



SAN FRANCISCO PLANNING DEPARTMENT

September 28, 2017

Ms. Angela Calvillo, Clerk
Honorable Supervisor Ronen
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

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**Re: Transmittal of Planning Department Case Number 2016-015092MAP:
Rezoning of 1990 Folsom Street from Production, Distribution, and Repair-1-
General (PDR-1-G) and 58-X to Urban Mixed Use (UMU) and 90-X
Board File No. 170782
Planning Commission Action: Approval**

Dear Ms. Calvillo and Supervisor Ronen,

On September 28, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance that would amend the Planning Code by revising the Zoning Map to rezone and reclassify the height designation at 1990 Folsom Street, introduced by Supervisor Ronen. At the hearing the Planning Commission approved the proposed Ordinance.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr".

Aaron D. Starr
Manager of Legislative Affairs

cc:
Andrea Ruiz-Esquide, Deputy City Attorney
Carolyn Goossen, Aide to Supervisor Ronen
Alisa Somera, Legislative Deputy Director

Attachments:
Planning Commission Resolution
Planning Department Executive Summary



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 20004

HEARING DATE SEPTEMBER 28, 2017

Project Name: Rezoning 1990 Folsom Street
Case Number: 2016-015092MAP
Board File No: 170782
Initiated by: Supervisor Ronen, introduced June 27, 2017
Staff Contact: Christy Alexander, Current Planning
christy.alexander@sfgov.org, 415-575-8724
Reviewed by: AnMarie Rodgers, Senior Policy Advisor
anmarie.rodgers@sfgov.org, 415-558-6395

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APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE BY REVISING THE ZONING MAP FOR 1990 FOLSOM STREET, ASSESSOR'S BLOCK NO. 3552, LOT NO. 012, FROM PRODUCTION, DISTRIBUTION, AND REPAIR-1-GENERAL (PDR-1-G) ZONING DISTRICT AND A 58-X HEIGHT AND BULK DISTRICT, TO URBAN MIXED USE (UMU) ZONING DISTRICT AND A 90-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PURSUANT TO PLANNING CODE SECTION 302, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on June 27, 2017 Supervisor Ronen introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 170782, which would amend the Planning Code by revising the Zoning Use District Map Sheet No. ZN07 and the Height and Bulk District Sheet No. HT07 to rezone 1990 Folsom Street, Assessor's Block No. 3552, Lot No. 012, from its current designation as Production, Distribution, and Repair-1-General (PDR-1-G) Zoning District and 58-X Height and Bulk District to Urban Mixed Use (UMU) Zoning District and 90-X Height and Bulk District;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on September 28, 2017; and,

WHEREAS, on the Project was determined to be statutorily exempt from the California Environmental Quality Act ("CEQA") under California Public Resources Code Section 21094.5 and Section 15183.3 of the CEQA Guidelines, as described in the Certificate of Determination contained in the Planning Department files for this Project; and

WHEREAS, the Planning 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 Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

MOVED, that the Planning Commission hereby **approves** the proposed ordinance and presents this action to the Board of Supervisors for consideration of adoption.

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 Commission finds that the proposed rezoning and height reclassification will allow for the construction of a proposed 100% affordable housing mixed-use project in the Mission District, advancing the goals of the Mission Action Plan 2020, whose purpose is to retain low to moderate-income residents and community-serving businesses, artists, and nonprofits in order to strengthen and preserve the socioeconomic diversity of the Mission neighborhood.
2. The Commission finds that the proposed UMU zoning is an appropriate zoning designation for this site because it is consistent with the existing zoning districts found in the immediate neighborhood.
3. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended approval is consistent with the following Objectives and Policies of the General Plan and Mission Area Plan:

HOUSING ELEMENT

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 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

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 site was specifically called out for affordable housing development through the Eastern Neighborhoods planning process. The rezoning and height reclassification for the proposed 100% affordable

housing mixed-use project would implement that vision. Additionally, the project site is located in a transit rich neighborhood, with the 16th Street BART station a few blocks away and major Muni bus lines running along 16th Street and Mission Street.

OBJECTIVE 11

RECOGNIZE THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.5

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

The Mission District is a dense neighborhood with strong character and sense of community. The proposed rezoning and height reclassification that will allow for the development of a 100% affordable housing mixed-use project meets one of Mission Action Plan 2020's goals of retaining low- to moderate-income residents in the neighborhood, which contributes to the socioeconomic diversity of the Mission District. The mixed-use development is appropriate for a dense neighborhood such as the Mission.

MISSION AREA PLAN

OBJECTIVE 1.1

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK.

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 principle use, as well as limited amounts of retail, office, and research development uses, while protecting against the wholesale displacement of PDR uses.

The proposed Ordinance will rezone the project site to Urban Mixed Use and allow for the future development of a 100% affordable housing mixed-use building.

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.

Policy 2.1.2

Provide land and funding for the construction of new housing affordable to very low- and low-income households.

The proposed Ordinance will allow for the construction of a proposed 100% affordable housing mixed-use project, bringing up to 142 affordable dwelling units and one manager's unit to the Mission District.

OBJECTIVE 2.3

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

Policy 2.3.1

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 2.3.4

Encourage the creation of family supportive services, such as childcare facilities, parks and recreation, or other facilities, in affordable housing or mixed-use developments.

The proposed 100% affordable housing mixed-use project is located in a transit-rich neighborhood, with the 16th Street BART station located approximately three blocks to the west of the project site and major Muni bus lines running along 16th and Mission Streets. Additionally, the project unit mix will include a range of one-, two-, and three-bedrooms for families. A 4,701 square foot child development center is proposed as part of the project.

OBJECTIVE 2.5

PROMOTE HEALTH THROUGH RESIDENTIAL DEVELOPMENT DESIGN AND LOCATION.

Policy 2.5.2

Develop affordable family housing in areas where families can safely walk to schools, parks, retail, and other services.

The Mission District houses a variety of community and cultural resources that are important to lower-income households and has a well-developed neighborhood fabric with easy access to retail shops that serve everyday needs. The project site is an ideal location for a 100% affordable housing mixed-use project in a neighborhood that is transit and retail rich.

4. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

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

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

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

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing. The proposed Ordinance will allow for the construction of a 100% affordable housing mixed-use project, with up to 142 affordable residential units and one manager's unit, enhancing the City's supply of affordable housing.

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

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. 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 proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

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

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

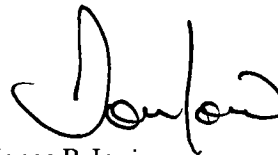
8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

5. **Planning Code Section 302 Findings.** The Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES the proposed Ordinance described in this Resolution and presents this approval to the Board of Supervisors for potential adoption.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on September 28, 2017.



Jonas P. Ionin
Commission Secretary

AYES: Hillis, Johnson, Koppel, Melgar, Moore, Richards

NOES: None

ABSENT: Fong

RECUSED: None

ADOPTED: September 28, 2017



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Zoning Map Amendment

HEARING DATE: SEPTEMBER 28, 2017

EXPIRATION DATE: OCTOBER 9, 2017

Project Name: **Rezoning 1990 Folsom Street**
Case Number: **2016-015092MAP**
Board File No. 170782
Initiated by: Supervisor Ronen, introduced June 27, 2017
Staff Contact: Christy Alexander, Current Planning
christy.alexander@sfgov.org, 415-575-8724
Reviewed by: AnMarie Rodgers, Senior Policy Advisor
anmarie.rodgers@sfgov.org, 415-558-6395
Recommendation: **Approve**

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PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code by revising the Zoning Use District Map Sheet No. ZN07 and the Height & Bulk District Sheet No. HT07 to rezone 1990 Folsom Street, Assessor's Parcel Block No. 3552, Lot No. 012, from its current designation as Production, Distribution & Repair-1-General (PDR-1-G) and 58-X, to Urban Mixed Use (UMU) and 90-X.

The Way It Is Now:

The subject property is zoned Production, Distribution & Repair-1-General (PDR-1-G) with a height and bulk designation of 58-X.

The Way It Would Be:

The subject property would be zoned Urban Mixed Use (UMU) with a height and bulk designation of 90-X.

ISSUES AND CONSIDERATIONS

Site Description and Present Use

The subject property is located on the west side of Folsom Street between 16th and 15th Streets in the Mission District and is owned by the City and County of San Francisco. The lot is a rectangular shape with a parcel area of approximately 29,028 square feet (sf) and has frontages on three streets. The project site is currently zoned as Production, Distribution & Repair-1-General (PDR-1-G) and is occupied with a single-story, 20-foot tall industrial building with two surface parking lots. The existing building is currently vacant and was previously occupied by a bakery/distribution center. The existing building has existed at the subject property since at least 1963.

Proposed Project

The proposed rezoning would allow for the construction of a proposed eight-story, 88-foot tall, approximately 154,800-square foot, mixed-use building with 100% affordable residential units. The proposed mixed-use development would be built in partnership by the Mission Economic Development Agency (MEDA) and the Tenderloin Neighborhood Development Corporation (TNDC) as a 100% affordable housing project. The proposed building would contain up to 142 affordable dwelling units, one manager's unit, 4,701 sf of space for a childcare center, 1,544 sf of usable open space for the childcare, 9,430 sf of industrial or production/distribution/repair (PDR) space 316 sf of PDR open space, and 11,730 sf of useable open space for the residents. Of the 9,430 sf of industrial/PDR space, 538 sf would be net new square footage; the existing 8,847 sf of industrial/PDR space on the project site would be demolished and replaced as part of the proposed project.

Entitlement Process for Proposed Project

The subject site is anticipated to be developed as a 100% affordable residential project, containing up to 142 affordable dwelling units and one manager's unit. Supervisor Ronen introduced the proposed rezoning so that the project sponsors (MEDA and TNDC) can move forward with their proposed 100% affordable housing mixed-use project.

In order for the proposed project to move forward, the Planning Commission must review and approve the proposed Legislative Amendment for a zoning change and height re-classification. If this proposed ordinance is approved, the applicants can move forward with an Affordable Housing Authorization application for the mixed-use project, with housing as the primary/principal use. Pursuant to Planning Code Section 315, a project with 100% affordable housing as the principal use may be approved administratively by the Planning Department. Because this project meets this threshold under Section 315 of the Planning Code, and no other proposed uses require Conditional Use Authorization before the Planning Commission, no other project approvals will be before this Commission for this proposal at 1990 Folsom Street.

Eastern Neighborhoods Rezoning

The Eastern Neighborhoods Final Environmental Impact Report (FEIR) analyzed a range of rezoning options for the project site, one of which considered rezoning the project site from its current PDR-1-G District designation to an UMU District.¹ Specifically, the project site was identified as an affordable housing development opportunity with an adjacent park throughout the Eastern Neighborhoods planning process. As part of the Eastern Neighborhoods rezoning, many properties within the immediate neighborhood of the subject site were rezoned to UMU. Within one block to the west of the project site, most parcels along South Van Ness Avenue are zoned UMU, which span several blocks north to 14th Street.

Housing Affordability

The Mission District, traditionally a working-class neighborhood, has experienced sharp increases in the cost of living and in the cost of housing, resulting in large numbers of displacement and population loss

¹ San Francisco Planning Department, *Eastern Neighborhoods Rezoning and Area Plans Final Environmental Impact Report (FEIR)*, August 7, 2008. Case No. 2004.0160E, Figures C&R-1 C&R-2, and C&R-3.

of those within the low- to moderate-income household population. In many respects, the Mission District has been ground zero for the issues facing the city on gentrification and displacement as the Mission District has become a desirable residential neighborhood for upscale and high-income professionals.² Few 100% affordable projects have been built in this fast changing neighborhood. In a five-year period from 2009 to 2014, approximately 200 units in 100% affordable housing projects had been built in the Mission District. This project would create 142 affordable dwelling units and one manager's unit.

Accordingly, the Department has established the Mission Action Plan (MAP) 2020 to seek solutions to retain low- to moderate-income residents in the Mission District and whose objectives include maintaining the socio-economic diversity of the neighborhood and having more 100% affordable residential projects built.

Furthermore, the proposed project complies with the following policies of the Mission Area Plan:

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 principle use, as well as limited amounts of retail, office, and research development uses, while protecting against the wholesale displacement of PDR uses.

The proposed Ordinance will rezone the project site to Urban Mixed Use and allow for the proposed 100% affordable housing mixed-use building to be developed.

Policy 2.1.2

Provide land and funding for the construction of new housing affordable to very low- and low-income households.

The proposed Ordinance will allow for the construction of a proposed 100% affordable housing project, bringing up to 142 affordable residential units and one manager's unit to the Mission District.

The proposed project is also consistent with the following policies found in the Housing Element of the General Plan:

Policy 1.1

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

Policy 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

² San Francisco Planning Department, *City within a City: Historic Context Statement for San Francisco's Mission Districts*, November 2007. Page 1.

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 site was specifically called out for affordable housing development through the Eastern Neighborhoods planning process. The rezoning and height reclassification for the proposed 100% affordable housing mixed-use project would implement that vision. Additionally, the project site is located in a transit rich neighborhood, with the 16th Street BART station a few blocks away and major Muni bus lines running along 16th Street and Mission Street

IMPLEMENTATION

The Department has determined that this Ordinance will not impact our current implementation procedures.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve, reject, or approve with modifications and present this action to the Board of Supervisors.

RECOMMENDATION

The Department recommends that the Commission approve the proposed Ordinance and adopt the attached Draft Resolution to that effect.

BASIS FOR RECOMMENDATION

The Planning Department supports the proposed rezoning and height reclassification change because it will allow for the construction of a 100% affordable housing project in the Mission District, enhancing the City's supply of affordable housing. The construction of the proposed project will additionally advance the goals of the MAP 2020, whose purpose is to retain low- to moderate-income residents and community-serving businesses, artists, and nonprofits in order to strengthen and preserve the socioeconomic diversity of the Mission neighborhood. The Project will not result in a reduction of PDR space; however, will result in an increase of PDR space at the site. Further, the Department finds that the proposed UMU zoning is appropriate for this site because it is consistent with the existing zoning districts found in the immediate neighborhood.

ENVIRONMENTAL REVIEW

The Project was determined to be statutorily exempt from the California Environmental Quality Act ("CEQA") under California Public Resources Code Section 21094.5 and Section 15183.3 of the CEQA Guidelines, as described in the Certificate of Determination contained in the Planning Department files for this Project.

PUBLIC COMMENT

The rezoning and height reclassification proposal required a 20-day newspaper notification and a 10-day mailed notice. The newspaper notice was published on September 6, 2017 and the mailed notices were sent and postmarked on September 18, 2017. As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

RECOMMENDATION: Approve

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Parcel Map, Sanborn Map, Zoning District Map, Height & Bulk Map, Aerial Photos, Context Photo, and Site Photos
- Exhibit C: Board of Supervisors File No. 170782