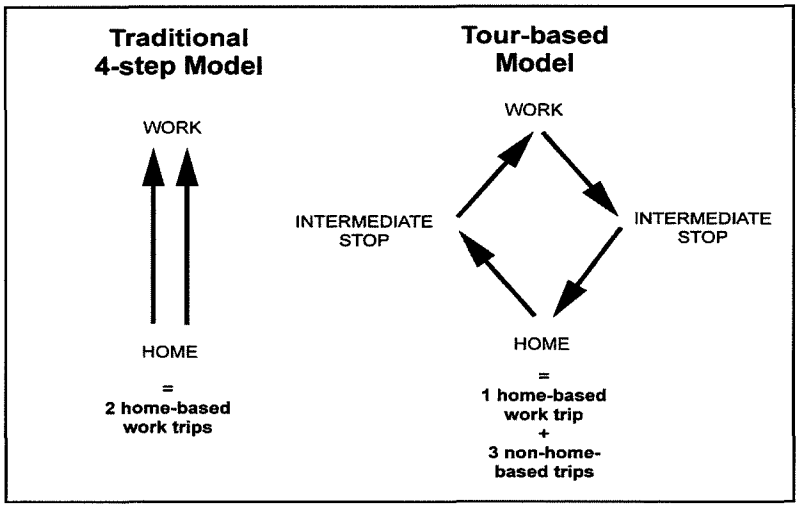


Figure 8-2: Trip Definitions: 4-step model vs. tour-based model

IX. DESTINATION CHOICE MODELS

Given that the full day activity model has predicted that a traveler makes a tour with a primary destination as well as potentially some number of intermediate stops, the destination choice models select the likely destinations for these trips. The San Francisco Model includes two types of destination choice models.

The **Primary Tour Destination Models** predict the destination of tours such as the workplace or school. The **Intermediate Stop Location Models** predict the location of intermediate stops for tours with stops on the way to and/or from the primary destination, where those stops are conditional on where the primary destination is located. Factors considered in destination choice include distance, accessibility for various modes (for that individual's auto-ownership level), and the land use density and type at various locations (i.e. retail, office, etc).

The Destination Choice Models were validated against the 2010-2012 CHTS survey data for primary destinations by purpose and trip length frequency distributions.

X. MODE CHOICE MODELS

After the Full Day Pattern Models and the Destination Choice Models have predicted the number, timing, and destination of trips, the Mode Choice Models predict the mode used by the traveler to reach their destination. Mode refers to the type of transportation, such as walking, bicycling, riding transit (such as light rail or bus), driving alone, or sharing a ride. The San Francisco mode choice models differ from traditional trip-based mode choice models in that there are two distinct sets of mode choice models. The Tour Mode Choice Model determines the primary mode for the tour, while the Trip Mode Choice Models determine the mode for each individual trip made on that tour, based on the mode chosen for the tour.

An analysis of trips by mode revealed the significant percentage of transit trips and non-motorized (walk and bike) trips made by San Francisco residents. It also showed that a number of transit trips are made using several transit modes; i.e., local bus access to BART. San Francisco can be considered a transit-rich environment, where most residents can walk to transit, and a limited supply of parking is available with a high cost. Based on this analysis, a detailed representation of available modes was developed, including:

- Muni Light Rail
- Muni Local Bus
- Regional bus routes (Golden Gate Transit, AC Transit, SamTrans)
- Caltrain
- BART
- Ferry
- Walk
- Bike
- Drive Alone
- Shared Ride 2
- Shared Ride 3+

The mode choice models were validated against the 2010-2012 CHTS, Census and ACS Journey to Work data, and observed SFMTA, BART, Caltrain, and Ferry ridership levels.

XI. VISITOR MODELS

Given San Francisco's popularity as a tourist destination, trips made by visitors from beyond the San Francisco Bay Area had to be accounted for in the San Francisco Model. A series of models were estimated to predict the visitor trips by mode for San Francisco tourist destinations. These models were not based on BATS household travel survey of Bay Area residents, but rather were estimated using San Francisco Visitor & Convention Bureau data, and coefficients derived from the Honolulu model visitor development effort.

The visitor models are significantly less complex than the San Francisco resident models. They estimate the number of visitors to 29 key visitor destinations for each of three modes. The destinations include among others, Alcatraz, Golden Gate Park, North Beach, Union Square, and a cable car ride.

XII. ASSIGNMENT

The detailed estimate of activity patterns of Bay Area travelers (including the type and timing of trips, destinations, and modes of travel) results in tables of trips by mode of travel from zone to zone by time of day. For example, a matrix may contain the number of transit trips during the AM peak, while another may contain a matrix of drive alone trips in the evening time period. This time period-specific demand is then assigned to the regional roadway and transit networks.

There are three primary components to the assignment process – transit, bicycle and roadway. Transit assignment uses detailed information from the mode choice models to determine the particular route that a traveler uses. For example, the mode choice models may predict that a traveler uses a bus to get from the Inner Sunset to Civic Center, but it does not predict which bus. The Transit Assignment Model predicts the specific route chosen, and any transfers, based on walking time to the nearest stop, expected wait time, presence of other transit alternatives (such as the multiple routes that serve a significant portion of Van Ness Avenue), fares, in-vehicle travel time, and walk time to the final destination. The transit assignment algorithm is based on the minimization of generalized cost for a certain origin-destination pair by time period. Generalized cost is a weighted cost that takes into account in vehicle travel time, waiting time, walk access time, transfers, and transfer time. The trip mode choice model dictates which transit modes is the "primary mode" for each user. Depending on

the primary mode, other secondary modes may be made available as access and egress modes (e.g., walk access mode to BART primary mode).

Roadway assignment predicts the specific route chosen by travelers based primarily on congested travel times and traveler cost (distance and tolls), collectively summed into a generalized cost function. If a particular route between two points has a smaller generalized cost than another, it will attract drivers until the generalized cost on all routes between two points is equal. This equilibrated state is often referred to as Static Deterministic User Equilibrium.

Bicycle assignment predicts the route taken by cyclists based on a bike route choice model estimated using revealed choice bicycle route data from the CycleTracks smartphone application. The bicycle route choice model takes into account hills, bike lanes, bike route, number of turns, wrong way streets, and distance.

The validation of transit and highway assignments is done separately, using observed volumes of vehicles and passengers on the highway and transit systems, respectively. Assignment validation at the county level was completed using aggregated volumes by corridor (identified by screenlines), type of service (facility type, mode or operator), size (volume group), and time period. Speeds and travel times are also used in highway and transit validations to ensure that these are accurately represented in the models.

8.3.2 | GIS Database and ArcGIS 10.1

The Transportation Authority uses a GIS database coupled with ESRI's ArcGIS 10.1 software to complement the strategic analysis facilitated by SF-CHAMP. The Transportation Authority's GIS database includes a large repository of shape files corresponding to local and regional street networks, census tracts, census block groups, census blocks, TAZs, transit routes, public facilities, and more.

The GIS database is refreshed on an ongoing basis with data obtained from our citywide and regional partner agencies, as the Transportation Authority generally does not directly develop comprehensive GIS files in-house.

However, the Transportation Authority is obligated to maintain a geodatabase of CMP level-of-service shape files. These shape files contain travel time and speed data for all auto CMP segments. The auto data is updated every two years as part of our CMP update. Transit data is also available.

For all other GIS shape files, the City provides a website complete with Census data for San Francisco geography and street centerline files for throughout San Francisco.

8.3.3 | MTC Model Consistency

The Transportation Authority completed a Model Consistency Report in November 2015 to demonstrate the consistency of CHAMP 5.0 with the MTC regional model and modeling requirements. The MTC Consistency Guidelines list the items that need to be documented as part of this Consistency Report. The CHAMP 5.0 Model Consistency Report is included as Appendix 17.

8.4. Work Program Items

The Transportation Authority will continue to work collaboratively with the Planning Department, MTA, other City agencies, regional transit operators, Caltrans, and MTC to:

- Continue to apply the model to assess impacts of policy and transportation changes on local and regional trip making behavior and network conditions. Better Market Street, the Parking Supply and Utilization Study, the San Francisco Transportation Plan, the Transit Core Capacity Study, and other ongoing projects will depend heavily on modeling support.
- Continue to apply and develop the citywide Dynamic Traffic Assignment model.
- Continue the development of a Dynamic Transit Assignment model to better represent individual transit route choice decisions, the aggregate impact of those decisions on transit performance (particularly in regard to reliability), and the feedback of transit performance into transit route choice.

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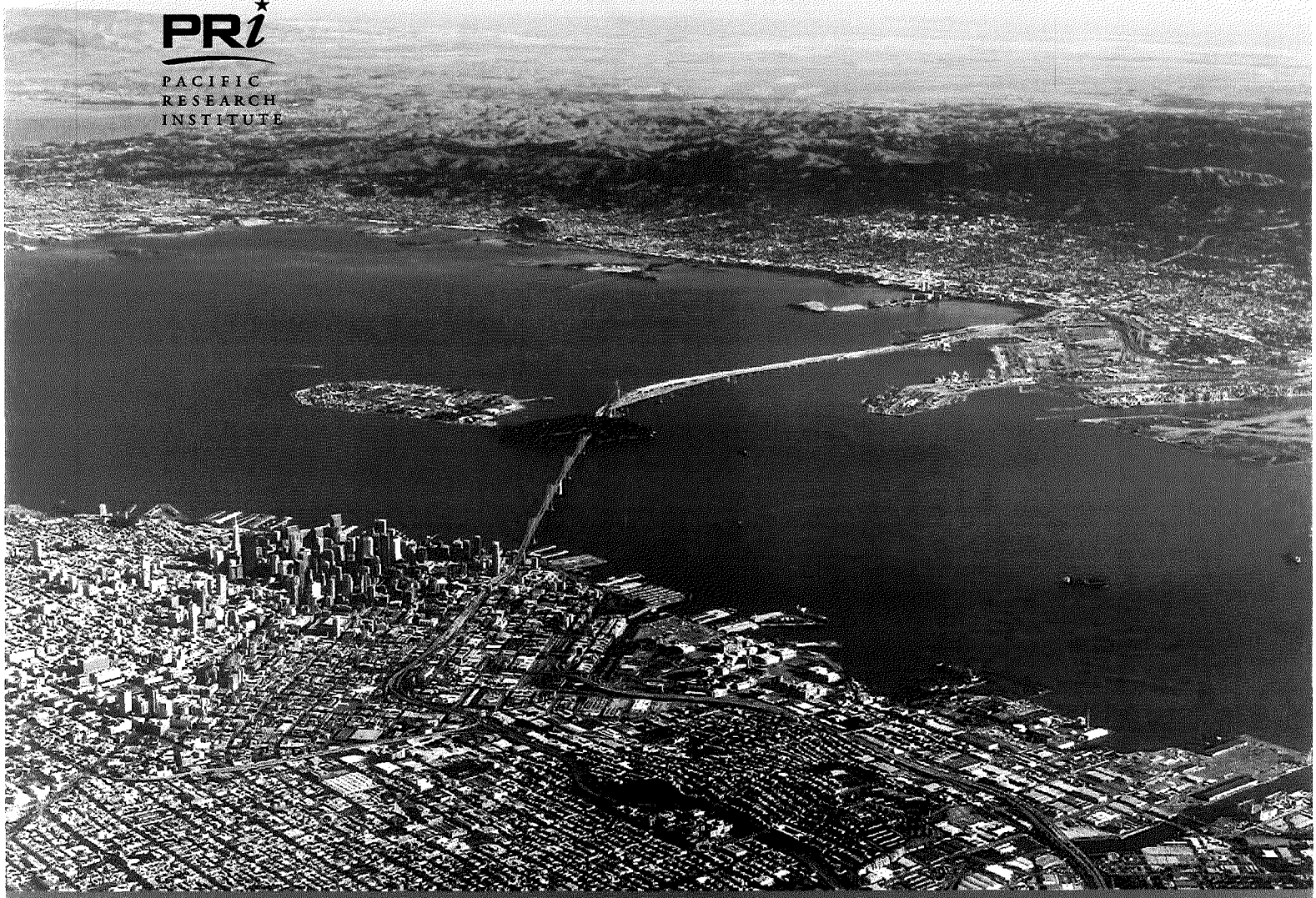

EVALUATION OF *PLAN BAY AREA*

By Wendell Cox

June 2013

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EXECUTIVE SUMMARY

The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) are required to produce long-term plans relating to transportation, housing and environmental protection by law. A Draft Environmental Impact Review (DEIR) has been issued in connection with the proposed "Plan Bay Area." Plan Bay Area sets out a vision for transportation and land use over the next quarter century.

The Bay Area is one of the world's most successful metropolitan areas (labor market), having among the highest per capita incomes. At the same time, there are substantial challenges. The cost of living is high, driven by house prices that are the highest in the nation. The Bay Area has some of the most intense traffic congestion in the nation, which retards economic growth. Since 2000, there has been a substantial domestic outmigration, though in the last two years, modest increases have occurred.

Plan Bay Area represents a radical departure for the Bay Area in forcing higher residential and commercial densities by intensifying the current urban containment policies ("smart growth"). Most new development, both residential and commercial, would be forced into present urban neighborhoods. For example, this would mean the imposition of higher density, multi-unit housing in lower density areas throughout the Bay Area. The principal justification is the reduction of greenhouse gas (GHG) emissions.

Greenhouse Gas Emissions

The plan must project achievement of a *per capita* GHG emissions reduction meeting a 15 percent target established by the California Air Resources Board (CARB) over the period of 2005 to 2035. Plan Bay Area achieves this objective comfortably. Moreover, the null alternative ("2040 No Project Alternative") *also meets the objective,* which renders the favored "2040 Plan" unnecessary—it and its draconian policies *are not needed* to comply with appropriate law and regulation. Even so, the actual GHG emissions reductions appear likely to be substantially more.

The GHG emissions reductions contained in Plan Bay Area appear to be grossly underestimated and could be substantially less. Important factors include:

- Failure to include effects of new federal fuel economy regulations
- Understatement of emissions from climate policy initiative
- Exclusion of multi-unit emissions from shared energy consumption
- Small multi-unit house size assumption
- A high population projection

Moreover, Plan Bay Area does not apply an economic metric to its strategies for GHG emissions reductions. According to the United Nations Intergovernmental Panel on Climate Change (IPCC), it should cost no more than a range of $20 to $50 per ton to achieve sufficient GHG emissions. There are indications that the strategies in Plan Bay Area may be more costly than that standard, especially the housing and transportation strategies.

Jobs/Housing Balance and Transportation

In attempting to reduce GHG emissions, Plan Bay Area seeks to concentrate 77 percent of new housing and 63 percent of new jobs in priority development areas (PDAs) located within the present urban footprint. Despite this unprecedented densification, there would be little reduction in per capita driving and overall passenger vehicle travel would rise 18 percent. These modest results are not surprising. Research indicates that the jobs/housing balance has little impact on passenger vehicle travel per capita.

Further, attempts to establish localized jobs/housing balances within metropolitan areas have been unsuccessful, such as in the United Kingdom and in Stockholm. Even in Hong Kong, probably the best example of a metropolitan area that has met the objectives of urban containment policy (smart growth), the jobs/housing balance is somewhat less favorable than in the Bay Area, despite having a population density that is nine times greater. Further, U.S. Census surveys show that employment proximity is not a principal reason that households choose residential locations.

Plan Bay Area's land use strategies account for little in the overall GHG emissions reductions from land use.

Policies to establish a localized jobs/housing balance may only be achieved at the expense of economic growth because of their potential to fragment the Bay Area labor market by impeding mobility (which means minimizing travel times, especially to employment, between all parts of the Bay Area).

Plan Bay Area's land use strategies account for little in the overall GHG emissions reductions from land use. *Nearly all (95 percent) of the GHG emissions reductions in the Proposed Plan from 2010 that are attributed to land-use strategies are from energy efficiency and scoping measures, which would be achieved with or without the Proposed Plan.*

Transportation

There is a strong association between economic growth in metropolitan areas and the ability to reach the largest number of jobs in a particular time (such as 30 minutes).

The draconian measures (principally housing location mandates) in Plan Bay Area to reduce work trip travel distances would have little impact on daily driving distances. Indeed, the concentration of new residences and employment in the PDAs will result in higher population and employment densities, and is thus likely to result in greater traffic congestion. Research indicates that passenger vehicle use tends to rise at nearly the same rate as either population or employment.

Greater traffic congestion brings other consequences. As traffic slows and becomes more erratic, fuel economy is retarded. As a result each mile of travel produces more GHG emissions than at higher, more constant speeds typical of free flow conditions in urban areas. In turn, this greater fuel consumption intensifies air pollution in and adjacent to congested corridors, with negative health impacts. Higher density areas are associated with a greater intensity of air pollution.

Nearly all (95 percent) of the GHG emissions reductions in the Proposed Plan from 2010 that are attributed to land-use strategies are from energy efficiency and scoping measures, which would be achieved with or without the Proposed Plan

Plan Bay Area forecasts little transfer of demand from passenger vehicles to transit, despite this being a principal objective. This is to be expected, because transit is not time competitive with passenger vehicles except for trips to the central business districts (CBDs or downtowns) of San Francisco and Oakland, where work trip travel is one-half and 25 percent, respectively of commuting. Further, research indicates that substantial differences in density in areas not proximate to downtown have little impact on the travel behavior of households, whether in high-rise buildings or detached housing.

Transit's role in work trips is small outside the San Francisco and Oakland CBDs. Only 6 percent of work trips to these areas are made by transit. Even suburban employment centers with rapid transit access have modest transit market shares. The reason for this is illustrated by the fact that only 10 percent of employment locations can be reached on transit in 45 minutes by the average worker, far longer than the average work trip length by car. This limited access to employment is the result of the "last mile" problem; whereby transit services often do not take riders close enough to their destination to complete the trip with a convenient walk

Plan Bay Area's transit ridership projection for 2040 appears to be overly optimistic. A substantial ridership increase is projected, far more than the increase in transit service. This is contrary to longer term trends in the Bay Area and contrary to the transit industry experience that new services tend to attract fewer riders than existing services (since the strongest markets are already served). A decline in ridership seems more likely.

Plan Bay Area's transportation strategies account for little in the overall GHG emissions reductions from transportation. *Nearly all (93 percent) of the GHG emissions reductions in under the Proposed Plan from 2010 to 2040 that are attributed to transportation strategies are from fuel economy improvements, which would occur with or without the Proposed Plan.*

Housing Affordability

Housing is the largest expenditure of household budgets. Cost of living differences around the nation tend to be driven by differences in housing costs. The Bay Area has the highest cost of living among major metropolitan areas. It also has the most unaffordable housing. Approximately 80 percent of the excess cost of living in the Bay Area is attributable to higher housing costs.

There is considerable evidence that urban containment policies drive up the price of land for residential development, especially by rationing land. This is consistent with the economic principle that rationing of a good or service tends to lead to higher prices. Urban containment policies are in wide use in the Bay Area, especially urban growth boundaries, while house prices have escalated far out of proportion with the increase in household incomes.

The Bay Area did not always have excessively high housing costs. Before the implementation of stronger land use regulation in the 1970s, housing affordability in the Bay Area was much closer to that of other major metropolitan areas. Since that time, housing affordability, as measured by the median multiple (median house price divided by median household income) has increased to 2.5 times the national average in the San Francisco metropolitan area and more than three times the national average in the San Jose metropolitan area.

Brookings Institution economist Anthony Downs attributes such residential land cost increases to the failure to maintain a competitive market for land. The difference between house prices in the Bay Area and those in liberally (traditionally) regulated markets are principally in the cost of land.

The land-use policies of Plan Bay Area could exacerbate housing affordability in the Bay Area by forcing all development into relatively small areas.

Dartmouth University economist William Fischel has described this process by which stronger land use regulation destroyed housing affordability in California. There is considerable additional research on the strong relationship between urban containment policy and the loss of housing affordability. Based on his research, Economist Paul Cheshire at the London School of Economics has said that urban containment policy is *incompatible* with housing affordability. Other research also concludes that urban containment policy can hamper broader economic performance.

The land-use policies of Plan Bay Area could exacerbate housing affordability in the Bay Area by forcing all development into relatively small areas. This could also increase commercial land prices and, in consequence, business costs.

Low-Income Households

The Bay Area's lack of housing affordability and particularly its impact on low-income households is examined with concern in Plan Bay Area. Yet, Plan Bay Area includes no measures that would address the structural causes of the housing affordability, namely the urban containment policies that prevent housing affordability.

In addition, Plan Bay Area contains no significant measures that would improve mobility, especially to jobs, for low-income households. Alternatives to the presently proposed strategies should be examined. Materially improved mobility is critical to obtaining better employment opportunities. This is likely to be impossible, unless personal mobility (by passenger vehicles) strategies are employed.

Conclusion: Replacing the Unnecessary and Disruptive Plan Bay Area

Plan Bay Area forecasts only modest GHG emissions reductions in the preferred "2040 Plan" relative to the "2040 No Project Alternative." In exchange for these small gains, Plan Bay Area imposes draconian measures to force residents and businesses into small, high density areas. Moreover, Plan Bay Area would interfere with the housing choices of households in an unprecedented and *unnecessary* manner. At the same time, a number of important assumptions are excluded from Plan Bay Area or are challengeable. The correction of these potential deficiencies would result in much more steep reductions in GHG emissions.

A replacement Plan Bay Area should focus on strategies that respond to the reasons that people have chosen to move here, improving their quality of life (which is best measured by the extent of discretionary income, the most important determinant of which is housing affordability in the current context.

The business as usual (or "null") alternative, called the "2040 No Project Alternative," also meets the GHG emissions reduction objective set by the California Air Resources Board. There is no need for the "2040 Plan," which by its excessive intrusion into the housing market could lead to lower levels of economic growth as well as greater community and household disruption.

Plan Bay Area should be withdrawn and replaced by a plan that relies on up-to-date assumptions and allows household preferences (rather than those of ABAG or MTC) to determine housing location, subject to fundamental environmental standards.

The Purpose of Cities: Throughout history, cities (metropolitan areas), including the Bay Area, have attracted people seeking economic advancement.

A replacement Plan Bay Area should focus on strategies that respond to the reasons that people have chosen to move here, improving their quality of life (which is best measured by the

extent of discretionary income, the most important determinant of which is housing affordability in the current context. Policies that can retard the quality of life, such as by raising housing costs or restricting mobility, should be excluded. Further, a replacement Plan Bay Area should focus on eradicating poverty, which also involves maximizing discretionary income.

Equality of opportunity should drive the housing element of a replacement Plan Bay Area. Households should not be required to pay a higher than necessary share of their income for housing by public policy (such as urban containment policies). Such policies are harmful to households because they retard their affluence (by reducing their discretionary incomes). They are particularly harmful to younger households who often must leave the Bay Area to achieve and enjoy their preferred quality of life, as well as to low income households.

This is imperative for public policies to not unnecessarily increase the cost of living. This is especially true given the substantially deteriorated financial condition of the nation and California where factors such as unaffordable government employee pension obligations, rising taxes, and huge student loan burdens are likely to be more burdensome in the future.

It is concluded that Plan Bay Area *should be withdrawn* in its present form because it is not necessary to impose material policy changes to achieve the GHG emissions reduction objective. Recommendations are made for developing a replacement Plan Bay Area that would better respond to the needs of the Bay Area and its citizens, in a context of sufficient environmental protection.

1. INTRODUCTION AND SITUATION

The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) are required by law to produce long-term plans relating to transportation, housing and environmental protection. A Draft Environmental Impact Review (DEIR) has been issued in connection with the currently proposed plan, "Plan Bay Area." This report evaluates Plan Bay Area and the DEIR.

The Bay Area

The Bay Area[1] has been a world leader in economic growth and household affluence. The most recent Brookings Institution *Global Metro Monitor* rates the San Jose metropolitan area as the second most affluent in the world, following Hartford (Connecticut). The San Francisco metropolitan area is also ranked highly, at 7th.[2]

Yet, there are substantial challenges in the Bay Area.

- The cost of living is the highest in the nation among the 51 metropolitan areas[3] with more than 1 million population.[4] This high cost of living is principally driven by housing costs, which are also the highest in the nation. These high costs reduce the discretionary income of households, which retards the quality of life as well as job creation by reducing purchases of goods and services.[5] The higher costs also translate into higher effective poverty rates (Section 6).
- Likely related to the high housing costs, the Bay Area lost approximately 65,000 net domestic migrants each year from 2000 to 2009. In the last two years, there has been a modest (12,500) annual increase, as the house price differential with the rest of the nation was moderated somewhat.
- Housing affordability is again deteriorating in the Bay Area and could lead, in the longer run, to a renewed exodus of residents to other parts of the nation. Many of these households could settle in and commute from the San Joaquin Valley, principally San Joaquin, Stanislaus and Merced counties.
- The Bay Area has some of the most serious traffic congestion in the nation (Section 4.1), which imposes costs on the economy and results in a less efficient labor market.

Plan Bay Area

Plan Bay Area's preferred "2040 Plan" relies on "urban containment policies.[6] These would steer most residential and commercial development to Priority Development Areas (PDAs) within the existing urban footprint, seeking to reduce per capita vehicle travel and largely forbidding development on or beyond the urban fringe.

Plan Bay Area is a radical departure from previous approaches, which would impose material behavioral changes on residents of the Bay Area. Plan Bay Area would intervene in real estate markets by forcing most new residential and commercial development into existing neighborhoods. This would mean the imposition of higher density housing in lower density communities throughout the Bay Area.

Most new housing would be multi-unit, as opposed to the single family detached units that represent the majority of houses in the Bay Area. Plan Bay Area also assumes that there will be no new demand for detached housing between 2010 and 2040, despite the fact that 56 percent of the current supply is detached. Finally, while Plan Bay Area projects a substantial increase in driving, little additional roadway capacity is planned.

The principal justification for this is the reduction of greenhouse gas (GHG) emissions, under Senate Bill 375 (the "Sustainable Communities and Climate Protection Act").

This Report

Any plan requires policy choices, as strategies are chosen to address the fundamental policy goals. This report will examine the strategies of Plan Bay Area for effectiveness in reaching the stated (or implied) policy goals. It will further identify the inherent choices implied by Plan Bay Area's objectives and strategies, not all of which are always apparent.

The approach will principally be to evaluate the preferred alternative, the "2040 Plan", with comparisons to the 2040 No Plan Alternative, which is based on the continuation of current housing and transportation trends (the "null" alternative).

It is concluded that the "business as usual" or "null" alternative, the "2040 No Project Alternative," meets the GHG emissions reduction objective and that, as a result, *Plan Bay Area should be withdrawn* in its present form. Recommendations are made for developing a replacement Plan Bay Area that would better respond to the needs of the Bay Area and its citizens in a context of sufficient environmental protection.

2. GREENHOUSE GAS EMISSIONS

A principal purpose of Plan Bay Area is to reduce greenhouse gas (GHG) emissions, consistent with the requirements of AB 32 (the "Global Warming Solutions Act") and SB 375 (the "Sustainable Communities and Climate Protection Act") as well as administrative orders.

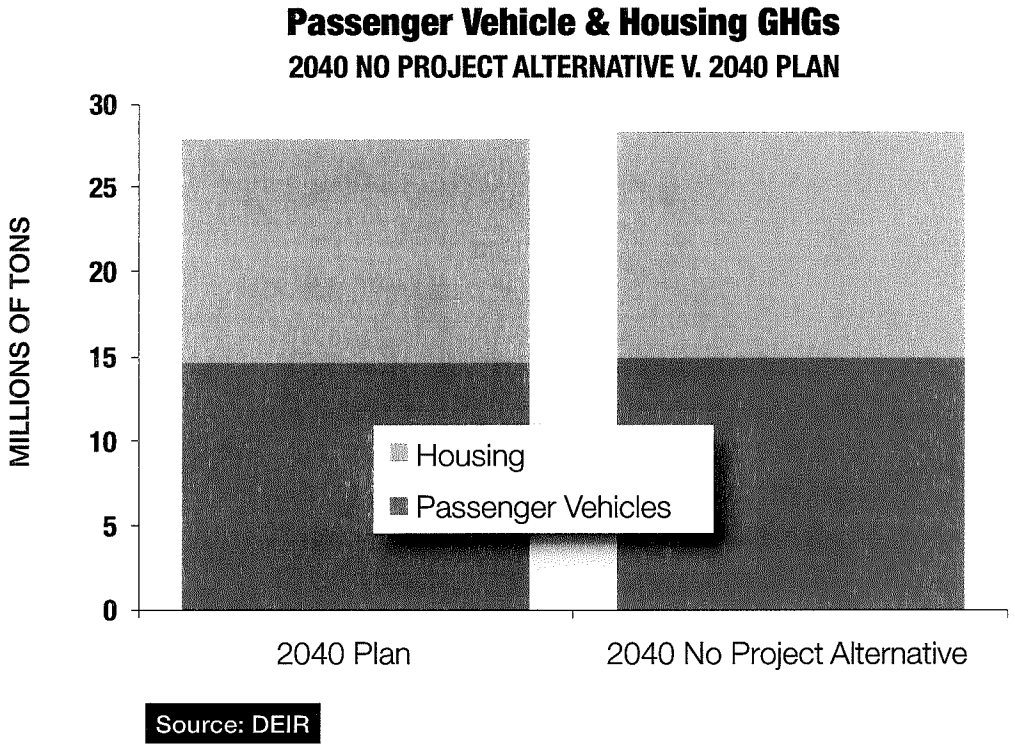
Objective

The plan must project achievement of a *per capita* GHG emissions reduction meeting a 15 percent target established by the California Air Resources Board (CARB) over the period of 2005 to 2035.[7] Plan Bay Area achieves this objective comfortably, with a per capita reduction of 34 percent for housing and transportation and a 40 percent per capita reduction n GHG emissions from passenger vehicles. [8]

Overall passenger vehicle travel would increase 18 percent under the "2040 Plan" from 2010 to 2040, at the same time as GHG emissions from passenger vehicles are reduced.[9] These GHG emission reductions are principally the result of stronger fuel efficiency requirements for passenger vehicles.

The GHG emissions reduction difference is negligible in the two sectors that are the primary focus of Plan Bay Area: passenger vehicles and housing. The "2040 Plan" is forecast to reduce GHG emissions only 1.5 percent more than the "2040 No Project Alternative" (Figure 1). Even so, the actual GHG emissions reductions appear likely to be substantially more.

Figure 1



Source: DEIR

Evaluation of Methods and Assumptions

The GHG emissions reductions contained in Plan Bay Area appear to be grossly underestimated and could be substantially less. The following factors contribute to the underestimation:

- Failure to include effects of new federal fuel economy regulations
- Understatement of emissions from climate policy initiative
- Exclusion of multi-unit emissions from shared energy consumption
- Small multi-unit house size assumption
- A high population projection

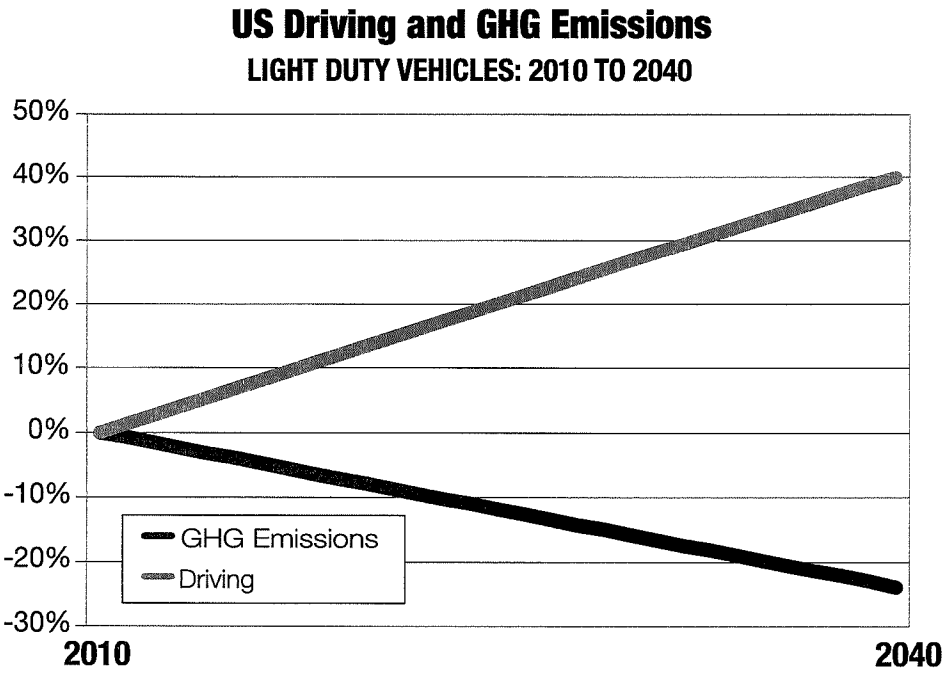
Adjustment to account for these issues would produce GHG emissions reductions sufficient to render the "2040 Plan" unnecessary. Each of these factors is described below.

Fuel Economy Assumption

Plan Bay Area takes into consideration the substantial improvements in passenger vehicle (automobile and light truck) fuel economy. However, Plan Bay Area does not consider the impacts of the much more stringent federal fuel economy standards adopted by the federal government in 2012. These regulations require fuel economy of 54.5 miles per gallon for new passenger vehicles by 2025.

The Energy Information Administration of the U.S. Department of Energy has produced GHG emissions projections that reflect these changes through 2040 in its *Annual Energy Outlook.*[10] Department of Energy projections indicate that passenger vehicle GHG emissions per mile will drop 46 percent between 2010 and 2040.[11] At the national level, this improvement is projected to reduce GHG emissions from passenger vehicles 24 percent even as driving increases 40 percent (Figure 2). Further, as Plan Bay Area EIS indicates, further fuel economy improvements are likely to occur in the longer term.[12]

Figure 2



Source: U.S. Department Of Energy

A replacement Plan Bay Area should be revised to include the further GHG emissions reduction effect of the Department of Energy projections.

MTC Climate Policy Initiative

Plan Bay Area assumes that the MTC Climate Policy Initiative will result in emissions reductions in addition to those that occur from driving less and fuel economy improvements. By 2040, this program would reduce GHG emissions by 1.6 million metric tons under the "2040 Plan" and 500,000 metric tons under the "2040 No Project Alternative". However, the referenced documentation for the seven "Climate Policy Initiatives" contains insufficient justification of the differences in assumptions between the "2040 Plan" and the "2040 No Project Alternative".[13]

A replacement Plan Bay Area should include GHG emissions from common energy consumption in multi-unit buildings.

It is not obvious that the Climate Policy Initiative strategies would yield materially different results under the two alternatives. For example, it is assumed that no emissions reductions would be achieved by the "smart driving" (for example, less aggressive driving) strategy or by a proposed "feebate" to impose a fee on new car purchases that exceed a GHG emissions standard, with funds rebated to purchasers of less GHG intensive cars.

A proposed "Commute Benefit Ordinance," would mandate employers with more than 50 employees to choose from contributing to employee commuting expenses, providing free shuttles to work or other alternatives that have "an equal or greater benefit in terms of reducing GHG emissions." This strategy seems unlikely to yield a material difference in GHG emissions between the "2040 Plan" and the "2040 No Project Alternative." It could further impair the competitiveness of the Bay Area by discouraging expansion of firms and new businesses attraction because of the higher costs the strategy would impose.

A replacement Plan Bay Area should attribute the same GHG emissions from MTC Climate Initiative strategy to each alternative considered, except to the extent that differences are clearly and objectively delineated.

Multi-Unit Housing Common Energy Consumption Emissions

Plan Bay Area seeks to substantially change the composition of housing types, with far more housing being multi-unit and much less being single family dwellings. Plan Bay Area assumes that multi-unit housing produces substantially less GHG emissions than single-family dwellings. However, this difference could be substantially overstated. The source used by Plan Bay Area[14] does not include emissions from shared or common energy that can frequently occur in multi-unit buildings.

Common energy is consumed, for example, by elevators, common area lighting, parking lot lighting, common air-conditioning, common heating and energy used in pumping water to upper floors. An analysis in Sydney (Australia) found that the inclusion of common energy in higher density resulted in *greater* GHG emissions per capita.[15]

A replacement Plan Bay Area should include GHG emissions from common energy consumption in multi-unit buildings.

Small Multi-Unit House Size Assumption

Plan Bay Area assumes that multi-unit house sizes will remain constant at the present national average of 1,172 square feet, approximately one-half the size of the average single family residence (detached or townhouse). This seems implausible.

However, if as Plan Bay Area projects, much of the new demand for housing will be steered into multi-unit housing, including a sizeable share of the market that would otherwise purchase larger single family houses, this national average floor space assumption is likely too conservative. A large share of the new owners is unlikely to be satisfied with housing sizes typical of rental apartments. Currently, approximately 15 percent of the Bay Area's home owners lived in multi-unit housing, while the overall home ownership rate is much higher, at approximately 55 percent.

As is indicated in Section 2, there is only a marginal difference between the "2040 Plan" and the "2040 No Plan Alternative" in GHG emissions. A larger multi-unit house size could eliminate that difference because larger house sizes are associated with higher levels of GHG emissions.

A replacement Plan Bay Area should assume a higher multi-unit house size appropriate to reflect a square footage that would be likely with a larger home owner share.

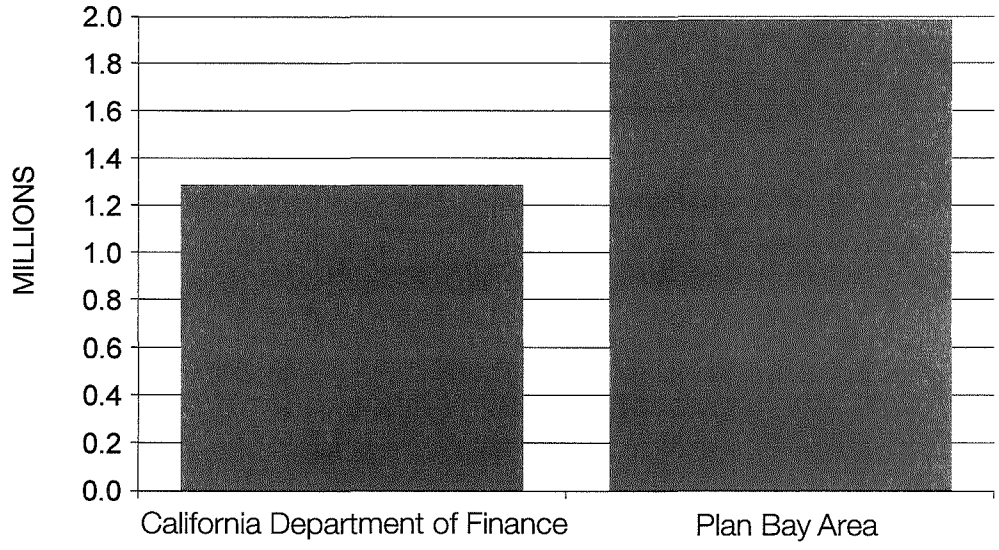
Population Projections

Plan Bay Area uses an aggressive population projection placing the 2010 to 2040 population increase at 1.99 million. By contrast, the California Department of Finance (DOF) projects a 1.29 million increase in population between 2010 and 2040. Plan Bay Area thus projects an approximately 54 percent greater population increase than the state (Figure 3). Plan Bay Area's high population assumption would tend to *overestimate* GHG emissions in 2040 (because of the strong association between population and GHG emissions).

Figure 3

Projected Population Increase

PLAN BAY AREA V. STATE: 2010-2040



Sources: California Department of Finance & Plan Bay Area

There has been an attempt to reconcile these substantial differences. Generally, DOF has agreed that the Plan Bay Area population forecast is based on the assumption of greater in-migration, which would result from job growth.[16] However, substantial job growth seems unlikely to occur with the Bay Area's horrendous housing affordability, the worst among major metropolitan areas. As of the third quarter, 2012, Bay Area house prices *in relation to incomes* were more than double that of other major metropolitan areas.[17] More recent data indicate a further deterioration of housing affordability (Section 5).[18]

The California Department of Finance is the principal authority for projecting population in the state. The replacement Plan Bay Area should assume DOF official population forecasts. This would be the present DOF population projection, unless DOF revises its official county projections *throughout the state* to reflect revised methodology.

Revised GHG Emissions Reduction Projections

Adjusting the Plan Bay Area projections to account for the issues above results in a substantial reduction in GHG emissions (Figure 4). Application of the adjustments to the "2040 No Project Alternative" yields a 40 percent reduction in GHG emissions (overall national emissions, as opposed to per capita emissions), from passenger vehicles in 2040 compared to 2010, and a 37 percent reduction overall, including housing (Table 1).

Additional reductions are also likely, but not estimated in Table 1 for lack of data. These include (1) appropriate allocation of GHG emissions reductions to the "2040 No Project Alternative" from the MTC Climate Initiative Program; (2) allocation of GHG emissions from common energy consumption in multi-unit housing, and (3) a multi-unit house size appropriate for the larger projected market of homeowners.

Table 1

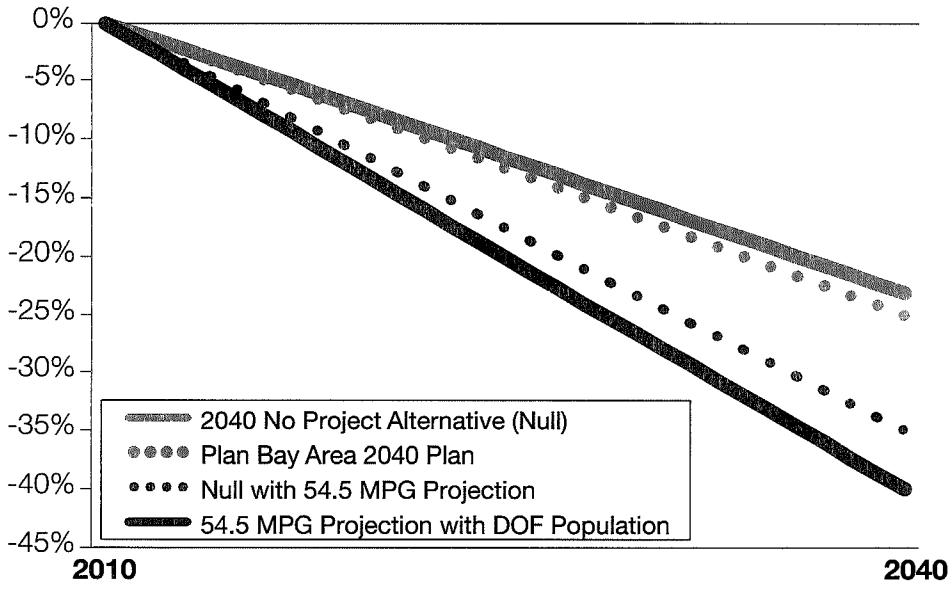
Plan Bay Area EIR GHG Emissions Reductions Adjusted for Questionable Assumptions

	2010	2040 No Project	2040 Plan	2040 No Project with EIA	2040 No Project with EIA & Department of Finance Poulation	Source of Base Data (DEIR)
Daily Passenger Vehicle Miles (Millions)	136.4	164.2	160.9	164.2	151.9	2.4-9
Population	7,151,000	9,137,000	9,137,000	9,137,000	8,434,000	3.1.29 & DOF/ABAG
ANNUAL GHG EMISSIONS (Metric Tons)						
Passenger Vehicle	19,383,000	14,927,000	14,631,000	12,583,000	11,641,000	3.1.29
Change from 2010: Metric Tons		(4,456,000)	(4,752,000)	(6,800,000)	(7,742,000)	
Change from 2010: Percentage		-23%	-25%	-35%	-40%	
Compared to 2040 No Plan Alternative			-2%	-16%	-22%	
Annual per Capita GHG Emissions	2.71	1.63	1.60	1.38	1.38	
Change from 2010: Metric Tons		(1.08)	(1.11)	(1.33)	(1.33)	
Change from 2010: Percentage		-40%	-41%	-49%	-49%	
Compared to 2040 No Plan Alternative			-2%	-16%	-16%	
TOTAL GHG EMISSIONS (Metric Tons)	48,846,000	42,895,000	41,344,000	39,296,000	36,355,000	3.1.29
Change from 2010: Metric Tons		(5,951,000)	(7,502,000)	(9,550,000)	(12,491,000)	
Change from 2010: Percentage		-12%	-15%	-20%	-26%	
Annual per Capita GHG Emissions	6.83	4.69	4.52	4.30	4.31	
Change from 2010: Metric Tons		(2.14)	(2.31)	(2.53)	(2.52)	
Change from 2010: Percentage		-31%	-34%	-37%	-37%	
Compared to 2040 No Plan Alternative			-4%	-8%	-8%	
ADDITIONAL GHG EMISSION REDUCTION FACTORS NOT INCLUDED IN 2040 NO PLAN ALTERNATIVE						
Equalization of MTC Climate Initiative Savings						
Allocation of shared energy consumption emissions to multi-unit housing						
Multi-unit house size						

Figure 4

Light Vehicle GHG Emissions: 2010-2040

BAY AREA PLAN & REVISED ASSUMPTIONS IN TEXT



Sources: Plan Bay Area and assumptions in text

The Cost of GHG Emissions Reduction

Any strategy for reducing GHG emissions should be cost effective. Around the world there is considerable concern that strategies adopted to reduce GHG emissions do not materially reduce economic growth because that would reduce affluence and increase poverty (and could even threaten social stability[19]). For example, a report to a July 2008 G-8 conference stated that the cost of GHG emissions reduction could be low and that "the challenge could be met without damaging the economy."[20]

The United Nations Intergovernmental Panel on Climate Change (IPCC) has provided a benchmark, estimating that sufficient GHG emissions reductions can be achieved at no more than $20 to $50 per metric ton. Any such expenditure in excess of this range constitutes a misallocation of resources and has the potential to retard household affluence and the economy.[21]

It is not sufficient to simply adopt policies that reduce GHG emissions without applying a cost metric. Policies must be chosen based on their relative cost effectiveness, otherwise there is the potential for interfering with economic growth, reducing job creation, and household affluence while increasing poverty.

Moreover, "across-the-board" approaches that would apply an overall percentage reduction to all sectors to GHG emissions reduction would be both inappropriate and counter-productive.

Plan Bay Area's assumption of the necessity for "across the board" reductions in transportation that match the overall 80 percent reduction objective is inappropriate.[22] Emission reduction strategies should be

evaluated based upon their cost per ton. In some sectors, this will yield greater percentage reductions and in others lesser percentage reductions. This approach could threaten economic growth, household affluence, and poverty eradication by relying on excessively expensive strategies.

Policy decisions need to be made based upon their relative cost-effectiveness. The IPCC, for example, estimates that the potential for GHG reduction in the transportation sector is less than one half of its contribution to overall GHG emissions.[23] The European Conference of Ministers of Transport acknowledged a lesser potential for transportation: "Transport and other sectors are ... expected to contribute correspondingly less to overall emissions reduction strategies."[24]

In the United States, McKinsey & Company and the Conference Board found that sufficient GHG emissions reductions can be achieved without reducing driving or living in denser housing.[25] This is illustrated by the anticipated improvements in automobile fuel efficiency, which drive a disproportionate share of the GHG emissions reductions in Plan Bay Area.

Plan Bay Area's assumption of the necessity for "across the board" reductions in transportation that match the overall 80 percent reduction objective is inappropriate.

While Plan Bay Area does not subject its GHG emissions reduction strategies to an economic test, some such analysis has been in related documents. For example, some of the proposed "Climate Policy Initiatives" would substantially exceed the IPCC maximum cost guideline per ton of emission reduction. A 2012 document[26] indicated that four of six listed strategies exceeded the $50 per ton maximum. The most costly strategy was more than $800 per ton, or between 16 and 40 times the IPCC maximum.

Elements in the previous MTC *2035 Transportation Plan,* estimated an annual cost of from $200 to $800 per ton of GHG for its bus improvement strategies and from $800 to $5800 per ton for its rail and ferry improvements.

Moreover, the cost of GHG emissions reduction in the housing and commercial sector needs to be assessed. The costs should include those of any likely house or commercial property cost increases.[27]

In view of the potential damage to the economy and the quality of life, it is important that GHG emissions reduction strategies be subject to a cost test. A replacement Plan Bay Area should include an economic analysis of each strategy and exclude any strategy that exceeds $50 per GHG ton reduced.

GHG Emissions Reduction Recommendation

A replacement Plan Bay Area should use the most current projections, apply them objectively across all alternatives and not include measures that are more severe than is required by legally binding objectives.

3. LAND USE STRATEGIES

A principal Plan Bay Area strategy is to concentrate most new residents in infill development, within approximately 220 priority development areas (PDAs). The PDAs would cover just five percent of the region's land. Plan Bay Area seeks to locate 77 percent of the new residences and 63 percent of the new jobs between 2010 to 2040 in the PDAs.

> *Plan Bay Area calls for focused housing and job growth around high-quality transit corridors, particularly within areas identified by local jurisdictions as Priority Development Areas (PDAs). This land use strategy is intended to enhance mobility and economic growth by linking housing/jobs with transit, thus offering a more efficient land use pattern around transit and a greater return on existing and planned transit investments.*[28]

Localized Jobs/Housing Balance

Plan Bay Area seeks to reduce automobile travel by improving the localized "jobs/housing," balance, which would seek a one to one relationship between resident workers and jobs within localized geographical areas within the Bay Area.[29]

> *Planning for a jobs/housing balance is based on the premise that the number of work trips by car, the overall number of vehicle trips, and the resultant vehicle miles traveled can be reduced when there are sufficient jobs available locally to balance the employment demands of the community.*

Plan Bay Area also supports the concept of a jobs/housing balance, noting that:

> *Improving the jobs/housing balance so that the number of jobs is approximately the same as the number of employed residents—a ratio of 1:1—requires carefully planning for the location, intensity, and nature of jobs and housing in order to encourage a reduction in vehicle trips and miles traveled and a corresponding increase in the use of mass transit and alternative modes of transportation, such as carpools, bicycling, and walking.*

Plan Bay Area notes that households living closer to transit travel less frequently and shorter distances than those living farther away from transit. The reduction is cited as being on the order of 30 percent.

> *MTC's 2006 report, "Transit-Oriented Development: New Places, New Choices in the San Francisco Bay Area," supports the proposition that transit-oriented development can reduce the rate of car ownership. According to this report, almost 30 percent of households living within a half-mile of a rail or ferry station do not own cars. Households closer to transit also log fewer daily miles on the cars they do own (20 miles per day for households less than a half-mile from transit, versus 39 to 55 miles per day for households living more than one mile from transit). Furthermore, households close to transit report a higher share of daily work and non-work trips on foot or by bike than households farther from transit.*

Yet, Plan Bay Area' yields only a miniscule reduction in per capita (per household) travel of only 2 percent in 2040.[30] This is not surprising. In a meta-analysis, Ewing and Cervero find that each 10 percent increase in the jobs/housing balance yields only a 0.2 percent reduction in per capita vehicle travel.[31]

Localized Jobs/Housing Balance: The Record

Efforts to establish localized jobs/housing balances have been largely unsuccessful in materially changing metropolitan travel patterns because people tend to seek the employment opportunities that serve their needs best in the entire labor market.

In the United Kingdom, "self sufficient" new towns (such as Milton Keynes and Stevanage) were built in the exurbs with sufficient employment for the new residents. The jobs and the residents materialized, but the shorter travel distances did not. The 2001 census shows that residents of the new towns travel to work, on average, a distance twice the diameter (distance across) of the new towns they live in.[32] A large share of the residents work in other towns or in the large cities. Other workers commute long distances from other parts of the metropolitan area to job locations in the new towns.

Urbanologist Peter Hall of the London School of Economics made similar findings with respect to Stockholm's satellite communities. Despite planning intentions similar to those in the U.K., the overwhelming majority of people work outside the communities in which they live.[33]

The elusiveness of a localized jobs/housing balance is also illustrated by comparing Hong Kong with the Bay Area. Probably no urban area in the world achieves the objectives of urban containment policy as well as Hong Kong. Hong Kong is the highest density urban area with more than 1 million residents in the high income world (over 65,000 per square mile).[34] Hong Kong also has the highest mass transit work trip market share of any major metropolitan area in the high income world (70 percent).[35] By comparison, the urban area density in the Bay Area is approximately 6,000 per square mile, one-tenth that of Hong Kong, while the transit work trip market share is only one sixth that of Hong Kong (11 percent).

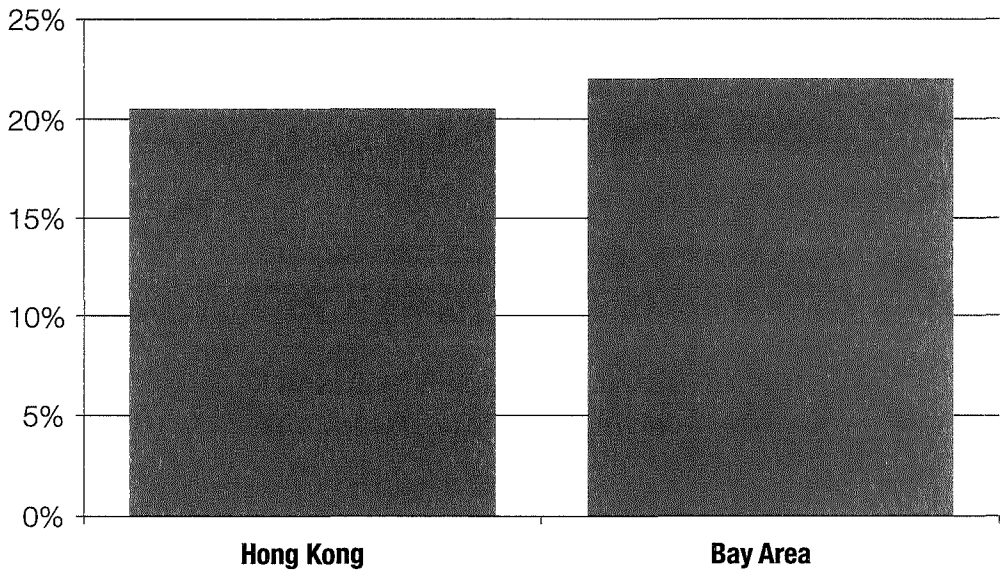
By comparison, the 26 Bay Area "places" of comparable geographical size have a localized jobs-housing balance of 22.1 percent, despite having a smaller average land area (20.0 square miles).

Yet, the Bay Area, with its far lower urban population densities and far lower mass transit market share has a localized jobs/housing balance competitive with that of Hong Kong (Figure 5).[36] The 2011 census indicates that only 20.6 percent of Hong Kong's resident workers commute to jobs in their own districts (average district area 23.7 square miles).[37] By comparison, the 26 Bay Area "places" of comparable geographical size have a localized jobs/housing balance of 22.1 percent, despite having a smaller average land area (20.0 square miles). [38]

Figure 5

Localized Jobs/Housing Balance

BAY AREA V. HONG KONG: JOB IN HOME GEOGRAPHY



Sources: Calculated from Hong Kong Census and American Community Survey

The Elusive and Counter-Productive Jobs/Housing Balance

The comparatively low jobs/housing balances exhibited not only in the Bay Area but also in Hong Kong are not surprising. For example, the 2011 *American Housing Survey* indicates that among people who moved in the previous year, only 13 percent moved to be closer to their employment: 7 percent among home owners and 15 percent among renters. In short, attempts to establish localized jobs/housing balances in metropolitan areas are likely to fail because planners cannot anticipate where people will prefer to live, where they will work and where their next jobs will be. This is made even more complex by the large number of households with more than one worker, which can make locating the residences near the multiple employment location difficult, even in the small minority of cases where proximity to the job is the principal consideration.[39]

The strategy of the jobs/housing balance is at odds with the concept of the metropolitan area as a labor market in which economic growth is increased as mobility is maximized. According to former World Bank principal urban planner Alain Bertaud, the economic efficiency of the city requires *avoiding any spatial fragmentation of labor markets.*[40] This raises the concern that a localized "jobs/housing" balance may only be achieved at the expense of economic growth (household affluence and the reduction of poverty).

Source of GHG Emissions Reductions: Fuel Efficiency, Little from Plan Bay Area

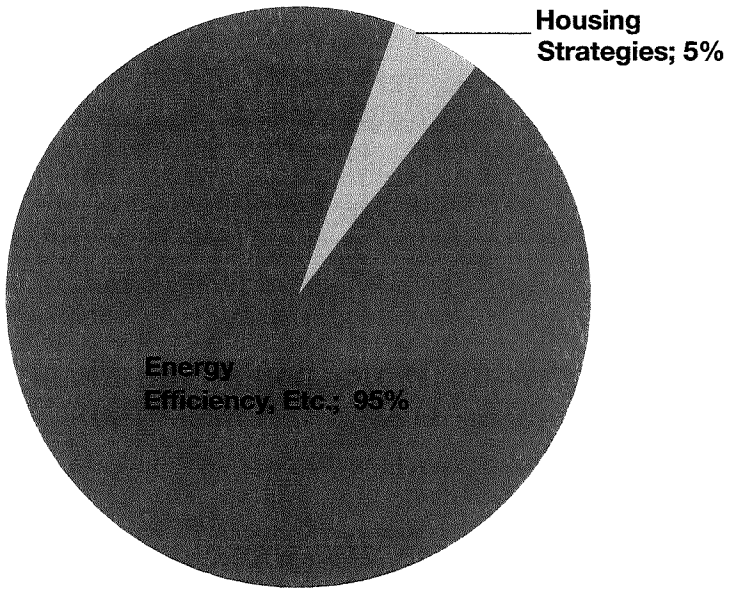
The GHG emissions gains from the land use strategies of Plan Bay Area result principally from technological improvements, rather than planning initiatives (as is also the case with transportation, as shown in Section 4.6).

Plan Bay Area's land use strategies contribute little to GHG emissions reduction. Approximately 95 percent of the reduction in GHG emissions from underlying assumptions of energy efficiency improvements and other measures (referred to as "Scoping Plan Reductions in the DEIR), with the same reduction under the "2040 Plan" and the "2040 No Project Alternative." The other five percent is from the land use policies of the "2040 Plan" and represent the difference from the "2040 No Project Alternative" (Figure 6).

Figure 6

Sources of GHG Reductions: 2040 Plan

LAND USE: 2040 CHANGE FROM 2010



Source: DEIR

Land Use Recommendation

The housing (PDA) strategies of Plan Bay Area are not necessary to achieve the required GHG emissions reductions. A replacement Plan Bay Area should exclude housing location or type mandates or guidelines.

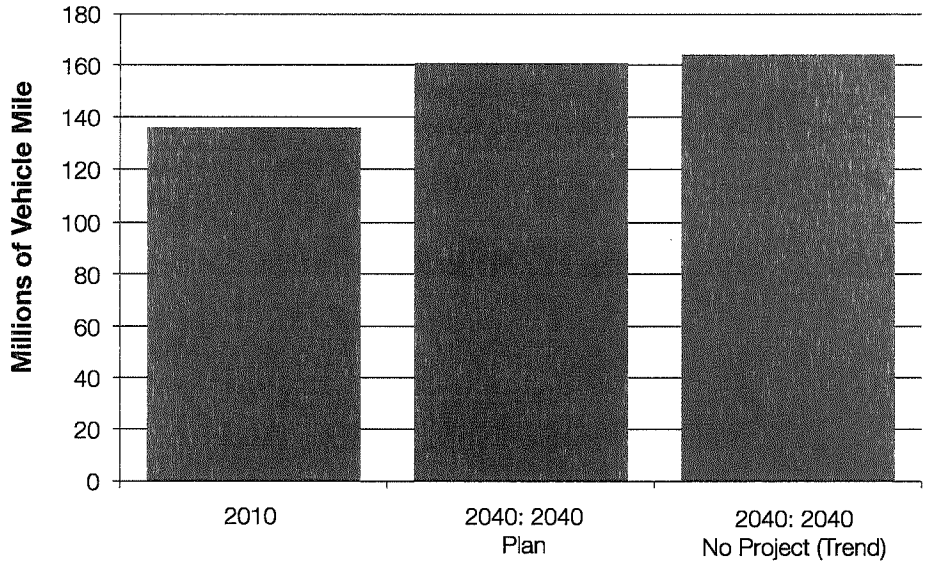
4. TRANSPORTATION

Greater mobility—the ability to travel quickly between all points in the metropolitan area—improves the economic performance of cities.[41] This broadens affluence and reduces poverty. Prud'homme and Lee (University of Paris), Hartgen and Fields (University of North Carolina-Charlotte), Cervero (University of California) and others, who have shown that the more jobs people can reach in a fixed period of time (such as 30 minutes), the greater the economic production (which leads to greater job creation, larger household discretionary incomes and lower rates of poverty.[42] The relationship between mobility and economic growth means that a principal purpose of transportation policy should be to reduce hours of travel delay in the area.

Despite the draconian land use interventions that seek to minimize travel distances between homes and work, the preferred "2040 Plan" would result in only two percent less driving volume than in the "2040 No Project Alternative" (Figure 7). Travel by passenger vehicles would increase 18 percent, and passenger vehicles would remain the dominant mode of travel.

Figure 7

Daily Light Vehicle Travel: 2010 & 2040
2040 PLAN V. 2040 NO PROJECT ALTERNATIVE



Source: DEIR

Density and Traffic Congestion

The increase in passenger vehicle travel would, according to Plan Bay Area, be accommodated on a roadway system little expanded from the present. Traffic would further be more concentrated in PDAs, in which population densities and employment densities would be higher, generating many more trips. Both of these factors could be expected to increase traffic congestion.

There is a strong relationship between higher population and employment density and greater traffic volumes. A meta-analysis of nine studies examining per capita or per household automobile use by Ewing and Cervero associates a doubling of density with a miniscule decline in driving (approximately a 0.4 percent reduction in *per capita* driving for each 10 percent increase in population density).[43] This means that with a 10 percent increase in population density (people in a specific geographic area), total driving would rise nearly 10 percent, *nearly the same as the population increase.*

Further, Ewing and Cervero find no change in driving based upon changes in employment density. Thus, as population and employment rise, the volume of travel in a particular area rises nearly as much, which leads to greater traffic congestion

Our review of more than 180 metropolitan areas in Europe, North America, and Asia indicated a strong relationship between higher density and greater traffic congestion. The same research, covering 109 metropolitan areas, also indicated that higher urban population density was strongly associated with longer work trip travel times.[44]

Already, the Bay Area is rated as having intense traffic congestion. The San Francisco metropolitan area is routinely rated second worst among U.S. major metropolitan areas, while the San Jose metropolitan area is rated fourth by both Tom Tom[45] and INRIX.[46] San Jose has the worst traffic congestion among metropolitan areas between 1.0 and 2.5 million population in both traffic congestion rating systems. This greater traffic congestion is, at least partially, the result of the Bay Area's high population density, with the San Francisco urban area and the San Jose urban area trailing only the Los Angeles area as the highest density major urban areas in the United States.[47]

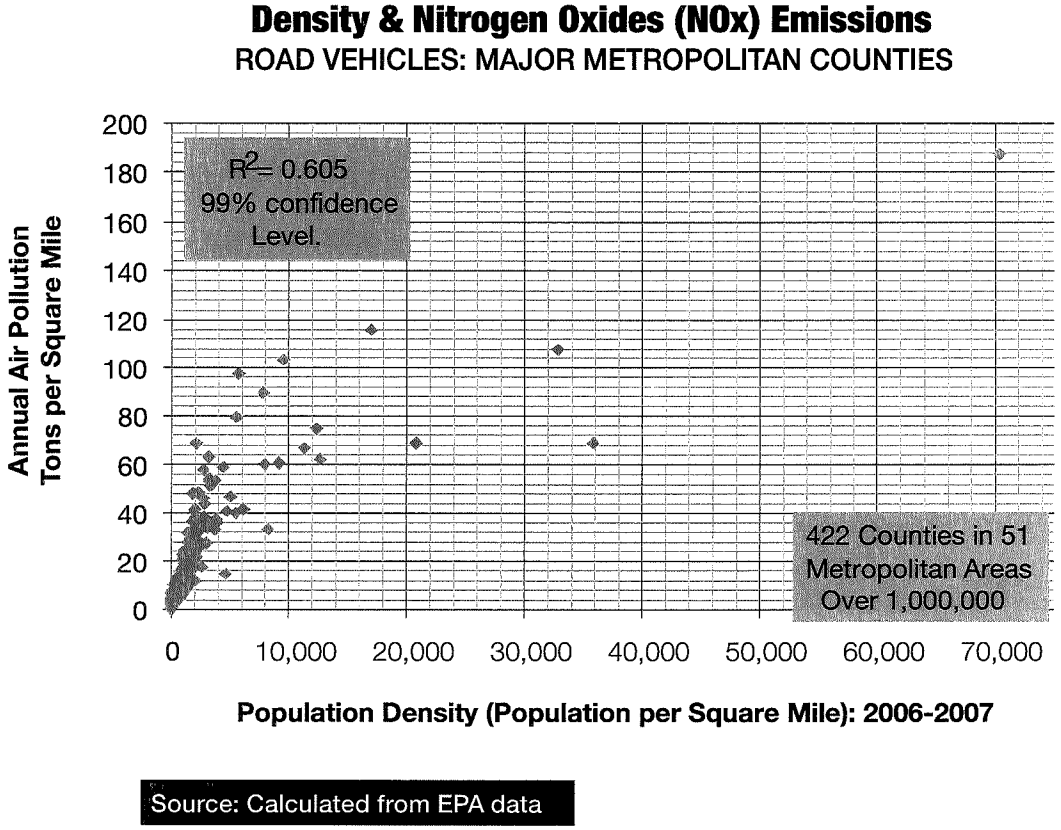
Diminishing GHG Emissions Returns: Reducing Travel

Greater traffic congestion would reduce GHG emissions that might otherwise be expected from reducing driving (albeit, the modeled driving in Plan Bay Area is small). Each gallon of gasoline produces the same volume of GHG emissions. Because cars consume more fuel at lower speeds and in greater traffic congestion, as density increases congestion, the anticipated reduction in GHG emissions is reduced or can even be eliminated. Greater fuel consumption in congested traffic can result in GHG emissions over 70 percent higher per mile than in free-flow traffic.[48]

Health Impacts of More Intense Traffic Congestion

The greater traffic congestion is likely to have negative health impacts. According to the American Heart Association and the U.S. Environmental Protection Agency, air pollution increases along congested corridors. There is a strong relationship between more intense air pollution and higher population density (Figure 7).[49]

Figure 8



Source: Calculated from EPA data

Transferring Passenger Vehicle Demand to Transit

Despite the priority given to transit strategies, Plan Bay Area does little to reduce automobile demand. Indeed, passenger vehicle travel under Plan Bay Area is only two percent less than under the "2040 No Project Alternative." Transit's share of total trips would rise from only five percent to seven percent.[50]

The modest modeled transfer of demand from passenger vehicles is to be expected given the strengths and weaknesses of transit. The principal driver of transit work trips by people who have access to automobiles is proximity to downtowns (CBDs). This is because rapid transit service and high levels of conventional transit service focus on the CBDs, not other areas with employment throughout the Bay Area.

At the national level, the predominance of CBDs in transit commuting is indicated by the fact that 55 percent of transit commuting in the United States is to the core municipalities of New York, Chicago, Philadelphia, Boston, San Francisco, and Washington, DC. This is nearly ten times their share of national jobs (six percent). Most transit commuting to these "transit legacy cities" is to the CBDs,[51] which are typically 10 to 20 percent of metropolitan employment. In the Bay Area, the San Francisco CBD represents less than 10 percent of Bay Area employment.[52]

Further indication of transit's ridership concentration to downtown is Statistics Canada research indicating that outside six miles from downtown, people in higher density housing use cars at a rate similar to those in nearby detached housing.[53]

This finding is echoed in Melbourne, Australia, where regional planners long ago attempted a land-use strategy similar to Plan Bay Area PDAs. The concept was that by locating residences along corridors with more intense transit service, people would use transit in significantly greater numbers for the work trip. Researchers found that the strategy largely failed, because transit could not compete with the automobile in providing rapid trips to the highly dispersed employment pattern of the metropolitan area.[54]

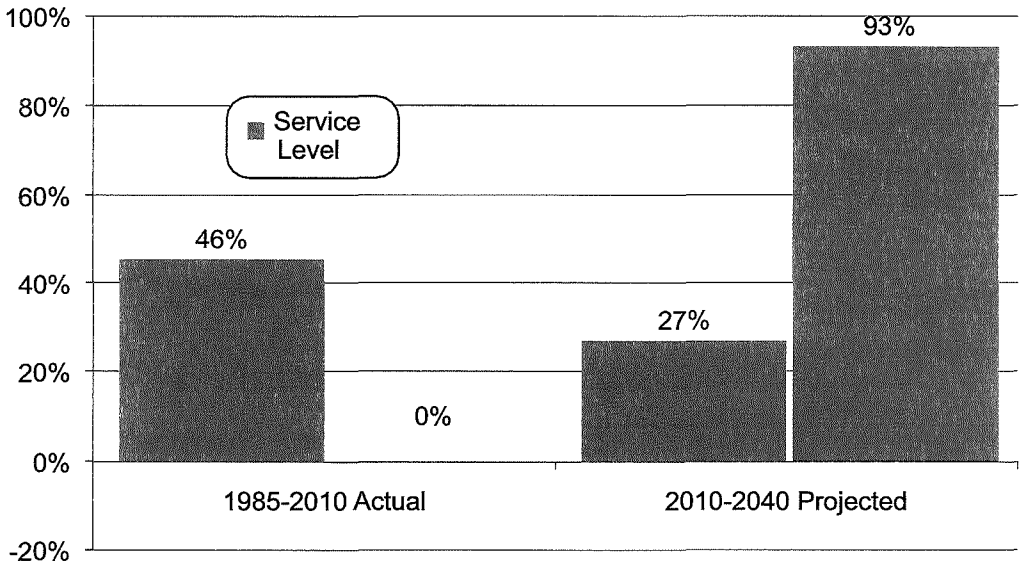
Transit commuting is much more modest to jobs outside the San Francisco and Oakland CBD (which has a 25 percent transit work trip market share). Transit has an approximately 50 percent share of commuting to the San Francisco CBD and a 25 percent share to downtown Oakland. On average, approximately 6 percent of work trips to these areas are made by transit. Overall, the density of employment outside the two largest CBDs is approximately 2300 per square mile. The Oakland CBD is at least 20 times as dense and the San Francisco CBD is approximately 50 times as dense. Even suburban employment centers with rapid transit access can have modest transit market shares. For example, only nine percent of employees who work in the San Jose core employment center use transit. The Walnut Creek employment center attracts only four percent of its workers by transit. These cases indicate the difficulty of using transit to smaller employment centers outside the largest CBDs.[55]

This is to be expected. According to a Brookings Institution report,[56] more than 90 percent of Bay Area resident workers live within walking distance of a transit stop. But being near a transit stop does not translate into convenient access to most destinations. Only about 10 percent of employment locations can be reached on transit in 45 minutes by the average worker. In contrast, more than 80 percent of the Bay Area's workers have a work trip travel time of less than 45 minutes (largely commuting by passenger vehicles).[57]

There is a fundamental difference between access to a transit stop and access to a car in the garage parking lot or on the street. The car can take the driver to 100 percent of the business or residential locations in the entire Bay Area, and door-to-door is nearly always faster than any other mode. For example, in the Bay Area, 72 percent single occupant worktrips are less than 30 minutes. By comparison, only 22 percent of transit users reach their work locations in 30 minutes (Figure 9).[58]

Figure 9

Transit Service & Ridership Increases
1985-2010 COMPARED TO 2010-2040



Sources: DEIR & National Transit Database

This limited access to employment is the result of the "last mile" problem, whereby transit services often do not take riders close enough to their destination to complete the trip with a convenient walk.

Optimistic Plan Bay Area Transit Ridership Projection

The projected transit ridership increases in Plan Bay Area appear to be overly optimistic. Between 2010 and 2040, Plan Bay Area assumes a 93 percent increase in transit ridership.[59] Yet, over the same period, Plan Bay Area projects that transit service will increase only 27 percent (seat miles). It is unusual for transit ridership to increase faster than the increase in transit service, simply because the transit services that are already operating are in markets with the highest demand. New services are routinely less well patronized.

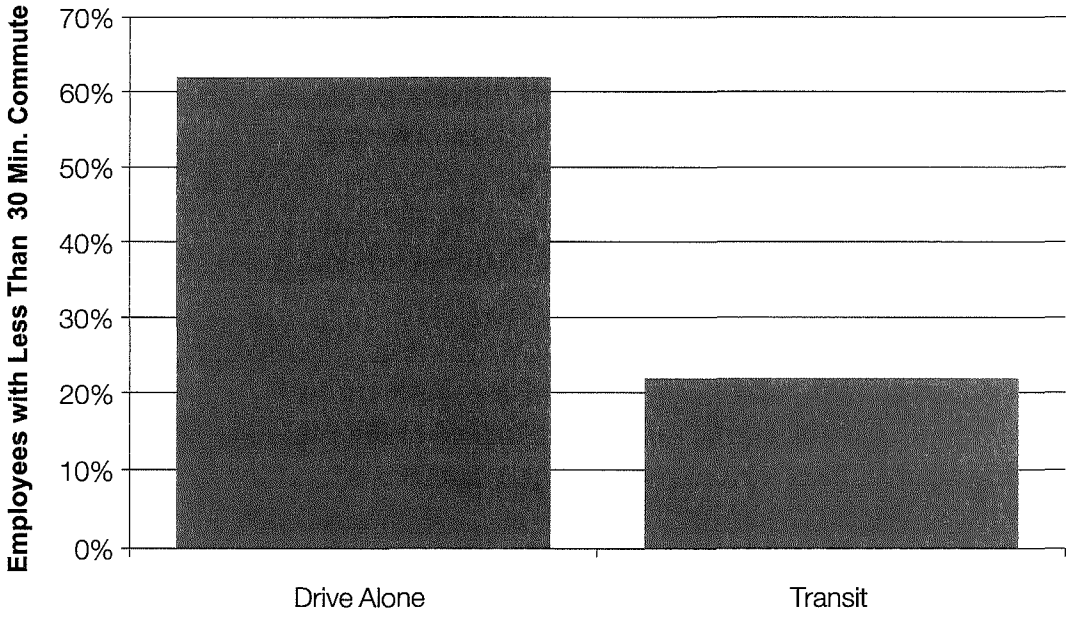
This increase in transit ridership is in contrast to recent longer term trends. Between 1985 to 2010. Transit service levels were increased 46 percent in the Bay Area.[60] However, ridership[61] declined slightly (Figure 10). The Plan Bay Area ridership and service projections indicate a 3.45 ratio of new ridership to new service, which is considerably higher than the minus 0.01 ratio between 1985 and 2010 (Figure 11).

It may be implausible to project such a large increase in transit ridership. Given recent Bay Area trends and the lower productivity of new service, a decline in ridership seems more likely.

Figure 10

Commute Trips Less than 30 Minutes

BAY AREA COMBINED STATISTICAL AREA: 2011

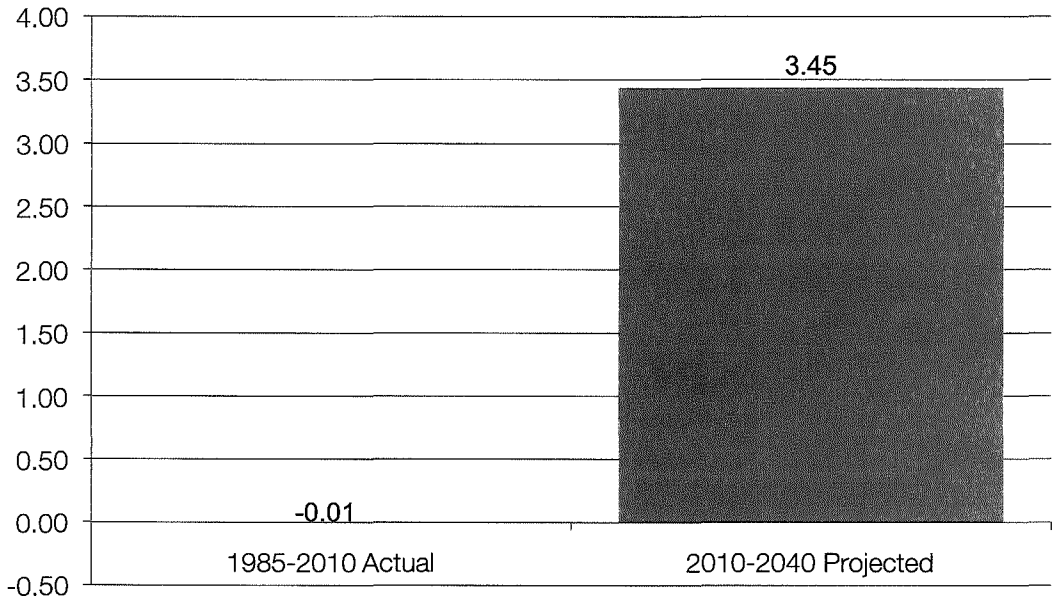


Source: American Community Survey

Figure 11

New Passenger/Service Ratio

1985-2010 COMPARED TO 2010-2040



Sources: National Transit Database & Plan Bay Area

Source of GHG Emissions Reductions: Fuel Efficiency, Little from Plan Bay Area

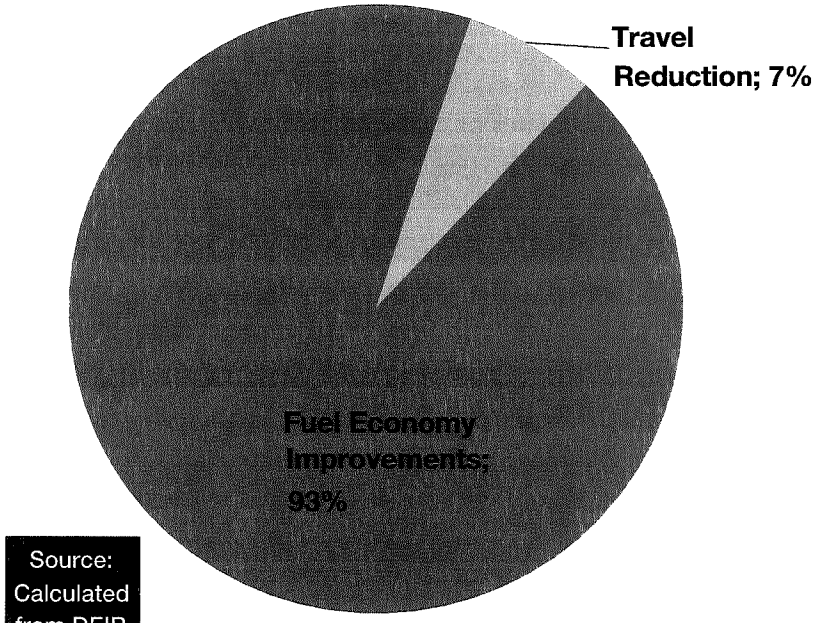
As in the case of land use (Section 3.4), the principal GHG emissions transportation reductions gains under Plan Bay Area result from technological improvements, rather than planning initiatives.

Plan Bay Area's passenger vehicle mileage reduction strategies contribute little to GHG emissions reduction from passenger vehicles. Approximately 93 percent of the reduction from 2010 to 2040 in the "2040 Plan" is due to improved fuel economy and is thus independent of the intrusive strategies of Plan Bay Area (Figure 12). The seven percent from reduced travel is the difference between the "2040 Plan" and the "2040 Project Alternative."

Figure 12

Sources of GHG Reductions: 2040 Plan

LAND USE: 2040 CHANGE FROM 2010



Source: Calculated from DEIR

Transportation Recommendation

A replacement Plan Bay Area should establish objectives for materially reducing traffic congestion and should recommend transportation policies based principally upon the cost per reduced delay hour, giving priority to less costly initiatives.

5. COST OF LIVING AND HOUSING AFFORDABILITY

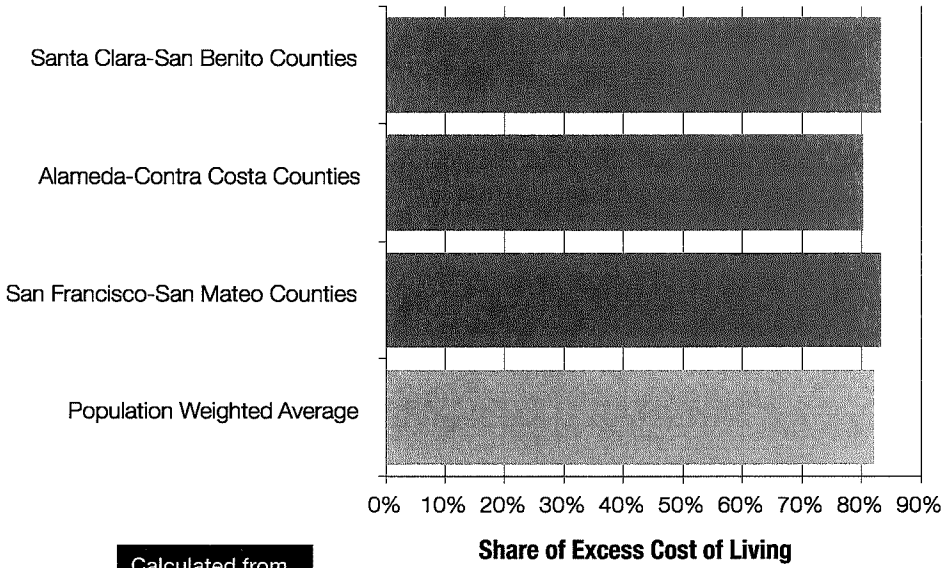
The Bay Area has the highest cost of living among the nation's major metropolitan areas. The *C2ER Cost of Living Index* indicates that the cost of living is 48 percent higher in the Bay Area than the national average.[62] This means that a dollar earned by Bay Area residents has a purchasing power of only $0.68 compared to the national average (of $1.00). Compared to less costly areas, such as fast growing Nashville or Columbus (Ohio), the value of a Bay Area dollar drops to nearly $0.60.

It is estimated that 80 percent of the Bay Area's higher cost of living is attributable to its higher cost of housing[63] (Figure 13).[64]

Where housing costs are higher than necessary, the average household is necessarily less affluent. Moreover, higher house prices are an important barrier to reducing poverty. Households at all income levels will have less discretionary income to spend, which leads to lower levels of job creation because the purchase of goods and services is reduced by the higher cost of housing.

Figure 13

Housing Share of Excess Cost of Living
BAY AREA COMPARED TO NATIONAL



Calculated from C2ER data

Housing Affordability in the Bay Area

The Bay Area's lack of housing affordability can be traced to its urban containment strategies. Under Plan Bay Area, these strategies will become even more restrictive and result in raising house prices even higher.

A few California markets, including in the Bay Area, reached median multiples of 10.0 or above during the housing boom.

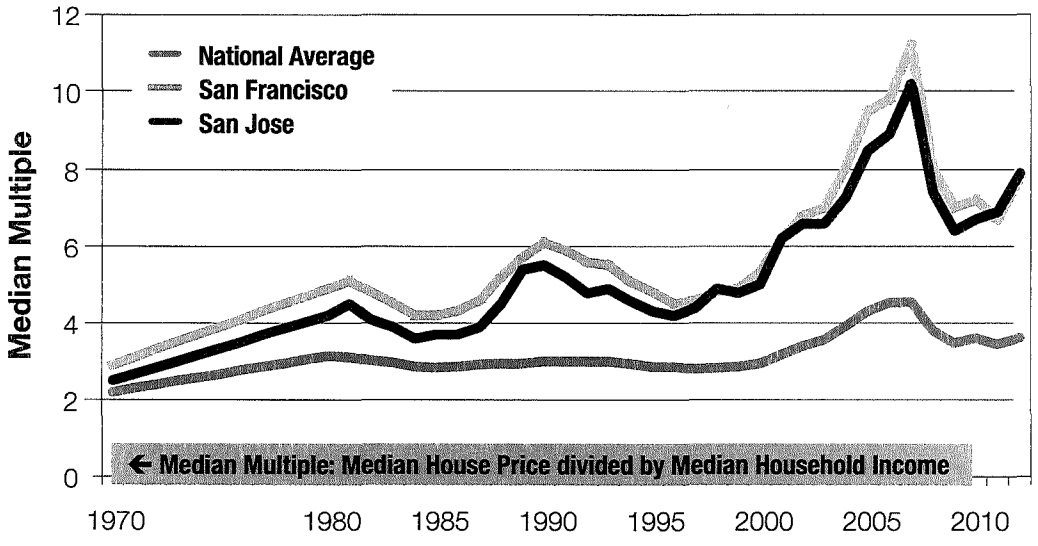
The Bay Area has the highest house prices relative to incomes in the nation (measured by the median multiple, which is the median house price divided by the median household income). In late 2012, the San Jose metropolitan area had a median multiple of 7.9, the highest among the 51 major metropolitan areas. The San Francisco metropolitan area had a median multiple of 7.8, the second highest among the 51 major metropolitan areas. Bay Area house prices *in relation to incomes* were more than double that of other major metropolitan areas. More recent data indicate a further deterioration of housing affordability. For the year ended March 31, 2013, median house prices rose more than 30 percent in the San Francisco and San Jose metropolitan areas. Each of these increases is above the 11 percent national average, which was characterized by the National Association of Realtors as the "best year-over-year performance in over seven years" (the largest price increase).[65]

The Bay Area was not always excessively expensive. Before the implementation of stronger land use regulation in the 1970s, housing affordability in the Bay Area was much closer to that of other major metropolitan areas (Figure 14). Since that time, housing affordability, as measured by the median multiple (median house price divided by median household income) has increased 2.5 times the national average in the San Francisco metropolitan area and more than three times the national average in the San Jose metropolitan area.

Figure 14

Housing Affordability 1950-2012

LARGEST U.S. METROPOLITAN AREAS: MEDIAN MULTIPLE



1950–1970: From Census Bureau; 1980–2009: From Harvard University; 2010–2012: From Demographia. Annual Data Begins at 1980

The Impact of Urban Containment Policy on Housing Affordability

A considerable body of evidence indicates that land use policies that severely ration land for development can retard housing affordability. This is consistent with the principle of economics that rationing any good or service leads to artificially higher prices:[66]

> *When the supply of any commodity is restricted, the commodity's price rises. To the extent that land-use, building codes, housing finance, or any other type of regulation is binding, it will worsen housing affordability.*[67]

These "urban containment" policies include severe restrictions on the development of residential land, such as urban growth boundaries, development moratoria, and quotas that limit the number of houses that can be built. The Bay Area has strong urban containment policies.[68]

Measuring Housing Affordability

One of the most frequently used measures of housing affordability is the "median multiple," which is the median house price divided by the median household income.[69] Generally, the median multiple in major metropolitan areas of the United States has been at 3.0 or below since World War II.[70] This has also been the case, at least until less than two decades ago in Australia, Canada, Ireland, New Zealand and the United Kingdom. In

Land and House Construction Costs

The principal difference in the cost of housing relative to household incomes around the country is the cost of land.

For example, housing construction costs in the San Francisco and San Jose metropolitan areas are 40 percent to 50 percent above those in the Dallas-Fort Worth metropolitan area.[76] Yet the San Francisco metropolitan area median house price was 240 percent higher than in Dallas-Fort Worth in 2012, while the San Jose metropolitan area price was 300 percent higher. During the housing bubble, house prices peaked at 450 percent higher in the San Francisco and San Jose metropolitan areas than in Dallas-Fort Worth. The overwhelming share of the difference is in the land prices, which are driven up by the rationing effect of urban containment policy.

Further, the higher prices are not the result of higher demand. The most important measure of underlying housing demand, domestic migration, has been much greater in Dallas-Fort Worth than in the Bay Area. Between 2000 and 2012, a net 415,000 domestic migrants moved to Dallas-Fort Worth, while a net 580,000 were leaving the San Francisco and San Jose metropolitan areas.[77]

Moreover, there may be a perception that land costs are reduced by the smaller lot sizes that are imposed by urban containment policy. This represents a fundamental misunderstanding of economics, in general, and land markets in particular. Neither land nor any other good or service has an "inherent" value in the market. Prices are established through the interaction of supply and demand, and precise changes in price are not easily susceptible to reliable prediction, even by economic formulas. Smaller building lots have led to substantially *higher* land prices per new dwelling where urban containment policy has been adopted.[78]

Finally, agricultural land costs in the Bay Area are little above those of the nation. In the San Francisco metropolitan area, the 2007 *Census of Agriculture* indicated an average value per acre of $5,500 for agricultural land. In the San Jose metropolitan area, the figure was $3,800. By comparison, the national average value per agricultural land acre in the major metropolitan areas was $4,100.[79] The underlying value of land in a properly functioning land market would not be materially more expensive in the Bay Area.

fact, none of the major markets without urban containment policy reached a median multiple of 4.5, even during the housing bubble.[71]

A few California markets, including in the Bay Area, reached median multiples of 10.0 or above during the housing boom. Indeed, three quarters of the house value losses preceding the start of the Great Financial crisis with the Lehman Brothers bankruptcy occurred in just 11 metropolitan markets, which included both San Francisco and San Jose. Each of these 11 markets had urban containment policies or other severe land rationing policies.[72]

Land and Housing Affordability

Rising house prices relative to household incomes can be an indication of an insufficient, affordable land supply.[73] Economist Anthony Downs of the Brookings Institution stresses the importance of a "competitive land supply" to housing affordability. The principal cost element in the loss of housing affordability from urban containment policy is higher land costs (see sidebar). Downs describes the process by which urban growth boundaries can drive up the price of land, which increases house prices.[74]

> *If a locality limits to certain sites the land that can be developed within a given period, it confers a preferred market position on those sites. . . . If the limitation is stringent enough, it may also confer a monopolistic power on the owners of those sites, permitting them to raising land prices substantially.*

Even comparatively modest house price differentials can have a significant effect on a community and its inhabitants. Downs notes that a modest 10 percent increase in house prices makes it impossible for four percent of households to purchase a home, and concludes that such an effect is "socially significant."[75]

How Housing Affordability was Lost in California

Recent house price increases have re-opened a gap between Bay Area house prices and average major metropolitan area house prices that nearly equals the difference that existed at the peak of the housing bubble.

Stronger land use regulation was implemented in California in the 1970s through court decisions and administrative actions. The Bay Area was a leader in the implementation of these policies.

William Fischel of Dartmouth University notes that until 1970, California house prices were similar to those in the rest of the nation.[80] Fischel indicates that in 1970, California median house prices relative to median family incomes were 29 percent higher than in the rest of the nation. By the end of the decade, California house prices had escalated to more than 75 percent higher in relation to incomes than in the rest of the nation and by 1990 the difference had expanded to approximately 120 percent.

Fischel looks at potential causes for the divergence of California house prices from those in the rest of the nation.

- There was little difference in the trend of construction costs between California and the nation and notes that the housing price "explosion" is not "explained at all by construction costs."
- The most important factors that might be expected to increase the house prices were not present, such as substantially greater increases in incomes or large increases in population growth rates.
- The quality of life in California is perceived to be better than in much of the rest of the nation, yet Fischel finds no evidence that the California advantage had expanded during the 1970s, when the house price difference expanded. He suggests that it would have been more likely to expect the large increases to have occurred before 1970, when, according to Fischel, the amenity differential between California and the rest of the nation was greater.

Fischel also notes that land for development is plentiful, eliminating the scarcity of land as a factor that could have driven house prices upward.

Research on Urban Containment and Rising House Prices

Economic research also identifies slower than expected economic growth in metropolitan areas with urban containment policy. Urban containment policy has been associated with higher commercial development costs[81] and higher retail prices,[82]

Urban Containment and Speculation

It is an economic principle that buyers will tend to be attracted to markets in which investment gains appear to be most lucrative. It is thus not surprising that urban containment is associated with speculation (attracting investors). [83]

Recent house price increases have re-opened a gap between Bay Area house prices and average major metropolitan area house prices that nearly equals the difference that existed at the peak of the housing bubble. At least part of this may be due to the increased involvement of foreign investors in the Bay Area housing market.[84] In this regard, an important principal driving force may be the housing restrictions that have been imposed by the People's Republic of China in an attempt to control its runaway price increases. This is reported to have induced an increase in California housing investment from China.[85] This influx of a new tranche of buyers, along with other investors attracted by the bullish Bay Area market and often pay cash,[86] as well with the serious restriction on single-family housing construction in the Bay Area could signal even further house price increases.

Urban Containment and Domestic Migration

During the 2000 to 2010 decade, the Bay Area experienced significant net domestic outmigration. On average, the Bay Area lost approximately 65,000 net domestic migrants each year.[87] Between 2010 and 2012 there was a turnaround, with approximately 6,000 net domestic migrants added annually. Nationally, net domestic migration losses were strongly centered in more costly major metropolitan markets between 2000 and 2009, while less costly major metropolitan markets captured a substantial net domestic migration gain.[88]

Domestic outmigration could recur and increase substantially if housing affordability is not materially improved. Even if job growth is greater, new employees might be forced or choose to live in the San Joaquin Valley where housing costs are considerably lower. This could work against the GHG emissions reduction objectives of Plan Bay Area.

Urban Containment: Hobbling Economic Growth

There is also research pointing to urban containment policy as inhibiting economic growth. U.S. Federal Reserve Board economist Raven Saks found that employment growth is 20 percent less than expected in U.S. metropolitan areas with stronger land use policies.[89] Another econometric analysis found an association between more restrictive land use regulation and slower economic growth in the Randstadt region (Amsterdam-Rotterdam-The Hague).[90]

After the collapse of the housing market, the U.S. Congress commissioned a report on the causes of the financial crisis. The U.S. Financial Crisis Inquiry Commission identified four hypotheses as possible causes for the U.S. housing bubble. One of the hypotheses involved strong land use restrictions. The commission stated:

> *Land use restrictions. In some areas, local zoning rules and other land use restrictions, as well as natural barriers to building, made it hard to build new houses to meet increased demand resulting from population growth. When supply is constrained and demand increases, prices go up.*[91]

There is considerable additional research on the strong relationship between urban containment policy and the loss of housing affordability. For example, Paul Cheshire of the London School of Economics has concluded that *urban containment policy is incompatible with housing affordability.*[92] Other research also concludes that urban containment policy can hamper broader economic performance.[93]

Impact of Plan Bay Area on Rental Costs and Workforce Housing

The housing affordability problem extends to rental costs as well. California's median monthly housing costs were 40 percent above the national average in 2011. In 2012, San Jose, had the highest overall median housing costs among the nation's major metropolitan areas, at 78 percent above average.[94] San Francisco had the third highest housing cost, at 68 percent above the national average.

The extent of the housing affordability problem for "working families" in the Bay Area is detailed in an Urban Land Institute report (*Priced Out*).[95]

- In 2009, every Bay Area county ranked among the 15 percent least affordable, despite the fact that house prices had dropped "40 percent or more" from the 2006 peak.
- "Uniformly high housing costs are similarly pervasive in the rental housing market."
- "A disproportionately high percentage of workforce households also pay more than 30 percent of their incomes on rent, more than in peer metropolitan regions across the country."

The Bay Area's housing affordability has become so severe, that households have been locating in the San Joaquin Valley to obtain more affordable housing.[96]

Impact of Plan Bay Area on Overall Housing Affordability and Commercial Real Estate

Plan Bay Area's housing policies seem likely to *worsen* the Bay Area's already worst in the nation housing affordability and make its commercial real estate more costly. Nearly all new housing (97 percent) would be in the existing urban footprint, with little potential for new housing on the fringe. This would preclude the use of less costly land.

Two other measures in Plan Bay Area could raise land and housing costs even above their presently elevated levels.

- The first measure would ration land even more severely, within, rather than beyond the urban footprint. Plan Bay Area would also limit where new development could occur principally in the PDAs. This further rationing of land would likely lead to a further deterioration of housing affordability.
- Further, by seeking to concentrate new employment locations in the PDAs, Plan Bay Area could further raise commercial land prices, which would make the cost of doing business in the Bay Area greater and lead to higher service and product prices.

Priced Out expresses a similar concern with respect to rental housing:

> *Unless serious changes are made, future construction will not alleviate the problem. A scarcity of appropriately zoned and located land together with relatively high development costs makes it nearly impossible for builders and developers to deliver high-quality new rental communities at price points affordable to workforce families.*

The DEIR does not examine the negative effect of its policies, including urban containment policy, on housing affordability

It will not be possible to restore housing affordability in the Bay Area, either for low-income households or other households, without restoring a competitive land supply (Box 2). The continuing and substantial disparity between the Bay Area's cost of living, much due to its inferior housing affordability, will make it less competitive relative to other metropolitan areas. This further implies that the aggressive population growth assumptions of Plan Bay Area are implausible.

Housing Affordability Recommendation

The Plan Bay Area does not include an alternative that would achieve a competitive land supply. As a result, its strategies cannot restore housing affordability. A replacement Plan Bay Area should include an alternative that restores a competitive land supply.

New Housing and Land Availability

Urban containment policy, on which Plan Bay Area is largely intended is to limit urban sprawl. Urban sprawl is a generally ill-defined term[97] that has been applied to urbanization from the lowest densities to the highest in the world.[98]

Yet, there is no shortage of land for development. For example, much urban development has taken place on agricultural land, yet improving productivity has resulted in substantial increases in production around the nation. An area larger than Texas and Oklahoma combined has been taken out of production since 1950 in the United States, far more land that has been required by new urbanization. In California, approximately four times as much land has been taken out of agricultural production since 1950 as has been used for new urbanization. Agricultural land reductions have not been the result of urbanization.[99]

The entire extent of urbanization in the Bay Area is approximately 1,238 square miles. The total agricultural land in the Bay Area is approximately 3,369 square miles, three times the total land covered by urbanization.[100]

At the same time, urban containment policies have largely been adopted without a full discussion or disclosure of the negative externalities, such as higher housing costs, as well as their impact on households, whether above or below the poverty line.

6. LOW-INCOME HOUSEHOLDS

Housing

Plan Bay Area fails to materially improve the already difficult challenges to low-income households. The high cost of living in the Bay Area is particularly burdensome for low-income households. Current poverty measures underestimate the seriousness of the problem. The poverty threshold is not adjusted for the cost of living. As a result, poverty estimates in high cost of living areas, such as the Bay Area, tend to underestimate the number of people and households below the poverty line.

In recognition of this difficulty, the Bureau of the Census has published alternative poverty measures that take into consideration the difference in housing costs. At this point, only state data are available. California's conventional poverty rate was 16.3 percent in 2009-2011. However, when adjusted for differences in housing costs, California's poverty rate rose to 23.5 percent, the highest among the states as well as the District of Columbia.[101]

California's median monthly housing costs were 40 percent above the national average in 2011, well below the differentials in San Jose (78 percent above average) and San Francisco (68 percent).[102] California's poverty rate could be even higher, at perhaps one-half or more higher than published rates.[103]

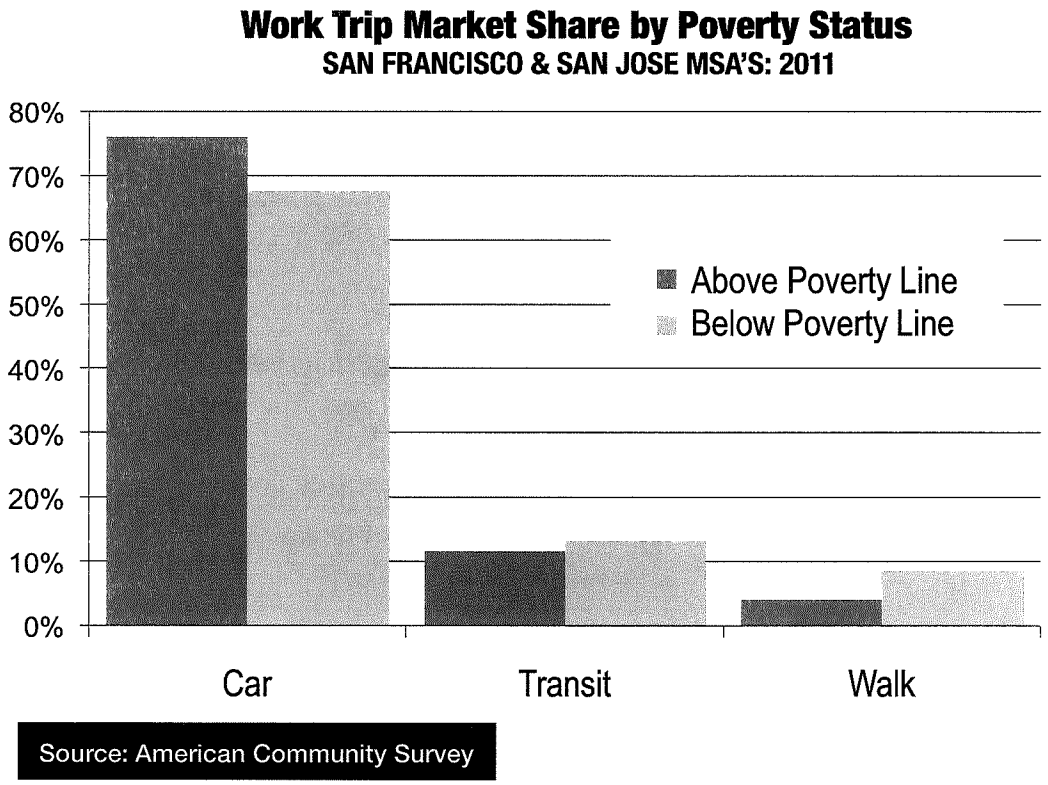
Plan Bay Area examines housing affordability for low income residents, however, it does not consider strategies that could address the fundamental driver of the high prices: higher land prices that result from public land rationing policies (urban containment). Genuine housing affordability would require easing of land use restrictions on the urban fringe.

As indicated in Section 5, a replacement Plan Bay Area should include an alternative to restore a competitive land supply, and thus housing affordability.

Mobility and Employment

It is generally understood that transit is used more by low-income citizens than by others. Even so, the overwhelming majority of commuting by low income households is by passenger vehicle, not transit. This is because transit cannot provide sufficient mobility throughout the Bay Area (Figure 15). As is indicated in Section 4, the average worker in the Bay Area can reach only 10 percent of jobs on transit in 45 minutes, which is an excessive amount of commuting time. The limited access provided by automobile competitive transit forces many low income workers to purchase cars.

Figure 15



Source: American Community Survey

An MTC local report expresses the problem: "Low-income people face a choice of commuting long distances to access better jobs, or taking lower paying work nearer to home."[104] Further, it is clear from the small increase in transit commuting projected by Plan Bay Area that transit will not materially improve mobility, either for low-income citizens or others.

Yet, mobility throughout the labor market is important to taking advantage of better employment opportunities, especially for low-income workers. This requires an automobile. As a Progressive Policy Institute report put it:[105]

> *In most cases, the shortest distance between a poor person and a job is along a line driven in a car. Prosperity in America has always been strongly related to mobility and poor people work hard for access to opportunities. For both the rural and inner-city poor, access means being able to reach the prosperous suburbs of our booming metropolitan economies, and mobility means having the private automobile necessary for the trip. The most important response to the policy challenge of job access for those leaving welfare is the continued and expanded use of cars by low-income workers.*

Plan Bay Area does not consider alternatives that could materially improve mobility for low income residents. For example, considerable favorable attention has been given to car sharing programs, which permit better personal mobility without the necessity of car ownership. These programs have a strong presence in the Bay Area. Further, user subsidies to support automobile ownership may have some potential for improving low income mobility. There may be other strategies by which access to employment opportunities can be expanded cost-effectively for low-income citizens. One such strategy could be incentives to increase working at home, which is obviously the most sustainable mode of work access. Neither car sharing nor user subsidies were considered in Plan Bay Area. It is possible that some funding currently directed to low income household mobility could be more effectively used in such strategies.

It is also important to understand that Plan Bay Area does not anticipate providing effective transit mobility throughout the area for low-income households who do not have cars. Nor is the Bay Area capable of such a response. Because of its high costs, effective transit access can only be provided for some with destinations downtown and some in the densest sectors of the urban core.[106] Achievement of usable region wide transit mobility has not been achieved in any major metropolitan area, nor has it even been seriously proposed (probably due to its prohibitive cost).

Low Income Household Recommendation

A replacement Plan Bay Area should consider alternatives that could materially improve employment mobility and travel times for low-income citizens to the great majority of jobs that cannot be accessed or require excessive travel time by transit.

7. CONCLUSION: REPLACING THE UNNCESSARY AND DISRUPTIVE PLAN BAY AREA

Plan Bay Area forecasts only modest gains in the preferred "2040 Plan" in GHG emissions reductions relative to the "2040 No Project Alternative," which comfortably meets the emissions reduction objective. In exchange for these small gains, Plan Bay Area imposes draconian measures to force residences and businesses into small, high density areas. Further, these miniscule gains are not subjected to an economic test.

Plan Bay Area would interfere with the housing choices of households in an unprecedented, and *unnecessary* manner. At the same time, a number of assumptions are excluded from Plan Bay Area or are challengeable. The correction of these potential deficiencies would result in much more steep reductions in GHG emissions.

Yet, the business as usual (or "null") alternative, the "2040 No Project Alternative" meets the objective set by the California Air Resources Board. There is no need for the "2040 Plan" and the excessive intrusion of Plan Bay Area could lead to lower levels of economic growth as well as greater community and household disruption.

In its plans to strengthen housing regulation and failure to provide transportation capacity to facilitate improved mobility, Plan Bay Area makes inherent choices that are not apparent in its analysis. The higher costs of housing result in choosing the unnecessary preservation of a relatively small area of land in exchange for a less affluent future (due to higher house prices) for all households in the area, but most especially lower income households. By not facilitating greater mobility, Plan Bay Area opts for a future of less employment access, which also retards household affluence.

In addition to working against the economic interests of all households and lower income households, the policies also disadvantage younger households. These choices are not addressed in Plan Bay Area and have been largely ignored in decisions on similar policies in the past throughout the Bay Area.

A Replacement Plan Bay Area

Plan Bay Area should be withdrawn and replaced by a plan using the most current assumptions and in recognition of the projected progress in GHG emissions reductions.[107]

The Purpose of Cities: Throughout history, cities (metropolitan areas), including the Bay Area have attracted people seeking economic advancement. As former principal planner Alain Bertaud put it:

The raison d'être of large cities is the increasing return to scale inherent to large labor markets. [108] A replacement Plan Bay Area should focus on strategies that respond to the reasons that people have chosen to move there: improving their quality of life. This is best measured by the extent of discretionary income, the most important determinant of which is housing affordability. Further, a replacement Plan Bay Area should focus on eradicating poverty, which requires that the overall cost of living (and housing, its most important element) not be increased by public policy.

Equality of opportunity should drive the housing element of a replacement Plan Bay Area. Households should not be required by public policy (such as urban containment) to pay a higher than necessary share of their income for housing. Such policies are harmful to households because they retard their affluence (by reducing their discretionary incomes). They are particularly harmful to younger households who often must leave the Bay Area to achieve and enjoy their preferred quality of life.

Cost effective policies are imperative because of the substantially deteriorated financial condition of the nation and California. Factors such as unaffordable government employee pension obligations, rising taxes, and huge student loan burdens are already constraining discretionary income and its growth.

In particular, a replacement Plan Bay Area should:

- Include an alternative that restores a competitive land supply and thus housing affordability.
- Exclude housing location or type mandates or guidelines.
- Establish objectives to materially reduce traffic congestion and prioritize government funding for transportation principally using the cost per reduced delay per hour (favoring less costly initiatives that maximize economic growth, as described in Section 4).
- Include the further GHG emissions reduction effect of the Department of Energy projections.
- Apply the same MTC Climate Policy Initiative GHG emissions reductions to the 2010 No Project alternative as is assumed for the "2040 Plan" (or it should be amended to clearly justify the differing figures).
- Include GHG emissions from common energy consumption in multi-unit buildings.
- Assume a higher multi-unit house size to reflect changes that would occur with a larger share of purchasers.
- Assume California Department of Finance DOF official population forecasts. This would be the present DOF population projection, unless DOF revises its official county projections *throughout the state* to reflect revised methodology.
- Include an economic analysis of each strategy and exclude any strategy that exceeds $50 per GHG ton reduced.
- Consider alternatives that could cost effectively and materially improve employment mobility and travel times for low income citizens to the great majority of jobs that cannot be accessed or require excessive travel time by transit.[109]

Endnotes

1 The Bay Area Plan includes nine counties, Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma. These nine counties comprise the San Francisco, San Jose, Santa Rosa, Napa and Vallejo metropolitan areas (San Benito County, in the San Jose metropolitan area is not covered by the Bay Area Plan).

2 Emilia Istrate and Carey Ann Nadeau, *Global Metro Monitor 2012: Slowdown, Recovery, and Interdependence,* The Brookings Institution, 2012, http://www.brookings.edu/~/media/research/files/reports/2012/11/30-global-metro-monitor/30-global-monitor.pdf.

3 A metropolitan area is a labor market.

4 San Jose is the most costly and San Francisco is the second most costly.

5 Income after taxes and paying for necessities, such as housing, food, clothing and transportation.

6 Also called "smart growth," "growth management," "compact cities policy," "densification," etc.).

7 Metropolitan Transportation Commission, "Air Resources Board Adopts Greenhouse Gas Reduction Targets, September 23, 2010, http://www.mtc.ca.gov/news/current_topics/9-10/arb.htm.

8 Calculated from data in the Draft Environmental Impact Report (DEIR).

9 This is contrary to the popular notion that emissions will continue to climb regardless of improvements in fuel economy.

10 U.S. Department of Energy, Energy Information Administration, *Annual Energy Outlook: 2013,* http://www.eia.gov/forecasts/aeo/.

11 Calculated from *Annual Energy Outlook 2013.*

12 There could be much greater fuel economy (and GHG emissions reduction) improvements in the future. For example, two automobile manufacturers (Volkswagen and Audi) could soon be selling cars (two separate designs) that achieve 260 and 235 miles per gallon respectively (a more than 300 percent improvement on the new federal fuel economy standard. See: http://www.greencarreports.com/news/1054259_volkswagen-says-it-will-build-2-seat-260-mpg-plug-in-hybrid and http://www.greencarreports.com/news/1080653_audi-plans-200-mpg-plus-high-tech-small-car

13 *Draft Summary of Predicted Traveler Responses*, ABAG and MTC (March 2013), http://onebayarea.org/pdf/Draft_Plan_Bay_Area/Draft_PBA_Summary_of_Predicted_Traveler_Responses.pdf

14 California Energy Commission, *California Energy Saturation Study* (2009). http://www.energy.ca.gov/appliances/rass/

15 Paul Myors. *Energy Australia.* Rachel O'Leary & Rob Helstroom, *Multi-unit Residential Buildings Energy & Peak Demand Study,* http://203.15.106.215/information/common/pdf/alts_adds_req/energy_mu_study.pdf.

16 ABAG and California Department of Finance, "Overview of the Regional Housing Need Determination, DOF Population Projections and Plan Bay Area Forecast," undated.

17 The ABAG website indicates that the DOF population projection "is not a forecast of the most likely outcome." (http://onebayarea.org/about/faq.html#q10045). As of April 20, there was no indication on the DOF website a withdrawal of their population projections, nor any indication that the projections were being redone statewide in a manner consistent with the ABAG methodology.

18 Further, even before deferring to ABAG on population projection methodology, DOF's method of projecting population increase may be skewed high. This is illustrated by recent experience. In 2007, the Department of Finance projected a Bay Area that was 2.6 percent higher than the count

just three years later in the 2010 census. There were similar over projections in other parts of the state and statewide as well. The author called these population projections into question at the time. See: Wendell Cox, "60 Million: Don't Bet on It: Cost of housing will put a lid on how much state's population can grow," *The Orange County Register,* August 24, 2007. http://www.ocregister.com/opinion/growth-23157-county-san.html

19 For example, Harvard economist Benjamin Friedman found from an historical analysis that economies that fail to grow tend to lapse into instability. Friedman, B. M. (2005), *The Moral Consequences of Economic Growth,* Alfred A. Knofp.

20 Office of Tony Blair and The Climate Group (2008), *Breaking the Climate Deadlock A Global Deal for Our Low-Carbon Future: Executive Summary.*

21 The United States Environmental Protection Agency forecasts that the fuel economy improvements to 2040 will be accomplished without increasing consumer costs, because the fuel savings would be greater than the cost of the regulation. This would produce GHG emission reductions per ton at well below the $20-$50 range cited by the IPCC.

22 The basis of this objective is a 2005 executive order by Governor Schwarzenegger (Executive Order S-3-05). In addition, a 2012 Executive Order by Governor Brown (Executive Order B-16-2012) calls for an 80 percent reduction from 1990 levels for 2050, which applies to transportation. Each of these executive orders goes beyond the requirements of AB32 and SB375, neither of which contains such an objective. Moreover, Governor Brown's 80 percent target is beyond the expectations of the IPCC, which estimated the potential for GHG reductions from transportation at less than one-half its contribution to emissions. Consistent with the IPCC research, The European Conference of Ministers of Transport acknowledged a lesser potential for transportation, indicating that "Transport and other sectors are ... expected to contribute correspondingly less to overall emissions reduction strategies (European Council of Ministers of Transport, *Transport and Environment: Review of CO2 Abatement Policies for the Transport Sector Conclusions and Recommendations*, p.3, 2006)

23 Transportation is a large contributor to GHG emissions, estimated at 23 percent of the world GHG emissions, 75 percent of which is from road vehicles (IPCC 2007b, 325). IPCC further estimated the potential for GHG reductions from transportation at between 8 and 10 percent, assuming a cost of less than $100 per ton (IPCC 2007a, 11) and based upon a total CO2 equivalent GHG emission of from 16.1 gigatons to 31.1 gigatons in 2050 (IPCC 2007c, 632).

24 European Council of Ministers of Transport, *Transport and Environment: Review of CO2 Abatement Policies for the Transport Sector Conclusions and Recommendations*, p.3, 2006.

25 Wendell Cox, "California Declares War on Suburbia: The Cost of Radical Densification" *The New Geography*, April 18, 2012, http://www.newgeography.com/content/002781-california-declares-war-suburbia-ii-the-cost-radical-densification.

26 Plan Bay Area, "Plan Bay Area Preferred Land Use Scenario/Transportation Investment Strategy," http://apps.mtc.ca.gov/meeting_packet_documents/agenda_1875/Item_4a_Pref._Land_Use_Scenario_Transp._Invest._Strategy.pdf

27 In another report we have estimated the cost per ton of GHG emission removed at $20,000 for a national implementation of urban containment policy. See: Wendell Cox, "Reducing Greenhouse Gases from Personal Mobility: Opportunities and Possibilities," Reason Foundation, 2011, http://reason.org/files/reducing_greenhouse_gases_mobility_development.pdf.

28 EIS, page ES-3.

29 A localized jobs/housing balance applies to a part of a labor market (metropolitan area), rather than to the overall labor market.

30 Based on the difference in the passenger vehicles GHG emissions between the "2040 Plan" and the 2040 No Plan alternative in Table 3.1-29.

31 R. Ewing & R. Cervero, "Travel and the Built Environment," *Journal of the American Planning Association,* Volume 76, Issue 3, 2010.

32 *Southeast England New Towns Commuting Distance and Urban Area Geographical Size,* http://www.demographia.com/db-seuknewtowns.htm.

33 Peter Hall, *Cities in Civilization* (New York, NY: Pantheon Books, year), pp. 842–887.

34 http://demographia.com/db-worldua.pdf. At 65,000 per square mile (nearly four times that of the city of San Francisco), nearly all of the population of the 9-county Bay Area could fit within the municipal boundaries of San Francisco and Oakland.

35 Wendell Cox, "Hong Kong's Decentralizing Commuting Patterns" *The New Geography,* December 12, 2012, http://www.newgeography.com/content/003300-hong-kong-s-decentralizing-commuting-patterns

36 The Bay Area also has a substantially more rapid average one way work trip travel time, at 27.5 minutes (25.9 minutes including people who work at home), compared to Hong Kong at 46 minutes, which is one of the longest travel times in the high-income world. Bay Area data calculated from 2011 American Community Survey.

37 Calculated from 2011 Hong Kong census, excludes working at home.

38 Includes incorporated municipalities and census designated places from 13 to 45 square miles. This excludes the jobs rich markets of the municipalities of San Francisco and Oakland, which are larger than 45 square miles.

39 For additional discussion, see: P. Gordon, "Spontaneous Cities" For additional discussion, see in D. E. Andersson (ed.) *The Spatial Market Process*, Emerald Group Publishing Ltd, 2012.

40 Alain Bertaud, "The Spatial Organization of Cities: Deliberate Outcome or Unforeseen Consequence?" eScholarship, University of California, http://www.escholarship.org/uc/item/5vb4w9wb.

41 Wendell Cox, "Traffic Congestion, Time, Money & Productivity," *The New Geography,* September 18, 2009, http://www.newgeography.com/content/001044-traffic-congestion-time-money-productivity.

42 R. Prud'homme, & Lee, C., "Size, Sprawl, Speed, and the Efficiency of Cities," Obervatoire de l'Économic et des Institutions Locals, 1998, D. T. Hartgen & Gregory Fields, "Accessibility, Traffic Congestion and Regional Economic Performance," Reason Foundation, http://reason.org/news/show/gridlock-and-growth-the-effect, 2009 and R. Cervero, "Efficient Urbanization: Economic Performance and the Shape of the Metropolis," Lincoln Institute of Land Policy Working Paper, http://www.lincolninst.edu/pubs/88_Efficient-Urbanization, 2000. This relationship exists within the metropolitan area, all things being equal, but does not necessarily predict differences in economic performance between metropolitan areas.

43 Reid Ewing and Robert Cervero, "Travel and the Built Environment: A Meta-Analysis," *Journal of the American Planning Association,* May 2010, http://www.reconnectingamerica.org/resource-center/browse-research/2010/travel-and-the-built-environment-a-meta-analysis

44 Wendell Cox, "Urban Travel and Urban Population Density," *Journeys,* November 2012, Land Transport Authority, Singapore Government, http://ltaacademy.gov.sg/doc/JOURNEYS_Nov%202012.pdf.

45 Tom Tom Congestion Index, http://www.tomtom.com/en_gb/congestionindex/.

46 Inrix Traffic Scorecard, http://scorecard.inrix.com/scorecard/.

47 Wendell Cox, "New US Urban Area Data Released," *The New Geography*, March 26, 2012, http://www.newgeography.com/content/002747-new-us-urban-area-data-released.

48 Transport Canada, *The Cost of Urban Congestion in Canada,* 2007, http://citeseerx.ist.psu.edu/viewdoc/ionid=9CD2D9FA6D7AE54580D380138C052FED?doi=10.1.1.134.6880&rep=rep1&type=pdf

49 Wendell Cox, "Smart Growth (Livability), Air Pollution and Public Health," *The New Geography*, September 29, 2011, http://www.newgeography.com/content/002462-smart-growth-livability-air-pollution-and-public-health

50 There is also a projected modest increase in walking and cycling, the effect of which is included in the 2 percent difference between Plan Bay Area and the "2040 No Project Alternative". Draft DEIR Table 2.1-13

51 Wendell Cox, "Transit Policy in an Era of the Shrinking Federal Dollar," *The Heritage Foundation,* 2013, http://thf_media.s3.amazonaws.com/2013/pdf/bg2763.pdf.

52 Calculated from MTC, "SCS Jobs Housing Connection Scenario Distribution Spreadsheet" (undated, accessed June 2012)

53 Martin Turcotte, "Life in Metropolitan Areas: Dependence on Cars in Urban Neighbourhoods." *Canadian Social Trends*, Statistics Canada." http://www.statcan.gc.ca/pub/11-008-x/2008001/article/10503-eng.pdf.

54 McCloskly, D., Birrell, R., & Yip, R. (2009), "Making Public Transport Work in Melbourne," *People and Place,* September.

55 "San Francisco Bay Area CBD & Urban Area Commuting Profile: 2000," *Urban Transit Fact Book,* http://publicpurpose.com/ut-cprof-sf.htm.

56 A. Tomer, A, E. Kneebone, A. Berube, & R. Puentes, R., "Missed Opportunity: Transit and Jobs in Metropolitan America," Brookings Institution (2011).

57 The Bay Area combined statistical area (San Jose-San Francisco). Data from the American Community Survey 2011 (1 year).

58 Calculated from American Community Survey data.

59 All transit travel, both work trips and other trips.

60 Analysis of National Transit Database, 1985 and 2010.

61 Measured in "boardings." A boarding occurs each time a passenger gets on a vehicle. Thus, a door to door trip using two buses counts as two boardings, even though it is only one trip (called a "linked trip").

62 Calculated from *C2ER Cost of Living Index: Annual 2012.* Indexes for Oakland and San Francisco metropolitan divisions and San Jose metropolitan area weighted by population (San Benito County included because it is included in the San Jose data. Because of San Benito County's smaller population, this is unlikely to materially impact the calculation). The *C2ER Cost of Living Index* is the most frequently consulted cost of living index, and was formerly called the *ACCRA Cost of Living Index.* http://www.coli.org/.

63 Groceries are also more expensive in the Bay Area, at more than 20 percent above the national average. Calculated from *C2ER Cost of Living Index: Annual 2012.* http://www.coli.org/.

64 Calculated from *C2ER Cost of Living Index: Annual 2012,* as noted above. http://www.coli.org/.

65 National Association of Realtors, *Metro Area Home Price Growth Trend Continues in First Quarter*, May 9, 2013, http://www.realtor.org/news-releases/2013/05/metro-area-home-price-growth-trend-continues-in-first-quarter.

66 A well known example of such a relationship is the gas price increases that follow imposition of quotas or embargoes on oil production, as occurred especially in the 1970s.

67 R. K Green and S. Malpezzi (2003), *A Primer on U.S. Housing Markets and Housing Policy,* Urban Institute Press, p. 146.

68 DEIR, Table 2.3-14.

69 The Median Multiple is widely used for evaluating urban markets, and has been recommended by the World Bank and the United Nations and is used by the Harvard University Joint Center on Housing. See: Wendell Cox and Hugh Pavletich, *9th Annual Demographia International Housing Affordability Survey,* p.6, 2013, http://www.demographia.com/dhi.pdf.

70 Reserve Bank of Australia, see Wendell Cox and Hugh Pavletich, *9th Annual Demographia International Housing Affordability Survey,* p. 20, 2013, http://www.demographia.com/dhi.pdf.

71 Wendell Cox and Hugh Pavletich, *9th Annual Demographia International Housing Affordability Survey,* 2013, http://www.demographia.com/dhi.pdf

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About the Author

Wendell Cox

Wendell Cox is a PRI fellow and consultant to public and private public policy, planning and transportation organizations; and a visiting professor at a French national university. He is principal of Wendell Cox Consultancy (Demographia), an international public policy firm.

Mr. Cox was appointed by Mayor Tom Bradley to three terms on the Los Angeles County Transportation Commission, where he authored the tax amendment that provided the initial local funding for building light rail and subway system.

He was elected chairman of the American Public Transit Association Planning and Policy Committee (comprised of transit planning department officials) and the American Public Transit Association Governing Boards Committee (comprise of transit board members).

In 1999, he was appointed to the Amtrak Reform Council by the Speaker of the U.S. House of Representatives, to fill the unexpired term of New Jersey Governor Christine Todd Whitman.

Mr. Cox is a prolific writer and popular public speaker. He is the author of scores of monographs and book chapters addressing urban development and smart growth (urban containment), transportation, mass transit, congestion, demographic trends and the purpose of cities. He is co-author of the *Demographia International Housing Affordability Survey* (in its 9th edition), which covers 340 metropolitan areas in seven nations. He is also author of *Demographia World Urban Areas* (also in its 9th edition), the only publication in the world that provides current population, land area and urban density estimates for the more than 800 urban areas with 500,000 or more population. He writes a regular column in newgeography.com and is author of its *Evolving Urban Form* series, which describes the development patterns in virtually all of the world's megacities as well as smaller metropolitan areas.

He has addressed hundreds of audiences at major industry and academic conferences, international symposia, and government-sponsored seminars. He always receives high marks for his enthusiastic and challenging presentations.

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Founded in 1979 and based in San Francisco, PRI is a non-profit, non-partisan organization supported by private contributions. Its activities include publications, public events, media commentary, community leadership, legislative testimony, and academic outreach.

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Exhibit E

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RESIDENTIAL PIPELINE
ENTITLED HOUSING UNITS 2016 Q1

State law requires each city and county to adopt a Housing Element as a part of its general plan. The State Department of Housing and Community Development (HCD) determines a Regional Housing Need (RHNA) that the Housing Element must address. The need is the minimum number of housing units that a region must plan for in each RHNA period.

This table represents completed units and development projects in the current residential pipeline to the first quarter of 2016 (Q1). The total number of entitled units is tracked by the San Francisco Planning Department and is updated quarterly in coordination with the *Quarterly Pipeline Report.* Subsidized housing units – including moderate and low income units – as well as inclusionary units are tracked by the Mayor's Office of Housing; these are also updated quarterly.

	RHNA Production Goals 2015 - 2022	New Units Built to 2016 Q1	Entitled by Planning in 2016 Q1 Pipeline*	Percent of RHNA Goals Built and Entitled by Planning
Total Units	**28,869**	**4,564**	**18,242**	**79.0%**
Above Moderate (> 120% AMI)	12,536	3,860	15,879	157.5%
Moderate Income (80 - 120% AMI)	5,460	297	317	11.2%
Low Income (< 80% AMI)	10,873	407	1,730	19.7%
Affordability to be Determined			316	

** This column does not include three entitled major development projects with a remaining total of 22,710 net new units: Hunters' Point, Treasure Island and ParkMerced. However, as phases of these projects will be included when applications for building permits are filed. These three projects will include over 5,170 affordable units (23% affordable).*

Eastern Neighborhoods Monitoring Reports 2011-2015 DRAFT Executive Summary (7/13/16)

Introduction

After years-long community planning processes and coordination across several city agencies, the San Francisco Board of Supervisors adopted the Eastern Neighborhoods Area Plans in an effort to create a long-term vision for equitable, sustainable, and prosperous communities. The plans for the Mission, East SoMa, Central Waterfront, and Showplace Square/Potrero Hill were adopted in 2009 and Western SoMa in 2013.

The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

In addition to policy goals and objectives outlined in individual plans, all plans are guided by four key principles divided into two broad policy categories:

The Economy and Jobs:

- Reserve sufficient space for production, distribution and repair (PDR) activities, in order to support the city's economy and provide good jobs for residents.
- Take steps to provide space for new industries that bring innovation and flexibility to the city's economy.

People and Neighborhoods:

- Encourage new housing at appropriate locations and make it as affordable as possible to a range of city residents.
- Plan for transportation, open space, community facilities and other critical elements of complete neighborhoods.

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, require that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure. The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan

Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern Neighborhoods.

As required by the ordinance that adopted the Eastern Neighborhoods Plans, this report tracks all development activity that has occurred in the plan areas between 2011 and 2015 and the current pipeline. A number of these developments did not (or will not) receive their entitlements pursuant to the adopted Eastern Neighborhoods Plans or under the Environmental Impact Report (EN EIR) because they were approved prior to adoption of the plans (but completed construction in the past five years), will seek entitlement subject to pending planning efforts and separate environmental clearance (such as projects in the proposed Central SoMa are), or for other reasons. The projects that have been approved under the adopted 2009 Eastern Neighborhoods Plans and received Community Plan Exemption (CPE) based on the EN EIR are listed and summarized in Appendix D.

The Economy and Jobs

The five-year monitoring period covered in these reports (2011-2015) span a moment of dramatic change in San Francisco's economy, from the depths of the "Great Recession" to a rapid expansion since 2012 that has continued to the present. Much of the City's and region's job and population growth has been driven by high technology industries located in or near the Eastern Neighborhoods, which has intensified pressures on existing businesses and the traditional economic make-up of these communities. The Plans were largely driven by the need to protect existing businesses – particularly in PDR activities – from such pressures, while transitioning appropriate lands to other activities. **Although the Plans did not anticipate the recent and unprecedented influx of jobs and anticipate the quicker timing of buildout, it has largely succeeded in stabilizing PDR jobs in the Eastern Neighborhoods and managing the conversion of PDR space.**

As Table 1 shows, the Eastern Neighborhoods roughly 970,000 square feet of PDR space converted to other activities during the 2011 to 2015 period.[1] Although an equivalent increase in office square footage has been developed during this period (990,000), most of the actual spaces formerly occupied by PDR businesses were in fact transitioned to residential uses, many with higher percentage of affordable housing than required by the City. By-and-large, conversions or demolitions of PDR space did not occur in zoning districts specifically created to protect industrial activities (such as PDR-1-G, PDR-2-G, SALI, and SLI), but in areas that the Plans defined as "transitional" and open for development of a broad array of uses, such as the Urban Mixed Use (UMU) designation and other districts never oriented towards industrial uses (such as Neighborhood Commercial and Mixed Use Office).

[1] Counting only projects that received a CPE under the original EN EIR (excluding Western SoMa), a total of less than 800,000 square feet of PDR loss has been approved out of a total amount studied in the EIR of between 2.1 million (Option B) and 4.9 million (Option C). The Planning Department is reviewing an additional 310,000 square feet in proposed PDR loss. See Appendix D.

TABLE 1. COMMERCIAL DEVELOPMENT BY LAND USE IN THE EASTERN NEIGHBORHOODS, 2011-2015

Plan Area	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
Mission	(25,211)	15,200	108,400	(206,311)	40,119	-	(67,803)
Central Waterfront	3,000	-	-	(25,700)	14,448	-	(8,252)
East SoMa	-	-	605,420	(438,773)	(18,317)	-	148,330
Western SoMa	-	-	71,676	(92,995)	(3,700)	(3,930)	(28,949)
Showplace/Potrero	419,070	-	201,515	(207,645)	2,603	-	415,543
Total	**396,859**	**15,200**	**987,011**	**(971,424)**	**35,153**	**(3,930)**	**458,869**

Source: San Francisco Planning Department.
Note: Includes all developments in the Plan Area during reporting period, including those that did not receive CEQA clearance under the EN EIR.

The commercial pipeline as of December 31, 2015 shows a continuation of these trends. If all projects that have applied for planning permits are approved, the Eastern Neighborhoods will see another 820,000 square feet converted to other uses. However, of that amount, only 430,000 square feet has been entitled (300,000 square feet of which are under construction). Almost half of the loss in PDR square footage in the pipeline is currently under review, so it is likely that a smaller amount of PDR will transition to other uses.

The other land use category that will see substantial change within the pipeline is office. Table 2 shows that roughly 5.9 million square feet of office space are proposed in the Eastern Neighborhoods. Of that amount, however, 4.7 million has not been entitled, and the vast majority of that is located in the proposed Central SoMa Plan Area (which straddles East and Western SoMa) or in the Pier 70 master development in Central Waterfront.

The industrial zoning designations prior to the Eastern Neighborhoods Area Plans – C-M, M-1, and M-2 – permitted a broad range of residential and non-residential uses. **It is quite likely that, absent the rezoning, the Eastern Neighborhoods would have seen a much deeper transition from industrial to office and residential uses.**

TABLE 2. COMMERCIAL PIPELINE BY LAND USE IN THE EASTERN NEIGHBORHOODS, 4TH QUARTER 2015

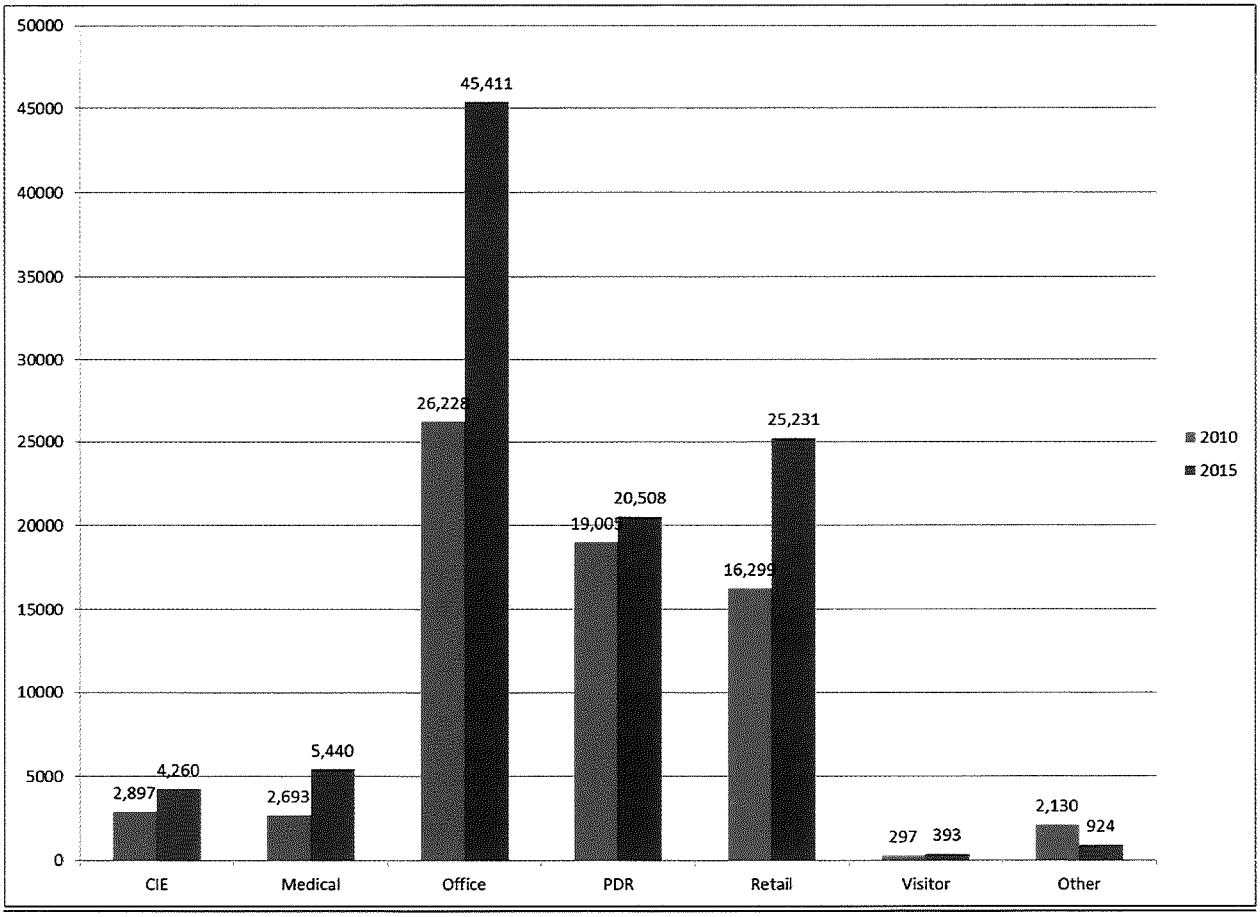
Plan Area	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
Mission	*250,985*	*16,000*	*170,442*	*(360,558)*	*63,750*	-	*140,619*
Under review	247,028	-	165,770	(329,490)	51,672	-	134,980
Entitled	3,957	16,000	4,672	(18,607)	4,682	-	10,704
Under construction	-	-	-	(12,461)	7,396	-	(5,065)
Central Waterfront	-	-	*2,019,010*	*165,811*	*(566)*	-	*2,184,255*
Under review	-	-	2,014,804	315,770	4,551	-	2,335,125
Entitled	-	-	4,206	(73,032)	1,442	-	(67,384)
Under construction	-	-	-	(76,927)	(6,559)	-	(83,486)
East SoMa	*(15,022)*	-	*588,988*	*(198,087)*	*(79,127)*	*123,777*	*420,529*
Under review	(16,622)	-	379,532	(119,972)	(104,190)	101,232	239,980
Entitled	1,600	-	45,306	(58,585)	14,511	-	2,832
Under construction	-	-	164,150	(19,530)	10,552	22,545	177,717
Western SoMa	*62,870*	-	*3,046,022*	*(110,766)*	*82,464*	*41,000*	*3,121,590*
Under review	59,070	-	2,203,723	(48,832)	22,725	-	2,236,686
Entitled	3,800	-	809,299	(37,988)	6,739	41,000	822,850
Under construction	-	-	33,000	(23,946)	53,000	-	62,054
Showplace/Potrero	*320,166*	-	*45,541*	*(319,656)*	*72,306*	*545*	*118,902*
Under review	35,695	-	(28,070)	(211,816)	35,678	-	(168,513)
Entitled	284,471	-	73,611	58,709	2,208	-	418,999
Under construction	-	-	-	(166,549)	34,420	545	(131,584)
Eastern Neighborhoods	***618,999***	***16,000***	***5,870,003***	***(823,256)***	***138,827***	***165,322***	***5,985,895***
Under review	325,171	-	4,735,759	(394,340)	10,436	101,232	4,778,258
Entitled	293,828	16,000	937,094	(129,503)	29,582	41,000	1,188,001
Under construction	-	-	197,150	(299,413)	98,809	23,090	19,636

Source: San Francisco Planning Department.
Note: Includes all developments in the Plan Area during reporting period, including those that did not receive CEQA clearance under the EN EIR.

Data from the California Employment Development Department (EDD) shows that the Eastern Neighborhoods, over the past five years, have not lost employment in PDR activities. In the 2011-2015 period, PDR jobs have increased from roughly 19,000 to more than 20,000, as shown on Chart 1. Other land use categories, particularly office and retail, have seen substantial increases in employment during this time, meaning that PDR is relatively a smaller share of the Eastern Neighborhoods labor force. Given the fact that the Plan Areas lost PDR space and only added about 500,000 net square foot of commercial space overall, it is reasonable to assume the following:(1) much of the added employment has located in spaces that were vacant in 2010 due to the Great Recession and (2) the growth in PDR activities that has taken place has been in smaller firms (with 5-20 employees) that require less space per employee and can fit into smaller spaces. However, in order to allow for expansion of existing PDR businesses in the Eastern Neighborhoods, additional industrial space will likely need to be built.[2]

[2] PDR businesses needing more space have relocated to other parts of the city (such as the Bayview or existing Port properties) and region, which offer larger square footages and more affordable rents, according to the trade association SF Made.

CHART 1. EMPLOYMENT BY LAND USE IN THE EASTERN NEIGHBORHOODS, 2ND QUARTER 2010 AND 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

People and Neighborhoods

In addition to the stabilization of PDR activities and employment, the Eastern Neighborhoods Area Plans placed a strong focus on expanding the supply of housing, particularly units that are affordable to low and moderate-income households. Additionally, housing is not simply conceived as "four walls and a roof", but as a set of supporting amenities, such as adequate transportation and mobility, parks, community centers, childcare facilities and other important elements of complete neighborhoods. As some of the areas suitable for residential development were formerly dominated by industrial uses, the installation of neighborhood infrastructure to serve new and existing residents was made a priority for the Area Plans.

As Table 3 shows, in the 2011-2015 reporting period, 1,375 units have been developed in the Eastern Neighborhoods, 77% of which were built in the Mission and East SoMa Plan Areas.[3] Of this total, 21% were income-restricted (55% of area median income for rental units and 90% of AMI for ownership units). Of the

[3] Roughly 4,700 units have been approved under a CPE to the EN EIR and an additional 3,200 are under review. The EIR's "Preferred Project" alternative estimated 9,785 units and Option C estimated 9,858. See Appendix D.

total number of affordable units (290), more than three-quarters were developed through the inclusionary housing program, in which developers of market-rate housing set aside a percentage of the units within a development for low- or moderate-income households. Inclusionary units accounted for almost 17% of all units built without public subsidies during the reporting period, a higher percentage than the percentage required by the City for developments of ten or more units (12%). Neighborhoods such as Mission, Western SoMa, and Showplace Square/Potrero Hill developed a lower percentage of affordable units than the minimum 12% requirement. In these cases, developers may have met their obligations by paying a fee "in lieu" of physically developing the units, equivalent to setting aside 20% of the units as affordable.

The other one-fourth of affordable units (69) were built by non-profit developers as two fully affordable developments in East SoMa, using a combination of public subsidies from the City, State, and Federal governments.

The inclusionary housing program has generated a higher percentage of affordable units than required by the City and is by far the largest producer of new, income-restricted housing units in the Eastern Neighborhoods.

TABLE 3. HOUSING DEVELOPMENT IN THE EASTERN NEIGHBORHOODS, 2011-2015

Plan Area	Units from New Development	Publicly Subsidized Units	Inclusionary Units	Total Affordable Units	Percent Affordable
Mission	504	-	56	56	11%
Central Waterfront	203	-	68	68	33%
East SoMa	551	69	89	158	29%
Western SoMa	65	-	6	6	9%
Showplace/Potrero	52	-	2	2	4%
Total	**1,375**	**69**	**221**	**290**	**21%**

As of December 31, 2015, there were an additional 11,653 units slated for development in the Eastern Neighborhoods. Of this total, 63% were under review (including within large-scale developments such as Pier 70), 9% were entitled and awaiting construction, and 28% were under construction. **Assuming the minimum inclusionary housing requirement (12%) for the pipeline, an additional 1,400 affordable units would be built in the Plan Areas**. The breakdown of the pipeline by Plan Area and development status is shown on Table 4.

TABLE 4. RESIDENTIAL DEVELOPMENT PIPELINE, 4TH QUARTER 2015

Plan Area	Number of Units	Number of Projects
Mission	1,855	111
Under review	1,467	65
Entitled	188	29
Under construction	200	17
Central Waterfront	2,578	24
Under review	1,862	15
Entitled	252	4
Under construction	464	5
East SoMa	1,381	48
Under review	510	21
Entitled	551	16
Under construction	320	11
Western SoMa	1,313	47
Under review	890	35
Entitled	7	9
Under construction	416	3
Showplace/Potrero	4,526	61
Under review	2,634	34
Entitled	84	18
Under construction	1,808	9
Eastern Neighborhoods	**11,653**	**291**
Under review	**7,363**	**170**
Entitled	**1,082**	**76**
Under construction	**3,208**	**45**

In order to accommodate the additional expected residential development and existing needs the Plans also included a detailed list of community benefits that would be funded through a combination of general City funds and an impact fee program. The City established an impact fee program levied on new commercial and residential developments. Prior to adoption of the Plans, the Planning Department conducted a Needs Assessment to establish the amount of infrastructure that would be required, a legally-required Nexus Study to support the adoption of the fees, and feasibility testing to establish a fee that would not block new developments. To date, the City has collected almost $50 million from 150 projects, shown in Table 5. The fees are assigned to funds in five categories: housing, transportation and transit, complete streets, recreation and open space, and child care.

The impact fees are spent through an implementation program coordinated by the Planning Department in collaboration with the Eastern neighborhoods Citizens' Advisory Committee (CAC). The individual Area Plan reports outline projects that have been funded (partially or completely) by the impact fees and Appendix B includes a list and brief description of priority capital projects. The Planning Department estimates that the City will collect $145 million through fiscal year 2021.

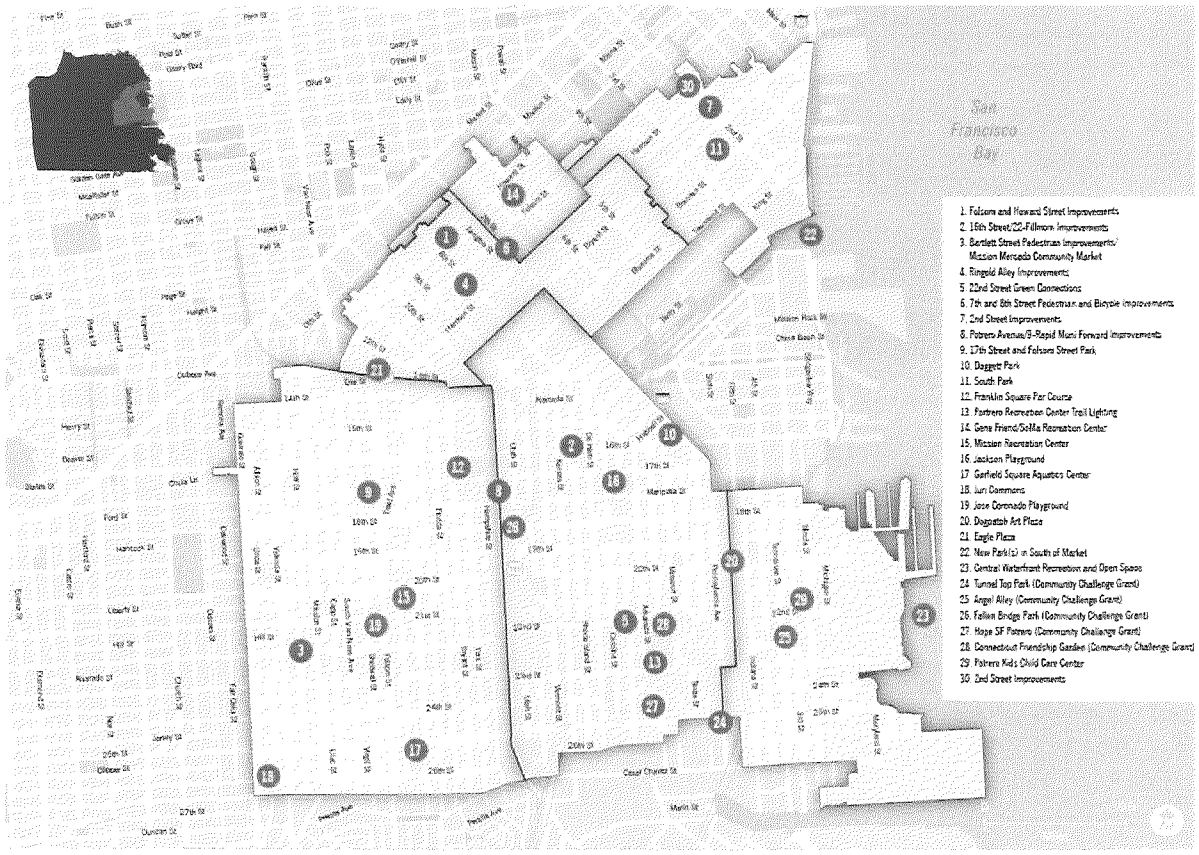
TABLE 5. EASTERN NEIGHBORHOODS INFRASTRUCTURE IMPACT FEES COLLECTED TO DATE BY PLAN AREA

Area	Revenue	Projects	% of EN
Mission	$5,357,000	58	11%
East SoMa	$14,635,000	35	30%
Western SoMa	$6,940,000	15	14%
Central Waterfront	$10,034,000	19	21%
Showplace/Potrero	$11,384,000	23	24%
TOTAL	**$48,350,000**	**150**	**100%**

The City has used impact fee funds to fully or partially fund several infrastructure projects in the Eastern Neighborhoods since the adoption of the Plans, divided into "major" and "community based projects". These projects include new and renovated parks, transportation, and childcare in each of the neighborhoods. However, due to the nature of impact fee funding, revenues to pay for these projects have had to accumulate as development occurs. **The rapid pace of development activity in recent years has meant that funding has lagged behind the addition of residents and workers in the Eastern Neighborhoods. As a result several important infrastructure projects will be completed in the coming years.** Childcare facilities have been a particularly difficult challenge, as the City has only added one center with 62 spots in the Showplace Square/Potrero Hill Plan Area.

Map 1 shows the location of completed infrastructure projects in the Eastern Neighborhoods. A full list and description of the projects can be found in Appendix J.

MAP 1. MAJOR AND COMMUNITY-BASED INFRASTRUCTURE PROJECTS IN THE EASTERN NEIGHBORHOODS



Eastern Neighborhoods Monitoring Reports 2011-2015

Draft for CAC Review and Discussion

July 12, 2016

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DRAFT Mission Area Plan Monitoring Report 2011-2015

1 INTRODUCTION: MISSION PLAN MONITORING REPORT

San Francisco's Eastern Bayfront neighborhoods have historically been the home of the city's industrial economy and have accommodated diverse communities ranging from families who have lived in the area for generations to more recent immigrants from Latin America and Asia. The combination of a vibrant and innovative industrial economy with the rich cultural infusion of old and new residents is central to San Francisco's character. Among many of the components that contributed to the economic and cultural character of the eastern part of the San Francisco were the wide availability of lands suitable for industrial activities (whether or not they were zoned for such) and the affordability of these neighborhoods' housing stock, relative to other parts of the city. Industrial properties continue to be valuable assets to the city's economy as they provide space for innovative local businesses; large, flexible floorplans for a wide range of tenants; and living wage career opportunities to residents without advanced degrees.

Over the past few decades, and particularly during the series of "booms" in high technology industries since in the 1990s, the Eastern Bayfront neighborhoods have experienced waves of pressure on its industrial lands and affordable housing stock. Due to their proximity to downtown San Francisco and easy access (via US-101, I-280, and Caltrain) to Silicon Valley, industrially-zoned properties in the Eastern Bayshore, particularly in neighborhoods like South of Market (SoMa), Mission, Showplace Square, and Central Waterfront became highly desirable to office users who were able to outbid traditional production, distribution, and repair (PDR) businesses for those spaces. The predominant industrial zoning designations in these neighborhoods until the late 2000s—C-M, M-1, and M-2—allowed for a broad range of uses, which enabled owners to sell or lease properties to non-PDR businesses as well as developing them into "live-work" lofts that served primarily as a residential use.

Moreover, the residential areas in these neighborhoods are well-served by public transportation (including two BART stops in the Mission), have vibrant cultural amenities, and feature many attractive older buildings. These neighborhood assets and new employment opportunities have served as strong magnets for high wages earners and market rate housing developers, creating a strong influx of new, more affluent residents.

Beginning in the late 1990s, the City, residents, community activists, and business owners recognized the need for a comprehensive, community-based planning process to resolve these conflicts and stabilize the neighborhoods into the future. The Eastern Neighborhoods community planning process was launched in 2001 to determine how much of San Francisco's remaining industrial lands should be preserved and how much could appropriately be transitioned to other uses.

The planning process recognized the need to produce housing opportunities for residents of all income levels, which requires not just the development of new units at market rates, but also opportunities for low and moderate income families. In 2008, four new area plans for the Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront neighborhoods were adopted. Respecting the Western SoMa community's request for more time to complete their planning process, the area plan for that neighborhood was undertaken in parallel and completed in 2013. The resulting area plans contained holistic visions for affordable housing, transportation, parks and open space, urban design, and community facilities.

The Eastern Neighborhoods Plans represent the City's and community's pursuit of two key policy goals:

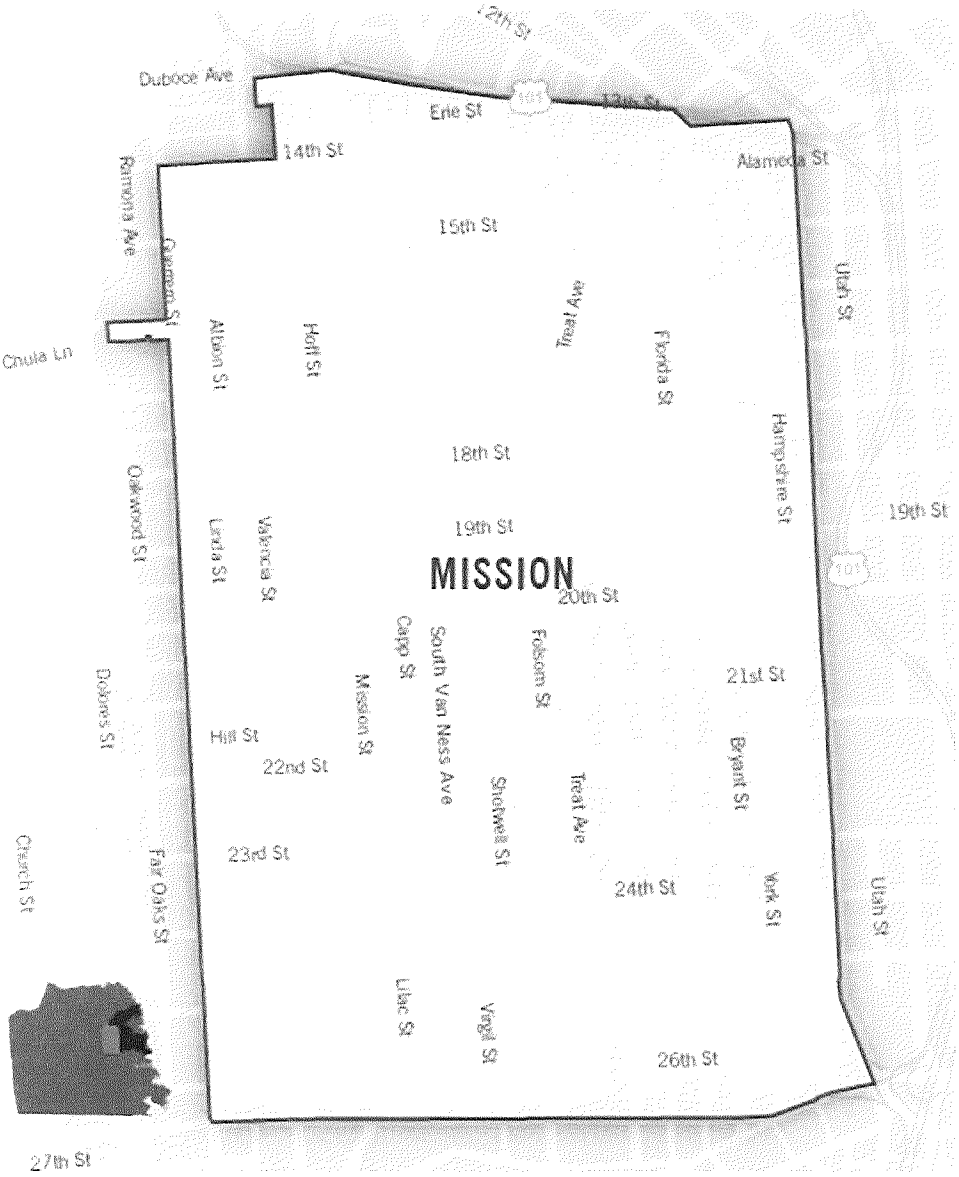
1) Ensuring a stable future for PDR businesses in the city by preserving lands suitable to these activities and minimizing conflicts with other land uses; and

2) Providing a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for the existing and new residents.

The challenges that motivated the Eastern Neighborhoods community planning process were sharply evident in the Mission when the plans were adopted and continue to be relevant today. The boundaries of the Mission Plan Area, shown in Map 1, run along Duboce/Division to the north, Potrero Avenue to the east, Guerrero Street to the west, and Cesar Chavez Street to

the south. Unless otherwise noted, this report will refer to the Mission Plan Area, Mission neighborhood, and "the Mission" interchangeably, as the area shown on Map 1.[1]

Map 1 Mission Plan Area Boundaries



The Mission is highly dense with neighborhood amenities, including a variety of shops and restaurants, an architecturally rich and varied housing stock, vibrant cultural resources, and excellent transit access. Traditionally a reservoir of affordable housing relatively accessible to recent immigrants and artists, housing affordability in the Mission has significantly declined in the past decade as demand has rapidly outpaced new housing supply and due to statewide restrictions on tenant protection laws (such as the Ellis Act), which allows landlords to evict residents from rent controlled apartments.

Despite inclusionary housing requirements that mandate that a certain percentage of new units be affordable to low and moderate income households, new housing has been largely unaffordable to existing residents. Mission residents and business

[1] Other official and community definitions of the boundaries of the Mission neighborhood exist. Where those are used within this report, they will be specifically referenced.

owners highlighted a number of policy goals, in addition to the Eastern Neighborhoods-wide objectives, that should be considered for the Area Plan:

- Preserve diversity and vitality of the Mission
- Increase the amount of affordable housing
- Preserve and enhance the existing Production, Distribution and Repair businesses
- Preserve and enhance the unique character of the Mission's distinct commercial areas
- Promote alternative means of transportation to reduce traffic and auto use
- Improve and develop additional community facilities and open space
- Minimize displacement

1.1 Summary of Ordinance and Monitoring Requirements

The ordinances that enacted the Eastern Neighborhoods Area Plans (including Western SoMa), adopted by the Board of Supervisors, include a requirement that the Planning Department produce five-year reports monitoring residential and commercial developments in those neighborhoods, as well as impact fees generated and public and private investments in community benefits and infrastructure.[2] The first set of monitoring reports for Mission, East SoMa, Showplace Square/Potrero Hill, and Central Waterfront were published in 2011, covering the period from January 1, 2006 through December 31, 2010.

The ordinances require the monitoring reports to track all development activity occurring within Plan Area boundaries during the five-year period, as well as the pipeline projecting future development. Some of this development activity was considered under the Eastern Neighborhoods Environmental Impact Report (EN EIR), approved by the Board of Supervisors in 2004; and Western SoMa EIR, approved in 2008. However, a few of the developments that have been completed during this period and some of the proposed projects in the pipeline did not (or will not) receive their environmental clearance through these two EIRs, primarily for these four reasons:

1. The developments were entitled prior to the adoption of the Plans, under zoning designations that were subsequently changed by the Plans.
2. Under the Eastern Neighborhoods Amnesty Program that expired in 2013, legalization of conversions from PDR to office space that took place prior to Plan adoption was allowed.
3. Some large-scale developments and Plan Areas that are within or overlap Project Area boundaries (such as Central SoMa and Pier 70) will undergo separate environmental review processes.
4. Certain smaller projects are exempt from extensive environmental review due to their limited size and impact.

This report analyzes all development activity within the Eastern Neighborhoods, whether or not projects "tiered off" the EN EIR through a Community Plan Exemption. For a list of projects that received their entitlements through a CPE, please refer to Appendix D.

The *Mission Area Plan Monitoring Report 2011-2015* is part of the set of Eastern Neighborhoods monitoring reports covering the period from January 1, 2011 to December 31, 2015. Because Western SoMa was adopted in 2013, no monitoring reports have been produced for that Area Plan. However, due to its geographic proximity and overlapping policy goals with the other Eastern Neighborhoods, Planning Department staff, in consultation with the CAC, has shifted the reporting timeline such that the Western SoMa Area Plan Monitoring Report 2011-2015 will be the first five-year report and set the calendar so that future monitoring reports are conducted alongside the other Eastern Neighborhoods. Subsequent time series monitoring reports for the Mission area and other Eastern Neighborhoods (including Western SoMa) will be released in years ending in 1 and 6.

While the previous Monitoring Report covered only the small amount of development activities in the years immediately preceding and following the adoption of the *Mission Plan* in 2008, this report contains information and analysis about a period

[2] Unless otherwise noted, this report will refer to the Eastern Neighborhoods Area Plans, or just Area Plans, as encompassing the Mission, East SoMa, Central Waterfront, Showplace Square/Potrero Hill as well as Western SoMa. References to Plan Areas (or to the names of the individual areas) will describe the areas within the boundaries outline by the individual plans.

of intense market development and political activity in the Mission. This report relies primarily on the *Housing Inventory*, the *Commerce and Industry Inventory*, and the *Pipeline Quarterly Report*, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the U.S. Census Bureau's American Community Survey, the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2 COMMERCIAL ACTIVITYAND JOB CREATION

One of the defining characteristics of the Mission neighborhood is its remarkable mix of uses and diversity of businesses, including manufacturing, restaurants and bars, a broad range of retail activities, institutional and educational uses, hospitals, and more. The neighborhood commercial corridors along Mission, Valencia, and 24th Streets support a variety of retail activities including shops and services, housing, and small offices, which serve their immediate neighborhood and also residents from throughout the city and region. Indeed, these commercial corridors have become part of San Francisco's tourism circuit, attracting visitors from around the world.[3]

Photo 2.0.1. Produce Market on Mission Street

[3] For example, a recent New York Times feature highlighting 18 San Francisco attractions to visit on a 36-hour stay in the city included 6 sites within the Mission Plan Area and another 3 within 2 blocks of its boundaries. See http://www.nytimes.com/2015/11/01/travel/what-to-do-in-36-hours-in-san-francisco.html?_r=0

The primarily residential portions of the Mission, which occupy the blocks on the southeast and western edges of the neighborhood, are also peppered with neighborhood serving businesses including corner stores, dry cleaning services, restaurants, cafes, and bars. Lastly, the Mission is home to a thriving collection of PDR businesses. The Northeast Mission Industrial Zone (NEMIZ) clusters many of these industrial activities and spaces, but a variety of smaller PDR businesses (such as auto repair garages, light manufacturing work, and the like) are scattered throughout the neighborhood. This mix of uses is an important source of employment opportunities for neighborhood, city and Bay Area residents; contributing to the overall vitality and culture of the Mission.

2.1 Commercial Space Inventory

Table 2.1.1 illustrates the mix of non-residential space in the Mission as of 2015. The table reflects the balanced mix of uses described above, as office, retail, and PDR activities each occupy roughly a quarter of the commercial space in the neighborhood. Institutional and medical uses make up roughly another 20% of non-residential buildings and tourist hotels take up about another 1%. The table also shows the importance of the Mission in the San Francisco's stock of industrial lands. Though the neighborhood only accounts for 5% of the City's overall commercial space, its share of PDR space is much higher, at 8%. However, as will be discussed in the sections below, in recent decades PDR space has been subject to intense pressures from uses that are able to pay higher land rents, such as office and market-rate residential.

Table 2.1.1 Commercial Building Space Square Footage, Mission and San Francisco, 2015

Non-Residential Land Use	Mission		Citywide		Mission as % of San Francisco
	Square Feet	%	Square Feet	%	
Cultural, Institution, Educational	1,760,105	15%	29,898,514	13%	6%
Medical	698,877	6%	17,468,039	7%	4%
Office	3,079,231	27%	107,978,954	45%	3%
PDR / Light Industrial	2,896,338	25%	36,265,832	15%	8%
Retail	3,022,780	26%	42,299,526	18%	7%
Visitor / Lodging	92,560	1%	4,053,422	2%	2%
Total	**11,549,891**	**100%**	**237,964,287**	**100%**	**5%**

Source: San Francisco Planning Department Land Use Database (March 23, 2016).

Table 2.1.2 shows commercial and other non-residential development activity in the Mission Plan area between January 1, 2011 and December 31, 2015 while Source: San Francisco Planning Department.
Note: Includes all developments in the Plan Area during reporting period, including those that did not receive CEQA clearance under Eastern Neighborhoods EIR.
Table 2.1.3 shows corresponding figures for San Francisco. These tables count newly developed projects (on vacant properties or redevelopment of existing properties) as well as conversions from one use to another. Between 2011 and 2015, 206,000 square feet of PDR land was converted to other uses, especially housing, equivalent to roughly 6% of PDR space in the Mission.

Two properties account for more than 75% of the PDR conversion during this period. In 2012, the Planning Department legitimized a conversion of roughly 95,000 square feet of PDR to office at 1550 Bryant; the actual conversion occurred prior to the enactment of Eastern Neighborhoods without the benefit of a permit. The legitimization program (see section 2.3.1), which was enacted concurrently with Eastern Neighborhoods, enabled the space to be legally permitted as office. Another property at Mission Street at 15th Street, a vacant and non-functioning former printing shop, accounted for another 75,000 square feet of PDR conversion. This project was approved prior to adoption of the Mission Area Plan, but completed construction in 2013. The building was demolished to build a 194-unit residential building, shown in Photo 2.1.1,which includes 40 affordable units (21% of the total). The property is zoned neighborhood commercial transit (NCT) and urban

mixed-use (UMU), designations created by the Eastern Neighborhoods Area Plans specifically to transition struggling industrial properties in transit-rich corridors to dense residential uses.

Photo 2.1.1. 1880 Mission Street

Table 2.1.2 also shows the loss of 25,000 square feet of institutional space in 2015, which took place because the San Francisco SPCA demolished a building on their campus to convert into a dog park in order to better meet their animal rescue activities. The table also shows a modest gain of office and retail space during the reporting period. One illustrative project is the development at 1501 15th Street, which redeveloped a gas station into a mixed-use building with 40 residential units (7 of them below market rate) and roughly 10,000 square feet of professional services office space.

For comparison purposes, table 2.1.3 shows the commercial development activity throughout San Francisco. Overall, while the Mission saw a decrease of roughly 68,000 square feet, the city gained 2.8 million square feet, mostly serving office and medical uses. The Mission accounted for about 20% of the city's loss of PDR and slightly more than 7% of citywide office development between 2011 and 2015.

Map 2 shows the location of the larger-scale non-residential developments. (See Appendix B for detailed information about completed developments.)

Table 2.1.2 Net Change in Commercial Space, Mission 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011				(10,800)			(10,800)
2012	-	-	108,400	(98,326)	4320	-	14,394
2013	-	-	-	(70,762)	0	-	(70,762)
2014	-	15,200	-	(26,423)	-3696	-	(14,919)
2015	(25,211)	-	-	-	39495	-	14,284
Total	**(25,211)**	**15,200**	**108,400**	**(206,311)**	**40,119**	**-**	**(67,803)**

Source: San Francisco Planning Department.

Note: Includes all developments in the Plan Area during reporting period, including those that did not receive CEQA clearance under Eastern Neighborhoods EIR.

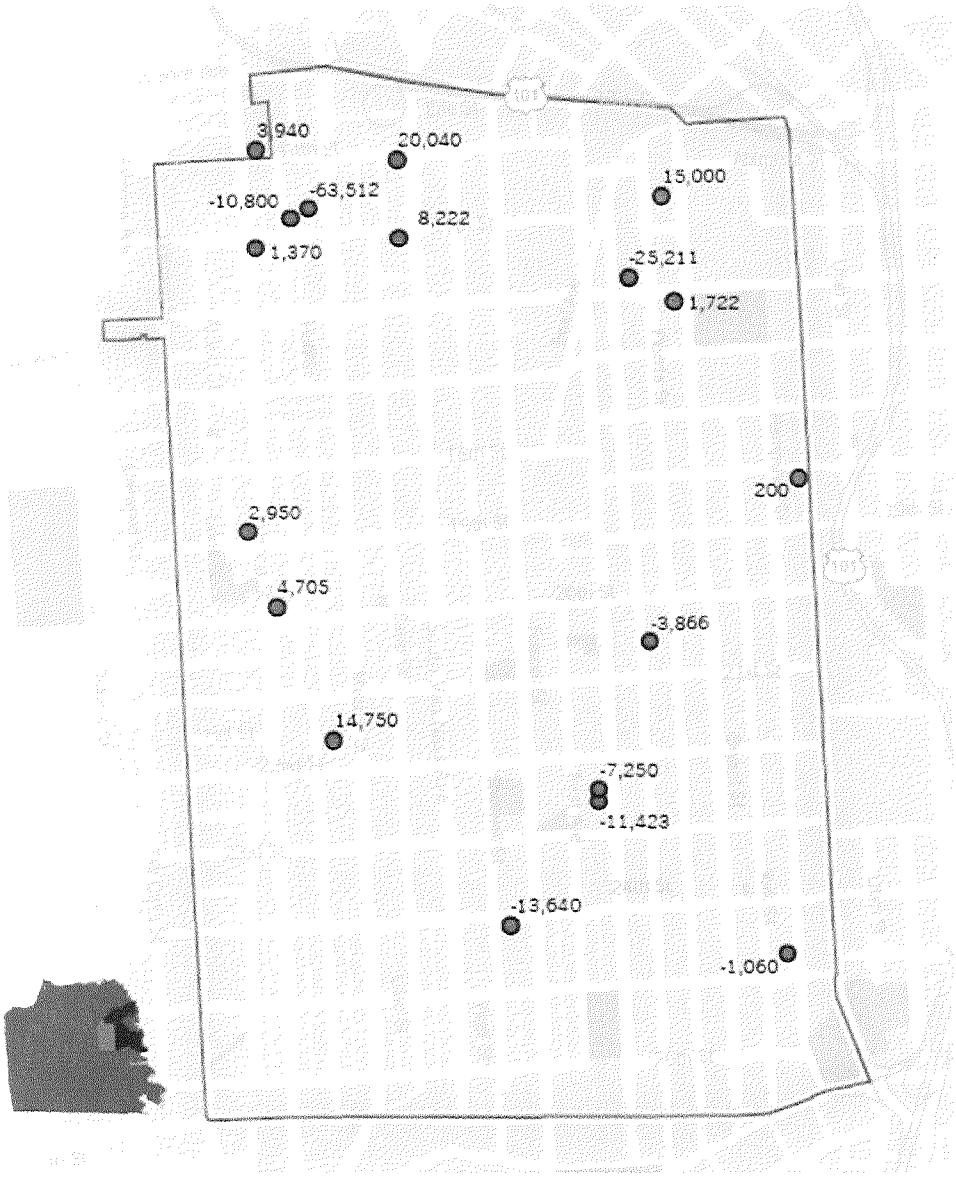
Table 2.1.3 Net Change in Commercial Space, San Francisco 2011-2015

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR / Light Industrial	Retail	Visitor / Lodging	Total Commercial Sq Ft
2011	10,477	0	40,019	(18,075)	16,854	0	**49,275**
2012	(52,937)	0	24,373	(164,116)	32,445	0	**(160,235)**
2013	66,417	0	335,914	(236,473)	5,941	(69,856)	**101,943**
2014	446,803	1,815,700	603,997	(473,337)	60,125	63,286	**2,516,574**
2015	(21,456)	20,000	460,508	(183,775)	65,419	0	**340,696**
Total	**449,304**	**1,835,700**	**1,464,811**	**(1,075,776)**	**180,784**	**(6,570)**	**2,848,253**

Source: San Francisco Planning Department.

Note: Includes all developments in the Plan Area during reporting period, including those that did not receive CEQA clearance under Eastern Neighborhoods EIR.

Map 2 Completed Projects Causing Net Change in Commercial Space, Mission 2011-2015



2.2 Commercial Development Pipeline

The commercial development pipeline in the Mission shows a continuation of the trends that have taken place during the reporting period of 2011-15 (Table 2.2.1). The Mission will continue to see some of its PDR space converted to other uses, particularly residential, as well as the development of some office, medical, and institutional space. However, the City continues to enforce PDR protection policies in specially designated zones in the Mission, such as PDR-1 and PDR-2.

It is important to interpret the pipeline numbers as two separate subcategories, shown in Table 2.2.1 as "Under Review" and "Entitled". Under review projects are those that have filed application with the Planning and/or Building Departments and have to clear several hurdles, including environmental (CEQA) review, and may require conditional use permits or variances. Therefore, these projects should be considered more speculative. On the other hand, Entitled projects are those that have received Planning Department approvals and are considered much more certain, although many of them may take years to finally complete their construction and receive certificates of occupancy.

One example of a project that is currently under review, the "Armory Building" at 1800 Mission, has requested to convert roughly 120,000 square feet of PDR space into office use. If all projects that are under review come to fruition, the Mission will see roughly 350,000 square feet of PDR transition to other uses. Another large-scale project currently under review would build more than 200,000 square feet of non-profit service delivery office space at 1850 Bryant Street.

The projects in the pipeline that have received entitlements show a slight net gain (5,000 square feet) of non-residential uses in the Mission in the near future. If all of these developments are completed, the Planning Department expects a loss of about 30,000 square feet of PDR space and concomitant gain of roughly 35,000 square feet in institutional, medical, office and retail uses. Entitled projects that propose to convert PDR to other uses are mostly small spaces (up to about 6,000 square feet) that will be redeveloped as residential or mixed-use residential buildings. One representative project is at 346 Potrero, currently under construction, where 3,000 square feet of PDR has been converted to a mixed use building with ground floor retail and 70 residential units, 11 of which are affordable.

Table 2.2.2 shows the commercial development pipeline for San Francisco for comparison. The development pipeline in the Mission represents less than 1% of the citywide pipeline. Map 3 shows the locations of the larger proposed commercial developments in the plan area. (See Appendix C for detailed information about pipeline projects.)

Table 2.2.1 Commercial and Other Non-Residential Development Pipeline, Mission Q4 2015

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**(5,065)**	**-**	**-**	**-**	**(12,461)**	**7,396**	**-**
Planning Entitled	**10,704**	**3,957**	**16,000**	**4,672**	**(18,607)**	**4,682**	**-**
Planning Approved	(157)	2,757	-	-	(2,914)	-	-
Building Permit Filed	(1,095)	-	-	-	(1,939)	844	-
Building Permit Approved/ Issued/ Reinstated	11,956	1,200	16,000	4,672	(13,754)	3,838	-
Under Review	**134,980**	**247,028**	**-**	**165,770**	**(329,490)**	**51,672**	**-**
Planning Filed	152,208	247,028	-	164,567	(303,697)	44,310	-
Building Permit Filed	(17,228)	-	-	1,203	(25,793)	7,362	-
Total	**140,619**	**250,985**	**16,000**	**170,442**	**(360,558)**	**63,750**	**-**

Source: San Francisco Planning Department.
Note: Includes all developments in the pipeline as of December 31, 2015, including those that did not (or will not) receive CEQA clearance under Eastern Neighborhoods EIR

Table 2.2.2 Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2010

Development Status	Total Commercial Sq Ft	Cultural, Educational, Institutional	Medical	Office	PDR/Light Industrial	Retail	Visitor/ Lodging
Under Construction	**4,945,368**	**1,098,708**	**(58,871)**	**3,894,055**	**(290,327)**	**491,366**	**(189,563)**
Planning Entitled	**8,030,705**	**312,600**	**20,665**	**5,576,249**	**332,662**	**1,268,623**	**519,906**
Planning Approved	6,433,399	1,942	4,665	4,571,993	311,417	1,084,828	458,554
Building Permit Filed	(65,345)	4,343	-	(36,555)	(33,939)	806	-
Building Permit Approved/ Issued/ Reinstated	1,662,651	306,315	16,000	1,040,811	55,184	182,989	61,352
Under Review	**9,192,416**	**1,042,013**	**1,875**	**7,395,632**	**(1,246,069)**	**1,580,408**	**418,557**
Planning Filed	7,522,778	1,084,228	1,875	5,891,959	(1,194,110)	1,538,079	200,747
Building Permit Filed	1,669,638	(42,215)	-	1,503,673	(51,959)	42,329	217,810
Total	**22,168,489**	**2,453,321**	**(36,331)**	**16,865,936**	**(1,203,734)**	**3,340,397**	**748,900**

Source: San Francisco Planning Department.

Note: Includes all developments in the pipeline as of December 31, 2015, including those that did not (or will not) receive CEQA clearance under Eastern Neighborhoods EIR

Map 3 Commercial and Other Non-Residential Development Pipeline, Mission Q4 2015

Note: Only includes projects that will add or remove 5,000 net square feet.

2.3 Changes in PDR Uses

As discussed above, the Mission (and the Eastern Neighborhoods more broadly), have experienced economic changes that have made many areas highly attractive to residential and office development. These types of uses are generally able to afford higher land costs, and therefore can outbid PDR businesses for parcels that are not specifically zoned for industrial use. Prior to the adoption of the Eastern Neighborhoods Area Plans, the primary industrial zoning designations – M-1, M-2, and C-M – permitted a broad range of uses, which led to the conversion of a significant amount of PDR space to other activities. Of the 2.9 million square feet in PDR space in the Mission in 2015, more than half was scattered throughout zoning districts not specifically geared towards industrial uses, such as neighborhood commercial (NC) zones. Roughly 770,000 (26%) were located in PDR protection districts (PDR-1 and PDR-2) and 20% were in the mixed use UMU district. By comparison, the

split between PDR space in PDR protection, mixed use, and other districts is 38%, 34%, and 29%, respectively. According to Co-Star data, asking lease rates for PDR space in the Eastern Neighborhoods are currently $$$$ and vacancy rates are ####.[4]

Table 2.3.1 Square Footage of PDR Space by Zoning District Type, Mission and Eastern Neighborhoods, 2015

Zoning District Type	Number of Cases			
	Mission	%	Eastern Neighborhoods	%
PDR Protection (1)	767,087	26%	3,465,888	38%
Mixed Use (2)	582,510	20%	3,098,198	34%
Other (3)	1,546,741	53%	2,669,555	29%
TOTAL	**2,896,338**	**100%**	**9,233,641**	**100%**

1. Districts that primarily allow PDR activities and restrict most other uses. In Central Waterfront, Mission, and Showplace Square/Potrero Hill, these districts include PDR-1 and PDR-2. In East SoMa and West SoMa, they are the SLI and SALI districts, respectively.
2. Transitional districts that allow industrial uses mixed with non-PDR activities such as housing, office, and retail, often with additional requirements on affordability and PDR replacement. Includes UMU in Central Waterfront, Mission, and Showplace Square/Potrero Hill;MUG, MUO, and MUR in East SoMa; and WMUG and WMUO in Western SoMa.
3. Various districts designated for non-industrial uses like residential, neighborhood commercial, and the like.

Since the adoption of the Mission Area Plan, PDR space has continued to be converted to other uses in the neighborhood, as Tables 2.1.2 and 2.2.1 illustrate.

A detailed investigation of the conversion of PDR space in the Missionshows that such conversions have occurred largely outside of the zoning districts created specifically to protect PDR uses (in the case of the Mission, PDR-1 and PDR-2). The only project that recorded a loss of PDR space in a PDR protection zone during this period, 1550 Bryant, involved the legitimization of office conversion undertaken prior to adoption of the plan under an amnesty program that expired in 2013 (discussed in subsection 2.3.1, below). In addition to the project at 1880 Mission, detailed above, other completed projects in the Mission that have converted PDR space have done so in order to build new housing, either with a higher percentage of inclusionary units than required by the City's inclusionary housing ordinance or by paying in-lieu fees, as shown in table 2.3.2. These projects have all been built in either the transitional UMU district or in districts like NCT and RH-3, which were not intended as PDR protection areas under the Mission Area Plan.

[4] Data provided by the City of San Francisco's Real Estate Division.

Table 2.3.2. Projects Converting PDR Space in Mission Plan Area, 2011-15

Project	Zoning	Net PDR	Net Office	Net Retail	Net Units	Affordable Units	Percent Affordable
1550 Bryant Street	PDR-1-G	(93,400)	108,400	0	0	0	N/A
1880 Mission Street	NCT/UMU	(63,512)	0	0	194	40	21%
2652 Harrison Street	UMU	(7,250)	0	0	20	Fee payment	N/A
2660 Harrison Street	UMU	(11,423)	0	11,423	3	Below threshold	N/A
3135 24th Street	NCT	(15,000)	0	1,360	9	Below threshold	N/A
1280 Hampshire Street	RH-3	(1,060)	0	0	3	Below threshold	N/A

Note: Only developments with ten or more units are subject to the City's inclusionary housing requirements.

The Planning Department has also undertaken some legislative action to strengthen PDR zoning and enable to location, expansion, and operation of PDR businesses. In addition to some "clean up" language making it easier for PDR businesses to receive permits and share retail spaces, the Department also created a program to allow more office development in certain parcels as a way to subsidize more development of PDR space. Recognizing the financial difficulties of developing new industrial buildings in large "soft site" lots, this program gives developers the ability to construct office space in parcels zoned PDR-1 and PDR-2, located north of 20th Street. The parcels must be at least 20,000 square feet as long as existing buildings are not developed to more than 0.3 floor-to-area (FAR) ratio. At least 33% of the space in the new developments must be dedicated to PDR uses. To date, only one development at 100 Hooper Street in the Showplace Square/Potrero Hill Plan Area has taken advantage of this program.

2.3.1 PDR Protection Policies and Enforcement

Illegal conversions from Production, Distribution and Repair (PDR) uses have more recently become an issue in the Eastern Neighborhood Plan areas that the City has sought to resolve. In 2015, the Planning Department has received about 44 complaints of alleged violation for illegal conversions of PDR space. Most of these cases (42) are in the Eastern Neighborhoods, 20 of which are in the Mission Plan Area. Of these cases, six were found to not be in violation of PDR protection rules, 11 are under or pending review, and three have been found to be in violation. The three cases are on Alabama Street between 16th and Mariposa Streets on parcels zoned PDR-1-G. Owners were issued notices of violation and office tenants were compelled to vacate the properties, as shown in Appendix E.

Table 2.3.3 Enforcement Cases for Illegal PDR Conversions, Mission, 2015

Case Type	Number of Cases		
	Mission	Eastern Neighborhoods	Citywide
Closed - Violation	3	6	7
Closed - No Violation	6	9	9
Under Review	1	4	4
Pending Review	10	23	24
TOTAL	**20**	**42**	**44**

Most of these complaints describe large warehouses converting into office uses. Many of these office tenants are hybrid uses where PDR also takes place, but may not be the principal use of the space. If an office use is confirmed to be in operation, Planning encourages the company to alter their business practice to fit within the PDR zoning categories or vacate the property. The table in Appendix E shows the enforcement cases that were closed and that were actually found to be in violation of the code. Generally, the complaints filed with the Planning Department are regarding the conversion of PDR uses to office space, not permitted within these zoning districts. However, some complaints that are filed are either not valid, meaning that the tenant is either a PDR complying business or the space was legally converted to office space, prior to the Eastern Neighborhoods rezoning. For these enforcement cases, there is no longer a path to legalization to office use;

additionally, many of these office conversions are not recent, and they did not take advantage of the Eastern Neighborhoods Legitimization Program. The program was an amnesty program that established a limited-time opportunity whereby existing uses that have operated without the benefit of required permits may seek those permits. However, this program expired in 2013.

In investigating the alleged violations, the Planning Department discovered that the building permit histories often included interior tenant improvements without Planning Department review. These permits do not authorize a change of use to office. To prevent future unauthorized conversion of PDR space the Planning Department worked proactively with the Department of Building Inspection (DBI). Over the course of 2015, Planning worked with DBI during project intakes to better understand the routing criteria and how to ensure Planning review. Both departments' IT divisions worked together to create a flag in the Permit Tracking System (PTS) to alert project intake coordinators of potential illegal conversions. This is a pilot program that can be expanded at a later date to include other Zoning Districts if necessary. Planning and DBI continue to work together to monitor this process and plan to meet regularly to discuss additional steps to prevent future conversions.

Planning also works collaboratively with the Mayor's Office of Economic Workforce and Development (OEWD). When Planning receives inquiries or complaints related to either vacant spaces in PDR zones or possible unauthorized spaces, Planning informs the property owner about PDR complying uses and refers them to OEWD. OEWD currently has a list of PDR complying businesses that are looking to lease spaces within San Francisco. Additionally, a training for real estate brokers was conducted in 2015. The purpose of the voluntary training was to help explain what PDR is and what resources Planning has available for them to utilize prior to leasing a property. The training also outlined the enforcement process, including the process for requesting a Letter of Determination. Future trainings will be held based on interest.

2.4 Employment

The Mission Plan Area added employment across all land use types tracked by the Planning Department between 2011 and 2015, following a trend that has taken place in San Francisco and the Bay Area. This growth in employment reflects a rebound in the regional economy following the "Great Recession" of the previous decade, but also the robust growth in high technology sectors and related industries in recent years.[5] Altogether, employment in the Mission grew by roughly 18,000 jobs in 2010 to almost 24,000 with a related increase from 2,700 to 3,000 total establishments, according to the California Employment and Development Department (EDD). The subsections below discuss the job growth in the Mission by land use category.

Table 2.4.1. Employment, Mission and San Francisco, Q4 2015

Landuse	Mission				San Francisco			
	Establishments	%	Jobs	%	Establishments	%	Jobs	%
Cultural, Institutional, Educational	119	4%	17,454	45%	2,010	3%	73,182	11%
Medical	1,223	41%	2,409	6%	21,833	37%	60,214	9%
Office	511	17%	6,344	16%	15,628	27%	293,014	44%
PDR / Light Industrial	349	12%	3,723	10%	5,280	9%	88,135	13%
Retail	605	20%	8,802	23%	8,241	14%	130,550	20%
Visitor / Lodging	10	0%	41	0%	311	1%	16,688	2%
Other	187	6%	254	1%	4,961	9%	6,953	1%
Total	**3,004**	**100%**	**39,027**	**100%**	**58,264**	**100%**	**668,736**	**100%**

2.4.1 Office Jobs

The largest increase in jobs in the Mission between 2010 and 2015 was in office occupations. According to EDD, the neighborhood experienced an almost 70% increase in office jobs in those 5 years. However, the number of office establishments only increased by about 25%, indicating a shift towards office firms with a larger number of employees. In 2015 the Mission held about 3% of all of the City's office jobs and 2% of its establishments (see Chart 2.4.).

[5] See annual San Francisco Planning Department Commerce & Industry Inventory, 2008 – 2015.

2.4.2 Retail Jobs

As discussed above, the Mission has also emerged as an important retail destination in San Francisco, with the restaurants, cafes, bars, and shops in the main commercial corridors (particularly Valencia, 24th,and 16th Streets) attracting visitors from throughout the City, region, and beyond. The number of retail jobs in the Mission increased by 24% between 2010 and 2015 to about 8,800 in more than 600 establishments. The neighborhood represents 7% of the city's retail jobs and establishments.

2.4.3 PDR Jobs

PDR continues to play a critical role in the City's economy, providing quality jobs to employees with a broad range of educational backgrounds, supporting local businesses up- and downstream (for example, many of the city's top restaurants source products from local PDR businesses), and infusing the region with innovative products. Though the trends in loss of PDR space have been widely documented, the City and the Mission both added PDR jobs since 2010. The Mission experienced a 7% increase in PDR employment (to 3,700 jobs) between 2010 and 2015 and 9% increase in number of firms (to 350). Within the three-digit NAICS classifications that make up the Planning Department's definition of PDR, employment increased across several occupational categories, including "other manufacturing", "film and sound recording", and "printing and publishing" occupations and decreased in "construction", "apparel manufacturing" and "transportation and warehousing" occupations, as shown in Appendix F.

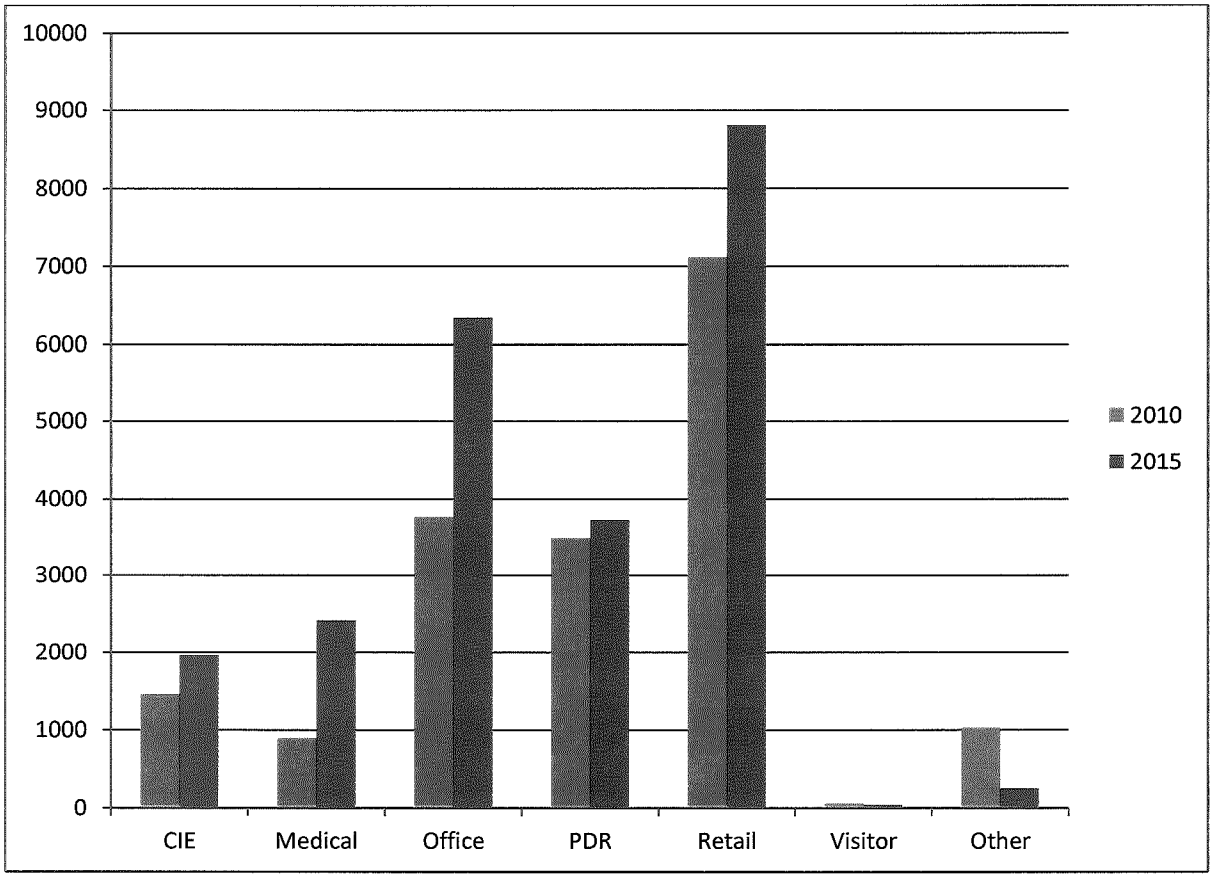
As with other occupations, these increases likely reflect a recovery from the recession as well as the emergence of "maker" businesses and production of customized and high-end consumer products, such as the firm shown on Photo 2.4.1. The success of the Plan in curbing large-scale conversion of PDR space has likely played a key role in ensuring that these re-emergent industrial activities are able to locate within San Francisco. The Mission has roughly 4% of the PDR jobs and 7% of the establishments within the City.

Photo 2.4.1. Dandelion Chocolate, 2600 16th Street.

2.4.4 Employment and Commercial Space Trends

Over the past five years, the Mission has added a substantial number of jobs, more than 30% growth, even as its commercial space square footage increased by a small amount (4,000 square feet). In part, many of these new jobs are likely located in commercial space that was vacant at the end of the recession of the previous decade, leading to lower vacancy rates.[6] Another trend that has been underway that may explain the gain in employment without a parallel increase in commercial space is an overall densification of employment (in other words, allowing more jobs to be accommodated within a given amount of space). With the increasing cost of land in locations close to city centers and accessible by transportation infrastructure (as is the case with the Eastern Neighborhoods), real estate researchers have tracked an overall densification of employment across several sectors throughout the country.[7] This kind of densification can be caused by employees who work from home for some or all days of the week (and therefore may share office space with colleagues) or firms that accommodate more employees within a given amount of space.

Chart 2.4.1 Jobs by Land Use, Mission, Q3 2010 and 2015

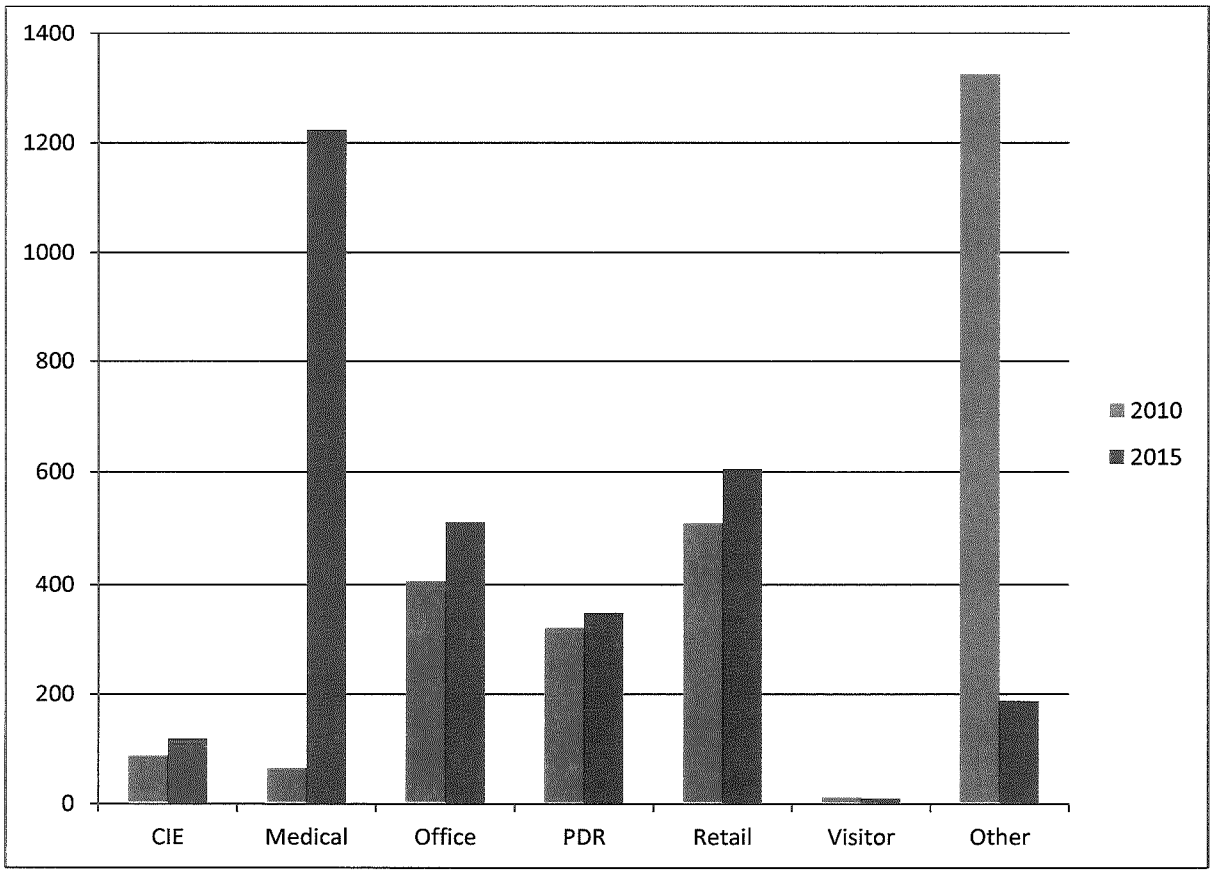


Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

[6] Although data to show vacancy rates for the Mission Plan Area is not available, commercial real estate brokerage firms like Cushman & Wakefield show that vacancy rates for different types of land uses decreased substantially in San Francisco between 2011 and 2015 across different sectors. See Cushman & Wakefield San Francisco Office Snapshot Q4 2015 and Retail Snapshot Q4 2015.

[7] See 2013 US Workplace Survey by Gensler.

Chart 2.4.2 Establishment by Land Use, Mission, Q3 2010 and 2015



Source: California Employment Development Department
Note: Starting in 2013, the Bureau of Labor Statistics reclassified In-Home Supportive Services (roughly 20,000 jobs citywide) from the Private Household category (classified as "Other") to other classifications, most of which are captured in this report under "Medical".

2.4.5 Sales and Property Taxes

Since the Eastern Neighborhood Area Plans were adopted, the City has also seen sharp increases in collections of sales and property taxes. In the Mission, sales tax collections increased every year from 2011 to 2014, going from $4.4 million to $5.6 million in four years, an increase of 26%. By comparison, sales tax collections citywide increased by 21% during this period. Property tax collection also increased substantially in the Eastern Neighborhoods. In the Mission, the city collected roughly $38 million in property taxes in 2008, the year before the plan was adopted. By 2015, property taxes in the Mission increased by 56% to $59 million, as shown on table 2.4.3.

Table 2.4.2. Sales Taxes Collected in Mission Plan Area, 2011-15

Year	Mission	% change from previous year	SF	% change from previous year
2011	$ 4,430,411	-	$ 67,537,179	-
2012	$ 4,880,932	10.2%	$ 73,531,098	8.9%
2013	$ 5,267,309	7.9%	$ 76,739,835	4.4%
2014	$ 5,587,324	6.1%	$ 81,442,942	6.1%
TOTAL	**$ 20,165,977**		**$299,251,054**	

Source: San Francisco Controller's Office.

Table 2.4.3. Property Taxes Collected in the Eastern Neighborhoods, 2008 and 2015

Area	2008	2015
Central Waterfront	$5,704,111	$10,338,391
East SoMa	$46,831,664	$63,172,434
Mission	$37,908,346	$58,957,413
Showplace Square/Potrero Hill	$29,446,594	$47,803,586
Western SoMa	$17,146,718	$24,348,243
Total	**$137,037,433**	**$204,620,067**

Source: SF Assessor's Office for 2008 data (assessed values times tax rate of 1.163%) and Tax Collector's Office for 2015.

3 HOUSING

The provision of adequate housing to residents of all incomes has long been a challenge in San Francisco. Over the past five years, however, San Francisco epitomized the housing affordability crisis afflicting American cities and coastal communities throughout California. As discussed in the previous section, the Bay Area, city, and Mission neighborhood have all seen robust employment growth since the "Great Recession" triggered by the financial crisis in 2007. During this period, the city has added housing units much more slowly than new employees. As a result, a growing and more affluent labor force has driven up the costs of housing, making it increasingly difficult for low and moderate income families to remain in San Francisco.

In the past five years, the Mission has been a focal point of struggles over housing as well as efforts by the City to ensure that its residents can continue to live there. One of the main goals of the *Mission Plan* is to increase the production of housing affordable to a wide-range of incomes. The environmental analysis conducted for the Eastern Neighborhoods Environmental Impact Report estimated that between 800 and 2,000 additional units could be developed as a result of the rezoning associated with the *Mission Plan.*[8] The Plan also recognizes the value of the existing housing stock and calls for its preservation, particularly given that much of it is under rent control. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

[8] Eastern Neighborhoods Rezoning and Area Plans Environmental Impact Report (2005).

3.1 Housing Inventory and New Housing Production

The Planning Department's latest housing inventory, using US Census and permit data, shows that the Mission has roughly 25,000 housing units as of the end of 2015; this represents 6.6% of the citywide total.[9] Table 3.1.1 shows that approximately 564 new units were built in the past five years in the Mission, compared with 861 units built between 2006 and 2010. Of the new units produced, 76 were conversions from non-residential uses and the rest were completed from new construction.

During the first two years of the reporting period, 2011 and 2012, the construction sector was still recovering from the slow-down of the recession, and only 47 new units were built. Between 2013 and 2015, however, the Mission added 518 new units, or 173 units per year. This yearly average is almost identical to the average between 2006 and 2010, when the Plan Area added 164 units per year. Table 3.1.2 shows the citywide figures for comparison. Nearly 6% of the net increase in the City's housing stock in the last five years was in the Mission area. Map 4 shows the location of recent housing construction. Additional details about these new development projects can be found in Appendix B.

Table 3.1.1 New Housing Production, Mission, 2011-2015

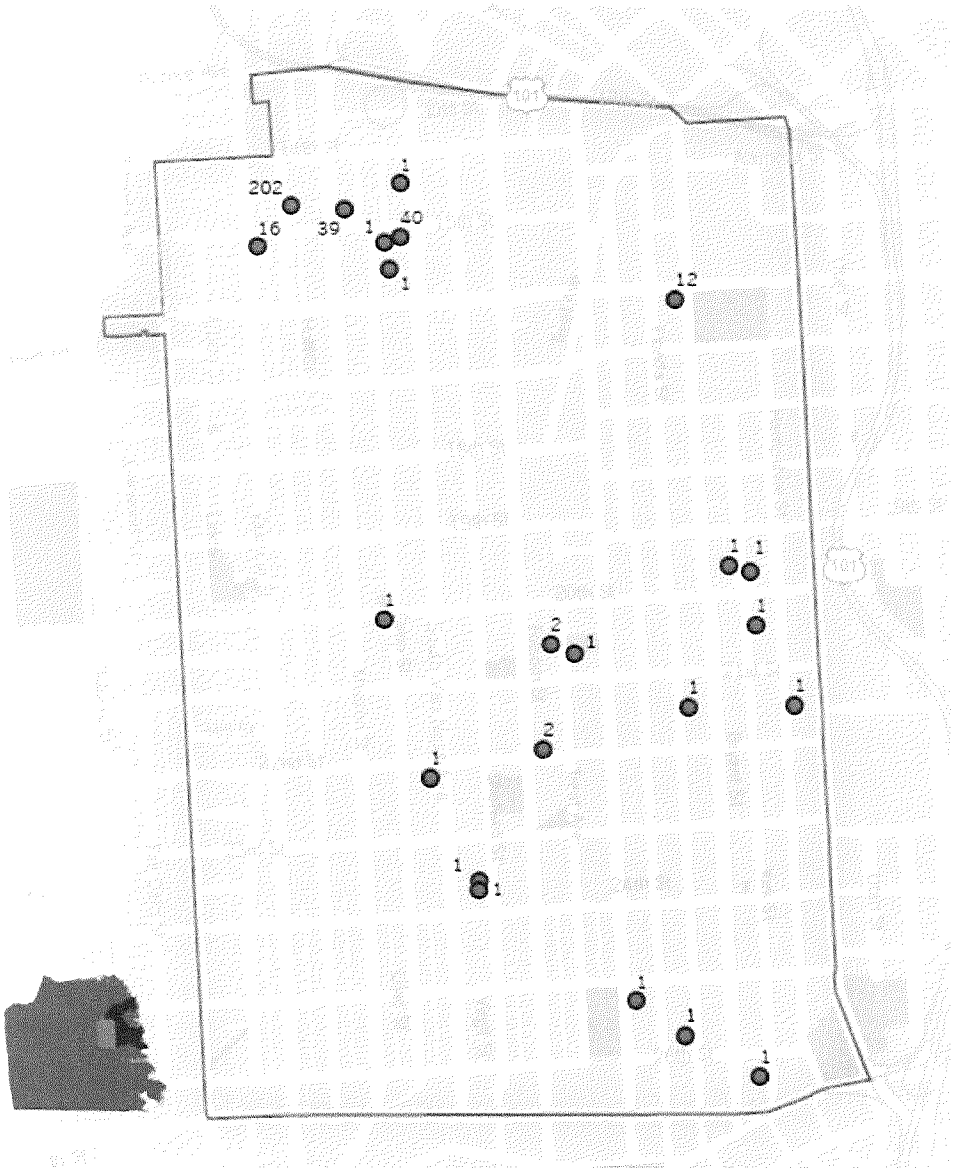
Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	-	14	(1)	(15)
2012	47	-	11	58
2013	242	1	16	257
2014	75	1	2	76
2015	140	-	48	188
TOTAL	**504**	**16**	**76**	**564**

Table 3.1.2 New Housing Production, San Francisco, 2011-2015

Calendar Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,455	95	156	3,516
2015	2,472	25	507	2,954
TOTAL	**9,401**	**760**	**1,377**	**10,018**

[9] 2015 San Francisco Housing Inventory.

Map 4 New Housing Production Mission 2011-2015



Note: Projects that added 5 or more net new units

3.2 Housing Development Pipeline

As discussed above in the Commercial Activity chapter, the pipeline should be analyzed along two different categories: projects that have submitted planning and building applications (under review) and projects that have received entitlements and are either awaiting or are under construction. The latter (particularly those under construction) are considered much more likely to add residential or commercial capacity to the city's building stock in the short-to-medium term, while under review projects may require clearance from environmental review, variances to planning code restrictions, and discretionary review. In general, the Planning Department estimates that projects that are currently under construction can take up to two years to be ready for occupancy, entitled projects can take between two and seven years, while projects under review can take as many as ten years, if they are indeed approved.

The pipeline for new housing development in the Mission as of the end of 2015 is 1,855 units, of which 1,467 are under review. Roughly 400 units are entitled, of which half are currently under construction, as shown on Table 3.2.1. The pipeline for the Mission accounts for 9% of the total number of projects in the City, though only 3% of the number of units, which suggests that new projects are of a smaller scale than housing developments in the pipeline for San Francisco as a whole.

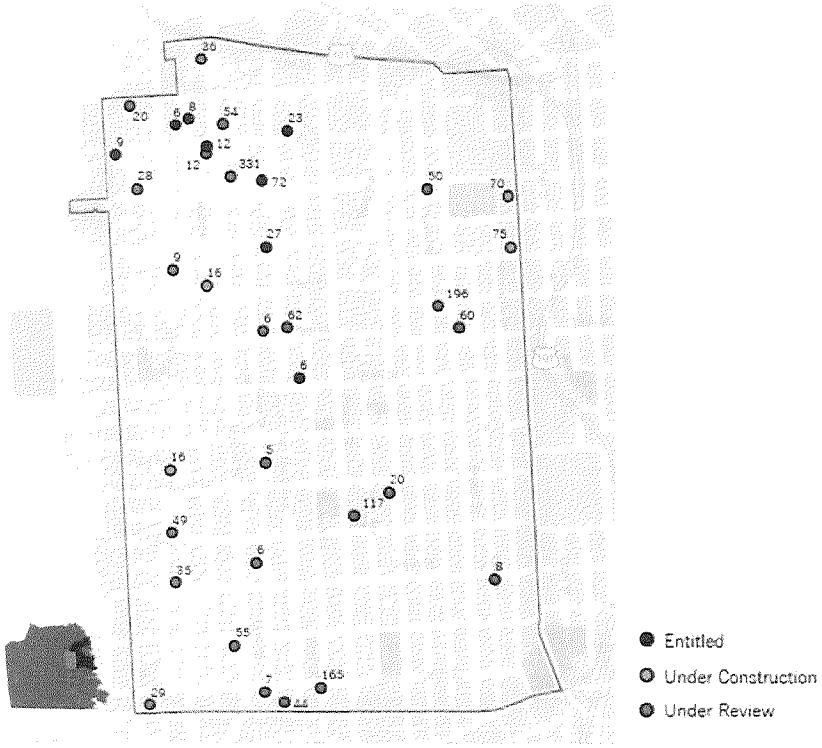
The current housing pipeline is much more robust than it was at the end of 2010, shown in the previous Monitoring Report. In that year, only seven projects (with a total of nine units) were under construction, 25 projects with 422 units were entitled, and 53 projects with 585 units were under review. As of the end of 2015, twice as many projects were under review for more than three times the number of units, reflecting a much stronger market and willingness by developers to build new housing.

Map 5 shows the location of these proposed housing projects by development status. Appendix C provides a detailed list of these housing pipeline projects.

Table 3.2.1 Housing Development Pipeline, Mission, and San Francisco, Q4 2015

Development Status	Mission			San Francisco		
	No. of Units	No. of Affordable Units	No. of Projects	No. of Units	No. of Affordable Units	No. of Projects
Construction	**200**	**22**	**17**	**8,816**	**979**	**232**
Planning Entitled	**188**	**18**	**29**	**31,546**	**6,141**	**353**
Planning Approved	14	-	5	27,617	12	80
Building Permit Filed	16	-	5	1,529	73	36
Building Permit Approved/ Issued/ Reinstated	158	18	19	2,400	6,056	237
Under Review	**1,467**	**43**	**65**	**21,734**	**1,797**	**706**
Planning Filed	909	37	25	17,557	1,574	204
Building Permit Filed	558	6	40	4,177	223	502
Total	**1,855**	**83**	**111**	**62,096**	**8,917**	**1,291**

Map 5 Housing Development Pipeline by Development Status, Mission, Q4 2015



Note: Only includes residential developments with 5 or more units.

3.3 Affordable Housing in the Mission

San Francisco and the Mission Plan Area have a number of policies in place to facilitate the development of affordable housing. This section describes some of these policies and shows the extent to which affordable housing was built in the Plan Area over the pasts five years.

3.3.1 Affordable Housing Efforts: Citywide, Eastern Neighborhoods, and Mission

The City of San Francisco has a number of programs to provide housing opportunities to families whose incomes prevent them from accessing market-rate housing. The San Francisco Housing Authority (SFHA) maintains dozens of properties throughout the City aimed at extremely low (30% of AMI), very low (50% of AMI) and low (80% of AMI) income households. Households living in SFHA-managed properties pay no more than 30% of their income on rent, and the average household earns roughly $15,000. Four of these properties are located within the Eastern Neighborhoods boundaries: two in the Mission and two in Potrero Hill.

The City has also launched HOPE SF, a partnership between the SFHA, the Mayor's Office of Housing and Community Development (MOHCD), community organizations, real estate developers, and philanthropies to redevelop some of the more dilapidated public housing sites into vibrant mixed-income communities with a central goal of keeping existing residents in their neighborhoods. One of the Hope SF projects, Potrero Terrace/Annex is located in the Eastern Neighborhoods (Showplace Square/Potrero Hill). MOHCD also maintains a number of funding programs to provide capital financing for affordable housing developments targeting households earning between 30 and 60% of AMI, low-income seniors, and other special needs groups. In most cases, MOHCD funding is leveraged to access outside sources of funding, such as Federal Low Income Housing Tax Credits, allocated by the State.

One of the most powerful tools to promote affordable housing development in San Francisco is the inclusionary housing program specified in Section 415 of the Planning Code. This program requires that developments of 10 or more units of market rate housing must restrict 12% of the units to families earning below 55% of AMI (for rental units) or 90% of AMI (for ownership units). Developers can opt to build the units "off-site" (in a different building), within a 1-mile radius from the original development, as long as units are sold to households earning less than 70% of AMI. In this case, the requirement is increased to 20% of the total number of units in the two projects. The income and rent limits for housing units managed by the Mayor's Office of Housing are included in Appendix G.

The Mayor, Board of Supervisors, Planning Department, and Mayor's Office of Housing have recently passed or introduced legislation to further expand the supply of affordable housing throughout the City. The City currently has legislation to encourage the development of accessory dwelling units (ADUs) within existing residential buildings in Supervisor Districts 3 and 8. These ordinances remove obstacles to the development of ADUs, including density limits and parking requirements, in order to incentivize a housing type that has been identified as a valuable option for middle-class households that do not require a lot of space.[10] A proposal to expand a similar policy to the rest of the City is currently under discussion.

Another policy that has the potential to add thousands of units of affordable housing to the city's stock is the Affordable Housing Bonus Program, which is currently under review by the City. As one of the legislative options, the program would allow developers in certain areas to build an additional two stories above what is allowed by their height limit district, in exchange for providing additional affordable housing, with a special focus on middle-income households. With the exception of 100% affordable projects, the Bonus Program would not apply to parcels in the Eastern Neighborhoods, as most do not currently have density restrictions. The program is intended to expand housing development options outside of the Eastern Neighborhoods, where housing development has been limited in recent decades.

In addition to the Citywide programs described above, the Eastern Neighborhoods Area Plans also placed a high priority on the production and protection of affordable housing, and created policies to expand access to housing opportunities to low and moderate-income families. For example, market-rate housing developments in the Urban Mixed Use (UMU) district are required to restrict between 14.4 and 17.6% of their units to families at or below 55% of AMI for rental and 90% of AMI for ownership, depending on the amount of "upzoning" given to the property by the Plans. If these units are provided off-site, the requirement ranges from 23 to 27%. In the UMU and Mission NCT district, developers also have the option of dedicating land to the City that can be developed as 100% affordable projects.

Developers also have the option of paying a fee in lieu of developing the units themselves, which the City can use to finance the development of 100% affordable projects. Funds collected through these "in-lieu fees" are managed by the Mayor's Office of Housing and Community Development and can be spent anywhere in the City. However, 75% of fees collected in the Mission NCT and East SoMa MUR districts are required to be spent within those districts themselves. The Plans also require bedroom mixes in its mixed use districts to encourage 2- and 3-bedroom units that are suitable to families, including the units sold or leased at below-market rates. Lastly, in order to reduce the costs and incentivize housing production, the Plans removed density controls and parking requirements in many of its zoning districts, particularly those well-served by public transit and pedestrian and bike infrastructure.

[10] Wegmann, Jake, and Karen Chapple. "Hidden density in single-family neighborhoods: backyard cottages as an equitable smart growth strategy." *Journal of Urbanism: International Research on Placemaking and Urban Sustainability* 7.3 (2014): 307-329.

3.4 New Affordable Housing Production, 2011-2015

As discussed in this report's introduction, expanding access to affordable housing opportunities was a high priority for the communities in the Eastern Neighborhoods during the planning process, and it has only gained more urgency in recent years. The Mission in particular has been a symbol of the pressures of exploding housing costs on neighborhood stability and character.

As table 3.4.1 shows, 56 income-restricted affordable units were built during the 2011-15 five-year monitoring period, compared to 446 developed over the previous five years (2006-2010). The main difference between the two periods is that no publicly subsidized developments were built in the Mission in the most recent five-year stretch, while two large, fully affordable projects were built in 2006 and 2009 (Valencia Gardens and 601 Alabama, respectively) with a total of 411 units.

The 56 units built between 2011 and 2015 make up 11% of the 504 newly constructed units built in the Mission (shown on table 3.1.1), slightly lower than the inclusionary housing minimum of 12%. The percentage is lower than the minimum because seven projects (shown on table 3.4.3) choose to pay a fee to the City in lieu of building the units on-site. These fees raised $7.3 million for the City's housing development program managed by MOHCD. New affordable units are estimated to cost roughly $550,000 in construction costs (not including land), towards which MOHCD contributes about $250,000, requiring the developer to raise the rest from Federal, State, and other sources. Therefore, it is estimated that the "in-lieu fees" collected in the Mission in this period, if successfully leveraged into additional external funding and used to build projects on publicly controlled land, could yield an additional 30 units.[11] Moreover, projects with fewer than 10 units are exempt from the inclusionary housing requirement.

Out of the 56 inclusionary units, 40 were rental units targeted to low-income households (55% of AMI) at the 202-unit development at 1880 Mission Street. The rest were either ownership units restricted to moderate-income households (90% AMI) or secondary or "granny" units, which are not restricted by income, but are generally considered "naturally affordable" to moderate-income households. Appendix B lists the affordable housing developments completed between 2011 and 2015.

The inclusionary housing production in the Mission accounts for 7% of the citywide production (853 units, as shown in table 3.4.2 between 2011 and 2015). Because no publicly subsidized developments were completed in this period, the Mission only built 2% of the city's income-restricted units (2,497) during the period.

Table 3.4.1 Affordable Housing Production, Mission, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	-	-	5	5
2012	-	2	2	4
2013	-	40	3	43
2014	-	8	3	11
2015	-	6	7	13
TOTAL	**-**	**56**	**20**	**76**

Note: Secondary units are considered "naturally affordable" and are not income restricted like units produced through the inclusionary housing program or through public subsidies.

[11] The development costs of affordable housing units are rough estimates based on recent projects that have received assistance from MOHCD.

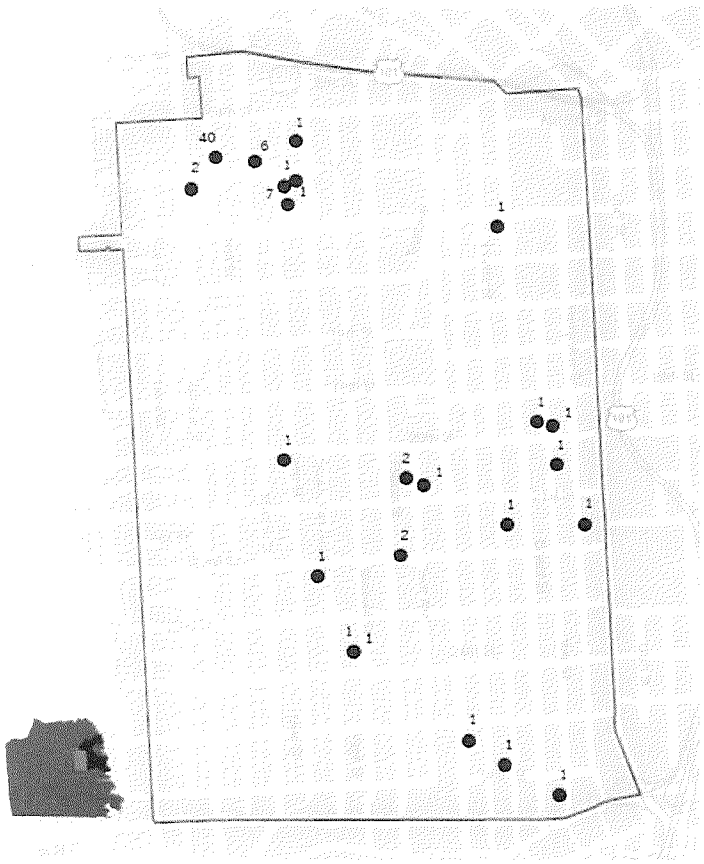
Table 3.4.2 Affordable Housing Production, San Francisco, 2011-2015

Calendar Year	Public Subsidy	Inclusionary	Secondary Units	Total
2011	141	4	60	205
2012	377	98	38	513
2013	464	216	30	710
2014	449	249	57	755
2015	213	286	53	552
TOTAL	**1,644**	**853**	**238**	**2,735**

Table 3.4.3 Housing Developments Opting for Affordable Housing "In-lieu" Fee, Mission, 2011-2015

ADDRESS	YEAR	TOTAL FEE AMOUNT
3500 19TH ST	2012	$1,119,972
3418 26TH ST	2012	$685,574
2652 HARRISON ST	2012	$975,904
899 VALENCIA ST	2013	$1,119,260
1050 VALENCIA ST	2013	$756,939
3420 18TH ST	2015	$1,001,589
1450 15TH ST	2015	$1,654,354
GRAND TOTAL		**$7,313,592**

Map 6 New Affordable Housing, Mission, 2011-2015



3.5 Housing Stock Preservation

A key component in promoting neighborhood affordability and stability is to preserve the existing stock of housing. New housing development in San Francisco is costly and preserving homes can prevent displacement of families and disruption in tight-knit communities such as the Mission. The *Mission Plan* supports the preservation of the area's existing housing stock and prohibits residential demolition unless this project ensures sufficient replacement of housing units. Restrictions on demolitions also help to preserve affordable and rent-controlled housing and historic resources.

A neighborhood's housing stock can also change without physical changes to the building structure. Conversions of rental housing to condominiums can turn housing that is rent controlled and potentially accessible to moderate income households to housing that can be occupied by a narrower set of residents, namely, those with access to down payment funds and enough earning power to purchase a home. Lastly, rental units can be "lost" to evictions of various types, from owners moving in to units formerly occupied by tenants to the use of the Ellis Act provisions in which landlords can claim to be going out of the rental business in order to force residents to vacate their homes.

One important priority of the Plan's housing stock preservation efforts is to maintain the existing stock of single room occupancy (SRO) hotels, which often serve as a relatively affordable option for low income households. Appendix H includes a list of SRO properties and number of residential units.

The following subsections document the trends in these various types of changes to the housing stock in the Mission Plan Area and San Francisco between 2011 and 2015 and comparing the most recent five years with the preceding 5-year period.

3.5.1 Units lost to alteration or demolition

In this most recent reporting period, 30 units were demolished or lost through alteration in the Mission (Table 3.5.1) or less than 3% of units demolished citywide. In the previous reporting period, 15 units were lost to demolition or alteration. Table 3.5.2 shows San Francisco figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are adjustments to the housing count.

Table 3.5.1 Units Lost, Mission, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	-	7	-	-	7	14	21
2012	-	-	-	-	-	-	-
2013	-	-	-	-	-	1	1
2014	3	-	-	-	3	1	4
2015	4	-	-	-	4	-	4
TOTAL	**7**	**7**	**-**	**-**	**14**	**16**	**30**

Table 3.5.2 Units Lost, San Francisco, 2011-2015

Calendar Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	Illegal Units Removed	Units Merged into Larger Units	Correction to Official Records	Units Converted	Total Alterations		
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	-	110	427	537
2014	24	20	1	-	45	95	140
2015	100	12	1	3	116	25	141
TOTAL	**235**	**115**	**6**	**7**	**363**	**758**	**1,121**

3.5.2 Condo Conversions

Condo conversions increase San Francisco's homeownership rate, estimated to be at about 37% in 2014. However, condo conversions also mean a reduction in the City's rental stock. In 2014, an estimated 76% of households in the Mission were renters. According to the American Community Survey, there was no change in the owner/renter split in the Mission or in San Francisco between 2009 and 2014. Almost 8% of San Francisco's rental units are in the Mission as of 2014, the same figure as in 2009.[12]

Table 3.6.1 shows that in the last five years, 105 units in 284 buildings in the Mission were converted to condominiums, compared to 307 units in 133 buildings between 2006 and 2010. In all, approximately 0.6% of all rental units in the Mission were converted to condominiums between 2011 and 2015. This represents 11% of all condo conversions citywide.

[12] San Francisco Neighborhood Profiles, American Community Survey 2010-2014. San Francisco Planning Department 2016. According to the Census, there are roughly 19,000 renter-occupied units in the Mission. The neighborhood boundaries for the Mission in the Neighborhood Profiles do not match perfectly with the Plan Area boundaries, though they are very close. Therefore, these percentages should be read as approximations.

Table 3.6.1 Condo Conversion, Mission, 2011-2015

Year	Mission		San Francisco		Mission as % of Citywide	
	No of Bldgs	No of Units	No of Bldgs	No of Units	No of Bldgs	No of Units
2011	23	55	200	472	12%	12%
2012	18	43	201	488	9%	9%
2013	17	42	147	369	12%	11%
2014	29	81	239	727	12%	11%
2015	18	63	149	500	12%	13%
Totals	**105**	**284**	**936**	**2,556**	**11%**	**11%**

Source: DPW Bureau of Street Use and Mapping

3.5.3 Evictions

Evictions by owners that choose to move in to their occupied rental units or use the Ellis Act provisions to withdraw their units from the rental market also cause changes to the housing stock. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions.

Table 3.6.2 shows that owner move-ins led to evictions in 103 units (compared to 73 units between 2006 and 2010). The annual trend from 2011 and 2014 (between 13 and 22) was similar to the annual evictions for the previous 5-year reporting period, but these types of evictions surged to 35 in 2015. Similarly, Ellis Act withdrawals led to 113 evictions during the most recent reporting period (compared to 71 in the previous period). Owner move-in evictions in the Mission accounted for 8% of the citywide total while the Plan Area accounted for 18% of Ellis Act evictions in San Francisco between 2011 and 2015.

During these five years, an estimated 1% of rental units in the Mission experienced owner move-in and Ellis Act evictions. However, this number may not capture buy-outs or evictions carried out illegally without noticing the San Francisco Rent Board. Other types of evictions, also tabulated in Table 3.6.2, include evictions due to breach of rental contracts or non-payment of rent; this could also include evictions to perform capital improvements or substantial rehabilitation.

Table 3.6.2 Evictions, Mission, 2011-2015

Year	Mission			San Francisco			Mission as % of Citywide Total		
	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other	Owner Move In	Ellis Act Withdrawal	Other
2011	13	4	64	123	54	1102	11%	7%	6%
2012	19	23	74	172	99	1343	11%	23%	6%
2013	22	51	95	275	229	1368	8%	22%	7%
2014	14	16	120	315	101	1550	4%	16%	8%
2015	35	19	100	425	142	1518	8%	13%	7%
Totals	**103**	**113**	**453**	**1,310**	**625**	**6,881**	**8%**	**18%**	**7%**

Source: San Francisco Rent Board

Note: Evictions classified under "Other" include "at fault" evictions such as breach of contract or failure to pay rent.

3.6 Jobs Housing Linkage Program (JHLP)

Prompted by the *Downtown Plan* in 1985, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Between fiscal year 2011-12 and 2015-16, commercial developments in the Mission Plan Area generated roughly $900,000 to be used for affordable housing development by the city.

Table 3.6.1 Jobs Housing Linkage Fees Collected, Mission, FY 2011/12-2015/16

Fiscal Year	Revenue
2011-12	$ -
2012-13	$ 893,542
2013-14	$ -
2014-15	$ 6,205
2015-16	$ -
Total	**$ 899,747**

*Department of Building Inspection as of 6/1/16

4 Accessibility and Transportation

The Mission Plan Area is characterized by a multitude of mobility options and its residents access employment and other destinations through a variety of transport modes. A much lower share of commuters in the Mission travel to work by car than the rest of San Francisco (29% to 44%, respectively), a comparison that is true for people who drive alone as well as those who carpool. As Table 4.1.1 shows, the most widely used commute mode in the Mission is public transit, which is used by 41% of residents (compared to 33% citywide), and other alternative commute modes also play an important role, including biking at 9% (more than twice the citywide share), walking at 11%, and working at home at 8%. In order to maintain this characteristic and move towards lower dependency on private automobiles, the Mission Area Plan's objectives related to transportation all favor continued investments in public transit and improving pedestrian and bicycle infrastructure rather than facilitating auto ownership, circulation, and parking.

Table 3.6.1 Commute Mode Split, Mission and San Francisco

Transport Mode	Mission		San Francisco		Mission as % of San Francisco
	No of Commuters	%	No of Commuters	%	
Car	9,057	29%	199,470	44%	5%
Drove Alone	7,809	25%	165,151	36%	5%
Carpooled	1,248	4%	34,319	8%	4%
Transit	12,942	41%	150,222	33%	9%
Bike	2,852	9%	17,356	4%	16%
Walk	3,532	11%	46,810	10%	8%
Other	844	3%	10,579	2%	8%
Worked at Home	2,410	8%	32,233	7%	7%
Total	**31,637**	**100%**	**456,670**	**100%**	**7%**

Source: 2014 American Community Survey 5-year estimate

4.1 Eastern Neighborhoods TRIPS Program

The Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) Report assessed the overall transportation needs for the Eastern Neighborhoods and proposed a set of discreet projects that could best address these needs in the most efficient and cost beneficial manner. EN Trips identified three major projects for prioritization:

(1) Complete streets treatment for a Howard Street / Folsom Street couplet running between 5nd and 11th Street

(2) Complete streets and transit prioritization improvements for a 7th Street and 8th Street couplet running between Market and Harrison Street in East Soma

(3) Complete streets and transit prioritization improvements for 16th Street (22-Fillmore) running between Church Street and 7th Street.

Other broader improvements were also discussed including street grid and connectivity improvements through the northeast Mission and Showplace Square, bicycle route improvements throughout particularly along 17th Street, and mid-block signalizations and crossings in South of Market.

4.2 Pedestrian and Bicycle Improvements

The *Mission Plan* calls for the creation of a network of "Green Connector" streets with wider sidewalks and landscaping improvements that connects open spaces and improves area walkability. The Plan proposes improvements in the vicinity of 16th Street, in the center of the Mission around 20th Street and through the southern part of the Mission including Cesar Chavez Street. Additionally north-south connections are suggested for Potrero Avenue and Folsom Streets. Numerous pedestrian improvements have also been proposed in the *Mission Public Realm Plan.*

The Mission District Streetscape Plan furthered the Mission Area Plan and EN Implementation Document by identifying general district-wide strategies for improving streets and by providing conceptual designs for 28 discreet projects. The Plan looked to create identifiable plazas and gateways, improve alley and small streets, provide traffic calming in the predominately residential neighborhoods, re-envision the Districts throughways, and mixed-use (i.e. light industrial) streets; and further enliven the commercial corridors at key locations. Several of the Mission District Streetscape Plan projects have been implemented including, but not limited to, the Mission District Folsom Street road diet improvements, Bryant Street streetscaping, and the Bartlett Street Streetscape Improvement Project.

In January 2011, San Francisco's *Better Streets Plan*, adopted by the Board of Supervisors in December 2010, went into effect. The plan contains design guidelines for pedestrian and streetscape improvements and describes streetscape requirements for new development. Major themes and ideas include distinctive, unified streetscape design, space for public life, enhanced pedestrian safety, universal design and accessibility, and creative use of parking lanes. The *Better Streets Plan* only describes a vision for ideal streets and seeks to balance the needs of all street users and street types. Detailed implementation strategies will be developed in the future.

In 2014, San Francisco adopted Vision Zero, a commitment to eliminating traffic-related fatalities by 2024. The City has identified capital project to improve street safety, which will build on existing pedestrian, bicycle, and transit-rider safety programs. The first round will include 245 projects, including several in the Mission, shown on Table 4.2.1. Pedestrian safety improvements such as new crosswalks and "daylighting" (increasing the visibility of pedestrian crossings) will be constructed along Mission Street between 18th and 23rd Streets. Additionally, a variety of multimodal improvements, such as daylighting and vehicle turn restriction, are being implemented at the intersection of Valencia Street and Duboce Avenue. A new traffic signal has also recently been installed at the intersection of 16th and Capp Streets.

Lastly, the southwest Bart plaza was reconstructed in 2014 to emphasize flexible open space over the previous cluttered configuration; elements include removed fencing, new paving, landscaping and street furniture.

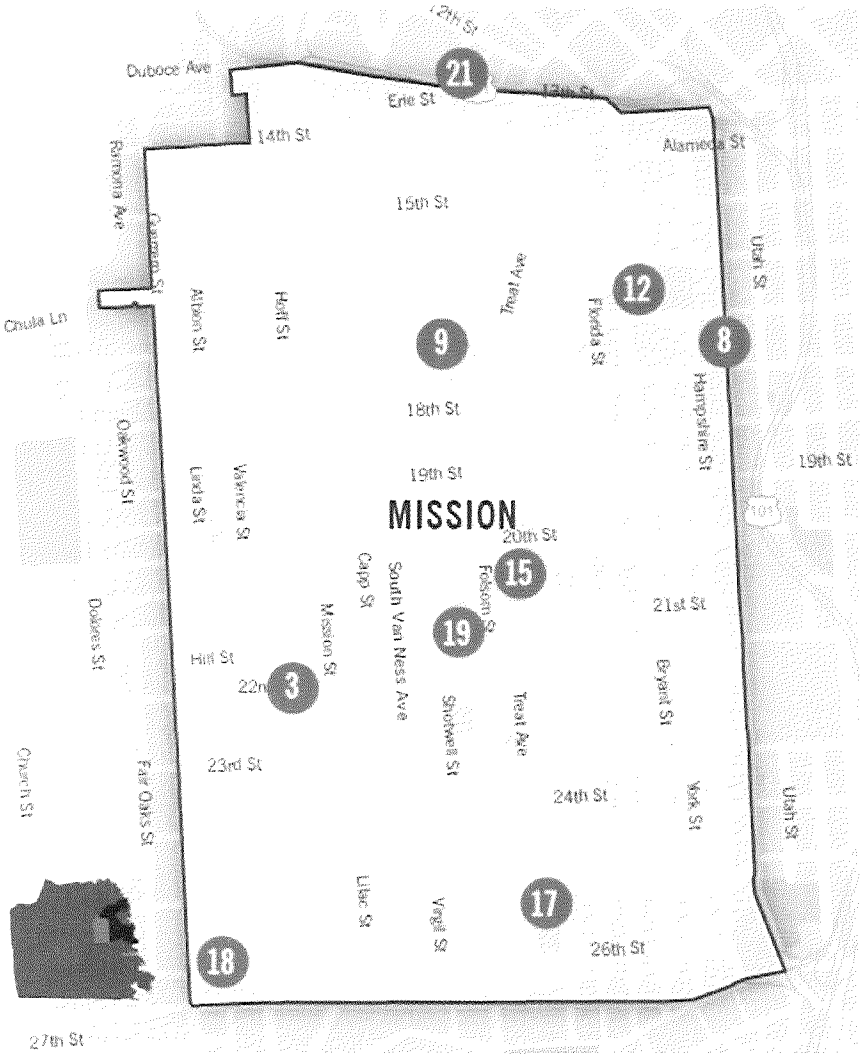
Table 4.2.1. Vision Zero Projects in Mission Plan Area

Project Name	Start Date (EST)	Completion Date (EST)	Current Phase	Total Budget (EST)
16th Street at Capp Street - New Traffic Signal	Winter 2013/2014	Fall 2016	Complete	$350,000
Cesar Chavez SR2S Project	Spring 2014	Winter 2016/17	Design	$385,000
Valencia St./Duboce Ave Multimodal Improvements	Winter 2014/2015	Summer 2015	Design	$5,000,000
11th St./13th St./Bryant St. Bicycle and Pedestrian Spot Improvements	Winter 2014/2015	Fall 2015	Design	$150,000
Potrero Ave., from Division to Cesar Chavez Streetscape Project	Winter 2014/2015	Winter 2017/18	Design	$4,100,000
Mission Street, from 18th to 23rd (Pedestrian Safety Intersection Improvem	Winter 2014/2015	Summer 2015	Design	$86,000
Pedestrian Countdown Signal (3 Signals)	Spring 2015	Winter 2016/17	Design	$417,000

5 Community Improvements

The Eastern Neighborhoods Plan included Public Benefits a framework for delivering infrastructure and other public benefits. The public benefits framework was described in the Eastern Neighborhoods "Implementation Document", which was provided to the public, the Planning Commission, and the Board of Supervisors at the time of the original Eastern Neighborhoods approvals. This Implementation Document described infrastructure and other public benefits needed to keep up with development, established key funding mechanisms for the infrastructure, and provided a broader strategy for funding and maintaining newly needed infrastructure. Below is a description of how the public benefit policies were originally derived and expected to be updated. Map 7 shows the location of community improvements underway or completed in the Mission Plan Area between 2011 and 2015.

Map 7. Community Improvements in the Mission, 2011-2015



3. Bartlett Street Pedestrian Improvements/ Mission Mercado Community Market
8. Potrero Avenue/9-Rapid Muni Forward Improvements
9. 17th Street and Folsom Street Park
12. Franklin Square Par Course
15. Mission Recreation Center
17. Garfield Square Aquatics Center
18. Juri Commons
19. Jose Coronado Playground
21. Eagle Plaza

5.1 Need, Nexus and Feasibility

To determine how much additional infrastructure and services would be required to serve new development, the Planning Department conducted a needs assessment that looked at recreation and open space facilities and maintenance, schools, community facilities including child care, neighborhood serving businesses, and affordable housing.

A significant part of the Eastern Neighborhoods Plans was the establishment of the Eastern Neighborhoods Community Impact Fee and Fund. Nexus Studies were conducted as part of the original Eastern Neighborhoods effort, and then again as part of a Citywide Nexus and Levels-of-Service study described below. Both studies translated need created by development into an infrastructure cost per square foot of new development. This cost per square foot determines the maximum development impact fee that can be legally charged. After establishing the absolute maximum fee that can be charged legally, the City then tests what maximum fee can be charged without making development infeasible. In most instances, fees are ultimately established at lower than the legally justified amount determined by the nexus. Because fees are usually set lower than what could be legally justified, it is understood that impact fees cannot address all needs created by new development.

Need for transportation was studied separately under EN Trips and then later under the Transportation Sustainability Program. Each infrastructure or service need was analyzed by studying the General Plan, departmental databases, and facility plans, and with consultation of City agencies charged with providing the infrastructure or need.

As part of a required periodic update, in 2015, the Planning Department published a Citywide Needs Assessment that created levels-of-service metrics for new parks and open space, rehabilitated parks and open space, child care, bicycle facilities, and pedestrian facilities ("San Francisco Infrastructure Level of Service Analysis").

Separate from the Citywide Nexus published in 2015, MTA and the Planning Department also produced a Needs Assessment and Nexus Study to analyze the need for additional transit services, along with complete streets. This effort was to provide justification for instituting a new Transportation Sustainability Fee (TSF) to replace the existing Transit Development Impact Fee (TDIF). In the analysis, the derived need for transit from new development is described providing the same amount transit service (measured by transit service hours) relative to amount of demand (measured by number of auto plus transit trips).

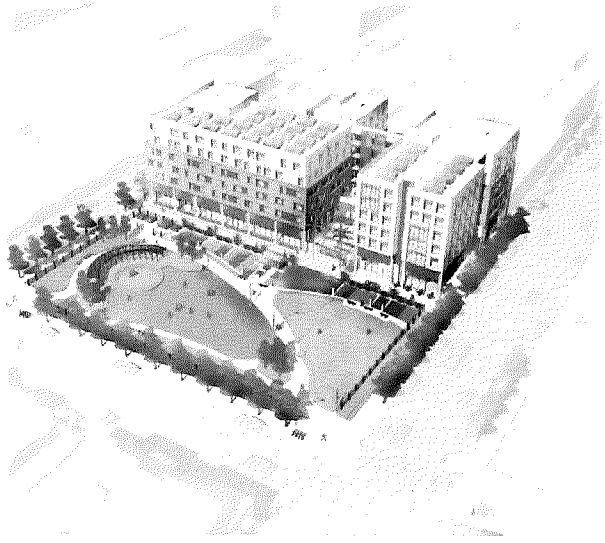
Between the original Needs Assessment, and the Level-of-Service Analysis, and the TSF Study the City has established metrics that establish what is needed to maintain acceptable infrastructure and services in the Eastern Neighborhoods and throughout the City. These metrics of facilities and service needs are included in Appendix J.

5.2 Recreation, Parks, and Open Space

The *Mission Plan* also calls for the provision of new recreation and park facilities and maintenance of existing resources. Some portions of the Mission historically have been predominantly industrial, and not within walking distance of an existing park and many areas lack adequate places to recreate and relax. Moreover, the Mission has a concentration of family households with children (27% of Mission households), which is higher than most neighborhoods in the city. Specifically, the *Plan* identifies a need for 4.3 acres of new open space to serve both existing and new residents, workers and visitors. The Plan proposes to provide this new open space by creating at least one substantial new park in the Mission.

A parcel at 17th and Folsom Streets owned by the San Francisco Public Utilities Commission was identified as a suitable site for a new park in an underserved area of the Mission. After a series of community meetings in 2010, three design alternatives were merged into one design. The new .8 acre park, shown in figure 5.2.1, will include a children's play area, demonstration garden, outdoor amphitheater and seating, among other amenities. The project is under construction and is expected to be completed by winter 2017.

Figure 5.2.1. Rendering of Park at 17th and Folsom Streets and Adjacent New Housing Development



Source: San Francisco Recreation & Parks.

Another facility planned for the Plan Area, still in conceptual phase, is the Mission Recreation Center. Located on a through block facing both Harrison Street and Treat Avenue between 20th and 21st Street, the facility includes an interior gymnasium and fitness center, along with an outdoor playground located in an interior courtyard. Recreation and Park staff is planning for a major renovation and reconfiguration of the facility that could include relocating the play equipment so that it is visible from the public right-of-way and adding additional courts to the building.

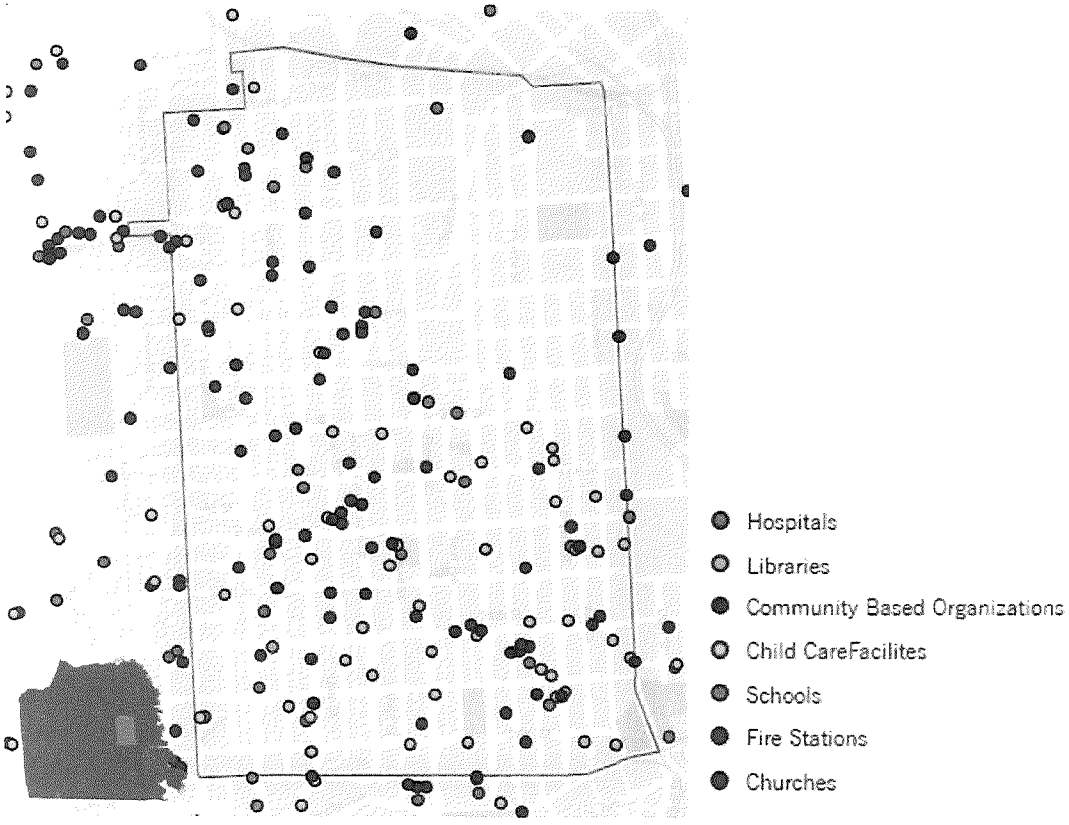
Lastly, Garfield Pool is scheduled to be rehabilitated through the 2012 Park Bond. Recreation and Park staff plan to further enhance the facility to a higher capacity Aquatics Center, which, besides refurbishing the pool, would also include adding amenities such a multi-purpose room and a slide. Other possible improvements could include a redesign of the pool structure. Design for the pool rehabilitation is expected to be complete by late 2016 with construction bid award and the construction planned to begin in 2017.

5.3 Community Facilities and Services

As a significant amount of new housing development is expected in the Mission, new residents will increase the need to add new community facilities and to maintain and expand existing ones. Community facilities can include any type of service needed to meet the day-to-day needs of residents. These facilities include libraries, parks and open space, schools and child care. Community based organizations also provide many services to area residents including health, human services, and cultural centers. Section 5.3 describes efforts to increase and improve the supply of recreation and park space in the Mission. Section 6, below, discusses the process of implementation of the community benefits program, including the collection and management of the impact fees program.

Map 8 shows existing community facilities in the Mission. Community based organizations currently provide a wide range of services at over 50 sites throughout the Mission, ranging from clinics and legal aid, to job and language skills training centers and immigration assistance. Cultural and arts centers are also prominent in the Mission.

Map 8 Community Facilities in the Mission



5.4 Historic Preservation

A number of Planning Code amendments have been implemented in support of the Historic Preservation Policies within the Eastern Neighborhoods Plan Areas. These sections of the Planning Code provide for flexibility in permitted uses, thus encouraging the preservation and adaptive reuse of historic resources. The most effective incentive to date is the application of Section 803.9 of the Planning Code within the East and Western SoMa Plan Areas. Approximately 10 historic properties have agreed to on-going maintenance and rehabilitation plans in order to preserve these significant buildings.

5.4.1 Commercial Uses in Certain Mixed-Use Districts

Within Certain Mixed-Use Districts, the Planning Code principally or conditionally permits various commercial uses that otherwise are not be permitted. The approval path for these commercial uses varies depending on the (1) zoning district, (2) historic status, and (3) proposed use. The table in Appendix K shows Planning Code Section 803.9. Depending on the proposed use, approval may be received from either the Zoning Administrator (ZA) or with Conditional Use Authorization from the Planning Commission. Depending on the zoning district, the historic status may either be: Article 10 Landmark (A10), Contributing Resources to Article 10 Landmark Districts (A10D), Article 11 Category I, II, III and IV (A11), Listed in or determined eligible for National Register (NR), or Listed in or determined eligible for California Register (CR).

For use of this Planning Code section, the Historic Preservation Commission must provide a recommendation on whether the proposed use would enhance the feasibility of preserving the historic property. Economic feasibility is not a factor in determining application of the code provision. The incentive acknowledges that older buildings generally require more upkeep due to their age, antiquated building systems, and require intervention to adapt to contemporary uses. The property owner commits to preserving and maintaining the building, restoring deteriorated or missing features, providing educational opportunities for the public regarding the history of the building and the district, and the like. As a result the owner is granted flexibility in the use of the property.

Department staff, along with advice from the Historic Preservation Commission, considers the overall historic preservation public benefit in preserving the subject property. Whether the rehabilitation and maintenance plan will enhance the feasibility of preserving the building is determined on a case-by-case basis. Typically, the Historic Preservation Maintenance Plan (HPMP) from the Project Sponsor will outline a short- and long-term maintenance and repair program. These plans vary in content based on the character-defining features of the property and its overall condition. Maintenance and repair programs may include elements, like a window rehabilitation program, sign program, interpretative exhibit, among others.

5.5 Neighborhood Serving Establishments

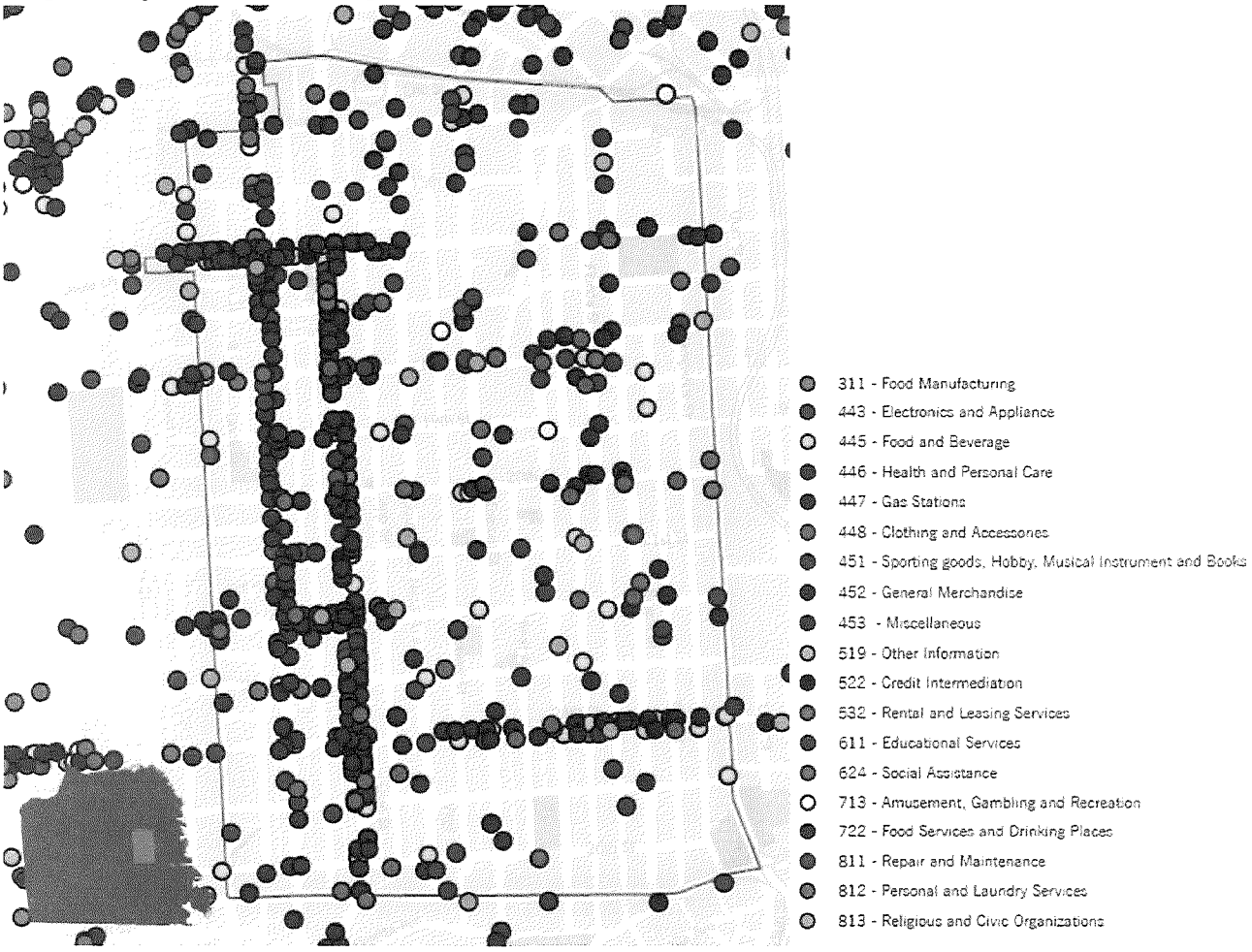
Neighborhood serving businesses represent a diversity of activities beyond typical land use categories such as retail. This section defines neighborhood serving as those activities of an everyday nature associated with a high "purchase" frequency (see Appendix L for a list of business categories used). Grocery stores, auto shops and gasoline stations, banks and schools which frequently host other activities, among many other uses, can be considered "neighborhood serving."

By this definition, the Mission is home to almost 600 neighborhood serving businesses and establishments employing over 8,000 people. Although these tend to be smaller businesses frequented by local residents and workers, some also serve a larger market (such as popular restaurants). As shown in Table 4.5.1, the top 10 neighborhood serving establishments in the Mission include eating places (full- and limited-service restaurants, bakeries, etc.), schools, grocery stores, bars, and pharmacies. These businesses are typically along the Mission, Valencia, and 24th Street neighborhood commercial districts, as shown on Map 9.

Table 5.5.1 Neighborhood Serving Establishments, Mission

Type	Establishments	Employment
Full-Service Restaurants	155	2,581
Snack and Nonalcoholic Beverage Bars	31	908
Limited-Service Restaurants	62	884
Supermarkets and Other Grocery (except Convenience) Store	36	521
Elementary and Secondary Schools	20	516
Drinking Places (Alcoholic Beverages)	36	388
Electronics Stores	13	246
Retail Bakeries	12	143
Commercial Banking	7	139
Pharmacies and Drug Stores	10	129
Sporting Goods Stores	7	125
Junior Colleges	2	110
Used Merchandise Stores	6	96
All Other Specialty Food Stores	3	87
Fitness and Recreational Sports Centers	5	85
Discount Department Stores	1	76
Civic and Social Organizations	9	64
Drycleaning and Laundry Services (except Coin-Operated)	7	61
General Automotive Repair	20	57
Pet Care (except Veterinary) Services	10	52
Women's Clothing Stores	9	50
Nail Salons	8	48
Office Supplies and Stationery Stores	2	48
Child Day Care Services	10	47
Shoe Stores	5	41
Savings Institutions	4	40
Book Stores	5	39
Men's Clothing Stores	6	38
All Other General Merchandise Stores	6	38
Religious Organizations	5	34
Family Clothing Stores	3	34
Beauty Salons	9	34
Pet and Pet Supplies Stores	3	32
Barber Shops	1	30
Gasoline Stations with Convenience Stores	3	28
Clothing Accessories Stores	5	26
Meat Markets	6	24
Beer, Wine, and Liquor Stores	6	20
Sewing, Needlework, and Piece Goods Stores	2	19
Fruit and Vegetable Markets	4	12
Cosmetics, Beauty Supplies, and Perfume Stores	3	12
Food (Health) Supplement Stores	1	9
Other Automotive Mechanical and Electrical Repair and Main	3	9
Convenience Stores	4	8
Hobby, Toy, and Game Stores	1	8
Other Clothing Stores	3	8
Coin-Operated Laundries and Drycleaners	3	6
Cafeterias, Grill Buffets, and Buffets	1	5
Video Tape and Disc Rental	1	2
Other Personal and Household Goods Repair and Maintenan	2	2
Automotive Transmission Repair	1	1
Libraries and Archives	1	1
TOTAL	578	8,018

Map 9 Neighborhood Serving Businesses in the Mission



6 IMPLEMENTATION OF PROPOSED PROGRAMMING

Along with establishing fees, and providing a programmatic framework of projects, the EN approvals included amendments to the City's Administrative Code establishing a process to choose infrastructure projects for implementation on an ongoing basis.

6.1 Eastern Neighborhoods Citizens Advisory Committee

The Eastern Neighborhoods Citizens Advisory Committee (EN CAC) started meeting on a monthly basis in October 2009. The CAC is comprised of 19 members of the public appointed by the Board of Supervisors or the Mayor. The CAC focuses on implementation of the Eastern Neighborhoods Implementation Program and priority projects. Together with the IPIC, discussed below, the CAC determine how revenue from impact fees are spent. The CAC also plays a key role in reviewing and advising on the Five-Year Monitoring Reports.

The EN CAC has held monthly public meetings since October, 2009. For more information on the EN CAC, go to http://encac.sfplanning.org.

6.2 Eastern Neighborhoods Community Facilities and Infrastructure Fee and Fund

The Eastern Neighborhoods Community Facilities and Infrastructure Fee includes three tiers of fees that are based on the amount of additional development enabled by the 2009 Eastern Neighborhoods rezoning. In general, Tier 1 fees are charged in areas where new zoning provided less than 10 feet of additional height. Tier 2 fees are for those areas that included between 10 and 20 feet of additional height, and Tier 3 fees are for areas that included for 20 feet or more of additional height. Fees are adjusted every year based on inflation of construction costs.

Below is a chart of the original fees (2009) and the fees as they exist today.

Table 6.2.1 Eastern Neighborhoods Infrastructure Impact Fees per Square Foot, 2009 and 2016

	Original Fee		2016 Fee	
	Residential	Non-Residential	Residential	Non-Residential
Tier 1	$8.00	$6.00	$10.19	$7.65
Tier 2	$12.00	$10.00	$15.29	$12.74
Tier 3	$16.00	$14.00	$20.39	$17.84

The fees established above are proportionally divided into five funding categories as determined by the needs assessment, nexus studies, and feasibilities studies, including housing, transportation/transit, complete streets, recreation and open space, and child care. In the Mission District NCT and MUR (Mixed-Use Residential) Districts, 75% of fees collected from residential development is set aside for affordable housing for the two respective Plan Areas. The first $10,000,000 collected are targeted to affordable housing preservation and rehabilitation. To date, the City has collected more than $48 million in impact fees, as shown on table 6.2.2.

Table 6.2.2 Eastern Neighborhoods Infrastructure Impact Fees Collected to Date

Category	Collected
HOUSING	$4,742,000
TRANSPORTATION / TRANSIT	$16,936,000
COMPLETE STREETS	$6,733,000
RECREATION AND OPEN SPACE	$17,518,000
CHILDCARE	$2,416,000
Total	**$48,345,000**

Note: Amount collected includes in-kind improvements.

Over the 2016-2020 period, the City is projected to collect $145 million from the Eastern Neighborhoods impact fee program, as shown on table 6.2.3.

Table 6.2.3 Eastern Neighborhoods Infrastructure Impact Fees Projected, 2016-2020

Category	Collected
HOUSING	$26,411,000
TRANSPORTATION / TRANSIT	$30,302,000
COMPLETE STREETS	$38,542,000
RECREATION AND OPEN SPACE	$43,912,000
CHILDCARE	$5,931,000
Total	**$145,098,000**

As shown in Table 5.2.1, approximately $5.4 million have been collected from 58 projects in the Mission Plan Area to date. Overall, roughly $48.4 million has been collected in all of the Eastern Neighborhoods, including Western SoMa.

Table 6.2.4 Eastern Neighborhoods Infrastructure Impact Fees Collected, 2011-15

Area	Revenue	Projects
Mission	**$5,357,000**	**58**
East SoMa	$14,635,000	35
Western SoMa	$6,940,000	15
Central Waterfront	$10,034,000	19
Showplace/Potrero	$11,384,000	23
TOTAL	**$48,350,000**	**150**

6.3 IPIC Process

The Infrastructure Plan Implementation Committee was established in Administrative Code section XX; the IPIC's purpose is to bring together City agencies to collectively implement the community improvement plans for specific areas of the City including the Eastern Neighborhood Plan Areas. The IPIC is instrumental in creating a yearly expenditure plan for impact fee revenue and in creating a bi-annual "mini" Capital Plan for the Eastern Neighborhoods. The annual Expenditure Plan is specific to projects that are funded by impact fees. The bi-annual Eastern Neighborhoods Capital Plan also includes infrastructure projects that are funded by other sources, and projects where funding has not been identified.

6.4 Eastern Neighborhood MOU

In 2009, the Planning Department entered into a Memorandum of Understanding with SF Public Works, SFMTA, Rec and Park, and MOHCD to assure commitment to implementing the EN Plans. A key component of the agreement was the establishment of a list of priority projects:

- Folsom Street
- 16th Street
- Townsend Street
- Pedestrian Crossing at Manalo Draves Park
- 17th and Folsom Street Park
- Showplace Square Open Space

6.5 First Source Hiring

The First Source Hiring Program was first adopted in 1998 and modified in 2006. The intent of First Source is to connect low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. CityBuild works in partnership with Planning Department and DBI to coordinate execution of First Source Affidavits and MOUs.

CityBuild is a program of the Office of Economic and Workforce Development and is the First Source Hiring Administrator. In accordance to Chapter 83: First Source Hiring Program, developers must submit a First Source Affidavit to the Planning Department prior to planning approval. In order to receive construction permit from DBI, developers must enter into a First Source Hiring MOU with CityBuild. Developers and contractors agree to work in good faith to employ 50% of its entry-level new hiring opportunities through the CityBuild First Source Hiring process.

Projects that qualify under First Source include:

- any activity that requires discretionary action by the City Planning Commission related to a commercial activity over 25,000 square feet including conditional use authorization;
- any building permit applications for a residential project over 10 units;
- City issued public construction contracts in excess of $350,000;
- City contracts for goods and services in excess of $50,000;
- leases of City property;
- grants and loans issued by City departments in excess of $50,000.

Since 2011 CityBuild has managed 442 placements in 72 First Source private projects in the three zip codes encompassing the Eastern Neighborhoods Plan Areas (94107, 94110, 94103), not including projects in Mission Bay, approved under the former Redevelopment Agency. They have also placed 771 residents from the three-zip code area in projects throughout the city.

In 2011, the City also implemented a first of its kind, the Local Hire Policy for Construction on publicly funded construction projects. This policy sets forth a mandatory hiring requirement of local residents per trade for construction work hours. This policy superseded the First Source Hiring Program on public construction contracts. Since 2011, a cumulative 37% of the overall 6.2 million work hours have been worked by local residents and 58% of 840,000 apprentice work hours performed by local residents.

7 Ongoing Planning Efforts

As this report has shown, market pressures and evictions affecting the neighborhood intensified in the Mission District over the six years that followed the adoption of the Eastern Neighborhoods Area Plans and the recovery from the Great Recession. This has necessitated a focused effort to help protect and alleviate the impact on those most affected by the affordability crisis. As a result, the Mission Action Plan 2020 (MAP 2020) was launched in early 2015 to take a closer look at the pressures affecting the neighborhood and generate a set of solutions for implementation to help stabilize housing, employment, and commercial conditions.

MAP 2020 will also set targets and define solutions for neighborhood sustainability for 2020 and beyond. The solutions may encompass land use and zoning, financing, and identification of opportunity sites and programs; monitoring mechanisms will also be put into place. This first phase of MAP 2020 - solutions development - will be completed in June 2016. Implementation of certain measures is already underway, with additional implementation (writing legislation, launching new studies, ramping up programs, etc.) scheduled as a second phase to commence upon completion of the Plan.

To date, the MAP 2020 collaboration includes a broad range of non-profit and advocacy groups as well as public agencies including the Dolores Street Community (DSCS), the Cultural Action Network (CAN), the Mission Economic Development Agency (MEDA), Calle 24, Pacific Felt Factory, members of the Plaza 16 coalition, the Planning Department, the Mayor's Office of Housing and Community Development (MOHCD), the Office and Economic and Workforce Development (OEWD), the Health Services Agency (HSA), Department of Building Inspection (DBI), and the Fire Department. The Mayor's Office and District Supervisor Campos have also supported this effort.

These stakeholders are collaborating through working groups co-led by a both City and community leads. A robust community outreach and engagement process has incorporated focus groups and individual presentations to organizations and coalitions such as: tenants' rights organizations, SRO tenants, Mission Girls, PODER, United to Save the Mission, real estate developers, SPUR, SFHAC, SFBARF, and others, with the goal of informing and including relevant stakeholders affected by and/or responsible for potential solutions.

Topic-specific working groups have collectively drafted short, medium, and long term strategies, including tenant protections and housing access, housing preservation, housing production, economic development, community planning, SRO acquisition

and/or master leasing, and homelessness. Upon completion of the second phase of outreach in May and incorporation of any relevant feedback, the Plan and will be presented to the Planning Commission, with expected endorsement in June 2016.

DRAFT Western SoMa Area Plan Monitoring Report 2011-2015

Appendices

A. Eastern Neighborhoods Monitoring Reports Ordinance
B. 2011-2015 Completed Commercial and Residential Projects
C. Commercial and Residential Pipeline Projects, Q4 2015
D. EN EIR Community Plan Exemption Projects
E. Enforcement Cases of Illegal PDR Conversions
F. Changes in PDR Employment by 3-digit NAICS Code
G. San Francisco Mayor's Office of Housing Income and Rent Limits
H. Single Room Occupancy Hotels and Number of Residential Units
I. Eastern Neighborhoods Matrix of Infrastructure and Services Needs
J. Priority Capital Projects
K. Provisions in the Planning Code to Encourage Adaptive Reuse of Historic Properties in Commercial Districts
L. List of Neighborhood Serving Business Codes

A. Eastern Neighborhoods Monitoring Requirements Ordinance

(5) Development Activity. The report shall detail all development activity in the Plan Area over the Monitoring Period, including additions and deletions of residential and commercial space, and shall include unit size and bedroom count of units constructed, retail space and employment generated, conversions and other development statistics. The monitoring program shall include the following categories of information:

(A) Office Space. Amount of office space constructed in preceding years and related employment.

(B) Visitor and Hotel Space. Amount of hotel rooms constructed in preceding years and related employment.

(C) Retail Space. Amount of retail space constructed in preceding years and related employment.

(D) Business Formation and Relocation. An estimate of the rate of the establishment of new businesses and business and employment relocation trends and patterns within the City and the Bay Area.

(E) Housing. An estimate of the number of housing units newly constructed, demolished, or converted to other uses.

(6) Public Benefit. The report shall detail the construction of any improvements or infrastructure as described in the Eastern Neighborhoods Public Benefits Program, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 081155 and is incorporated herein by reference. The report shall include the following categories of information:

(A) Inclusionary Housing Program. A summary of the number and income mix of units constructed or assisted through this program, an analysis of units constructed within each alternative, including new alternatives established for the Eastern Neighborhoods UMU districts.

(B) Jobs/Housing Linkage Program. A summary of the operation of the Jobs/Housing Linkage Program (formerly the Office Affordable Housing Production Program) and the Housing Affordability Fund, identifying the number and income mix of units constructed or assisted with these monies.

(C) Streetscape, Transportation, and Public Realm. A detailed description of any transportation serving infrastructure completed in the preceding five years, including transit, pedestrian, bike, traffic and other modes of transportation.

(D) Open Space and Recreational Facilities. A summary of new parks, trails, public rights-of-way, recreational facilities or activity space completed to serve the purposes of recreation in the preceding five years, as well as any improvements to parks or recreational facilities.

(E) Community facilities. An assessment of the existing service capacity of community services and facilities, and of any new services or facilities joining the neighborhood in the past five years. This shall include a review of child care, library services and any other categories deemed relevant, such as health care centers, human services, and cultural centers.

(F) Neighborhood Serving Businesses. An assessment of neighborhood serving businesses in the area, including their establishment, displacement, and economic health.

(7) Fees and Revenues. The report shall monitor expenditure of all implemented fees, including the Eastern Neighborhoods Impact Fee and all Citywide fees, and tax revenue, as listed below. It shall report on studies and implementation strategies for additional fees and programming.

(A) Impact Fee. A summary of the collected funds from the Eastern Neighborhoods Impact Fee collected from development, and a detailed accounting of its expenditure over that same period.

(B) Fiscal Revenues. An estimate of the net increment of revenues by type (p)roperty tax, business taxes, hotel and sales taxes) from all uses.

(C) Fee Adjustments.

(i) The Planning Department shall review the amount of the Eastern Neighborhoods fee against any increases in construction costs, according to changes published in the Construction Cost Index published by Engineering News Record, or according to another similar cost index should there be improvements to be funded through the Eastern Neighborhoods Impact Fee as listed in the Eastern Neighborhoods Program.

(ii) The Planning Department shall review the level of the Eastern Neighborhoods housing requirements and fees to ensure they are not so high as to prevent needed housing or commercial development.

(8) Agency Responsibilities. All implementing agencies identified in the Eastern Neighborhoods Implementation Matrix shall be responsible for:

(A) Reporting to the Planning Department, for incorporation into the Monitoring report, on action undertaken in the previous reporting period to complete the implementation actions under their jurisdiction, as referenced in the Eastern Neighborhoods Implementation Matrix.

(B) Providing an analysis of the actions to be completed in the next reporting period, for incorporation into the Monitoring report, including a description of the integrated approach that will be used to complete those tasks.

(i) To the extent the Agencies identified in the Implementation Matrix are outside the jurisdiction of this Board, this Board hereby urges such Agencies to participate in this process.

(9) Budget Implications. In cooperation with the Annual Progress reports required by Administrative Code Chapter 36.4, and prior to the annual budget process, the Board shall receive a presentation by the Interagency Planning and Implementation Committee and its member agencies to describe how each agency's proposed annual budget advances the Plans' objectives, including specific projects called for by this section. The Board of Supervisors shall give particular consideration to proposed agency budgets that meet the implementation responsibilities as assigned by the City's General Plan, including the Eastern Neighborhoods Implementation Matrix. Budget proposals that do not include items to meet these implementation responsibilities shall respond to Board inquiries as to why inclusion was not possible.

B. 2011-2015 Completed Commercial and Residential Projects

List BL-1 Commercial Development Projects Completed, Central Waterfront, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2011	1011 TENNESSEE ST	2	0	0	0	0	0	0	0
2012	2235 03RD ST	196	5339	0	0	0	0	5339	0
2013	616 20TH ST	16	-1000	0	0	0	0	-1000	0
2014	25050 03RD ST	0	0	0	0	0	-2400	2400	0
2014	1301 INDIANA ST	71	-9800	0	0	0	-14800	5000	0
2014	740 ILLINOIS ST AND 2121 03RD ST	106	-8500	0	0	0	-8500	0	0
2014	851 TENNESSEE ST	0	2709	0	0	0	0	2709	0
2015	1179 TENNESSEE ST	8	0	0	0	0	0	0	0
2015	616 20TH ST	0	3000	3000	0	0	0	0	0
		399	***-8252***	***3000***	***0***	***0***	***-25700***	***14448***	***0***

List BL-1 Commercial Development Projects Completed, East SoMa, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2011	425 BRYANT ST	1	-2500	0	0	0	-2500	0	0
2012	166 TOWNSEND ST	66	-73625	0	0	0	-75340	1715	0
2012	1049 HOWARD STREET	25	0	0	0	0	0	0	0
2012	960 HARRISON ST	4	-4000	0	0	0	0	-4000	0
2012	750 02ND ST	14	-7155	0	0	0	-7655	500	0
2012	105 HARRISON ST	308	0	0	0	0	0	0	0
2013	42 HARRIET ST	23	0	0	0	0	0	0	0
2013	537 NATOMA ST	14	-5425	0	0	0	-5425	0	0
2013	275 BRANNAN ST	0	0	0	0	48411	-48411	0	0
2014	500 2ND ST	0	0	0	0	13883	-13883	0	0
2014	111 TOWNSEND ST	0	0	0	0	16786	-22884	6098	0
2014	900 FOLSOM ST	269	4146	0	0	0	0	4146	0
2014	260 05TH ST	179	-35969	0	0	0	0	-35969	0
2014	938 HOWARD ST	0	0	0	0	25430	-25430	0	0
2014	665 03RD ST	0	3800	0	0	123700	-119900	0	0
2014	246 RITCH ST	19	-4130	0	0	0	-4130	0	0
2014	374 5TH ST	47	0	0	0	0	0	0	0
2015	482 BRYANT ST	0	4857	0	0	0	0	4857	0
2015	460 - 462 BRYANT ST	0	0	0	0	59475	-59475	0	0
2015	147 SOUTH PARK AV	1	1286	0	0	0	0	1286	0
2015	12 SHERMAN ST	3	0	0	0	0	0	0	0
2015	333 BRANNAN ST	0	164760	0	0	175450	-13740	3050	0
2015	345 BRANNAN ST	0	102285	0	0	102285	0	0	0
2015	660 03RD ST	0	0	0	0	40000	-40000	0	0
		973	***148330***	***0***	***0***	***605420***	***-438773***	***-18317***	***0***

List BL-1 Commercial Development Projects Completed, Mission, 2011-2015

Year	Address	Mixed Use No of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2011	769 TREAT AV	1	0	0	0	0	0	0	0
2011	37 WOODWARD ST	-6	0	0	0	0	0	0	0
2011	1650 15TH ST	0	-10800	0	0	0	-10800	0	0
2011	19 CAPP ST	1	0	0	0	0	0	0	0
2012	411 VALENCIA ST	16	1370	0	0	0	0	1370	0
2012	1376 FLORIDA ST	1	0	0	0	0	0	0	0
2012	179 SAN CARLOS ST	3	0	0	0	0	0	0	0
2012	277 SAN CARLOS ST	2	0	0	0	0	0	0	0
2012	1280 HAMPSHIRE ST	3	-1060	0	0	0	-1060	0	0
2012	3500 19TH ST	17	2950	0	0	0	0	2950	0
2012	1550 BRYANT ST	0	15000	0	0	108400	-93400	0	0
2012	857 ALABAMA ST	2	-3866	0	0	0	-3866	0	0
2013	915 FLORIDA ST	1	0	0	0	0	0	0	0
2013	817 YORK ST	1	0	0	0	0	0	0	0
2013	3120 23RD ST	1	0	0	0	0	0	0	0
2013	2652 HARRISON ST	20	-7250	0	0	0	-7250	0	0
2013	1880 MISSION ST	194	-63512	0	0	0	-63512	0	0
2013	1731 15TH ST	25	0	0	0	0	0	0	0
2013	1340 NATOMA ST	2	0	0	0	0	0	0	0
2014	626 POTRERO AV	0	200	0	15200	0	0	-15000	0
2014	2923 HARRISON ST	1	0	0	0	0	0	0	0
2014	2660 HARRISON ST	3	-11423	0	0	0	-11423	0	0
2014	2401 16TH ST	12	1722	0	0	0	0	1722	0
2014	1432 YORK ST	1	0	0	0	0	0	0	0
2014	263 LEXINGTON ST	1	0	0	0	0	0	0	0
2014	3135 24TH ST	9	-13640	0	0	0	-15000	1360	0
2014	3418 26TH ST	11	0	0	0	0	0	0	0
2014	1501 15TH ST	40	8222	0	0	0	0	8222	0
2015	949 HAMPSHIRE ST	1	0	0	0	0	0	0	0
2015	1340 ALABAMA ST	1	0	0	0	0	0	0	0
2015	748 TREAT AV	2	0	0	0	0	0	0	0
2015	2938 23RD ST	1	0	0	0	0	0	0	0
2015	39 SAN CARLOS ST	3	0	0	0	0	0	0	0
2015	1069 CAPP ST	2	0	0	0	0	0	0	0
2015	899 VALENCIA ST	18	4705	0	0	0	0	4705	0
2015	300 SOUTH VAN NESS AVE	0	20040	0	0	0	0	20040	0
2015	2986 22ND ST	2	0	0	0	0	0	0	0
2015	1875 MISSION ST	39	0	0	0	0	0	0	0
2015	2500 16TH ST	0	-25211	-25211	0	0	0	0	0
2015	2558 MISSION ST	114	14750	0	0	0	0	14750	0
2015	141 ALBION ST	3	0	0	0	0	0	0	0
2015	500 CAPP ST	1	0	0	0	0	0	0	0
2015	858 FLORIDA ST	1	0	0	0	0	0	0	0
		550	***-67803***	***-25211***	***15200***	***108400***	***-206311***	***40119***	***0***

List BL-1 Commercial Development Projects Completed, Showplace Square/Potrero Hill, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2011	1200 19TH ST	1	0	0	0	0	0	0	0
2011	1030-38 MISSISSIPPI ST	2	0	0	0	0	0	0	0
2011	542 KANSAS ST	1	0	0	0	0	0	0	0
2011	791 SAN BRUNO AV	1	0	0	0	0	0	0	0
2012	1028 WISCONSIN ST	1	0	0	0	0	0	0	0
2012	341 MISSISSIPPI ST	-1	0	0	0	0	0	0	0
2012	466 MISSOURI ST	1	0	0	0	0	0	0	0
2013	808 BRANNAN ST	0	0	0	0	43881	-43881	0	0
2013	1022 RHODE ISLAND ST	1	0	0	0	0	0	0	0
2014	850-870 BRANNAN ST (AKA 888 BRANNAN ST)	0	-4397	0	0	113753	-113753	-4397	0
2014	1368 UTAH ST	1	0	0	0	0	0	0	0
2014	1001 POTRERO AV	0	419070	419070	0	0	0	0	0
2014	1717 17TH ST & 310 CAROLINA ST	41	870	0	0	0	-6130	7000	0
2015	455 POTRERO AV	2	0	0	0	0	0	0	0
2015	838 KANSAS ST	1	0	0	0	0	0	0	0
2015	251 ARKANSAS ST	2	0	0	0	0	0	0	0
		54	***415543***	***419070***	***0***	***157634***	***-163764***	***2603***	***0***

List BL-1 Commercial Development Projects Completed, Western SoMa, 2011-2015

Year	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
2011	121 09TH ST	20	-4975	0	0	0	-5775	800	0
2011	149 DORE STREET	4	0	0	0	0	0	0	0
2012	209 09TH ST	3	-11600	0	0	-11600	0	0	0
2013	234 09TH ST	1	-7650	0	0	-7550	-100	0	0
2013	1123 FOLSOM ST	2	-3930	0	0	0	0	0	-3930
2014	230 11TH ST	5	0	0	0	0	0	0	0
2015	870 HARRISON ST	26	-6120	0	0	0	-6120	0	0
2015	639 NATOMA ST	1	0	0	0	0	0	0	0
2015	56 RINGOLD ST	2	0	0	0	0	0	0	0
2015	248 - 252 09TH ST	15	5326	0	0	14826	-5000	-4500	0
2015	410 TOWNSEND ST	0	0	0	0	76000	-76000	0	0
2015	140 09TH ST	10	0	0	0	0	0	0	0
		89	***-28949***	***0***	***0***	***71676***	***-92995***	***-3700***	***-3930***

List BL-3 Major Residential Development Projects Completed, Central Waterfront, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units			Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2012	2225 3rd Street	196	39			Studio: 33 One Bedroom: 81 Two Bedroom: 81	Rental	From $2,801
2012	1301 Indiana Street	32	4			One Bedroom: 1 Two Bedroom: 14 Three Bedroom: 17	Ownership	From $569,000 From $649,000 From $729,000
2013	616 20th Street	16	2			One Bedroom Two Bedroom	Ownership	N/A
2014	2121 3rd Street	105	18			Studio: 12 One Bedroom: 45 Two Bedroom: 42 Three Bedroom: 6	Rental	From $2,700 - $2,900 From $ 3,200 - $3,800 From $ 3,900 - $4,900 From $ 5,200 - $5,600
2014	1275 Indiana Street	39	5			One Bedroom: 2 Two Bedroom: 28 Three Bedroom: 9	Ownership	From $999,000- $1.4M From $1.295M - $1.5M
Total		**388**	**68**					

List BL-3 Major Residential Development Projects Completed, East SoMa, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units	Household AMI for Affordable Units	Type of Housing for Affordable Units	Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2012	178 TOWNSEND ST	94	19	LI		Studio: 9 One Bedroom: 35 Two Bedroom: 30 Three Bedroom: 1	Rental	N/A
2012	1049 HOWARD ST	25	25	LI	Family	N/A	Rental	N/A
2012	750 SECOND ST	14	Fee payment			Two Bedroom: 8 Three Bedroom: 5	Ownership	N/A
2012	574 NATOMA ST	11	2	MOD		N/A	Ownership	N/A
2013	374 05TH ST	44	44	VLI	Individual / SRO	Studio: 44	Rental	From $1,300
2013	48 HARRIET ST	23	-			N/A	Rental	N/A
2013	537 NATOMA ST	13	1			One Bedroom Two Bedroom	Ownership	N/A
2014	900 FOLSOM ST	282	40			Studio: 27 One Bedroom: 131 Two Bedroom: 111	Rental	From $3,045 - $3,400 From $3,390 - $6,214 From $4,396 - $7,242
2014	260 05TH ST	182	27			Studio: 35 One Bedroom: 65 Two Bedroom: 80 Three Bedroom: 1	Ownership	From $ 500,000 - $1,200,000
2014	246 RITCH ST	19	Fee payment			One Bedroom: 19	Rental	From $2,895 - $3,400
Total		**707**	**158**					

List BL-3 Major Residential Development Projects Completed, Mission, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units			Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2012	3500 19th Street	17	Fee payment			One Bedroom: 5 Two Bedroom: 12	Ownership	N/A
2012	411 Valenica Street	16	2			One Bedroom: 8 Two Bedroom: 8	Ownership	From $495,000 From $695,000
2013	1880 Mission Street	202	40			Studio: 28 One Bedroom: 118 Two Bedroom: 45 Three Bedroom : 14	Rental	From $2,800 From $3,250 From $4,375 From $5,000
2013	2625 Harrison Street	20	Fee payment			One Bedroom: 11 Two Bedroom: 9	Rental	From $ 3,100 From $ 4,195
2013	3500 19th STreet	17	Fee payment			One Bedroom: 1 Two Bedroom: 12	N/A	N/A
2014	400 South Van Ness	40	7			Studio: 8 One Bedroom: 8 Two Bedroom: 24	Ownership	From $1,000,000 to $3,000,000
2014	2421 16th Street	12	1			Two Bedroom:	Ownership	From $1,000,000
2014	3418 26th Street	11	Fee payment			One Bedroom: Two Bedroom:	Ownership	From $700,000
2015	2558 Mission Street	114	Land Dedication			One Bedroom: 63 Two Bedroom: 51	Ownership	From $628K - $1.2 M
2015	1875 Mission Street	39	6			Studio: 10 One Bedroom: 14 Two Bedroom: 15	Ownership	$675,000 From $745,000 - $905,000 From $865,000 - $1.25M
2015	899 Valencia Street	18	Fee payment			N/A	Ownership	N/A
Total		**506**	**56**					

List BL-3 Major Residential Development Projects Completed, Showplace Square/Potrero Hill, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units			Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2014	1717 17th Street	20	2			One Bedroom: 10 Two Bedroom: 10	Ownership	From $1,000,000
2015	310 Carolina Street	21	-			N/A	Ownership	N/A
Total		**41**	**2**					

List BL-3 Major Residential Development Projects Completed, Western SoMa, 2011-2015

Year	Project Name/ Address	Total Units	Affordable Units	Household AMI for Affordable Units	Type of Housing for Affordable Units	Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2011	121 9th Street	20	2			One Bedroom Two Bedroom Three Bedroom	Rental / Ownership	$399,000 - $524,000
2015	870 Harrison Street	26	4			N/A	Ownership	N/A
2015	252 9th Street	15	-			One Bedroom: 8 Two Bedroom: 7	Ownership	From $739,000 From $799,000
2015	140 9th Street	10	Below Threshold			N/A	Ownership	N/A
Total		**71**	**6**					

C. Commercial and Residential Pipeline Projects, Q4 2015

List BL-2 Commercial Development Pipeline, Central Waterfront, 2011-2015

Entitlement Status	Address	Net Units (Net # of Units)	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
BP APPROVED	2290 03RD ST	71	-2342	0	0	0	0	-2342	0
BP FILED	815 TENNESSEE ST	69	-32000	0	0	0	-32000	0	0
CONSTRUCTION	650 INDIANA ST	111	-11100	0	0	0	0	-11100	0
CONSTRUCTION	2538 03RD ST	1	-2051	0	0	0	-2051	0	0
CONSTRUCTION	2051 03RD ST	93	-15041	0	0	0	-15041	0	0
CONSTRUCTION	1275 MINNESOTA ST	0	7782	0	0	0	5501	2281	0
CONSTRUCTION	1201 - 1225 TENNESSEE STREET	259	-63076	0	0	0	-65336	2260	0
PL APPROVED	888 TENNESSEE ST	112	-34736	0	0	0	-38520	3784	0
PL APPROVED	1100 CESAR CHAVEZ ST	0	1694	0	0	4206	-2512	0	0
Entitled Sub-Total		***716***	***(150,870)***	***-***	***-***	***4,206***	***(149,959)***	***(5,117)***	***-***
BP FILED	1133 TENNESSEE ST	1	0	0	0	0	0	0	0
BP FILED	2420 03RD ST	9	475	0	0	0	0	475	0
BP FILED	2171 03RD ST	109	-31976	0	0	0	-35274	3298	0
PL FILED	2146 3RD ST	6	-2265	0	0	0	0	-2265	0
PL FILED	2092 03RD ST / 600 18TH ST	19	-280	0	0	-1350	0	1070	0
PL FILED	595 MARIPOSA ST	20	0	0	0	0	0	0	0
PL FILED	1228 25TH ST	0	13940	0	0	0	11475	2465	0
PL FILED	851 TENNESSEE ST	0	2709	0	0	0	0	2709	0
PL FILED	603 TENNESSEE ST	24	-6000	0	0	0	-6000	0	0
PL FILED	800 INDIANA ST	326	-78240	0	0	0	-78240	0	0
PL FILED	2230 3RD ST	37	-3201	0	0	0	0	-3201	0
PL FILED	950 TENNESSEE ST	108	-31663	0	0	-7896	-23767	0	0
PL FILED	777 TENNESSEE ST	59	-11424	0	0	0	-11424	0	0
PL FILED	901 TENNESSEE ST	44	-9000	0	0	0	-9000	0	0
PL FILED	PIER 70	1100	1274650	0	0	1102250	-295600	468000	0
Under Review Sub-Total		***1,862***	***1,117,725***	***-***	***-***	***1,093,004***	***(447,830)***	***472,551***	***-***
Total		**2,578**	**966,855**	**-**	**-**	**1,097,210**	**(597,789)**	**467,434**	**-**

List BL-2 Commercial Development Pipeline, East SoMa, 2011-2015

Entitlement Status	Address	Number Net New Lots	Total Net Sq Ft	Net CIE	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
BP FILED	101 TOWNSEND ST	0	1600	1600	0	0	0	0	0
BP FILED	534 - 536 NATOMA ST	1	0	0	0	0	0	0	0
BP FILED	268 CLARA ST.	1	0	0	0	0	0	0	0
BP ISSUED	532 NATOMA ST	1	0	0	0	0	0	0	0
BP ISSUED	340 BRYANT ST	0	0	0	0	45545	-45545	0	0
BP ISSUED	136 SOUTH PARK AV	1	2431	0	0	3861	-1430	0	0
BP ISSUED	259 CLARA ST	8	-4055	0	0	945	-5000	0	0
BP REINSTATED	457 TEHAMA ST	1	0	0	0	0	0	0	0
CONSTRUCTION	49 MOSS ST	1	-5000	0	0	0	-5000	0	0
CONSTRUCTION	468 CLEMENTINA ST	13	-7000	0	0	0	-7000	0	0
CONSTRUCTION	923 FOLSOM ST	114	-5924	0	0	-7500	0	1576	0
CONSTRUCTION	270 BRANNAN ST	0	171650	0	0	171650	0	0	0
CONSTRUCTION	236 - 238 SHIPLEY ST / 77 FALMOUTH ST	15	1569	0	0	0	0	1569	0
CONSTRUCTION	482 BRYANT ST	0	4857	0	0	0	0	4857	0
CONSTRUCTION	200 - 214 06TH ST	44	-29850	0	0	0	0	2550	-32400
CONSTRUCTION	226 06TH ST	37	5445	0	0	0	0	0	5445
CONSTRUCTION	233-237 SHIPLEY ST	22	-1875	0	0	0	-1875	0	0
CONSTRUCTION	72 TOWNSEND ST	74	0	0	0	0	0	0	0
CONSTRUCTION	144 KING ST	0	43845	0	0	0	-5655	0	49500
PL APPROVED	119 07TH ST	39	1974	0	0	0	0	1974	0
PL APPROVED	768 HARRISON ST	26	2948	0	0	7351	-5000	597	0
PL APPROVED	272 CLARA ST	2	0	0	0	0	0	0	0
PL APPROVED	301 06TH ST	84	3700	0	0	0	0	3700	0
PL APPROVED	377 06TH ST	100	4875	0	0	0	-1610	6485	0
PL APPROVED	345 06TH ST	104	3090	0	0	0	0	3090	0
PL APPROVED	363 06TH ST	104	-11696	0	0	-12396	0	700	0
PL APPROVED	750 HARRISON ST	79	-2035	0	0	0	0	-2035	0
Entitled Sub-Total		***871***	***180,549***	***1,600***	***-***	***209,456***	***(78,115)***	***25,063***	***22,545***
BP FILED	481 TEHAMA ST	5	0	0	0	0	0	0	0
BP FILED	246 SHIPLEY ST	0	0	0	0	0	0	0	0
BP FILED	225 SHIPLEY ST	9	0	0	0	0	0	0	0
BP FILED	980 FOLSOM ST	38	-6765	0	0	0	-7530	765	0
BP FILED	77 & 85 FEDERAL ST	0	54977	0	0	32614	0	22363	0
BP FILED	9 FREELON ST	0	0	0	0	0	0	0	0
BP FILED	300 04TH ST	0	0	-16622	0	0	0	16622	0
PL FILED	135 TOWNSEND ST	0	-485	0	0	49995	0	-50480	0
PL FILED	655 FOLSOM ST	89	-11521	0	0	0	0	-11521	0
PL FILED	5TH ST / CLARA ST / SHIPLEY ST	123	-47476	0	0	0	-18000	-29476	0
PL FILED	909-921 HOWARD ST & 206 05TH ST	0	0	0	0	0	0	0	0
PL FILED	265 SHIPLEY ST	9	0	0	0	0	0	0	0
PL FILED	667 FOLSOM ST, 120 HAWTHORNE ST, 126 HAWTH	229	-17041	0	0	-21914	-4000	8873	0
PL FILED	501 BRANNAN ST	0	129669	0	0	128946	0	723	0
PL FILED	1125 MISSION ST	0	0	0	0	35842	-35842	0	0
PL FILED	645 HARRISON ST	0	53145	0	0	98964	-45819	0	0
PL FILED	701 03RD ST	0	101335	0	0	0	0	284	101051
PL FILED	1025 HOWARD ST	0	-17039	0	0	0	0	-17220	181
PL FILED	1076 HOWARD ST	0	6799	0	0	15580	-8781	0	0
PL FILED	144 TOWNSEND ST	0	-2817	0	0	39505	0	-42322	0
PL FILED	1082 HOWARD ST	8	-2801	0	0	0	0	-2801	0
Under Review Sub-Total		***510***	***239,980***	***(16,622)***	***-***	***379,532***	***(119,972)***	***(104,190)***	***101,232***
Total		**1,381**	**420,529**	**(15,022)**	**-**	**588,988**	**(198,087)**	**(79,127)**	**123,777**

List BL-2 Commercial Development Pipeline, Mission, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Total Net Sq Ft	Net CPC	Net Medical	Net Office	Net PDR	Net Retail	Net Visitor
BP APPROVED	1936 FOLSOM ST	1	0	0	0	0	0	0	0
BP APPROVED	720 YORK ST	1	0	0	0	0	0	0	0
BP APPROVED	3360 20TH ST	6	-4750	0	0	0	-4750	0	0
BP APPROVED	1318 HAMPSHIRE ST	1	0	0	0	0	0	0	0
BP APPROVED	1150 SOUTH VAN NESS AV	1	0	0	0	0	0	0	0
BP FILED	25 ALVARADO ST	1	0	0	0	0	0	0	0
BP FILED	144 LEXINGTON ST	1	0	0	0	0	0	0	0
BP FILED	80 SYCAMORE ST	1	0	0	0	0	0	0	0
BP FILED	1900 MISSION ST	12	-1095	0	0	0	-1939	844	0
BP FILED	355 CAPP ST	1	0	0	0	0	0	0	0
BP ISSUED	2495 HARRISON ST	1	-200	1200	0	0	0	-1400	0
BP ISSUED	777 VALENCIA ST	3	1738	0	0	683	0	1055	0
BP ISSUED	787 TREAT AV	1	0	0	0	0	0	0	0
BP ISSUED	1181 VALENCIA ST	1	0	0	0	0	0	0	0
BP ISSUED	2525 MISSION ST	0	4999	0	0	4999	0	0	0
BP ISSUED	811 CAPP ST	1	0	0	0	0	0	0	0
BP ISSUED	1785 15TH ST	9	-780	0	0	0	-780	0	0
BP ISSUED	600 SOUTH VAN NESS AV	27	3060	0	0	0	0	3060	0
BP ISSUED	1330 HAMPSHIRE ST	1	0	0	0	0	0	0	0
BP ISSUED	80 JULIAN AV	6	16000	0	16000	0	0	0	0
BP ISSUED	2881 MISSION ST	2	-1010	0	0	-1010	0	0	0
BP ISSUED	490 SOUTH VAN NESS AV	72	1123	0	0	0	0	1123	0
BP ISSUED	161 SAN CARLOS ST	1	0	0	0	0	0	0	0
BP ISSUED	1450 15TH ST	23	-8224	0	0	0	-8224	0	0
CONSTRUCTION	1076 HAMPSHIRE ST	2	-920	0	0	0	-920	0	0
CONSTRUCTION	2374 FOLSOM ST	2	0	0	0	0	0	0	0
CONSTRUCTION	2830 22ND ST	1	0	0	0	0	0	0	0
CONSTRUCTION	930 SHOTWELL ST	2	0	0	0	0	0	0	0
CONSTRUCTION	857 ALABAMA ST	2	-3866	0	0	0	-3866	0	0
CONSTRUCTION	1196 HAMPSHIRE ST	1	0	0	0	0	0	0	0
CONSTRUCTION	35 LEXINGTON ST	1	0	0	0	0	0	0	0
CONSTRUCTION	1340 ALABAMA ST	1	0	0	0	0	0	0	0
CONSTRUCTION	3249 17TH ST	2	1996	0	0	0	0	1996	0
CONSTRUCTION	353 SAN JOSE AV	3	0	0	0	0	0	0	0
CONSTRUCTION	1302 YORK ST	1	0	0	0	0	0	0	0
CONSTRUCTION	685 FLORIDA ST	4	0	0	0	0	0	0	0
CONSTRUCTION	480 POTRERO AV	75	970	0	0	0	0	970	0
CONSTRUCTION	346 POTRERO AV	70	-1400	0	0	0	-3000	1600	0
CONSTRUCTION	2356 BRYANT ST	1	0	0	0	0	0	0	0
CONSTRUCTION	1050 VALENCIA ST	16	1830	0	0	0	0	1830	0
CONSTRUCTION	3420 18TH ST	16	-3675	0	0	0	-4675	1000	0
PL APPROVED	3527 18TH ST	2	0	0	0	0	0	0	0
PL APPROVED	1125 HAMPSHIRE ST	1	0	0	0	0	0	0	0
PL APPROVED	811 TREAT AV	2	0	0	0	0	0	0	0
PL APPROVED	658-666 SHOTWELL ST	1	2757	2757	0	0	0	0	0
PL APPROVED	49 JULIAN AV	8	-2914	0	0	0	-2914	0	0
Entitled Sub-Total		***388***	***5,639***	***3,957***	***16,000***	***4,672***	***(31,068)***	***12,078***	***-***

BP FILED	3324 19TH ST	6	0	0	0	0	0	0	0
BP FILED	449 14TH ST	20	0	0	0	0	0	0	0
BP FILED	854 CAPP ST	6	0	0	0	0	0	0	0
BP FILED	8 RONDEL PL	2	0	0	0	0	0	0	0
BP FILED	657 CAPP ST	5	0	0	0	0	0	0	0
BP FILED	657 VALENCIA ST	4	0	0	0	0	0	0	0
BP FILED	2782 FOLSOM ST	4	0	0	0	0	0	0	0
BP FILED	44 WOODWARD ST	3	0	0	0	0	0	0	0
BP FILED	2829 25TH ST	4	0	0	0	0	0	0	0
BP FILED	953 TREAT AV	4	0	0	0	0	0	0	0
BP FILED	2944 21ST ST	2	0	0	0	0	0	0	0
BP FILED	3312 17TH ST	2	0	0	0	0	0	0	0
BP FILED	315 SOUTH VAN NESS AV	4	0	0	0	0	0	0	0
BP FILED	2830 24TH ST	3	0	0	0	0	0	0	0
BP FILED	2621 HARRISON ST	2	0	0	0	0	0	0	0
BP FILED	33 DEARBORN ST	3	0	0	0	0	0	0	0
BP FILED	1100 POTRERO AV	3	0	0	0	0	0	0	0
BP FILED	835 SOUTH VAN NESS AV	3	0	0	0	0	0	0	0
BP FILED	1152 POTRERO AV	2	0	0	0	0	0	0	0
BP FILED	1278 - 1298 VALENCIA ST	35	1737	0	0	0	-2000	3737	0
BP FILED	1979 MISSION ST	331	-2558	0	0	0	0	-2558	0
BP FILED	2435 - 2445 16TH ST	50	-2601	0	0	0	-10000	7399	0
BP FILED	659 GUERRERO ST	1	0	0	0	0	0	0	0
BP FILED	333 SAN CARLOS ST	1	0	0	0	0	0	0	0
BP FILED	3314 CESAR CHAVEZ ST	44	-14553	0	0	-2500	-13793	1740	0
BP FILED	1511 15TH ST	0	747	0	0	3703	0	-2956	0
BP FILED	3040 24TH ST	1	0	0	0	0	0	0	0
BP FILED	267 SAN CARLOS ST	1	0	0	0	0	0	0	0
BP FILED	824 FLORIDA ST	1	0	0	0	0	0	0	0
BP FILED	1274 HAMPSHIRE ST	1	0	0	0	0	0	0	0
BP FILED	1342 YORK ST	1	0	0	0	0	0	0	0
BP FILED	1110 YORK ST	1	0	0	0	0	0	0	0
BP FILED	3252 19TH ST	1	0	0	0	0	0	0	0
BP FILED	943 YORK ST	1	0	0	0	0	0	0	0
BP FILED	2877 FOLSOM ST	1	0	0	0	0	0	0	0
BP FILED	13 LUCKY ST	1	0	0	0	0	0	0	0
BP FILED	2138 FOLSOM ST	1	0	0	0	0	0	0	0
BP FILED	963 ALABAMA ST	1	0	0	0	0	0	0	0
BP FILED	1 HORACE ST	1	0	0	0	0	0	0	0
BP FILED	2855 FOLSOM ST	1	0	0	0	0	0	0	0
PL FILED	2675 FOLSOM ST	117	-22411	0	0	0	-22411	0	0
PL FILED	2750 19TH ST	60	-3463	0	0	0	-10934	7471	0
PL FILED	793 SOUTH VAN NESS AV	62	4577	0	0	0	0	4577	0
PL FILED	645 VALENCIA ST	9	-4382	0	0	0	0	-4382	0
PL FILED	1924 MISSION ST	12	1139	0	0	0	-1176	2315	0
PL FILED	3140 16TH ST	28	6715	0	0	0	0	6715	0
PL FILED	1198 VALENCIA ST	49	4610	0	0	0	-440	5050	0
PL FILED	1726 - 1730 MISSION ST	36	-7299	0	0	0	-8199	900	0
PL FILED	2799 24TH ST	8	-269	0	0	0	0	-269	0
PL FILED	200 POTRERO AV	0	13300	30034	0	0	-16734	0	0
PL FILED	2600 HARRISON ST	20	7506	0	0	0	7506	0	0
PL FILED	1515 SOUTH VAN NESS AV	165	-30656	0	0	0	0	-30656	0
PL FILED	2070 BRYANT ST	196	-43073	0	0	0	-44160	1087	0
PL FILED	1401 - 1419 BRYANT ST	0	10250	44600	0	0	-34350	0	0
PL FILED	3357 26TH ST	7	5575	0	0	0	0	5575	0

PL FILED	1798 BRYANT ST	0	0	0	0	0	0	0	0
PL FILED	1801 AND 1863 MISSION ST	54	3235	0	0	0	0	3235	0
PL FILED	1800 MISSION ST	0	39920	0	0	119600	-119600	39920	0
PL FILED	2441 MISSION ST	0	371	0	0	-432	0	803	0
PL FILED	1850 BRYANT ST	0	170733	172394	0	-4600	0	2939	0
PL FILED	2525 16TH ST	0	0	0	0	49999	-49999	0	0
PL FILED	1528 15TH ST	1	-1142	0	0	0	0	-1142	0
PL FILED	2643 FOLSOM ST	1	0	0	0	0	0	0	0
PL FILED	3620 CESAR CHAVEZ ST	29	-2528	0	0	0	-3200	672	0
PL FILED	2918 MISSION ST	55	-500	0	0	0	0	-500	0
Under Review Sub-Total		***1,467***	***134,980***	***247,028***	***-***	***165,770***	***(329,490)***	***51,672***	***-***
Total		**1,855**	**140,619**	**250,985**	**16,000**	**170,442**	**(360,558)**	**63,750**	**-**

List BL-2 Commercial Development Pipeline, Showplace Square/Potrero Hill, 2011-2015

Entitlement Status	Address	Added Units Net of Units	Total Net Sq Ft	Net PDR	Net Wholesale	Net Office	Net Retail	Net Other
BP APPROVED	1321 DE HARO ST	2	0	0	0	0	0	0
BP APPROVED	1004 MISSISSIPPI ST	28	0	0	0	0	0	0
BP APPROVED	1115 POTRERO AV	1	0	0	0	0	0	0
BP APPROVED	1036 MISSISSIPPI ST	2	0	0	0	0	0	0
BP ISSUED	140 PENNSYLVANIA AV	37	-11018	0	0	0	-11475	457
BP ISSUED	1512 20TH ST	0	2762	0	0	1011	0	1751
BP ISSUED	910 CAROLINA ST	2	0	0	0	0	0	0
BP ISSUED	1914 20TH ST	2	0	0	0	0	0	0
BP ISSUED	1451 MARIPOSA ST	1	0	0	0	0	0	0
BP ISSUED	100 HOOPER ST	0	427255	284471	0	0	142784	0
BP ISSUED	526 UTAH ST	1	0	0	0	0	0	0
BP ISSUED	1510 25TH ST	1	0	0	0	0	0	0
BP ISSUED	896 DE HARO ST	2	0	0	0	0	0	0
BP REINSTATED	1087 MISSISSIPPI ST	1	0	0	0	0	0	0
BP REINSTATED	333 PENNSYLVANIA AV	2	0	0	0	0	0	0
CONSTRUCTION	801 BRANNAN ST	557	8000	0	0	0	0	8000
CONSTRUCTION	1000 16TH ST	470	23000	0	0	0	8000	15000
CONSTRUCTION	746 CAROLINA ST	2	0	0	0	0	0	0
CONSTRUCTION	2207 25TH ST	1	0	0	0	0	0	0
CONSTRUCTION	946 RHODE ISLAND ST	3	0	0	0	0	0	0
CONSTRUCTION	520 09TH ST	12	0	0	0	0	0	0
CONSTRUCTION	645 TEXAS ST	91	-29455	0	0	0	-10000	-20000 545
CONSTRUCTION	238 MISSOURI ST	1	0	0	0	0	0	0
CONSTRUCTION	1 HENRY ADAMS ST	671	-133129	0	0	0	-164549	31420 0
PL APPROVED	1036 WISCONSIN ST	1	0	0	0	0	0	0
PL APPROVED	605 MISSISSIPPI ST	1	0	0	0	0	0	0
PL APPROVED	601 TOWNSEND ST	0	0	0	0	72600	-72600	0 0
Entitled Sub-Total		***1,892***	***287,415***	***284,471***	***-***	***73,611***	***(107,840)***	***36,628 545***
BP FILED	131 MISSOURI ST	9	-4500	0	0	0	-4500	0 0
BP FILED	534 TEXAS ST	2	0	0	0	0	0	0 0
BP FILED	1016 DE HARO ST	2	0	0	0	0	0	0 0
BP FILED	749 WISCONSIN ST	1	0	0	0	0	0	0 0
BP FILED	1076 RHODE ISLAND ST	1	0	0	0	0	0	0 0
BP FILED	153 ARKANSAS ST	2	0	0	0	0	0	0 0
BP FILED	923-939 KANSAS ST	9	0	0	0	0	0	0 0
BP FILED	201 MISSOURI ST	2	0	0	0	0	0	0 0
BP FILED	1123 CAROLINA ST	1	0	0	0	0	0	0 0
BP FILED	1058 MISSISSIPPI ST	2	0	0	0	0	0	0 0
BP FILED	979 BRYANT ST	0	0	0	0	0	-3150	3150 0
BP FILED	249 PENNSYLVANIA AV	59	-15699	0	0	0	-15699	0 0
BP FILED	891 CAROLINA ST	1	0	0	0	0	0	0 0
BP FILED	502 07TH ST	0	0	0	0	0	0	0 0
BP FILED	2018 19TH ST	1	0	0	0	0	0	0 0
BP FILED	1331 SAN BRUNO AV	1	0	0	0	0	0	0 0
BP FILED	1019 KANSAS ST	1	0	0	0	0	0	0 0
BP FILED	1239 17TH ST	3	0	0	0	0	0	0 0
PL FILED	88 ARKANSAS ST	147	-9237	0	0	-2870	-9485	3118 0
PL FILED	975 BRYANT ST	182	-30010	0	0	0	0	-30010 0
PL FILED	75 ARKANSAS ST	30	-11666	0	0	0	-19250	7584 0

PL FILED	580 DE HARO ST	3	0	0	0	0	0	0	0
PL FILED	1395 22ND ST	250	47575	0	0	0	47575	0	0
PL FILED	1301 16TH STREET	172	-27968	0	0	0	-34836	6868	0
PL FILED	1601 - 1677 MARIPOSA STREET / 485 CAROLINA	299	-70734	0	0	-8000	-62734	0	0
PL FILED	1200 17TH ST	395	-84532	0	0	-4500	-105000	24968	0
PL FILED	1210 UTAH ST	2	0	0	0	0	0	0	0
PL FILED	2 HENRY ADAMS ST	0	0	0	0	0	0	0	0
PL FILED	1501 MARIPOSA	0	0	22700	0	-22700	0	0	0
PL FILED	155 DE HARO ST	0	15405	0	0	0	15405	0	0
PL FILED	1240 & 1250 17TH ST	0	0	12995	0	0	-12995	0	0
PL FILED	540 DE HARO ST	17	-7147	0	0	0	-7147	0	0
PL FILED	98 PENNSYLVANIA AV	46	0	0	0	0	0	0	0
PL FILED	HOPE SF POTRERO	994	30000	0	0	10000	0	20000	0
Under Review Sub-Total		***2,634***	***(168,513)***	***35,895***	***-***	***(28,070)***	***(211,816)***	***35,678***	***-***
Total		**4,526**	**118,902**	**320,166**	**-**	**45,541**	**(319,656)**	**72,306**	**545**

List BL-2 Commercial Development Pipeline, Western SoMa 2011-2015

Environmental Status	Address	Whole Units Net of Units	Total Net Sq Ft	Net CIE	Net Design	Net Office	Net PDR	Net Retail	Net Visitor
BP FILED	721 CLEMENTINA ST	1	0	0	0	0	0	0	0
BP ISSUED	615 MINNA	1	0	0	0	0	0	0	0
BP ISSUED	1401 HOWARD ST	0	3800	3800	0	0	0	0	0
BP ISSUED	603 7TH STREET	0	4666	0	0	0	0	4666	0
BP ISSUED	854 FOLSOM ST	1	0	0	0	0	0	0	0
CONSTRUCTION	350 08TH ST	410	56700	0	0	0	3700	53000	0
CONSTRUCTION	85 BLUXOME ST	0	5354	0	0	33000	-27646	0	0
CONSTRUCTION	5 HALLAM ST	6	0	0	0	0	0	0	0
PL APPROVED	610 - 620 BRANNAN ST	0	526802	0	0	526807	-17533	17528	0
PL APPROVED	690 05TH ST	0	32500	0	0	-13500	0	5000	41000
PL APPROVED	510 TOWNSEND ST	0	255082	0	0	295992	-20455	-20455	0
PL APPROVED	35-41 LAFAYETTE ST	4	0	0	0	0	0	0	0
Entitled Sub-Total		***423***	***884,904***	***3,800***	***-***	***842,299***	***(61,934)***	***59,739***	***41,000***
BP FILED	1228 FOLSOM ST	24	0	0	0	0	0	0	0
BP FILED	1455 FOLSOM ST	0	0	0	0	0	0	0	0
BP FILED	1117 HOWARD ST	1	0	0	0	0	0	0	0
BP FILED	735 BRYANT ST	0	0	0	0	0	0	0	0
BP FILED	716 CLEMENTINA ST	2	0	0	0	0	0	0	0
BP FILED	767 TEHAMA ST	3	0	0	0	0	0	0	0
BP FILED	405 10TH ST	0	0	0	0	0	0	0	0
BP FILED	44 MCLEA CT	0	2025	0	0	2025	0	0	0
BP FILED	466 TOWNSEND ST	0	0	0	0	0	0	0	0
BP FILED	34 LANGTON ST	5	0	0	0	0	0	0	0
BP FILED	949 NATOMA ST	6	0	0	0	0	0	0	0
BP FILED	1394 HARRISON ST	68	0	0	0	0	0	0	0
BP FILED	1532 HOWARD ST	15	-1482	0	0	0	0	-1482	0
BP FILED	241 10TH ST	28	-8376	0	0	0	0	-8376	0
BP FILED	1695 FOLSOM ST	4	0	0	0	0	0	0	0
PL FILED	630-698 BRANNAN ST	0	1526810	0	0	1512260	-15000	29550	0
PL FILED	630 NATOMA ST	3	-2620	0	0	-2620	0	0	0
PL FILED	33 NORFOLK ST	9	0	0	0	0	0	0	0
PL FILED	280 07TH ST	2	3892	0	0	-183	0	4075	0
PL FILED	222 DORE ST	23	0	0	0	0	0	0	0
PL FILED	32 HERON ST	1	-2120	0	0	-2187	0	67	0
PL FILED	215 - 217 DORE ST	1	0	0	0	0	0	0	0
PL FILED	618 NATOMA ST	1	0	0	0	0	0	0	0
PL FILED	221 11TH ST	0	0	4316	0	-4316	0	0	0
PL FILED	915 - 935 MINNA ST	37	0	0	0	0	0	0	0
PL FILED	598 BRANNAN ST	0	662256	0	0	692568	-30312	0	0
PL FILED	250 10TH ST	0	54754	54754	0	0	0	0	0
PL FILED	333 12TH ST	219	-21630	0	0	-21630	0	0	0
PL FILED	1140 FOLSOM ST	128	-9081	0	0	0	0	-9081	0
PL FILED	1298 HOWARD ST	121	10050	0	0	10050	0	0	0
PL FILED	1335 FOLSOM ST	65	-5700	0	0	0	-5700	0	0
PL FILED	230 07TH ST	44	415	0	0	0	0	415	0
PL FILED	1174 - 1178 FOLSOM ST	42	10081	0	0	3493	2180	4408	0
PL FILED	349 08TH ST	38	1236	0	0	0	0	1236	0
PL FILED	340 11TH ST	0	16176	0	0	14263	0	1913	0
Under Review Sub-Total		***890***	***2,236,686***	***59,070***	***-***	***2,203,723***	***(48,832)***	***22,725***	***-***
Total		**1,313**	**3,121,590**	**62,870**	**-**	**3,046,022**	**(110,766)**	**82,464**	**41,000**

List BL-1 Residential Development Pipeline, Central Waterfront, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
BP APPROVED	2290 03RD ST	71	MU
BP FILED	815 TENNESSEE ST	69	
BP ISSUED	650 INDIANA ST	111	
CONSTRUCTION	650 INDIANA ST	111	
CONSTRUCTION	1201 - 1225 TENNESSEE STREET	259	MU
CONSTRUCTION	2051 03RD ST	93	
PL APPROVED	888 TENNESSEE ST	112	MU
Entitled Sub-Total		***826***	
BP FILED	2420 03RD ST	9	MU
BP FILED	2171 03RD ST	109	MU
PL FILED	2230 3RD ST	37	MU
PL FILED	603 TENNESSEE ST	24	
PL FILED	777 TENNESSEE ST	59	
PL FILED	800 INDIANA ST	326	
PL FILED	PIER 70	1100	MU
PL FILED	2146 3RD ST	6	
PL FILED	901 TENNESSEE ST	44	
PL FILED	2092 03RD ST / 600 18TH ST	19	MU
PL FILED	595 MARIPOSA ST	20	
PL FILED	950 TENNESSEE ST	108	
Under Review Sub-Total		***1,861***	
Total		**2,687**	

List BL-1 Residential Development Pipeline, East SoMa, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
BP ISSUED	259 CLARA ST	8	MU
CONSTRUCTION	923 FOLSOM ST	114	MU
CONSTRUCTION	468 CLEMENTINA ST	13	
CONSTRUCTION	233-237 SHIPLEY ST	22	
CONSTRUCTION	200 - 214 06TH ST	44	MU
CONSTRUCTION	72 TOWNSEND ST	74	
CONSTRUCTION	236 - 238 SHIPLEY ST / 77 FALMOUTH ST	15	MU
CONSTRUCTION	226 06TH ST	37	MU
PL APPROVED	768 HARRISON ST	26	MU
PL APPROVED	377 06TH ST	100	MU
PL APPROVED	345 06TH ST	104	MU
PL APPROVED	363 06TH ST	104	MU
PL APPROVED	301 06TH ST	84	MU
PL APPROVED	750 HARRISON ST	79	
PL APPROVED	119 07TH ST	39	MU
Entitled Sub-Total		***863***	
BP FILED	481 TEHAMA ST	5	
BP FILED	225 SHIPLEY ST	9	
BP FILED	980 FOLSOM ST	38	MU
PL FILED	655 FOLSOM ST	89	MU
PL FILED	667 FOLSOM ST, 120 HAWTHORNE ST, 126 HAWTHORNE ST	229	MU
PL FILED	1082 HOWARD ST	8	
PL FILED	265 SHIPLEY ST	9	
PL FILED	5TH ST / CLARA ST / SHIPLEY ST	123	MU
Under Review Sub-Total		***510***	
Total		**1,373**	

List BL-1 Residential Development Pipeline, Mission, 2011-2015

Entitlement Status	Address	Mixed Use No. Of Units	Mixed Use
BP APPROVED	3360 20TH ST	6	
BP FILED	1900 MISSION ST	12	MU
BP ISSUED	1450 15TH ST	23	
BP ISSUED	600 SOUTH VAN NESS AV	27	MU
BP ISSUED	1785 15TH ST	9	
BP ISSUED	80 JULIAN AV	6	MU
BP ISSUED	490 SOUTH VAN NESS AV	72	MU
CONSTRUCTION	346 POTRERO AV	70	MU
CONSTRUCTION	480 POTRERO AV	75	
CONSTRUCTION	1050 VALENCIA ST	16	MU
CONSTRUCTION	3420 18TH ST	16	
PL APPROVED	49 JULIAN AV	8	
Entitled Sub-Total		***340***	
BP FILED	854 CAPP ST	6	
BP FILED	657 CAPP ST	5	
BP FILED	3324 19TH ST	6	
BP FILED	449 14TH ST	20	
BP FILED	2435 - 2445 16TH ST	50	MU
BP FILED	1278 - 1298 VALENCIA ST	35	MU
BP FILED	1979 MISSION ST	331	
BP FILED	3314 CESAR CHAVEZ ST	44	
PL FILED	2600 HARRISON ST	20	
PL FILED	3140 16TH ST	28	MU
PL FILED	1726 - 1730 MISSION ST	36	MU
PL FILED	1198 VALENCIA ST	49	MU
PL FILED	1924 MISSION ST	12	MU
PL FILED	3357 26TH ST	7	MU
PL FILED	793 SOUTH VAN NESS AV	62	MU
PL FILED	2918 MISSION ST	55	MU
PL FILED	2750 19TH ST	60	
PL FILED	2675 FOLSOM ST	117	
PL FILED	2799 24TH ST	8	MU
PL FILED	1515 SOUTH VAN NESS AV	165	MU
PL FILED	2070 BRYANT ST	196	
PL FILED	1801 AND 1863 MISSION ST	54	MU
PL FILED	3620 CESAR CHAVEZ ST	29	MU
PL FILED	645 VALENCIA ST	9	MU
Under Review Sub-Total		***1,404***	
Total		**1,744**	

List BL-1 Residential Development Pipeline, Showplace Square/Potrero Hill 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
BP APPROVED	1004 MISSISSIPPI ST	28	
BP ISSUED	140 PENNSYLVANIA AV	37	
CONSTRUCTION	801 BRANNAN ST	557	MU
CONSTRUCTION	520 09TH ST	12	
CONSTRUCTION	1 HENRY ADAMS ST	671	
CONSTRUCTION	1000 16TH ST	470	MU
CONSTRUCTION	645 TEXAS ST	91	
Entitled Sub-Total		***1,866***	
BP FILED	923-939 KANSAS ST	9	
BP FILED	249 PENNSYLVANIA AV	59	MU
BP FILED	131 MISSOURI ST	9	
BP FILED	925 KANSAS ST	9	
BP FILED	929 KANSAS ST	9	
BP FILED	935 KANSAS ST	9	
BP FILED	931 KANSAS ST	9	
PL FILED	540 DE HARO ST	17	
PL FILED	1395 22ND ST	250	MU
PL FILED	88 ARKANSAS ST	147	MU
PL FILED	HOPE SF POTRERO	994	MU
PL FILED	98 PENNSYLVANIA AV	46	
PL FILED	975 BRYANT ST	182	
PL FILED	1200 17TH ST	395	MU
PL FILED	1601 - 1677 MARIPOSA STREET / 485 CAROLINA	299	MU
PL FILED	1301 16TH STREET	172	
PL FILED	75 ARKANSAS ST	30	MU
Under Review Sub-Total		***2,645***	
Total		**4,511**	

List BL-1 Residential Development Pipeline, Western SoMa, 2011-2015

Entitlement Status	Address	Mixed Use No. of Units	Mixed Use
CONSTRUCTION	350 08TH ST	410	MU
CONSTRUCTION	5 HALLAM ST	6	
Entitled Sub-Total		***416***	
BP FILED	241 10TH ST	28	MU
BP FILED	1532 HOWARD ST	15	
BP FILED	949 NATOMA ST	6	
BP FILED	1228 FOLSOM ST	24	
BP FILED	34 LANGTON ST	5	
BP FILED	1394 HARRISON ST	68	
PL FILED	1140 FOLSOM ST	128	MU
PL FILED	915 - 935 MINNA ST	37	
PL FILED	1298 HOWARD ST	121	MU
PL FILED	1335 FOLSOM ST	65	
PL FILED	230 07TH ST	44	MU
PL FILED	33 NORFOLK ST	9	
PL FILED	1174 - 1178 FOLSOM ST	42	MU
PL FILED	349 08TH ST	38	MU
PL FILED	222 DORE ST	23	
PL FILED	333 12TH ST	219	
Under Review Sub-Total		***872***	
Total		**1,288**	

D. EN EIR Community Plan Exemption Projects

Appendix Table D-1. Housing Units and Square Footage of PDR Space Entitled or Under Review Under Community Plan Exemption of EN EIR

	Under Review		Entitled*	
Plan Area	Housing Units	PDR	Housing Units	PDR
Central Waterfront	490	-99,586	1,039	-10,981
East SoMa	613	-34,530	1,103	-402,788
Mission	1,072	-133,463	574	-16,339
Showplace Square/Potrero Hill	1,064	-42,521	1,979	-355,208
Total	**3,239**	**-310,100**	**4,695**	**-785,316**

*Includes units that are completed, under construction, and entitled but not yet under construction.

Appendix Table D-2. Housing Units and PDR Space Studied Under Different Options of EN EIR

	Housing Units	PDR
EIR Projections Preferred Project	9,785	NA
EIR Projections Option C	9,858	-4,933,350
EIR Projections Option B	7,385	-2,144,661
EIR Projections Option A	9,015	-524,618

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
595 Mariposa Street	3995/022	Central Waterfront	Active	Building Permit 201508063607	20	0	0	0	0	0	0
2092 Third Street/600 18th Street	3995/007	Central Waterfront	Active	Building Permit 201507171867	19	0	0	-1,350	0	1,070	0
2177 Third Street/ 590 19th Street	4045/003 4045/003B	Central Waterfront	Active	Building Permit 201306210213	109	0	0	0	-35,274	3,298	0
2230 3rd Street	4059/001C	Central Waterfront	Active	TBD	37	0	0	0	0	-3,201	0
888 Tennessee Street	4060/001	Central Waterfront	Active	TBD	112	0	0	0	-38,520	3,784	0
550 Indiana Street	3998/021	Central Waterfront	Active	TBD	17	0	0	0	0	-151,372	0
1228 25th Street	4227/012 4227/013A	Central Waterfront	Active	TBD	0	0	0	0	11,475	2,465	0
2420 3rd Street	4108/003F	Central Waterfront	Active	TBD	9	0	0	0	0	475	0
950 Tennessee St.	4107/001B	Central Waterfront	Active	TBD	108	0	0	-7,896	-23,767	0	0
603 Tennessee St.	3995/015	Central Waterfront	Active	TBD	24	0	0	0	-6,000	0	0
625 Mariposa Street	3996/013	Central Waterfront	Active	TBD	35	0	0	0	-7,500	3,500	0
345 6th Street	3753/081	East SoMa	Active	TBD	104	0	0	0	0	3,090	0
77-85 Federal Street	3774/444	East SoMa	Active	TBD	0	0	0	32,614	0	22,363	0
999 Folsom/ 301 6th Street	3753/122	East SoMa	Active	TBD	84	0	0	0	0	3,700	0
768 Harrison St.	3751/033	East SoMa	Active	TBD	26	0	0	7,351	-5,000	597	0
980 Folsom	3732/028	East SoMa	Active	TBD	38	0	0	0	-7,530	765	0
265 Shipley St.	3753/089 3753/090	East SoMa	Active	TBD	9	0	0	0	0	0	0
701 3rd St.	3794/006	East SoMa	Active	TBD	0	0	0	0	0	284	101,051
667 Folsom St./ 120 Hawthorne/126 Hawthrone Street	3750/081	East SoMa	Active	TBD	229	0	0	-21,914	-4,000	8,873	0
1025 Howard St.	3731/095	East SoMa	Active	TBD	0	0	0	0	0	-17,220	181

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
360 5th St. (210/212 Clara St. & 215/219/220/221 Shipley St.)	3753/005 3753/147 3753/06A 3753/007 3753/057 3753/058 3753/100 3753/101	East SoMa	Active		123	0	0	0	-18,000	-29,476	0
144 Townsend St.	3788/009A	East SoMa	Active	TBD	0	0	0	39,505	0	-42,322	0
1801 and 1863 Mission Street	3548/039 3548/033	Mission	Active	TBD	54	0	0	0	0	3,235	0
2600 Harrison Street	3639/001	Mission	Active	TBD	20	0	0	0	7,506	0	0
1924 Mission St.	3554/003A	Mission	Active	TBD	12	0	0	0	-1,176	2,315	0
2000-2070 Bryant Street, 2815 18th Street, and 611 Florida Street	4022/001 4022/002 4022/021	Mission	Active	TBD	196	0	0	0	-44160	1087	0
1298 Valencia Street	3644/021	Mission	Active	TBD	35	0	0	0	-2000	3737	0
1419 Bryant Street	3904/002	Mission	Active	TBD	0	44,600	0	0	-34,350	0	0
1979 Mission Street	3553-052	Mission	Active	TBD	331	0	0	0	0	-2,558	0
2675 Folsom Street	3639/006 3639/007 3963/024	Mission	Active	TBD	117	0	0	0	-22,411	0	0
1900 Mission Street	3554/001	Mission	Active	TBD	12	0	0	0	-1,939	844	0
1515 South Van Ness Ave	6571/008	Mission	Active	TBD	165	0	0	0	0	-30,656	0
2799 24th Street	4266/035	Mission	Active	TBD	8	0	0	0	0	-269	0
2435 16th Street	3965/021 3965/031 3965/032	Mission	Active	TBD	50	0	0	0	-10,000	7,399	0
3357-3359 26th Street	6570/002	Mission	Active	TBD	7	0	0	0	0	5,575	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
1726-1730 Mission Street	3532/004 3521/004A 3532/005	Mission	Active	TBD	36	0	0	0	-8,199	900	0
2100 Mission Street	3576/001	Mission	Active	TBD	29	0	0	0	0	-4,990	0
200 Potrero Ave	3931A/001	Mission	Active	TBD	0	30,034	0	0	-16,734	0	0
1395 22nd Street/ 790 Pennsylvania Avenue	4167/011 4167/013	Showplace Square/Potrero Hill	Active	TBD	250	0	0	0	47,575	0	0
540-552 De Haro St.	4008/002	Showplace Square/Potrero Hill	Active	TBD	17	0	0	0	-7,147	0	0
155 De Haro St.	3913/005	Showplace Square/Potrero Hill	Active	TBD	0	0	0	0	15,405	0	0
1601 Mariposa	4005/001B 4006/006 4006/010 4006/019 4006/020	Showplace Square/Potrero Hill	Active	TBD	299	0	0	-8,000	-62,734	0	0
502 7th Street	3780/001	Showplace Square/Potrero Hill	Active		0	0	0	0	0	0	0
98 Pennsylvania Avenue	3948/002	Showplace Square/Potrero Hill	Active	TBD	46	0	0	0	0	0	0
1301 16th Street	3954/016	Showplace Square/Potrero Hill	Active	TBD	172	0	0	0	-34,836	6,868	0
923-939 Kansas St (951 Kansas St)	4094/044 4094/045 4094/046 4094/047 4094/048	Showplace Square/Potrero Hill	Active	TBD	9	0	0	0	0	0	0
1501 Mariposa Street	4008/003	Showplace Square/Potrero Hill	Active	TBD	0	22,700	0	-22,700	0	0	0
1240 & 1250 17th Street	3950/002	Showplace Square/Potrero Hill	Active	TBD	0	12,995	0	0	-12,995	0	0
75 Arkansas Street	3952/001B	Showplace Square/Potrero Hill	Active	TBD	30	0	0	0	-19,250	7,584	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
249 Pennsylvania Ave.	3999/002	Showplace Square/Potrero Hill	Active	TBD	59	0	0	0	-15,699	0	0
975 Bryant Street	3780/044	Showplace Square/Potrero Hill	Active	TBD	182	0	0	0	0	-30,010	0
552 Berry Street	3800/003	Showplace Square/Potrero Hill	Active	TBD	0	0	0	115,200	47,160	0	0
465 Tehama/ 468 Clementina Street	3732/071	East SoMa	Cancelled	Building Permit 200507208146 Cancelled	13	0	0	0	-7,000	0	0
815-825 Tennessee Street	4059/001A 4059/001B	Central Waterfront	Closed	CPC Motion 19263	69	0	0	0	-32,000	0	0
1201 - 1225 Tennessee Street	4172/002	Central Waterfront	Closed	CPC Motion 19138	259	0	0	0	-65,336	2,260	0
2290-2298 Third Street	4059/009	Central Waterfront	Closed	CPC Motion 18946	71	0	0	0	0	-2,342	0
Pier 70 - Orton, 400-600 20th Street (Historic Core)	4046/001 4111/003 4111/004 4052/001	Central Waterfront	Closed		1	0	0	63,582	200,061	14,231	0
2051-2065 Third Street/650 Illinois Street	3994/001B 3994/001C 3994/006	Central Waterfront	Closed	CPC Motion 19165	93	0	0	0	-15,041	0	0
777 Tennessee Street	4044/013	Central Waterfront	Closed	CPC Motion 19366	59	0	0	0	-11,424	0	0
800 Indiana Street	4105/009	Central Waterfront	Closed	CPC Motion 19305	326	0	0	0	-78,240	0	0
650 Indiana Street	4041/009	Central Waterfront	Closed	CPC Motion 19137	111	0	0	0	0	-11100	0
2146-2148 Third Street	4044/003	Central Waterfront	Closed	Discretionary Review 0423	6	0	0	0	0	-2,265	0
901 Tennessee Street	4108/017	Central Waterfront	Closed	CPC Motion 19377	44	0	0	0	-9,000	0	0
Crane Cove Park	4046/001 4046/002 9900/068 3941/001	Central Waterfront	Closed		0	0	0	-41390	0	0	0
900 Folsom Street	3732/009 3732/018 3732/048 3732/147 3732/271	East SoMa	Closed	CPC Motion 18088	269	0	0	0	0	4,146	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
260 Fifth Street	3732/008 3732/150 3732/561	East SoMa	Closed	CPC Motion 18089	179	0	0	0	0	-35,969	0
119 Seventh Street	3726/103	East SoMa	Closed	CPC Motion 19179	39	0	0	0	0	1,974	0
259 Clara Street	3753/042	East SoMa	Closed	Building Permit 201305167075	8	0	0	945	-5,000	0	0
501-505 Brannan Street	3786/038	East SoMa	Closed	CPC Motion 19293	0	0	0	128,946	0	723	0
500 Second Street	3775/001	East SoMa	Closed	Building Permit 201307303077	0	0	0	13,883	-13,883	0	0
482 Bryant Street	3763/017	East SoMa	Closed	Building Permit 201211083830	0	0	0	0	0	4,857	0
233-237 Shipley Street	3753/095 3753/096	East SoMa	Closed	Building Permit 201401247066	22	0	0	0	-1,875	0	0
36-38 Harriet Street	3731/101 3731/102	East SoMa	Closed	Building Permit 201006295585	23	0	0	0	0	0	0
665 Third Street	3788/041	East SoMa	Closed	CPC Motion 19012	0	0	0	123,700	-119,900	0	0
270 Brannan Street	3774/026	East SoMa	Closed	CPC Motion 18989	0	0	0	171,650	0	0	0
938 Howard Street	3725/015	East SoMa	Closed	Building Permit 201206223263	0	0	0	25,430	-25,430	0	0
200-214 6th Street	3731/001	East SoMa	Closed	CPC Motion 18938	44	0	0	0	0	2,550	-32,400
111 Townsend Street	3794/014	East SoMa	Closed	Building Permit 201202274914	0	0	0	16,786	-22,884	6,098	0
923 Folsom Street	3753/106 3753/141 3753/142	East SoMa	Closed	CPC Motion 19205	114	0	0	-7,500	0	1,576	0
340 Bryant Street	3764/061	East SoMa	Closed	CPC Motion 19311	0	0	0	47,536	-45,545	0	0
460-462 Bryant Street	3763/015A 3763/015C	East SoMa	Closed	CPC Motion 18685	0	0	0	59,475	-59,475	0	0
333 Brannan Street	3788/042	East SoMa	Closed	CPC Motion 18953	0	0	0	175,450	-13,740	3,050	0
363 Sixth Street	3753/079	East SoMa	Closed	CPC Motion 19492	104	0	0	-12,396	0	700	0
246 Ritch Street	3776/092	East SoMa	Closed	CPC Motion 18108	19	0	0	0	-4,130	0	0
750 Harrison Street	3751/029	East SoMa	Closed	CPC Motion 19384	79	0	0	0	0	-2,035	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
377 6th St./988 Harrison	3753/148	East SoMa	Closed	CPC Motion 19574	100	0	0	0	-1,610	6,485	0
345 Brannan St.	3788/039	East SoMa	Closed	CPC Motion 19001	0	0	0	102,285	0	0	0
750 2nd St.	3794/002A	East SoMa	Closed	CPC Motion 17949	14	0	0	0	-7,655	500	0
135 Townsend St.	3794/022	East SoMa	Closed	CPC Motion 19517	0	0	0	49,995	0	-50,480	0
645 Harrison Street	3763/105	East SoMa	Closed	CPC Motion 19524	0	0	0	98,964	-45,819	0	0
1125 Mission St.	3727/091	East SoMa	Closed	Building Permit 201511021472	0	0	0	35,842	-35,842	0	0
655 Folsom St.	3750/050	East SoMa	Closed	CPC Motion 19589	89	0	0	0	0	-11,521	0
3418 26th Street	6529/034	Mission	Closed	Building Permit 200706204573	11	0	0	0	0	0	0
80 Julian Avenue	3547/027	Mission	Closed	CPC Motion 18162	6	0	16,000	0	0	0	0
411 Valencia	3554/027	Mission	Closed	Building Permit 200510135500	16	0	0	0	0	1,370	0
490 South Van Ness Avenue	3553/008	Mission	Closed	Building Permit	72	0	0	0	0	1,123	0
3420 18th Street	3576/090	Mission	Closed	Building Permit 201311041054	16	0	0	0	-4,675	1,000	0
1875 Mission Street	3548/032	Mission	Closed	Building Permit 201012237367	39	0	0	0	0	0	0
17th Street and Folsom Street Park	3571/018	Mission	Closed	Building Permit 201601217608	0	0	0	0	0	0	0
1501 15th Street	3553/054	Mission	Closed	CPC Motion 18459	40	0	0	0	0	8,222	0
480 Potrero Avenue	3973/002C	Mission	Closed	CPC Motion 18945	75	0	0	0	0	970	0
626 Potrero Avenue/ 2535 18th Street	4025/001 4025/002 4025/013 4025/014	Mission	Closed	CPC Motion 18684	0	0	15,200	0	0	-15,000	0
2550-2558 Mission Street	3616/007	Mission	Closed	CPC Motion 18775	114	0	0	0	0	14,750	0
1450 15th Street	3549/064	Mission	Closed	CPC Motino 19292	23	0	0	0	-8,224	0	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
300 South Van Ness Avenue	3548/001	Mission	Closed	CPC Motion 18767	0	0	0	0	0	20,040	0
346 Potrero Avenue	3962/008	Mission	Closed	CPC Motion 19201	70	0	0	0	-3,000	1,600	0
600 South Van Ness Avenue	3575/070	Mission	Closed	CPC Motion 19378	27	0	0	0	0	3,060	0
1198 Valencia Street	3635/0114	Mission	Closed	CPC Motion 19487	49	0	0	0	-440	5,050	0
1050 Valencia Street	3617/008	Mission	Closed	CPC Motion M-18185	16	0	0	0	0	1,830	0
720 & 740 Illinois Street; 2121 Third Street	4045/006 4045/021	Showplace Square/Potrero Hill	Closed	CPC Motion 18444	106	0	0	0	-8,500	0	0
801 Brannan/1 Henry Adams	3783/001 3911/001	Showplace Square/Potrero Hill	Closed	CPC Motion 18793 CPC Motion 18794	671	0	0	0	-164,549	31,420	0
1001 17th Street/ 140 Pennsylvania Avenue	3987/009 3987/010	Showplace Square/Potrero Hill	Closed	CPC Motion 18979	37	0	0	0	-11,475	457	0
1111 8th Street	3808/004 3820/002 3820/003 3913/002 3913/003	Showplace Square/Potrero Hill	Closed	CPC Resolution 18850	0	0	0	0	0	0	0
1000 16th Street (Daggett Triangle)	3833/001	Showplace Square/Potrero Hill	Closed	CPC Motion 18419	470	0	0	0	8,000	15,000	0
520 9th Street	3526/005	Showplace Square/Potrero Hill	Closed	Building Permit 201312124038	12	0	0	0	0	0	0
601 Townsend Street	3799/001	Showplace Square/Potrero Hill	Closed	CPC Moition 18619	0	0	0	72,600	-72,600	0	0
444 DeHaro Street	3979/001	Showplace Square/Potrero Hill	Closed	CPC Motion 18653	0	0	0	90500	0	-90500	0
752 Carolina Street	4096/110	Showplace Square/Potrero Hill	Closed	Building Permit 201109164799	0	0	0	0	0	0	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
645 Texas Street	4102/026	Showplace Square/Potrero Hill	Closed	Building Permit 201312093691	91	0	0	0	-10,000	-20,000	545
100 Hooper	3808/003	Showplace Square/Potrero Hill	Closed	CPC Motion 19314	0	284,471	0	0	142,784	0	0
850-870 Brannan Street (AKA 888 Brannan)	3780/006 3780/007 3780/007A 3780/072	Showplace Square/Potrero Hill	Closed	CPC Motion 18527	0	0	0	113,753	-113,753	-4,397	0
1717 17th Street	3980/007	Showplace Square/Potrero Hill	Closed	CPC Motion 18144	41	0	0	0	-6,130	7,000	0
131 Missouri Street	3985/024	Showplace Square/Potrero Hill	Closed	Building Permit 201306199977	9	0	0	0	-4,500	0	0
88 Arkansas Street/ 1500 & 1530 17th Street	3953/002 3953/002A	Showplace Square/Potrero Hill	Closed	2015-000453ENX	147	0	0	-2,870	-9,485	3,118	0
901 16th Street and 1200 17th Street	3949/001 3949/001A 3949/002 3950/001	Showplace Square/Potrero Hill	Closed	CPC Motion 19643	395	0	0	-4,500	-105,000	24,968	0
909-921 Howard Street	3732/003 3732/004 3732/005 3732/099 3732/100 3732/145A 3732/146	East SoMa	TBD	TBD	0	0	0	0	0	0	0
1082 Howard St.	996 Missio	East SoMa	TBD	TBD	8	0	0	0	0	-2,801	0
598 Bryant St.	3762/121	East SoMa	TBD	TBD	0	0	0	49,980	0	3,300	0
1052-1060 Folsom Street/ 190-194 Russ Street	3731/021 3731/023 3731/087	East SoMa	TBD	TBD	42	0	0	-5,659	0	-385	0
996 Mission St.	3704/025	East SoMa	TBD	TBD	0	0	0	0	0	-355	76
1785 15th Street	3555/036	Mission	TBD	Building Permit 201401065589	9	0	0	0	-780	0	0
645 Valencia Street	3576/062	Mission	TBD	TBD	9	0	0	0	0	-4,382	0
1800 Mission Street	3547/001	Mission	TBD	TBD	0	0	0	119,600	-119,600	39,920	0
2750 19th Street	4023/004A	Mission	TBD	TBD	60	0	0	0	-10,934	7,471	0

Address	Block/Lot	Area Plan	Status	Entitlement (CPC Motion No., Discretionary Review, or Building Permit Application No.)	Net Housing Units (Entitlement)	Cultural, Institutional, Educational (Entitlement)	Medical (Entitlement)	Management, Information, and Professional Services (Entitlement)	Production, Distribution, and Repair (Entitlement)	Retail and Entertainment (Entitlement)	Visitor-Lodging (Entitlement)
3314 Ceasar Chavez	6571/012	Mission	TBD	TBD	44	0	0	-2,500	-13,793	1,740	0
1798 Bryant Street	3965/010	Mission	TBD	TBD	0	0	0	0	0	0	0
2918-2924 Mission St.	6529/002	Mission	TBD	TBD	55	0	0	0	0	-500	0
793 South Van Ness	3591/024	Mission	TBD	TBD	62	0	0	0	0	4,577	0
1850 Bryant St.	3970/006	Mission	TBD	TBD	0	172,394	0	-4,600	0	2,939	0
3620 Cesar Chavez	6568/032	Mission	TBD	TBD	29	0	0	0	-3,200	672	0
344 14th St. & 1463 Stevenson St.	3532/013 3532/021	Mission	TBD	TBD	45	0	0	0	18,995	5,849	0
1950 Mission St.	3554/005	Mission	TBD	TBD	157	0	0	2,368	0	11,357	0
2 Henry Adams	3910/001	Showplace Square/Potrero Hill	TBD	TBD	0	0	0	0	0	0	0
828 Brannan Street	3780/004E	Showplace Square/Potrero Hill	TBD	TBD	60	0	0	0	-12,605	2,798	0
184-188 Hooper Street	3808/004	Showplace Square/Potrero Hill	TBD	TBD	0	115,000	0	0	-4,000	5,000	600
1400 16th Street	3938/001	Showplace Square/Potrero Hill	TBD	TBD	0	0	0	16,045	-19,886	0	0

E. Enforcement Cases of Illegal PDR Conversions

E.1 Mission

Address	Status	Closed Date	Description	Zoning	Entitlement
ALABAMA ST, 94110	Closed - Abated	11/9/2015	Conversion from PDR to office	PDR-1-G	Office use is not permitted in the PDR-1-G Zoning District. Office use must cease all operations.
ALABAMA ST, 94110	Closed - Abated	12/10/2015	Alleged loss of PDR space	PDR-1-G	Office use is not permitted in the PDR-1-G Zoning District. Office use must cease all operations.
ALABAMA ST, 94110	Closed - Abated	7/20/2015	conversion of industrial space to headquarters for tech start up. No permit for conversion to professional/business offices and not permitted in PDR 1-G zoning district	PDR-1-G	Office use is not permitted in the PDR-1-G Zoning District. Office use must cease all operations.

E.2 Western SoMa

Address	Closed Date	Description	Zoning	Entitlement
BRYANT ST 94107	5/12/2015	Conversion of building use from PDR to Office without approval, in district that does not permit office.	SALI	Office use is not permitted in the SALI Zoning District

E.3 Central Waterfront

Address	Enforcement Result	Case Closed Date	Description	Zoning	Entitlement
03RD ST, 94107	Closed - Abated	12/10/2015	Illegal change of use to office	UMU	All work done without permits
19TH ST, 94107	Closed	4/13/2015	Alleged conversion of PDR to Office use.	UMU	Office use not permitted on ground floor of UMU Zoning District. Office permitted on upper floors if building is registered for office.

F. Changes in PDR Employment by 3-digit NAICS Code

Appendix F. Changes in PDR Employment by 3-digit NAICS Code

		East SOMA			Western SOMA			Mission		
Occupation	**3-digit NAICS**	**2010**	**2015**	**% change**	**2010**	**2015**	**% change**	**2010**	**2015**	**% change**
Construction	236-238	919	984	7%	946	1,329	40%	854	622	-27%
Food Manufacturing	311, 312	14	30	117%	27	37	34%	226	333	47%
Apparel Manufacturing	313-315	25	9	-64%	140	116	-17%	253	203	-20%
Other Manufacturing	316, 321, 322, 324-327, 331-335, 337	184	446	142%	161	150	-7%	217	440	103%
Printing and Publishing	323, 511	2,466	2,247	-9%	152	346	127%	125	214	72%
Repair Service	336	10	4	-60%	0	0	NA	0	27	NA
Transp. Equipment, Building Supplies	339, 444	16	89	445%	48	145	203%	72	124	72%
Wholesale	423-425	218	435	99%	648	820	27%	281	390	39%
Transportation and Warehousing	481, 483-488, 491-493	265	537	103%	265	312	18%	248	198	-19%
Film & Sound Recording	512	200	148	-26%	154	190	23%	153	342	123%
Information	515, 517	765	545	-29%	277	504	82%	591	598	1%
Utilities	221, 562	15	20	30%	35	6	-84%	0	10	NA
Repair and Maintenance	811	0	189	NA	0	244	NA	0	291	NA
ALL PDR JOBS		**5,098**	**5,684**	**11%**	**2,854**	**4,198**	**47%**	**3,015**	**3,791**	**26%**

Appendix F. Changes in PDR Employment by 3-digit NAICS Code

		Showplace Potrero			Central Waterfront			ALL EN		
Occupation	**3-digit NAICS**	**2010**	**2015**	**% change**	**2010**	**2015**	**% change**	**2010**	**2015**	**% change**
Construction	236-238	541	638	18%	767	950	24%	4,028	4,523	12%
Food Manufacturing	311, 312	94	228	141%	89	127	42%	451	758	67%
Apparel Manufacturing	313-315	103	16	-84%	75	17	-77%	597	361	-39%
Other Manufacturing	316, 321, 322, 324-327, 331-335, 337	623	564	-10%	131	132	1%	1,316	1,731	32%
Printing and Publishing	323, 511	169	235	39%	256	121	-53%	3,168	3,164	0%
Repair Service	336	138	0	-100%	6	12	106%	153	42	-72%
Transp. Equipment, Building Supplies	339, 444	26	98	271%	93	68	-28%	256	523	104%
Wholesale	423-425	1,357	1,189	-12%	380	446	17%	2,884	3,281	14%
Transportation and Warehousing	481, 483-488, 491-493	1,083	1,017	-6%	301	184	-39%	2,157	2,248	4%
Film & Sound Recording	512	16	36	122%	50	81	63%	573	797	39%
Information	515, 517	155	140	-10%	55	214	287%	1,843	2,002	9%
Utilities	221, 562	222	204	-8%	0	147	NA	272	387	42%
Repair and Maintenance	811	0	15	NA	0	26	NA	0	765	NA
ALL PDR JOBS		**4,529**	**4,381**	**-3%**	**2,203**	**2,524**	**15%**	**17,698**	**20,577**	**16%**

G. San Francisco Mayor's Office of Housing Income and Rent Limits

2016
MAXIMUM INCOME BY HOUSEHOLD SIZE
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco

Income Definition	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	9 Person
20% OF MEDIAN	$15,100	$17,250	$19,400	$21,550	$23,250	$25,000	$26,700	$28,450	$29,300
25% OF MEDIAN	$18,850	$21,550	$24,250	$26,950	$29,100	$31,250	$33,400	$35,550	$36,600
30% OF MEDIAN	$22,600	$25,850	$29,100	$32,300	$34,900	$37,500	$40,050	$42,650	$43,950
40% OF MEDIAN	$30,150	$34,450	$38,800	$43,100	$46,500	$50,000	$53,400	$56,850	$58,600
50% OF MEDIAN	$37,700	$43,100	$48,500	$53,850	$58,150	$62,500	$66,800	$71,100	$73,250
55% OF MEDIAN	$41,450	$47,400	$53,300	$59,250	$63,950	$68,700	$73,450	$78,200	$80,550
60% OF MEDIAN	$45,250	$51,700	$58,150	$64,600	$69,800	$74,950	$80,150	$85,300	$87,850
70% OF MEDIAN	$52,800	$60,300	$67,850	$75,400	$81,400	$87,450	$93,500	$99,500	$102,500
72% OF MEDIAN	$54,300	$62,050	$69,800	$77,550	$83,750	$89,950	$96,150	$102,350	$105,450
75% OF MEDIAN	$56,550	$64,600	$72,700	$80,800	$87,250	$93,700	$100,150	$106,600	$109,850
80% OF MEDIAN	$60,300	$68,900	$77,550	$86,150	$93,050	$99,950	$106,850	$113,700	$117,150
90% OF MEDIAN	$67,850	$77,550	$87,250	$96,950	$104,650	$112,450	$120,200	$127,950	$131,800
100% OF MEDIAN	$75,400	$86,150	$96,950	$107,700	$116,300	$124,950	$133,550	$142,150	$146,450
110% OF MEDIAN	$82,950	$94,750	$106,650	$118,450	$127,950	$137,450	$146,900	$156,350	$161,100
120% OF MEDIAN	$90,500	$103,400	$116,350	$129,250	$139,550	$149,950	$160,250	$170,600	$175,750
135% OF MEDIAN	$101,800	$116,300	$130,900	$145,400	$157,000	$168,700	$180,300	$191,900	$197,700
140% OF MEDIAN	$105,550	$120,600	$135,750	$150,800	$162,800	$174,950	$186,950	$199,000	$205,050
150% OF MEDIAN	$113,100	$129,250	$145,450	$161,550	$174,450	$187,450	$200,350	$213,250	$219,700
175% OF MEDIAN	$131,950	$150,750	$169,650	$188,500	$203,550	$218,650	$233,700	$248,750	$256,300
200% OF MEDIAN	$150,800	$172,300	$193,900	$215,400	$232,600	$249,900	$267,100	$284,300	$292,900

San Francisco Mayor's Office of Housing and Community Development

Notes:
1. Source: U.S. Dept. of Housing and Urban Development, published March 28, 2016.
2. Figures derived by SF MOH from HUD's 2016 Median Family Income for a 4 person HouseHold for San Francisco ('HMFA'), unadjusted for high housing costs, and are rounded to the nearest $50.
3. Additional information on HUD's defined income limits can be found at: http://www.huduser.org/portal/datasets/il.html

Effective Date: 3/28/2016

2016

MAXIMUM MONTHLY RENT BY UNIT TYPE

With and Without Utilities - for MOH singlefamily programs

derived from the

Unadjusted Area Median Income (AMI)

for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco

Published by the San Francisco Mayor's Office of Housing and Community Development

	SRO	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
*As published by the San Francisco Housing Authority on 12/1/2015	$45	$45	$52	$69	$90	$111	$134
20% OF MEDIAN							
With Utilities	$283	$378	$431	$485	$539	$581	$625
Without Utilities	$238	$333	$379	$416	$449	$470	$491
25% OF MEDIAN							
With Utilities	$353	$471	$539	$606	$674	$728	$781
Without Utilities	$308	$426	$487	$537	$584	$617	$647
30% OF MEDIAN							
With Utilities	$424	$565	$646	$728	$808	$873	$938
Without Utilities	$379	$520	$594	$659	$718	$762	$804
40% OF MEDIAN							
With Utilities	$565	$754	$861	$970	$1,078	$1,163	$1,250
Without Utilities	$520	$709	$809	$901	$988	$1,052	$1,116
50% OF MEDIAN							
With Utilities	$707	$943	$1,078	$1,213	$1,346	$1,454	$1,563
Without Utilities	$662	$898	$1,026	$1,144	$1,256	$1,343	$1,429
55% OF MEDIAN							
With Utilities	$777	$1,036	$1,185	$1,333	$1,481	$1,599	$1,718
Without Utilities	$732	$991	$1,133	$1,264	$1,391	$1,488	$1,584
60% OF MEDIAN							
With Utilities	$848	$1,131	$1,293	$1,454	$1,615	$1,745	$1,874
Without Utilities	$803	$1,086	$1,241	$1,385	$1,525	$1,634	$1,740
70% OF MEDIAN							
With Utilities	$990	$1,320	$1,508	$1,696	$1,885	$2,035	$2,186
Without Utilities	$945	$1,275	$1,456	$1,627	$1,795	$1,924	$2,052
72% OF MEDIAN							
With Utilities	$1,018	$1,358	$1,551	$1,745	$1,939	$2,094	$2,249
Without Utilities	$973	$1,313	$1,499	$1,676	$1,849	$1,983	$2,115
75% OF MEDIAN							
With Utilities	$1,060	$1,414	$1,615	$1,818	$2,020	$2,181	$2,343
Without Utilities	$1,015	$1,369	$1,563	$1,749	$1,930	$2,070	$2,209
80% OF MEDIAN							
With Utilities	$1,131	$1,508	$1,723	$1,939	$2,154	$2,326	$2,499
Without Utilities	$1,086	$1,463	$1,671	$1,870	$2,064	$2,215	$2,365
90% OF MEDIAN							
With Utilities	$1,272	$1,696	$1,939	$2,181	$2,424	$2,616	$2,811
Without Utilities	$1,227	$1,651	$1,887	$2,112	$2,334	$2,505	$2,677
100% OF MEDIAN							
With Utilities	$1,414	$1,885	$2,154	$2,424	$2,693	$2,908	$3,124
Without Utilities	$1,369	$1,840	$2,102	$2,355	$2,603	$2,797	$2,990
110% OF MEDIAN							
With Utilities	$1,555	$2,074	$2,369	$2,666	$2,961	$3,199	$3,436
Without Utilities	$1,510	$2,029	$2,317	$2,597	$2,871	$3,088	$3,302
120% OF MEDIAN							
With Utilities	$1,697	$2,263	$2,585	$2,909	$3,231	$3,489	$3,749
Without Utilities	$1,652	$2,218	$2,533	$2,840	$3,141	$3,378	$3,615
135% OF MEDIAN							
With Utilities	$1,909	$2,545	$2,908	$3,273	$3,635	$3,925	$4,218
Without Utilities	$1,864	$2,500	$2,856	$3,204	$3,545	$3,814	$4,084
140% OF MEDIAN							
With Utilities	$1,979	$2,639	$3,015	$3,394	$3,770	$4,070	$4,374
Without Utilities	$1,934	$2,594	$2,963	$3,325	$3,680	$3,959	$4,240
150% OF MEDIAN							
With Utilities	$2,121	$2,828	$3,231	$3,636	$4,039	$4,361	$4,686
Without Utilities	$2,076	$2,783	$3,179	$3,567	$3,949	$4,250	$4,552

	SRO	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
FAIR MRKT:	**$1,059**	**$1,412**	**$1,814**	**$2,289**	**$2,987**	**$3,556**	**$4,089**

Source: HUD, effective 10/01/2014

https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2016_code/2016summary.odn

See also SFHA Payment Standards:

Source: SFHA, effective 1/1/2016	SRO	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
SFHA Payment Standard:	**$1,164**	**$1,553**	**$1,995**	**$2,517**	**$2,987**	**$3,556**	**$4,089**

http://www.sfha.org/SFHA_Payment_Standards_1-1-2016.pdf

	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM	5 BDRM
LOW HOME RENTS	**$1,026**	**$1,099**	**$1,318**	**$1,523**	**$1,700**	**$1,876**
HIGH HOME RENTS	**$1,256**	**$1,409**	**$1,693**	**$1,947**	**$2,153**	**$2,357**

https://www.hudexchange.info/resource/reportmanagement/published/HOME_RentLimits_State_CA_2015.pdf

Assumptions/Notes:

1. Rents Calculated at 30% of corresponding monthly income limit amount.
2. Utility allowances were determined by the San Francisco Housing Authority, effective 12/1/2015. For more information, see http://sfha.org/FY2016_SFHA_Utility_Allowance_Schedule.pdf and http://www.hud.gov/offices/pih/programs/ph/phecc/allowances.cfm.
3. Occupancy Standard is one person per bedroom plus one additional person.

Effective Date: 3/28/2016

H. Single Room Occupancy Hotels and Number of Residential Units

H.1 Mission

Address	Residential Units
1941 MISSION ST	39
3562 20TH ST	22
37 WOODWARD ST	59
422 VALENCIA ST	80
3048 16TH ST	87
179 JULIAN AV	27
30 SYCAMORE ST	24
1906 MISSION ST	28
520 SOUTH VAN NESS	188
2135 MISSION ST	46
215 14TH ST	13
3032 16TH ST	18
405 VALENCIA ST	47
447 VALENCIA ST	42
3143 16TH ST	20
2791 16TH ST	86
3161 16TH ST	54
504 VALENCIA ST	63
528 VALENCIA ST	49
3444 18TH ST	14
2030 MISSION ST	13
2032 MISSION ST	18
2042 MISSION ST	12
2056 MISSION ST	20
2072 MISSION ST	16
2084 MISSION ST	50
2284 MISSION ST	10
2126 MISSION ST	40
2176 MISSION ST	43
559 VALENCIA ST	63
663 VALENCIA ST	40
2370 MISSION ST	12
1041 VALENCIA ST	12
2522 MISSION ST	9
2361 MISSION ST	64
3061 16TH ST	20
3491 20TH ST	41
2477 MISSION ST	15
868 VALENCIA ST	24
2438 MISSION ST	5
3270 21ST ST	11
2697 MISSION ST	14
2766 MISSION ST	31
2901 MARIPOSA ST	46
1462 VALENCIA ST	7
3550 CESAR CHAVEZ	49
3414 25TH ST	20

H.2 Western SoMa

Address	Number of Residential Units
251 09TH ST	16
205 09TH ST	32
42 WASHBURN	24
1554 HOWARD ST	35

H.3 Central Waterfront

Address	Number of Residential Units
732 22ND ST	31
2342 03RD ST	18

H.4 East SoMa

Address	Number of Residential Units
1040 FOLSOM ST	38
172 06TH ST	10
170 06TH ST	25
152 06TH ST	15
136 06TH ST	12
106 06TH ST	100
102 06TH ST	14
226 06TH ST	11
1011 HOWARD ST	55
1095 MISSION ST	14
42 06TH ST	21
34 06TH	120
88 6TH ST	180
74 06TH ST	167
68 06TH ST	29
48 06TH ST	41

H.5 Showplace Square/Potrero Hill

Address	Number of Residential Units
1312 UTAH ST	16

I. Eastern Neighborhoods Matrix of Infrastructure and Services Needs

Improvement	Need Factor	Need - Unit	No of People	Need Factor per person	Reference
Community Facility					
Police (Equipment)	0.77	squad cars	1,000	0.00077	Original EN Needs Assessment
Public Health Centers	0.06	centers	1,000	0.00006	Original EN Needs Assessment
Recreation and Open Space	0.04	centers	1,000	0.00004	Original EN Nexus Study
Multi-Use Fields	2.25	fields	10,000	0.00023	Original EN Nexus Study
Tennis Courts	2	courts	10,000	0.0002	Original EN Nexus Study
Outdoor basket ball court	2	courts	10,000	0.0002	Original EN Nexus Study
Walkway and bikeway trails	0.17	miles of Blue Greenway			Original EN Nexus Study
Open Space - new parks citywide	55	acres	147,201	0.00037	Citywide Nexus Study (2015)
Open Space - rehabilitation	511	acres	147,201	0.00347	Citywide Nexus Study (2015)
Childcare					
Childcare - for Toddlers Attributable to Residential Growth	393.12	spaces	51,866	0.00758	Citywide Nexus Study (2015)
Residential	1,551.00	spaces	51,866	0.0299	Citywide Nexus Study (2015)
Complete Streets / Transportation					
Transportation - Sidewalks	88	sf of sidewalk	1	88	Citywide Nexus Study (2015)
Transportation - Bike - Premium Bike Network	13	miles	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Intersection Improvements	13	intersections	1,211,217	0.00001	Citywide Nexus Study (2015)
Transportation - Bike - Bike Parking Spaces	5,333.00	spaces	1,211,217	0.0044	Citywide Nexus Study (2015)
Transportation - Bike - Bike Sharing	667	bike share stations	1,211,217	0.00055	Citywide Nexus Study (2015)

J. Priority Capital Projects

Eastern Neighborhoods
List of Capital Projects

Plan Area	EN MR Category	IPIC Category	Capital Plan Sub-Category	Project Title	Scope	Status
Central Waterfront	Major	Complete Streets	Green Connections	22nd Street (Pennsylvania to Illinois)	Streetscaping, including but not limited street trees, landscaping, and pedestrian lighting.	Planned: fully funded, final design underway.
Central Waterfront	Community Based Project	Complete Streets	Green Connections	CalTrain bridge lighting	Lighting of CalTrain bridges with artistic lighting.	Planned - fully funded.
Central Waterfront		Complete Streets	Green Connections	Blue Greenway (24th to Cove)		Planned
Central Waterfront		Complete Streets	Green Connections	Blue Greenway (Illinois)		Planned
Central Waterfront	Community Based Project	Open Space		Angel Alley Improvements (CCG Recipient)	Creation of a community gather space at Tennessee and 22nd Street	Complete
Central Waterfront	Community Based Project	Open Space		Tunnel Top Park (CCG Recipient)	Creation of a mini-park at 25th and Pennsylvania Streets.	Phase I Complete; Phase II to begin summer 2016
Central Waterfront		Open Space	Open Space New	New Park(s) Central Waterfront	Placeholder for one or more new parks, open space, or recreational facility for the Central Waterfront.	Planning underway. Not fully funded. Plan expected to be completed by summer 2016.
Central Waterfront		Open Space	Open Space New	Dogpatch Art Plaza	Located at the dead-end portion of 19th Street, the plaza envisions a pedestrian space of 8,000 sf designed to accommodate special events and rotating art exhibits, bulb-outs, café and other movable seating and bleacher seating.	Planned and underway; to be under construction soon.
Central Waterfront		Open Space	Open Space Rehab	Rehab: Central Waterfront	Though not yet scoped out, funds have been set aside to establish new parks and/or improve Esprit Park.	Planning underway. Not fully funded.
Central Waterfront		Open Space	Open Space Rehab	Warm Water Cove Park	Improvement to and expansion of Warm Water Cover Park.	Planning underway as part of the Dogpatch Public Realm Plan
Central Waterfront and Showplace Square / Potrero	Community Based Project	Complete Streets		Dogpatch and Potrero Sidewalk Landscaping (CCG Recipient)	Installation of sidewalk landscaping in the Dogpatch and Potrero Hill neighborhoods.	Complete
Central Waterfront and Showplace Square / Potrero		Complete Streets	Green Connections	22nd Street Steps (Missouri to Texas)	Stairs and open space landscaping, along 22nd Street alignment between Texas and Missouri.	Planned: fully funded; to be constructed by adjacent Project Sponsor.
Central Waterfront and Showplace Square / Potrero		Complete Streets	Green Connections	22nd Street (Pennsylvania to Texas)	One block of landscaping between Pennsylvania (where the Green Connections project will end) and the 22nd Street stair.	Conceptual - not currently funded.
East Soma		Complete Streets	Streetscape Projects	6th Street Streetscape	Pedestrian safety improvements on 6th Street from Market to Howard Streets. Project could sidewalk widening on both sides of 6th Street, vehicle travel lane reduction, "flex" zone and textured median with raised refuges, pedestrian scale lighting, new street furnishings and tree	Planned and underway; community engagement currently underway.
East Soma		Complete Streets	Vision Zero	6th and Minna (traffic signal)	6th and Minna (traffic signal)	Complete
East Soma		Complete Streets	Vision Zero	King St (Bike lanes between 2nd/3rd)	King St (Bike lanes between 2nd/3rd)	Planned - not complete.
East Soma		Complete Streets	Streetscape Projects	SoMa Alleyways Phase II	Alley improvements that include raised crosswalks, stamped asphalt, traffic calming, chicanes, street trees, among other features. Minna and Natoma Streets, from 6th Street to Mary Street; Tehama, Clementina, Shipley, and Clara streets, from 6th Street to 5th Street	Complete
East Soma	Major	Open Space	Open Space Rehab	South Park Rehabilitation	Park features are proposed to include a variety of different programmatic spaces, including a children's play area, a large open meadow, plazas of varying scales, and a variety of areas designed for sitting and/or picnicking to increase park capacity.	Planned and underway: under construction.
East Soma		Complete Streets	Vision Zero	5th Street (green backed sharrows)	Green back sharrows from Market to Townsend on 5th St.	Complete
East Soma		Complete Streets	Streetscape Projects	2nd Street Streetscape	Includes sidwalk widening, curbside bikeways with floating parking and bus boarding islands, vehicle lane reduction and traffic signal modifications	Planned and underway; fully funded; construction expected fall 2016.
East Soma (adjacent)		Open Space	Open Space New	Brannan Street Warf		Complete
East Soma and Western Soma	Major	Complete Streets	Streetscape Projects	7th Street Streetscape	Includes streetscape improvements on Seventh Street between Market and Harrison Streets. Elements include: Reducing the amount of traffic lanes from four to three; the addition of a buffer separated bike lane or "cycle track"; corner bulbs and bus bulbs at intersections reducing	Planned: (update coming soon)

Eastern Neighborhoods
List of Capital Projects

Plan Area	ENMR Category	IPIC Category	Capital Plan Sub-Category	Project Title	Scope	Status
East Soma and Western Soma	Major	Complete Streets	Major Projects	Folsom Streetscape	includes streetscape improvements on Folsom Street between Fifth Street and 11th Street. Improvements include: the addition of an improved separated bi-directional bike lane "cycle track" with a buffer using either parking or raised traffic islands; corner bulbs and bus bulbs at	Planned - Partially Funded, EIR to be complete by winter 2016-17. Community engagement and design planned for 2017, approvals 2018, construction 2019 or after.
East Soma and Western Soma	Major	Complete Streets	Major Projects	Howard Streetscape	Streetscape improvements on Folsom Street between Fifth Street and 11th Street and start construction. Improvements include: The current four lane one way street will be converted to one eastbound and two westbound traffic lanes and a planted median; the existing Howard Street	Planned - Partially Funded, EIR to be complete by winter 2016-17. Community engagement and design planned for 2017, approvals 2018, construction 2019 or after.
East Soma and Western Soma		Complete Streets	Streetscape Projects	SoMa Alleyways (Minna, Shipley, Clara, Natoma, Clementina)	Alley improvements that include raised crosswalks, stamped asphalt, traffic calming, chicanes, street trees, among other features.	Complete
East Soma and Western Soma		Complete Streets	Streetscape Projects	7th and 8th Street Restriping	Remove one travel lane on 7th Street between Harrison and Market Streets and study the operation of the new lane configuration. The lane reduction will help inform the environmental review for the preferred design of the ENTRIPS 7th Street Streetscape.	Complete
East Soma and Western Soma		Open Space	Open Space New	New Park(s) Soma	Placeholder for one or more new parks, open space, or recreational facility for the South of Market.	Planned and underway, Rec and Park actively seeking acquisition; not fully funded.
East Soma and Western Soma		Open Space	Open Space Rehab	Gene Friend/SOMA Recreation Center Reconstruction	Plans for the rehabilitation of Gene Friend currently include demolishing the existing structure and rebuilding a larger, more flexible and attractive facility.	Planned and underway; completed initial phase of community engagement; currently in planning phase.
Mission		Complete Streets	Streetscape Projects	Bartlett Street / Mission Mercado	Streetscape improvements to make the street segment double as a plaza. Interventions include widened sidewalks, raised shared surface, new street trees and landscaping, and pergola structures.	Planned and underway: under construction.
Mission		Complete Streets	Streetscape Projects	Potrero Ave.	Repaving and utility upgrades from Alameda to 25th Street. Bus bulbs, ped and bike improvements throughout. Focused streetscaping between 21st and 25th including median, widened sidewalks and pedestrian lighting.	Planned and underway: currently under construction.
Mission		Complete Streets	Streetscape Projects	Mission District Traffic Calming	In Mission Streetscape Plan (Hampshire, Shotwell, 20, 26)	Conceptual - not currently funded.
Mission		Complete Streets	Vision Zero	16th and Capp (traffic signal)	16th and Capp (traffic signal)	Complete
Mission	Major	Open Space	Open Space Rehab	Mission Rec Center	The project is currently being scoped with the goal of completely rebuilding the enclosed Recreation Center.	Planned: seed funding provided through IPIC; planning to begin mid 2016.
Mission	Major	Open Space	Open Space New	17th and Folsom Street Park	A new park at 17th and Folsom that will include a children's play are, demonstration garden, outdoor amphitheater and seating, among other amenities.	Planned and underway: under construction.
Mission	Community Based Project	Open Space	Open Space Rehab	Franklin Square	The smaller near-term project is to install a exercise course at the park.	Planned: athletic course project fully funded; beginning design with construction 2016.
Mission	Community Based Project	Open Space	Open Space Rehab	Jose Coronado Playground	The project could include playing field resurfacing and new fencing.	Planned: - additional scoping exected.
Mission	Community Based Project	Open Space	Open Space Rehab	Juri Commons (Playground)	This smaller near-term project looks to reconstruct the playground at this small park.	Planned, fully funded.
Mission	Community Based Project	Open Space		Fallen Bridge Park (CCG Recipient)	Further improvement of Fallen Bridge Park, a community-created park, located at the based of the I-101 pedestrian bridge on its west side.	Complete
Mission		Open Space	Open Space Rehab	Garfield Square Aquatics Center	This project includes enhancing the facility to a higher capacity Aquatics Center, which, besides refurbishing the pool, would also include adding additional amenities such a multi-purpose room and a slide.	Planned and underway: currently completing community engagement for final design.
Mission	Major	Transit	Major Projects	Mission Street (Muni Forward) - Mission		Planned and underway. Frequency increase in 2015. Construction scheduled for 2016.
Mission and Showplace Square / Potrero	Major	Transit	Major Projects	16th Street Multimodal Corridor Project		Planned and underway; fully funded, phased implementation to begin soon; hard construction to begin 2018.
Mission and Showplace Square / Potrero		Complete Streets	Streetscape Projects	Cesar Chavez (Hairball short term improvements)		Conceptual - not currently funded.
Mission and Western Soma		Complete Streets	Vision Zero	11th/13th/Bryant (bicycle intersection improvements)	11th/13th/Bryant (bicycle intersection improvements)	Planned.
Showplace Square / Potrero	Community Based Projects	Complete Streets		Hope SF Potrero Street Safety improvements	[need to check]	Planned and underway.

Eastern Neighborhoods
List of Capital Projects

Plan Area	ENMR Category	IPIC Category	Capital Plan Sub-Category	Project Title	Scope	Status
Showplace Square / Potrero		Complete Streets	Green Connections	22nd Street Steps (Arkansas to Missouri)	Stairs along the north side of Potrero Recreation center along the 22nd Street right-of-way and alignment.	Conceptual - not currently funded.
Showplace Square / Potrero		Complete Streets	Green Connections	17th Street (phased with Loop OS)	Streetscape improvements to activate the portion of 17th Street that crosses under the 101.	Planned; funding being sought.
Showplace Square / Potrero		Complete Streets	Green Connections	17th Street Green Street	Green connection streetscape interventions along 17th Steet within Showplace Square.	Conceptual - not currently funded.
Showplace Square / Potrero		Complete Streets	Green Connections	Wisconsin @ Jackson Playground	Green connection streetscape interventions Wisconsin Street between Jackson Playground and 16th Street.	Conceptual - not currently funded.
Showplace Square / Potrero		Complete Streets	Streetscape Projects	Cesar Chavez (East)		Conceptual - not currently funded.
Showplace Square / Potrero	Major	Open Space	Open Space Rehab	Jackson Playground	Scope for the rehabilitation of Jackson Playground is currently being developed between Rec and Park, Friends of Jackson Playground, Live Oak School and other interested parties.	Planned: Planning underway. Funding actively being sought.
Showplace Square / Potrero	Major	Open Space	Open Space New	Daggett Park	A new park on the former Daggett right-of-way.	Near Complete.
Showplace Square / Potrero	Community Based Project	Open Space		Connecticut Friendship Garden Outdoor Classroom (CCG Recipient)	Creation of a community outdoor classroom at the Connecticut Street Friendship Garden immediately adjacent to Potrero Recreation Center.	Planned and underway.
Showplace Square / Potrero		Open Space	Open Space New	The Loop	A series of open space and streetscape interventions at the intersections of 17th Street and Highway 101 that would activate and enliven the underutilized space along and under the freeway.	Conceptual; actively seeking funding.
Showplace Square / Potrero		Open Space	Open Space New	Irwin Plaza	Plaza improvements at the intersection of 16th Street and Irwin.	Conceptual - not currently funded.
Showplace Square / Potrero	Major	Transit	Transit	New bus routing in Showplace/Potrero and Central Waterfront.		Community consultation underway.
Western Soma	Major	Complete Streets	Streetscape Projects	8th Street Streetscape	Streetscape improvements on Eighth Street between Market and Harrison Streets. Elements include: The addition of an improved buffer separated bike lane "cycle track" using either parking or raised traffic islands; corner bulbs and bus bulbs at intersections reducing pedestrian crossing	Planned: (update coming soon)
Western Soma		Complete Streets	Streetscape Projects	Ringold Alley	Streetscape improvements that include enhanced lighting, landscaping, paving, furnishings, and undergrounding utility lines.	Planned and underway. Construction to begin soon.
Western Soma		Complete Streets	Streetscape Projects	Western SOMA Gateway Treatments at highway off-ramps		Conceptual - not currently funded.
Western Soma		Open Space	Open Space New	12th Street Greening (Eagle Plaza adjacent)	Possible improvements between Folsom and Betrice that would include a "living streets" treatment that would include widened sidewalks, landscaping and some programmed uses.	Conceptual - not yet officially proposed
Western Soma		Open Space	Open Space New	12th Street Greening (Eagle Plaza)	Eagle Plaza envisions are share surface treatment between Betrice and Harrison, with a single south bound travel lanes, plaza plantings, seating, lighting and other amenidties to allow the space to be used for both active and passive recreational use and for events.	Planned and underway through in-kind.
Western Soma and Showplace Square / Potrero		Complete Streets	Streetscape Projects	7th Street from Townsend to 16th Street	Conceptual placeholder for extending streetscaping and complete streets treatment for southern portion of 7th Street.	Conceptual - not currently funded. Awaiting RAB.
Throughout		Complete Streets	Green Connections	GC Segments: Basic Signage and Wayfinding	General low-level low-cost interventions for all portions of identified "Green Connections" within Eastern Neighborhoods.	General placeholder
Throughout		Complete Streets	Streetscape Projects	Infill Street Tree Planting		General placeholder
Throughout		Complete Streets	Streetscape Projects	EN Streetscape Improvements through 2025		general placeholder
Throughout		Complete Streets	Vision Zero	Walk First Long-Term, Comprehensive Improvements	All WalkFirst Phase 2 improvements in Eastern Neighborhoods.	Conceptual - not currently funded.
Throughout	Community Based Project	Open Space	Open Space - Other	Community Challenge Grant Projects		Ongoing. Third funding cycle recently opened.

K. Provisions in the Planning Code to Encourage Adaptive Reuse of Historic Properties in Commercial Districts

Planning Code Section	*Zoning District*	*Historic Status (A10, A10D, A11, NR or CR)*	*Proposed Use*	*Approval Authority (ZA or Planning Commission)*
803.9(a)	SoMa Mixed Use Districts	A10, A10D or A11	Principal Uses in SSO District <25,000 sf	ZA
803.9(a)	SoMa Mixed Use Districts	A10, A10D or A11	Principal Uses in SSO District >25,000 sf	Planning Commission
803.9(b)(1)	SPD, MUG, MUO, and MUR	A10, A10D or CR	All Uses	ZA
803.9(b)(2)	RED and RED-MX	A10, A10D, A11 and Extended Preservation District, NR (Individual Only) or CR (Individual Only)	Office or Retail Use	ZA
803.9(b)(3)	WMUG	A10, A10D, A11 and Extended Preservation District, NR (Individual Only) or CR (Individual Only)	Office Use	ZA
803.9(b)(c)	UMU	A10, A10D or CR	All Uses	ZA

L. List of Neighborhood Serving Business Codes

NAICS	Label
311811	Retail Bakeries
445110	Supermarkets and Other Grocery (except Convenience) Stores
445120	Convenience Stores
445210	Meat Markets
445220	Fish and Seafood Markets
445230	Fruit and Vegetable Markets
445291	Baked Goods Stores
445299	All Other Specialty Food Stores
445310	Beer, Wine, and Liquor Stores
446110	Pharmacies and Drug Stores
446120	Cosmetics, Beauty Supplies, and Perfume Stores
446191	Food (Health) Supplement Stores
447110	Gasoline Stations with Convenience Stores
447190	Other Gasoline Stations
448110	Men's Clothing Stores
448120	Women's Clothing Stores
448130	Children's and Infants' Clothing Stores
448140	Family Clothing Stores
448150	Clothing Accessories Stores
448190	Other Clothing Stores
448210	Shoe Stores
451110	Sporting Goods Stores
451120	Hobby, Toy, and Game Stores
451130	Sewing, Needlework, and Piece Goods Stores
451211	Book Stores
451212	News Dealers and Newsstands
451220	Prerecorded Tape, Compact Disc, and Record Stores
452112	Discount Department Stores
452990	All Other General Merchandise Stores
453110	Florists
453210	Office Supplies and Stationery Stores
453310	Used Merchandise Stores
453910	Pet and Pet Supplies Stores
519120	Libraries and Archives
522110	Commercial Banking
522120	Savings Institutions
532230	Video Tape and Disc Rental
611110	Elementary and Secondary Schools
611210	Junior Colleges
624410	Child Day Care Services
713940	Fitness and Recreational Sports Centers
722110	Full-Service Restaurants
722211	Limited-Service Restaurants
722212	Cafeterias, Grill Buffets, and Buffets
722213	Snack and Nonalcoholic Beverage Bars
722410	Drinking Places (Alcoholic Beverages)
811111	General Automotive Repair
811112	Automotive Exhaust System Repair
811113	Automotive Transmission Repair
811118	Other Automotive Mechanical and Electrical Repair and Maintenance

811192	Car Washes
811430	Footwear and Leather Goods Repair
811490	Other Personal and Household Goods Repair and Maintenance
812111	Barber Shops
812112	Beauty Salons
812113	Nail Salons
812310	Coin-Operated Laundries and Drycleaners
812320	Drycleaning and Laundry Services (except Coin-Operated)
812910	Pet Care (except Veterinary) Services
812922	One-Hour Photofinishing
813110	Religious Organizations
813410	Civic and Social Organizations

SAN FRANCISCO
PLANNING DEPARTMENT

MEMO

DATE: 5 April 2016 – **Corrected 11 April 2016**

TO: Honorable Members of the San Francisco Board of Supervisors

FROM: John Rahaim
Director of Planning

RE: **HOUSING BALANCE REPORT No. 3**

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SUMMARY

This report is submitted in compliance with Ordinance No. 53-15 requiring the Planning Department to monitor and report on the housing balance between new market rate and new affordable housing production. One of the stated purposes of the Housing Balance is "to ensure that data on meeting affordable housing targets City-wide and within neighborhoods informs the approval process for new housing development." This report is the third in the series and covers the ten-year period from 1 January 2006 through 31 December 2015.

The "Housing Balance" is defined as the proportion of all new affordable housing units to the total number of all new housing units for a 10-year "Housing Balance Period." In addition, a calculation of "Projected Housing Balance" which includes residential projects that have received approvals from the Planning Commission or Planning Department but have not yet received permits to commence construction will be included.

The Citywide Cumulative Housing Balance for the 2006 Q1 - 2015 Q4 Housing Balance Period is 18%, although this varies by districts. By comparison, 25% of net new housing produced were affordable during the same time period. Distribution of the Cumulative Housing Balance over the 11 Board of Supervisor Districts ranges from **–201%** (District 4) to **49**% (District 5). This variation, especially with negative housing balances, is due to the larger number of units permanently withdrawn from rent control protection relative to the number of total net new units and net affordable units built in those districts.

The Projected Housing Balance Citywide is 15%. Three major development projects were identified in the ordinance for exclusion in the projected housing balance calculations until site permits are obtained. These three projects add up to 22,400 net units, with over 5,170 affordable units and would increase the projected housing balance to 21% if included in the calculations.

It should be noted that this third *Housing Balance Report* adjusted the calculations to conform to the ordinance's specifications and intention. The Cumulative Housing Balance in the first *Housing Balance Report*, for example, included planned RAD public housing unit replacements that have yet to be completed. In addition, the calculations included an accounting of all no-fault eviction notices and were not limited to eviction types that result in permanent removal of units from the

rental market as specified by the ordinance. (Revised tables for the previous housing balance reporting periods are included in *Appendix A*.)

BACKGROUND

On 21 April 2015, the Board of Supervisors passed Ordinance No. 53-15 amending the *Planning Code* to include a new *Section 103* requiring the Planning Department to monitor and report on the Housing Balance between new market rate housing and new affordable housing production. The Housing Balance Report will be submitted bi-annually by March 1 and September 1 of each year and will also be published on a visible and accessible page on the Planning Department's website. *Planning Code Section 103* also requires an annual hearing at the Board of Supervisors on strategies for achieving and maintaining the required housing balance in accordance with the City's housing production goals. (See *Appendix B* for complete text of Ordinance No. 53-15.)

The stated purposes for the Housing Balance Monitoring and Reporting are: a) to maintain a balance between new affordable and market rate housing Citywide and within neighborhoods; b) to make housing available for all income levels and housing need types; c) to preserve the mixed-income character of the City and its neighborhoods; d) to offset the withdrawal of existing housing units from rent stabilization and the loss of single-room occupancy hotel units; e) to ensure the availability of land and encourage the deployment of resources to provide sufficient housing affordable to households of very low, low, and moderate incomes; f) to ensure adequate housing for families, seniors and the disabled communities; g) to ensure that data on meeting affordable housing targets Citywide and within neighborhoods informs the approval process for new housing development; and h) to enable public participation in determining the appropriate mix of new housing approvals.

Specifically, the *Housing Balance Report* will track performance toward meeting the goals set by Proposition K and the City's *Housing Element*. In November 2014, San Francisco's voters endorsed Proposition K, which set a goal of 33% of all new housing units to be affordable. Housing production targets in the City's Housing Element, adopted in April 2015, includes 28,870 new units built between 2015 and 2022, 57%[1] of which should be affordable. In addition, Mayor Ed Lee set a goal of creating 30,000 new and rehabilitated homes by 2020; he pledged at least 30% of these to be permanently affordable to low-income families as well as working, middle income families.

This *Housing Balance Report* was prepared from data gathered from previously published sources including the Planning Department's annual *Housing Inventory* and quarterly *Pipeline Report* data, San Francisco Rent Board data, and the Mayor's Office of Housing and Community Development's *Weekly Dashboard*.

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[1] The Ordinance inaccurately stated that "22% of new housing demands to be affordable to households of moderate means"; San Francisco's Regional Housing Needs Assessment (RHNA) allocation for moderate income households is 19% of total production goals.

CUMULATIVE HOUSING BALANCE CALCULATION

Planning Code Section 103 calls for the Housing Balance "be expressed as a percentage, obtained by dividing the cumulative total of extremely low, very low, low, and moderate income affordable housing (all units 0-120% AMI) minus the lost protected units, by the total number of net new housing units within the Housing Balance Period." The ordinance requires that the "Cumulative Housing Balance" be provided using two calculations: a) one consisting of net housing built within a 10 year Housing Balance period, less units withdrawn from protected status, plus net units in projects that have received both approvals from the Planning Commission or Planning Department and site permits from the Department of Building Inspection, and b) the addition of net units gained through acquisition and rehabilitation of affordable units, HOPE SF and RAD units. "Protected units" include units that are subject to rent control under the City's Residential Rent Stabilization and Arbitration Ordinance. Additional elements that figure into the Housing Balance include completed HOPE SF and RAD public housing replacement, substantially rehabilitated units, and single-room occupancy hotel units (SROs). The equation below shows the second, expanded calculation of the Cumulative Housing Balance.

$$\frac{\begin{array}{c}\text{[Net New Affordable Housing +}\\ \text{Completed Acquisitions \& Rehabs + Completed}\\ \text{HOPE SF + RAD Public Housing Replacement +}\\ \text{Entitled \& Permitted Affordable Units]}\\ \text{– [Units Removed from Protected Status]}\end{array}}{\text{[Net New Housing Built + Net Entitled \& Permitted Units]}} = \textbf{CUMULATIVE HOUSING BALANCE}$$

The first "Housing Balance Period" is a ten-year period starting with the first quarter of 2005 through the last quarter of 2014. Subsequent housing balance reports will cover the 10 years preceding the most recent quarter. This report covers January 2006 (Q1) through December 2015 (Q4).

Table 1a below shows the constrained Cumulative Housing Balance for 10 year 2006 Q1 – 2015 Q4 period is 9% Citywide. With the addition of completed acquisitions and rehabs and RAD units, the expanded Cumulative Housing Balance is 18%. In comparison, the expanded Cumulative Housing Balance for 10 year 2005 Q1 – 2014 Q4 period is 16%. Owner Move-Ins were not specifically called out by the Ordinance in the calculation of the Housing Balance but are included here because this type of no-fault eviction results in the loss of rent controlled units either permanently or for a period of time.

Expanded Cumulative Housing Balances for Board of Supervisor Districts range from **-201%** (District 4) to **49%** (District 5). Negative balances in Districts 1 (-25%), 2 (-**18**%), 3 (-**3**%), 4 (-**201**%), and 11 (-**115**%) resulted from the larger numbers of units removed from protected status relative to the net new affordable housing and net new housing units built in those districts.

Table 1A
Cumulative Housing Balance Calculation, 2006 Q1 – 2015

BoS Districts	Net New Affordable Housing Built	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Units	Housing Balance
BoS District 1	172	(439)	4	374	98	-55.7%
BoS District 2	6	(353)	40	350	605	-32.1%
BoS District 3	224	(430)	14	1,207	221	-13.4%
BoS District 4	10	(395)	1	103	88	-201.0%
BoS District 5	589	(402)	217	1,230	730	20.6%
BoS District 6	3,116	(190)	602	13,921	5,564	18.1%
BoS District 7	96	(200)	-	384	160	-19.1%
BoS District 8	313	(616)	170	1,078	626	-7.8%
BoS District 9	226	(568)	20	1,142	255	-23.0%
BoS District 10	758	(215)	442	2,631	2,676	18.6%
BoS District 11	22	(310)	26	111	117	-114.9%
TOTALS	**5,532**	**(4,118)**	**1,536**	**22,531**	**11,140**	**8.8%**

Table 1B
Expanded Cumulative Housing Balance Calculation, 2006 Q1 – 2015 Q4

BoS Districts	Net New Affordable Housing Built	Acquisitions & Rehabs Completed	RAD Program	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Units	Housing Balance
BoS District 1	172	-	144	(439)	4	374	98	-25.2%
BoS District 2	6	24	113	(353)	40	350	605	-17.8%
BoS District 3	224	-	143	(430)	14	1,207	221	-3.4%
BoS District 4	10	-	-	(395)	1	103	88	-201.0%
BoS District 5	589	290	263	(402)	217	1,230	730	48.8%
BoS District 6	3,116	926	189	(190)	602	13,921	5,564	23.8%
BoS District 7	96	-	110	(200)	-	384	160	1.1%
BoS District 8	313	-	132	(616)	170	1,078	626	-0.1%
BoS District 9	226	319	118	(568)	20	1,142	255	8.2%
BoS District 10	758	-	213	(215)	442	2,631	2,676	22.6%
BoS District 11	22	-	-	(310)	26	111	117	-114.9%
TOTALS	**5,532**	**1,559**	**1,425**	**(4,118)**	**1,536**	**22,531**	**11,140**	**17.6%**

PROJECTED HOUSING BALANCE

Table 2 below summarizes residential projects that have received entitlements from the Planning Commission or the Planning Department but have not yet received a site or building permit. Overall projected housing balance at the end of 2015 is 15%. This balance is expected to change as several major projects have yet to declare how their affordable housing requirements will be met. In addition, three entitled major development projects – Treasure Island, ParkMerced, and Hunters Point – are not included in the accounting until applications for building permits are filed or issued as specified in the ordinance. Remaining phases from these three projects will yield an additional 22,400 net new units; 23% (or 5,170 units) would be affordable to low and moderate income households.

The Projected Housing Balance does not account for affordable housing units that will be produced as a result of the Inclusionary Housing Fee paid in a given reporting cle. Those affordable housing units are produced several years after the Fee is collected. Units produced through the Fee typically serve lower income households than do the inclusionary units, including special needs populations requiring services, such as seniors, transitional aged youth, families, and veterans.

Table 2
Projected Housing Balance Calculation, 2015 Q4

BoS District	Very Low Income	Low Income	Moderate	Middle	TBD	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	-	-	-	-	14	0.0%
BoS District 2	-	-	-	-	-	-	46	0.0%
BoS District 3	-	-		-	16	16	301	5.3%
BoS District 4			-	-	-	-	2	0.0%
BoS District 5	-	-	-	-	5	5	59	8.5%
BoS District 6	439	74	129	29	25	696	3,320	21.0%
BoS District 7	-	-	-	-	-	-	147	0.0%
BoS District 8	-	-	3	-	-	3	105	2.9%
BoS District 9	-	-		-	-	-	33	0.0%
BoS District 10	-		10	-	168	178	1,872	9.5%
BoS District 11	-	-	-	-	-	-	7	0.0%
Totals	**439**	**74**	**142**	**29**	**214**	**898**	**5,906**	**15.2%**

CUMULATIVE HOUSING BALANCE ELEMENTS

Because the scope covered by the Housing Balance calculation is broad, each element – or group of elements – will be discussed separately. The body of this report will account for figures at the Board of Supervisor district level. The breakdown of each element using the Planning Department District geographies, as required by *Section 103,* is provided separately in an *Appendix C.* This is to ensure simple and uncluttered tables.

Affordable Housing and Net New Housing Production

Table 3 below shows housing production between 2006 Q1 and 2015 Q4. This ten-year period resulted in a net addition of 22,530 units to the City's housing stock, including 5,530 affordable units. A majority of net new housing units and affordable units built in the ten year reporting period were in District 6 (13,920 or 62% and 3,116 or 56% respectively). District 10 follows with about 2,630 (12%) net new units, including 760 (14%) affordable units.

The table below also shows that almost 25% of net new units built between 2006 Q1 and 2015 Q4 were affordable units. While District 1 saw modest gains in net new units built, almost half of these were affordable (46%); almost half of net new units in District 5 were also affordable.

Table 3
New Housing Production by Affordability, 2006 Q1 - 2015 Q4

BoS District	Very Low	Low	Moderate	Middle	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
BoS District 1	170	2	-	-	172	374	46.0%
BoS District 2	-	-	6	-	6	350	1.7%
BoS District 3	161	11	52	-	224	1,207	18.6%
BoS District 4	-	-	10	-	10	103	9.7%
BoS District 5	422	77	90	-	589	1,230	47.9%
BoS District 6	1,969	615	509	23	3,116	13,921	22.4%
BoS District 7	70	26	-	-	96	384	25.0%
BoS District 8	260	32	21	-	313	1,078	29.0%
BoS District 9	138	40	48	-	226	1,142	19.8%
BoS District 10	105	291	362	-	758	2,631	28.8%
BoS District 11	-	10	12	-	22	111	19.8%
TOTAL	**3,295**	**1,104**	**1,110**	**23**	**5,532**	**22,531**	**24.6%**

It should be noted that units affordable to Extremely Very Low Income (EVLI) households are included under the Very Low Income (VLI) category because certain projects that benefit homeless individuals and families – groups considered as EVLI – have income eligibility caps at the VLI level.

Acquisition and Rehabilitation of Affordable Housing Units

Table 4 below lists the number of units that have been rehabilitated and/or acquired between 2006 and 2015 to ensure permanent affordability. These are mostly single-room occupancy hotel units that are affordable to extremely very low and very low income households.

Table 4
Acquisitions and Rehabilitation of Affordable Housing, 2006-2015

BoS District	No. of Buildings	No. of Units
BoS District 2	1	24
BoS District 5	2	290
BoS District 6	11	926
BoS District 9	2	319
TOTALS	16	1,559

RAD Program

The San Francisco Housing Authority's Rental Assistance Demonstration (RAD) program preserves at risk public and assisted housing projects. According to the Mayor's Office, RAD Phase 1 transferred 1,425 units to developers in December 2015.

Table 5
RAD Affordable Units

BoS Districts	Projects	Units
BoS District 1	2	144
BoS District 2	1	113
BoS District 3	2	143
BoS District 5	3	263
BoS District 6	2	189
BoS District 7	1	110
BoS District 8	2	132
BoS District 9	1	118
BoS District 10	1	213
TOTALS	15	1,425

Units Removed From Protected Status

San Francisco's Residential Rent Stabilization and Arbitration Ordinance protects tenants and preserves affordability of about 175,000 rental units by limiting annual rent increases. Landlords can, however, terminate tenants' leases through no-fault evictions including condo conversion, owner move-in, Ellis Act, demolition, and other reasons that are not the tenants' fault. The Housing Balance calculation takes into account units permanently withdrawn from rent stabilization as loss of affordable housing. The following no-fault evictions affect the supply of rent controlled units by removing units from the rental market: condo conversion, demolition, Ellis Act, and owner move-ins (OMIs). It should be noted that OMIs were not specifically called out by the Ordinance to be included in the calculation. However, because owner move-ins have the effect of the losing rent controlled units either permanently or for a substantial period of time, these numbers are included in the Housing Balance calculation as intended by the legislation's sponsors. Some of these OMI units may return to being rentals and will still fall under the rent control ordinance.

Table 6 below shows the distribution of no-fault eviction notices issued between January 2006 and December 2015. Eviction notices have been commonly used as proxy for evictions. Owner Move-In and Ellis Out notices made up the majority of no fault evictions (52% and 35% respectively). Distribution of these no-fault eviction notices is almost evenly dispersed, with Districts **8 and 9** leading (**15% and 14%** respectively).

Table 6
Units Removed from Protected Status, 2006 – 2015

BoS District	Condo Conversion	Demolition	Ellis Out	Owner Move-In	Units Removed from Protected Status
BoS District 1	1	26	132	280	439
BoS District 2	8	13	136	196	353
BoS District 3	6	12	289	123	430
BoS District 4	1	94	66	234	395
BoS District 5	16	23	140	223	402
BoS District 6	2	80	65	43	190
BoS District 7	2	24	39	135	200
BoS District 8	12	33	268	303	616
BoS District 9	4	71	219	274	568
BoS District 10	2	36	35	142	215
BoS District 11	-	93	43	174	310
TOTALS	54	505	1,432	2,127	4,118

Entitled and Permitted Units

Table 7 lists the number of units that have received entitlements from the Planning Commission or the Planning Department. These pipeline projects have also received site permits from the Department of Building Inspection and most are under construction as of the final quarter of 2015. Half of these units are being built in or will be built in District 6. Fourteen percent of units that have received Planning entitlements and site permits from the DBI will be affordable.

Table 7
Permitted Units, 2015 Q4

BoS District	Very Low Income	Low Income	Moderate	Middle	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	4	-	4	98	4.1%
BoS District 2	-	-	40	-	40	605	6.6%
BoS District 3	-	-	14	-	14	221	6.3%
BoS District 4	-	-	1	-	1	88	1.1%
BoS District 5	181	8	28	-	217	730	29.7%
BoS District 6	166	417	19	-	602	5,564	10.8%
BoS District 7	-	-	-	-	-	160	0.0%
BoS District 8	110	60	-	-	170	626	27.2%
BoS District 9	-	-	20	-	20	255	7.8%
BoS District 10	120	287	35	-	442	2,676	16.5%
BoS District 11	-	-	26	-	26	117	22.2%
TOTALS	**577**	**772**	**187**	**-**	**1,536**	**11,140**	**13.8%**

PERIODIC REPORTING AND ONLINE ACCESS

This report complies with *Planning Code Section 103* requirement that the Planning Department publish and update the *Housing Balance Report* bi-annually on September 1 and March 1 of each year. *Housing Balance Reports* are available and accessible online as mandated by the ordinance by going to this link: http://www.sf-planning.org/index.aspx?page=4222 .

ANNUAL HEARING

An annual hearing on the Housing Balance before the Board of Supervisors will be scheduled by April 1 of each year. This year's Housing Balance Report will be heard before the Board of Supervisors at a hearing scheduled on 18 April 2016. The Mayor's Office of Housing and Community Development, the Mayor's Office of Economic and Workforce Development, the Rent Stabilization Board, the Department of Building Inspection, and the City Economist will present strategies for achieving and maintaining a housing balance consistent with the City's housing goals at this annual hearing. The ordinance also requires that MOHCD will determine the amount of funding needed to bring the City into the required minimum 33% should the cumulative housing balance fall below that threshold.

APPENDIX A
REVISED TABLES 2005 Q1 – 2014 Q4 and 2005 Q3 – 2015 Q2

The following tables for Housing Balance Report No. 1 were revised to reflect a ten year reporting period (2005 Q1 to 2014 Q4) because the timing of that first report included figures from the recently concluded quarter (Q1 2015), resulting in a ten year plus one quarter timeframe. Furthermore, that cumulative balance calculation for the first report included RAD project units even though those projects have not transpired. For both Report No. 1 and Report No. 2, all no-fault evictions were counted. The tables have been revised to include only condo conversions, demolitions, Ellis, and owner move-ins (OMIs).

Table A-1
Expanded Cumulative Housing Balance Calculation, 2005 Q1 – 2014 Q4

BoS Districts	Net New Affordable Housing Built	Acquisitions & Rehabs Completed	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Units	Housing Balance
BoS District 1	186	-	(442)	4	401	79	-52.5%
BoS District 2	6	24	(368)	9	358	441	-41.2%
BoS District 3	262	-	(441)	2	1,332	507	-9.6%
BoS District 4	10	-	(354)	-	116	66	-189.0%
BoS District 5	587	290	(412)	216	1,257	761	33.7%
BoS District 6	3,316	926	(215)	717	12,886	5,915	25.2%
BoS District 7	26	-	(196)	36	260	273	-25.1%
BoS District 8	309	-	(659)	174	1,034	744	-9.9%
BoS District 9	240	319	(556)	1	1,023	125	0.3%
BoS District 10	770	-	(190)	419	2,504	2,260	21.0%
BoS District 11	47	-	(271)	26	175	131	-64.7%
TOTALS	**5,759**	**1,559**	**(4,104)**	**1,604**	**21,346**	**11,302**	**14.8%**
Planning Districts	**New Affordable Housing Built**	**Acquisitions & Rehabs Completed**	**Units Removed from Protected Status**	**Total Entitled Affordable Units Permitted**	**Total Net New Units Built**	**Total Entitled Permitted Units**	**Housing Balance**
1 Richmond	186	-	(554)	87	540	139	-41.4%
2 Marina	2	24	(199)	-	113	245	-48.3%
3 Northeast	236	-	(463)	-	967	488	-15.6%
4 Downtown	1,598	726	(114)	420	4,802	1,958	38.9%
5 Western Addition	489	290	(214)	137	1,010	818	38.4%
6 Buena Vista	119	-	(246)	175	562	661	3.9%
7 Central	21	-	(423)	-	361	48	-98.3%
8 Mission	603	319	(578)	26	1,546	303	20.0%
9 South of Market	1,952	200	(114)	459	9,638	5,463	16.5%
10 South Bayshore	355	-	(54)	237	933	644	34.1%
11 Bernal Heights	2	-	(163)	-	114	28	-113.4%
12 South Central	160	-	(266)	10	329	113	-21.7%
13 Ingleside	26	-	(166)	53	227	254	-18.1%
14 Inner Sunset	-	-	(196)	-	93	74	-117.4%
15 Outer Sunset	10	-	(354)	-	111	66	-194.4%
TOTALS	**5,759**	**1,559**	**(4,104)**	**1,604**	**21,346**	**11,302**	**14.8%**

Table A-2
Projected Housing Balance, 2014 Q4

BoS District	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	4	4	59	6.8%
BoS District 2	-	-	-	-	130	0.0%
BoS District 3		2	12	14	545	2.6%
BoS District 4			-	-	-	0.0%
BoS District 5	-	-	-	-	4	0.0%
BoS District 6	47		164	211	1,992	10.6%
BoS District 7	-	3	-	3	63	4.8%
BoS District 8	-	-	-	-	88	0.0%
BoS District 9	-	-	12	12	88	13.6%
BoS District 10	-		60	60	295	20.3%
BoS District 11	-	-	-	-	6	0.0%
TOTALS	**47**	**5**	**252**	**304**	**3,270**	**9.3%**

Planning District	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
1 Richmond	-	-	4	4	60	6.7%
2 Marina	-	-	-	-	126	0.0%
3 Northeast	-	-	12	12	499	2.4%
4 Downtown		2	115	117	782	15.0%
5 Western Addition	-	-	-	-	4	0.0%
6 Buena Vista				-	66	0.0%
7 Central	-	-	-	-	19	0.0%
8 Mission	-	-	12	12	94	12.8%
9 South of Market	47	-	49	96	1,518	6.3%
10 South Bayshore	-		60	60	29	206.9%
11 Bernal Heights	-	-	-	-	4	0.0%
12 South Central	-	-	-	-	3	0.0%
13 Ingleside	-	3	-	3	28	10.7%
14 Inner Sunset	-	-	-	-	38	0.0%
15 Outer Sunset	-	-	-	-	-	0.0%
TOTALS	**47**	**5**	**252**	**304**	**3,270**	**9.3%**

Table A-3
New Housing Production by Affordability, 2005 Q1 - 2014 Q4

BoS District	Very Low	Low	Moderate	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
BoS District 1	184	2	-	186	401	46.4%
BoS District 2	-	-	6	6	358	1.7%
BoS District 3	193	15	54	262	1,332	19.7%
BoS District 4	-	-	10	10	116	8.6%
BoS District 5	422	77	88	587	1,257	46.7%
BoS District 6	2,249	626	441	3,316	12,886	25.7%
BoS District 7	-	26	-	26	260	10.0%
BoS District 8	260	32	17	309	1,034	29.9%
BoS District 9	158	40	42	240	1,023	23.5%
BoS District 10	126	282	362	770	2,504	30.8%
BoS District 11	37	10	-	47	175	26.9%
TOTALS	**3,629**	**1,110**	**1,020**	**5,759**	**21,346**	**27.0%**

Planning Districts	Very Low	Low	Moderate	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
1 Richmond	184	2		186	540	34.4%
2 Marina			2	2	113	1.8%
3 Northeast	193	11	32	236	967	24.4%
4 Downtown	1,183	283	132	1,598	4,802	33.3%
5 Western Addition	367	77	45	489	1,010	48.4%
6 Buena Vista	55	14	50	119	562	21.2%
7 Central		18	3	21	361	5.8%
8 Mission	494	40	69	603	1,546	39.0%
9 South of Market	990	404	558	1,952	9,638	20.3%
10 South Bayshore	25	225	105	355	933	38.0%
11 Bernal Heights			2	2	114	1.8%
12 South Central	138	10	12	160	329	48.6%
13 Ingleside		26		26	227	11.5%
14 Inner Sunset				-	93	0.0%
15 Outer Sunset			10	10	111	9.0%
TOTALS	**3,629**	**1,110**	**1,020**	**5,759**	**21,346**	**27.0%**

Please note that Tables 4 and 5 did not change and are therefore not included in this Appendix.

Table A-6
Units Removed from Protected Status, 2005 Q1 – 2014 Q4

BoS District	Condo Conversion	Demolition	Ellis Out	Owner Move-In	Units Removed from Protected Status
BoS District 1	1	25	141	275	442
BoS District 2	8	14	160	186	368
BoS District 3	6	11	320	104	441
BoS District 4	1	90	55	208	354
BoS District 5	14	22	158	218	412
BoS District 6	2	85	90	38	215
BoS District 7	2	27	40	127	196
BoS District 8	11	44	315	289	659
BoS District 9	3	72	229	252	556
BoS District 10	2	30	34	124	190
BoS District 11	-	84	39	148	271
TOTALS	**50**	**504**	**1,581**	**1,969**	**4,104**

Planning District	Condo Conversion	Demolition	Ellis Out	Owner Move-In	Total Units Permanently Lost
1 Richmond	2	31	209	312	554
2 Marina	4	5	70	120	199
3 Northeast	9	12	325	117	463
4 Downtown	-	70	33	11	114
5 Western Addition	7	12	83	112	214
6 Buena Vista	3	11	111	121	246
7 Central	8	34	185	196	423
8 Mission	2	44	310	222	578
9 South of Market	2	16	37	59	114
10 South Bayshore	1	10	12	31	54
11 Bernal Heights	3	27	40	93	163
12 South Central	-	85	32	149	266
13 Ingleside	-	41	17	108	166
14 Inner Sunset	8	16	62	110	196
15 Outer Sunset	1	90	55	208	354
TOTALS	**50**	**504**	**1,581**	**1,969**	**4,104**

Table A-7
Permitted Units, 2014 Q4

BoS District	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	4	4	79	5.1%
BoS District 2	-	-	9	9	441	2.0%
BoS District 3	-	2	-	2	507	0.4%
BoS District 4	-	-	-	-	66	0.0%
BoS District 5	181	8	27	216	761	28.4%
BoS District 6	47	338	332	717	5915	12.1%
BoS District 7	-		36	36	273	13.2%
BoS District 8	-	170	4	174	744	23.4%
BoS District 9	-	-	1	1	125	0.8%
BoS District 10	-	358	61	419	2,260	18.5%
BoS District 11	-	-	26	26	131	19.8%
TOTALS	**228**	**876**	**500**	**1,604**	**11,302**	**14.2%**

Planning District	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
1 Richmond	83	-	4	87	139	62.6%
2 Marina	-	-	-	-	245	0.0%
3 Northeast	-	-	-	-	488	0.0%
4 Downtown	-	109	311	420	1,958	21.5%
5 Western Addition	98	8	31	137	818	16.7%
6 Buena Vista		170	5	175	661	26.5%
7 Central	-	-	-	-	48	0.0%
8 Mission	-	22	4	26	303	8.6%
9 South of Market	47	375	37	459	5,463	8.4%
10 South Bayshore		192	45	237	644	36.8%
11 Bernal Heights	-	-	-	-	28	0.0%
12 South Central	-	-	10	10	113	8.8%
13 Ingleside	-	-	53	53	254	20.9%
14 Inner Sunset	-	-	-	-	74	0.0%
15 Outer Sunset	-	-	-	-	66	0.0%
TOTALS	**228**	**876**	**500**	**1,604**	**11,302**	**14.2%**

Table B-1
Expanded Cumulative Housing Balance Calculation, 2005 Q3 – 2015 Q2

BoS Districts	Net New Affordable Housing Built	Acquisitions & Rehabs Completed	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Net Entitled and Permitted Units	Housing Balance
BoS District 1	186	-	(432)	4	387	92	**-50.5%**
BoS District 2	6	24	(358)	40	363	603	**-29.8%**
BoS District 3	334	72	(429)	15	1,382	109	**-0.5%**
BoS District 4	10	-	(379)	1	100	83	**-201.1%**
BoS District 5	587	430	(411)	217	1,263	733	**41.2%**
BoS District 6	3,406	1,014	(205)	424	13,323	4,765	**25.6%**
BoS District 7	96	-	(199)	-	354	240	**-17.3%**
BoS District 8	313	-	(638)	170	1,072	625	**-9.1%**
BoS District 9	226	319	(575)	26	1,178	296	**-0.3%**
BoS District 10	669	-	(207)	418	2,406	2,309	**18.7%**
BoS District 11	15	-	(288)	13	116	126	**-107.4%**
TOTALS	**5,848**	**1,859**	**(4,121)**	**1,328**	**21,944**	**9,981**	**15.4%**

Planning Districts	New Affordable Housing Built	Acquisitions & Rehabs Completed	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Permitted Units	Housing Balance
1 Richmond	186	-	(548)	87	527	192	**-38.2%**
2 Marina	2	24	(190)	-	113	143	**-64.1%**
3 Northeast	310	72	(447)	15	1,056	92	**-4.4%**
4 Downtown	1,615	745	(104)	219	5,134	1,232	**38.9%**
5 Western Addition	489	362	(215)	168	1,023	1,005	**39.6%**
6 Buena Vista	119	-	(247)	176	563	596	**4.1%**
7 Central	21	-	(404)	-	356	46	**-95.3%**
8 Mission	593	319	(572)	37	1,743	353	**18.0%**
9 South of Market	2,023	337	(121)	365	9,717	5,212	**17.4%**
10 South Bayshore	355	-	(52)	236	927	508	**37.6%**
11 Bernal Heights	2	-	(181)	-	113	31	**-124.3%**
12 South Central	22	-	(296)	20	166	202	**-69.0%**
13 Ingleside	101	-	(170)	4	319	248	**-11.5%**
14 Inner Sunset	-	-	(195)	-	91	39	**-150.0%**
15 Outer Sunset	10	-	(379)	1	96	82	**-206.7%**
TOTALS	**5,848**	**1,859**	**(4,121)**	**1,328**	**21,944**	**9,981**	**15.4%**

Table B-2
Projected Housing Balance, 2015 Q2

BoS District	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	-	-	11	0.0%
BoS District 2	-	-	-	-	42	0.0%
BoS District 3		-	12	12	340	3.5%
BoS District 4	-	-	-	-	2	-
BoS District 5	-	-	-	-	51	0.0%
BoS District 6	170	83	71	324	2,552	12.7%
BoS District 7	-	-	-	-	51	0.0%
BoS District 8	-	-	3	3	103	2.9%
BoS District 9	-	-	-	-	56	0.0%
BoS District 10	-	126	196	322	1,971	16.3%
BoS District 11	-	-	-	-	11	0.0%
TOTALS	**170**	**209**	**282**	**661**	**5,190**	**12.7%**

Planning Districts	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
1 Richmond	-	-	-	-	12	0.0%
2 Marina	-	-	-	-	38	0.0%
3 Northeast	-	-	12	12	314	3.8%
4 Downtown	170	83	-	253	1,183	21.4%
5 Western Addition	-	-	-	-	4	0.0%
6 Buena Vista	-	-	3	3	135	2.2%
7 Central	-	-	-	-	8	0.0%
8 Mission	-	-	-	-	57	0.0%
9 South of Market	-	-	81	81	1,671	4.8%
10 South Bayshore	-	126	186	312	1,691	18.5%
11 Bernal Heights	-	-	-	-	7	0.0%
12 South Central	-	-	-	-	16	0.0%
13 Ingleside	-	-	-	-	14	0.0%
14 Inner Sunset	-	-	-	-	38	0.0%
15 Outer Sunset	-	-	-	-	2	0.0%
TOTALS	**170**	**209**	**282**	**661**	**5,190**	**12.7%**

Table B-3
New Housing Production by Affordability, 2005 Q3 - 2015 Q2

BoS District	Very Low	Low	Moderate	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
BoS District 1	184	2	-	186	387	48.1%
BoS District 2	-	-	6	6	363	1.7%
BoS District 3	267	15	52	334	1,382	24.2%
BoS District 4	-	-	10	10	100	10.0%
BoS District 5	422	77	88	587	1,263	46.5%
BoS District 6	2,289	674	443	3,406	13,323	25.6%
BoS District 7	70	26	-	96	354	27.1%
BoS District 8	260	32	21	313	1,072	29.2%
BoS District 9	138	40	48	226	1,178	19.2%
BoS District 10	25	282	362	669	2,406	27.8%
BoS District 11	-	10	5	15	116	12.9%
TOTALS	**3,655**	**1,158**	**1,035**	**5,848**	**21,944**	**26.6%**

Planning Districts	Very Low	Low	Moderate	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
1 Richmond	184	2	-	186	527	35.3%
2 Marina	-	-	2	2	113	1.8%
3 Northeast	267	11	32	310	1,056	29.4%
4 Downtown	1,154	331	130	1,615	5,134	31.5%
5 Western Addition	367	77	45	489	1,023	47.8%
6 Buena Vista	55	14	50	119	563	21.1%
7 Central	-	18	3	21	356	5.9%
8 Mission	474	40	79	593	1,743	34.0%
9 South of Market	1,059	404	560	2,023	9,717	20.8%
10 South Bayshore	25	225	105	355	927	38.3%
11 Bernal Heights	-	-	2	2	113	1.8%
12 South Central	-	10	12	22	166	13.3%
13 Ingleside	70	26	5	101	319	31.7%
14 Inner Sunset	-	-	-	-	91	0.0%
15 Outer Sunset	-	-	10	10	96	10.4%
TOTALS	**3,655**	**1,158**	**1,035**	**5,848**	**21,944**	**26.6%**

Please note that Tables 4 and 5 did not change and are therefore not included in this Appendix.

Table B-6
Units Removed from Protected Status, 2005 Q3 – 2015 Q2

BoS Districts	Demolition	Ellis Out	Owner Move-In	Condo Conversion	Units Removed
BoS District 1	1	25	121	285	432
BoS District 2	8	14	150	186	358
BoS District 3	6	11	293	119	429
BoS District 4	1	92	62	224	379
BoS District 5	16	22	147	226	411
BoS District 6	2	85	77	41	205
BoS District 7	2	25	40	132	199
BoS District 8	12	32	289	305	638
BoS District 9	4	76	224	271	575
BoS District 10	2	31	35	139	207
BoS District 11	-	86	42	160	288
TOTALS	**54**	**499**	**1,480**	**2,088**	**4,121**

Planning Districts	Demolition	Ellis Out	Owner Move-In	Condo Conversion	Units Removed
1 Richmond	2	32	193	321	548
2 Marina	4	4	61	121	190
3 Northeast	9	12	296	130	447
4 Downtown	-	69	26	9	104
5 Western Addition	8	11	78	118	215
6 Buena Vista	4	11	110	122	247
7 Central	9	23	160	212	404
8 Mission	2	44	289	237	572
9 South of Market	2	17	37	65	121
10 South Bayshore	1	11	8	32	52
11 Bernal Heights	4	30	51	96	181
12 South Central	-	89	34	173	296
13 Ingleside	-	41	18	111	170
14 Inner Sunset	8	13	57	117	195
15 Outer Sunset	1	92	62	224	379
TOTALS	**54**	**499**	**1,480**	**2,088**	**4,121**

APPENDIX B
Ordinance 53-15

AMENDED IN COMMITTEE
4/6/15

FILE NO. 150029 ORDINANCE NO. 53-15

[Planning Code - City Housing Balance Monitoring and Reporting]

Ordinance amending the Planning Code to require the Planning Department to monitor the balance between new market rate housing and new affordable housing, and publish a bi-annual Housing Balance Report; requiring an annual hearing at the Board of Supervisors on strategies for achieving and maintaining the required housing balance in accordance with San Francisco's housing production goals; and making environmental findings, Planning Code, Section 302 findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 150029 and is incorporated herein by reference. The Board of Supervisors affirms this determination.

(b) On March 19, 2015, the Planning Commission, in Resolution No. 19337, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the

adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 150029, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code Amendment will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 150029 and the Board incorporates such reasons herein by reference.

Section 2. The Planning Code is hereby amended by adding new Section 103 to read as follows:

SEC. 103. HOUSING BALANCE MONITORING AND REPORTING.

(a) Purposes. *To maintain a balance between new affordable and market rate housing City-wide and within neighborhoods, to make housing available for all income levels and housing need types, to preserve the mixed income character of the City and its neighborhoods, to offset the withdrawal of existing housing units from rent stabilization and the loss of single-room-occupancy hotel units, to ensure the availability of land and encourage the deployment of resources to provide sufficient housing affordable to households of very low, low, and moderate incomes, to ensure adequate housing for families, seniors and the disabled community, to ensure that data on meeting affordable housing targets City-wide and within neighborhoods informs the approval process for new housing development, and to enable public participation in determining the appropriate mix of new housing approvals, there is hereby established a requirement, as detailed in this Section 103, to monitor and regularly report on the housing balance between market rate housing and affordable housing.*

(b) Findings.

(1) In November 2014, the City voters enacted Proposition K, which established City policy to help construct or rehabilitate at least 30,000 homes by 2020. More than 50% of this housing would be affordable for middle-class households, with at least 33% affordable for low- and moderate-

income households, and the City is expected to develop strategies to achieve that goal. This section 103 sets forth a method to track performance toward the City's Housing Element goals and the near-term Proposition K goal that 33% of all new housing shall be affordable housing, as defined herein.

(2) The City's rent stabilized and permanently affordable housing stock serves very low-, low-, and moderate-income families, long-time residents, elderly seniors, disabled persons and others. The City seeks to achieve and maintain an appropriate balance between market rate housing and affordable housing City-wide and within neighborhoods because the availability of decent housing and a suitable living environment for every San Franciscan is of vital importance. Attainment of the City's housing goals requires the cooperative participation of government and the private sector to expand housing opportunities to accommodate housing needs for San Franciscans at all economic levels and to respond to the unique needs of each neighborhood where housing will be located.

(3) For tenants in unsubsidized housing, affordability is often preserved by the Residential Rent Stabilization and Arbitration Ordinance's limitations on the size of allowable rent increases during a tenancy. As documented in the Budget and Legislative Analyst's October 2013 Policy Analysis Report on Tenant Displacement, San Francisco is experiencing a rise in units withdrawn from rent controls. Such rises often accompany periods of sharp increases in property values and housing prices. From 1998 through 2013, the Rent Board reported a total of 13,027 no-fault evictions (i.e., evictions in which the tenant had not violated any lease terms, but the owner sought to regain possession of the unit). Total evictions of all types have increased by 38.2% from Rent Board Year (i.e. from March through February) 2010 to Rent Board Year 2013. During the same period, Ellis Act evictions far outpaced other evictions, increasing by 169.8% from 43 in Rent Board Year 2010 to 116 in Rent Board Year 2013. These numbers do not capture the large number of owner buyouts of tenants, which contribute further to the loss of rent-stabilized units from the housing market. Any fair assessment of the affordable housing balance must incorporate into the calculation units withdrawn from rent stabilization.

(4) Pursuant to Government Code Section 65584, the Association of Bay Area Governments (ABAG), in coordination with the California State Department of Housing and Community Development (HCD), determines the Bay Area's regional housing need based on regional trends, projected job growth, and existing needs. The regional housing needs assessment (RHNA) determination includes production targets addressing housing needs of a range of household income categories. For the RHNA period covering 2015 through 2022, ABAG has projected that at least 38% of new housing demands for San Francisco will be from very low and low income households (households earning under 80% of area median income), and another 22% of new housing demands to be affordable to households of moderate means (earning between 80% and 120% of area median income). Market-rate housing is considered housing with no income limits or special requirements attached.

(5) The Housing Element of the City's General Plan states: "Based on the growing population, and smart growth goals of providing housing in central areas like San Francisco, near jobs and transit, the State Department of Housing and Community Development (HCD), with the Association of Bay Area Governments (ABAG), estimates that in the current 2015-2022 Housing Element period San Francisco must plan for the capacity for roughly 28,870 new units, 57% of which should be suitable for housing for the extremely low, very low, low and moderate income households to meet its share of the region's projected housing demand." Objective 1 of the Housing Element states that the City should "identify and make available for development adequate sites to meet the City's housing needs, especially permanently affordable housing." Objective 7 states that San Francisco's projected affordable housing needs far outpace the capacity for the City to secure subsidies for new affordable units.

(6) In 2012, the City enacted Ordinance 237-12, the "Housing Preservation and Production Ordinance," codified in Administrative Code Chapter 10E.4, to require Planning Department staff to regularly report data on progress toward meeting San Francisco's quantified

production goals for different household income levels as provided in the General Plan's Housing Element. That Ordinance requires data on the number of units in all stages of the housing production process at various affordability levels to be included in staff reports on all proposed projects of five residential units or more and in quarterly housing production reports to the Planning Commission. The Planning Department has long tracked the number of affordable housing units and total number of housing units built throughout the City and in specific areas and should be able to track the ratio called for in this Section 103.

(7) As the private market has embarked upon, and government officials have urged, an ambitious program to produce significant amounts of new housing in the City, the limited remaining available land makes it essential to assess the impact of the approval of new market rate housing developments on the availability of land for affordable housing and to encourage the deployment of resources to provide such housing.

(c) Housing Balance Calculation.

(1) For purposes of this Section 103, "Housing Balance" shall be defined as the proportion of all new housing units affordable to households of extremely low, very low, low or moderate income households, as defined in California Health & Safety Code Sections 50079.5 et seq., as such provisions may be amended from time to time, to the total number of all new housing units for a 10 year Housing Balance Period.

(2) The Housing Balance Period shall begin with the first quarter of year 2005 to the last quarter of 2014, and thereafter for the ten years prior to the most recent calendar quarter.

(3) For each year that data is available, beginning in 2005, the Planning Department shall report net housing construction by income levels, as well as units that have been withdrawn from protection afforded by City law, such as laws providing for rent-controlled and single resident occupancy (SRO) units. The affordable housing categories shall include net new units, as well as existing units that were previously not restricted by deed or regulatory agreement that are acquired for

preservation as permanently affordable housing as determined by the Mayor's Office of Housing and Community Development (MOHCD) (not including refinancing or other rehabilitation under existing ownership), protected by deed or regulatory agreement for a minimum of 55 years. The report shall include, by year, and for the latest quarter, all units that have received Temporary Certificates of Occupancy within that year, a separate category for units that obtained a site or building permit, and another category for units that have received approval from the Planning Commission or Planning Department, but have not yet obtained a site or building permit to commence construction (except any entitlements that have expired and not been renewed during the Housing Balance Period). Master planned entitlements, including but not limited to such areas as Treasure Island, Hunters Point Shipyard and Park Merced, shall not be included in this latter category until individual building entitlements or site permits are approved for specific housing projects. For each year or approval status, the following categories shall be separately reported:

(A) Extremely Low Income Units, which are units available to individuals or families making between 0-30% Area Median Income (AMI) as defined in California Health & Safety Code Section 50106, and are subject to price or rent restrictions between 0-30% AMI;

(B) Very Low Income Units, which are units available to individuals or families making between 30-50% AMI as defined in California Health & Safety Code Section 50105, and are subject to price or rent restrictions between 30-50% AMI;

(C) Lower Income Units, which are units available to individuals or families making between 50-80% AMI as defined in California Health & Safety Code Section 50079.5, and are subject to price or rent restrictions between 50-80% AMI;

(D) Moderate Income Units, which are units available to individuals or families making between 80-120% AMI, and are subject to price or rent restrictions between 80-120% AMI;

(E) Middle Income Units, which are units available to individuals or families making between 120-150% AMI, and are subject to price or rent restrictions between 120-150% AMI;

(F) Market-rate units, which are units not subject to any deed or regulatory agreement with price restrictions;

(G) Housing units withdrawn from protected status, including units withdrawn from rent control (except those units otherwise converted into permanently affordable housing), including all units that have been subject to rent control under the San Francisco Residential Rent Stabilization and Arbitration Ordinance but that a property owner removes permanently from the rental market through condominium conversion pursuant to Administrative Code Section 37.9(a)(9), demolition or alterations (including dwelling unit mergers), or permanent removal pursuant to Administrative Code Section 37.9(a)(10) or removal pursuant to the Ellis Act under Administrative Code Section 37.9(a)(13);

(H) Public housing replacement units and substantially rehabilitated units through the HOPE SF and Rental Assistance Demonstration (RAD) programs, as well as other substantial rehabilitation programs managed by MOHCD.

(4) The Housing Balance shall be expressed as a percentage, obtained by dividing the cumulative total of extremely low, very low, low and moderate income affordable housing units (all units 0-120% AMI) minus the lost protected units, by the total number of net new housing units within the Housing Balance Period. The Housing Balance shall also provide two calculations:

(A) the Cumulative Housing Balance, consisting of housing units that have already been constructed (and received a Temporary Certificate of Occupancy or other certificate that would allow occupancy of the units) within the 10-year Housing Balance Period, plus those units that have obtained a site or building permit. A separate calculation of the Cumulative Housing Balance shall also be provided, which includes HOPE SF and RAD public housing replacement and substantially rehabilitated units (but not including general rehabilitation / maintenance of public housing or other affordable housing units) that have received Temporary Certificates of Occupancy

within the Housing Balance Period. The Housing Balance Reports will show the Cumulative Housing Balance with and without public housing included in the calculation; and

(B) the Projected Housing Balance, which shall include any residential project that has received approval from the Planning Commission or Planning Department , even if the housing project has not yet obtained a site or building permit to commence construction (except any entitlements that have expired and not been renewed during the Housing Balance period). Master planned entitlements shall not be included in the calculation until individual building entitlements or site permits are approved.

(d) Bi-annual Housing Balance Reports. ~~Within 30 days of the effective date of this Section 103~~By June 1, 2015, *the Planning Department shall calculate the Cumulative and Projected Housing Balance for the most recent two quarters City-wide, by Supervisorial District,* Plan Area, *and by neighborhood Planning Districts, as defined in the annual Housing Inventory, and publish it as an easily visible and accessible page devoted to Housing Balance and Monitoring and Reporting on the Planning Department's website. By* ~~August~~ September *1st and* ~~February~~ March *1st of each year, the Planning Department shall publish and update the Housing Balance Report, and present this report at an informational hearing to the Planning Commission and Board of Supervisors, as well as to any relevant body with geographic purview over a plan area* upon request, *along with the other quarterly reporting requirements of Administrative Code Chapter 10E.4.* The annual report to the Board of Supervisors shall be accepted by resolution of the Board, which resolution shall be introduced by the Planning Department. *The Housing Balance Report shall also be incorporated into the Annual Planning Commission Housing Hearing and Annual Report to the Board of Supervisors required in Administrative Code Chapter 10E.4.*

(e) Annual Hearing by Board of Supervisors.

(1) The Board of Supervisors shall hold a public Housing Balance hearing on an annual basis by April 1 of each year, to consider progress towards the City's affordable housing goals.

including the goal of a minimum 33% affordable housing to low and moderate income households, as well as the City's General Plan Housing Element housing production goals by income category. The first hearing shall occur no later than 30 days after the effective date of this ordinance, and by April 1 of each year thereafter.

(2) The hearing shall include reporting by the Planning Department, which shall present the latest Housing Balance Report City-wide and by Supervisorial District and Planning District; the Mayor's Office of Housing and Community Development, the Mayor's Office of Economic and Workforce Development, the Rent Stabilization Board, by the Department of Building Inspection, and the City Economist on strategies for achieving and maintaining a housing balance in accordance with San Francisco's housing production goals. If the Cumulative Housing Balance has fallen below 33% in any year, MOHCD shall determine how much funding is required to bring the City into a minimum 33% Housing Balance and the Mayor shall submit to the Board of Supervisors a strategy to accomplish the minimum of 33% Housing Balance. City Departments shall at minimum report on the following issues relevant to the annual Housing Balance hearing: MOHCD shall report on the annual and projected progress by income category in accordance with the City's General Plan Housing Element housing production goals, projected shortfalls and gaps in funding and site control, and progress toward the City's Neighborhood Stabilization goals for acquiring and preserving the affordability of existing rental units in neighborhoods with high concentrations of low and moderate income households or historically high levels of evictions; the Planning Department shall report on current and proposed zoning and land use policies that affect the City's General Plan Housing Element housing production goals; the Mayor's Office of Economic and Workforce Development shall report on current and proposed major development projects, dedicated public sites, and policies that affect the

City's General Plan Housing Element housing production goals; the Rent Board shall report on the withdrawal or addition of rent-controlled units and current or proposed policies that affect these numbers; the Department of Building Inspection shall report on the withdrawal or addition of Residential Hotel units and current or proposed policies that affect these numbers; and the City Economist shall report on annual and projected job growth by the income categories specified in the City's General Plan Housing Element.

(3) All reports and presentation materials from the annual Housing Balance hearing shall be maintained by year for public access on the Planning Department's website on its page devoted to Housing Balance Monitoring and Reporting.

Section 4. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
MARLENA BYRNE
Deputy City Attorney

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City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 150029 **Date Passed:** April 21, 2015

Ordinance amending the Planning Code to require the Planning Department to monitor the balance between new market rate housing and new affordable housing, and publish a bi-annual Housing Balance Report; requiring an annual hearing at the Board of Supervisors on strategies for achieving and maintaining the required housing balance in accordance with San Francisco's housing production goals; and making environmental findings, Planning Code, Section 302, findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

April 06, 2015 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

April 06, 2015 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

April 14, 2015 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

April 21, 2015 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 150029

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/21/2015 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

4/30/2015
Date Approved

APPENDIX C
CUMULATIVE HOUSING BALANCE REPORT No 3 TABLES BY PLANNING DISTRICTS

Table 1A
Cumulative Housing Balance Calculation, 2006 Q1 – 2015 Q4

Planning Districts	New Affordable Housing Built	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Permitted Units	Cumulative Housing Balance 1
1 Richmond	172	(552)	87	514	198	-41.2%
2 Marina	2	(188)	-	101	146	-75.3%
3 Northeast	204	(447)	12	934	200	-20.4%
4 Downtown	1,637	(100)	114	5,229	1,305	25.3%
5 Western Addition	491	(217)	168	987	1,000	22.2%
6 Buena Vista	119	(236)	176	570	595	5.1%
7 Central	21	(395)	-	351	48	-93.7%
8 Mission	593	(553)	41	1,724	386	3.8%
9 South of Market	1,707	(113)	681	10,183	6,033	14.0%
10 South Bayshore	444	(59)	229	1,153	782	31.7%
11 Bernal Heights	2	(179)	-	95	33	-138.3%
12 South Central	22	(313)	10	142	131	-102.9%
13 Ingleside	108	(179)	17	359	154	-10.5%
14 Inner Sunset	-	(192)	-	91	41	-145.5%
15 Outer Sunset	10	(395)	1	98	88	-206.5%
Totals	**5,532**	**(4,118)**	**1,536**	**22,531**	**11,140**	**8.8%**

Table 1B
Cumulative Housing Balance Calculation, 2006 Q1 – 2015 Q4

Planning Districts	New Affordable Housing Built	Acquisitions & Rehabs Completed	RAD	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Permitted Units	Cumulative Housing Balance 2
1 Richmond	172	-	144	(552)	87	514	198	-20.9%
2 Marina	2	24	-	(188)	-	101	146	-65.6%
3 Northeast	204	-	143	(447)	12	934	200	-7.8%
4 Downtown	1,637	726	189	(100)	114	5,229	1,305	39.3%
5 Western Addition	491	290	376	(217)	168	987	1,000	55.8%
6 Buena Vista	119	-	132	(236)	176	570	595	16.4%
7 Central	21	-	-	(395)	-	351	48	-93.7%
8 Mission	593	319	-	(553)	41	1,724	386	19.0%
9 South of Market	1,707	200	-	(113)	681	10,183	6,033	15.3%
10 South Bayshore	444	-	213	(59)	229	1,153	782	42.7%
11 Bernal Heights	2	-	118	(179)	-	95	33	-46.1%
12 South Central	22	-	-	(313)	10	142	131	-102.9%
13 Ingleside	108	-	-	(179)	17	359	154	-10.5%
14 Inner Sunset	-	-	110	(192)	-	91	41	-62.1%
15 Outer Sunset	10	-	-	(395)	1	98	88	-206.5%
Totals	**5,532**	**1,559**	**1,425**	**(4,118)**	**1,536**	**22,531**	**11,140**	**17.6%**

Table 2
Projected Housing Balance Calculation, 2015 Q2

BoS District	Very Low Income	Low Income	Moderate	Middle	TBD	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
1 Richmond	-	-	-	-	-	-	15	0.0%
2 Marina	-	-	-	-	-	-	44	0.0%
3 Northeast	-	-		-	-	-	207	0.0%
4 Downtown	439	74	58	29	32	632	2,054	30.8%
5 Western Addition	-	-	-	-	-	-	8	0.0%
6 Buena Vista			3		5	8	139	5.8%
7 Central	-	-	-	-	-	-	8	0.0%
8 Mission	-	-	-	-	-	-	38	0.0%
9 South of Market	-	-	81		9	90	1,537	5.9%
10 South Bayshore	-			-	168	168	1,691	9.9%
11 Bernal Heights	-	-	-	-	-	-	3	0.0%
12 South Central	-	-	-	-	-	-	12	0.0%
13 Ingleside	-	-	-	-	-	-	110	0.0%
14 Inner Sunset	-	-	-	-	-	-	38	0.0%
15 Outer Sunset	-	-	-	-	-	-	2	0.0%
TOTALS	**439**	**74**	**142**	**29**	**214**	**898**	**5,906**	**15.2%**

Table 3
New Housing Production by Affordability, 2006 Q1 – 2015 Q4

Planning Districts	Very Low	Low	Moderate	Middle Income	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
1 Richmond	170	2	-	-	172	514	33.5%
2 Marina	-	-	2	-	2	101	2.0%
3 Northeast	161	11	32	-	204	934	21.8%
4 Downtown	1,048	269	297	23	1,637	5,229	31.3%
5 Western Addition	367	77	47	-	491	987	49.7%
6 Buena Vista	55	14	50	-	119	570	20.9%
7 Central		18	3	-	21	351	6.0%
8 Mission	474	40	79	-	593	1,724	34.4%
9 South of Market	845	403	459	-	1,707	10,183	16.8%
10 South Bayshore	105	234	105	-	444	1,153	38.5%
11 Bernal Heights	-	-	2	-	2	95	2.1%
12 South Central	-	10	12	-	22	142	15.5%
13 Ingleside	70	26	12	-	108	359	30.1%
14 Inner Sunset	-	-	-	-	-	91	0.0%
15 Outer Sunset	-	-	10	-	10	98	10.2%
TOTALS	**3,295**	**1,104**	**1,110**	**23**	**5,532**	**22,531**	**24.6%**

Table 4
Acquisitions and Rehabilitation of Affordable Housing, 2006 Q1 – 2015 Q4

Planning District	No. of Buildings	No. of Units
2 Marina	1	24
4 Downtown	5	726
5 Western Addition	2	290
8 Mission	2	319
9 South of Market	6	200
TOTALS	16	1,559

Table 5
RAD Affordable Units

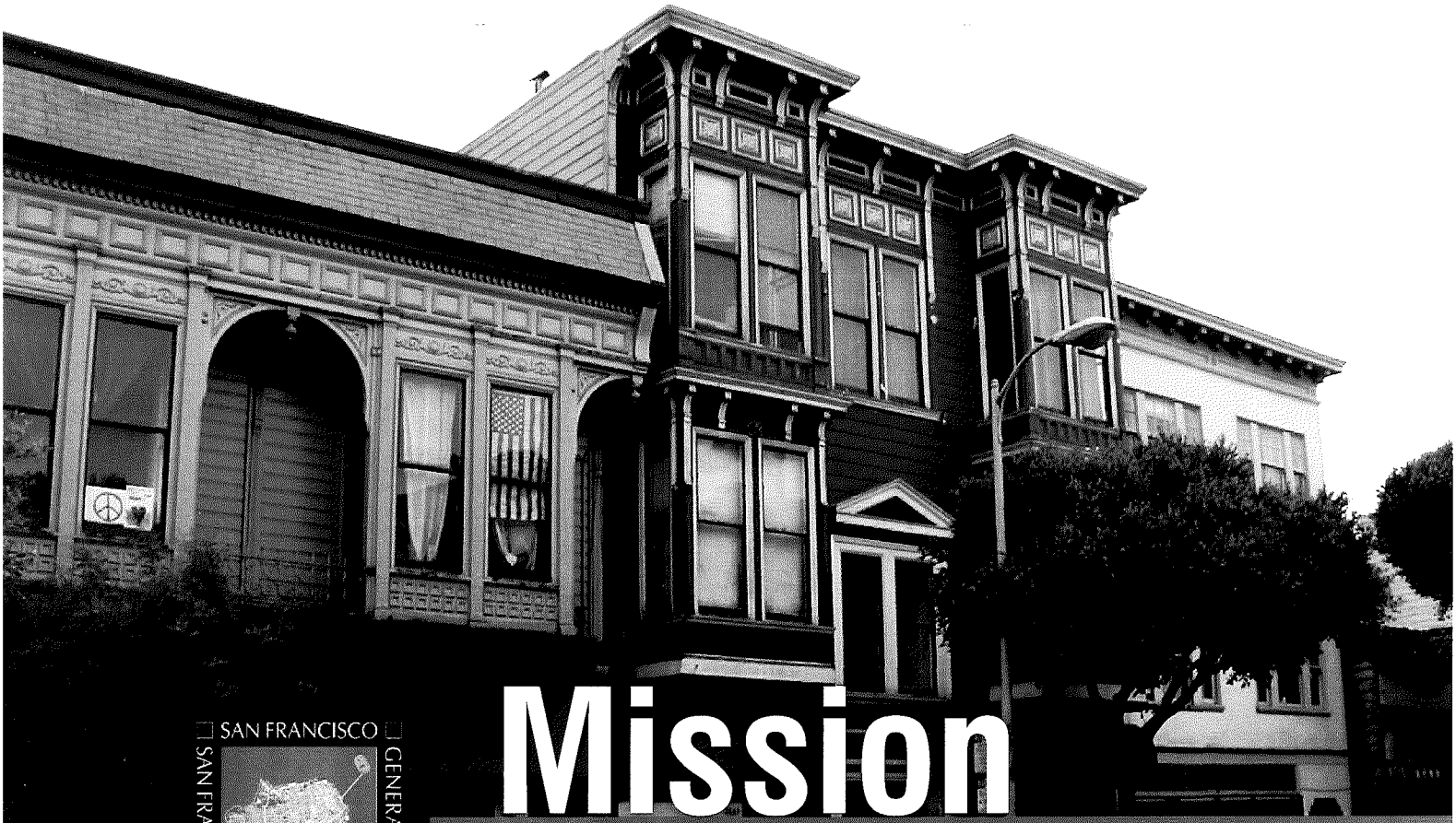
Planning District	No. of Units	as % of Total
1 Richmond	144	10.1%
3 Northeast	143	10.0%
4 Downtown	189	13.3%
5 Western Addition	376	26.4%
6 Buena Vista	132	9.3%
10 South Bayshore	213	14.9%
11 Bernal Heights	118	8.3%
14 Inner Sunset	110	7.7%
TOTALS	**1,425**	**100.0%**

Table 6
Units Removed from Protected Status, 2006 – 2015

Planning District	Condo Conversion	Demolition	Ellis Out	Owner Move-In	Total Units Permanently Lost
1 Richmond	2	32	199	319	552
2 Marina	4	4	52	128	188
3 Northeast	9	13	292	133	447
4 Downtown	-	68	24	8	100
5 Western Addition	8	11	75	123	217
6 Buena Vista	4	12	98	122	236
7 Central	9	24	154	208	395
8 Mission	2	35	280	236	553
9 South of Market	2	18	29	64	113
10 South Bayshore	1	14	8	36	59
11 Bernal Heights	4	30	45	100	179
12 South Central	-	94	33	186	313
13 Ingleside	-	42	20	117	179
14 Inner Sunset	8	14	57	113	192
15 Outer Sunset	1	94	66	234	395
Totals	**54**	**505**	**1,432**	**2,127**	**4,118**

Table 7
Entitled and Permitted Units, 2015 Q4

Planning District	Very Low Income	Low Income	Moderate	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
1 Richmond	83	-	4	87	198	43.9%
2 Marina	-	-	-	-	146	0.0%
3 Northeast	-	-	12	12	200	6.0%
4 Downtown	-	102	12	114	1,305	8.7%
5 Western Addition	98	8	62	168	1,000	16.8%
6 Buena Vista	110	60	6	176	595	29.6%
7 Central	-	-	-	-	48	0.0%
8 Mission	-	22	19	41	386	10.6%
9 South of Market	166	487	28	681	6,033	11.3%
10 South Bayshore	120	93	16	229	782	29.3%
11 Bernal Heights	-	-	-	-	33	0.0%
12 South Central	-	-	10	10	131	7.6%
13 Ingleside	-	-	17	17	154	11.0%
14 Inner Sunset	-	-	-	-	41	0.0%
15 Outer Sunset	-	-	1	1	88	1.1%
TOTALS	**577**	**772**	**187**	**1,536**	**11,140**	**13.8%**



SAN FRANCISCO GENERAL PLAN

Mission
AREA PLAN

An Area Plan of the General Plan of the City and County of San Francisco

DECEMBER 2008 | **ADOPTED VERSION**

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Department of Building Inspection
Department of Children, Youth & Families
Department of Public Health
Department of Public Works
Division of Emergency Services
Human Services Agency
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Mayor's Office of Housing
Port of San Francisco
Recreation and Park Department
San Francisco Arts Commission
San Francisco Public Utilities Commission
San Francisco Municipal Transportation Agency
San Francisco County Transportation Authority
San Francisco Unified School District

With the Following Consultants to the Planning Department

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The Planning Department would also like to acknowledge the efforts of community organizations and the thousands of community members who have worked with us over the years to develop the Eastern Neighborhoods Community Plans.

For Information on the Eastern Neighborhoods Area Plans, visit:
http://easternneighborhoods.sfplanning.org

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SUMMARY OF OBJECTIVES

LAND USE

OBJECTIVE 1.1
STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK

OBJECTIVE 1.2
IN AREAS OF THE MISSION WHERE HOUSING AND MIXED USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

OBJECTIVE 1.3
INSTITUTE FLEXIBLE "LEGAL NONCONFORMING USE" PROVISIONS TO ENSURE A CONTINUED MIX OF USES IN THE MISSION

OBJECTIVE 1.4
SUPPORT A ROLE FOR "KNOWLEDGE SECTOR" BUSINESSES IN APPROPRIATE PORTIONS OF THE MISSION

OBJECTIVE 1.5
MINIMIZE THE IMPACT OF NOISE ON AFFECTED AREAS AND ENSURE GENERAL PLAN NOISE REQUIREMENTS ARE MET.

OBJECTIVE 1.6
IMPROVE INDOOR AIR QUALITY FOR SENSITIVE LAND USES IN THE MISSION

OBJECTIVE 1.7
RETAIN THE MISSION'S ROLE AS AN IMPORTANT LOCATION FOR PRODUCTION, DISTRIBUTION, AND REPAIR (PDR) ACTIVITIES.

OBJECTIVE 1.8
MAINTAIN AND STRENGTHEN THE MISSION'S NEIGHBORHOOD COMMERCIAL AREAS

HOUSING

OBJECTIVE 2.1
ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

OBJECTIVE 2.2
RETAIN AND IMPROVE EXISTING HOUSING AFFORDABLE TO PEOPLE OF ALL INCOMES

OBJECTIVE 2.3
ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES.

OBJECTIVE 2.4
LOWER THE COST OF THE PRODUCTION OF HOUSING

OBJECTIVE 2.5
PROMOTE HEALTH THROUGH RESIDENTIAL DEVELOPMENT DESIGN AND LOCATION

OBJECTIVE 2.6
CONTINUE AND EXPAND THE CITY'S EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY

BUILT FORM

OBJECTIVE 3.1
PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER

OBJECTIVE 3.2
PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM

OBJECTIVE 3.3
PROMOTE THE ENVIRONMENTAL SUSTAINABILITY, ECOLOGICAL FUNCTIONING AND THE OVERALL QUALITY OF THE NATURAL ENVIRONMENT IN THE PLAN AREA

TRANSPORTATION

OBJECTIVE 4.1
IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION

OBJECTIVE 4.2
INCREASE TRANSIT RIDERSHIP BY MAKING IT MORE COMFORTABLE AND EASY TO USE

OBJECTIVE 4.3
ESTABLISH PARKING POLICIES THAT IMPROVE THE QUALITY OF NEIGHBORHOODS AND REDUCE CONGESTION AND PRIVATE VEHICLE TRIPS BY ENCOURAGING TRAVEL BY NON-AUTO MODES

OBJECTIVE 4.4
SUPPORT THE CIRCULATION NEEDS OF EXISTING AND NEW PDR USES IN THE MISSION

OBJECTIVE 4.5
CONSIDER THE STREET NETWORK IN THE MISSION AS A CITY RESOURCE ESSENTIAL TO MULTI-MODAL MOVEMENT AND PUBLIC OPEN SPACE

OBJECTIVE 4.6
SUPPORT WALKING AS A KEY TRANSPORTATION MODE BY IMPROVING PEDESTRIAN CIRCULATION WITHIN THE MISSION AND TO OTHER PARTS OF THE CITY

OBJECTIVE 4.7
IMPROVE AND EXPAND INFRASTRUCTURE FOR BICYCLING AS AN IMPORTANT MODE OF TRANSPORTATION

OBJECTIVE 4.8
ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

OBJECTIVE 4.9
FACILITATE MOVEMENT OF AUTOMOBILES BY MANAGING CONGESTION AND OTHER NEGATIVE IMPACTS OF VEHICLE TRAFFIC

OBJECTIVE 4.10
DEVELOP A COMPREHENSIVE FUNDING PLAN FOR TRANSPORTATION IMPROVEMENTS

STREETS AND OPEN SPACE

OBJECTIVE 5.1
PROVIDE PUBLIC PARKS AND OPEN SPACES THAT MEET THE NEEDS OF RESIDENTS, WORKERS AND VISITORS

OBJECTIVE 5.2
ENSURE THAT NEW DEVELOPMENT INCLUDES HIGH QUALITY PRIVATE OPEN SPACE

OBJECTIVE 5.3
CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS AND ECOLOGICAL SUSTAINABILITY OF THE NEIGHBORHOOD.

OBJECTIVE 5.4
THE OPEN SPACE SYSTEM SHOULD BOTH BEAUTIFY THE NEIGHBORHOOD AND STRENGTHEN THE ENVIRONMENT

OBJECTIVE 5.5
ENSURE THAT EXISTING OPEN SPACE, RECREATION AND PARK FACILITIES ARE WELL MAINTAINED

ECONOMIC DEVELOPMENT

OBJECTIVE 6.1
SUPPORT THE ECONOMIC WELLBEING OF A VARIETY OF BUSINESSES IN THE EASTERN NEIGHBORHOODS_

OBJECTIVE 6.2
INCREASE ECONOMIC SECURITY FOR WORKERS BY PROVIDING ACCESS TO SOUGHT-AFTER JOB SKILLS

COMMUNITY FACILITIES

OBJECTIVE 7.1
PROVIDE ESSENTIAL COMMUNITY SERVICES AND FACILITIES

OBJECTIVE 7.2
ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS

OBJECTIVE 7.3
REINFORCE THE IMPORTANCE OF THE MISSION AS THE CENTER OF LATINO LIFE IN SAN FRANCISCO

HISTORIC PRESERVATION

OBJECTIVE 8.1
IDENTIFY AND EVALUATE HISTORIC AND CULTURAL RESOURCES WITHIN THE MISSION PLAN AREA

OBJECTIVE 8.2
PROTECT, PRESERVE, AND REUSE HISTORIC RESOURCES WITHIN THE MISSION PLAN AREA

OBJECTIVE 8.3
ENSURE THAT HISTORIC PRESERVATION CONCERNS CONTINUE TO BE AN INTEGRAL PART OF THE ONGOING PLANNING PROCESSES FOR THE MISSION PLAN AREA AS THEY EVOLVE OVER TIME

OBJECTIVE 8.4
PROMOTE THE PRINCIPLES OF SUSTAINABILITY FOR THE BUILT ENVIRONMENT THROUGH THE INHERENTLY "GREEN" STRATEGY OF HISTORIC PRESERVATION

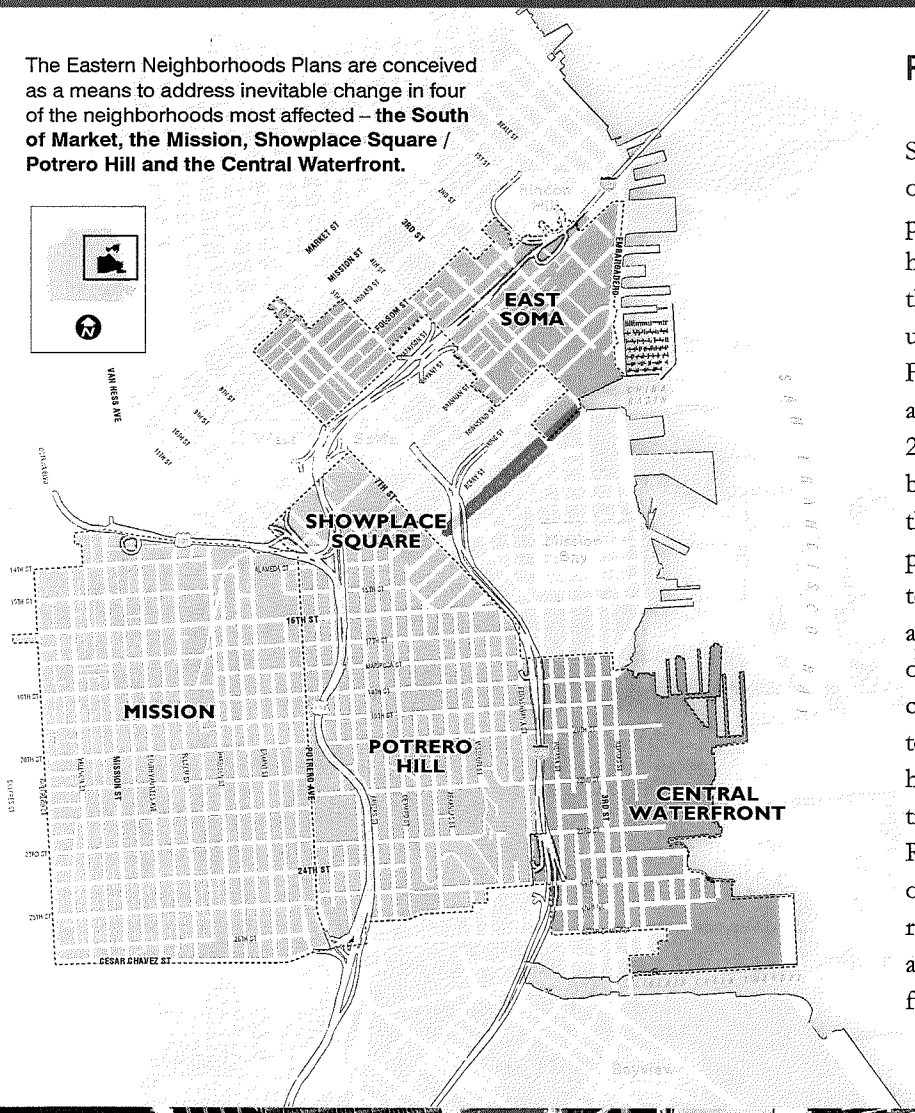
OBJECTIVE 8.5
PROVIDE PRESERVATION INCENTIVES, GUIDANCE, AND LEADERSHIP WITHIN THE MISSION PLAN AREA

OBJECTIVE 8.6
FOSTER PUBLIC AWARENESS AND APPRECIATION OF HISTORIC AND CULTURAL RESOURCES WITHIN THE MISSION PLAN AREA

PREFACE

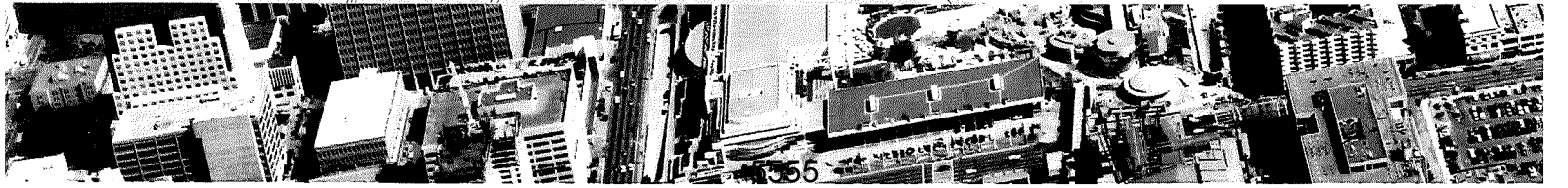
THE EASTERN NEIGHBORHOODS PLANS

The Eastern Neighborhoods Plans are conceived as a means to address inevitable change in four of the neighborhoods most affected – **the South of Market, the Mission, Showplace Square / Potrero Hill and the Central Waterfront.**



Planning for Change

San Francisco is a special place because of the way in which it has always balanced preservation with change. Our neighborhoods have changed with the times, but they have always kept something of their unique character – an essence of San Francisco that doesn't look or feel like anywhere else. In the late 20th and early 21st century, the city's eastern bayfront has been the epicenter for change, and for all the pressures, debates and concern that its prospect entails. From the South of Market to Visitacion Valley, traditionally industrial areas have begun transforming. Housing, offices, and the shops and services which cater to them have been springing up next to industrial businesses. Wealthier residents have begun to move into neighborhoods traditionally inhabited by the working class. Residents, community activists and business owners have all recognized the need for rational planning to resolve these conflicts and stabilize these neighborhoods into the future.



Twin Policy Dilemmas:

Stabilizing the Industrial Lands and Providing Affordable Housing

At their core, the Eastern Neighborhoods Plans try to accomplish two key policy goals:

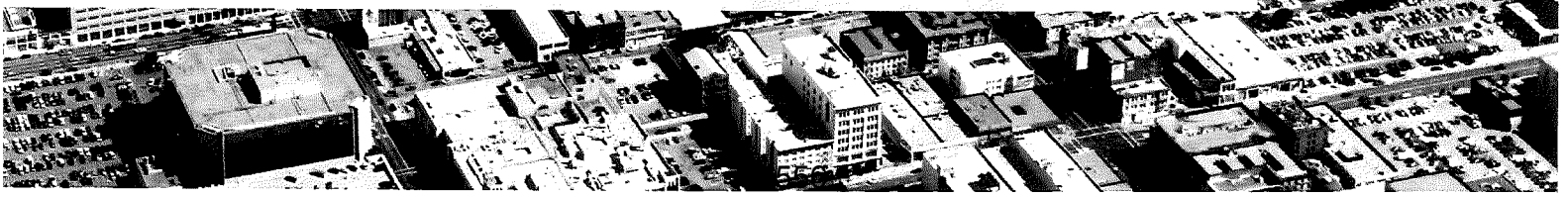
1) They attempt to ensure a stable future for Production, Distribution and Repair (PDR) businesses in the city, mainly by reserving a certain amount of land for this purpose; and

2) they strive to provide a significant amount of new housing affordable to low, moderate and middle income families and individuals, along with "complete neighborhoods" that provide appropriate amenities for these new residents.

Stabilizing the Industrial Lands

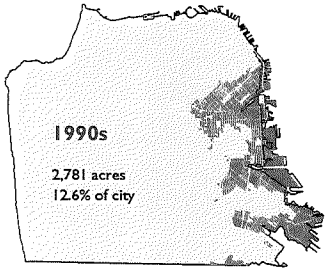
At one time, land zoned for industrial uses covered almost the entire eastern bayfront of San Francisco, from the southern county line to well north of Market Street. As the city's economy has transformed over time, away from traditional manufacturing and "smoke-stack" industry toward tourism, service and "knowledge-based" functions, the city's industrial lands have shrunk steadily.

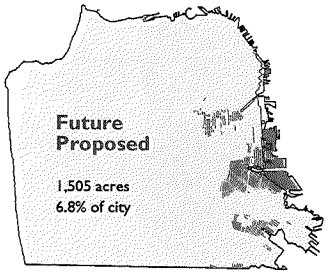
By the 1990s, land zoned for industrial uses stood at about 12% of the city's total usable land (i.e. not including parks and streets). This period was one of strong economic growth in which the city gained thousands of new jobs and residents. As a result, capital, business and building activity surged into the industrial and residential Eastern Neighborhoods, south of downtown. While this wealth brought needed resources, it also created conflicts around the use of land. San Francisco's industrial zoning has from the beginning been very permissive – allowing residences, offices and other uses, in addition to industrial businesses. Old and new residents, established industrial businesses and new, non-industrial business ventures all vied for building space and more affordable land in the Eastern Neighborhoods. It became clear over time, that non-industrial land uses – mainly



housing and offices that can pay far more for land – would make significant inroads on industrially zoned land in the Eastern Neighborhoods.

Industrially-Zoned Land in San Francisco





Also during this period, a new, non-industrial future was charted for several significant portions of the city's industrial lands. These included Mission Bay (slated for new housing, a University of California research campus and other research and development space), the Hunters Point Shipyard (new housing, commercial and sports facilities) and the Schlage Lock site (slated for new housing, open space and retail).

Faced with the removal of these areas from industrial zoning and the increasing competition for land in the remaining industrial areas, the Planning Department began a process to identify how much land was needed in the city for continuing industrial use and determine how to stabilize that land into the future. Recognizing that industrial land in the city was being used for many functions that didn't fall under traditional manufacturing "smokestack" categories, the term "Production, Distribution and Repair" (PDR) was coined to refer to the wide variety of activities that needed cheaper land and larger spaces to function.

The analysis process, carried out over several years, included a number of components: Community discussions about the future of industrial lands in the city, analysis of the value of PDR businesses to the city's economy and workforce, analysis of the needs of PDR businesses to prosper, and analysis of the land supply available to support PDR businesses. (See page viii under *For Further Reading* for a list of studies and publications dealing with these subjects.)

These studies concluded that there is indeed a future for PDR businesses in the city. These businesses contribute to the city's economy – by providing stable and well paying jobs for the 50% of San Franciscans without college degrees, and by supporting various sectors of the city's economy. The analysis also concludes that many types of PDR businesses could thrive in San Francisco given the right conditions. Chief among these conditions is a secure supply of land and building space, buffered from incompatible land uses and free of competing users with higher ability to pay for land.

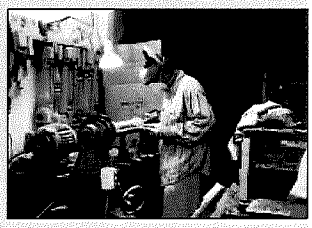
Providing Affordable Housing

San Francisco has an ongoing affordable housing crisis. In 2007, the median income for a family of four in the city is about $86,000. Yet it requires twice that income to be able to afford the median priced dwelling suitable for a family that size. Only an estimated 10% of households in the city can afford a median-priced home.

What is PDR?

The Planning Department has adopted the term "Production, Distribution and Repair" or "PDR" to refer to the very wide variety of activities which have traditionally occurred and still occur in our industrially zoned areas. PDR businesses and workers prepare our food and print our books; produce the sounds and images for our movies; take people to the airport; arrange flowers and set theatrical stages; build houses and offices; pick up our mail and garbage. PDR and related activities include arts activities, performance spaces, furniture wholesaling, and design activities. In general, PDR activities, occurring with little notice and largely in the Eastern Neighborhoods, provide critical support to the drivers of San Francisco's economy, including the tourist industry, high tech industry and financial and legal services, to name a few. PDR businesses also tend to provide stable and well-paying jobs for the 50% of San Francisco residents who do not have a college degree.

Why do PDR businesses need protection through zoning? There are several reasons why San Francisco, like many other large U.S. cities, is considering providing protection for PDR activities through zoning changes in some areas.



1) Competition for land: San Francisco has very limited land available and because current zoning permits almost any activity in an industrial zone, residential and office uses, which can afford to pay far more to buy land, have been gradually displacing PDR activities.

2) Land use conflicts: Some (though certainly not all) PDR businesses use large trucks, stay open late, make noise or emit odors. As residences and offices locate adjacent to these PDR businesses more frequently, conflicts arise, sometimes forcing the PDR businesses to curtail operations or even leave the city.

Current and future residents of limited means are likely to need assistance to continue to live in San Francisco. Many future San Francisco workers will be earning below 80% of the area's median income. Sales clerks and secretaries, as well as technical professionals and bank executives, must be able to live here. San Francisco must also house the firefighters, policemen, teachers, and health, recreation and primary care providers needed to support the city's population. Even construction workers who build new houses need housing they can afford.

The General Plan's Housing Element tells us that San Francisco needs to build over 2,700 new units a year to meet its share of the region's projected housing demand. At least 40% of this new housing construction should be affordable to low and very low income households, and 32% affordable to households of moderate means.

In order to succeed in meeting the city's housing objectives, three major pre-requisites must be met:

- An adequate supply of land must be identified;
- Regulatory and other impediments must be removed and incentives added; and
- Adequate financing must be available for both private and non-profit housing development.

What is "affordable housing"?

"Affordable housing" refers simply to apartments or condominiums that are priced to be affordable to individuals and families earning anywhere from about 30% to about 120% of the city's median income (or about $30,000 to $114,000 for a family of four). Because affordable housing sells or rents for less than the amount required to cover its costs, it must be subsidized. This subsidy can come in the form of government funding, or through requirements that developers designate a certain percentage of new units they build as affordable.

As the discussions continued around where and how to preserve some of the city's industrial lands, it became increasingly clear that the dialogue needed to be expanded to include the subject of how to supply a significant amount of affordable housing in formerly industrial areas where a transition to housing and mixed-use would occur.

The Eastern Neighborhoods Plans:
A Response to the Twin Policy Dilemmas

The Eastern Neighborhoods Plans were developed over several years, with the participation of thousands of community members and other stakeholders. They embody a series of strategies for responding to the need to preserve some industrial land in the city while also providing increased levels of affordable housing. The following Key Principles inform all the objectives and policies contained in the Plans:

People and Neighborhoods:

1) Encourage new housing at appropriate locations and make it as affordable as possible to a range of city residents

2) Plan for transportation, open space, community facilities and other critical elements of complete neighborhoods

The Economy and Jobs:

3) Reserve sufficient space for production, distribution and repair activities, in order to support the city's economy and provide good jobs for residents

4) Take steps to provide space for new industries that bring innovation and flexibility to the city's economy

The Eastern Neighborhoods Plans are structured as Area Plans in the city's General Plan. Each consists of eight chapters. The first two – *Land Use* and *Housing* – set out fundamental objectives and policies around stabilizing the use of land and providing affordable housing. The following six chapters – *Built Form*, *Transportation*, *Streets and Open Space*, *Economic Development*, *Historic Preservation*, *Community Facilities* – all provide the background and support for ensuring that we plan complete neighborhoods.

The Area Plans are accompanied by an Implementation Document which lays out the program of community improvements, a funding strategy to realize those improvements and directs administration of a public benefits program.

For Further Reading

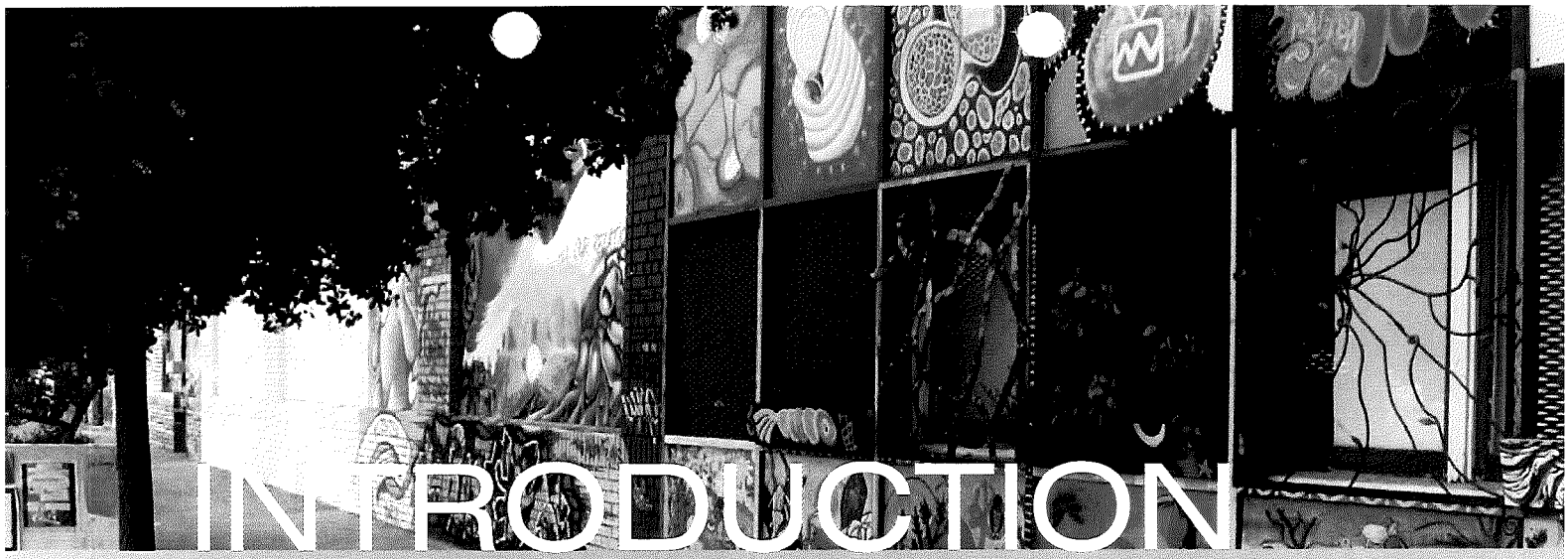
EPS Report: Supply/Demand Study for Production, Distribution, and Repair (PDR) in San Francisco's Eastern Neighborhoods (April, 2005)

Community Planning in the Eastern Neighborhoods Rezoning Options Workbook Draft (2003)

Profiles of Community Planning Areas (2002)

Industrial Land in San Francisco: Understanding Production, Distribution, and Repair (2002)

All of these documents are available to download on the Eastern Neighborhoods web site: *http://easternneighborhoods.sfplanning.org*



INTRODUCTION

MISSION

The Mission is a neighborhood of strong character and a sense of community developed over decades. This area is home to almost 60,000 people, with Latinos comprising over half the population. The Mission is bounded by Guerrero to the west, Potrero to the east, Division to the north and Cesar Chavez to the south.

In addition to providing more than 23,000 jobs for the city of San Francisco, the Mission also provides a place for almost 60,000 residents to live, many in households substantially larger and poorer than those found elsewhere in the City. There are about 17,000 units of housing in the Mission mixed with commercial, industrial, retail and other uses. This mix of uses makes it possible for many residents to live and work in the same general area.

Retail is a significant business type in the Mission. Mission and 24th Streets in particular offer a variety of shops and services including many small grocery stores, beauty shops and restaurants that serve the local neighborhood and reflect the Latino population. There are about 900 stores and restaurants in the Mission, employing nearly 5,000 people.

Retail however, does not employ as many people as Production Distribution and Repair (PDR) activities. PDR businesses, concentrated in the northeast Mission, provide jobs for about 12,000 people, making PDR businesses the largest employers in the Mission. These businesses support San Francisco's service and tourist industry and are comprised of everything from furniture makers, sound and video recording studios, wholesale distributors, auto repair shops, plumbing supply stores, lumber yards, and photography studios, to the large PG&E and Muni facilities.

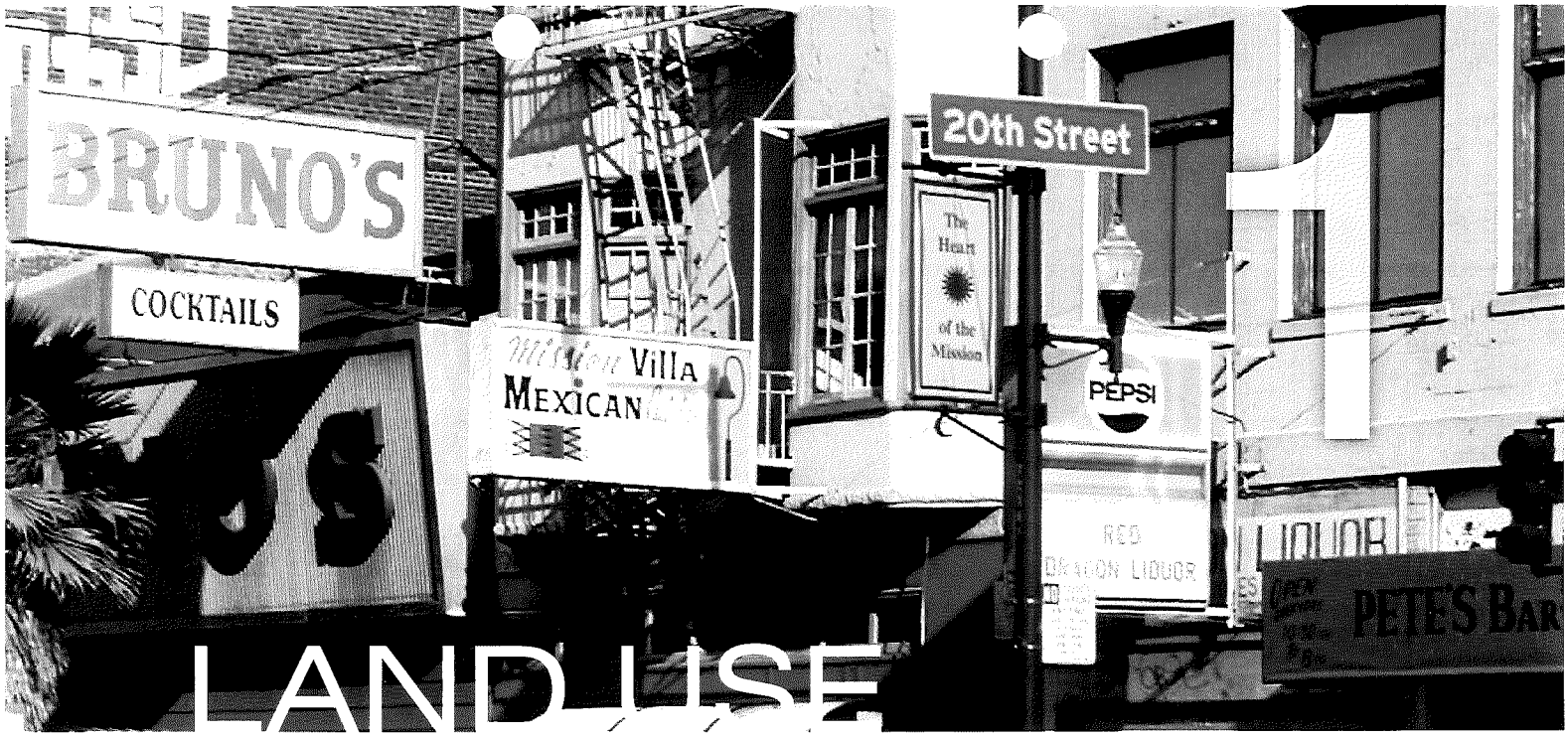
The Mission is known for its rich culture. It hosts annual public celebrations such as "Carnaval", "Cinco

de Mayo" and "Encuentro del Canto Popular" and houses a variety of community and cultural resources including Centro del Pueblo, the Mission Cultural Center, the Mission Economic Development Association, ODC, Cell Space, PODER, Saint Peters Housing, Dolores Street Community Services, the Bay Area Video Coalition, The Mission News and El Tecolote newspaper. Perhaps the most visible cultural resource however, are the many murals found throughout the area. These themed illustrations on the sides of buildings provide an historic and cultural context for residents and visitors alike.

Overall, the Mission has a well-developed neighborhood infrastructure, easy access to shops and restaurants, an architecturally rich and varied housing stock, rich cultural resources, and excellent transit access. Traditionally a reservoir of affordable housing relatively accessible to recent immigrants and artists, housing affordability in the Mission has significantly declined in the past decade as condominium conversions have removed affordable rental housing and evicted low-income residents and families. Moreover, new housing has been largely unaffordable to existing residents, and constructed on land formerly occupied by PDR businesses.

In addition to the Eastern Neighborhoods-wide goals outlined above, the following community-driven goals were developed specifically for the Mission, over the course of many public workshops:

- Preserve diversity and vitality of the Mission
- Increase the amount of affordable housing
- Preserve and enhance the existing Production, Distribution and Repair businesses
- Preserve and enhance the unique character of the Mission's distinct commercial areas
- Promote alternative means of transportation to reduce traffic and auto use
- Improve and develop additional community facilities and open space
- Minimize displacement



LAND USE

LAND USE

This section presents the vision for the use of land in the Mission. It identifies activities that are important to protect or encourage and establishes their pattern in the neighborhood. This pattern is based on the need to increase opportunities for new housing development, particularly affordable housing, retain space for production, distribution and repair (PDR) activities, protect established residential areas, and build on the vibrant neighborhood commercial areas around Mission, Valencia and 24th Streets. Where and how these activities occur is critical to ensuring that future neighborhood change contributes positively to the city as well as the area's vitality, fostering the Mission as a place to live and work.

To ensure the Mission remains a center for immigrants, artists, and innovation, the established land use pattern should be reinforced. This means protecting established areas of residential, commercial and PDR, and ensuring that areas that have become mixed-use over time develop in such a way that they contribute positively to the neighborhood. A place for living and working also means a place where affordably priced housing is made available, a diverse array of jobs is protected, and where goods and services are oriented to serve the needs of the community. For the Mission to continue to function in this way, land must be designated for such uses and controlled in a more careful fashion.

OBJECTIVE 1.1

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK

Much of the Mission is mixed-use in character. Neighborhood commercial areas such as Mission, Valencia, and 24th Streets support a variety of activities, including shops and services, housing, small offices, and PDR businesses. Residential areas contain some small corner stores and other neighborhood-serving uses. The Northeast Mission is home to a unique mixture of activities which includes many important and successful PDR businesses, as well as offices, housing, retail and other uses. This mix of uses contributes to the vitality of the Mission and should be retained.

The challenge in the Mission is to strengthen the neighborhood's mixed-use character, while taking clear steps to protect and preserve PDR businesses, which provide jobs and services essential for the city. This Plan's approach to land use controls in the Mission includes the following key elements:

- Maintain existing zoning controls for the low and medium density residential areas in the southeast part of the Mission

- Generally maintain existing neighborhood commercial zoning in the Mission and Valencia Corridors, including portions of 16th Street, but recognize the good transit service available here by eliminating density limits and parking minimum requirements.

- Eliminate density limits and minimum parking controls in some residential areas of the Mission which are close to Mission Street transit.

- In some parts of the Northeast Mission Industrial Zone, establish new controls that protect PDR businesses by prohibiting new residential development and limiting new office and retail development.

- In other parts of the Northeast Mission Industrial Zone, establish new controls that allow mixed-income residential development, while limiting new office and retail development.

The policies to address the objective above are as follows:

POLICY 1.1.1
Revise land use controls in some portions of the Northeast Mission Industrial Zone to stabilize and promote PDR activities, as well as the arts, by prohibiting construction of new housing and limiting the amount of office and retail uses that can be introduced. Also place limitations on heavier industrial activities which may not be appropriate for the Mission

POLICY 1.1.2
Revise land use controls in portions of the Northeast Mission Industrial Zone outside the core industrial area to create new mixed use areas, allowing mixed income housing as a principal use, as well as limited amounts of retail, office, and research and development uses, while protecting against the wholesale displacement of PDR uses.

POLICY 1.1.3
Maintain the successful Mission Street, 24th Street, and Valencia Street Neighborhood Commercial districts; recognize the proximity to good transit service by eliminating residential density limits and minimum parking requirements.

POLICY 1.1.4
In higher density residential areas of the Mission, recognize proximity to good transit service by eliminating density limits and minimum parking requirements; permit small neighborhood-serving retail.

POLICY 1.1.5
In lower density residential areas of the Mission, generally further from good transit service, maintain existing residential controls.

POLICY 1.1.6
Permit and encourage small and moderate size retail establishments in neighborhood commercial areas of the Mission, while allowing larger retail in the formerly industrial areas when part of a mixed-use development.

POLICY 1.1.7
Permit and encourage greater retail uses on the ground floor on parcels that front 16th Street to take advantage of transit service and encourage more mixed uses, while protecting against the wholesale displacement of PDR uses.

POLICY 1.1.8
While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

POLICY 1.1.9
Maximize active ground floor uses that open to the BART plazas in any redevelopment of the parcels surrounding the plazas.

POLICY 1.1.10
While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

OBJECTIVE 1.2

IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

It is important that new housing be developed in appropriate areas, that it be compatible with its surroundings, and that it satisfy community housing needs. Locating housing in neighborhood commercial areas with good transit, as well as in some portions of former industrial areas, allows new development to capitalize on existing infrastructure. By increasing development potential on some parcels, reducing parking requirements, and replacing existing unit density controls with "bedroom mix" controls that require a portion of new units to be larger and more family-friendly, more housing of the appropriate type can be encouraged.

Strong building design controls, discussed further in the Built Form chapter of this Plan, should ensure that these new buildings are designed to be compatible with their surroundings. Building facades should be broken up, development above a certain height should be set back on small residential alleys to allow light and air, and active ground floors should be required.

The policies to address the objective above are as follows:

POLICY 1.2.1
Ensure that in-fill housing development is compatible with its surroundings.

POLICY 1.2.2
For new construction, and as part of major expansion of existing buildings in neighborhood commercial districts, require ground floor commercial uses in new housing development. In other mixed-use districts encourage housing over commercial or PDR where appropriate.

POLICY 1.2.3
In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

POLICY 1.2.4
Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

OBJECTIVE 1.3

INSTITUTE FLEXIBLE "LEGAL NONCONFORMING USE" PROVISIONS TO ENSURE A CONTINUED MIX OF USES IN THE MISSION

A notable characteristic of the Mission is that even in its industrial areas, there exists a unique and varied mix of offices, retail, housing and other uses, in addition to PDR businesses. The intent of the Plan is to create successful mixed areas where PDR uses can exist and compete well with other uses in the future.

To ensure that the Mission's unique mix remains in place, existing office and retail establishments in the Mission's mixed-use and PDR districts should be allowed to stay legally, as long as they were legally established in the first place. Property owners whose office and retail tenants leave should be allowed to replace them with similar tenants.

Existing legal nonconforming use rules already provide substantial protections to certain types of establishments that pre-date the proposed rezoning. For example, in areas where limitations will be imposed under new zoning on retail and office uses, existing office and retail uses that do not comply with this limitation would be able to remain, provided they were legally established in the first place.

However, existing nonconforming rules do not apply to housing where it is prohibited outright. Because new zoning will create such districts, the nonconforming use provisions in the Planning Code should be modified in order to allow for the continuance of existing housing in areas where housing will no longer be permitted under the new zoning.

The policies as well as implementing actions to address the objective above are as follows:

POLICY 1.3.1
Continue existing, legal nonconforming rules, which permit pre-existing establishments to remain legally even if they no longer conform to new zoning provisions, as long as the use was legally established in the first place.

POLICY 1.3.2
Provide flexibility for legal housing units to continue in districts where housing is no longer permitted.

POLICY 1.3.3
Recognize desirable existing uses in the former industrial areas which would no longer be permitted by the new zoning, and afford them appropriate opportunities to establish a continuing legal presence.

OBJECTIVE 1.4

SUPPORT A ROLE FOR "KNOWLEDGE SECTOR" BUSINESSES IN APPROPRIATE PORTIONS OF THE MISSION

The "Knowledge Sector" consists of businesses that create economic value through the knowledge they generate and provide for their customers. These include businesses involved in financial services, professional services, information technology, publishing, digital media, multimedia, life sciences (including biotechnology), and environmental products and technologies. The Knowledge Sector contributes to the city's economy through the high wages these industries generally pay, creating multiplier effects for local-serving businesses in San Francisco, and generating payroll taxes for the city. Although these industries generally require greater levels of training and education than PDR workers typically possess, they may in the future be able to provide a greater number of quality jobs for some San Franciscans without a four-year college degree, provided appropriate workforce development programs are put in place.

From a land use perspective, the Knowledge Sector utilizes a variety of types of space. Depending on the particular needs of a company, this may include buildings for offices, research and development (R&D), and manufacturing. Mixed-use and industrial land in the Mission benefits from lower rents and less intensive development than other parts of the city. These characteristics may allow for the location of manufacturing and R&D components of the Knowledge Sector, as well as provide some "Class B" office space suitable for Knowledge Sector companies which cannot afford or would prefer not to be located downtown. These uses could be supported in the following manner:

- The PDR component of the Knowledge Sector could locate throughout the Mixed-Use and PDR districts of the Mission.

- The office component of the Knowledge Sector should be directed towards space above the ground floor in buildings in the Mission's Mixed Use and PDR districts. The amount of office space in these buildings should be controlled, in order to support the continued viability of some PDR uses above the ground floor.

- R&D uses range from office-only to a mixture of office and production and testing activities. To the degree that these uses are office-only, they should be subject the same controls as office uses. The more industrially-oriented R&D uses could be located throughout the Mixed Use and PDR districts of the Mission, though the office component would be subject to office controls.

The policies to address the objective above are as follows:

POLICY 1.4.1
Continue to permit manufacturing uses that support the Knowledge Sector in the Mixed Use and PDR districts of the Mission.

POLICY 1.4.2
Allow Knowledge Sector office-type uses in portions of the Mission where it is appropriate.

POLICY 1.4.3
Identify portions of the Mission where it would be appropriate to allow research and development uses that support the Knowledge Sector.

OBJECTIVE 1.5

MINIMIZE THE IMPACT OF NOISE ON AFFECTED AREAS AND ENSURE GENERAL PLAN NOISE REQUIREMENTS ARE MET.

Noise, or unwanted sound, is an inherent component of urban living. While environmental noise can pose a threat to mental and physical health, potential health impacts can be avoided or reduced through sound land use planning. The careful analysis and siting of new land uses can help to ensure land use compatibility, particularly in zones which allow a diverse range of land uses. Traffic is the most important source of environmental noise in San Francisco. Commercial land uses also generate noise from mechanical ventilation and cooling systems, and through freight movement. Sound control technologies are available to both insulate sensitive uses and contain unwanted sound from noisy uses. The use of good urban design can help to ensure that noise does not impede access and enjoyment of public space.

The policies to address the objective above are as follows:

POLICY 1.5.1
Reduce potential land use conflicts by providing accurate background noise-level data for planning.

POLICY 1.5.2
Reduce potential land use conflicts by carefully considering the location and design of both noise generating uses and sensitive uses in the Mission.

OBJECTIVE 1.6

IMPROVE INDOOR AIR QUALITY FOR SENSITIVE LAND USES IN THE MISSION

Exposure to air pollutants can pose serious health problems, particularly for children, seniors and those with heart and lung diseases. Sound land use planning aims to reduce air pollution emissions by co-locating complementary land uses, which helps to decrease automobile traffic and encourage walkability and by avoiding land use-air quality conflicts that can result in exposure to air pollutants. While there are numerous social, environmental and economic benefits associated with integrating land use and transportation, there is also a potential risk of exposing residents to poor indoor air quality when infill residential developments are located in close proximity to air pollution sources, including traffic sources such as freeways or major streets. Epidemiologic studies have consistently demonstrated that children and adults living in proximity to busy roadways have poorer health outcomes, including higher rates of asthma disease and morbidity and impaired lung development. Given increasing demands for housing, particularly affordable housing, and the limited amount of available and suitable land for housing in San Francisco, it is important that the review process for proposed development projects incorporate analysis and mitigation of air quality conflicts, particularly with respect to sensitive land uses such as housing, schools, daycare and medical facilities.

POLICY 1.6.1
Minimize exposure to air pollutants from existing traffic sources for new residential developments, schools, daycare and medical facilities.

OBJECTIVE 1.7

RETAIN THE MISSION'S ROLE AS AN IMPORTANT LOCATION FOR PRODUCTION, DISTRIBUTION AND REPAIR (PDR) ACTIVITIES.

It is important for the health and diversity of the city's economy and population that production, distribution and repair (PDR) activities find adequate and competitive space in San Francisco. PDR jobs constitute a significant portion of all jobs in the Mission. These jobs tend to pay above average wages, provide jobs for residents of all education levels, and offer good opportunities for advancement. However, they usually lease business space and are therefore subject to displacement. This is particularly important in the Mission as average household sizes tend to be larger and incomes lower than the rest of the city. Also, half of Mission residents are foreign born with two-thirds coming from Latin America and Mexico. Half of all Mission residents are of Latino heritage. About 45 percent of Mission residents speak Spanish at home. PDR businesses provide accessible jobs to many of these residents.

PDR is also a valuable export industry. PDR businesses that design or manufacture products in San Francisco often do so because of advantages unique to being located in the city. These export industries present an opportunity to grow particular PDR sectors, strengthening and diversifying our local economy. PDR also supports the competitiveness of knowledge industries by providing critical business services that need to be close, timely and often times are highly specialized.

Many PDR businesses form clusters, including arts activities, that are unique to San Francisco and provide services and employment for local residents. Establishing space for PDR activities that is protected from encroachment by other uses responds to existing policy set forth in the city's General Plan, particularly the Commerce and Industry Element, which includes the following pertinent policies:

- Seek to retain existing commercial and industrial activity and to attract new such activity to the city (Objective 2, Policy 1)

- Promote the attraction, retention, and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers (Objective 3, Policy 1)

- Avoid public actions that displace existing viable industrial firms (Objective 4, Policy 3)

- When Displacement does occur, attempt to relocate desired firms within the city (Objective 4, Policy 4)

- Avoid encroachment of incompatible land uses on viable industrial activity (Objective 4, Policy 5)

- Maintain an adequate supply of space appropriate to the needs of incubator industries (Objective 4, Policy 11)

Generally, establishing areas for PDR businesses achieves the following:

1. Stabilizes activities that are susceptible to displacement including arts activities.

2. Stabilizes areas that contain concentrations of "blue collar", unskilled and semi-skilled jobs.

3. Helps to ensure the availability of jobs across all economic sectors, providing a wide range of employment opportunities for San Francisco's diverse population.

4. Ensures that there is space for activities important to meeting the city's everyday needs.

5. Ensures that there is space for businesses that support the city's wider economy and health.

6. Ensures that there is space for new business sectors to emerge, which helps San Francisco to maintain its role as a regional center.

7. Fosters a diverse economy, which helps to ensure the city's long-term economic vibrancy.

The policies as well as implementing actions to address the objective above are as follows:

POLICY 1.7.1
In areas designated for PDR, protect the stock of existing buildings used by, or appropriate for, PDR businesses by restricting conversions of industrial buildings to other building types and discouraging the demolition of sound PDR buildings.

POLICY 1.7.2
Ensure that any future rezoning of areas within PDR districts is proposed within the context of periodic evaluation of the city's needs for PDR space.

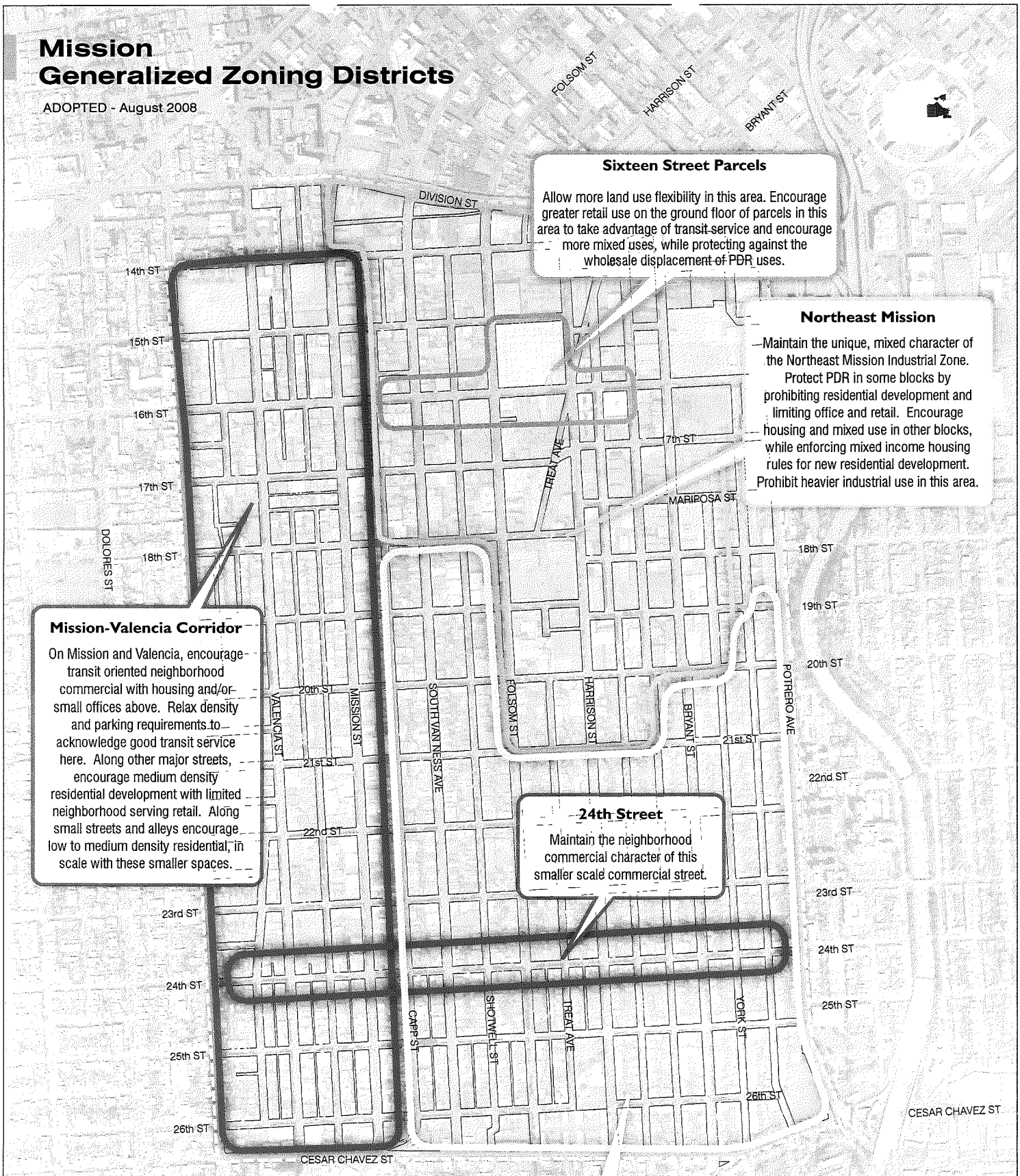
PDR districts proposed in this Plan were established to acknowledge and protect existing clusters of PDR activity and to provide an appropriate land supply to accommodate the city's need for PDR businesses into the foreseeable future. Land use needs change over time, but case-by-case rezoning of individual parcels or groups of parcels within larger PDR districts would disrupt the integrity of the districts. Proposed rezoning should only be considered in the context of an evaluation and monitoring report of the Eastern Neighborhoods Plans, to be conducted by the Planning Department at five-year intervals.

POLICY 1.7.3
Require development of flexible buildings with generous floor-to-ceiling heights, large floor plates, and other features that will allow the structure to support various businesses.

Flexibly designed buildings with high floor to ceiling heights best accommodate the PDR businesses of today and tomorrow. Such spaces, equipped with roll-up doors or other large apertures, for example, facilitate the movement of goods and supplies.

Mission
Generalized Zoning Districts

ADOPTED - August 2008



Sixteen Street Parcels

Allow more land use flexibility in this area. Encourage greater retail use on the ground floor of parcels in this area to take advantage of transit service and encourage more mixed uses, while protecting against the wholesale displacement of PDR uses.

Northeast Mission

Maintain the unique, mixed character of the Northeast Mission Industrial Zone. Protect PDR in some blocks by prohibiting residential development and limiting office and retail. Encourage housing and mixed use in other blocks, while enforcing mixed income housing rules for new residential development. Prohibit heavier industrial use in this area.

Mission-Valencia Corridor

On Mission and Valencia, encourage transit oriented neighborhood commercial with housing and/or small offices above. Relax density and parking requirements to acknowledge good transit service here. Along other major streets, encourage medium density residential development with limited neighborhood serving retail. Along small streets and alleys encourage low to medium density residential, in scale with these smaller spaces.

24th Street

Maintain the neighborhood commercial character of this smaller scale commercial street.

South Mission

Maintain the low to medium residential character of this area.

OBJECTIVE 1.8

MAINTAIN AND STRENGTHEN THE MISSION'S NEIGHBORHOOD COMMERCIAL AREAS

Mission Street is well served by Muni and has two BART stations, at 16th and 24th streets. Directing new development along neighborhood commercial streets in the area, such as Mission and Valencia streets, increases their vitality as neighborhood commercial areas and takes advantage of existing transit infrastructure. A tremendous amount of this vitality is due to the unique character of the Mission's neighborhood commercial areas, and that character should be encouraged and protected. Uses that are not community or neighborhood-serving should be managed in order to promote neighborhood serving and family-oriented businesses. To ensure compatibility with the existing scale of these areas, large lot development and lot mergers and business sizes should be carefully controlled. Because new zoning will allow for additional development capacity, more affordable housing should be required to address the needs of area residents and families.

The existing Mission alcoholic beverage controls, restricting new bars and liquor stores, cover most of the Mission district. However in sections of Mission Street adult entertainment and tourist hotels are currently permitted with conditional use approval. To promote more community serving businesses in the Mission, these uses should be prohibited in neighborhood commercial areas.

The policies to address the objective outlined above are as follows:

POLICY 1.8.1
Direct new mixed-use residential development to the Mission's neighborhood commercial districts to take advantage of the transit and services available in those areas.

POLICY 1.8.2
Ensure that the Mission's neighborhood commercial districts continue to serve the needs of residents, including immigrant and low-income households.

2 HOUSING

HOUSING

Historically the Mission has been a valuable source of affordable housing for immigrants and families. There are about 60,000 people living in the Mission district, about half of whom are foreign born, mostly from Central America and Mexico. Median household incomes are lower and household sizes about 30% larger in the Mission than the city as a whole, and this is particularly true for Latino households which, according to the 2000 census, have a median household size of 3.8 and a median household income of $44,500. For the entire Mission, the median household size is 3 and the median income is $48,227, whereas the citywide median household size is 2.3 and the median income is $55,200. Although new housing continues to be constructed in the Mission, the majority of this housing is market-rate, owner-occupied and generally unaffordable to existing residents and families.

The production of affordable housing is one of the main goals of the Mission Area plan, in order to provide housing for neighborhood residents and others who are overburdened by their housing costs. "Affordable housing" refers simply to apartments or condominiums that are priced so as not to financially burden a household – housing costs that do not prevent individuals or families of any income level from affording other necessities of life, such as food, clothing, transportation and medical care. While the City has established affordability limits for individuals and families earning anywhere from about 30% to about 120% of the city's median income, even families beyond that threshold have difficulty affording housing in San Francisco.

What constitutes an affordable rent or mortgage is more specifically defined locally as a proportion of annual income for individuals and families. Households are categorized by income as very low-, low-, and moderate-income households based on their relation to the median income. (Median income is the level at which exactly half of the City's households are above and half are below.) According to the Mayor's Office of Housing, the median income for 2007 for a household with four members in San Francisco was $80,319. Yet the substantial majority of market-rate homes for sale in San Francisco are priced out of the reach of low- and moderate-income households - less than 10% of households in the City can afford a median-priced home.

The City's Inclusionary Affordable Housing Program is one existing method by which the City produces several Below-Market-rate (BMR) units to families and individuals' earning below what is required to afford market prices. Under the amended 2006 Ordinance, market-rate developments of five units or more are required to include a mandatory fifteen percent of the project's total units as BMRs, which are affordable to low and moderate-income buyers (for rentals, people earning below 60 percent of median; for ownership units, people earning between 80 and 120 percent of median). Alternatively, developments may select an equivalent option of off-site development or payment of in-lieu fee.

However, this program only covers those earning up to 120 percent of median income, which in 2007 was $96,400 for a household of four. Yet even families earning more than this have difficulty affording housing in San Francisco. Almost 30 percent of its households fall in the bracket of moderate and middle incomes. Housing for working households remains one of the City's greatest needs.

The Mission Area Plan strives to meet six key objectives surrounding housing production and retention:

1. The Plan strives to construct new housing affordable to people with a wide range of incomes via the rezoning of some of the City's industrial lands. It assists households at low- and very low-incomes through inclusionary and land dedication strategies. It aims to help people making above the 120% of median-income threshold for inclusionary housing but below the amount required to afford market-rate units, through "middle-income" development options.

2. The Plan strives to retain and improve existing housing, in recognition of the fact that sound existing housing is one of the most valuable sources of housing the City has.

3. The Plan ensures that residential development meets not only the affordability needs, but the other needs- unit size, number of bedrooms, community services and neighborhood amenities – to create a high quality of life for all individuals and families in the Eastern Neighborhoods.

4. The Plan aims to lower the costs of housing production to translate into lower-priced units, by increasing development capacity, enabling cost-effective construction and by recognizing that "time is money" in reducing unnecessary processes.

5. The Plan aims to promote health and well-being for residents, through well-designed, environmentally friendly neighborhoods and units.

6. The Plan aims to continue the City's ongoing efforts to increase affordable housing and production, through increased funding available for affordable housing through City, state, federal and other sources.

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

The City of San Francisco has produced a significant number of market-rate units in the last five years, yet still has many units to produce at low, moderate and middle incomes if it is to meet the spectrum of need identified in the Housing Element of the General Plan. San Francisco's Housing Element establishes the Plan Area, as well as the entirety of the Eastern Neighborhoods, as a target area in which to develop new housing to meet San Francisco's identified housing targets in the category of low-, moderate- and middle-income units. A portion of the industrial lands of the Eastern Neighborhoods – areas formerly zoned for C-M, M-1, and M-2 , but not required to meet current PDR needs - offer an opportunity to zone areas to meet these identified categories of need.

In order to facilitate the housing production percentage targets identified in the Housing Element, this plan sets forth new zoning districts on formerly industrial lands that enable the production of the type of housing San Francisco needs. In these new zoning districts, affordable housing would be permitted as of right. However, not all sites will be appropriate for the development of 100% affordable housing projects, or are available for development.

In the area of the Mission generally known as the "Northeast Mission Industrial Zone" (NEMIZ) housing is permitted by conditional use according to the underlying industrial zoning. In recent years housing development has been restricted here by a series of interim policies from the Planning Commission and Board of Supervisors. Under the "mixed-income" housing requirements, in the formerly industrial zones, where market-rate housing was previously restricted, would be modified to allow developers a range of options to meet affordability needs. Those wishing to develop market-rate housing would be able to do so only under the following requirements:

1. Provide a high percentage of units affordable to very low-, low-, or moderate-income households on-site (through superinclusionary requirements, above and beyond the City's Inclusionary Program) in a mixed-income project. .

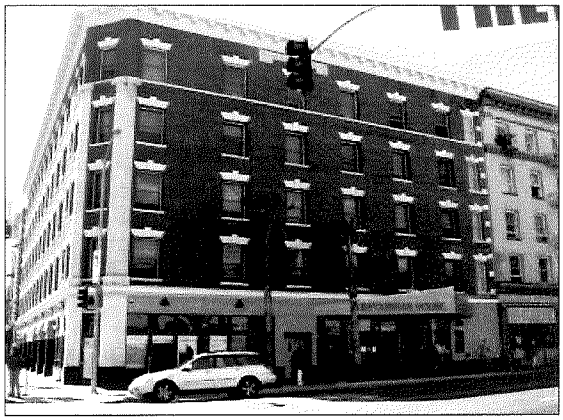
2. Dedicate land for the development of 100% affordable housing, available to very low- and low-income households.

3. Provide moderately affordable units on-site, as housing available to middle income households - those making below 150% of the median income.

Site developability in these areas will be increased by removal of density controls and in some cases through increased heights, to address the City's most pressing housing needs.

Single Resident Occupancy (SRO) units – defined by the Planning Code as units consisting of no more than one room at a maximum of 350 square feet - represent an important source of affordable housing in the Mission, representing about 9% of its housing stock. (There are an estimated 457 SRO Hotels in San Francisco with over 20,000 residential units, with most located in the Mission, Tenderloin, Chinatown, and South of Market). SRO units have generally been considered part of the city's stock of affordable housing, and as such, City law prohibits conversion of SROs to tourist hotels. SROs serve as an affordable housing option for elderly, disabled, and single-person households, and in recognition of this, the Plan adopts several new policies to make sure they remain a source of continued affordability. Therefore, SROs are permitted as a category of housing available to moderate, middle-income and low income households.. In recognition of the fact that SROs serve small households, the Plan

exempts SRO developments from meeting unit-mix requirements. In recognition of the fact that SROs truly are living spaces, and to prevent the kind of substandard living environments that can result from reduced rear yards and open spaces, this Plan requires that SROs adhere to the same rear yard and exposure requirements as other types of residential uses. Finally, the Plan calls for sale and rental prices of SROs to be monitored regularly to ensure that SROs truly remain a source of affordable housing, and that policies promoting them should continue.



The policies to address the objective above are as follows:

POLICY 2.1.1
Require developers in some formally industrial areas to contribute towards the City's very low-, low-, moderate- and middle-income needs as identified in the Housing Element of the General Plan.

POLICY 2.1.2
Provide land and funding for the construction of new housing affordable to very low- and low-income households.

POLICY 2.1.3
Provide units that are affordable to households at moderate and "middle incomes" – working households earning above traditional below-market-rate thresholds but still well below what is needed to buy a market-priced home, with restrictions to ensure affordability continues.

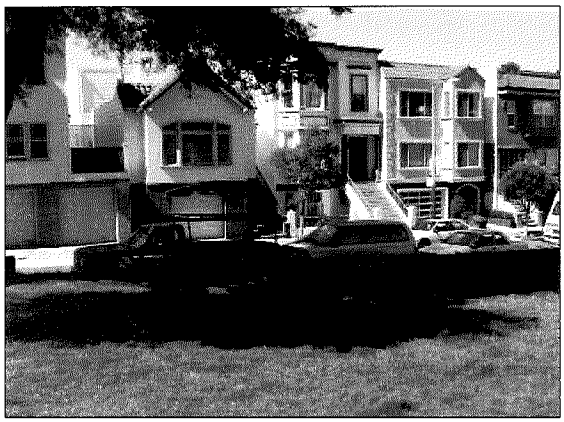
POLICY 2.1.4
Allow single-resident occupancy hotels (SROs) and "efficiency" units to continue to be an affordable type of dwelling option, and recognize their role as an appropriate source of housing for small households.

OBJECTIVE 2.2

RETAIN AND IMPROVE EXISTING HOUSING AFFORDABLE TO PEOPLE OF ALL INCOMES

The existing housing stock is the City's major source of relatively affordable housing. The Eastern Neighborhoods' older and rent-controlled housing has been a long-standing resource for the City's lower and middle income families. Priority should be given to the retention of existing units as a primary means to provide affordable housing.

Demolition of sound existing housing should be limited, as residential demolitions and conversions can result in the loss of affordable housing. The General Plan discourages residential demolitions, except where they would result in replacement housing equal to or exceeding that which is to be demolished. The Planning Code and Commission already maintain policies that generally require conditional use authorization or



discretionary review wherever demolition is proposed. In the Eastern Neighborhoods, policies should continue requirements for review of demolition of multi-unit buildings. A permit to demolish a residence cannot be issued until the replacement structure is approved. When approving such a demolition permit and the subsequent replacement structure, the Commission should review levels of affordability and tenure type (e.g. rental or for-sale) of the units being lost, and seek replacement projects whose units replaced meet a parallel need within the City. The goal of any change in existing housing stock should be to ensure that the net addition of new housing to the area offsets the loss of affordable housing by requiring the replacement of existing housing units at equivalent prices.

The rehabilitation and maintenance of the housing stock is also a cost-effective and efficient means of insuring a safe, decent housing stock. A number of cities have addressed this issue through housing rehabilitation programs that restore and stabilize units already occupied by low-income households. While the City does have programs to finance housing rehabilitation costs for low-income homeowners, it could expand this program to reach large-scale, multi-unit buildings. Throughout the project area, the City could work to acquire and renovate existing low-cost housing, to ensure its long-term affordability.

The policies to address the objective above are as follows:

POLICY 2.2.1
Adopt Citywide demolition policies that discourage demolition of sound housing, and encourage replacement of affordable units.

POLICY 2.2.2
Preserve viability of existing rental units.

POLICY 2.2.3
Consider acquisition of existing housing for rehabilitation and dedication as permanently affordable housing.

POLICY 2.2.4
Ensure that at-risk tenants, including low-income families, seniors, and people with disabilities, are not evicted without adequate protection.

OBJECTIVE 2.3

ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES.

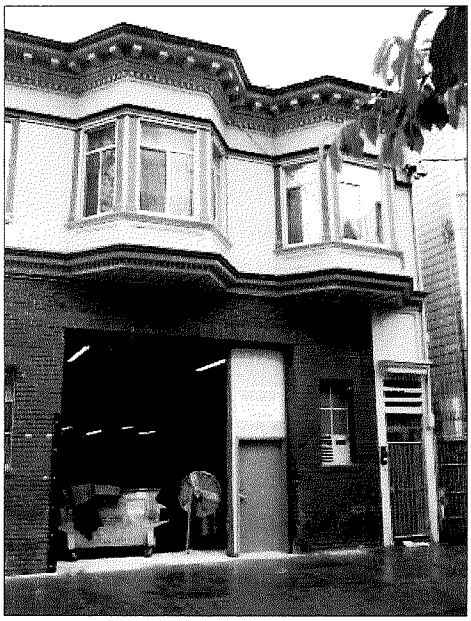
According to the Eastern Neighborhoods Socioeconomic Rezoning Impacts analysis, the Mission has a high concentration of family households relative to the rest of the city and even to other areas in the Eastern Neighborhoods. Close to 50 percent of all households in the Mission are family households, over 22 percent are households with children, and just fewer than 20 percent of the total population in the Mission are children under 18 years of age.

Household size also tends to be greater in the Mission, with households with four or more people constituting a large percentage – 20 percent of households – while the share of housing units with one bedroom or no bedrooms is above 50 percent of all units in the area. Therefore, the Mission, which claims more than half of the Eastern Neighborhoods housing stock, shows the greatest mismatch between housing type and housing need. Overcrowding, defined by the U.S. Census bureau as more than one person per room, and severe overcrowding (more than 1.5 persons per room) is also greatest - over 6 percent overcrowded and 15 percent severe - in the Mission.

The need for housing in the Mission covers the full range of tenure type (ownership versus rental) and unit mix (small versus large units). While there is a market for housing at a range of unit types, recent housing construction has focused on the production of smaller, ownership units. Policies in this plan are aimed to correcting this imbalance, in order to better serve families and renters. The Housing Element of the city's General Plan recognizes that rental housing is often more affordable than for-sale housing, and existing city policies regulate the demolition and conversion of rental housing to other forms of occupancy. New development in the Mission area should ensure that rental opportunity is available for new residents as well.

To try to achieve more family friendly housing, the Plan makes several recommendations. New development will be required to include a significant percentage of units with two or more bedrooms (SROs and senior housing will be exempted from this requirement). Family-friendly design should incorporate design elements such as housing with private entrances, on-site open space at grade and accessible from the unit, inclusion of other play spaces such as wide, safe sidewalks, on-site amenities such as children's recreation rooms or day-care. The Planning Department can also encourage family units by drafting family-friendly guidelines to guide its construction, and by promoting projects which include multi-bedroom housing located in close proximity to schools, day-care centers, parks and neighborhood retail. Projects that met such guidelines could be provided faster processing time, including streamlined processing.

One of the key priorities of the Mayor's Office of Housing is expanding the stock of family, rental housing, with particular emphasis on very low and extremely low-income families. The Plan encourages the Mayor's Office to maintain this priority in funding



100% affordable housing developments that provide safe, secure housing with multiple bedrooms and family-oriented amenities such as play areas and low-cost child care.

In addition to the type of housing constructed, it is important to consider the services and amenities available to residents – transit, parks, child care, library services, and other community facilities. Many parts of the Eastern Neighborhoods are already underserved in many of these categories; and the lower income, family-oriented households of these neighborhoods, more than any other demographic, have a need for these services. The Plan aims to improve the neighborhoods, and to meet the needs that new residential units in the Eastern Neighborhoods will create, including increased demands on the area's street network, limited open spaces, community facilities and services. New development will be required to contribute towards improvements that mitigate their impacts. The resulting community infrastructure, constructed through these funds and through other public funding, will benefit all residents in the area.

The public benefits funds generated will support improvements to community infrastructure, including parks, transit, child care, libraries, and other community facilities needed by all new residents, but particularly needed by lower-income residents and families. Often, affordable housing exists in areas with poor neighborhood quality of life, poor access to transit and unreliable neighborhood services; yet the lower income households, more than any other demographic, have a need for these services. The public benefit policies intended to mitigate new development's impacts will, in cooperation with other public funding, ensure that not only new housing, but also existing affordable housing, receives the community infrastructure a good neighborhood needs

The policies to address the objective above are as follows:

POLICY 2.3.1
Target the provision of affordable units for families.

POLICY 2.3.2
Prioritize the development of affordable family housing, both rental and ownership, particularly along transit corridors and adjacent to community amenities.

POLICY 2.3.3
Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

POLICY 2.3.4
Encourage the creation of family supportive services, such as childcare facilities, parks and recreation, or other facilities, in affordable housing or mixed-use developments.

POLICY 2.3.5
Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

POLICY 2.3.6
Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

OBJECTIVE 2.4

LOWER THE COST OF THE PRODUCTION OF HOUSING

There is a demonstrated need to reduce the overall cost of housing development and therefore reduce rental rates and purchase prices. Revising some requirements associated with housing development and expediting processing can help lower costs. The city's current minimum parking requirement, for example, is a significant barrier to the production of housing, especially affordable housing. In much of the housing built under current parking requirements, the cost of parking is included in the cost of owning or renting a home, requiring households to pay for parking whether or not they need it. As part of an overall effort to increase housing affordability in the Plan Area, costs for parking should be separated from the cost of housing and, if provided, offered optionally.

There are a number of design and construction techniques that can make housing "affordable by design" – efficiently designed, less costly to construct, and therefore less costly to rent or purchase. For example, forgoing structured parking can significantly reduce construction costs. Thus, as part of this Plan, parking requirements will be revised to allow, but not require parking. This provision will allow developers to build a reasonable amount of parking if desired and if feasible while meeting the Plan's built form guidelines. Small infill projects, senior housing projects or other projects that may desire to provide fewer parking spaces would have the flexibility to do so. Also, conventionally framed low-rise construction is less costly than high-rise construction requiring steel and concrete. City actions including modifying zoning and building code requirements to enable less costly construction, as well as encouraging smaller room sizes and units that include fewer amenities or have low-cost finishes while not yielding on design and quality requirements can facilitate these techniques.

Finally, the approval process for housing can be simplified, to reduce costs associated with long, protracted approval periods. Discretionary processes such as Conditional Use authorizations, and mandatory (i.e. non community initiated) Discretionary Review, should be limited as much as possible while still ensuring adequate community review. Provisions within CEQA should be used to enable exemptions or reduced review, including reduced traffic analysis requirement for urban infill residential projects.

The policies to address the objective above are as follows:

POLICY 2.4.1
Require developers to separate the cost of parking from the cost of housing in both for sale and rental developments.

POLICY 2.4.2
Revise residential parking requirements so that structured or off-street parking is permitted up to specified maximum amounts in certain districts, but it is not required.

POLICY 2.4.3
Encourage construction of units that are "affordable by design."

POLICY 2.4.4
Facilitate housing production by simplifying the approval process wherever possible.

OBJECTIVE 2.5

PROMOTE HEALTH THROUGH RESIDENTIAL DEVELOPMENT DESIGN AND LOCATION

Well-planned neighborhoods - those with adequate and good quality housing; access to public transit, schools, and parks; safe routes for pedestrians and bicyclists; employment for residents; and unpolluted air, soil, and water - are healthy neighborhoods. Quality living environments in such neighborhoods have been demonstrated to have an impact on respiratory and cardiovascular health, reduce incidents of injuries, improve physical fitness, and improve social capital, by creating healthy social networks and support systems.

Housing in the plan area should be designed to meet the physical, social and psychological needs of all and in particular, of families with children. Housing should also be designed to meet high standards for health and the environment. Green structures which use natural systems have better lighting, temperature control, improved ventila-

tion and indoor air-quality which contribute to reduced asthma, colds, flu and absenteeism. Also, health-based building guidelines can help with health and safety issues such as injury & fall prevention; pest prevention; and general sanitation.

To promote health at the neighborhood level, the San Francisco Department of Public Health has facilitated the multi-stakeholder Eastern Neighborhoods Community Health Impact Assessment (ENCHIA) to produce a vision for a healthy San Francisco as well as health objectives, measures, and indicators. The Department of Public Health (DPH) has worked with the Planning Department and other city agencies to assess the impacts, both positive and negative, of new development, and many aspects of this plan reflect those efforts.

The policies are as follows:

POLICY 2.5.1
Consider how the production of new housing can improve the conditions required for health of San Francisco residents.

POLICY 2.5.2
Develop affordable family housing in areas where families can safely walk to schools, parks, retail, and other services.

POLICY 2.5.3
Require new development to meet minimum levels of "green" construction.

POLICY 2.5.4
Provide design guidance for the construction of healthy neighborhoods and buildings.

OBJECTIVE 2.6

CONTINUE AND EXPAND THE CITY'S EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY

The City already has programs in place to increase access and production of affordable housing, primarily though the Mayor's Office of Housing. These existing programs, such as the inclusionary housing program, should be promoted and strengthened where economically feasible. Current city programs such as the second mortgage loans, first-time homebuyer, and down payment assistance programs should be promoted and expanded. To encourage private renovation of existing housing by low-income homeowners, programs that provide low-cost credit and subsidies to homeowners for the repair of code violations and target such subsidies to low-income households,

especially families and seniors, should be initiated. And new models that reduce housing costs, such as limited equity models, location efficient mortgages and community land trusts, should be explored. Finally, programs, incentives and funding to increase housing production outside of the Mayor's Office of Housing should be pursued, such as developer-supported housing initiatives, for-profit and non-profit developer partnerships as well as employer subsidies for workforce housing.

In addition, there are a number of Citywide policies that can be modified to recognize population needs and growth. Units that are nonconforming or illegal, such as accessory units or housing in nonresidential structures, are often sources of affordable housing, and the City should continue to explore ways of legalizing such units. One prime example is live-work units, which as nonconforming units are limited in expansion. The City could enable live/work units to conforming status as a residential unit, provided they meet planning and building code requirements for residential space and pay retroactive residential development fees, e.g. school fees, as well as new impact fees that are proposed as part of this area plan. Finally, the City should work outside of the planning process to support affordable housing through citywide initiatives, such as housing redevelopment programs, and employer subsidies for workforce housing.

The City should continue to work for increased funding towards its programs, utilizing outside sources such as state and regional grant funding as well as new localized sources. Property transfer taxes, tax increment, and City prioritization all offer potential dedicated funding streams that can provide needed revenue to the continued need for affordable housing.

POLICY 2.6.1
Continue and strengthen innovative programs that help to make both rental and ownership housing more affordable and available.

POLICY 2.6.2
Explore housing policy changes at the citywide level that preserve and augment the stock of existing rental and ownership housing.

POLICY 2.6.3
Research and pursue innovative revenue sources for the construction of affordable housing, such as tax increment financing, or other dedicated City funds.

3 BUILT FORM

BUILT FORM

The many cultures, land uses, architectural styles, street grids and street types that exist within the Mission neighborhood define its character and set it apart from other areas of San Francisco. Indeed it is the coexistence and commingling, at times chaotic, of all these different elements that attracts most residents to the Mission. Urban design is central to defining how such a diverse physical and social environment is able to function, and will determine whether new additions contribute to, or detract from, the neighborhood's essential character.

The main purpose of this chapter is to strengthen the current character of the neighborhood, while allowing new development to positively contribute in an original way to the quality of life of residents, visitors and workers. The three main elements addressed here are height, architectural design and the role of new development in supporting a more ecologically sustainable urban environment. The policies and guidelines in this chapter will help to harmonize the old and the new. Where it is appropriate from an urban design and city building perspective, increase heights in those areas that are expected to see significant new development or that ought to have increased heights to support the city's public transit infrastructure. The design of streets and sidewalks, an equally critical element in creating sustainable and enjoyable neighborhoods, is addressed in the Street and Open Space chapter of this Plan.

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER

The Mission is one of the city's most distinctive neighborhoods. To maintain this unique character in the face of new development we must ensure that buildings are of high-quality design and that they relate well to historic and surrounding structures. We must also ensure that new buildings enhance the quality of place and that ensure the neighborhood's long-term livability and a compelling relationship to the rest of the city.

Specific policies and design guidelines to address the objective above are as follows:

POLICY 3.1.1
Adopt heights that are appropriate for the Mission's location in the city, the prevailing street and block pattern, and the anticipated land uses, while preserving the character of its neighborhood enclaves.

POLICY 3.1.2
The design of new, mixed-use infill development in the Northeast Mission Industrial Zone (NEMIZ) should strengthen the area's industrial character through appropriate materials, massing, and setback.

The tight integration of light industrial, mixed-use and residential buildings makes the NEMIZ a unique area in the city. All new development needs to strengthen the area's traditional industrial character by choosing quality materials and finishes compatible with the existing fabric and by designing within a building envelope that is consistent with the surrounding context. New development should also recognize the building's responsibility to provide architecturally interesting ground floors that contribute to, and not detract from, the pedestrian experience.

POLICY 3.1.3
Relate the prevailing heights of buildings to street and alley width throughout the Plan Area.

Generally, the height of buildings is set to relate to street widths throughout the Plan Area. An important urban design tool in specific applications is to frame streets with buildings or cornice lines that roughly reflect the street's width. A core goal of the height districts is to create an urban form that will be intimate for the pedestrian, while improving opportunities for cost-effective housing and allowing for pedestrian-supportive ground floors.

POLICY 3.1.4
Heights should also reflect the importance of key streets in the city's overall urban pattern, such as Mission and Valencia streets, while re-

specting the lower scale development that typifies much of the established residential areas throughout the Plan Area.

Generally, the prevailing height of buildings is set to relate to street widths throughout the Plan Area. Height should also be used to emphasize key transit corridors and important activity centers. A primary intent of the height districts is to provide greater variety in scale and character while maximizing efficient building forms and enabling gracious ground floors.

The scale of development and the relationship between street width and building height offer an important orientation cue for users by indicating a street's relative importance in the hierarchy of streets, as well as its degree of formality. Taller buildings with more formal architecture should line streets that play an important role in the city's urban pattern.

POLICY 3.1.5
Respect public view corridors. Of particular interest are the east-west views to the Twin Peaks and Potrero Hill, south views to Bernal Hill, and several views towards the downtown.

San Francisco's natural topography provides important wayfinding cues for residents and visitors alike, and views towards the hills or the bay enable all users to orient themselves vis-à-vis natural landmarks. Further, the city's striking location between the ocean and the bay, and on either side of the ridgeline running down the peninsula, remains one of its defining characteristics and should be celebrated by the city's built form.

POLICY 3.1.6
New buildings should epitomize the best in contemporary architecture, but should do so with full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them.

Infill development should always strive to be the best design of the times, but should do so by acknowledging and respecting the positive attributes of the older buildings around it. Therefore, the new should provide positive additions to the best of the old, and not merely replicate the older architecture styles.

POLICY 3.1.7
Attractively screen rooftop HVAC systems and other building utilities from view.

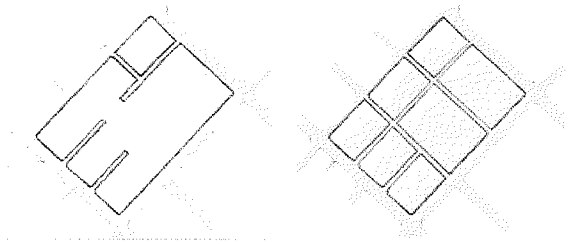
POLICY 3.1.8
New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

POLICY 3.1.9
Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

Important historic buildings cannot be replaced if destroyed. Their rich palette of materials and architectural styles imparts a unique identity to a neighborhood and provides valuable additions to the public realm. The Mission, as do the other inner-ring neighborhoods with an industrial past, demonstrates how adaptive reuse of historic buildings can provide a unique, identifiable, and highly enjoyed public place. Historic or otherwise notable buildings and districts should be celebrated, preserved in place, and not degraded in quality. See the Historic Preservation section of this area plan for specific preservation policies.

POLICY 3.1.10
After results are obtained from the historic resources surveys, make necessary adjustments to these built form guidelines to ensure that new structures, particularly in historic districts, will be compatible with the surrounding historic context.

POLICY 3.1.11
Establish and require height limits along alleyways to create the intimate feeling of an urban room.



Introducing through-alleys is an important part of a dynamic pedestrian network along otherwise large blocks.

The alleyway network in the Mission offers residents and visitors the opportunity to walk through one of the most intimately-scaled environments in San Francisco. This feeling of intimacy is established by carefully balancing building height and setbacks so as to ensure a sense of enclosure, while not overwhelming the senses.

Heights at the property line along both sides of alleys should be limited. In general, building height at the property line must not exceed 1.25 times the width of the alley. Above this height, a minimum 10-foot setback is required to maintain the appropriate and desired scale.

POLICY 3.1.12
Establish and require height limits and upper story setbacks to maintain adequate light and air to sidewalks and frontages along alleys.

The narrowness of many of the Mission's alleyways requires that development along them be carefully sculpted to proper proportions and to ensure that adequate light and air reach them and the frontages along them.

In addition to the building height and setback requirements stated in Policy 3.1.10 above, the building height at the property line along the south side of east-west alleys, building

height must be setback so as to ensure a 45-degree sun access plane, as extended from the property line on the opposite side of the street to the top corner of each story.

Along both north-south and east-west alleyways, setbacks are not required for the first 60 linear feet of the alley from the adjoining major street, as measured from the property line along the major street, so as to allow a proper streetwall along that street.

POLICY 3.1.13
Architectural design should be used to highlight publicly important views generated by shifts in the street grid or the termination of a street at a T-intersection.

The evolution of the city's built fabric presents important opportunities to increase visual interest and create a special identity for the neighborhood. As one moves through the neighborhood, unexpectedly coming upon a view that terminates in a building designed to a higher standard generates an image unique to that place, while also helping to create a special connection to the built environment.

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM

Achieving an engaging public realm for the Mission is essential. While visual interest is key to a pedestrian friendly environment, current development practice does not always contribute positively to the pedestrian experience, and many contemporary developments detract from it. Seeing through windows to the activities within – be they retail, commercial, or PDR – imparts a sense of conviviality that blank walls or garage doors are unable to provide. Visually permeable street frontages offer an effective and engaging nexus between the public and private domains, enlivening the street, offering a sense of security and encouraging people to walk. Where there are residential uses, seeing the activities of living is key, represented by stoops, porches and entryways, planted areas, and the presence of windows that provide "eyes on the street."

Specific policies and design guidelines to address the objective above are as follows:

POLICY 3.2.1
Require high quality design of street-facing building exteriors.

A. Provide strong, repeating vertical articulation on new buildings, especially those with large street frontages, to achieve the visual interest necessary to sustain pedestrian interest and activity. Avoid undifferentiated massing longer than 25 feet on residential streets or alleys, and 40 feet on all other streets. Such vertical articulation as this cannot be satisfactorily achieved by minor changes such as change of color alone.

B. For vertically mixed-use buildings, changes in use should be visually differentiated through changes in material, scale, setback or other means, and not solely by color.

C. Building openings and fenestration should represent the uses behind them, minimize visual clutter, harmonize with prevailing conditions, and provide architectural interest. Windows should have a minimum recess of 3 inches, generally should be oriented, and open, vertically, and the frames should not be made of vinyl.

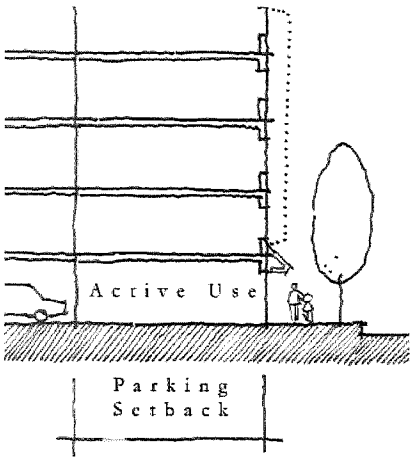
D. Use authentic, materials with a substantial appearance, including wood, masonry, ceramic tile, pre-cast concrete or integrated stucco. Avoid using inauthentic materials, in particular those that have the appearance of thin veneer or attachment, such as EIFS or tilt-up panels. If used, inauthentic materials should not be the dominant façade material, and should not be used for detailing or ornamentation.

E. Brick, stone, tile, veneers or applied materials should terminate logically and strongly, such as by wrapping corners and terminating at architectural modulations, articulations, frames or other features, so that they don't appear superficially affixed to the façade.

F. Blank or blind frontages at the ground floor are highly discouraged and should be minimized wherever possible. Where necessary, frontages used for utilities, storage, refuse collection and other activities should be integrated into the overall articulation and fenestration of the façade, or be masked by landscaping or other design features where active uses are not possible.

G. Extended blank or blind frontages are not permitted along Transit Preferential Streets as defined in the General Plan, and within the 6th Street neighborhood commercial transit district, even if alternative street or alley frontage is not available.

At-grade parking must be wrapped with at least 15 feet of active uses, such as retail or PDR.



POLICY 3.2.2
Make ground floor retail and PDR uses as tall, roomy and permeable as possible.

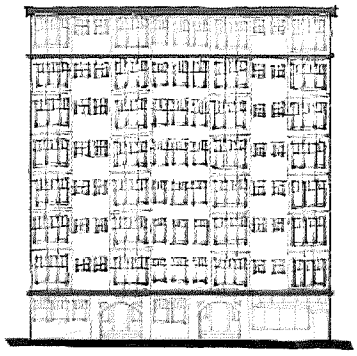
A. Maximize interior clear ceiling heights for ground floor retail or PDR uses. Where height districts end in five feet, such as 45', 55', 65', and 85', interior ground floor clear ceiling heights should maximize a fifteen foot envelope. This additional height will increase the flexibility of the space and improve its long-term viability.

B. Ground-level facades should be 75% transparent to permit a clear view inwards from the street and should not be tinted. Post construction alterations, such as retail displays, should not obscure the clear view.

POLICY 3.2.3
Minimize the visual impact of parking.

A. Where off-street parking is provided, placing it underground should be encouraged wherever site conditions allow, and especially for development on lots exceeding 5,000 square feet. Underground parking should be consolidated for multiple properties, where opportunities arise, thereby reducing the average cost of construction and minimizing the number of curb cuts and garage entrances.

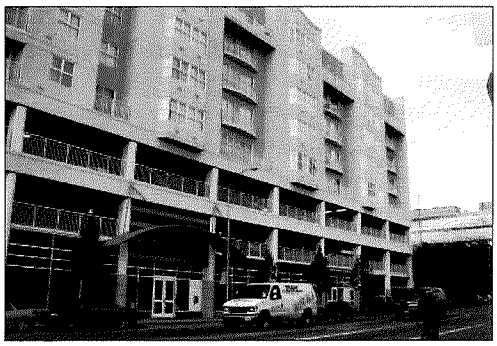
B. At grade parking is strongly discouraged. Where at-grade parking is necessary, it should be wrapped with a minimum of 15 feet of active use, such as residential, retail, or PDR on both the primary and secondary street frontages, except for the minimum frontage required for fire doors and parking access.



Buildings should have a clear bottom, middle and top. The building exterior of floors with retail or PDR uses should be differentiated visually from residential floors.

C. For development with no more than 20 units, parking access should be provided by a single door not exceeding 8 feet. Where lot dimensions require separate ingress and egress, individual doors and driveways should not exceed a width of eight feet and should be separated by one foot.

D. For developments with more than 20 residential units but less than 100 residential units, individual doors and driveways should not exceed a width of 8 feet for ingress and 8 feet for egress, separated by one foot, and should not be widened to allow for off-street loading. Combined ingress and egress should not exceed 16 feet. More than one ingress and one egress or one combined ingress/egress access point should be discouraged.



Parking infrastructure should not be noticeable from the street. The above building shows how insubstantial materials and observable parking infrastructure can degrade the pedestrian experience on the street.

E. For developments with 100 residential units or more, individual doors and driveways should not exceed a width of 8 feet for ingress and 8 feet for egress for auto parking, separated by one foot, and 10 feet for ingress and 10 feet for egress for joint parking and loading. Based on the conditions above, a combined ingress and egress should not exceed 20 feet. More than one ingress and one egress or one combined ingress/egress access point should be discouraged.

F. The number of curb cuts should be kept to an absolute minimum, with no more than one lane for ingress and one lane for egress, regardless of the total amount of parking proposed. Parking and loading should share access lanes, wherever possible, rather than requiring separate doors and driveways.

G. Curb cuts are prohibited on Transit Priority Streets (TPS), along Valencia Street, and on 24th Street through the neighborhood retail district, even if alternative street or alley frontage is not available.

H. Where a building has two frontages, parking entrances, loading docks, bays, and auxiliary service entrances should be accessed from secondary streets, and their visual impact on the neighborhood should be minimized.

POLICY 3.2.4
Strengthen the relationship between a building and its fronting sidewalk.

A. Blank and blind walls at the ground floor are highly discouraged and should be minimized. Building frontage should not be used for utilities, storage, and refuse collection wherever possible; where this function must be on the street, landscaping and other well-integrated design features shall be used to enhance the street frontage.

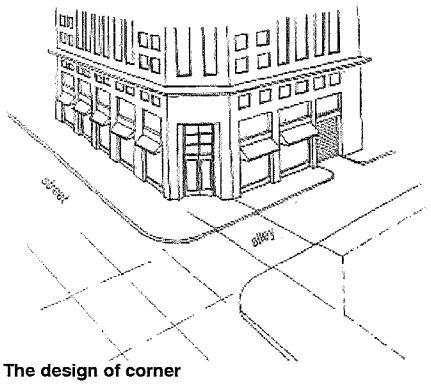
B. Ground-floor units should be primarily accessed directly from the public way, and not through common corridors or lobbies. Upper story units should connect to a lobby entry that opens directly onto the public way. Where possible, units should not be accessed only from an interior courtyard.

C. The individual entrances to ground-floor units should be set back 3-5 feet but no more than 10 feet from the street-fronting property line, and should be at least 18 inches, and ideally 3 feet, above sidewalk level.

D. All setback areas should maximize landscaping opportunities.

E. Utility vaults and access panels should be placed in driveway curb cuts so as to prevent blank building frontages and to ensure that sidewalk planting opportunities for street trees and landscaping are not limited.

F. Physically intimidating security measures such as window grills or spiked gates should be avoided; security concerns should be addressed by creating well-lit, well-used streets and active residential frontages that encourage "eyes on the street."



The design of corner buildings should relate to the civic significance of intersections.

POLICY 3.2.5
Building form should celebrate corner locations.

A. In use, design and entry, orient buildings towards corners.

B. Major entrances should be located at corners, but primary residential entrances can be located away from the corner to prevent congestion.

C. Architectural features and detailing including towers, bays, and copulas at the corner are strongly encouraged.

POLICY 3.2.6
Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

In dense neighborhoods such as the Mission, streets can provide important and valued additions to the open space network, offering pleasurable and enjoyable connections for people between larger open spaces.

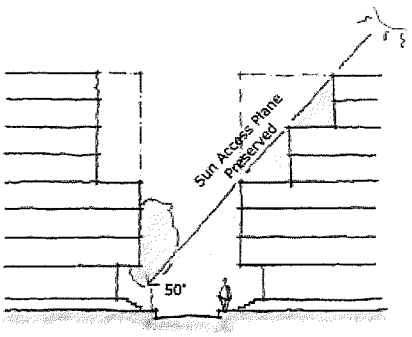
San Francisco's Better Streets Plan will provide guidance on how to improve the overall urban design quality, aesthetic character, and ecological function of the city's streets while maintaining the safe and efficient use for all modes of transportation.

POLICY 3.2.7
Strengthen the pedestrian network by extending alleyways to adjacent streets or alleyways wherever possible, or by providing new publicly accessible mid-block rights of way.

A. Developments on properties with 200 or more feet of street frontage on a block face longer than 400 feet should provide a minimum 20-foot-wide publicly accessible mid-block right of way and access easement for the entire depth of the property, connecting to existing streets or alleys.

B. Developments on properties with 200 feet or more, but less than 300 feet of street frontage should be encouraged to provide a minimum 20-foot wide publicly accessible easement where doing so would reconnect an alley with an adjacent street or another alley.

C. Developments on properties with 100 feet or more, but less than 200 feet of street frontage in the middle one-third of a block face longer than 400 feet where the adjacent property has the potential to do likewise, should be encouraged to provide a minimum 10-foot-wide publicly accessible mid-block right of way and access easement for the entire depth of the property, connecting to existing streets or alleys.



Maintaining a pleasurable pedestrian environment along the street is an important element of the plan.

POLICY 3.2.8
Recognize the distinctive Mission murals and expand the opportunities for new murals as well as other public art by providing space such as visible and publicly accessible walls in new construction adjacent to or near the murals to allow for these art traditions to thrive and continue, and by ensuring new construction does not obstruct, demolish, damage or otherwise diminish the Mission murals and other public art.

POLICY 3.2.9
Preserve sunlight access to BART plazas.

OBJECTIVE 3.3

PROMOTE THE ENVIRONMENTAL SUSTAINABILITY, ECOLOGICAL FUNCTIONING AND THE OVERALL QUALITY OF THE NATURAL ENVIRONMENT IN THE PLAN AREA

Given the reality of global climate change, it is essential that cities, and development within those cities, limit their individual and collective ecological footprints. Using sustainable building materials, minimizing energy consumption, decreasing storm water runoff, filtering air pollution and providing natural habitat are ways in which cities and buildings can better integrate themselves with the natural systems of the landscape. These efforts have the immediate accessory benefits of improving the overall aesthetic character of neighborhoods by encouraging greening and usable public spaces and reducing exposure to environmental pollutants.

Specific policies and design guidelines to address the objective above are as follows:

POLICY 3.3.1
Require new development to adhere to a new performance-based ecological evaluation tool to improve the amount and quality of green landscaping.

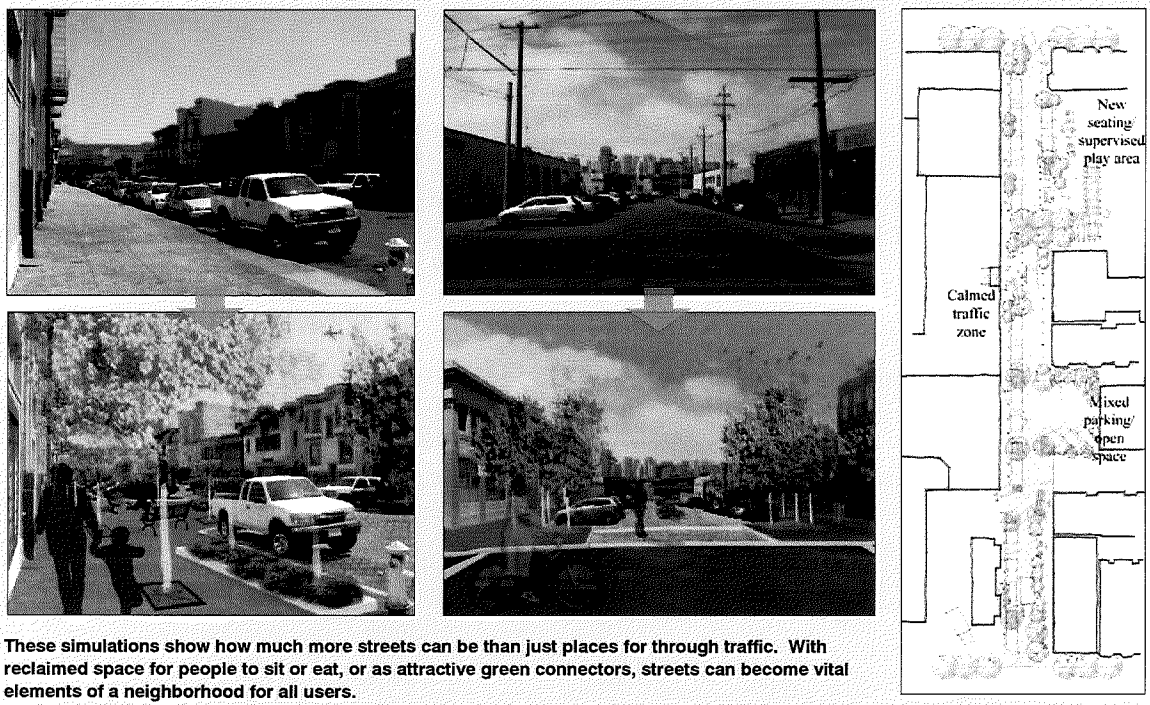
The San Francisco Planning Department, in consultation with the Public Utilities Commission, is in the process of developing a green factor. The green factor will be a performance-based planning tool that requires all new development to meet a defined standard for on-site water infiltration, and offers developers substantial flexibility in meeting the standard. A similar green factor has been implemented in Seattle, WA, as well as in numerous European cities, and has proven to be a cost-effective tool, both to strengthen the environmental sustainability of each site, and to improve the aesthetic quality of the neighborhood. The Planning Department will provide a worksheet to calculate a proposed development's green factor score.

POLICY 3.3.2
Discourage new surface parking lots and explore ways to encourage retrofitting existing surface parking lots and off-street loading areas to minimize negative effects on microclimate and stormwater infiltration. The city's Stormwater Master Plan, upon completion, will provide guidance on how best to adhere to these guidelines.

POLICY 3.3.3
Enhance the connection between building form and ecological sustainability by promoting use of renewable energy, energy-efficient building envelopes, passive heating and cooling, and sustainable materials.

POLICY 3.3.5
Compliance with strict environmental efficiency standards for new buildings is strongly encouraged.

The positive relationship between building sustainability, urban form, and the public realm has become increasingly understood as these buildings become more commonplace in cities around the world. Instead of turning inwards and creating a distinct and disconnected internal environment, sustainable buildings look outward at their surroundings as they allow in natural light and air. In so doing, they relate to the public domain through architectural creativity and visual interest, as open, visible windows provide a communicative interchange between those inside and outside the building. In an area where creative solutions to open space, public amenity, and visual interest are of special need, sustainable building strategies that enhance the public realm and enhance ecological sustainability are to be encouraged.



These simulations show how much more streets can be than just places for through traffic. With reclaimed space for people to sit or eat, or as attractive green connectors, streets can become vital elements of a neighborhood for all users.

4 TRANSPORTATION

TRANSPORTATION

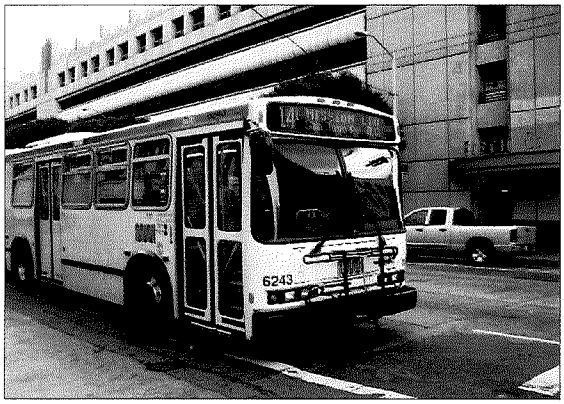
Note: The following Transportation objectives and policies relate specifically to the transportation system. Objectives and policies related to physical street design can be found in the Streets and Open Space chapter.

The Mission District's compact built environment and its varied mix of uses make walking, bicycling and public transit attractive, high-demand transportation modes. Abundant transit options (local and regional), vibrant, pedestrian-scale commercial corridors (Mission Street, Valencia Street and 24th Street) and a popular network of bicycle lanes and routes make the Mission a great neighborhood to get around in without a car. The vision for an improved transportation system within the Mission District includes improvements for all modes, especially pedestrians and transit. Efforts to improve transit speed, reliability and the safety of pedestrians and bicyclists should not obstruct the loading and circulation needs of vehicles supporting the Mission's PDR business activities.

OBJECTIVE 4.1

IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION

The Mission's several Muni lines and two BART stations make it an important local and regional transit hub. Commuters, residents and visitors from San Francisco and throughout the Bay Area pour in and out of the BART Stations at both 16th Street and 24th Street each morning and evening. Muni's 14 and 49 buses which run along Mission Street carry almost 40,000 riders every day. The 48, 22, 33, and 9 bus lines also serve the Plan Area. Enhancements to existing transit service that improve speed



and reliability should be made to reinforce the neighborhood's existing transit orientation.

Mission Street, 16th Street and Potrero Avenue stand out as desirable corridors to be considered for high-level transit improvements. These streets are called out in the San Francisco Municipal Transportation Agency's (SFMTA) *A Vision for Rapid Transit in San Francisco* (2002) as corridors important to long-range transit planning. New bus rapid transit (BRT) service, transit signal priority, transit-only lanes, and/or lengthened distances between stops are some tools that should be explored further.

The role of 16th Street as a key east-west transit corridor continues to grow as new development in the Eastern Neighborhoods and Mission Bay takes shape. Sixteenth Street is the only street that provides a continuous uninterrupted connection between the Mission, Showplace Square, Mission Bay and the eastern waterfront. It is also provides a critical link between local (Muni Third Street Light Rail) and regional transit (16th Street BART). The planned rerouting of the #22 bus down the full length of 16th Street to Mission Bay will help establish a major cross-town route in this developing area. Transit improvements for the 16th Street corridor are needed to accommodate increased transit service and to ensure transit vehicles are not crippled by congestion. Collaborative planning between city agencies, BART, businesses and large land holders like UCSF is necessary to design a transit corridor that prioritizes transit while serving the diverse land uses along the corridor. Transit improvements on 16th Street will also benefit the existing PDR businesses and employees found in the area that are expected to stay and grow.

SFMTA

Beginning in 2008, the SFMTA, Planning Department and the San Francisco County Transportation Authority (SFCTA) will commence a comprehensive Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS) to further explore the feasibility of the options described above, determine which projects are needed, how they should be designed and how they can be funded. A key input to this will be SFMTA's "Transit Effectiveness Project" (TEP), the first comprehensive study of the Muni system since the late 1970s. The TEP aims to promote overall performance and long-term financial stability through faster, more reliable transportation choices and cost-effective operating practices The TEP recommendations focus on improving transit service, speed and reliability and should be implemented as soon as possible within the Mission area.

The policies to address the objective above are as follows:

POLICY 4.1.1
Commit resources to an analysis of the street grid, the transportation impacts of new zoning, and mobility needs in the Mission / Eastern Neigh-

borhoods to develop a plan that prioritizes transit while addressing needs of all modes (transit, vehicle traffic, bicyclists, pedestrians).

This policy refers to the Eastern Neighborhoods Transportation Implementation Planning Study described above:

POLICY 4.1.2
Decrease transit travel time and improve reliability through a variety of means, such as transit-only lanes, transit signal priority, transit "queue jumps," lengthening of spacing between stops, and establishment of limited or express service.

POLICY 4.1.3
Implement the service recommendations of the Transit Effectiveness Project (TEP).

POLICY 4.1.4
Reduce existing curb cuts where possible and restrict new curb cuts to prevent vehicular conflicts with transit on important transit and neighborhood commercial streets .

Curb cuts should be reduced on key neighborhood commercial, pedestrian, and transit streets, where it is important to maintain continuous active ground floor activity, reduce transit delay and variability, and protect pedestrian movement and retail viability such as Mission, Valencia, 16th and 24th Streets. This is critical measure to reduce congestion and conflicts with pedestrian and transit movement along Transit Preferential Streets, particularly where transit vehicles do not run in protected dedicated rights-of-way and are vulnerable to disruption and delay.

POLICY 4.1.5
Ensure Muni's storage and maintenance facility needs are met to serve increased transit demand and provide enhanced service.

POLICY 4.1.6
Enhance existing public transit service linking the Mission to downtown and BART.

POLICY 4.1.7
Balance competing land use and transportation-related priorities for 16th Street in the Mission to improve transit speed and reliability.

As a core PDR area served by a major transit route (Muni's #22 bus), 16th Street and neighboring parcels illustrate the conflicts between the competing policy goals of improving transit and preserving PDR businesses. PDR land uses in the Mission and Showplace Square should be preserved to support the critical business activity they provide. However, PDR-related truck traffic, loading and circulation needs can slow transit vehicles. Further planning and design work is needed to make 16th Street a better transit street by mitigating the impacts of surrounding land uses. For example,

off-street truck loading requirements and transit-signal priority can improve 16th Street for transit while continuing to support the neighboring PDR land uses.

POLICY 4.1.8
Study the possibility of creating a "premium" transit service such as Bus Rapid Transit or implementing high-level transit preferential treatments for segments of Mission Street, 16th Street and Potrero Avenue.

Additional transit vehicles will be needed to serve new development in the Eastern Neighborhoods. The capacity of existing storage and maintenance facilities should be expanded and new facilities constructed to support growth in the Eastern Neighborhoods.

OBJECTIVE 4.2

INCREASE TRANSIT RIDERSHIP BY MAKING IT MORE COMFORTABLE AND EASY TO USE

A transit rider's experience is largely impacted by the quality of environment in and around the stops and stations where they start or end their transit trips. Transit stops can be made more attractive and comfortable for riders through installation of bus bulbs, shelters, additional seating, lighting, and landscaping. Pedestrian safety should also be prioritized near transit through the installation and maintenance of signs, crosswalks, pedestrian signals and other appropriate measures. Quality passenger information such as maps directing riders to major destinations, and accurate real-time transit information should be provided. Key transit stops with high passenger volumes or where transfers occur should be prioritized for enhanced amenities. In the Mission, these key stops may include 16th Street and Mission, 24th Street and Mission, 16th street and Potrero Avenue among others.

The policies to address the objective above are as follows:

POLICY 4.2.1
Improve the safety and quality of streets, stops and stations used by transit passengers.

POLICY 4.2.2
Provide comprehensive and real-time passenger information, both on vehicles and at stops and stations.

OBJECTIVE 4.3

ESTABLISH PARKING POLICIES THAT IMPROVE THE QUALITY OF NEIGHBORHOODS AND REDUCE CONGESTION AND PRIVATE VEHICLE TRIPS BY ENCOURAGING TRAVEL BY NON-AUTO MODES

The Mission's dense concentration of housing along with its vibrant mix of restaurants, neighborhood services, shopping and nightlife all generate a high demand for parking. Determining how existing and new parking is managed in the Mission is essential to achieving a range of community goals including reduced congestion and private vehicle trips, improved transit, successful commercial areas, housing production and affordability, and attractive urban design.

Elimination of minimum off-street parking requirements in new residential and commercial developments, while continuing to permit reasonable amounts of parking if desired, allows developers more flexibility in how they choose to use scarce developable space. In developments where space permits or where expected residents would particularly desire to own cars, parking can be provided, while in transit intensive areas, or where expected residents would not need cars (senior developments for example) parking would not be required. Space previously dedicated to parking in residential developments can be made available for additional housing units. With no parking minimums and therefore no need for individual drive-in parking spaces, new residential and commercial developments can explore more efficient methods of providing parking such as mechanical parking lifts, tandem or valet parking.

"Unbundling" parking from housing costs can reduce the cost of housing and make it more affordable to people without automobiles. The cost of parking is often aggregated in rents and purchase prices. This forces people to pay for parking without choice and without consideration of need or the many alternatives to driving available in the Mission. This could be avoided by requiring that parking be separated from residential or commercial rents, allowing people to make conscious decisions about parking and auto ownership.

Proper management of public parking, both on-street and in garages is critical. Currently, on-street parking is difficult to find in many parts of the city. Loose regulation and relatively inexpensive rates increase demand and decrease turnover of parking spaces. This shifts demand away from public transit and other modes, increases congestion and encourages long term on-street parking by employees and commuters. To support the needs of businesses and create successful commercial areas, on-street parking spaces should be managed to favor short-term shoppers, visitors, and loading. In residential areas, curbside parking should be managed to favor residents, while allocating any additional spaces for short-term visitors to the area. Recent research has proposed a number of ways to use market-based pricing and other innovative management techniques to improve availability of on-street parking while also increasing the revenue stream to the city. These methods are currently under study and should be applied in this area.

In accordance with Section 8A.113 of Proposition E (2000), new public parking facilities can only be constructed if the revenue earned from a new parking garage will be sufficient to cover construction and operating costs without the need for a subsidy. New development built with reduced parking could accommodate parking needs of drivers through innovative shared parking arrangements like a "community parking garage." Located outside of neighborhood commercial and small scale residential areas, such a facility would consolidate parking amongst a range of users (commercial and residential) while contributing to the neighborhood with an active ground floor featuring opportunities for neighborhood services and retail.

The policies as well as implementing actions to address the objective outlined above are as follows:

POLICY 4.3.1
For new residential development, provide flexibility by eliminating minimum off-street parking requirements and establishing reasonable parking caps.

POLICY 4.3.2
For new non-residential development, provide flexibility by eliminating minimum off-street parking requirements and establishing caps generally equal to the previous minimum requirements. For office uses, parking should be limited relative to transit accessibility.

POLICY 4.3.3
Make the cost of parking visible to users, by requiring parking to be rented, leased or sold separately from residential and commercial space for all new major development.

POLICY 4.3.4
Encourage, or require where appropriate, innovative parking arrangements that make efficient use of space, particularly where cars will not be used on a daily basis.

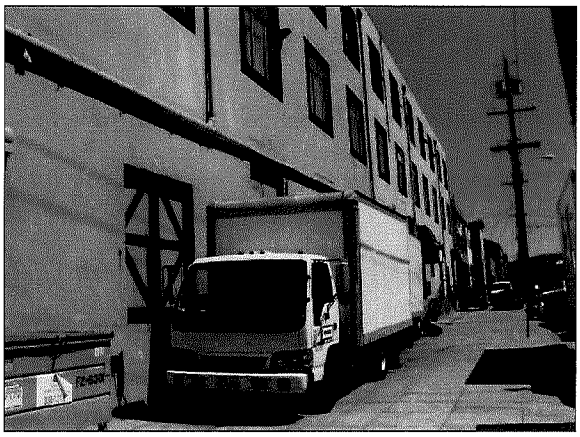
POLICY 4.3.5
Permit construction of new parking garages in Mixed Use districts only if they are part of shared parking arrangements that efficiently use space, are appropriately designed, and reduce the overall need for off-street parking in the area.

POLICY 4.3.6
Reconsider and revise the way that on-street parking is managed in both commercial and residential districts in order to more efficiently use street parking space and increase turnover and parking availability.

The San Francisco County Transportation Authority is conducting the On-Street Parking Management and Pricing Study to evaluate a variety of improved management techniques for on-street parking and recommend which should be put into effect in San Francisco.

OBJECTIVE 4.4

SUPPORT THE CIRCULATION NEEDS OF EXISTING AND NEW PDR USES IN THE MISSION



A significant share of deliveries to PDR and other businesses in the Mission are performed within the street space. Where curbside freight loading space is not available, delivery vehicles double-park, blocking major thoroughfares like Mission Street, slowing transit and creating potential hazards for pedestrians, bicyclists and automobiles. The City should evaluate the existing on-street curb-designation for delivery vehicles and improve daytime enforcement to increase turnover. Where necessary, curbside freight loading spaces should be increased. During evenings and weekends, curbside freight loading spaces should be made available for visitor and customer parking. In new non-residential developments, adequate loading spaces internal to the development should be required to minimize conflicts with other street users like pedestrians, bicyclists and transit vehicles.

POLICY 4.4.1
Provide an adequate amount of short-term, on-street curbside freight loading spaces in PDR areas of the Mission.

POLICY 4.4.2
Continue to require off-street facilities for freight loading and service vehicles in new large non-residential developments.

POLICY 4.4.3
In areas with a significant number of PDR establishments, design streets to serve the needs and access requirements of trucks while maintaining a safe pedestrian environment.

OBJECTIVE 4.5

CONSIDER THE STREET NETWORK IN THE MISSION AS A CITY RESOURCE ESSENTIAL TO MULTI-MODAL MOVEMENT AND PUBLIC OPEN SPACE

Not only are streets essential for movement, but they are a major component of the city's public realm and open space network. The Mission's streets and sidewalks move people and goods as well as provide places to sit, talk and stroll. Past sale of streets or rights-of-way to accommodate private development has impeded connectivity and mobility in some parts of San Francisco. Future closure and sale of city streets to private development should be discouraged unless it is determined excess roadway or reconfiguration of specific intersection geometries will achieve significant public benefits such as increased traffic safety, pedestrian safety, more reliable transit service

or public open space. New developments on large lots must consider alleys to break up the scale of the building and allow greater street connectivity.

POLICY 4.5.1
Maintain a strong presumption against the vacation or sale of streets or alleys except in cases where significant public benefits can be achieved.

(See also the Built Form chapter in this Plan, where there is more in-depth discussion on alleyways and publicly accessible mid-block rights of way.)

POLICY 4.5.2
As part of a development project's open space requirement, require publicly-accessible alleys that break up the scale of large developments and allow additional access to buildings in the project.

OBJECTIVE 4.6

SUPPORT WALKING AS A KEY TRANSPORTATION MODE BY IMPROVING PEDESTRIAN CIRCULATION WITHIN THE MISSION AND TO OTHER PARTS OF THE CITY

The Mission's primary commercial corridors - Mission, Valencia and 24th Streets – are crowded with pedestrians. Storefront retail, street level art and murals, good transit, well-marked crosswalks, and pedestrian signals all support a strong walking environment. However, conflicts with vehicles continue to present pedestrian safety concerns in the neighborhood. Opportunities exist to further improve pedestrian safety and accessibility in the Mission.

Several studies related to pedestrian improvements in the Mission have been completed or are in the planning stages. Recommendations from the *Southeast Mission Pedestrian Safety Plan* produced by SFMTA and the Department of Public Health should be implemented. In addition, the Planning Department is working with the SFMTA to develop the *Mission Public Realm Plan* and *Better Streets Plan* to ensure the Mission's streets are designed to promote pedestrian comfort and safety. The planned widening of Valencia Street's sidewalks should also be seen through to completion. In 2008, the Planning Department will be leading a planning process for the redesign of Cesar Chavez Street to make the street function better for pedestrians, bicyclists and transit.

Where possible, the city should implement high-visibility crosswalks, pedestrian signal heads with countdown timers, corner bulbouts, median refuge islands, or other pedestrian improvements. In specific areas with known higher rates of pedestrian-collisions, developers should be encouraged to carry out context specific planning and design on building projects to improve pedestrian safety.

(See also the Streets and Open Space chapter in this Plan, where there is more in-depth discussion on the physical design of streets.)

The policies to address the objective above are as follows:

POLICY 4.6.1
Implement recommendations from the Mission Public Realm Plan, Southeast Mission Pedestrian Safety Plan and established street design

standards and guidelines to make the pedestrian environment safer and more comfortable for walk trips.

POLICY 4.6.2
Prioritize pedestrian safety improvements at intersections and in areas with historically high frequencies of pedestrian injury collisions.

POLICY 4.6.3
Improve pedestrian access to major transit stops and stations such as the 16th and 24th Street BART Stations.

OBJECTIVE 4.7

IMPROVE AND EXPAND INFRASTRUCTURE FOR BICYCLING AS AN IMPORTANT MODE OF TRANSPORTATION

The Mission's existing bicycle infrastructure and relatively flat terrain create an attractive bicycling environment. The Valencia and Harrison Street bicycle lanes are busy with bicyclists during commute times and throughout the day. These lanes provide good north-south bicycle connections, but the Mission lacks strong east-west bicycle facilities. Improvements are planned to strengthen east-west connections. The SFMTA currently has improvements planned for Cesar Chavez and 17th Streets. Bicycle lanes and shared lane markings ("sharrows") on select segments of these streets will be installed once the San Francisco Bicycle Plan achieves environmental clearance. In addition, increased bicycle parking throughout the Mission especially in commercial areas and near BART is needed to accommodate the ever increasing number of bicyclists. Recent citywide zoning code amendments require bicycle parking for all new developments. The proposed Mission Creek Bikeway presents the opportunity for a future landscaped bicycle path from the Mission District to Mission Bay. Bikeway plans should be further examined, especially issues surrounding cost and implementation.

The policies to address the objective above are as follows:

POLICY 4.7.1
Provide a continuous network of safe, convenient and attractive bicycle facilities connecting the Mission to the citywide bicycle network and conforming to the San Francisco Bicycle Plan.

POLICY 4.7.2
Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and at concentrations of employment.

POLICY 4.7.3
Explore feasibility of the Mission Creek Bikeway project.

OBJECTIVE 4.8

ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

In addition to investments in our transportation infrastructure, there are a variety of programmatic ways in which the City can encourage people to use alternative modes of travel. Car sharing and transportation demand management programs (TDM) are important tools to reduce congestion and limit parking demand.

Carsharing offers an affordable alternative to car ownership by allowing individuals the use of a car without the cost of ownership (gas, insurance, maintenance). Carsharing companies provide privately owned and maintained vehicles for short-term use by their members. Carshare members pay a flat hourly rate or monthly fee to use cars only when they need them (i.e. to run errands or make short trips).

The Mission already has a high concentration of car share vehicles, especially near the Mission and Valencia corridors. Recent zoning code changes require carshare spaces in new residential developments. Car sharing should continue to be encouraged in the Mission as part of new residential and commercial developments in support of parking policies and increased mobility of residents without automobiles.

"Transportation demand management" (TDM) programs that encourage residents and employees to walk, bike, take public transit or rideshare should be implemented in the Mission and throughout the Eastern Neighborhoods. Transportation Demand Management (TDM) combines marketing and incentive programs to reduce dependence on automobiles and encourage use of a range of transportation options. Cash-out policies (where employers provide cash instead of a free parking space), Commuter Checks and emergency ride home programs are some of the methods institutions and employers can utilize.

City College of San Francisco's new Valencia Street campus, among other large institutions and employers should be encouraged to develop programs that provide information and incentives to students and staff related to the many transportation alternatives nearby. Major residential developments (50+ units) should be required to provide transit passes to all residents as part of rent or homeowner association fees.

The policies to address the objective above are as follows:

POLICY 4.8.1
Continue to require car-sharing arrangements in new residential and commercial developments, as well as any new parking garages.

POLICY 4.8.2
Require large retail establishments, particularly supermarkets, to provide shuttle and delivery services to customers.

POLICY 4.8.3
Develop a Transportation Demand Management (TDM) program for the Eastern Neighborhoods that provides information and incentives for employees, visitors and residents to use alternative transportation modes and travel times.

OBJECTIVE 4.9

FACILITATE MOVEMENT OF AUTOMOBILES BY MANAGING CONGESTION AND OTHER NEGATIVE IMPACTS OF VEHICLE TRAFFIC

Automobiles in the Mission navigate streets crowded with pedestrians, bicyclists and transit vehicles. Vehicle traffic should be accommodated without jeopardizing the safety of other street users. Traffic calming projects should be implemented to reduce speeding and improve safety, without introducing delay or reliability problems for transit. Guerrero Street and South Van Ness Avenue provide opportunities for traffic calming to balance neighborhood and pedestrian needs with auto traffic.

New technologies such as those being developed by the Department of Parking and Traffic's "SFGO" program should be pursued to reduce congestion, respond to current traffic conditions and move autos safely and efficiently.

The policies to address the objective above are as follows:

POLICY 4.9.1
Introduce traffic calming measures where warranted to improve pedestrian safety and comfort, reduce speeding and traffic spillover from arterial streets onto residential streets and alleyways.

POLICY 4.9.2
Decrease auto congestion through implementation of Intelligent Traffic Management Systems (ITMS) strategies such as progressive metering of traffic signals and the SFMTA "SFGO" program.

OBJECTIVE 4.10

DEVELOP A COMPREHENSIVE FUNDING PLAN FOR TRANSPORTATION IMPROVEMENTS

New development in the Mission and throughout the Eastern Neighborhoods will exert significant strain on the area's existing transportation infrastructure. The City must develop new funding sources and a funding plan to ensure needed improvements are made.

Transportation improvements are costly. While federal, state, regional and local grant sources are available to partially defray the cost of transportation capital projects, they are not sufficient to meet transportation needs identified by the community. Streets and transportation improvements (pedestrian, bicycle, and transit) will require a significant portion of the funding generated through the Eastern Neighborhoods Public Benefits Program. Because funds from this program will also be needed to support a number of other community improvements beside transportation, it will be important to identify additional sources of funding.

POLICY 4.10.1

As part of the Eastern Neighborhoods Public Benefits Program, pursue funding for transit, pedestrian, bicycle and auto improvements through developer impact fees, in-kind contributions, community facilities districts, dedication of tax revenues, and state or federal grant sources.

5 STREETS & OPEN SPACE

STREETS AND OPEN SPACE

The Mission has a deficiency of open spaces serving the neighborhood. Some portions of the Mission historically have been predominantly industrial, which has meant that many areas are not within walking distance to an existing park and many areas lack adequate places to recreate and relax. Moreover, the Mission has a concentration of family households with children -- almost 50% -- which is significantly higher than most neighborhoods in the city. With the addition of new residents, this deficiency will only be exacerbated. Thus, one of the primary objectives of this Plan is to provide more open space to serve both existing and new residents, workers and visitors. Analysis reveals that a total of about 4.3 acres of new space should be provided in this area to accommodate expected growth. This Plan proposes to provide this new open space by creating at least one substantial new park site in the Mission. In addition, the Plan proposes to encourage some of the private open space that will be required as part of development to be provided as public open space and to utilize our existing rights-of-way to provide pocket parks.

OBJECTIVE 5.1

PROVIDE PUBLIC PARKS AND OPEN SPACES THAT MEET THE NEEDS OF RESIDENTS, WORKERS AND VISITORS

In a built-out neighborhood such as this, finding sites for sizeable new parks is difficult. However, it is critical that at least one new substantial open space be provided as part

of this Plan. The Planning Department will continue working with the Recreation and Parks Department to identify a site in the Mission for a public park and will continue to work to acquire additional open spaces.

In order to provide this new open space, significant funding will need to be identified to acquire, develop, and maintain the space. One source of funds would be impact fees or direct contributions from new development. New residential development directly impacts the existing park sites with its influx of new residents, therefore new residential development will be required to either pay directly into a fund to acquire new open space.

Commercial development also directly impacts existing park sites, with workers, shoppers and others needing places to eat lunch and take a break outside. Existing requirements in the Mission for commercial development establish a minimum amount of open space to be provided on-site, or project sponsors may elect to pay an in-lieu fee. Because these fees are low, project sponsors often elect to pay the fee. This Plan proposes to maintain the current requirements for commercial development to provide adequate, usable open space, but increase the in-lieu fee if project sponsors choose not to provide this space. This in-lieu fee will be used to provide publicly accessible open space.

The policies to address the objective above are as follows:

POLICY 5.1.1
Identify opportunities to create new public parks and open spaces and provide at least one new public park or open space serving the Mission.

POLICY 5.1.2
Require new residential and commercial development to contribute to the creation of public open space.

OBJECTIVE 5.2

ENSURE THAT NEW DEVELOPMENT INCLUDES HIGH QUALITY, PRIVATE OPEN SPACE

In addition to the publicly accessible open space requirements, another tool for making the Mission greener is to require additional private open space. Currently, residential developments are required to provide open space accessible to residents. Because of its more industrial past, this requirement is currently much lower in the Northeast Mission than other parts of the Mission. This Plan increases the open space required as part of new developments to be similar to what is currently required in other neighborhoods that allow residential redevelopment.

Additionally, commercial development is currently required to provide open space in SoMa. These existing requirements establish a minimum amount of open space to be provided on-site, or project sponsors may elect to pay an in-lieu fee. Because these fees are low, project sponsors often elect to pay the fee. This plan proposes to reexamine the current requirements for commercial development in SoMa to provide adequate, usable open space, and it proposes to expand them and apply them to projects in the Mission.

In small-scale residential developments in this area, open space is provided as back-yards. Currently many of the blocks, especially the alleys and neighborhood commercial streets of Mission and Valencia, have a rear yard pattern similar to many of the residential neighborhoods in the city. Taken together in the center of a block, these rear yards provide a sense of visual relief and access to open space in this part of the city. In areas where the existing pattern is one of rear yards, this pattern should be maintained. However, in areas where rear yards do not predominate, new residential developments should provide open space in a manner that best fits the characteristics of the particular site, while still ensuring high quality open space design.

The quality of the private open space is also being reexamined in the Mission District. Currently, open space is often provided as sterile hardscape atop a building's podium. By employing the new performance-based evaluation tool, discussed in greater detail in the Built Form section of this Area Plan, required open space will be made greener, more ecologically sustainable, and more enjoyable for residents.

The policies to address the objective above are as follows:

POLICY 5.2.1
Require new residential and mixed-use residential development to provide on-site, private open space designed to meet the needs of residents.

POLICY 5.2.2
Establish requirements for commercial development to provide on-site open space.

POLICY 5.2.3
Encourage private open space to be provided as common spaces for residents and workers of the building wherever possible.

POLICY 5.2.4
Encourage publicly accessible open space as part of new residential and commercial development.

POLICY 5.2.5
New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels has flexibility as to where open space can be located.

POLICY 5.2.6

Ensure quality open space is provided in flexible and creative ways, adding a well used, well-cared for amenity for residents of a highly urbanized neighborhood. Private open space should meet the following design guidelines: A. Designed to allow for a diversity of uses, including elements for children, as appropriate. B. Maximize sunlight exposure and protection from wind C. Adhere to the performance-based evaluation tool.

In new mixed-use developments, common, unenclosed residential open space areas can be provided as a rear yard, rooftop garden, central courtyard, balcony, or elsewhere on the lot or within the development so long as it is clearly accessible and usable by residents. Landscaping visible from the street is encouraged. Common spaces are encouraged over private spaces.

OBJECTIVE 5.3

CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS AND ECOLOGICAL SUSTAINABILITY OF THE NEIGHBORHOOD.

In a built out neighborhood such as the Mission, acquiring sites for new large parks can be difficult. For this reason, in addition to the acquisition of at least one park site in the neighborhood, the Mission Area Plan proposes an open space network of "Green Connector" streets, with wider sidewalks, places to sit and enjoy, significant landscaping and gracious street trees that would provide linkages between larger open spaces and diffuse the recreational and aesthetic benefits of these spaces into the neighborhood.

Green Connector streets are proposed throughout the Mission to connect the Mission east to Potrero Hill and eventually the Bay as well as west to Dolores Park and Noe Valley. Although the specific locations will be addressed in the upcoming Mission Public Realm Plan, connections are desirable in the northern part of the Mission (e.g. 16th or 17th Streets), in the center of the Mission (e.g. 20th or 21st Streets) and through the southern part of the Mission (e.g. 24th, 25th or Cesar Chavez Streets). Additionally, north-south connections are being considered for Potrero Avenue (See Figure A3. Streets and Open Space Concept Map in the Appendix of this plan). Reconfiguring many of the Mission's wide, heavily trafficked streets that currently satisfy the needs of private vehicles over the needs of pedestrians and cyclists would go far to create a more livable neighborhood for residents, workers, and visitors.

The Mission Area Plan calls for a fundamental rethinking of how the city designs and uses its streets. In addition to Green Connector streets, smaller streets and alleys can provide a welcomed respite from the busy activities along major streets. These alleyways are proposed to be converted into "living streets," where through-traffic is calmed and paving and landscaping are designed to reflect what is envisioned as the

pedestrian primacy of these streets. (See Figure A3. Streets and Open Space Concept Map in the Appendix of this plan).

In dense neighborhoods such as the Mission District, it is increasingly clear that streets can and should provide important and valued additions to the open space network and aesthetic quality of the area. The design and maintenance of all other streets throughout the Plan Area should be guided by the forthcoming Better Streets Plan, a policy document that will provide direction on how to improve the overall urban design quality, aesthetic character, and ecological function of the city's streets while maintaining safe and efficient use for all modes of transportation. The Better Streets Plan will provide guidance for both public and private improvements to the streetscape. The Mission Area Plan, in addition to the Better Streets Plan, will generate amendments to the Planning Code to make more explicit the requirements of private developers to construct and maintain a more enjoyable, more beautiful pedestrian environment.

In addition to these general streetscape improvements along streets, specific design interventions should also be considered for major intersections. To better foster a sense of place and to improve the pedestrian experience, at important intersections, significant public space improvements - such as bulb-outs and landscaping treatments - should be focused at these intersections. Additionally, as described in the Built Form chapter of this Plan, specific effort should be paid to improving the quality, design, massing, and scale of corner buildings to better reflect the civic importance of major street intersections.

The Mission Area Plan also calls for two primary interventions that are aimed at connecting the Mission's open space network to that of the city as a whole. The first is a Civic Boulevard such as Folsom Street, connecting the emerging Transbay and Rincon Hill Areas, East and West SoMa, and the Mission District. A Civic Boulevard would be a green street linking public open spaces, cultural and social destinations, and transit connections. It would be heavily landscaped with a strong design aesthetic, with pocket parks, plazas, and with wide sidewalks and a distinctive lighting character. Through the Mission, Folsom street is a more residential in character than in SoMa and the improvements proposed would reflect this more residential character.

Second, primary pedestrian connections between neighborhoods are to be strengthened. Sixteenth, 24th, Mission, and Valencia Streets are currently designated pedestrian connectors between the Mission, SoMa, Upper Market, and the Castro. Potrero and South Van Ness should be added to this street classification. Primary pedestrian streets should aim to foster an enjoyable pedestrian environment, such as minimizing shade, maximizing sidewalk width, and providing agreeable pedestrian amenities such as lighting and street furniture.

The forthcoming Mission Public Realm plan will focus in detail on the Mission District's streets and public spaces. This Plan will define how best to define the street typologies found in the Mission, with the goals of reducing private vehicle primacy,

fostering walking, and strengthening economic vitality of neighborhood commercial streets. The Mission Public Realm Plan will serve as the implementing document for the streetscape improvements proposed in this Area Plan.

The policies to address the objective outlined above are as follows:

POLICY 5.3.1
Redesign underutilized portions of streets as public open spaces, including widened sidewalks or medians, curb bulb-outs, "living streets" or green connector streets.

POLICY 5.3.2
Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.

POLICY 5.3.3
Design the intersections of major streets to reflect their prominence as public spaces.

POLICY 5.3.4
Enhance the pedestrian environment by requiring new development to plant street trees along abutting sidewalks. When this is not feasible, plant trees on development sites or elsewhere in the Plan Area.

POLICY 5.3.5
Significant above grade infrastructure, such as freeways should be retrofitted with architectural lighting to foster pedestrian connections beneath.

POLICY 5.3.6
Where possible, transform unused freeway and rail rights-of-way into landscaped features that provide a pleasant and comforting route for pedestrians.

POLICY 5.3.7
Develop a comprehensive public realm plan for the Mission that reflects the differing needs of streets based upon their predominant land use, role in the transportation network, and building scale.

OBJECTIVE 5.4

THE OPEN SPACE SYSTEM SHOULD BOTH BEAUTIFY THE NEIGHBORHOOD AND STRENGTHEN THE ENVIRONMENT

Open space not only provides places to recreate and relax, but also provides a means to strengthen the environmental quality of the neighborhood. As discussed in the Built Form chapter of this plan, one tool for greening private open spaces is the performance-based evaluation tool. This tool requires all new development to meet a defined standard for on-site water infiltration, and offers developers a large number of strategies to meet the standard.

Ecological sustainability is also a key goal in the development of public spaces. Some new public spaces will be created through the reclamation of the excess street right-of-ways throughout the Mission. Turning these concrete and impermeable surfaces into pocket parks and plantings will not only beautify the street, it will also provide greater on-site water filtration. Additionally, new public parks that are being acquired will consider incorporating ecological sustainability elements, such as bioswales and natural areas.

In addition to the on-site menu of options available to project sponsors as part of the performance-based evaluation tool, there are many additional measures that can create a better environment. Built out, urban areas such as San Francisco can improve existing water quality of our bays and oceans by encouraging more on-site infiltration. Pervious surfaces, such as parking lots, are one of the main causes of pollution flowing directly into these water resources and one of the easiest sources to make more permeable. Permeability allows the water to be filtered through the soil before reaching the bay or the ocean. An ongoing master planning process being conducted by the San Francisco's Public Utility Commission (PUC) will provide guidance on how best to mitigate stormwater flow into the city's sewers, for example, by designing surface parking and loading areas to infiltrate rainwater onsite, rather than sending it into the drain.

Uncovering long-buried creeks would also substantially change the environment of the Mission. Mission Creek once meandered from the base of Twin Peaks down to through the Mission and along Division to Mission Bay. Future consideration should be given to daylighting some elements of this historic streambed.

Public art can be a component of existing and proposed open spaces that enhance the spaces and relate them to the existing neighborhoods. For example, a rotating art public art exhibit such as the one at Victoria Manolo Draves Park adds a locally relevant cultural element to the new park.

The policies to address the objective above are as follows:

POLICY 5.4.1
Increase the environmental sustainability of the Mission's system of public and private open spaces by improving the ecological functioning of all open space.

POLICY 5.4.2
Explore ways to retrofit existing parking and paved areas to minimize negative impacts on microclimate and allow for storm water infiltration.

POLICY 5.4.3
Encourage public art in existing and proposed open spaces.

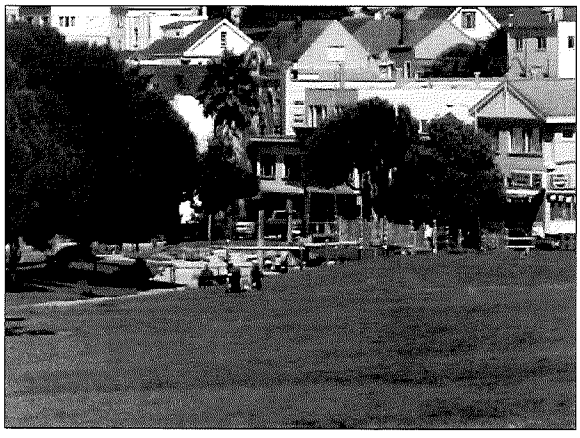
POLICY 5.4.4
Explore opportunities to uncover Mission Creek's historic channel through the Mission.

OBJECTIVE 5.5

ENSURE THAT EXISTING OPEN SPACE, RECREATION AND PARK FACILITIES ARE WELL MAINTAINED

Throughout the community planning process participants have given a high priority to maintaining and renovating existing park facilities. Maintenance needs will only become more apparent with the acquisition of a new park and as more open spaces such as green connector streets, living streets, and pocket parks are constructed. These types of spaces are often more complex and therefore generally more difficult to maintain on a per square foot basis then an open field, so the city should work to find space for maintenance equipment in the Mission area and to assure that maintenance funding and funding to renovate existing parks is provided with the development of these spaces.

This plan proposes to renovate at least one existing park by securing the funding through impact fees and other sources. Specifically in the Mission, the majority of the area's parks are in need of renovation including the Mission Playground (which is being prioritized for funds from the recently approved open space bond), Garfield Square, James Rolph Jr Playground, Juri Commons, Jose Coronado Playground, Franklin Square, Alioto Mini Park, and the Mission Recreation Center (See Figure A3. Streets and Open Space Concept Map in the Appendix of this plan). Parque Niños Unidos, Kidpower Park, and 24th and York mini park were recently renovated, so are not prioritized for renovation at this time, but over the life of the Plan renovation is anticipated for these parks as well. The Recreation and Parks Department (RPD) is now using, safe, durable and long lasting materials and are designing facilities appropriately for the intended uses and these efforts will result in fewer repairs, longer and expanded usage periods and more reliable facilities. *New public parks and re-designs of existing public parks should maximize drought tolerant landscaping and minimize features that require regular irrigation. Native species are encouraged, where appropriate.*



There are also opportunities to more efficiently and creatively utilize existing facilities, such as school playgrounds, in the Mission. The Mayor's Office and the San Francisco Unified School District have recently begun a pilot program to open one school playground in each supervisorial district for use on weekends and select holidays. This program better utilizes our existing resources and the city should continue to work with the School District to expand this program.

The policies to address the objective above are as follows:

POLICY 5.5.1
Prioritize funds and staffing to better maintain existing parks and obtain additional funding for a new park and new open space facilities.

POLICY 5.5.2
Renovate run-down or outmoded park facilities to provide high quality, safe and long-lasting facilities. Identify at least one existing park or recreation facility in the Mission for renovation.

POLICY 5.5.3
Explore opportunities to use existing recreation facilities, such as school yards, more efficiently.

6 ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Economic development should create sustainable prosperity for the residents, workers, and businesses of San Francisco. As described in the San Francisco Economic Strategy, such sustainable prosperity includes increasing job growth, wages and tax revenue, and small business development; while decreasing economic inequality and out-migration of businesses.

Attaining these goals involves determining the relationships that link government policy, industry competitiveness, and economic outcomes. From a government policy standpoint, these relationships are manifested in three ways:

1) by focusing on the land, through the City's land use strategy and zoning

2) by focusing on our businesses, through the City's business assistance programs

3) by focusing on our workers, through the City's workforce development programs and other mechanisms to promote economic self-sufficiency for workers.

This chapter will focus on objectives for supporting businesses and workers, while the land use-related economic development objectives are reflected in the Land Use chapter of this Plan.

OBJECTIVE 6.1

SUPPORT THE ECONOMIC WELLBEING OF A VARIETY OF BUSINESSES IN THE EASTERN NEIGHBORHOODS

Business assistance forms a vital part of an overall strategy to help San Francisco's business sectors grow, compete and succeed. Business assistance is provided by a city or a non-profit organization and often broadly includes start-up assistance, ongoing technical assistance, assistance navigating city government processes, financial assistance, real estate and site selection assistance, assistance accessing workforce and incentive programs and assistance forming sector specific industry associations or organizations. In the Eastern Neighborhoods, there are three broadly defined industries: Physical Infrastructure, the Knowledge Sector, and the Small Business Sector.

The physical infrastructure sector includes production, distribution and repair (PDR) businesses that share key characteristics, such as the need for flexible, industrial space and their role in providing goods and services that support other primary industries in San Francisco (such as tourism, retail, high technology, and office-based industries). Providing business assistance to businesses in the physical infrastructure sector is important because these businesses are critical to the city's economy. Specifically:

- These jobs tend to pay above average wages, provide jobs for residents of all education levels and offer good opportunities for advancement.

- These businesses support our Knowledge Sectors by providing critical business services that need to be close, timely and often times are highly specialized.

- The products produced in this sector provide a valuable export industry in the city. Businesses that manufacture products in San Francisco often do so because of the city's unique combination of location, talent, and proximity to clients.

While protecting physical infrastructure businesses and other vulnerable uses, space should be provided in the Eastern Neighborhoods for "Knowledge Sector" businesses (See Land Use chapter). Broadly speaking, the Knowledge Sector describes businesses that create economic value because of the knowledge they possess and generate for their customers. Knowledge Sector business assistance is important because most Knowledge Sector industries have the highest fiscal impacts of any industry in the local economy. Specifically:

- Citywide, the Knowledge Sector provides the majority of San Francisco's high-wage jobs and can provide above-average paying jobs for workers without a four-year degree.

- The Knowledge Sector creates significant multiplier effects for local-serving businesses and City payroll taxes.

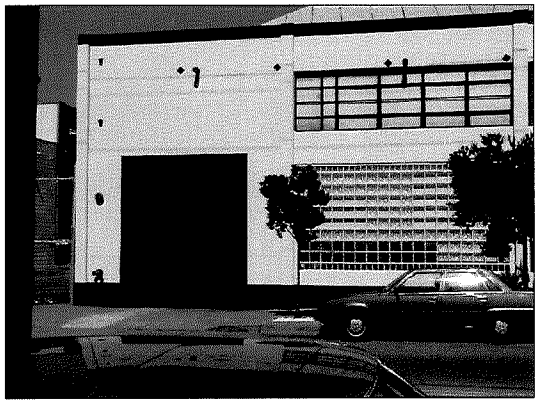
- The strength of the Knowledge Sector will play a large part in determining the trajectory of the entire City economy.

Small businesses are generally defined as businesses with a total workforce of 100 or fewer employees and include sole-proprietors who have no employees. Small business assistance is important because small businesses represent a significant and growing portion of the city economy. Specifically:

- Small businesses account for over 95% of the companies in San Francisco and one out of every three jobs.

- The growth in the number of small business has created an alternative to salaried employment for many San Francisco residents, and has the potential to address the city's high rates of asset poverty and economic insecurity.

- Small businesses that start in San Francisco tend to grow and expand in San Francisco, creating more jobs and revenue for the city.



Providing business assistance to PDR businesses, Knowledge Sector businesses and small businesses is important in achieving the broader economic and workforce objectives of the city as defined in the city's Economic Strategy. The high cost of doing business in San Francisco, and perceptions of an unfriendly business climate, are cited as barriers to business growth and economic development in the city. If the city is to retain PDR, Knowledge Sector and small businesses as they grow—and benefit from the greater range of jobs that large firms offer—then it must work to offer a competitive business climate. Business assistance services are a vital part of an overall strategy to strengthen the overall business climate and help these business sectors grow.

The policies to address the needs highlighted above are as follows:

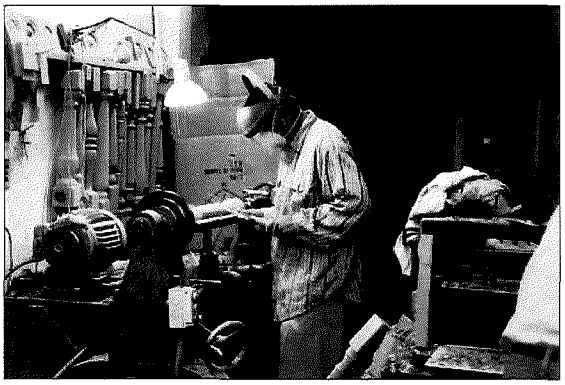
POLICY 6.1.1
Provide business assistance for new and existing PDR businesses in the Eastern Neighborhoods.

POLICY 6.1.2
Provide business assistance for new and existing Knowledge Sector businesses in the Eastern Neighborhoods.

POLICY 6.1.3
Provide business assistance for new and existing small businesses in the Eastern Neighborhoods.

OBJECTIVE 6.2

INCREASE ECONOMIC SECURITY FOR WORKERS BY PROVIDING ACCESS TO SOUGHT-AFTER JOB SKILLS



Workforce development efforts - including job preparation, occupational skills training, and other strategies - are designed to provide individuals with the skills and knowledge necessary to access and retain quality jobs in a competitive economy. Skills development is key to helping workers move toward economic self-sufficiency through jobs that are in demand in our local and regional economies. Supporting the development of job skills benefits individual workers and their families, and also benefits companies that do business in San Francisco.

Because of the complex and changing nature of our economy, it is important that our workforce development strategies are aligned with the needs of industry - matching job training with the skills needed by employers. This is the match that will ensure that all San Francisco residents - particularly those that are low-income and/or may experience barriers to employment - are prepared for jobs as a result of their training. The workforce success of all San Francisco residents is essential to sustainable economic development and reducing inequality in San Francisco.

Workforce development strategies will target a range of established and growing industries. These industries reflect the breadth of San Francisco's economy, and include Physical Infrastructure jobs and Knowledge Sector jobs (as discussed above), as well as those that are more involved in the "Experience Sector" (i.e. tourism and hospitality) and human services. These sectors are specifically targeted because of their ability to pay above-average wages to well-trained workers, even if those workers do not have a four-year degree. Employers range from small neighborhood serving businesses to large and mature companies.

POLICY 6.2.1

Provide workforce development training for those who work in and live in the Eastern Neighborhoods, particularly those who do not have a college degree.

7 COMMUNITY FACILITIES

COMMUNITY FACILITIES

Community facilities are key elements that can help to create a strong sense of community and identity. They are an integral element of socially and sustainable communities and they include community anchors like schools and libraries, child care facilities, community centers (where youth, after school, and other activities can occur), cultural and arts centers, clinics and a range of other amenities. Community facilities can include any type of service needed to meet the day-to-day needs of the community. In the Eastern Neighborhoods these facilities can provide language/communication curricula programs to address education gaps, job skills and training, tutoring and youth development, cultural resource centers, and the support networks often so critical for lower income communities. Specific needs might include multicultural programs, legal aid, information and referral, various parenting groups, immigration adaptation and settlement, etc.

Some community facilities critical to neighborhood development, such as streets, open space, housing and transportation, are addressed specifically in other sections of this Area Plan. This Community Facilities chapter includes the remaining needs and attempts to address how they will be met either through traditional land use regulations or through other methods to fund, encourage and maintain them. In the Eastern Neighborhoods, the expected level of need for these community facilities is based on existing needs as well as future ones, derived from projected population growth and new development demand. Recommendations towards expansion or improvements to community facilities are based on this assessment, as well as on conversations with

the community and with typical providers of a these community services. The policies that follow will be accompanied by a separate implementation document, which will outline funding strategies and public benefit funds available for such facilities, and provide direction for their execution. The Plan will also include a monitoring strategy to assess changes in needs so that the pool of funds for public benefits can be allocated efficiently and based on community priorities.

OBJECTIVE 7.1

PROVIDE ESSENTIAL COMMUNITY SERVICES AND FACILITIES

The Mission is an economically and demographically diverse community. There is a significant amount of housing in the Mission and it is expected to increase with the implementation of new zoning controls. For both the existing and new residents, community resources will be a priority to ensure the area's livability and to provide a full range of services and amenities. Existing facilities should be maintained and strengthened, while new facilities can enhance the neighborhood and fill existing gaps in service. New residents will increase the need to add new facilities and to maintain and expand existing ones.

Community facilities are necessary for many kinds of households, but particularly for families - improved schooling, upgraded libraries, improved and expanded parks, and increased child care facilities, including programming, are critical to maintaining an acceptable quality of life for San Francisco's families. Schools provide an anchor for families even beyond education: providing a safe local environment, facilitating social connections, and facilitating child growth and development.

Public libraries too, play a critical role in community life. Library branches can contribute to the social fabric of their communities by serving as a distribution point for community information, by promoting social networks, and by providing access to the internet and to digital networking. The community libraries at the Mission, Potrero, and Mission Bay Branch provide reasonable access to the residents of the Eastern Neighborhoods, but the projected increase in population could add to the need for existing libraries to provide additional materials. Therefore, maintenance as well as planning for additional materials is another important consideration in the allocation of community benefits.

Child care facilities, like schools, can be strong neighborhood and community anchors. Locating child care in schools, near residential areas, on-site in new residential complexes, near transit facilities, or near employment centers, supports families by reducing the time spent by parents going to and from daycare. This may also contribute to other plan goals such as traffic reduction, and increased transit ridership. Sufficient care facilities for the neighborhood's working families are critical if the Eastern Neighborhoods are to not only continue, but grow their role as a place for families.

Therefore, the city should facilitate the careful location and expansion of essential neighborhood services, while limiting the concentration of such activities within any one neighborhood. New development can also help fund such additional new services and amenities in proportion to the need generated by new development. Additionally, maintenance is an important, though often neglected, aspect of community facilities. Proper maintenance of existing (and new) facilities is equally important to the creation of new facilities. The influx of residents will further increase the usage of existing facilities, potentially increasing their staffing and maintenance costs. Even if no new facilities are built in Mission, existing facilities need to be adequately staffed and maintained and methods for meeting the increased costs must be considered.

The policies to provide essential community facilities and services are as follows:

POLICY 7.1.1
Support the siting of new facilities to meet the needs of a growing community and to provide opportunities for residents of all age levels.

POLICY 7.1.2
Recognize the value of existing facilities, including recreational and cultural facilities, and support their expansion and continued use.

POLICY 7.1.3
Ensure childcare services are located where they will best serve neighborhood workers and residents.

POLICY 7.1.4
Ensure public libraries that serve the plan area have sufficient materials to meet projected growth to continue quality services and access for residents of the area.

OBJECTIVE 7.2

ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS

San Francisco's population is known for its ethnic diversity, and many of its diverse cultural and ethnic traditions are rooted in areas of the Eastern Neighborhoods. The Mission holds more than 25 percent of the City's Latino population, SoMa retains a significant number of the City's Asian, and specifically its Filipino, population. The neighborhoods have long been a home for much of the City's ethnic, cultural, linguistic and social diversity, and as a result, the neighborhoods' populations have demonstrated a greater need for community facilities, human and social services to support this diversity.

Most human and social service needs are met through a partnership of public and nonprofit organizations. Nonprofit providers often serve under contract with City agencies, leverage substantial additional funding from state, federal, corporate, foundation and private sources. In a 2001 survey, nonprofit human service providers laid claim to exactly how important it was to be located close to their clients, in their own neighborhoods: the majority stated that it was "essential" that their activities were located in a specific neighborhood; the neighborhoods most often cited were the Mission, Potrero Hill, and SoMa . This information demonstrates just how important the existing facilities are to the local communities of the Eastern Neighborhoods, and how critical it is that services continue.

Health Care is another critical component for the Eastern Neighborhoods, where many residents fall between the cracks of managed health care. The neighborhoods do have a good number of care centers and nonprofit health providers - the Department of Public Health recommends a one-mile access to health care centers, and all except for the easternmost edges of the Eastern SoMa are within a one mile radius of a public health center. On a per capita basis, the Eastern Neighborhoods have more facilities than exist citywide - this need for these facilities will continue if the Eastern Neighborhoods continues to house a substantial number of low-income residents.

As the Plan aims to improve the neighborhoods, and to meet the needs that new residential units in the Eastern Neighborhoods will create, it must provide support for continuance of the area's existing community facility network. Studies have shown that even in the midst of growth, the need for community and human services stays high or grows, and the rise in costs in San Francisco – high land costs, rents, facilities, employment costs – has already led to a host of pressures for service providers. New growth must mitigate this pressure with support for facilities, through facility provision, financing and other methods of assistance. Impact fees will support improvements to community infrastructure: existing impact fees already are dedicated to funding schools; new impact fees will provide revenue for others such as child care and libraries.

POLICY 7.2.1
Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods.

POLICY 7.2.2
Encourage new facilities and spaces for providers of services such as English as a Second Language, employment training services, art, education and youth programming.

POLICY 7.2.3
Explore a range of revenue- generating tools to support the ongoing operations and maintenance of public health and community facilities, including public funds and grants as well as private funding sources.

OBJECTIVE 7.3

REINFORCE THE IMPORTANCE OF THE MISSION AS THE CENTER OF LATINO LIFE IN SAN FRANCISCO

The Mission has long been home to Latinos whose numbers grew substantially from the 1940s onward. The development of Latino cultural institutions and businesses both dispersed and concentrated the Latino community in the neighborhood. A considerable number of Latino families live throughout the Mission. However, many families have also moved on to outlying parts of the City or other places but continue to look at the Mission as "home" – attending Sunday services at the Mission Dolores Church, shopping and eating in the local Latino businesses and dropping by the Mission Cultural Center for activities.

Cultural and service facilities that support Latinos, such as the Mission Cultural Center, Arriba Juntos, Galeria de La Raza, Brava Theatre, and the Mission Language and Vocational School, to name a few, are key contributors to the diversity of the Mission and the city as a whole.

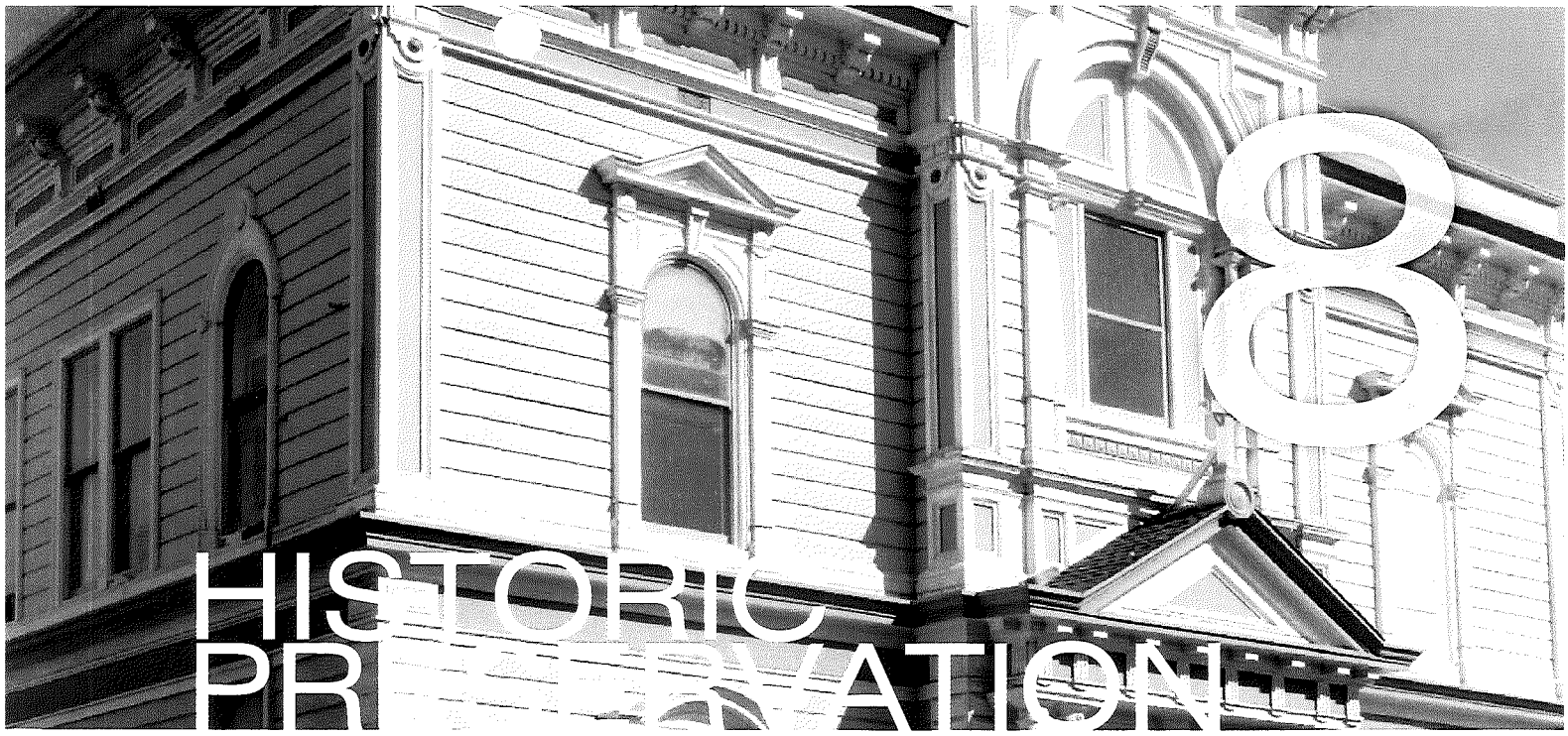
In addition to the maintenance of existing facilities, new facilities that support the importance of Latino life and other cultures in the Mission such as English as a Second Language, employment, art, education and youth centers would provide additional support to strengthening Latino culture in the Mission.

The policies and implementing actions to ensure Latino life and other cultural institutions are strengthened and recognized in the Mission are as follows:

POLICY 7.3.1
Support efforts to preserve and enhance social and cultural institutions.

POLICY 7.3.2
Encourage the creation of new social and cultural facilities in the Mission area.

POLICY 7.3.3
Protect and support Latino and other culturally significant local business, structures, property and institutions in the Mission.



HISTORIC PRESERVATION

The heritage of San Francisco is preserved in its historically significant buildings, sites, districts, and other resources. These historic resources are important to quality of life in the city, and they help to make it attractive to residents, visitors, and businesses. They provide continuity to the events, places, people, and architecture of San Francisco's storied past. Historic resources contribute to the city's diverse housing and commercial stock, and to the human scale and pedestrian orientation of its neighborhoods. Plan policies should promote the identification, protection and rehabilitation of known and unknown historic resources to assure that they accommodate for current populations as well as future generations.

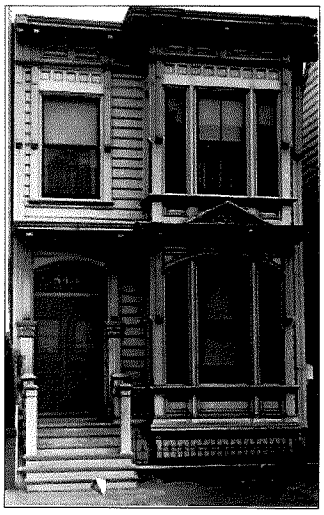
The Mission District is particularly rich in historical properties, including several of the oldest and most important in the city. Just west of the Mission Area Plan boundary stands San Francisco's oldest building and the district namesake, the Mission Dolores (1776), last intact remnant of the city's Spanish-Mexican period. Also found scattered throughout the Mission District are farmhouses, cottages, and even barns of the settlers and farmers who occupied the Mission valley during the Gold Rush and the American pioneer period of the 1850s and 1860s. Examples include the Tanforan Cottages on Dolores Street (also located just outside of the Mission Area Plan boundary), two of the oldest extant homes in the city.

Much of the Mission District's building stock dates to the area's development as one of the city's first streetcar suburbs in the 1870s and 1880s. As new transit lines were installed from the growing city center to the outlying Mission, and as the old Mexican

ranchos were subdivided, residential development in Victorian styles followed. The Mission's proximity to the South of Market and the Central Waterfront areas, and the direct access provided by transit lines, fostered growth of a working-class population and character in the Mission. The city's wealthy elite also found the Mission, particularly Howard Street (now South Van Ness Avenue), to be a desirable area for their estates and mansions. During the latter nineteenth century, the majority of the Mission was built out as a residential suburb.

The Great Earthquake and Fire of 1906 destroyed the northern part of the Mission District, while the southern Mission was spared. In the vast area of the Mission that burned to the ground, a decade of furious reconstruction following the disaster largely replicated what had existed before, though modernized. The reconstruction building stock was taller and denser than the older stock, and rendered largely in Edwardian, Classical Revival, and Mission Revival styles. In the southern part of the Mission, where the Victorian-styled building stock was untouched by the 1906 fire, significant new construction also occurred during the reconstruction in order to meet the urgent needs of refugees.

As the twentieth century progressed, the established commercial thoroughfare of Mission Street thrived and grew. Following the 1906 destruction of the downtown commercial center, Mission Street assumed a new role as a vital citywide shopping district. The surviving portion functioned while the burned portion was rebuilt. The corridor, which came to be known as the "Mission Miracle Mile," was characterized by innovations in consumer-oriented architecture that developed during the twentieth century. Downtown department stores, furniture stores, movie theaters, and numerous other consumer-oriented businesses gravitated to Mission Street and spilled over to surrounding streets such as Valencia and Sixteenth.



Following the post-1906 reconstruction period, the Mission District was largely built out and its population had expanded. To serve the larger population, construction of commercial buildings, public buildings such as schools, and community institutions such as churches, temples, and union halls continued through the first few decades of the twentieth century. New pockets of residential infill also appeared, designed in twentieth century styles such as Craftsman, Mediterranean Revival, and Deco/Moderne. Since mid-century, public and private redevelopments have altered the Mission's older landscape. Changes in socio-economics have also occurred, including the establishment of Latino culture in the heart of the Mission, centered on the 24th Street commercial corridor.

The Mission's multi-layered heritage is distinguished by the existence of individually significant historic properties as well as by cohesive groupings that form historic districts. Within the Mission Area Plan, Article 10 of the Planning Code officially designates a number of City Landmarks, including the San Francisco Labor Temple, the Victoria

Theater, the San Francisco Women's Building (formerly the Mission Turnverein), and residences ranging from cottages to mansions. Article 10 also designates the Liberty Hill Historic District. Individual properties such as Mission Dolores, the National Guard Armory, and the California Trunk Factory are also listed in the National Register of Historic Places and the California Register of Historical Resources. Various other historic properties and districts, such as the Mission Reconstruction District, are identified through informational surveys and are listed in the statewide Historical Resources Inventory maintained by the California Office of Historic Preservation (OHP). It is expected that additional historic surveys in the Mission Area Plan will document a substantial number of previously unknown resources.

The historic preservation objectives and policies of the Mission Area Plan provide for identification, retention, reuse, and sustainability of the area's historic properties. As the area changes and develops, historic features and properties that define it should not be lost or diminished. New construction should respect and relate to the Mission's historical contexts. The Plan regulates sound treatment of historic resources according to established standards, it encourages rehabilitation of resources for new compatible uses, and it allows for incentives for qualifying historic projects. As greater understanding of the Mission's important historic resources is gained through ongoing survey and property evaluations, the preservation policies of the Mission Area Plan may be revised or augmented to incorporate the new information.

OBJECTIVE 8.1

IDENTIFY AND EVALUATE HISTORIC AND CULTURAL RESOURCES WITHIN THE MISSION PLAN AREA

Individually significant historic resources or historic districts are often identified by a historic resource survey or a historical context statement. While a number of historic resource surveys have been completed in the Mission Plan area (including the identification and Article 10 designation of the Liberty-Hill Historic District and the ongoing Inner Mission North Survey program), it is expected that additional historic resource surveys in the Mission Plan area will document a substantial number of previously unidentified historic resources.

Historic resource surveys and historical context statements help the Planning Department determine eligibility of resources for designation at the local, state, and/or national level. Official designation in turn, fosters civic pride in historic preservation for the benefit of the Mission Plan area and the city as a whole.

Materials, styles, and property types from the nineteenth and early twentieth centuries are more widely appreciated and studied than those associated with the recent past. However, there are some structures that have developed exceptional cultural or historic significance as part of our recent past. These resources - buildings, objects or land-

scapes - deserve consideration in the preservation process. The Planning Department will continue to develop historical context statements and to conduct historic resource surveys in the Mission to identify historic and cultural resources from the distant past as well as from the recent past.

POLICY 8.1.1
Conduct context-based, historic resource surveys within the Mission plan area.

POLICY 8.1.2
Pursue formal designation of the Mission's historic and cultural resources, as appropriate.

POLICY 8.1.3
Recognize and evaluate historic and cultural resources that are less than fifty years old and may display exceptional significance to the recent past.

OBJECTIVE 8.2

PROTECT, PRESERVE, AND REUSE HISTORIC RESOURCES WITHIN THE MISSION PLAN AREA

Significant historic and cultural resources located in the Mission Plan area include individual properties and districts that are listed on or eligible for the National or California Register, or that are designated as Landmarks or Districts under Article 10 of the Planning Code. These historic and cultural resources cannot be replaced if lost to demolition or altered in such manner their historic significance is diminished. To retain this significance, there are a number of ways to protect, preserve and reuse historic resources within the Mission Plan area.

The established Secretary of the Interior's Standards for the Treatment of Historic Properties provide guidelines for managing any change to a historic resource and for appropriately addressing historical materials, features, and character. In other instances, because many historic and cultural resources no longer retain their historic use, it is desirable to adapt historic resources to accommodate compatible new uses while preserving character-defining features. The Planning Department will support rehabilitation and the adaptive reuse of historic buildings within the Mission area Plan pursuant to the Secretary of the Interior's Standards for Rehabilitation.

POLICY 8.2.1
Protect individually significant historic and cultural resources and historic districts in the Mission plan area from demolition or adverse alteration.

POLICY 8.2.2
Apply the Secretary of the Interior's Standards for the Treatment of Historic Properties in conjunction with the Mission Area Plan objectives and policies for all projects involving historic or cultural resources.

POLICY 8.2.3
Promote and offer incentives for the rehabilitation and adaptive reuse of historic buildings in the Mission plan area.

OBJECTIVE 8.3

ENSURE THAT HISTORIC PRESERVATION CONCERNS CONTINUE TO BE AN INTEGRAL PART OF THE ONGOING PLANNING PROCESSES FOR THE MISSION PLAN AREA AS THEY EVOLVE OVER TIME

New information regarding historic and cultural resources is discovered on a regular basis. As new information is compiled, it should be utilized to update and revise the policies set forth in the Mission Plan. It is also important that throughout the planning process, the Planning department work with various city agencies to ensure the protection and preservation of historic resources.

Historic resources are particularly vulnerable to deterioration due to their age and lack of maintenance. Neglect can result in effective demolition of a historic resource and alterations executed without the benefit of the appropriate city permits have the potential to diminish the significance of a historic resource. Owners of all properties have a responsibility to maintain their investment in good condition and to obtain City approval for alterations.

Valuing the historic character of older buildings can help to protect these structures in the event of a natural disaster. Older buildings are among those most vulnerable to destruction or heavy damage from events such as earthquake or fire, resulting in potential danger to life safety as well as an irreplaceable loss of the historic fabric of San Francisco.

Valuing the historic character of neighborhoods can preserve economic diversity. In some cases, older buildings that are responsibly rehabilitated may be more affordable than new construction. These buildings may be opportunities for low and moderate income households to find affordable housing.

POLICY 8.3.1
Pursue and encourage opportunities, consistent with the objectives of historic preservation, to increase the supply of affordable housing within the Mission plan area.

POLICY 8.3.2
Ensure a more efficient and transparent evaluation of project proposals which involve historic resources and minimize impacts to historic resources per CEQA guidelines.

POLICY 8.3.3
Prevent destruction of historic and cultural resources resulting from owner neglect or inappropriate actions.

POLICY 8.3.4
Consider the Mission area plan's historic and cultural resources in emergency preparedness and response efforts.

POLICY 8.3.5
Protect and retrofit local, state, or nationally designated UMB (Unreinforced Masonry Buildings) found in the Plan Area.

POLICY 8.3.6
Adopt and revise land use, design and other relevant policies, guidelines, and standards, as needed to further preservation objectives.

OBJECTIVE 8.4

PROMOTE THE PRINCIPLES OF SUSTAINABILITY FOR THE BUILT ENVIRONMENT THROUGH THE INHERENTLY "GREEN" STRATEGY OF HISTORIC PRESERVATION

A commitment to retaining and preserving historic resources saves, preserves, recycles and reuses valuable materials that contain embodied energy. For this reason, the preservation, protection and reuse of historic and cultural resources are "green" strategies that can be applied to the built environment and help the City to achieve broader goals of sustainability.

POLICY 8.4.1
Encourage the retention and rehabilitation of historic and cultural resources as an option for increased sustainability and consistency with the goals and objectives of the Sustainability Plan for the City and County of San Francisco.

OBJECTIVE 8.5

PROVIDE PRESERVATION INCENTIVES, GUIDANCE, AND LEADERSHIP WITHIN THE MISSION PLAN AREA

Preservation incentives are intended to offset the cost of preservation and encourage property owners to maintain, repair, restore, or rehabilitate historic and cultural resources. A number of financial incentives are available to owners of historic and cultural resources to assist in preservation.

On a local level, San Francisco offers preservation incentive programs, and other incentives are offered through California Office of Historic Preservation. These include federal tax credits for rehabilitation of qualified historical resources, property tax abatement programs (the Mills Act), and tax reductions for preservation easements. Grants, loans, and other funding sources are also available from public and private organizations. Preservation incentives can result in tangible benefits to property owners.

On a State level, the California Historic Building Code (CHBC) permits alternate design approaches to the regular Building Code that can minimize adverse impacts while still providing for health and safety. The CHBC can be used to find creative solutions to protect materials and methods of construction that might not otherwise be permitted under the standard Code. Property owners seeking to rehabilitate historic buildings may also be able to realize cost savings when rehabilitating an historic structure by using the CHBC. The CHBC protects California's heritage by recognizing the unique construction problems inherent in historic buildings and providing an alternative to the regular Building Code.

Another good resource for incentive programs and education is the Planning Department staff. The Planning Department retains a core staff of Historic Preservation Technical Specialists who are available to share expertise with the public and other government agencies. Because the City and County of San Francisco is the largest owner of officially designated landmarks in the City, the planning staff will work to share their expertise with other agencies to identify, maintain and rehabilitate the publicly owned historic and cultural resources in the Mission Plan Area. With the guidance of the Landmarks Preservation Advisory Board, the City will also lead by example and demonstrate good stewardship of its resources by maintaining, rehabilitating, and restoring its publicly owned historic resources within the Mission Plan area.

POLICY 8.5.1
Disseminate information about the availability of financial incentives for qualifying historic preservation projects.

POLICY 8.5.2
Encourage use of the California Historic Building Code for qualifying historic preservation projects.

POLICY 8.5.3
Demonstrate preservation leadership and good stewardship of publicly owned historic and cultural resources.

OBJECTIVE 8.6

FOSTER PUBLIC AWARENESS AND APPRECIATION OF HISTORIC AND CULTURAL RESOURCES WITHIN THE MISSION PLAN AREA

San Francisco residents, merchants, and local historians may possess and have access to valuable historic information not widely known about buildings or other resources that would be useful in the evaluation process. The public can play an important role in identifying historic resources by participating in City surveys and context statement development or by submitting Potential San Francisco Landmark Evaluation forms to begin a formal designation process. Such participation can help to promote greater civic pride and awareness of the historic and cultural landscape of the Mission Plan area which is also helpful for the planning and environmental decision-making process.

POLICY 8.6.1
Encourage public participation in the identification of historic and cultural resources within the Mission plan area.

POLICY 8.6.2
Foster education and appreciation of historic and cultural resources within the Mission plan area among business leaders, neighborhood groups, and the general public through outreach efforts.

APPENDIX

A1. Public Transit Improvements Concept Map

A2. Pedestrian / Bicycle / Traffic Calming Improvements Map

A3. Streets and Open Space Concept Map

Eastern Neighborhoods
Public Transit Improvements Concept

Adopted December 2008

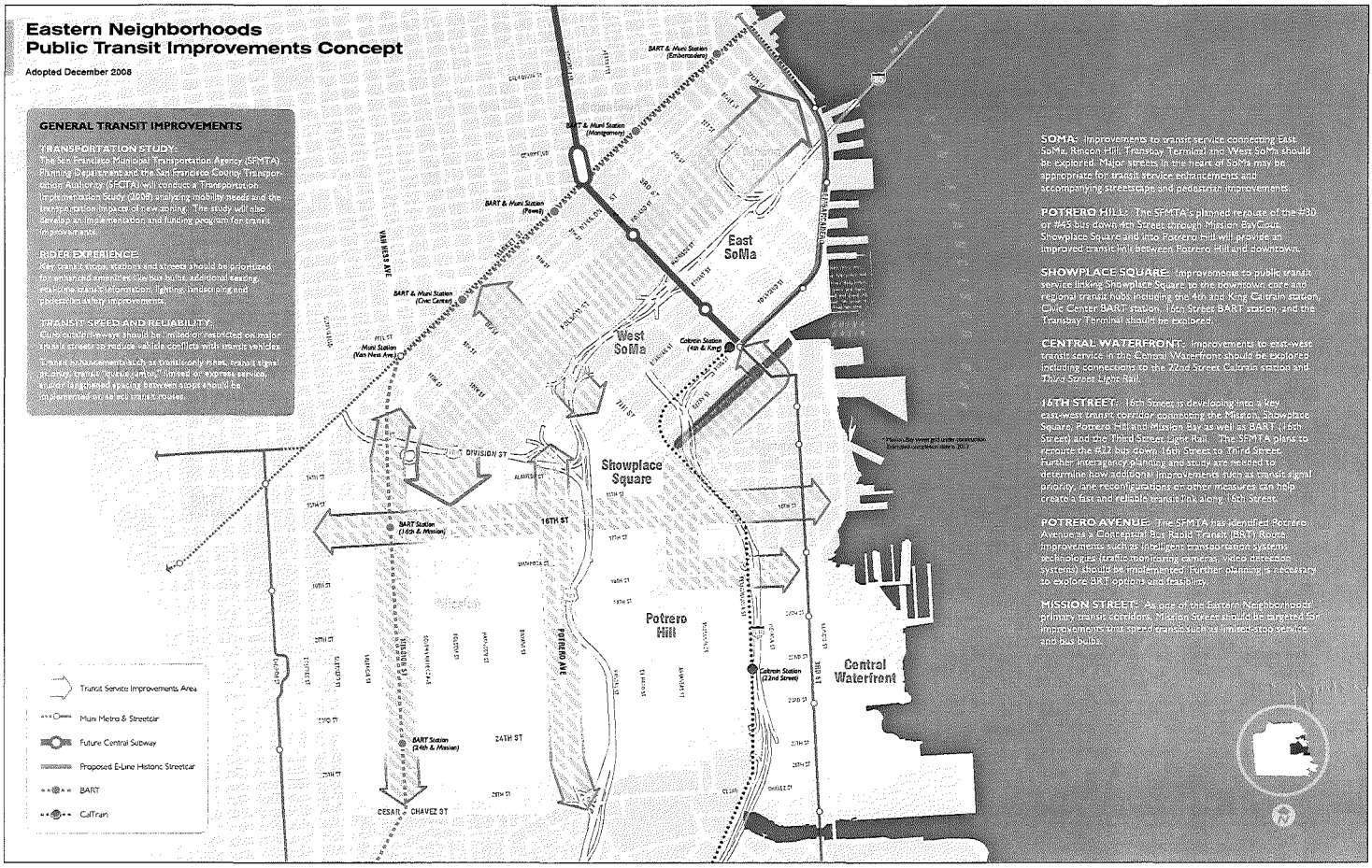
GENERAL TRANSIT IMPROVEMENTS

TRANSPORTATION STUDY:
The San Francisco Municipal Transportation Agency (SFMTA), Planning Department and the San Francisco County Transportation Authority (SFCTA) will conduct a Transportation Implementation Study (2008) analyzing mobility needs and the transportation impacts of new zoning. The study will also develop an implementation and funding program for transit improvements.

RIDER EXPERIENCE:
Key transit stops, stations and streets should be prioritized for enhanced amenities like bus bulbs, additional seating, real-time transit information, lighting, landscaping and pedestrian safety improvements.

TRANSIT SPEED AND RELIABILITY:
Curb cuts/driveways should be limited or restricted on major transit streets to reduce vehicle conflicts with transit vehicles.

Transit enhancements such as transit priority measures (signal priority, transit "queue jumps," limited or express service, transit-appropriate spacing between stops) should be implemented on select transit routes.



SOMA: Improvements to transit service connecting East SoMa, Rincon Hill, Transbay Terminal and West SoMa should be explored. Major streets in the heart of SoMa may be appropriate for transit service enhancements and accompanying streetscape and pedestrian improvements.

POTRERO HILL: The SFMTA's planned reroute of the #30 or #45 bus down 4th Street through Mission Bay/Dogpatch, Showplace Square and into Potrero Hill will provide an improved transit link between Potrero Hill and downtown.

SHOWPLACE SQUARE: Improvements to public transit service linking Showplace Square to the downtown core and regional transit hubs including the 4th and King Caltrain station, Civic Center BART station, 16th Street BART station, and the Transbay Terminal should be explored.

CENTRAL WATERFRONT: Improvements to east-west transit service in the Central Waterfront should be explored including connections to the 22nd Street Caltrain station and Third Street Light Rail.

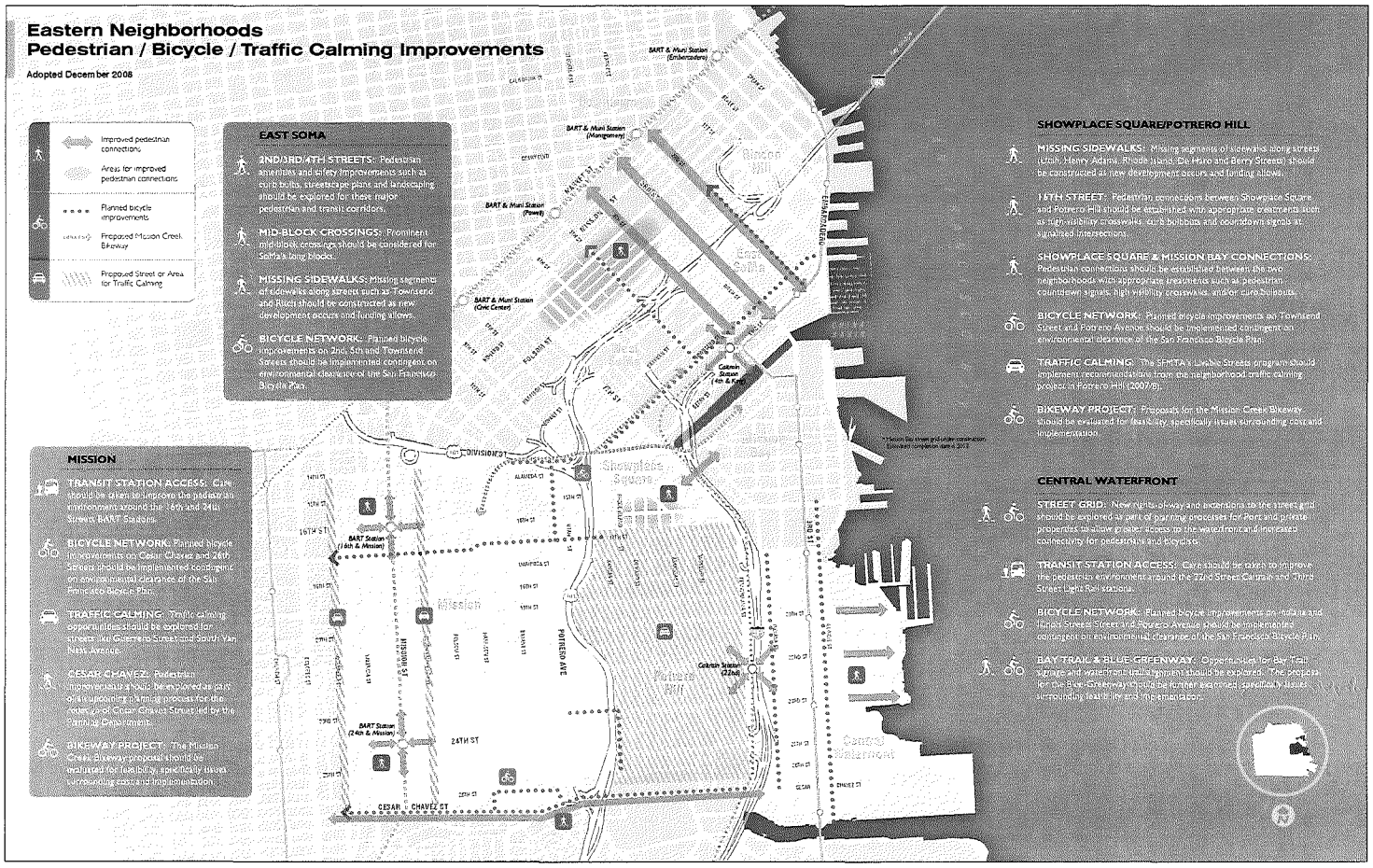
16TH STREET: 16th Street is developing into a key east-west transit corridor connecting the Mission, Showplace Square, Potrero Hill and Mission Bay as well as BART (16th Street) and the Third Street Light Rail. The SFMTA plans to reroute the #22 bus down 16th Street to Third Street. Further interagency planning and study are needed to determine how additional improvements such as transit signal priority, and reconfigurations or other measures can help create a fast and reliable transit link along 16th Street.

POTRERO AVENUE: The SFMTA has identified Potrero Avenue as a Conceptual Bus Rapid Transit (BRT) Route. Improvements such as intelligent transportation systems technologies (traffic monitoring cameras, video detection systems) should be implemented. Further planning is necessary to explore BRT options and feasibility.

MISSION STREET: As one of the Eastern Neighborhoods' primary transit corridors, Mission Street should be targeted for improvements that speed transit such as limited-stop service and bus bulbs.

Eastern Neighborhoods
Pedestrian / Bicycle / Traffic Calming Improvements

Adopted December 2008



EAST SOMA

2ND/3RD/4TH STREETS: Pedestrian amenities and safety improvements such as curb bulbs, streetscape plans and landscaping should be explored for these major pedestrian and transit corridors.

MID-BLOCK CROSSINGS: Prominent mid-block crossings should be considered for Soma's long blocks.

MISSING SIDEWALKS: Missing segments of sidewalks along streets such as Townsend and Ritch should be constructed as new development occurs and funding allows.

BICYCLE NETWORK: Planned bicycle improvements on 2nd, 5th and Townsend Streets should be implemented contingent on environmental clearance of the San Francisco Bicycle Plan.

MISSION

TRANSIT STATION ACCESS: Care should be taken to improve the pedestrian environment around the 16th and 24th Streets BART Stations.

BICYCLE NETWORK: Planned bicycle improvements on Cesar Chavez and 26th Streets should be implemented contingent on environmental clearance of the San Francisco Bicycle Plan.

TRAFFIC CALMING: Traffic calming opportunities could be explored for streets like Folsom Street and South Van Ness Avenue.

CESAR CHAVEZ: Pedestrian improvements should be explored as part of a surrounding planning process for the redesign of Cesar Chavez Street and by the Transit Center District.

BIKEWAY PROJECT: The Mission Street Bikeway proposal should be explored for feasibility, specifically issues surrounding cost and implementation.

SHOWPLACE SQUARE/POTRERO HILL

MISSING SIDEWALKS: Missing segments of sidewalks along streets (Utah, Henry Adams, Rhode Island, De Haro and Berry Streets) should be constructed as new development occurs and funding allows.

18TH STREET: Pedestrian connections between Showplace Square and Potrero Hill should be established with appropriate treatments such as high-visibility crosswalks, curb bulbouts and countdown signals at signalized intersections.

SHOWPLACE SQUARE & MISSION BAY CONNECTIONS: Pedestrian connections should be established between the two neighborhoods with appropriate treatments such as pedestrian countdown signals, high visibility crosswalks, and/or curb bulbouts.

BICYCLE NETWORK: Planned bicycle improvements on Townsend Street and Potrero Avenue should be implemented contingent on environmental clearance of the San Francisco Bicycle Plan.

TRAFFIC CALMING: The SFMTA's Livable Streets program should implement recommendations from the neighborhood traffic calming project in Potrero Hill (2007/8).

BIKEWAY PROJECT: Proposals for the Mission Creek Bikeway should be evaluated for feasibility, specifically issues surrounding cost and implementation.

CENTRAL WATERFRONT

STREET GRID: New rights-of-way and extensions to the street grid should be explored as part of planning processes for Port and private properties to allow greater access to the waterfront and increased connectivity for pedestrians and bicyclists.

TRANSIT STATION ACCESS: Care should be taken to improve the pedestrian environment around the 22nd Street Caltrain and Third Street Light Rail stations.

BICYCLE NETWORK: Planned bicycle improvements on Illinois and Terois Streets, Street and Bryant Avenue should be implemented contingent on environmental clearance of the San Francisco Bicycle Plan.

BAY TRAIL & BLUE GREENWAY: Opportunities for Bay Trail signage and waterfront trail alignment should be explored. The proposal for the Blue Greenway should be further examined, specifically issues surrounding feasibility and implementation.

Eastern Neighborhoods
Streets and Open Space Concept

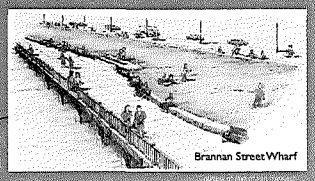
Adopted December 2008

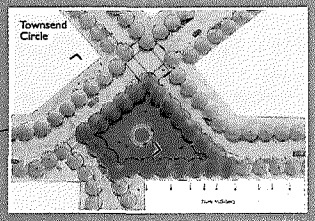
LIVING STREETS

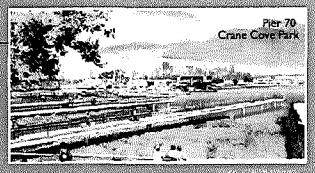
As shown above, alleyways could be converted to "living streets." where traffic is calmed and paving and landscaping are designed to create shared environments that prioritize the pedestrian. The Planning Department is currently working with the Redevelopment Agency and the Department of Public Works on three streets in the Eastern Neighborhoods: Minna, Natoma, and Rueb Streets. These streets will set the standard for additional living streets to be designed throughout the Plan area.

Downtown
Transbay Plaza (planned)
Rincon Hill
Rincon Hill Park (planned)
East SoMa
West SoMa
Brady Park (planned)
Yerba Buena Gardens
Mission Bay
Mariposa St and Terry Francois Blvd Open Space (Mission Bay) (planned)
16TH ST
Mission
I.M. Scott School Park (planned)
Irish Hill (planned)
Potrero Hill
24TH ST
CESAR CHAVEZ ST
expand Islais Creek Access (planned)
expand Warm Water Cove north and south (planned)
Central Waterfront

Acquire and develop sites for open space or neighborhood parks in the general vicinity.
Existing Open Space
Planned Open Space
Civic Boulevard
Green Connector Streets
Potential Living Streets







Residential Nexus Analysis
City and County of San Francisco

Prepared for:
City and County of San Francisco

Prepared by:
Keyser Marston Associates, Inc.

April 2007

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Direct Employment Impacts within the City of San Francisco

A-2: Average Annual Compensation, 2006 – Resident Services Worker Occupations
Direct Employment Impacts within the City of San Francisco

A-3: 2005 National Resident Services Worker Distribution by Occupation
Direct, Indirect & Induced Employment Impacts within the City of San Francisco

A-4: Average Annual Compensation, 2006 – Resident Services Worker Occupations
Direct, Indirect & Induced Employment Impacts within the City of San Francisco

OVERVIEW AND SUMMARY OF FINDINGS

Keyser Marston Associates (KMA) has prepared a residential nexus analysis for the City and County of San Francisco. The report has been prepared to support the City's Inclusionary Housing Program, including the updated requirements enacted in the summer of 2006. This residential nexus analysis addresses market rate residential projects which are subject to the inclusionary program and quantifies the linkages between new market rates units and the demand for affordable housing generated by the residents of the units.

Context and Purpose

The City of San Francisco is undertaking a comprehensive program of analyses to update its programs and supporting documentation for many types of fees, including updating nexus analyses in support of impact fees. As part of this program, the City has contracted with Keyser Marston Associates to prepare a nexus analysis in support of the Inclusionary Housing Program, or an analysis of the impact of the development of market rate housing on affordable housing demand.

The City's current position is that the City's Inclusionary Housing Program including the in lieu provision which is offered as an alternative to building units within market rate projects, is not subject to the requirements of the Mitigation Fee Act, Government Code Sections 66000 and following. The City does not expect to alter its position on this matter. However, because the City agreed to sponsor a supporting nexus analysis as part of past legislative actions, and because there is interest in determining whether the Inclusionary Program can be supported by a nexus type analysis as an additional support measure, the City has contracted for the preparation of a nexus analysis at this time.

San Francisco Inclusionary Program

The City of San Francisco Inclusionary program that is the subject of this analysis requires that all residential projects of five units or more provide a share of units affordable to lower income households. The San Francisco program, which was amended in the summer of 2006, is contained in Planning Code Sections 315 and following (the "Inclusionary Program"). Briefly summarized, the San Francisco program now requires 15% of units be affordable to lower income households and defines lower income as up to 120% of median income. For purposes of application, affordable units in condominium projects must average 100% of median and affordable units in rental projects must be provided at 60% of median or less. The Inclusionary Program also has off-site and in-lieu fee alternatives. The Inclusionary Program contains many particulars regarding application, definitions, entitlement process, and administration of the program.

Use of This Study

An impact analysis of this nature has been prepared for the limited purpose of demonstrating nexus support to the San Francisco Inclusionary Program. It has not been prepared as a document to guide policy design in the broader context. We caution against the use of this study, or any impact study for that matter, for purposes beyond the intended use. All impact studies are limited and imperfect, but can be helpful for addressing narrow concerns.

To cite a parallel example, a study could be prepared on the relative fiscal impacts of developing various price (or value) residential units in San Francisco. Fiscal impact analysis, unlike this nexus analysis, is a widely prepared type of analysis in which revenues to a governmental entity are quantified and compared to the costs of services provided by the entity. For residential development, revenues include property tax, sales tax from expenditures of residents, intergovernmental transfers and subventions (such as vehicle license tax) and a number of other revenues to the General Fund. Cost of services cover police, fire, health care, general administration and all else that the City/County expends from its General Fund to serve its residents. If such an analysis were prepared for various price residential units in San Francisco, it can be predicted with assurance that higher price units would yield more revenues to the City than lower price units and a more favorable fiscal balance. If fiscal impact analysis alone were to guide policy, then San Francisco would never pursue the development of another unit of affordable housing. Needles to say, governments must develop housing policy based on a range of competing goals and objectives.

Impact Methodology and Models Used

The methodology or analysis procedure for this nexus analysis starts with the sales price (or rental rate) of a market rate residential unit, and moves through a series of linkages to the income of the household that purchased or rented the unit, the disposable income of the household, the annual expenditures on goods and services, the jobs associated with the purchases and delivery of services, the income of the workers doings those jobs, the household income and, ultimately, the affordability level of the housing needed by the worker households. The steps of the analysis from disposable income to jobs generated was performed using the IMPLAN model, a model widely used for the past 25 years to quantify employment impacts from personal income. From jobs generation by industry, KMA used its own nexus model to quantify the income of worker households by affordability level.

To illustrate the linkages by looking at a simplified example, we can take an average household that buys a condominium at a certain price. From that price, we can determine the gross income of the household (from mortgage rates and lending practices) and the disposable income of the household. The disposable income, on average, will be used to "purchase" or consume a range of goods and services, such as purchases at the supermarket or services at the bank. Purchases in the local economy in turn generate employment. The jobs generated are at different compensation levels. Some of the jobs are low paying and as a result, even when there

is more than one worker in the household, there are some lower and middle-income households who cannot afford market rate housing in San Francisco.

The IMPLAN model quantifies direct, indirect and induced employment impacts. Direct jobs are generated at establishments that serve new residents directly (i.e. supermarket, bank or school); indirect jobs are generated by increased demand at firms which service or supply these establishments (wholesaler, janitorial contractor, accounting firm, or any jobs down the service/supply chain from direct jobs); induced jobs are generated when direct and indirect employees spend their wages in the local economy and generate additional jobs. The analysis is presented in a manner that indicates direct impacts alone and all impacts - direct, indirect and induced impacts. Consistent with other nexus analyses that have used the IMPLAN model and adopted programs supported by the analyses, KMA used all impacts, inclusive of indirect and induced impacts for nexus purposes.

Analysis Starting Point

An important starting point of the analysis is the sales price or rent level of market rate units. For this KMA was able to utilize material prepared in the spring of 2006 to analyze the inclusionary program and proposed changes to the program. KMA, under contract to the City, worked under the direction of the Planning Department and Major's Office of Housing (MOH), and was guided by a Technical Advisory Committee (TAC) comprised of residential developers, affordable housing advocates, non-profit developers, and others concerned with the policy issues. A major body of work was devoted to the identification of prototypical projects and full schedules of costs and revenues to establish pro forma feasible projects. A summary of the prototypes and the analysis of inclusionary impacts on them is contained in a report entitled *Keyser Marston Associates, Summary Report, Inclusionary Housing Program, San Francisco, Sensitivity Analysis, July 2006.* This report was released as a public document as part of the package for the July 12, 2006 meeting of the Land Use Committee of the Board of Supervisors.

The lowest cost and sales price (or rent level) of the four prototypes developed as part of the *Sensitivity Analysis* work program is utilized as the starting point of the nexus analysis. The analysis could have been conducted using an average price of a new unit, but the more conservative selection of least expensive prototype was used for the analysis.

Net New Underlying Assumption

An underlying assumption of the analysis is that households that rent or purchase new units represent net new households in the City of San Francisco. If purchasers or renters have relocated from elsewhere in the City, a vacancy has been created that will be filled. An adjustment to new construction of units would be warranted if the City were experiencing demolitions or loss of existing housing inventory. However, the rate of housing unit removal is so low as to not warrant an adjustment or offset.

Since the analysis addresses net new households in the City and the impacts generated by their consumption expenditures, the analysis quantifies net new demands for affordable units to accommodate new worker households. As such, the impact results do not address nor in any way include existing deficiencies in the supply of affordable housing.

Nexus Findings

Nexus analyses were conducted separately for condominium units (or other for-sale product) and for rental units since the occupants have different income levels which result in differentiated impacts. For summary overview purposes the results are presented together in the following synopsis of major steps and findings.

Income of Purchaser/Renter of New Units

The income of residents of new market rate buildings is estimated based upon the income required to purchase or rent a unit in a prototypical new low-rise wood frame building.

The prototype condominium unit, drawn from the *Sensitivity Analysis,* is 800 square feet and sells for $580,000 or $725 per square foot. The household income required to purchase a unit at this price is estimated based upon standard long term mortgage lending practices. Key assumptions are a 20% down payment, and a mortgage at 7% interest, a longer term rate that is a little higher than would be achievable today, homeowner's association (HOA) dues and property taxes. All housing expenditures are assumed at 35% of gross income. This produces a gross household income of $138,400 for the purchaser of the $580,000 unit.

The prototype rental unit, also drawn from the *Sensitivity Analysis* work program is also 800 square feet and rents for $2,500 per month or a little under $3.20 per square foot per month. New rental units are not feasible in today's market; however, the inclusionary program will be in place beyond the current market cycle and must anticipate development of rental units in the future. The assumed rental rate is higher than is achievable in the current market except under extraordinary circumstances (luxury projects in premier locations, etc.). The rental rate has been estimated as the required minimum level for a project to be feasible, given total development costs, conventional financing terms, and typical operating expenses. The household living in this unit is likely to be paying approximately 30% of income on rent (not including utilities). This translates to a household with a gross income of $102,000 per year.

	Condo Units	Rental Units
Sales Price or Rent	$580,000	$2,544 / Mo
Annual Housing Cost	$48,400 (mortgage, property taxes, HOA)	$30,500 (rent)
Percent of Income Spent on Housing	35%	30%
Gross Household Income	$138,400	$102,000

Disposable Income

A second step is to determine Disposable Household Income, the income that the IMPLAN model uses as a starting place. Disposable Income, as defined for purposes of the IMPLAN model, is income after state and federal income taxes, Social Security and Medicare deductions, and personal savings. Housing expenses are not deducted from disposable income; rather they are handled internally within the IMPLAN model. Disposable Income as a share of gross income is estimated at 69% for purchasers of condominium units. This percentage is based on consultation with a number of governmental and institutional sources as noted in the main body of the report. The household that purchases our prototypical condominium unit has a Disposable Income of $95,500.

The renter household has a higher proportion of gross income that is disposable because the renter household is in a lower tax bracket. The renter household of the prototypical unit has a Disposable Income of a little over $74,000 per year.

	Condo Units	Rental Units
Gross Household Income	$138,400	$102,000
Percent Disposable	69%	73%
Disposable Income	$95,500	$74,000

IMPLAN Job Generation

The IMPLAN model input is the Disposable Income of 100 condominium purchasers and 100 apartment renters. The output is numbers of jobs generated by the expenditures of the households for goods and services in San Francisco. The employment impacts associated with these 100 units are:

	100 Condo Units	100 Rental Units
Disposable Income	$9.6 M	$7.4 M
Job Generation		
Direct Jobs	49	38
Indirect & Induced Jobs	40	31
Total Jobs	89	69

The IMPLAN output provides the jobs by industry, for the most part a wide dispersion among over 30 industries with little concentration in any one. The highest single concentration is in Food Service and Drinking Places, representing 15% of direct jobs and 11% of total jobs.

Lower Income Worker Households

The jobs by industry, per the IMPLAN analysis, have been input into the KMA jobs housing nexus analysis model to quantify the income of the worker households. The first step is a conversion of jobs to worker households, recognizing that there is more than one worker in each household today.

The KMA nexus model converts jobs by industry per the IMPLAN output to a distribution of jobs by occupation. State of California data on compensation level in San Francisco is applied to each occupation. Workers are allocated into households of sizes ranging from one to six persons taking into account the fact that households with two or more persons may have multiple earners. The output of the model is the number of households by income level.

The nexus model was configured for this San Francisco application to produce findings for "lower income households" defined as households with incomes from zero through 120% of median. Income definitions are keyed to the San Francisco City and County Median (SF Median) for 2006 as revised in the Inclusionary Program amendments enacted in the summer of 2006. The income range is consistent with the range of incomes covered in the Inclusionary Housing Program in San Francisco and the range of incomes assisted by the City's housing programs overall.

Output of Households by Affordability Level

The findings of the analysis are as follows for 100 market rate units in low-rise wood-frame buildings in San Francisco:

Affordable Unit Demand Associated with 100 Market Rate Units	Direct Impacts Only	Direct, Indirect & Induced Impacts
Condominium Units - Number of New Lower Income Households	25.00	43.31
Rental Units - Number of New Lower Income Households	19.44	33.68

In summary, for every 100 market rate condominium units there are 25.0 lower income households generated through the direct impact of the consumption of the condominium buyers and a total of 43.31 households if total direct, indirect, and induced impacts are counted in the analysis.

For every 100 market rate rental units there are 19.44 lower income households generated through the direct impact of the consumption of the renters and a total of 33.68 households if total direct, indirect, and induced impacts are counted in the analysis.

The table below adjusts these figures to percentages for purposes of supporting "inclusionary" type requirements of total units. The percentages are calculated including both market rate and affordable units (for example to convert 25.0 affordable units per 100 market rate units into a percentage, 25.0 is divided by 125.0, which equals 20%).

Supported Inclusionary Requirement	Direct Impacts Only	Direct, Indirect & Induced Impacts
Condos	20.0%	30.2%
Rentals	16.3%	25.2%

Location of Jobs and Housing/Commute Issues

The findings of the nexus analysis count only the jobs located in San Francisco. The analysis results could have included jobs and worker households located elsewhere in the Bay Area and beyond the Bay Area as well. If the five county Bay Region (San Francisco, San Mateo, Marin, Alameda and Contra Costa) were included, results would be a third higher inclusive of Direct, Indirect and Induced Impacts. In summary, the analysis does not count total job impacts, only San Francisco located job impacts.

An inevitable question arises as to whether worker households are assumed to live in the same jurisdiction as the jobs. For purposes of this analysis, the interest was in determining job impacts in San Francisco. Whether all the new worker households associated with the San Francisco located jobs should also be assumed to live in San Francisco or commute from another county is a matter of policy.

Overlap / Duplication of Commercial Nexus Fee

San Francisco has a jobs-housing linkage fee designed to mitigate the need for affordable housing associated with jobs in new commercial buildings. The jobs housing analysis is based on a similar analytical framework as the residential nexus analysis and under certain circumstances counts some of the same jobs. A separate analysis has been prepared which demonstrates that in the rare situations where there is a high degree of overlap in jobs counted between the two analyses, the City's Inclusionary program and jobs-housing program combined remain within the nexus.

Conclusion

The residential nexus analysis has determined that 100 market rate condominium units generate direct impacts that result in the demand for 25.0 affordable units in San Francisco and 43.31 units if all indirect and induced impacts are taken into account. As percentages, these results translate to direct impacts supporting 20% of units affordable, or inclusive of indirect and induced impacts 30% of units affordable. Findings for rental units are roughly a third lower. Since the San Francisco Inclusionary Program requires that 15% of units be affordable, the San Francisco program is well supported by this nexus analysis.

SECTION I - MARKET RATE UNITS AND DISPOSABLE INCOME

Section I describes the prototypical market rate units that are subject to the inclusionary program, the income of the purchaser and renter households and the disposable income of the households. Disposable Income is the input to the IMPLAN model described in Section II of this report. These are the initial starting points of the chain of linkages that connect new market rate units to incremental demand for affordable residential units.

Introduction

The San Francisco inclusionary program is applicable to all residential projects of five units or more. Construction activity in the City for projects of five or more units includes a range of products including apartments and condominiums (or other forms of ownership units) in building types from low-rise wood-frame construction to steel high-rise buildings. The least expensive construction type, the low-rise wood-frame unit, has been selected as the prototype for the analysis. The selected prototype units are intended to represent the low-end of cost and value range for both the for-sale and the rental market in San Francisco. The objective is to establish the nexus for the least expensive product, on average, to be conservative. Mid- and high-rise buildings are more expensive to construct and must generally achieve greater sales prices or rents in order to be feasible; likewise, the disposable income of occupant households and consumer expenditures will, on average, be greater than in low-rise units. Use of an average price unit, such as in a mid-rise building, might well have been used in the analysis since use of averages is generally considered acceptable for establishing regulations and public policy.

The prototypes used in the analysis are drawn from the prior work program on proposed changes to the San Francisco inclusionary program. KMA, under contract to the City, worked under the direction of the Planning Department and Major's Office of Housing (MOH), and was guided by a Technical Advisory Committee (TAC) comprised of residential developers, affordable housing advocates, non profit developers, and other concerned with the policy issues. A major body of work was devoted to the identification of prototypical projects and full schedules of costs and revenues to establish pro forma feasible projects. A summary of the prototypes and the analysis of inclusionary impacts on them was assembled in a report entitled *Keyser Marston Associates, Summary Report, Inclusionary Housing Program, San Francisco, Sensitivity Analysis, July 2006.* This report was released as a public document as part of the package for the July 12, 2006 meeting of the Land Use Committee of the Board of Supervisors.

The major assumptions with respect to price or value of units and income of purchasers or renters are presented first for for-sale or condominium units, followed by rental units.

Prototypical Condominium Unit

For the purposes of the analysis, the low-rise wood-frame construction Prototype 1 articulated in the *Sensitivity Analysis* was selected as an average new unit to represent the lower-end of the for-sale market in San Francisco. As indicated above, prototypes in the *Sensitivity Analysis,* were fully analyzed for cost of development and sales prices. In addition, market surveys were conducted for establishing the sales prices of units and also sales per square foot basis.

A profile of the Prototype 1 size and sales price is:

	Prototypical Unit
Size	800 sq.ft.
Sales Price per Sq.Ft.	$725
Sales Price Total	$580,000

Most of the new condominium units constructed in San Francisco will sell for over this amount. Smaller one-bedrooms and studios may have lower sales prices, but will likely equal or exceed the prototype unit on a price per square foot basis. It is unlikely that significant sales activity will occur at lower prices, except for occasional projects or units. The vast majority of units will sell at a higher price per square foot than the Prototype 1 unit.

Income of Condominium Purchasers

The next step in the analysis is to determine the income of the purchasing household of the prototypical condominium. To make the determination, typical terms for the purchase of units in San Francisco are used — 20% down payment, 30 year fixed rate mortgage, property taxes, and homeowners or condominium association dues. The mortgage rate assumption was selected to cover a future average rate, 7% interest, recognizing that at the current time mortgages are available at lower rates. Also lesser down payments are currently achievable. However these terms are not likely to be available over the longer term.

A key assumption is that housing costs will, on average run about 35% of gross income. In recent years lending institutions have been more willing to accept higher than 35% for all debt as a share of income, but most households do have other forms of debt, such as auto loans, student loans, and credit card debt. Looking ahead, most analysts see a return to more conservative lending practices than those of the last few years. Housing costs are defined as mortgage payments and Homeowners Association dues and property taxes.

Table I-1 at the end of this section summarizes the analysis for the prototypical condo unit. The conclusion is that the purchaser of the $580,000 prototypical unit must have an income of 138,400 per year. The ratio of sales price to income of the purchasing household is 4.2:1, which is to say that a condominium selling for $420,000 would require a household income of $100,000, using the assumptions of the analysis.

Rental Market Conditions

Development of new market rate apartments (with conventional financing) is generally not feasible in San Francisco and in most cities in the U.S. in the current cycle of the real estate development market due to a combination of factors. Over the past several years, historically low mortgage rates have propelled the homebuyer market, driving strong value escalations affecting all home ownership products from condominiums to single family detached homes, to vacation homes, etc. In addition, low mortgage rates have enabled renters to enter homeownership at unprecedented rates, leaving the rental housing stock with vacancies that have not been rapidly refilled due to weak job growth.

Over the past year, the number of home sales has decreased significantly and prices have leveled off or declined slightly in some markets (although there is little evidence of decline in San Francisco). Rents have trended upwards in the San Francisco in response to job growth, and would be first-time homebuyers are taking a "wait and see" approach to entry into the ownership market. If these trends continue or other conditions change, new rental buildings could become feasible again. In any case, the analysis must anticipate that at some point in the future, the market will produce new market rate rental projects subject to the inclusionary program.

Prototypical Rental Units

For the purposes of the analysis, Prototype 5, which was identified and analyzed in the *Sensitivity Analysis* work program, was used as the prototypical rental unit for purposes of this analysis. (Information on Prototype 5 was presented to the Technical Advisory Committee, but was not, however, contained in the aforementioned *Summary Report*) KMA with assistance from MOH, San Francisco Redevelopment Agency, and developers active in the market, prepared an analysis to determine total development costs and the rent level required for project feasibility. With no recently constructed market rate rentals, rental survey information was of limited value. Required rents for new units are higher than current prevailing rents.

The prototypical apartment unit is similar to the condominium at 800 square feet but assumed to be constructed to lesser standards than the condominium in terms of finishes, appliances, and amenities. The cost to develop the unit was estimated at $330,000 (including land and all indirect costs but excluding developer profit) requiring a rent of approximately $2,544 per month, or just under $3.20 per square foot per month. This rent level is higher than the average rent achieved at this time in projects in the greater eastern half of the City, south of Market Street, where most new development is expected to occur.

It is noted that tax exempt bond money has been used to develop rental projects that contain the 20% low income units required to qualify for the bonds. Units in these projects may rent for less (for the project to be feasible) due to the lower interest rates afforded by the tax exempt bonds.

Income of Apartment Renter

The assumption for relating annual rent to household income is 30%. For affordable units, utilities are included in the 30%; for market rate units, the 30% does not include utilities. While leasing agents and landlords may permit rental payments to represent a slightly higher share of total income, 30% represents an average, given that renters are likely to have other debt; also many renters do not choose to spend more than 30% of their income on rent, since, unlike ownership of a condominium, the unit is not viewed as an investment with value enhancement potential. The resulting relationship is that annual household income is 3.3 times annual rent. See Table I-2.

The conclusion with respect to the Prototype 5 apartment renter household in a newly constructed building is an income of slightly over $100,000 per year.

Disposable Income

The IMPLAN model used in this analysis uses disposable household income as the primary upfront input. To arrive at disposable income, gross income for residents of prototypical units must be adjusted downward to account for taxes and savings. Per KMA correspondence with the producers of the IMPLAN model (Minnesota IMPLAN Group), gross income is adjusted to disposable income for purposes of the model by deducting Federal and State Income taxes, Social Security and Medicare (FICA) taxes, and personal savings. Other taxes including sales tax, gas tax, and property tax are handled internally within the model.

Disposable income is estimated at approximately 69% of gross income in the case of the condominium owner. The assumption is based on a review of data from the Tax Policy Center (a joint venture of the Brookings Institution and the Urban Institute) and California Franchise Tax Board tax tables. Per the Tax Policy Center, households earning between $100,000 and $200,000 per year, or the residents of our prototypical condominium units, will pay an average of 15% of gross income for federal taxes. State taxes are estimated at 7% of gross income based on tax rates per the California Franchise Tax Board. The employee share of the FICA payroll taxes is 7.65% of gross income (conservatively assumes all earners in the household are within the $94,200 ceiling on income subject to social security taxes).

Savings represent another adjustment from gross income to disposable income. Savings including various IRA and 401 K type programs are estimated at 1.3% of gross income based on the projected average for U.S. households per the 2006 RREEF report (a local real estate investment trust) "*Prospects for the U.S. Economy and Sectors*" and sourced to Global Insight a company that produces forecasts of market and economic data. This savings rate was also confirmed by a Federal Reserve Bank paper, sourced in the footnote of Table 1-3.

After deducting income taxes and savings, the disposable income factor for a condominium purchaser used in this analysis is 69%, for purposes of the IMPLAN model. This factor also works with higher incomes than the purchase income used in the analysis, because while the

average federal and state tax burden goes up with income, FICA taxes go down since Social Security taxes apply only to income below $94,200. As indicated above, other forms of taxation (including property tax) are handled internally within the model.

The disposable income for the prototypical renter household is based on the same evaluation, but for a lower income tax bracket. The renter household would be in a lower tax bracket, with the result that the renter would have a disposable income factor of 73%. The savings rate for the renter and owner were assumed to be the same.

In summary the gross income and disposable income of the households in the new market rate units presented in detail in Table I-4 with the results indicated below:

	New Condo Units	New Apartment Units
Average Gross Household Income of Buyers / Renters	$138,400/year	$102,000/year
Disposable Income	69%	73%
Average Disposable Household Income	$95,500/year	$74,000/year

"Pied a Terre" Units

Before moving on to the next step of the analysis, it is important to acknowledge that there is some activity in the current market in sales of units as second homes or city "pied a terre" units. Based on a limited survey, it appears that the vast majority of such activity is occurring in the luxury price ranges, particularly in several new high rise towers now in marketing phases. Some of the towers report figures such as 10% to 20% of units being sold to buyers not for a primary place of residence. As a share of overall units built in the City 10% to 20% in a few individual projects represents a share closer to 2% to 4% of the total market.

In addition to second home sales representing a small share of the market overall, the prototype unit used in this analysis is at a far lower price unit than most of the units selling as second homes, which tend to be located in the luxury towers. The income of second home purchasers and all impacts attributable to the higher priced units would be substantially higher than the impacts attributable to the more modest priced unit used in the analysis. The net effect of second home purchasers (who do spend some income while in San Francisco) on the nexus being established in this analysis is negligible, in our opinion.

Summary

Table I-4 summaries the key assumptions and steps from the market rate residential price or rent level, to the annual income of the purchaser or renter household, to the disposable income of the household. The disposable income, used to consume goods and services, is the generator of jobs and ultimately the demand for more affordable housing for worker households.

TABLE I-1
CONDOMINIUM UNITS
CONDO SALES PRICE TO INCOME RATIO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

			Prototype Condo Unit
Sales Price	$725 /SF	800 SF	$580,000
Mortgage Payment			
Downpayment @ 20%		20%	$116,000
Loan Amount			$464,000
Interest Rate			7.0%
Term of Mortgage			30 years
Annual Mortgage Payment			$37,044
Other Costs			
HOA Dues	$400 per month		$4,800
Property Taxes	1.14% of sales price		$6,600
Total Annual Housing Cost			$48,444
% of Income Spent on Hsg			35%
Annual Income Required			$138,412
Sales Price to Income Ratio			4.2

Source: KMA 2006 sensitivity analysis, prototype 1.

TABLE I-2
RENTAL UNITS
ANNUAL RENT TO INCOME RATIO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

			Prototype Rental Unit
Market Rent			
Monthly	$3.18 /SF	800 SF	$2,544
Annual			$30,528
% of Income Spent on Rent (excludes utilities)			30%
Annual Household Income Required			$101,760
Annual Rent to Income Ratio			3.3

Source: KMA 2006 sensitivity analysis, prototype 5.

TABLE I-3
DISPOSABLE INCOME[1]
RESIDENTIAL NEXUS ANALYSIS
ECONOMIC NEXUS ANALYSIS

	Residents of Prototypical Condo Units	Residents of Prototypical Rental Units
Gross Income	100%	100%
(Less) Average Federal Income Tax Rate[2]	15.3% (for AGI of 100k-200k)	11.6% (for AGI of 75k-100k)
(Less) FICA Tax Rate[3]	7.7%	7.7%
(Less) Average State Income Tax Rate[4]	7.0%	6.0%
(Less) Savings[5]	1.3%	1.3%
Disposable Income (Input to IMPLAN model)	***69%***	***73%***

Notes:

[1] As defined within the IMPLAN model. Includes all income except income taxes and savings

[2] Per the Urban-Brookings Tax Policy Center (joint venture between the Brookings Institution and the Urban Institute)

[3] Conservatively assumes all households will be below the ceiling applicable to social security taxes, currently $94,200.

[4] Estimated by KMA based on marginal rates per the California Franchise Tax Board.

[5] Projected based on the forecast of average U.S. household savings rate included in the RREEF publication *Prospects for the US Economy and Property Sectors.* Page 7. November 8, 2006. Savings rate is consistent with the average U.S. household savings rate in 2000 per Maki, Dean M. and Palumbo, Michael G. Federal Reserve System Working Paper No. 2001-21. *Disentangling the Wealth Effect: A Cohort Analysis of Household Savings in the 1990s.* April 2001.

TABLE I-4
RESIDENTIAL HOUSEHOLD SUMMARY
RESIDENTIAL NEXUS ANALYSIS
ECONOMIC NEXUS ANALYSIS

		Per Unit	Per Sq.Ft.	100 Unit Building Module
Low-Rise Market Condominium Prototype				
Units				***100 Units***
Building Sq.Ft. (net rentable or salable area		800	1	80,000
Sales Price		$580,000	$725	$58,000,000
Sales Price to Income Ratio [1]		4.2		4.2
Gross Household Income		$138,412	$173.01	$13,841,000
Disposable Household Income [2]	69% of gross	$95,500	$119.38	$9,550,000
Low-Rise Market Apartment Prototype				
Units				***100 Units***
Building Sq.Ft. (net rentable or salable area		800	1	80,000
Rent				
Monthly		$2,544	$3.18	$254,400
Annual		$30,528	$38.16	$3,052,800
Gross Household Income	30% allocated to rent	$101,760	$127.20	$10,176,000
Disposable Household Income [2]	73% of gross	$74,285	$92.85	$7,428,000

Notes:
[1] See Table I-1
[2] Estimated income available after deduction of federal income, state income, payroll taxes and savings. (Per discussions with the Minnesota IMPLAN group, sales tax and property tax are not deducted from disposable household income). See Table I-3.

SECTION II – THE IMPLAN MODEL

Consumer spending by residents of new residential buildings will create jobs, particularly in sectors such as restaurants, health care, and retail that are driven by the expenditures of residents. The widely used economic analysis tool, IMPLAN (IMpact Analysis for PLANning), was used to quantify these new jobs by industry sector.

IMPLAN Model Description

The IMPLAN model is an economic analysis software package now commercially available through the Minnesota IMPLAN Group. IMPLAN was originally developed by the U.S. Forest Service, the Federal Emergency Management Agency, and the U.S. Department of the Interior Bureau of Land Management and has been in use since 1979 and refined over time. It has become a widely used tool for analyzing economic impacts from a broad range of applications from major construction projects to natural resource programs.

IMPLAN is based on an input-output accounting of commodity flows within an economy from producers to intermediate and final consumers. The model establishes a matrix of supply chain relationships between industries and also between households and the producers of household goods and services. Assumptions about the portion of inputs or supplies for a given industry likely to be met by local suppliers, and the portion supplied from outside the region or study area are derived internally within the model using data on the industrial structure of the region.

The output or result of the model is driven by tracking how changes in purchases for final use (final demand) filter through the supply chain. Industries that produce goods and services for final demand or consumption must purchase inputs from other producers, which in turn, purchase goods and services. The model tracks these relationships through the economy to the point where leakages from the region stop the cycle. This allows the user to identify how a change in demand for one industry will affect a list of over 500 other industry sectors. The projected response of an economy to a change in final demand can be viewed in terms of economic output, employment, or income.

Data sets are available for each county and state, so the model can be tailored to the specific economic conditions of the region being analyzed. This analysis utilizes the data set for San Francisco City and County. The City is, of course, part of a larger regional economy and impacts will likewise extend throughout the region. However, consistent with the conservative approach taken in quantifying the nexus, only employment impacts occurring within the City of San Francisco have been included.

Economic impacts estimated using the IMPLAN model are divided into three categories:

- *Direct Impacts* – are associated with the direct final demand changes. A relevant example is restaurant employment created when households in new residential buildings

spend money dining out. Employment at the restaurant would be considered a direct impact.

- *Indirect Impacts* – are those associated with industries down the supply chain from the industry experiencing the direct impact. With the restaurant example, indirect impacts would include employment at food wholesalers, kitchen suppliers, and producers of agricultural products. Since the analysis has been run for San Francisco, only jobs located in San Francisco are counted.

- *Induced Impacts* – are generated by the household spending induced by direct and indirect employment. Again using the restaurant example, induced impacts would include employment generated when restaurant, food wholesaler and kitchen suppliers spend their earnings in the local economy.

We have summarized the results of the analysis separately for direct impacts alone and including all direct, indirect and induced impacts.

Application of the IMPLAN Model to Estimate Job Growth

IMPLAN has been applied to link household consumption expenditures to job growth occurring in San Francisco. Employment generated by the consumer spending of residents has been analyzed in our prototypical 100-unit buildings. The IMPLAN model distributes spending among various types of goods and services (industry sectors) based on data from the Consumer Expenditure Survey and the Bureau of Economic Analysis Benchmark input-output study to estimate direct, indirect, and induced employment generated. Job creation, driven by increased demand for products and services, is projected for each of the industries which serve the new households. The employment generated by this new household spending is summarized below.

Estimated Employment Growth Per IMPLAN

	Per 100 Market Rate Units	
	Condos	**Rental**
Disposable Household Income	$9,550,000	$7,428,000
Employment Generated Per IMPLAN (jobs)		
Direct	49.4	38.4
Indirect & Induced	39.3	30.6
Total	88.7	69.0

Table II-1 provides a detailed summary of direct employment by industry. The table shows industries sorted by projected employment. Estimated employment is shown for each IMPLAN industry sector representing 1% or more of employment.

As discussed previously, the analysis separately analyzes the nexus considering only direct impacts and with including total direct, indirect, and induced impacts. Considering total impacts yields approximately 80% more employees than considering direct impact alone.

Only employment growth occurring within San Francisco City and County has been included. Residents of new market-rate condo and apartment buildings will generate jobs that produce demand for units for worker households employed throughout San Francisco Bay Area and beyond. However, as discussed above, the analysis conservatively limits the nexus to the City and County of San Francisco.

TABLE II-1
IMPLAN MODEL OUTPUT
EMPLOYMENT GENERATED
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

	Per 100 Market Rate Units					
	Direct Impacts Only			Direct, Indirect & Induced Impacts		
	Condos	Rentals	% of Jobs[3]	Condos	Rentals	% of Jobs[3]
Disposable Income of New Residents(after taxes & savings[1])	$9,550,000	$7,428,000		$9,550,000	$7,428,000	
Employment Generated by Industry[2]						
Food services and drinking place:	7.4	5.7	15%	10.0	7.8	11%
Offices of physicians- dentists- and other healtl	3.1	2.4	6%	3.9	3.1	4%
Hospitals	3.0	2.3	6%	3.7	2.9	4%
Private household:	2.3	1.8	5%	2.8	2.2	3%
Social assistance- except child day care service	2.2	1.7	4%	2.7	2.1	3%
Wholesale trade	1.8	1.4	4%	3.0	2.4	3%
Nursing and residential care facilitie:	1.8	1.4	4%	2.2	1.7	2%
Automotive repair and maintenance- except car was	1.8	1.4	4%	2.3	1.8	3%
Food and beverage store	1.8	1.4	4%	2.4	1.8	3%
Hotels and motels	1.7	1.3	3%	2.2	1.7	2%
Religious organization:	1.5	1.2	3%	1.9	1.5	2%
General merchandise store:	1.2	0.9	2%	1.5	1.2	2%
Miscellaneous store retailer:	1.0	0.8	2%	1.4	1.1	2%
Elementary and secondary school	1.0	0.8	2%	1.2	0.9	1%
Clothing and clothing accessories store:	1.0	0.7	2%	1.3	1.0	1%
Child day care service:	0.9	0.7	2%	1.1	0.8	1%
Insurance carriers	0.8	0.6	2%	1.3	1.0	1%
Other ambulatory health care service	0.8	0.6	2%	1.0	0.8	1%
Health and personal care store	0.7	0.6	2%	1.0	0.8	1%
Other educational service:	0.6	0.5	1%	0.0	0.0	0%
Sporting goods- hobby- book and music store	0.6	0.5	1%	0.0	0.0	0%
Nonstore retailers	0.6	0.4	1%	0.0	0.0	0%
Other amusement- gambling- and recreatio	0.5	0.4	1%	0.0	0.0	0%
Legal services	0.5	0.4	1%	1.2	0.9	1%
Building material and garden supply store	0.5	0.4	1%	0.0	0.0	0%
State & Local Educatior	0.0	0.0	0%	4.3	3.4	5%
State & Local Non-Educatior	0.0	0.0	0%	2.2	1.7	3%
Fitness and recreational sports center	0.0	0.0	0%	1.6	1.3	2%
Custom computer programming service:	0.0	0.0	0%	1.4	1.1	2%
Employment services	0.0	0.0	0%	1.0	0.8	1%
Services to buildings and dwelling:	0.0	0.0	0%	1.0	0.8	1%
Other Industries	10.5	8.2	21%	29.1	22.6	33%
	49.4	38.4	100%	88.7	69.0	100%

[1] The IMPLAN model tracks how increases in consumer spending creates jobs in the local economy. See Tables I-4 for estimates of the disposable income available to residents of the prototypical 100 unit buildings.

[2] For Industries representing more than 1% of total employment.

[3] Applies to both rental and condominium units.

Keyser Marston Associates, Inc.
12715.001001-018 Tables.xls; II-1 IMPLAN model; 4/5/2007; dd

SECTION III – THE NEXUS MODEL

This section presents a summary of the analysis linking the employment growth associated with residential development or the output of the IMPLAN model (see Section II) to the estimated number of lower income housing units required.

Analysis Approach and Framework

The analysis approach is to examine the employment growth for industries related to consumer spending by residents of the 100-unit residential building modules. Then, through a series of linkage steps, the number of employees is converted to the number of lower income households or housing units. The findings are expressed in terms of numbers of lower income households related to the 100-unit building module.

The analysis addresses affordable unit demand associated with both condominium and rental units in San Francisco. The table below shows the income limits for "lower income households," defined as households from zero through 120% of median income. The median income definition is for San Francisco, not for a multi county region, per the amendments to the San Francisco Inclusionary Program enacted in the summer of 2006. The median income definition for San Francisco, described in the *Sensitivity Analysis* report, is at approximately 92% of the three county region (Primary Metropolitan Statistical Area defined as San Francisco, San Mateo and Marin) median income published annually by the U.S. Department Housing and Urban Development, adjusted based on information in the U.S. Census 2000. MOH will annually establish and publish the median income for San Francisco for a range of household sizes.

The nexus model was configured for this San Francisco application to produce findings for households with incomes from zero through 120% of median. The income range is consistent with the range of incomes covered in the Inclusionary Program in San Francisco and the range of incomes assisted by the City's housing programs overall.

The current 2006 income definitions used in this analysis are:

	Household Size					
	1	2	3	4	5	6 +
SF Income Limits 120% of SF Median	$73,350	$83,800	$94,300	$104,750	$113,150	$121,500

The analysis is conducted using a model that KMA has developed for application in many other jurisdictions for which the firm has conducted similar analyses of jobs and housing demand analyses. This same model was utilized by KMA in 1996 in preparing the analysis in support of the Jobs Housing Linkage Program, contained in Section 313 of the San Francisco Code. (Jobs Housing Nexus Analysis, prepared for City and County of San Francisco, Keyser Marston Associates, Inc., Gabriel Roche, Inc., 1997.)

The model inputs are all local data to the extent possible, and are fully documented in the following description.

Analysis Steps

Tables III-1 through III-5 at the end of this section present a summary of the nexus analysis steps for the condominium and rental prototype units. Following is a description of each step of the analysis:

Step 1 – Estimate of Total New Employees

The first step in Table III-1 commences with the total number of employees associated with the new market rate unit. The employment figures applied here are estimated based on household expenditures of new residents using the IMPLAN model. The 100-unit condo building is associated with 49 new direct jobs and 89 total direct, indirect, and induced jobs. The prototype rental building is associated with 38 new direct jobs and 69 total direct, indirect, and induced jobs.

Step 2 – Adjustment from Employees to Employee Households

This step (Table III-1) converts the number of employees to the number of employee households. This step recognizes that there is, on average, more than one worker per household, and thus the number of housing units in demand for new workers must be reduced. The workers per worker household ratio eliminates from the equation all non-working households, such as retired persons, students, and those on public assistance. The San Francisco average of 1.63 workers per worker households (from the U. S. Census 2000) is used in the analysis. The number of jobs is divided by 1.63 to determine the number of worker households. (By comparison, average household size is a lower ratio because all households are counted in the denominator, not just worker households; using average household size produces greater demand for housing units.)

Step 3 – Occupational Distribution of Employees

The occupational breakdown of employees is the first step to arrive at income level. The output from the IMPLAN model provides the number of employees by industry sector. The IMPLAN output is paired with data from the Department of Labor, Bureau of Labor Statistics 2005 Occupational Employment Survey (OES) to estimate the occupational composition of employees for each industry sector.

Pairing of OES and IMPLAN data was accomplished by matching IMPLAN industry sector codes with the four-digit NAICS industry codes used in the OES. Each IMPLAN industry sector is associated with one or more North American Industry Classification System Codes (NAICS), with matching NAICS codes ranging from two to five digits. Employment for IMPLAN sectors with multiple matching NAICS codes were distributed among the matching codes based on the distribution of employment among those industries at the national level. Employment for

IMPLAN sectors where matching NAICS codes were only at the two or three-digit level of detail was distributed using a similar approach among all of the corresponding four-digit NAICS codes falling under the broader two or three-digit categories.

National-level employment totals for each industry within the Occupational Employment Survey were pro-rated to match the employment distribution projected using the IMPLAN model. Occupational composition within each industry was held constant. The result is the estimated occupational mix of employees.

As shown on Table III-1, new jobs will be distributed across a variety of occupational categories. The three largest occupational categories are food preparation and serving (16%), office and administrative support (14%), and sales (13%).

The numbers in Step #3 (Table III-1) indicate both the percentage of total employee households and the number of employee households by occupation associated with our hypothetical 100-unit market rate residential buildings.

Step 4 - Estimates of Employee Households Meeting the Lower Income Definitions

In this step, occupation is translated to income based on recent San Francisco PMSA wage and salary information (defined as San Francisco, Marin, and San Mateo Counties) from the California Employment Development Department (EDD). The wage and salary information indicated in Appendix Tables 2 and 4 provide the income inputs to the model. This step in the analysis calculates the number of lower income households for each size household.

Individual *employee* income data was used to calculate the number of lower income *households* by assuming that multiple earner households are, on average, formed of individuals with similar incomes. Employee households not falling into one of the major occupation categories per Appendix Tables 1 and 3 were assumed to have the same income distribution as the major occupation categories.

Step 5 - Estimate of Household Size Distribution

In this step, household size distribution is input into the model in order to estimate the income and household size combinations that meet the income definitions established by the City. The household size distribution utilized in the analysis is that of worker households in San Francisco City and County derived using a combination of Census sources.

Step 6 - Estimate of Households that meet Size and Income Criteria

For this step KMA built a cross-matrix of household size and income to establish probability factors for the two criteria in combination. For each occupational group a probability factor was calculated for each household size level applicable to San Francisco's income limits. This step is performed for each occupational category and multiplied by the number of households. Table III-2 shows the

result after completing Steps #4, #5, and #6. The calculated numbers of lower income households shown in Table III-2 are for rental projects. The methodology is repeated for condo projects (See Table III-3). At the end of these steps we have counted the worker households generated by our 100-unit prototypical residential buildings.

Summary Findings

Table III-4 indicates the results of the analysis for the two-prototypical 100-unit buildings. The summary indicates the number of new lower income households per 100 market rate units.

Based on the results in Tables III-2, 3, and 4, approximately 80% of households are "lower income." The finding that the jobs associated with consumer spending tend to be low paying jobs where the workers will require housing affordable at lower than market rate is not surprising. As noted above, employment is concentrated in lower paid occupations including food preparation, administrative, and retail sales occupations as well as jobs in the service sectors.

Many of the higher paying occupations in San Francisco are not directly tied to consumer spending by San Francisco residents and therefore have miniscule representation in the analysis. Financial and professional services firms, for example, largely export their products and services outside of the City, mostly to the Northern California region, but also beyond.

In summary, for every 100 market rate condominium units, there are 25.0 lower income households generated through the direct impact of the consumption of the condominium buyers. If indirect and induced impacts are included, as many as 43.31 households result. For rental projects, demand for 19.44 housing units is generated or 33.68 units including indirect and induced employees.

Comparison of Analysis Results to Inclusionary Program

The analysis findings identify how many lower income households are generated for every 100 market rate units.

The table below adjusts these figures to percentages for purposes of comparison to "inclusionary" type requirements of total units. The percentages are calculated including both market rate and affordable units (for example, to convert 25.0 affordable units per 100 market rate units into a percentage, 25.0 is divided into 125, which equals 20%.)

Supported Inclusionary Requirement	Direct Impacts Only	Direct, Indirect & Induced Impacts
Condos – Supported Inclusionary Requirement	20%	30.2%
Rentals – Supported Inclusionary Requirement	16.3%	25.2%

In other words, San Francisco's 15% base inclusionary required is supported by direct impacts for both condominium and rental units.

Calculation of Supported In-Lieu Fee

The San Francisco inclusionary ordinance includes an option to provide affordable housing off-site, or to pay an in-lieu fee. The off-site and in-lieu fee percent of units required increases from the base requirement of 15% to 20%. The increased percentage for off-site and in-lieu is grounded in the City policy objective to have dispersed affordable units within buildings and throughout the City. Since off-site compliance or payment of an in-lieu fee does not meet the policy objective, the City has elected to require a higher percentage to offset the less desirable compliance.

The maximum in-lieu fee supported by the nexus analysis may be calculated by multiplying the number of affordable units supported by the nexus by the current affordability gap. The affordability gap is the cost to provide the affordable housing and is equal to the difference between the value of an affordable unit based on allowable sales price or rent and the cost to develop the unit. MOH annually publishes affordability gap fees for condominium units. The affordability gap will vary based on the number of bedrooms in the units and whether the affordable units are ownership or rental.

Effect of Unit Size on Nexus Findings

The nexus findings are based on 800 square foot prototype units. Smaller or larger prototypes would have produced findings indicating a smaller or larger impact on the number of households within affordable income limits respectively. This is because households that purchase or rent smaller units on average have lower incomes than those that purchase or rent larger units. The structure of the inclusionary ordinance addresses this issue by varying the mitigation requirements based on unit size. Inclusionary units are required to have the same number of bedrooms as the market rate units. Larger market rate units therefore require larger affordable units and smaller market rate units require smaller affordable units.

TABLE III-1
NET NEW HOUSEHOLDS AND OCCUPATION DISTRIBUTIO
EMPLOYEE HOUSEHOLDS GENERATEI
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

PER 100 UNITS OF RESIDENTIAL HOUSING

	Per 100 Market Rate Units			
	Direct Impacts Only		Direct, Indirect & Induced Impacts	
	Condo Units	Rental Units	Condo Units	Rental Units
Step 1 - Employees [1]	49	38	89	69
Step 2 - Adjustment for Number of Households (1.63)	30	24	54	42
Step 3 - Occupation Distribution [2]				
Management Occupations	3%	3%	4%	4%
Business and Financial Operations	2%	2%	4%	4%
Computer and Mathematica	1%	1%	2%	2%
Architecture and Engineering	0%	0%	1%	1%
Life, Physical, and Social Science	0%	0%	1%	1%
Community and Social Services	3%	3%	2%	2%
Legal	1%	1%	1%	1%
Education, Training, and Library	6%	6%	7%	7%
Arts, Design, Entertainment, Sports, and Media	1%	1%	1%	1%
Healthcare Practitioners and Technica	8%	8%	6%	6%
Healthcare Support	4%	4%	3%	3%
Protective Service	1%	1%	2%	2%
Food Preparation and Serving Relatec	16%	16%	12%	12%
Building and Grounds Cleaning and Maint	3%	3%	3%	3%
Personal Care and Service	5%	5%	4%	4%
Sales and Relatec	13%	13%	11%	11%
Office and Administrative Support	14%	14%	16%	16%
Farming, Fishing, and Forestry	0%	0%	0%	0%
Construction and Extractior	0%	0%	2%	2%
Installation, Maintenance, and Repai	4%	4%	4%	4%
Production	3%	3%	2%	2%
Transportation and Material Moving	5%	5%	5%	5%
Other / Not Identified	7%	7%	7%	7%
Totals	100%	100%	100%	100%
Management Occupations	1.0	0.8	2.2	1.7
Business and Financial Operations	0.6	0.5	1.9	1.5
Computer and Mathematica	0.2	0.2	1.2	0.9
Architecture and Engineering	0.0	0.0	0.5	0.4
Life, Physical, and Social Science	0.1	0.1	0.4	0.3
Community and Social Services	0.9	0.7	1.3	1.0
Legal	0.2	0.1	0.5	0.4
Education, Training, and Library	1.8	1.4	3.8	3.0
Arts, Design, Entertainment, Sports, and Media	0.4	0.3	0.8	0.6
Healthcare Practitioners and Technica	2.4	1.8	3.2	2.5
Healthcare Support	1.2	0.9	1.6	1.2
Protective Service	0.2	0.2	0.9	0.7
Food Preparation and Serving Relatec	4.8	3.8	6.7	5.2
Building and Grounds Cleaning and Maint	0.8	0.6	1.7	1.4
Personal Care and Service	1.6	1.2	2.1	1.7
Sales and Relatec	4.0	3.1	6.1	4.8
Office and Administrative Support	4.4	3.4	8.5	6.6
Farming, Fishing, and Forestry	0.0	0.0	0.1	0.0
Construction and Extractior	0.1	0.1	0.9	0.7
Installation, Maintenance, and Repai	1.2	0.9	2.0	1.6
Production	0.8	0.6	1.3	1.0
Transportation and Material Moving	1.6	1.3	2.8	2.2
Other / Not Identified	2.1	1.6	3.8	3.0
Totals	30.3	23.6	54.4	42.3

Notes:

[1] Estimated employment generated by household expenditures within the prototypical 100 unit market rate buildings. Employment estimates are based on the IMPLAN Group's economic model, IMPLAN, for San Francisco City and County. See Table II-1.

[2] See Appendix Tables 1, 2, 3, and 4 for additional information from which the percentage distributions were derived.

TABLE III-2
LOWER INCOME EMPLOYEE HOUSEHOLDS[1] GENERATED - CONDOS
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

PER 100 MARKET RATE CONDO UNITS

	Direct Impacts Only	Direct, Indirect & Induced Impacts
Step 4, 5, & 6 - Lower Income Households[1] within Major Occupation Categories [2]		
Management	0.13	0.23
Business and Financial Operations	0.25	0.67
Computer and Mathematical	-	0.18
Architecture and Engineering	-	-
Life, Physical and Social Science	-	-
Community and Social Services	0.66	0.98
Legal	-	-
Education Training and Library	1.36	2.80
Arts, Design, Entertainment, Sports, & Media	-	0.54
Healthcare Practitioners and Technical	0.52	0.71
Healthcare Support	1.18	1.55
Protective Service	-	0.73
Food Preparation and Serving Related	4.82	6.71
Building Grounds and Maintenance	0.77	1.73
Personal Care and Service	1.56	2.11
Sales and Related	3.84	5.86
Office and Admin	4.05	7.96
Farm, Fishing, and Forestry	-	-
Construction and Extraction	-	0.50
Installation Maintenance and Repair	0.75	1.27
Production	0.74	1.22
Transportation and Material Moving	1.60	2.78
Total Lower Income Households - Major Occupations	22.25	38.54
Lower Income Households[1] - "all other" occupations	2.75	4.77
Total Lower Income Households[1]	**25.00**	**43.31**

[1] Includes households earning from zero through 120% of San Francisco Median Income.

[2] See Appendix Tables 1 and 3 for additional information on Major Occupation Categories.

TABLE III-3
LOWER INCOME EMPLOYEE HOUSEHOLDS[1] GENERATED - RENTAL
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

PER 100 MARKET RATE RENTAL UNITS

	Direct Impacts Only	Direct, Indirect & Induced Impacts
Step 4, 5, & 6 - Lower Income Households[1] within Major Occupation Categories [2]		
Management	0.10	0.18
Business and Financial Operations	0.20	0.52
Computer and Mathematical	-	0.14
Architecture and Engineering	-	-
Life, Physical and Social Science	-	-
Community and Social Services	0.52	0.76
Legal	-	-
Education Training and Library	1.06	2.17
Arts, Design, Entertainment, Sports, & Media	-	0.42
Healthcare Practitioners and Technical	0.41	0.55
Healthcare Support	0.91	1.21
Protective Service	-	0.57
Food Preparation and Serving Related	3.75	5.22
Building Grounds and Maintenance	0.60	1.34
Personal Care and Service	1.21	1.64
Sales and Related	2.99	4.56
Office and Admin	3.15	6.19
Farm, Fishing, and Forestry	-	-
Construction and Extraction	-	0.39
Installation Maintenance and Repair	0.58	0.99
Production	0.57	0.95
Transportation and Material Moving	1.25	2.16
Total Lower Income Households - Major Occupations	17.30	29.98
Lower Income Households[1] - "all other" occupations	2.14	3.71
Total Lower Income Households[1]	**19.44**	**33.68**

[1] Includes households earning from zero through 120% of San Francisco Median Income.

[2] See Appendix Tables 1 and 3 for additional information on Major Occupation Categories.

TABLE III-4
IMPACT ANALYSIS SUMMARY
EMPLOYEE HOUSEHOLDS GENERATED
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

RESIDENTIAL UNIT DEMAND IMPACTS
PER 100 MARKET RATE UNITS

	Direct Impacts Only	Direct, Indirect & Induced Impacts
Number of New Lower Income Households[1]		
Per 100 Market Rate Condo Units	25.00	43.31
Per 100 Market Rate Rental Units	19.44	33.68

Notes:
[1] Includes households earning from zero through 120% of San Francisco Median Income.

TABLE III-5
INCLUSIONARY REQUIREMENT SUPPORTED
EMPLOYEE HOUSEHOLDS GENERATED
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

SUPPORTED INCLUSIONARY PERCENTAGES[1]

	Direct Impacts Only	Direct, Indirect & Induced Impacts
Percent Lower Income Households[2]		
Condos	20.0%	30.2%
Rentals	16.3%	25.2%

Notes:

[1] Calculated by dividing affordable unit demand impacts shown on Table III-4 by the total number of units including both the affordable units and the 100 market rate units in the prototypical buildings which creates demand for the affordable units.

[2] Includes households earning from zero through 120% of San Francisco Median Income.

SECTION IV – NON-DUPLICATION OF JOBS HOUSING LINKAGE FEE

Since the mid 1980's San Francisco has had a jobs-housing linkage fee adopted to help mitigate the impacts of new jobs associated with the development of new office buildings on the demand for affordable housing in San Francisco. The program, originally called the OAHPP (or Office Affordable Housing and Production Program) was expanded in the late 1990's to also include retail and hotel buildings. The nexus analysis which supports the updated program was prepared by KMA and is summarized in a 1997 report. That analysis was based on similar logic to this analysis: new workplace buildings are associated with new jobs some of which do not pay well enough for the new worker households to afford housing in San Francisco. This section addresses the issue of possible over-lap or double counting of impacts between this residential nexus and the jobs-housing linkage fee.

To briefly summarize the Jobs Housing Nexus Analysis, the logic begins with jobs located in new workplace buildings such as office buildings, retail spaces and hotels. The nexus analysis then identifies the compensation structure of the new jobs depending on the building type, the income of the new worker households, and the housing affordability level of the new worker households, concluding with the number of new worker households in the lower income affordability levels. In this analysis, there are no indirect or induced impacts, and no multipliers; only the jobs within the workplace buildings themselves are counted.

Some of the jobs which are counted in the Jobs Housing Nexus Analysis are also counted in the Residential Nexus Analysis. The overlap potential exists in jobs generated by direct expenditures of San Francisco residents, such as expenditures for food, personal services, restaurant meals and entertainment. Many jobs counted in the residential nexus are not addressed in the jobs housing analysis at all. For example, school and government employees are counted in the residential nexus analysis but are not counted in the jobs housing analysis which is limited to private sector office buildings, retail and hotel projects.

There is theoretically a set of conditions in which 100% of the jobs counted for purposes of the jobs-housing linkage fee are also counted for purposes of the residential nexus analysis. For example, a small retail store or restaurant might be located on the ground floor of a new condominium building and entirely dependant upon customers from the condominiums in the floors above. The commercial space on the ground floor pays the housing impact fee and the condominiums are subject to the Inclusionary Program. In this special case, the two programs mitigate the affordable housing demand of the very same workers. The combined requirements of the two programs to provide inclusionary units and fund construction of affordable units must not exceed 100% of nexus or the total demand for affordable units of employees in the new commercial space.

Complete overlap between jobs counted in the Jobs Housing Nexus Analysis and jobs counted in the Residential Nexus Analysis could occur only in a very narrow set of circumstances. The following analysis demonstrates that the combined mitigation requirements do not exceed nexus

even if every job counted in the Residential Nexus Analysis is also counted in the Jobs Housing Nexus Analysis.

Jobs-Housing Fee Requirement as a Percent of Nexus

The San Francisco Jobs Housing Nexus Analysis report was prepared by KMA during 1995 and 1996 (the final report date is 1997). To evaluate the combined programs today an update of the affordability gap figures was deemed appropriate since costs of residential development have increased so substantially since the analysis was prepared in the mid 1990's. The profile of job generation by affordability level, on the other hand, does not change much over time since both compensation levels and median income tend to rise more or less together. Tables IV-3 through IV-5 present the updated affordability gap estimates, drawn from the Sensitivity Analysis work for the Inclusionary Program by KMA spring 2006.

The conclusions of the Jobs Housing Nexus Analysis expressed as the number of new worker households by affordability level is summarized in Table IV -1. It is important to note that the number of worker households shown on the table is after an adjustment factor of 55%. The Jobs Housing Nexus Analysis starts with all the jobs in new workplace buildings. Recognizing that many jobs, especially those in the downtown area, are not held by city residents, an adjustment was made per the existing relationship of 45% commuters/55% city residents. Since it is a matter of policy, for nexus purposes, as to how many of its workers a city sets the goal of accommodating within its borders, the 45%/55% relationship could have readily been different.

The following table summarizes the total nexus cost per square foot using current affordability gap levels, drawn from Table IV-1. The total nexus cost is the maximum mitigation amount, or maximum fee that could be charged, supported by the analysis (after the 55% adjustment) The current fee charged by the City of San Francisco is indicated below and shown as a percent of the nexus cost.

	Office	Retail	Hotel
Updated Nexus Cost (Per Sq.Ft.)	$130.48	$113.09	$88.27
Current Fee (Per Sq.Ft.)	$14.96	$13.95	$11.21
Percent of Nexus Cost	11%	12%	13%

The conclusion is that the current fee levels represent 11% to 13% of the updated nexus cost, using current affordability gap figures. So, the jobs-housing fee mitigates approximately 11% to 13% of the demand for affordable units generated by the new commercial space.

Inclusionary Requirement Mitigation as a Percent of Nexus

The Inclusionary Housing Program requires that 15% of all units be affordable to lower income households. For comparing the Inclusionary Program and the findings of the residential nexus

analysis, a common denominator is required. Table IV-2 shows the Inclusionary Program requirement of 15% expressed in two different ways – per 100 market rate units and per 85 market rate units.

If there were 100 market rates units then 17.65 units are required to be affordable (17.65 is 15% of 117.65 units) to meet the 15% on-site requirement. The Residential Nexus Analysis conclusions support 43.31 affordable condominiums or (33.68 rental units) for every 100 market rate units, or well over the 17.65 level.

The more familiar way of looking at the 15% Inclusionary Program requirement is for every 85 market rate units, 15 affordable units are required, totaling 100 units. If the Residential Nexus Analysis conclusions are adjusted for 85 market rate units, the same relationship exists.

The conclusion is that the Inclusionary Program is charging 41% to 52% of the maximum supported by the analysis.

Combined Requirements within Nexus

The Jobs Housing Impact fee is at 11% to 13% of the supported nexus amount and the Inclusionary Housing Program requirement is at 41% to 52% of the supported nexus amount; therefore, the combined affordable housing mitigations would not exceed nexus even if there were 100% overlap in the jobs counted in the two nexus analyses.

To return to the example of a restaurant on the ground floor of a new condominium building, say there are a total of 30 new restaurant employees of which 20 are in lower income households. The 20 employees in lower income households are counted (or double counted) in both the Jobs Housing and Residential Nexus analyses. If the jobs housing impact fee mitigates the affordable housing demand of three of the employees (15% x 20) and the Inclusionary Program mitigates the housing demand for another ten employees (50% x 20), then together the two programs mitigate the housing demand of 13 out of 20 lower income employees. The combined requirements of the two programs satisfy the nexus test by not mitigating more than 100% of the housing demand. Extending this logic, the affordable housing demand mitigated by the Inclusionary Program and the housing impact fee as a percent of their respective nexus analyses can be added together to test whether the combined requirements would exceed 100% of nexus if the two analyses counted (or double counted) all the same demand for affordable housing.

TABLE IV-1
JOBS HOUSING LINKAGE FEE AS A PERCENT OF NEXUS
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

1997 JOBS HOUSING NEXUS ANALYSIS WITH UPDATED AFFORDABILITY GAPS

	Employee Households Per 100,000 SF of Building Area			Updated Affordability Gap Per Unit		Nexus Cost Per Square Foot of Building Area		
	Office	Retail	Hotel			Office	Retail	Hotel
Very Low (<50% Median)	11	10	8	$341,000	[1]	$37.51	$34.10	$27.28
Low (50% - 80% Median)	16	16	12	$217,000	[2]	$34.72	$34.72	$26.04
Moderate (80% - 120% Median)	25	19	15	$233,000	[3]	$58.25	$44.27	$34.95
Total through 120% of AMI	**52**	**45**	**35**			**$130.48**	**$113.09**	**$88.27**
Current Jobs-Housing Linkage Fee						$14.96	$13.95	$11.21
Current Fee as Percent of Nexus						**11%**	**12%**	**13%**

Notes:
[1] Assumes rental housing (apartment unit). Gap based on 35% SF Median. See Table IV-
[2] Assumes rental housing (apartment unit). Gap based on 70% SF Median. See Table IV-
[3] Assumes ownership housing (condominium unit). Gap based on 100% SF Median. See Table IV-3.

Source: Keyser Martson Associates and Gabriel Roche, Inc. 1997 *Jobs Housing Nexus Analysis, City of San Francisco. Prepared for the Office of Affordable Housing Production Program (OAHPP) City and County of San Francisco.*

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Filename: 12715.001/001-018 S4 Tables.xls; IV-1 ; 4/5/2007; dd

TABLE IV-2
RESIDENTIAL MITIGATION AS A PERCENT OF NEXUS
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

RESIDENTIAL NEXUS
AFFORDABLE UNITS

	100 Market Rate Units		85 Market Rate Units	
	Condos	Rental	Condos	Rental
Mitigation: Required Affordable Units (15%) [1]	17.65	17.65	15.00	15.00
Nexus Supported: Number of Lower Income Households [2]	43.31	33.68	36.81	28.63
Mitigation as Percent of Nexus	**41%**	**52%**	**41%**	**52%**

Notes:

[1] A 15% Inclusionary requirement equates to 17.65 affordable units for every 100 market rate units (17.65 / 117.65 = 15%).

[2] See Table III-4, based on direct, indirect and induced.

Prepared by: Keyser Marston Associates, Inc.
Filename:12715.001/001-018 S4 Tables.xls; IV-2; 4/5/2007; dd

TABLE IV-3
AFFORDABILITY GAPS
UPDATED AFFORDABILITY GAPS FOR JOBS-HOUSING NEXUS
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

	Prototype 1[1] Low Rise Condos	Prototype 2[1] Mid Rise Condos	Blended Condo 50% Low, 50% Mid	Prototype 5[1] Low Rise Rental
Development Cost				
Average Unit Size [2]	800 SF	800 SF	800 SF	800 SF
Development Cost per Net Sq. Ft.	$550 /SF	$589 /SF	$570 /SF	$412 /SF
Development Cost per Unit	$440,000	$471,000	$455,500	$330,000
Affordability Gaps				
Low Income (35% SF Median)				
Affordable Unit Value [3]				($10,685)
Gap				**$340,685**
70% SF Median				
Affordable Unit Value / Sales Price [3]				$113,120
Gap				**$216,880**
Median Income (100% SF Median)				
Affordable Sales Price [3]			$222,645	
Gap			**$232,855**	

Notes:
[1] Based on KMA sensitivity analysis prototypes 1, 2, and 5 with costs adjusted to reflect affordable units.
[2] KMA sensitivity analysis prototype 2 modified to reflect the same square footage as the low-rise unit.
[3] See Tables IV-4 and IV-5.

Prepared by: Keyser Marston Associates, Inc.
Filename: 12715.001/001-018 S4 Tables.xls; IV-3; 4/5/2007

TABLE IV-4
VALUE OF AFFORDABLE RENTAL UNITS
UPDATED AFFORDABILITY GAPS FOR JOBS-HOUSING NEXUS
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

Unit Mix	Studio 15%	1 Bedroom 60%	2 Bedroom 25%	Average Rental 100%
Low Income (35% SF Median)				
Annual Income Limit [1]	21,400	24,450	27,500	$24,755
30% of Household Income	$6,420	$7,335	$8,250	$7,427
Per Month	$535	$611	$688	$619
<Less> Utility Allowance [2]	($62)	($71)	($81)	($72)
Affordable Rent	$473	$540	$607	$547
Affordable Rent, Annual	$5,676	$6,483	$7,278	$6,561
<Less> Operating Expenses	($7,200)	($7,200)	($7,200)	($7,200)
Net Revenue per Unit	($1,524)	($717)	$78	($639)
Capitalized Value (@ 6.0%)	($25,400)	($12,000)	$1,300	**($10,685)**
70% SF Median				
Annual Income Limit [1]	42,800	48,900	55,000	$49,510
30% of Household Income	$12,840	$14,670	$16,500	$14,853
Per Month	$1,070	$1,223	$1,375	$1,238
<Less> Utility Allowance [2]	($62)	($71)	($81)	($72)
Affordable Rent	$1,008	$1,152	$1,294	$1,166
Affordable Rent, Annual	$12,096	$13,818	$15,528	$13,987
<Less> Operating Expenses	($7,200)	($7,200)	($7,200)	($7,200)
Net Revenue per Unit	$4,896	$6,618	$8,328	$6,787
Capitalized Value (@ 6.0%)	$81,600	$110,300	$138,800	**$113,120**

Notes:

[1] Household size based on number of bedrooms plus one.

[2] Utility allowance assumes tenant pays for heat, water, hot water, cooking, range, and electricity.

Source: KMA Sensitivity Analysis, City of San Francisco Mayor's Office of Housing

Prepared by: Keyser Marston Associates, Inc.
Filename: 12715.001/ 001-018 S4 Tables.xls; IV-4; 4/5/2007

TABLE IV-5
AFFORDABLE SALES PRICE
UPDATED AFFORDABILITY GAPS FOR JOBS-HOUSING NEXUS
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO

		Studio	1 Bedroom	2 Bedroom	Average Condo
100% SF Median					
Unit Mix		20%	35%	45%	100%
Annual Income Limit [1]		61,110	69,840	78,570	$72,023
33% of Household Income		$20,166	$23,047	$25,928	$23,767
Annual Condo Association Fee	$450	$5,400	$5,400	$5,400	$5,400
Property Taxes	1.144%	$2,048	$2,447	$2,847	$2,547
Available for P+I		$12,719	$15,200	$17,681	$15,820
Supportable Mortgage (10 yr avg rate[2])	6.89%	$161,094	$192,523	$223,952	$200,380
Down Payment	10%	$17,899	$21,391	$24,884	$22,264
Affordable Sales Price		**$178,993**	**$213,914**	**$248,836**	**$222,645**

Notes:
[1] Household size based on number of bedrooms plus one.
[2] Per the City of San Francisco Mayor's Office of Housing

Source: KMA, City of San Francisco Mayor's Office of Housing

Prepared by: Keyser Marston Associates, Inc.
Filename: 12715.001/001-018 S4 Tables.xls; IV-5; 4/5/2007

APPENDIX

APPENDIX TABLE 1
2005 NATIONAL RESIDENT SERVICES WORKER DISTRIBUTION BY OCCUPATION
DIRECT EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Major Occupations (2% or more)	2005 National Resident Services Occupation Distribution [1]
Management occupations	*3.3%*
Business and financial operations occupations	*2.1%*
Community and social services occupations	*2.9%*
Education, training, and library occupations	*5.9%*
Healthcare practitioners and technical occupations	*7.8%*
Healthcare support occupations	*3.9%*
Food preparation and serving related occupations	*15.9%*
Building and grounds cleaning and maintenance occupations	*2.6%*
Personal care and service occupations	*5.2%*
Sales and related occupations	*13.2%*
Office and administrative support occupations	*14.4%*
Installation, maintenance, and repair occupations	*4.0%*
Production occupations	*2.5%*
Transportation and material moving occupations	*5.4%*
All Other Resident Services Related Occupations	*11.0%*
INDUSTRY TOTAL	100.0%

[1] Distribution of employment by industry is per the IMPLAN model and the distribution of occupational employment within those industries is based on the Bureau of Labor Statistics Occupational Employment Survey.

Source: Bureau of Labor Statistics, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap1-2.xls; Ap tb1 Major Occupations Matrix; 4/5/2007; dd

APPENDIX TABLE 2
AVERAGE ANNUAL COMPENSATION, 2006
RESIDENT SERVICES WORKER OCCUPATIONS
DIRECT EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 1 of 4			
Management occupations			
Chief executives	$172,200	4.7%	0.2%
General and operations managers	$120,400	31.5%	1.0%
Sales managers	$119,400	4.7%	0.2%
Administrative services managers	$91,500	4.4%	0.1%
Financial managers	$122,600	5.6%	0.2%
Food service managers	$49,300	8.4%	0.3%
Medical and health services managers	$108,800	8.1%	0.3%
Social and community service managers	$61,000	6.3%	0.2%
All other Management Occupations	$110,000	26.4%	0.9%
Weighted Mean Annual Wage	***$108,300***	**100.0%**	**3.3%**
Business and financial operations occupations			
Wholesale and retail buyers, except farm products	$52,600	4.8%	0.1%
Claims adjusters, examiners, and investigators	$58,000	10.2%	0.2%
Training and development specialists	$62,000	4.7%	0.1%
Management analysts	$90,300	4.3%	0.1%
Business operations specialists, all other	$65,100	16.5%	0.3%
Accountants and auditors	$67,800	16.9%	0.4%
Financial analysts	$98,900	5.0%	0.1%
Insurance underwriters	$62,800	4.4%	0.1%
All Other Business and financial operations occupations (Avg. All Categories)	$67,600	33.3%	0.7%
Weighted Mean Annual Wage	***$67,600***	**100.0%**	**2.1%**
Community and social services occupations			
Substance abuse and behavioral disorder counselors	$37,100	4.4%	0.1%
Educational, vocational, and school counselors	$52,000	4.9%	0.1%
Mental health counselors	$52,100	5.5%	0.2%
Rehabilitation counselors	$43,900	4.8%	0.1%
Child, family, and school social workers	$46,300	12.0%	0.3%
Medical and public health social workers	$55,600	5.5%	0.2%
Mental health and substance abuse social workers	$38,800	7.4%	0.2%
Social and human service assistants	$32,900	16.6%	0.5%
Community and social service specialists, all other	$39,700	4.7%	0.1%
Clergy	$53,700	14.7%	0.4%
Directors, religious activities and education	$43,600	8.1%	0.2%
All Other Community and social services occupations (Avg. All Categories)	$44,500	11.3%	0.3%
Weighted Mean Annual Wage	***$44,500***	**100.0%**	**2.9%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap1-2.xls; Ap tb2 Compensation; 4/5/2007; dd

APPENDIX TABLE 2
AVERAGE ANNUAL COMPENSATION, 2006
RESIDENT SERVICES WORKER OCCUPATIONS
DIRECT EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 2 of 4			
Education, training, and library occupations			
Preschool teachers, except special education	$30,700	14.0%	0.8%
Elementary school teachers, except special education	$55,700	15.6%	0.9%
Middle school teachers, except special and vocational education	$60,800	6.1%	0.4%
Secondary school teachers, except special and vocational education	$61,600	9.7%	0.6%
Self-enrichment education teachers	$46,700	4.5%	0.3%
Teachers and instructors, all other	$50,000	5.5%	0.3%
Teacher assistants	$31,800	17.9%	1.1%
All Other Education, training, and library occupations (Avg. All Categories)	$45,300	26.7%	1.6%
Weighted Mean Annual Wage	***$45,300***	**100.0%**	**5.9%**
Healthcare practitioners and technical occupations			
Physicians and surgeons, all other	$114,200	4.2%	0.3%
Registered nurses	$82,100	35.9%	2.8%
Pharmacy technicians	$40,500	4.6%	0.4%
Licensed practical and licensed vocational nurses	$53,200	11.0%	0.9%
All Other Healthcare practitioners and technical occupations (Avg. All Categories)	$75,300	44.3%	3.5%
Weighted Mean Annual Wage	***$75,300***	**100.0%**	**7.8%**
Healthcare support occupations			
Home health aides	$22,600	22.6%	0.9%
Nursing aides, orderlies, and attendants	$32,700	37.5%	1.5%
Medical assistants	$36,300	21.1%	0.8%
Healthcare support workers, all other	$40,200	4.3%	0.2%
All Other Healthcare support occupations (Avg. All Categories)	$31,300	14.5%	0.6%
Weighted Mean Annual Wage	***$31,300***	**100.0%**	**3.9%**
Food preparation and serving related occupations			
First-line supervisors/managers of food preparation and serving workers	$29,700	6.9%	1.1%
Cooks, fast food	$20,200	6.4%	1.0%
Cooks, restaurant	$25,600	7.6%	1.2%
Food preparation workers	$21,500	7.4%	1.2%
Bartenders	$21,100	4.6%	0.7%
Combined food preparation and serving workers, including fast food	$20,600	22.0%	3.5%
Counter attendants, cafeteria, food concession, and coffee shop	$20,000	4.3%	0.7%
Waiters and waitresses	$19,100	21.6%	3.4%
Dishwashers	$19,400	4.7%	0.7%
All Other Food preparation and serving related occupations (Avg. All Categories)	$21,400	14.5%	2.3%
Weighted Mean Annual Wage	***$21,400***	**100.0%**	**15.9%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap1-2.xls; Ap tb2 Compensation; 4/5/2007; dd

APPENDIX TABLE 2
AVERAGE ANNUAL COMPENSATION, 2006
RESIDENT SERVICES WORKER OCCUPATIONS
DIRECT EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 3 of 4			
Building and grounds cleaning and maintenance occupations			
First-line supervisors/managers of housekeeping and janitorial workers	$43,600	4.7%	0.1%
Janitors and cleaners, except maids and housekeeping cleaners	$25,300	48.0%	1.2%
Maids and housekeeping cleaners	$26,500	30.0%	0.8%
Landscaping and groundskeeping workers	$32,800	14.0%	0.4%
All Other Building and grounds cleaning and maintenance occupations (Avg. All Cat	$27,600	3.3%	0.1%
Weighted Mean Annual Wage	***$27,600***	**100.0%**	**2.6%**
Personal care and service occupations			
Amusement and recreation attendants	$19,800	7.9%	0.4%
Hairdressers, hairstylists, and cosmetologists	$34,000	15.9%	0.8%
Child care workers	$26,200	19.8%	1.0%
Personal and home care aides	$22,000	22.2%	1.2%
Recreation workers	$29,700	5.7%	0.3%
All Other Personal care and service occupations (Avg. All Categories)	$26,200	28.6%	1.5%
Weighted Mean Annual Wage	***$26,200***	**100.0%**	**5.2%**
Sales and related occupations			
First-line supervisors/managers of retail sales workers	$41,800	9.5%	1.3%
Cashiers	$23,400	30.9%	4.1%
Counter and rental clerks	$28,100	5.1%	0.7%
Retail salespersons	$27,100	39.4%	5.2%
Sales representatives, wholesale and manufacturing, except technical and scientific	$68,800	5.5%	0.7%
All Other Sales and related occupations (Avg. All Categories)	$30,000	9.7%	1.3%
Weighted Mean Annual Wage	***$30,000***	**100.0%**	**13.2%**
Office and administrative support occupations			
First-line supervisors/managers of office and administrative support workers	$56,000	5.6%	0.8%
Bookkeeping, accounting, and auditing clerks	$40,200	8.3%	1.2%
Customer service representatives	$37,600	7.4%	1.1%
Receptionists and information clerks	$30,200	8.2%	1.2%
Stock clerks and order fillers	$28,200	10.1%	1.5%
Executive secretaries and administrative assistants	$47,200	5.7%	0.8%
Medical secretaries	$39,700	4.5%	0.6%
Secretaries, except legal, medical, and executive	$39,100	9.0%	1.3%
Office clerks, general	$29,900	13.5%	1.9%
All Other Office and administrative support occupations (Avg. All Categories)	$36,800	27.6%	4.0%
Weighted Mean Annual Wage	***$36,800***	**100.0%**	**14.4%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap1-2.xls; Ap tb2 Compensation; 4/5/2007; dd

APPENDIX TABLE 2
AVERAGE ANNUAL COMPENSATION, 2006
RESIDENT SERVICES WORKER OCCUPATIONS
DIRECT EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 4 of 4			
Installation, maintenance, and repair occupations			
First-line supervisors/managers of mechanics, installers, and repairers	$71,200	8.5%	0.3%
Automotive body and related repairers	$50,300	12.2%	0.5%
Automotive service technicians and mechanics	$51,500	30.5%	1.2%
Bus and truck mechanics and diesel engine specialists	$46,800	5.1%	0.2%
Maintenance and repair workers, general	$44,400	16.6%	0.7%
All Other Installation, maintenance, and repair occupations (Avg. All Categories)	$51,700	27.1%	1.1%
Weighted Mean Annual Wage	***$51,700***	**100.0%**	**4.0%**
Production occupations			
First-line supervisors/managers of production and operating workers	$57,800	6.0%	0.2%
Bakers	$25,800	6.3%	0.2%
Butchers and meat cutters	$34,600	5.4%	0.1%
Laundry and dry-cleaning workers	$24,500	13.7%	0.3%
Pressers, textile, garment, and related materials	$22,100	6.0%	0.2%
Sewing machine operators	$19,100	12.1%	0.3%
Painters, transportation equipment	$48,700	4.2%	0.1%
All Other Production occupations (Avg. All Categories)	$29,800	46.3%	1.2%
Weighted Mean Annual Wage	***$29,800***	**100.0%**	**2.5%**
Transportation and material moving occupations			
Bus drivers, school	$28,200	9.9%	0.5%
Driver/sales workers	$30,500	8.5%	0.5%
Truck drivers, heavy and tractor-trailer	$41,900	8.3%	0.4%
Truck drivers, light or delivery services	$31,800	10.2%	0.5%
Taxi drivers and chauffeurs	$25,500	4.1%	0.2%
Parking lot attendants	$26,200	5.5%	0.3%
Cleaners of vehicles and equipment	$24,500	12.6%	0.7%
Laborers and freight, stock, and material movers, hand	$27,800	15.0%	0.8%
Packers and packagers, hand	$19,100	7.4%	0.4%
All Other Transportation and material moving occupations (Avg. All Categories)	$28,500	18.5%	1.0%
Weighted Mean Annual Wage	***$28,500***	**100.0%**	**5.4%**
			89.0%

[1] The methodology utilized by the California Employment Development Department (EDD) assumes that hourly paid employees are employed full-time. Annual compensation is calculated by EDD by multiplying hourly wages by 40 hours per work week by 52 weeks.

[2] Occupation percentages are based on the 2005 National Industry - Specific Occupational Employment survey compiled by the Bureau of Labor Statistics. Wages are based on the 2005 Occupational Employment Survey data for San Francisco-San Mateo-Redwood City MD, California (San Francisco, San Mateo, and Marin Counties) updated by the California Employment Development Department to 2006 wage levels.

[3] Including occupations representing 4% or more of the major occupation group

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap1-2.xls; Ap tb2 Compensation; 4/5/2007; dd

APPENDIX TABLE 3
2005 NATIONAL RESIDENT SERVICES WORKER DISTRIBUTION BY OCCUPATION
DIRECT, INDIRECT & INDUCED EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Major Occupations (1% or more)	2005 National Resident Services Occupation Distribution [1]
Management occupations	*4.0%*
Business and financial operations occupations	*3.5%*
Computer and mathematical occupations	*2.2%*
Community and social services occupations	*2.4%*
Education, training, and library occupations	*7.1%*
Arts, design, entertainment, sports, and media occupations	*1.4%*
Healthcare practitioners and technical occupations	*5.9%*
Healthcare support occupations	*2.9%*
Protective service occupations	*1.7%*
Food preparation and serving related occupations	*12.4%*
Building and grounds cleaning and maintenance occupations	*3.2%*
Personal care and service occupations	*3.9%*
Sales and related occupations	*11.2%*
Office and administrative support occupations	*15.7%*
Construction and extraction occupations	*1.7%*
Installation, maintenance, and repair occupations	*3.7%*
Production occupations	*2.3%*
Transportation and material moving occupations	*5.2%*
All Other Resident Services Related Occupations	*9.7%*
INDUSTRY TOTAL	100.0%

[1] Distribution of employment by industry is per the IMPLAN model and the distribution of occupational employment within those industries is based on the Bureau of Labor Statistics Occupational Employment Survey.

Source: Bureau of Labor Statistics, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap3-4.xls; Ap tb3 Major Occupations Matrix; 4/5/2007; dd

APPENDIX TABLE 4
AVERAGE ANNUAL COMPENSATION, 2006
RESIDENT SERVICES WORKER OCCUPATIONS
DIRECT, INDIRECT & INDUCED EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 1 of 5			
Management occupations			
Chief executives	$172,200	4.8%	0.2%
General and operations managers	$120,400	27.8%	1.1%
Sales managers	$119,400	4.3%	0.2%
Administrative services managers	$91,500	4.4%	0.2%
Computer and information systems managers	$133,300	4.4%	0.2%
Financial managers	$122,600	6.7%	0.3%
Education administrators, elementary and secondary school	$101,700	4.4%	0.2%
Food service managers	$49,300	5.4%	0.2%
Medical and health services managers	$108,800	5.4%	0.2%
Property, real estate, and community association managers	$56,500	4.1%	0.2%
Managers, all other	$110,000	5.4%	0.2%
All Other Management occupations (Avg. All Categories)	$111,800	23.0%	0.9%
Weighted Mean Annual Wage	***$111,800***	**100.0%**	**4.0%**
Business and financial operations occupations			
Claims adjusters, examiners, and investigators	$58,000	6.5%	0.2%
Management analysts	$90,300	7.9%	0.3%
Business operations specialists, all other	$65,100	17.4%	0.6%
Accountants and auditors	$67,800	19.6%	0.7%
Financial analysts	$98,900	4.3%	0.2%
All Other Business and financial operations occupations (Avg. All Categories)	$71,400	44.2%	1.6%
Weighted Mean Annual Wage	***$71,400***	**100.0%**	**3.5%**
Computer and mathematical occupations			
Computer programmers	$88,500	14.6%	0.3%
Computer software engineers, applications	$99,400	15.9%	0.3%
Computer software engineers, systems software	$98,600	9.5%	0.2%
Computer support specialists	$61,600	17.0%	0.4%
Computer systems analysts	$83,600	17.7%	0.4%
Network and computer systems administrators	$81,100	8.5%	0.2%
Network systems and data communications analysts	$79,900	6.0%	0.1%
All Other Computer and mathematical occupations (Avg. All Categories)	$84,100	10.7%	0.2%
Weighted Mean Annual Wage	***$84,100***	**100.0%**	**2.2%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap3-4.xls; Ap tb4 Compensation; 4/5/2007; dd

APPENDIX TABLE 4
AVERAGE ANNUAL COMPENSATION, 2006
RESIDENT SERVICES WORKER OCCUPATIONS
DIRECT, INDIRECT & INDUCED EMPLOYMENT IMPACTS WITHIN THE CITY OF SAN FRANCISCO
RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 2 of 5			
Community and social services occupations			
Educational, vocational, and school counselors	$52,000	7.4%	0.2%
Mental health counselors	$52,100	4.8%	0.1%
Rehabilitation counselors	$43,900	4.8%	0.1%
Child, family, and school social workers	$46,300	13.5%	0.3%
Medical and public health social workers	$55,600	5.0%	0.1%
Mental health and substance abuse social workers	$38,800	6.7%	0.2%
Social and human service assistants	$32,900	16.5%	0.4%
Community and social service specialists, all other	$39,700	4.9%	0.1%
Clergy	$53,700	12.2%	0.3%
Directors, religious activities and education	$43,600	6.7%	0.2%
All Other Community and social services occupations (Avg. All Categories)	$44,800	17.4%	0.4%
Weighted Mean Annual Wage	***$44,800***	**100.0%**	**2.4%**
Education, training, and library occupations			
Preschool teachers, except special education	$30,700	8.4%	0.6%
Elementary school teachers, except special education	$55,700	17.5%	1.2%
Middle school teachers, except special and vocational education	$60,800	7.2%	0.5%
Secondary school teachers, except special and vocational education	$61,600	11.4%	0.8%
Teachers and instructors, all other	$50,000	6.2%	0.4%
Teacher assistants	$31,800	16.5%	1.2%
All Other Education, training, and library occupations (Avg. All Categories)	$47,700	32.9%	2.3%
Weighted Mean Annual Wage	***$47,700***	**100.0%**	**7.1%**
Arts, design, entertainment, sports, and media occupations			
Floral designers	$39,500	6.4%	0.1%
Graphic designers	$60,700	5.2%	0.1%
Coaches and scouts	$34,600	9.1%	0.1%
Public relations specialists	$61,500	12.1%	0.2%
All Other Arts, design, entertainment, sports, & media (Avg. All Categories) [4]	$49,600	67.3%	1.0%
Weighted Mean Annual Wage	***$49,600***	**100.0%**	**1.4%**
Healthcare practitioners and technical occupations			
Physicians and surgeons, all other	$114,200	4.3%	0.3%
Registered nurses	$82,100	36.1%	2.1%
Pharmacy technicians	$40,500	4.6%	0.3%
Licensed practical and licensed vocational nurses	$53,200	11.1%	0.7%
All Other Healthcare practitioners and technical occupations (Avg. All Categories)	$75,400	43.9%	2.6%
Weighted Mean Annual Wage	***$75,400***	**100.0%**	**5.9%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap3-4.xls; Ap tb4 Compensation; 4/5/2007; dd

APPENDIX TABLE 4
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RESIDENT SERVICES WORKER OCCUPATIONS
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RESIDENTIAL NEXUS ANALYSIS
CITY OF SAN FRANCISCO, CA

Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 3 of 5			
Healthcare support occupations			
Home health aides	$22,600	22.2%	0.6%
Nursing aides, orderlies, and attendants	$32,700	37.8%	1.1%
Medical assistants	$36,300	20.5%	0.6%
Healthcare support workers, all other	$40,200	4.7%	0.1%
All Other Healthcare support occupations (Avg. All Categories)	$31,300	14.9%	0.4%
Weighted Mean Annual Wage	***$31,300***	**100.0%**	**2.9%**
Protective service occupations			
Correctional officers and jailers	$59,300	17.6%	0.3%
Police and sheriff's patrol officers	$61,200	8.8%	0.1%
Security guards	$26,400	47.9%	0.8%
Lifeguards, ski patrol, and other recreational protective service workers	$24,800	4.3%	0.1%
Protective service workers, all other	$55,600	5.3%	0.1%
All Other Protective service occupations (Avg. All Categories)	$38,700	16.1%	0.3%
Weighted Mean Annual Wage	***$38,700***	**100.0%**	**1.7%**
Food preparation and serving related occupations			
First-line supervisors/managers of food preparation and serving workers	$29,700	6.9%	0.9%
Cooks, fast food	$20,200	6.3%	0.8%
Cooks, restaurant	$25,600	7.5%	0.9%
Food preparation workers	$21,500	7.5%	0.9%
Bartenders	$21,100	4.7%	0.6%
Combined food preparation and serving workers, including fast food	$20,600	21.9%	2.7%
Counter attendants, cafeteria, food concession, and coffee shop	$20,000	4.4%	0.5%
Waiters and waitresses	$19,100	21.4%	2.6%
Dishwashers	$19,400	4.6%	0.6%
All Other Food preparation and serving related occupations (Avg. All Categories)	$21,400	14.8%	1.8%
Weighted Mean Annual Wage	***$21,400***	**100.0%**	**12.4%**
Building and grounds cleaning and maintenance occupations			
First-line supervisors/managers of housekeeping and janitorial workers	$43,600	4.4%	0.1%
Janitors and cleaners, except maids and housekeeping cleaners	$25,300	51.1%	1.6%
Maids and housekeeping cleaners	$26,500	20.8%	0.7%
Landscaping and groundskeeping workers	$32,800	18.1%	0.6%
All Other Building and grounds cleaning and maintenance occupations (Avg. All Cat	$27,900	5.5%	0.2%
Weighted Mean Annual Wage	***$27,900***	**100.0%**	**3.2%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
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Page 4 of 5			
Personal care and service occupations			
First-line supervisors/managers of personal service workers	$47,100	4.0%	0.2%
Ushers, lobby attendants, and ticket takers	$19,600	4.5%	0.2%
Amusement and recreation attendants	$19,800	7.8%	0.3%
Hairdressers, hairstylists, and cosmetologists	$34,000	15.0%	0.6%
Child care workers	$26,200	19.9%	0.8%
Personal and home care aides	$22,000	20.6%	0.8%
Recreation workers	$29,700	6.1%	0.2%
All Other Personal care and service occupations (Avg. All Categories)	$26,900	22.2%	0.9%
Weighted Mean Annual Wage	***$26,900***	**100.0%**	**3.9%**
Sales and related occupations			
First-line supervisors/managers of retail sales workers	$41,800	8.6%	1.0%
Cashiers	$23,400	27.6%	3.1%
Counter and rental clerks	$28,100	5.2%	0.6%
Retail salespersons	$27,100	34.9%	3.9%
Sales representatives, wholesale and manufacturing, except technical and scientific	$68,800	6.3%	0.7%
All Other Sales and related occupations (Avg. All Categories)	$30,600	17.5%	2.0%
Weighted Mean Annual Wage	***$30,600***	**100.0%**	**11.2%**
Office and administrative support occupations			
First-line supervisors/managers of office and administrative support workers	$56,000	5.6%	0.9%
Bookkeeping, accounting, and auditing clerks	$40,200	8.3%	1.3%
Customer service representatives	$37,600	7.9%	1.2%
Receptionists and information clerks	$30,200	6.5%	1.0%
Stock clerks and order fillers	$28,200	7.4%	1.2%
Executive secretaries and administrative assistants	$47,200	6.7%	1.0%
Secretaries, except legal, medical, and executive	$39,100	9.2%	1.4%
Office clerks, general	$29,900	14.1%	2.2%
All Other Office and administrative support occupations (Avg. All Categories)	$37,200	34.3%	5.4%
Weighted Mean Annual Wage	***$37,200***	**100.0%**	**15.7%**
Construction and extraction occupations			
First-line supervisors/managers of construction trades and extraction workers	$82,800	12.8%	0.2%
Carpenters	$52,300	31.7%	0.5%
Construction laborers	$42,700	18.5%	0.3%
All Other Construction and extraction occupations (Avg. All Categories)	$55,700	37.0%	0.6%
Weighted Mean Annual Wage	***$55,700***	**100.0%**	**1.7%**

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap3-4.xls; Ap tb4 Compensation; 4/5/2007; dd

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Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers
Page 5 of 5			
Installation, maintenance, and repair occupations			
First-line supervisors/managers of mechanics, installers, and repairers	$71,200	8.6%	0.3%
Automotive body and related repairers	$50,300	9.7%	0.4%
Automotive service technicians and mechanics	$51,500	24.8%	0.9%
Bus and truck mechanics and diesel engine specialists	$46,800	4.8%	0.2%
Maintenance and repair workers, general	$44,400	22.7%	0.8%
All Other Installation, maintenance, and repair occupations (Avg. All Categories)	$51,100	29.4%	1.1%
Weighted Mean Annual Wage	***$51,100***	**100.0%**	**3.7%**
Production occupations			
First-line supervisors/managers of production and operating workers	$57,800	5.9%	0.1%
Team assemblers	$29,600	5.8%	0.1%
Bakers	$25,800	5.9%	0.1%
Butchers and meat cutters	$34,600	4.5%	0.1%
Laundry and dry-cleaning workers	$24,500	12.8%	0.3%
Pressers, textile, garment, and related materials	$22,100	5.8%	0.1%
Sewing machine operators	$19,100	9.5%	0.2%
Inspectors, testers, sorters, samplers, and weighers	$34,600	4.7%	0.1%
Helpers--production workers	$25,400	4.3%	0.1%
All Other Production occupations (Avg. All Categories)	$29,000	40.9%	0.9%
Weighted Mean Annual Wage	***$29,000***	**100.0%**	**2.3%**
Transportation and material moving occupations			
Bus drivers, school	$28,200	10.4%	0.5%
Driver/sales workers	$30,500	7.0%	0.4%
Truck drivers, heavy and tractor-trailer	$41,900	8.9%	0.5%
Truck drivers, light or delivery services	$31,800	10.2%	0.5%
Parking lot attendants	$26,200	4.3%	0.2%
Cleaners of vehicles and equipment	$24,500	9.9%	0.5%
Laborers and freight, stock, and material movers, hand	$27,800	18.2%	0.9%
Packers and packagers, hand	$19,100	7.1%	0.4%
All Other Transportation and material moving occupations (Avg. All Categories)	$29,000	24.0%	1.2%
Weighted Mean Annual Wage	***$29,000***	**100.0%**	**5.2%**
			90.3%

[1] The methodology utilized by the California Employment Development Department (EDD) assumes that hourly paid employees are employed full-time. Annual compensation is calculated by EDD by multiplying hourly wages by 40 hours per work week by 52 weeks.

[2] Occupation percentages are based on the 2005 National Industry - Specific Occupational Employment survey compiled by the Bureau of Labor Statistics. Wages are based on the 2005 Occupational Employment Survey data for San Francisco-San Mateo-Redwood City MD, California (San Francisco, San Mateo, and Marin Counties) updated by the California Employment Development Department to 2006 wage levels.

[3] Including occupations representing 4% or more of the major occupation group

[4] Includes Artists and Musicians which represent 5% and 16% of the occupation group respectively. The Occupational Employment Survey did not calculate annual

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap3-4.xls; Ap tb4 Compensation; 4/5/2007; dd

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Occupation [3]	2006 Avg. Compensation [1]	% of Total Occupation Group [2]	% of Total Resident Services Workers

wage and salary information for these occupations.

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Minnesota IMPLAN Group
Prepared by: Keyser Marston Associates, Inc.
Filename: 001-018 Tables Ap3-4.xls; Ap tb4 Compensation; 4/5/2007; dd

Exhibit F

Bryant St Affordable Housing Calculations

The affordable housing assumptions in the narrative are over-inflated.

1. Rear Yard and Open Space for Affordable:

It is unlikely that an affordable family development would get the amount of rear yard reduction shown in the drawings. The open space reduction has enormous impacts for family housing.

In the land dedication drawings, the site is shown separated into two. Per the sponsor's drawings, it appears a new mid-block alley will remain under ownership of market-rate side. The section drawing on page 155 of the staff report shows how dark and narrow the alley will be, a 25' wide canyon with an 85' wall to the south.

The total land dedication remaining for affordable housing is 18,850 s.f., per the drawings (the narrative rounds up to 19,000 s.f.). The 25% rear yard setback required is 4,712 s.f., but the drawings only show 3,120 s.f. (40' x 78'). The total area of the affordable housing land dedication is 18,850 s.f., so the open space remaining will be only 16.5% of lot, not only under the 25% requirement, but vastly under what would be needed for a low-income family housing development. While a rear yard reduction was approved for the market rate side, no such reduction was requested for the affordable side. It should not be assumed that such a reduction would be requested by an affordable developer, or if requested that it would be granted. An open space reduction would probably not be desirable for a low-income family project.

2. Unit Count for Affordable.

It appears that the Commission was misled by Planning and MOH as to the maximum number of units that could fit into the land dedication site. Unit max: The maximum number of units would be 80 units, assuming a very conservative minimum TCAC size, 80% efficiency, a competitive 40/40/20 unit mix, and assuming typical community facilities on the ground floor.

Planning Commission Motion No. 19658, Page 11, states: "In addition to designating three on-site BMR units, the Project Sponsor has elected to pursue the land dedication alternative to meet the inclusionary affordable housing program requirements. As a result of the pending lot subdivision, the new mixed-use building would be located on a parcel measuring 46,000 sq ft. Since the Project is located on a site that has at least 30,000 square feet of developable area, the Project Sponsor must provide a dedicated site that is capable of holding at least 35% of the total number of units from the Principal Project. The Principal Project possesses 199 dwelling units; therefore, the land dedication site must be able to construct at least 70 dwelling units.

The Project Sponsor meets these requirements and shall subdivide Lot 21 on Assessor's Block 4022, and convey the new parcel located at 2070 Bryant Street to MOHCD, which would measure 19,000 sq ft (or 95 ft by 200 ft). Of this land, approximately 19,000 square feet would consist of developable area. The Project Sponsor has demonstrated that up to 98 dwelling units may be constructed on the dedicated land (as of right), and up to 136 dwelling units with a density bonus. If the Project were to pursue the

on-site affordable housing alternative, the Project would be required to provide 16% or 32 below-market-rate dwelling units on the project site. MOHCD concurs with the Project Sponsor's dedicated land and has conveyed a letter expressing conditional approval of the dedicated land."

The Planning report references a "Letter provided by MOHCD", where they say they can fit the units into the land dedication. There's a letter from Mayor's Office of Housing Director Olson Lee, on the very last page of the case file (http://sf-planning.org/meeting/planning-commission-June-2-2016-agenda, page 507-509), but it makes NO reference to analysis of unit counts. There is a letter from MOH that contains no analysis of the ability of the land dedication site to hold this number of units. It is possible to fit 70 small units (using TCAC minimum sizes) within 5 residential floors and maintaining 25% setback. This is exactly 35% of market-rate 199 units. However, the 98 units "by right" seems grossly exaggerated, unless a rear yard reduction is granted, or a senior building with all studios is assumed. Conclusion: the affordable side needed to be adequately designed per code before approving conditions based on unsubstantiated assertions.

The City's reliance on the yet to be designed future affordable housing component of the Project to meet open space and other requirements, including the 35% land dedication alternative, is unsupported. The 98 affordable units quoted as "by right" seems grossly exaggerated (see below for calculations). The portion of the lot set aside for affordable housing does not seem to be sufficient to provide the necessary percent of land dedication units, assuming family housing and 25% rear yard setback. While the LPA approved a rear yard reduction for the market rate side, no such reduction was requested for the affordable side. A low-income family project will probably need sufficient setbacks not only to serve the resident families, but also for desired community facilities such as child care centers (often needed to create a competitive project). The proposed 25' wide publicly accessible mid-block, with building walls 68' to the north and possibly 85' to the south, will be in shadow at most hours and should not be considered part of the affordable developments open space.

Assumptions:

- Lot size: 19,000 s.f.
- Rear yard setback: 25%
- Efficiency: 80%
- Unit sizes: 500 sf 1-BR, 750 sf 2-BR, 1000 sf 3-BR
- Unit mix: 40% 1-BR, 40% 2-BR, 20% 3-BR
- Average unit size: 700 sf
- Permitted floors: 6 floors
- Residential floors: 5 floors
- Residential floors with density bonus: 7 floors

Calculation

1. Required rear yard setback: 0.25 * 19,000 = 4,750 s.f.
2. Residential floor plate: 0.75 * 19,000 s.f. = 14,250 s.f.
3. Net residential area per floor: 14,250 s.f. * 0.8 efficiency = 11,400 s.f.
4. Units per floor: 11,400 s.f. / 700s.f. avg. unit = 16 units per floor
5. Total units 16 units * 5 floors = 80 units
6. Open space required: 80 units * 54 s.f. open space = 4,320 s.f. open space required

7. Density bonus units: 16 units * 7 floors = 112 units
8. Density bonus open space: 112 units * 54 s.f. open space = 6,048 s.f.

Density Bonus

136 units with density bonus also seems unlikely, and even under the calculated scenario, the open space requirement would exceed the rear yard setback, requiring even more requests for reductions. Moreover, construction above 68' will require more expensive concrete construction. Even if Sec. 261.1 does not apply, there may be an expectation of some unit reduction to account for upper floor setbacks, especially since the taller affordable building would be to the south of the proposed narrow east-west midblock alley.

The approval improperly relies on adoption of a state density bonus, which has never been used in San Francisco, instead of adopting a special use district as has been used historically. Moreover, as stated in the conditions of approval, achieving 136 affordable family units with density bonus seems unlikely given the small portion of lot area left for the affordable development and required rear yard setbacks. Moreover, any construction higher than 68' will require that the affordable development use much more expensive concrete construction than the market-rate portion.

Ground Floor Uses and Affordable Family Childcare

Affordable housing builders use the ground floor for our community needs first, including possibly childcare spaces with ground floor open space.

Many community members want to see (as well as EN needs assessment calls out a need for) childcare in our new developments, and in reality only the affordable housing developments build in childcare. But that can only happen when there is adequate setbacks to provide the required open space for childcare as well as for residents. Not providing the open space pretty much prohibits childcare as an option.

On the affordable design, affordable housing developers often load up ground floor with services, preschools, or other community uses, including for the residents, not PDR or Arts. If a preschool (note 2008 Eastern Neighborhood needs assessment for childcare, this would require it's own open space (50 SF per child, ON THE GROUND FLOOR), which can fit on a 25% setback, but the project still needs to provide minimum open space for residents, which can sometimes go on roof.

Carroll, John (BOS)

From: Rodgers, AnMarie (CPC)
Sent: Thursday, July 21, 2016 5:46 PM
To: BOS Legislation, (BOS)
Cc: Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Jones, Sarah (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS)
Subject: RE: Hearing Notice - Appeal of Community Plan Exemption and Conditional Use - 2000-2070 Bryant Street - Appeal Hearing on August 2, 2016

Categories: 160777, 160773

Dear Clerk Calvillo,

Due to the short notice for the August 2 hearing and the high likelihood of a continuance, planning staff will not be preparing a response to these appeals in advance of the August 2 hearing date. Staff will be available at the hearing should the Board have any questions.

AnMarie Rodgers, Senior Policy Advisor
SFPlanning 415-558-6395

Public access to property information and permit history is just a click away:
http://propertymap.sfplanning.org

From: BOS Legislation, (BOS)
Sent: Tuesday, July 19, 2016 4:07 PM
To: BOS Legislation, (BOS); rhowlettlaw@gmail.com; svettel@fbm.com; 'Linsey Perlov'; 'Nick Podell'
Cc: Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Jones, Sarah (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); Ionin, Jonas (CPC); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS); Rahaim, John (CPC); hestor@earthlink.net
Subject: Hearing Notice - Appeal of Community Plan Exemption and Conditional Use - 2000-2070 Bryant Street - Appeal Hearing on August 2, 2016

Good afternoon,

The Office of the Clerk of the Board has scheduled an appeal hearing for Special Order on **August 2, 2016, at 3:00 p.m.**, to hear an appeal of the Community Plan Exemption and Conditional Use of the proposed project at 2000-2070 Bryant Street, filed by Rachel Mansfield-Howlett, on behalf of Peter Papadopoulos.

Please find the following link to the hearing notices for the matter:

August 2, 2016 - Board of Supervisors - 2000-2070 Bryant Street Appeal

I invite you to review the entire matter on our Legislative Research Center by following the link below:

Board of Supervisors File No. 160773
Board of Supervisors File No. 160777

Thank you,
Brent Jalipa
Board of Supervisors - Clerk's Office

Carroll, John (BOS)

From: Chung Hagen, Sheila (BOS)
Sent: Friday, July 15, 2016 3:06 PM
To: Carroll, John (BOS)
Cc: Campos, David (BOS)
Subject: CONTINUANCE REQUEST: 2000-2070 Bryant: appeals of CPE and conditional use (Board File No. 160773 and 160777)

Categories: 160773, 160777

John --

The project sponsor and appellant of 2000-2070 Bryant Street have requested a continuance of the CPE and conditional use appeals from August 2, 2016 to September 13, 2016 (see emails below). Supervisor Campos will motion to request a continuance at the August 2nd meeting.

Sheila

. . . . . .
Sheila Chung Hagen
Legislative Aide
Office of Supervisor David Campos
415-554-5144 | sheila.chung.hagen@sfgov.org

From: Steven Vettel [mailto:SVettel@fbm.com]
Sent: Friday, July 15, 2016 1:53 PM
To: Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>
Cc: 'Nick Podell' <nick@podell.com>; linsey@podell.com
Subject: 2000-2070 Bryant: appeals of CPE and conditional use (Board File No. 160773 and 160777)

Sheila, as we discussed, the project sponsor has agreed to a continuance of the Board of Supervisors hearing on the approve referenced appeals from August 2, 2016, to September 13, 2016. I understand the appellant has similarly agreed upon this continued date for the hearing.

Thank you.

Steven L. Vettel
svettel@fbm.com
415.954.4902

FARELLA BRAUN + MARTEL LLP

Russ Building
235 Montgomery Street
San Francisco / CA 94104

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From: Peter Papadopoulos [mailto:papadooloo@gmail.com]
Sent: Friday, July 15, 2016 2:58 PM
To: Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>
Subject: 2000-2070 Bryant Appeal Postponement

Sheila,

We are in agreement that a postponement from Aug 2 to Sept 13 of the 2000-2070 Bryant St hearing date would be beneficial for scheduling reasons.

Thank you.

Carroll, John (BOS)

From: Chung Hagen, Sheila (BOS)
Sent: Friday, July 15, 2016 3:08 PM
To: BOS-Legislative Aides; BOS-Supervisors
Cc: Carroll, John (BOS)
Subject: CONTINUANCE: 2000-2070 Bryant Street CPE & CU Appeals - Aug 2 to be cont to Sept 13

Categories: 160773, 160777

Supervisors and Leg Aides –

The project sponsor and appellant of 2000-2070 Bryant Street have requested a continuance of the CPE and conditional use appeals from August 2, 2016 to September 13, 2016. Supervisor Campos will motion to request a continuance at the August 2nd meeting.

Sheila

. . . . . .

Sheila Chung Hagen
Legislative Aide
Office of Supervisor David Campos
415-554-5144 | sheila.chung.hagen@sfgov.org

BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

July 20, 2016

File No. 160773 and 160777
Planning Case Nos. 2013.0677E and 2013.0677CUA

Received from the Board of Supervisors Clerk's Office two checks, in the amount of Five Hundred Sixty Two Dollars ($562) each, representing filing fee paid by Richard L. Hall for the Community Plan Exemption and Conditional Use appeals of the proposed project on 2000-2070 Bryant Street.

Planning Department
By:

Tony Young
Print Name

7/21/16
Signature and Date

Carroll, John (BOS)

From: BOS Legislation, (BOS)
Sent: Tuesday, July 19, 2016 4:14 PM
To: SF Docs (LIB)
Cc: BOS Legislation, (BOS)
Subject: FW: Hearing Notice - Appeal of Community Plan Exemption and Conditional Use - 2000-2070 Bryant Street - Appeal Hearing on August 2, 2016

Categories: 160777, 160773

Good afternoon,

Please find the hearing notices linked below and post for public viewing at the library.

Thanks in advance,

Brent Jalipa
Board of Supervisors - Clerk's Office
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-7712 | Fax: (415) 554-5163
brent.jalipa@sfgov.org | www.sfbos.org

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From: BOS Legislation, (BOS)
Sent: Tuesday, July 19, 2016 4:07 PM
To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>; rhowlettlaw@gmail.com; svettel@fbm.com; 'Linsey Perlov' <Linsey@Podell.com>; 'Nick Podell' <nick@podell.com>
Cc: Givner, Jon (CAT) <jon.givner@sfgov.org>; Stacy, Kate (CAT) <kate.stacy@sfgov.org>; Byrne, Marlena (CAT) <marlena.byrne@sfgov.org>; Sanchez, Scott (CPC) <scott.sanchez@sfgov.org>; Jones, Sarah (CPC) <sarah.b.jones@sfgov.org>; Rodgers, AnMarie (CPC) <anmarie.rodgers@sfgov.org>; Starr, Aaron (CPC) <aaron.starr@sfgov.org>; Sucre, Richard (CPC) <richard.sucre@sfgov.org>; Thomas, Christopher (CPC) <christopher.thomas@sfgov.org>; Ionin, Jonas (CPC) <jonas.ionin@sfgov.org>; BOS-Supervisors <bos-supervisors@sfgov.org>; BOS-Legislative Aides <bos-legislative_aides@sfgov.org>; Calvillo, Angela (BOS) <angela.calvillo@sfgov.org>; Somera, Alisa (BOS) <alisa.somera@sfgov.org>; Rahaim, John (CPC) <john.rahaim@sfgov.org>; hestor@earthlink.net
Subject: Hearing Notice - Appeal of Community Plan Exemption and Conditional Use - 2000-2070 Bryant Street - Appeal Hearing on August 2, 2016

Good afternoon,

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

NOTICE OF PUBLIC HEARINGS

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco will hold a public hearing to consider the following appeals and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: **Tuesday, August 2, 2016**

Time: **3:00 p.m.**

Location: **Legislative Chamber, City Hall, Room 250**
1 Dr. Carlton B. Goodlett, Place, San Francisco, CA

Subject: **File No. 160773.** Hearing of persons interested in or objecting to the determination of exemption from environmental review under the California Environmental Quality Act issued by the Planning Department on May 11, 2016, for the proposed project located at 2000-2070 Bryant Street, to allow the demolition of seven existing buildings, merging three lots into two new parcels, the construction of a six-story, 68-foot tall mixed-use building of approximately 203,656 square feet with a ground-level garage, and to allow construction of a 100% affordable eight-story, 85-foot tall mixed-use residential and arts activity building of approximately 127,983 square feet, with a ground-level car-share garage. (District 9) (Appellant: Rachel Mansfield-Howlett, on behalf of Peter Papadopoulos) (Filed July 5, 2016).

File No. 160777. Hearing of persons interested in or objecting to the certification of a Conditional Use Authorization pursuant to Planning Code, Section 303 and 317, for a proposed project at 2000-2070 Bryant Street, Assessor's Parcel Block No. 4022, Lot Nos. 001 and 002, identified in Case No. 2013.0677CUA, issued by the Planning Commission by Motion No. 19657 dated June 2, 2016, to permit the removal of three residential units for new construction of a six-story, 68-foot tall, mixed-use building of approximately 203,656 square feet with 199 dwelling units, ground floor retail/trade shop spaces, 12,000 square feet of ground floor Production, Distribution, and Repair space, one car-share parking space, 84 off-street parking spaces, 128 Class 1 bicycle parking spaces, and 18 Class 2 bicycle parking spaces. (District 9) (Appellant: Rachel Mansfield-Howlett, on behalf of Peter Papadopoulos) (Filed July 5, 2016).

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on these matters may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public records in these matters and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102. Information relating to these matters are available in the Office of the Clerk of the Board and agenda information relating to these matters will be available for public review on Friday, July 29, 2016.

Angela Calvillo
Clerk of the Board

DATED/MAILED/POSTED: July 19, 2016

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No 554-5184
Fax No. 554-5163
TTD/TTY No. 5545227

公聽會通知

三藩市市及縣市參事委員會

日期: 2016年8月2日星期二

時間: 下午3時

地點: 市政廳，立法會議廳250室，1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

議題: **檔案號碼160773。** 聆訊感興趣或反對人士對有關豁免環境性審核的決定的意見，該項決定由工務局依據「加州環境性質量法」（the California Environmental Quality Act）於2016年5月11日發出，擬獲豁免環境性審核的是位於Bryant街2000-2070號的建議工程，該項工程准許清拆七棟現有建築物、合併三個地段為兩幅新土地、建造一棟六層、68英尺高面積約為203，656平方英尺兼附帶地下層車庫的混合用途建築物，並准許建造一棟百分百（100%）可負擔的八層、85英尺高面積約為127,983平方英尺兼附帶地下層共用車庫的住宅及文藝活動混合用途建築物。 (第9選區) (上訴人：Rachel Mansfield-Howlett，代表Peter Papadopoulos) (於2016年7月5日已提交) 。

檔案號碼160777。 聆訊感興趣或反對人士對核證條件性使用授權書的意見，須依據規劃法規第303及307條而進行，擬要求核證其條件性使用授權書的是位於Bryant街2000-2070號，評估地街區編號4022，地段編號001 and 002的建議工程，其案件編號定為2013.0677CUA，由規劃委員會經動議編號19657於2016年6月2日所發佈，該項工程准許一棟六層、68英尺高面積約為203,656平方英尺的附帶199個居住單位、首層零售貨貿易商店用地、12,000平方尺的首層生產、分配及維修用地、1個共用車停車位、84個街道以外停車位、128個類別1自行車停車位以及18個類別2自行車停車位的新興建混合用途建築物，拆除三個住宅單位。 (第9選區) (上訴人：Rachel Mansfield-Howlett，代表Peter Papadopoulos) (於2016年7月5日已提交) 。

Angela Calvillo
市參事委員會書記

日期/郵寄/張貼: **July 19, 2016**

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No 554-5184
Fax No. 554-5163
TTD/TTY No. 5545227

NOTIFICACIÓN DE AUDIENCIAS PÚBLICAS

JUNTA DE SUPERVISORES DE LA CIUDAD Y CONDADO DE SANFRANCISCO

SE NOTIFICA POR LA PRESENTE que la Junta de Supervisores de la Ciudad y Condado de San Francisco celebrará una audiencia pública para considerar las siguientes apelaciones y dicha audiencia pública se celebrará de la siguiente manera, en tal momento que todos los interesados podrán asistir y ser escuchados:

Fecha: **Martes, 2 de agosto de 2016**

Hora: **3:00 p. m.**

Lugar: **Cámara Legislativa, Sala 250 del Ayuntamiento**
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

Asunto: **Expediente Núm. 160773.** Audiencia para personas interesadas en o que se oponen a la determinación de exención de la revisión medioambiental según la Ley de Calidad Medioambiental de California emitida por el Departamento de Planificación el 11 de mayo de 2016, para un proyecto situado en 2000 – 2070 de la Calle Bryant, que permite la demolición de siete edificios existentes, consolida tres lotes para formar dos nuevas parcelas, y construye un edificio de uso combinado de 68 pies de altura y de aproximadamente 203,656 pies cuadrados con un estacionamiento en la planta baja, y para permitir la construcción de un edificio de ocho pisos, de 85 pies de altura y de aproximadamente 127,983 pies cuadrados, con un garaje en la planta baja para carros-compartidos, que es de uso combinado tipo residencial y de actividades en las artes y 100% asequible. (Distrito 9) (Apelante: Rachel Mansfield-Howlett, en nombre de Peter Papadopoulos) (Fichado el 5 de julio de 2016).

Expediente Núm. 160777. Audiencia para personas interesadas en o que se oponen a la certificación de una Autorización de Uso Condicional según las Secciones 303 y 317 del Código de Planificación, para un propuesto proyecto situado en 2000-2007 de la Calle Bryant, Lote Núm. 001 y 002 de la Parcela Núm. 4022 del Tasador, identificado en el Caso Núm. 2013.0677CUA, emitido por la Comisión de Planificación por el Núm. de Moción 19657, fechado el 2 de junio de 2016, que autoriza la eliminación de tres unidades de vivienda para construir un edificio de uso combinado de seis pisos, 68 pies de altura y aproximadamente 203,656 pies cuadrados con 199 unidades de vivienda, tiendas de venta al por menor/comercio, 12,000 pies cuadrados de espacio en la planta baja para Producción, Distribución y Reparación, un estacionamiento para carros-compartidos, incluye 84 puestos de estacionamiento, 128 puestos de estacionamiento de bicicletas Clase 1, y 18 puestos de estacionamiento de bicicletas Clase 2. (Distrito 9) (Apelante: Rachel Mansfield-Howlett, en nombre de Peter Papadopoulos) (Fichado el 5 de julio de 2016).

Angela Calvillo,
Secretaria de la Junta

FECHADO/ENVIADO/PUBLICADO: 19 de julio de 2016

Carroll, John (BOS)

From: BOS Legislation, (BOS)
Sent: Wednesday, July 13, 2016 5:05 PM
To: rhowlettlaw@gmail.com; svettel@fbm.com; 'Linsey Perlov'; 'Nick Podell'
Cc: Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Jones, Sarah (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); Ionin, Jonas (CPC); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS); Rahaim, John (CPC); hestor@earthlink.net; BOS Legislation, (BOS)
Subject: Appeal of Community Plan Exemption and Conditional Use - Proposed 2000-2070 Bryant Street - Appeal Hearing on August 2, 2016

Categories: 160773, 160777

Good afternoon,

The Office of the Clerk of the Board has scheduled a hearing for Special Order before the Board of Supervisors on **August 2, 2016, at 3:00 p.m.** Please find linked below letters of appeal filed against the proposed project at 2000-2070 Bryant Street, as well as direct links to the Planning Department's determination of timeliness for the appeal, and an informational letter from the Clerk of the Board.

Community Plan Exemption Appeal Letter - July 5, 2016 - LARGE FILE

Conditional Use Authorization Appeal Letter - July 5, 2016 - LARGE FILE

Planning Department Memo - July 8, 2016

Clerk of the Board Letter - July 11, 2016

I invite you to review the entire matter on our Legislative Research Center by following the link below:

Board of Supervisors File No. 160773
Board of Supervisors File No. 160777

Please note that the hearing date is swiftly approaching. Our office must notice this appeal hearing on Tuesday, July 19, 2016. If you have any special recipients for the hearing notice, kindly provide a list of addresses for interested parties to us as soon as possible.

Thank you,

Brent Jalipa
Board of Supervisors - Clerk's Office
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-7712 | Fax: (415) 554-5163
brent.jalipa@sfgov.org | www.sfbos.org

Click here to complete a Board of Supervisors Customer Service Satisfaction form

Disclosures: *Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that*

Carroll, John (BOS)

From: Jones, Sarah (CPC)
Sent: Friday, July 08, 2016 1:59 PM
To: BOS Legislation, (BOS); Rahaim, John (CPC)
Cc: Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); Ionin, Jonas (CPC); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS)
Subject: RE: Appeal of CEQA Exemption Determination - Proposed 2000-2070 Bryant Street - Timeliness Determination Request
Attachments: 2000 - 2070 Bryant St CPE appeal_timeliness determination 7-8-16.pdf

Categories: 160773

Please see attached determination that the appeal was timely filed.

From: BOS Legislation, (BOS)
Sent: Wednesday, July 06, 2016 2:16 PM
To: BOS Legislation, (BOS); Rahaim, John (CPC)
Cc: Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Jones, Sarah (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); Ionin, Jonas (CPC); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS)
Subject: Appeal of CEQA Exemption Determination - Proposed 2000-2070 Bryant Street - Timeliness Determination Request

Good afternoon Director Rahaim,

The Office of the Clerk of the Board is in receipt of an Appeal of the CEQA Determination of Exemption from Environmental Review for the proposed 2000-2070 Bryant Street project. The appeal was filed on July 5, 2016, by Rachel Mansfield-Howlett, on behalf of Peter Papadopoulos.

Please find the attached letter of appeal and timely filing determination request letter from the Clerk of the Board.

Please note the attached appeal letter does not represent the entire appeal filing; the original appeal letter includes voluminous attachments and is too large to include in this email. The complete appeal filing letter is on file with the Office of the Clerk of the Board. Additionally, the appellant has filed an appeal of the Conditional Use authorization for the project.

Kindly review for timely filing determination.

Regards,

Brent Jalipa
Board of Supervisors - Clerk's Office
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-7712 | Fax: (415) 554-5163
brent.jalipa@sfgov.org | www.sfbos.org

Click here to complete a Board of Supervisors Customer Service Satisfaction form

SAN FRANCISCO
PLANNING DEPARTMENT

MEMO

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

DATE: July 8, 2016

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Sarah Jones, Environmental Review Officer

RE: Appeal timelines determination – Community Plan Exemption for the 2000 – 2070 Bryant Street Project

An appeal of the adoption of the Community Plan Exemption (CPE) for the 2000 – 2070 Bryant Street Project was filed with the Office of the Clerk of the Board on July 5, 2016 by Rachel Mansfield-Howlett, on behalf of resident Peter Papadopoulos (the appellant).

Timeline: On May 11, 2016, the Department determined that the proposed for the 2000 – 2070 Bryant Street Project did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3 and published a CPE. On June 2, 2016, the San Francisco Planning Commission adopted the CPE for the 2000 – 2070 Bryant Street Project.

Timeliness Determination: Section 31.16(a) and (e) of the San Francisco Administrative Code states that any person or entity may appeal the exemption determination by the Planning Department. Section 31.16(e)(2)(A) states that the appellant of an exemption determination shall submit a letter of appeal to the Clerk of the Board within 30 days after the Date of the Approval Action. The Date of the Approval Action for the 2000 – 2070 Bryant Street Project was June 2, 2016. 30 days after the Date of the Approval Action was Saturday, July 2, 2016. Monday, July 4, 2016 was a national holiday and the next date when the Office of Clerk of the Board was open was Tuesday, July 5. As the appeal could not have been filed during the dates of July 2 to July 4, the appeal was timely filed during the specified window of time after the Date of the Approval Action.

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

July 11, 2016

Rachel Mansfield-Howlett
Provencher & Flatt, LLP
823 Sonoma Avenue
Santa Rosa, CA 95404

Subject: Appeal of the Adoption of Community Plan Exemption, and Conditional Use Authorization - 2000-2070 Bryant Street Project

Dear Ms. Mansfield-Howlett:

The Office of the Clerk of the Board is in receipt of a memorandum dated July 8, 2016, from the Planning Department regarding their determination on the timely filing of appeal of the adoption of the Community Plan Exemption for the proposed project at 2000-2070 Bryant Street.

The Planning Department has determined that the appeal was filed in a timely manner.

The filing period to appeal both the conditional use authorization and the Community Plan Exemption closed on Tuesday, June 7, 2016. The conditional use appeal was filed with the subscription of five members of the Board of Supervisors, and therefore meets the filing requirements of Planning Code, Section 308.1.

Pursuant to Administrative Code, Section 31.16, and Planning Code, Section 308.1, a hearing date has been scheduled for **Tuesday, August 2, 2016, at 3:00 p.m.**, at the Board of Supervisors meeting to be held in City Hall, 1 Dr. Carlton B. Goodlett Place, Legislative Chamber, Room 250, San Francisco, CA 94102.

Continues on next page

Please provide to the Clerk's Office by noon:

20 days prior to the hearing: names and addresses of interested parties to be notified of the hearing, in spreadsheet format; and

11 days prior to the hearing: any documentation which you may want available to the Board members prior to the hearing.

For the above, the Clerk's office requests one electronic file (sent to bos.legislation@sfgov.org) and two copies of the documentation for distribution.

NOTE: If electronic versions of the documentation are not available, please submit 18 hard copies of the materials to the Clerk's Office for distribution. If you are unable to make the deadlines prescribed above, it is your responsibility to ensure that all parties receive copies of the materials.

If you have any questions, please feel free to contact John Carroll, Legislative Clerk, at (415) 554-4445.

Very truly yours,

Angela Calvillo
Clerk of the Board

c: Nick Podell, Project Sponsor
Jon Givner, Deputy City Attorney
Kate Stacy, Deputy City Attorney
Marlena Byrne, Deputy City Attorney
John Rahaim, Planning Director
Scott Sanchez, Zoning Administrator, Planning Department
Sarah Jones, Environmental Review Officer, Planning Department
Aaron Starr, Manager of Legislative Affairs, Planning Department
AnMarie Rodgers, Senior Policy Advisor, Planning Department
Richard Sucre, Staff Contact, Planning Department
Chris Thomas, Staff Contact, Planning Department
Jonas Ionin, Planning Commission Secretary

Carroll, John (BOS)

From: BOS Legislation, (BOS)
Sent: Wednesday, July 06, 2016 2:16 PM
To: BOS Legislation, (BOS); Rahaim, John (CPC)
Cc: Givner, Jon (CAT); Stacy, Kate (CAT); Byrne, Marlena (CAT); Sanchez, Scott (CPC); Jones, Sarah (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC); Sucre, Richard (CPC); Thomas, Christopher (CPC); Ionin, Jonas (CPC); BOS-Supervisors; BOS-Legislative Aides; Calvillo, Angela (BOS); Somera, Alisa (BOS)
Subject: Appeal of CEQA Exemption Determination - Proposed 2000-2070 Bryant Street - Timeliness Determination Request
Attachments: COB Ltr 070616.pdf; Excerpt Appeal Ltr 070516.pdf

Categories: 160773

Good afternoon Director Rahaim,

The Office of the Clerk of the Board is in receipt of an Appeal of the CEQA Determination of Exemption from Environmental Review for the proposed 2000-2070 Bryant Street project. The appeal was filed on July 5, 2016, by Rachel Mansfield-Howlett, on behalf of Peter Papadopoulos.

Please find the attached letter of appeal and timely filing determination request letter from the Clerk of the Board.

Please note the attached appeal letter does not represent the entire appeal filing; the original appeal letter includes voluminous attachments and is too large to include in this email. The complete appeal filing letter is on file with the Office of the Clerk of the Board. Additionally, the appellant has filed an appeal of the Conditional Use authorization for the project.

Kindly review for timely filing determination.

Regards,

Brent Jalipa
Board of Supervisors - Clerk's Office
1 Dr. Carlton B. Goodlett Place, Room 244
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BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

July 6, 2016

To: John Rahaim
Planning Director

From: Angela Calvillo
Clerk of the Board of Supervisors

Subject: Appeal of California Environmental Quality Act (CEQA) Determination of Exemption from Environmental Review - 2000-2070 Bryant Street

An appeal of the CEQA Determination of Exemption from Environmental Review for the proposed project at 2000-2070 Bryant Street, was filed with the Office of the Clerk of the Board on July 5, 2016, by Rachel Mansfield-Howlett, on behalf of Peter Papadopoulos.

Pursuant to Administrative Code, Chapter 31.16, I am forwarding this appeal, with attached documents, to the Planning Department to determine if the appeal has been filed in a timely manner. The Planning Department's determination should be made within three (3) working days of receipt of this request.

If you have any questions, please feel free to contact John Carroll, Legislative Clerk, at (415) 554-4445.

c: Jon Givner, Deputy City Attorney
Kate Stacy, Deputy City Attorney
Marlena Byrne, Deputy City Attorney
Scott Sanchez, Zoning Administrator, Planning Department
Sarah Jones, Environmental Review Officer, Planning Department
AnMarie Rodgers, Senior Policy Advisor, Planning Department
Aaron Starr, Manager of Legislative Affairs, Planning Department
Richard Sucre, Staff Contact, Planning Department
Chris Thomas, Staff Contact, Planning Department
Jonas Ionin, Planning Commission Secretary, Planning Department

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

☐ 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)

☐ 2. Request for next printed agenda Without Reference to Committee.

☒ 3. Request for hearing on a subject matter at Committee.

☐ 4. Request for letter beginning "Supervisor _____ inquires"

☐ 5. City Attorney request.

☐ 6. Call File No. _____ from Committee.

☐ 7. Budget Analyst request (attach written motion).

☐ 8. Substitute Legislation File No. _____

☐ 9. Reactivate File No. _____

☐ 10. Question(s) submitted for Mayoral Appearance before the BOS on _____

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

Clerk of the Board

Subject:

Hearing - Appeal of Determination of Exemption from Environmental Review - Proposed 2000-2070 Bryant Street Projects

The text is listed below or attached:

Hearing of persons interested in or objecting to the determination of exemption from environmental review under the California Environmental Quality Act issued by the Planning Department on May 11, 2016, for the proposed project located at 2000-2070 Bryant Street, to allow the demolition of seven existing buildings, merging three lots into two new parcels, the construction of a six-story, 68-foot tall mixed-use building of approximately 203,656 square feet with a ground-level garage, and to allow construction of a 100% affordable eight-story, 85-foot tall mixed-use residential and arts-activity building of approximately 127,983 square feet, with a ground-level car-share garage. (District 9) (Appellant: Peter Papadopoulos) (Filed July 5, 2016).

160773

Signature of Sponsoring Supervisor: Peggy Newman for

For Clerk's Use Only: