



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution-19317 HEARING DATE FEBRUARY 5, 2015

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Date: February 5, 2015
Case: 02014-01503GPA
(Also referenced as: 2014-001503CWP; 2014.1327EM; 2007.1275EM
2014.1327M)
Project: **2014 Housing Element Update**
Adoption Hearing
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Reviewed by: Kearstin Dischinger and Teresa Ojeda

Recommendation: **Adopt the 2014 Housing Element**

ADOPTING THE 2014 HOUSING ELEMENT AND RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE RESCINDING ORDINANCE 97-14 AND AMENDING THE GENERAL PLAN BY ADOPTING THE 2014 HOUSING ELEMENT UPDATE AS THE HOUSING ELEMENT OF THE SAN FRANCISCO GENERAL PLAN, AND ADOPTING ENVIRONMENTAL FINDINGS AND FINDINGS OF CONSISTENCY WITH THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 AND THE GENERAL PLAN.

WHEREAS, section 4.105 of the Charter of the City and County of San Francisco mandates that the Planning Department shall periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan; and,

WHEREAS, the current Housing Element of the San Francisco General Plan is known as the 2009 Housing Element, which was adopted by the Planning Commission in April 2014, and by the Board of Supervisors in June 2014. Under state law, California Government Code section 65588(a), each local government must review its housing element as frequently as appropriate to evaluate the goals, objectives, and policies of the housing element in contributing to the state housing goal; to review the effectiveness of the housing element in attainment of the community's housing goals and objectives; and to review the progress of the jurisdiction in implementing the housing element; and,

WHEREAS, the Planning Department proposes to update the 2009 Housing Element in compliance with state law. These updates are known as "the 2014 Housing Element." The 2014 Housing Element updates the Data and Needs Analysis of the 2009 Housing Element with more current data, and includes all the policies and objectives found in the 2009 Housing Element with some minor changes, adds five new policies, and includes additional implementation measures; and,

WHEREAS, pursuant to Planning Code section 340, the Planning Commission initiated the 2014 Housing Element amendments on January 8, 2015, in Resolution R-19310, which Resolution is incorporated here by reference; and,

WHEREAS, on April 24, 2014, the San Francisco Planning Commission, in Resolution No. 19121, certified the 2004 and 2009 Housing Element Final Environmental Impact Report ("Final EIR") prepared in compliance with the California Environmental Quality Act ("CEQA"), Public Resources Code section 21000 et seq. In Resolution 19122, the Planning Commission adopted the findings and conclusions required by CEQA regarding alternatives, mitigation measures and significant environmental impacts analyzed in the Final EIR, and adopted a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations as part of its approval of the 2009 Housing Element; and,

WHEREAS, on June 17, 2014, the San Francisco Board of Supervisors adopted the 2009 Housing Element in Ordinance No. 97-14, adopted findings and conclusions required by CEQA regarding alternatives, mitigation measures and significant environmental effects analyzed in the Final EIR, and adopted a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations; and,

WHEREAS, on January 22, 2015, in response to the proposed 2014 Housing Element, which as noted above, amends the 2009 Housing Element, the San Francisco Planning Department prepared an Addendum to the 2004 and 2009 Housing Element Final EIR certified by the Planning Commission on April 24, 2014, under CEQA Guidelines section 15164 ("the Addendum"); and,

WHEREAS, based upon this Commission's review of the Final EIR, and the Addendum to the Final EIR dated January 22, 2015, the Commission finds that the analysis conducted, and the conclusions reached, in the Final EIR remain valid and the 2014 Housing Element proposed herein will not cause new significant impacts not identified in the Final EIR, and no new mitigation measures will be necessary to reduce significant impacts; further, other than described in the Addendum, no project changes have occurred, and no changes have occurred with respect to circumstances surrounding the project that will cause significant environmental impacts to which the 2014 Housing Element will contribute considerably; and no new information has become available that shows that the 2014 Housing Element will cause significant environmental impacts not previously discussed in the Final EIR, that substantial impacts will be substantially more severe than shown in the Final EIR, or that mitigation measures or alternatives previously found infeasible are feasible, or that new mitigation measures or alternatives considerably different from those in the Final EIR would substantially reduce significant impacts. Therefore, no supplemental environmental review is required under CEQA beyond the Addendum; and,

WHEREAS, the policies and objectives in the 2014 Housing Element Update build off the strong and extensive community outreach that occurred for the 2009 Housing Element, which was first adopted in 2011 and re-adopted in 2014. The 2009 Housing element included a two-year outreach effort, a Community Advisory Body (CAB) and over 30 Community Workshops.

Staff met with key stakeholders in 2013, who confirmed that the policy framework established in the 2009 Housing Element continues to serve the City's vision for housing needs. Additionally, Mayor Lee established the Mayor's Housing Working Group in 2014 to address the Mayor's Executive Directive- *Accelerate Housing Production and Protect Existing Housing Stock*. The working group resulted in a set of recommendations which are supported by the 2014 Housing Element, including process improvements and resources for more affordable housing.

WHEREAS, the 2014 Housing Element is consistent with the Priority Policies of Planning Code Section 101.1(b). Planning Code Section 101.1(b) establishes eight priority policies and is the basis by which differences between competing policies in the General Plan are resolved. The project is consistent with the eight priority policies, in that:

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

The 2014 Housing Element update continues policies that call for building and enhancing the existing neighborhood serving retail uses, including building housing near neighborhood commercial districts and encouraging neighborhood commercial services adequate to serve residents. A central goal of the Housing Element is to plan for housing to support our existing and future workforce and projected population.

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

The 2014 Housing Element Update continues objectives and policies that support existing housing and neighborhood character, and aim to preserve the cultural and economic diversity of San Francisco's neighborhoods. There are two objectives and ten policies that address preserving the existing housing stock, including Objective 2 "Retain existing housing units and promote safety and maintenance standards, without jeopardizing affordability," and Policy 2.4 "Promote improvements and continued maintenance to existing units to ensure long term habitation and safety;" and Objective 3, "Protect the affordability of the existing housing stock, especially rental units" and Policy 3.5 "Retain permanently affordable residential hotels and single room occupancy units"; there is also a separate objective, objective 11 "Support and respect the diverse and distinct character of San Francisco's neighborhoods," and nine supporting policies that address neighborhood character.

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

A central goal of the 2014 Housing Element Update, is to preserve and enhance the City's affordable housing supply. The 2014 Housing Element Update includes policies addressing the affordable housing supply, particularly Objective 3, 7 and 8 Objective 3 "Protect the affordability of housing stock, especially rental units;" Objective 7 "Secure funding and resources for permanently affordable housing, including innovative programs that are not solely reliant on traditional mechanisms or capital;" and Objective 8 "Build public and private sector capacity to support, facilitate, provide and maintain affordable housing," directly address affordable housing. Several objectives and policies, including Objective 10 "Ensure a

streamlines, yet thorough, and transparent decision-making process," are intended to reduce the overall costs of housing construction, which results in greater affordability.

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

The land use patterns and growth projections supported by the 2014 Housing Element Update are the basis of current short- and long-term transportation planning for the City and County of San Francisco. Ultimately, a continuation of the dense urban fabric in places with greater transit options like San Francisco will allow the regions' projected population to work closer to their jobs, resulting in reduced commuter traffic, and reduced regional transportation burdens and costs, including pollution, congestion, and increased infrastructure demands.

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 2014 Housing Element Update would not adversely affect the industrial or service sectors or impede future opportunities for resident employment and ownership in the industrial or service sectors.

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

The 2014 Housing Element Update includes policies and implementation measures that encourage seismic sustainability of existing and new housing units, including Policy 2.5 "Encourage and support the seismic retrofitting of the existing housing stock."

7. That landmarks and historic buildings be preserved.

The 2014 Housing Element Update would not have a negative effect on the preservation of landmarks and historic buildings. The Housing Element includes policies that recognize landmarks and historic buildings should be preserved, such as Policy 11.7 "Respect San Francisco's historic fabric by preserving landmark buildings and ensuring consistency with historic districts."

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

The 2014 Housing Element Update will not have an impact on open space and related sunlight issues. Individual buildings reviewed according to procedures described in Planning Code Section 295 are evaluated to identify the impacts of projects and buildings. Project permits cannot be approved if the impacts are found to be significant.

In addition, the 2014 Housing Element was developed in coordination with existing General Plan policies. Analysis of applicable General Plan Objectives and Policies has determined that

the proposed action is, on balance, consistent with the General Plan. Below are specific policies and objectives that support the proposed actions.

COMMERCE AND INDUSTRY ELEMENT

- 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.
- POLICY 6.3:** Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.
- POLICY 6.4:** Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.
- POLICY 6.6:** Adopt specific zoning districts, which conform to a generalized neighborhood commercial land use and density plan.

The 2014 Housing Element is consistent with these policies in the Commerce and Industry Element in that it encourages housing in mixed-use developments, and served by neighborhood commercial districts. Neighborhood serving goods and services requires that there be a ready supply of customers in nearby housing. The 2014 Housing Element continues to utilize zoning districts, which conforms to a generalized residential land use and density plan in the General Plan.

RECREATION AND OPEN SPACE ELEMENT

- OBJECTIVE 2:** INCREASE RECREATION AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BAY REGION
- POLICY 2.11:** Assure that privately developed residential open spaces are usable, beautiful, and environmentally sustainable.

The 2014 Housing Element is consistent with this objective and policy because it encourages an equitable distribution of growth according to infrastructure, which includes public open space and parks; and by requiring that development of new housing consider the proximity of quality of life elements such as open space.

TRANSPORTATION ELEMENT

- OBJECTIVE 2** USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.
- 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 3:** ASSURE THAT NEIGHBORHOOD RESIDENTS HAVE ACCESS TO NEEDED SERVICES AND A FOCUS FOR NEIGHBORHOOD ACTIVITIES.

The 2014 Housing Element is consistent with these policies because it supports sustainable land use patterns that integrate housing with transportation in order to increase transit mode share; ensuring that new housing is sustainably supported by the City's public infrastructure system, including transit; by supporting "smart" regional growth that locates new housing close to jobs and transit; and by promoting sustainable land use patterns that integrate housing with transportation to increase transit mode, pedestrian and bicycle mode share.

BALBOA PARK AREA PLAN

OBJECTIVE 4.2: STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT BY PROVIDING AN APPROPRIATE MIX OF HOUSING.

OBJECTIVE 4.3: ESTABLISH AN ACTIVE, MIXED-USE NEIGHBORHOOD AROUND THE TRANSIT STATION THAT EMPHASIZES THE DEVELOPMENT OF HOUSING.

OBJECTIVE 4.4: CONSIDER HOUSING AS A PRIMARY COMPONENT TO ANY DEVELOPMENT ON THE RESERVOIR.

OBJECTIVE 4.5: PROVIDE INCREASED HOUSING OPPORTUNITIES AFFORDABLE TO A MIX OF HOUSEHOLDS AT VARYING INCOME LEVELS.

OBJECTIVE 4.6: ENHANCE AND PRESERVE THE EXISTING HOUSING STOCK

The 2014 Housing Element is consistent with and promotes the objectives of the Balboa Park Area Plan listed above in that it supports the provision of new housing, particularly affordable housing, and promotes the retention of exiting housing units.

BAYVIEW AREA PLAN

OBJECTIVE 5: PRESERVE AND ENHANCE EXISTING RESIDENTIAL NEIGHBORHOODS.

OBJECTIVE 6: ENCOURAGE THE CONSTRUCTION OF NEW AFFORDABLE AND MARKET RATE HOUSING AT LOCATIONS AND DENSITY LEVELS THAT ENHANCE THE OVERALL RESIDENTIAL QUALITY OF BAYVIEW HUNTERS POINT.

The 2014 Housing Element is consistent with and promotes the objectives of the Bayview Area Plan listed above in that it supports the provision of new housing, particularly affordable housing, and promotes the retention of exiting housing units.

CENTRAL WATERFRONT AREA PLAN

OBJECTIVE 1.1: ENCOURAGE THE TRANSITION OF PORTIONS OF THE CENTRAL WATERFRONT TO A MORE MIXED-USE CHARACTER, WHILE PROTECTING THE NEIGHBORHOOD'S CORE OF PDR USES AS WELL AS THE HISTORIC DOGPATCH NEIGHBORHOOD

OBJECTIVE 1.2: IN AREAS OF THE CENTRAL WATERFRONT WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

OBJECTIVE 2.1: ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE CENTRAL WATERFRONT IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

The 2014 Housing Element is consistent with the Central Waterfront Area Plan because it supports new housing, particularly affordable housing and mixed use developments, while encouraging housing close to transit and other amenities and neighborhood services, and ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

CHINATOWN AREA PLAN

OBJECTIVE 3: STABILIZE AND WHERE POSSIBLE INCREASE THE SUPPLY OF HOUSING

OBJECTIVE 4: PRESERVE THE URBAN ROLE OF CHINATOWN AS A RESIDENTIAL NEIGHBORHOOD.

The 2014 Housing Element is consistent with the Chinatown Area Plan because it encourages the provision of new housing, and encourages the maintenance and retention of existing housing, while ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

DOWNTOWN PLAN

OBJECTIVE 7: EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

OBJECTIVE 8: PROTECT RESIDENTIAL USES IN AND ADJACENT TO DOWNTOWN FROM ENCROACHMENT BY COMMERCIAL USES.

The 2014 Housing Element is consistent with the Downtown Plan because it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation.

MARKET AND OCTAVIA AREA PLAN

OBJECTIVE 1.1: CREATE A LAND USE PLAN THAT EMBRACES THE MARKET AND OCTAVIA NEIGHBORHOOD'S POTENTIAL AS A MIXED-USE URBAN NEIGHBORHOOD.

OBJECTIVE 1.2 ENCOURAGE URBAN FORM THAT REINFORCES THE PLAN AREA'S UNIQUE PLACE IN THE CITY'S LARGER URBAN FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

OBJECTIVE 2.2 ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.

OBJECTIVE 2.3 PRESERVE AND ENHANCE EXISTING SOUND HOUSING STOCK.

The 2014 Housing Element is consistent with the Market and Octavia Area Plan because it promotes mixed-use developments, ensures that growth is accommodated without substantially and adversely impacting existing neighborhood character, and promotes the retention and maintenance of existing sound housing stock.

MISSION AREA PLAN

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 2014 Housing Element promotes the Mission Area Plan because it encourages new housing be affordable to people with a wide range of incomes.

RINCON HILL AREA PLAN

OBJECTIVE 1.1 ENCOURAGE THE DEVELOPMENT OF A UNIQUE DYNAMIC, MIXED-USE RESIDENTIAL NEIGHBORHOOD CLOSE TO DOWNTOWN, WHICH WILL CONTRIBUTE SIGNIFICANTLY TO THE CITY'S HOUSING SUPPLY.

OBJECTIVE 1.2 MAXIMIZE HOUSING IN RINCON HILL TO CAPITALIZE ON RINCON HILL'S CENTRAL LOCATION ADJACENT TO DOWNTOWN EMPLOYMENT AND TRANSIT SERVICE, WHILE STILL RETAINING THE DISTRICT'S LIVABILITY.

The 2014 Housing Element is consistent with the Rincon Hill Area Plan because it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation. Rincon Hill has existing infrastructure and contains numerous public transportation options including MUNI, Bart and Caltrain.

SHOWPLACE/POTRERO HILL AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE / POTRERO 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 2.4 LOWER THE COST OF THE PRODUCTION OF HOUSING

The 2014 Housing Element is consistent with the Showplace/Potrero Hill Area Plan because it promotes the development of housing that is affordable to people of all incomes.

SOMA AREA PLAN

OBJECTIVE 2 PRESERVE EXISTING HOUSING.

OBJECTIVE 3 ENCOURAGE THE DEVELOPMENT OF NEW HOUSING, PARTICULARLY AFFORDABLE HOUSING.

The 2014 Housing Element is consistent with the SOMA Area Plan in that it promotes the development of housing that is affordable to people of all incomes and supports the conservation and improvement of the existing housing stock.

WHEREAS, on February 5, 2015 the Planning Commission held a duly noticed public hearing on the proposed amendment to the General Plan, and considered the written and oral testimony of Planning Department staff, representatives of other City Departments and members of the public concerning the proposed adoption of the 2014 Housing Element; and,

WHEREAS, the Commission directs that all changes outlined in the errata sheet included in the February 5th Case packet for this case (Errata 1) and the Errata Sheet 2 circulated to the Planning Commission at the February 5th hearing be incorporated into the 2014 Housing Element Update; and,

NOW, THEREFORE BE IT RESOLVED, the Commission has reviewed and considered the Final EIR, together with the Addendum, and any additional environmental documentation in the Planning Department's files, and adopts the CEQA Findings set forth in Resolution 19122 and amends them to incorporate the minor modifications to the Housing Element set forth in the Addendum; and,

BE IT FURTHER RESOLVED, that the Commission for the reasons set forth herein, finds that the proposed 2014 Housing Element is, on balance, consistent with the General Plan and the priority policies of Planning Code Section 101.1; and

BE IT FURTHER RESOLVED, That pursuant to Planning Code Section 340, the Planning Commission hereby does find that the public necessity, convenience and general welfare require the approval of the attached ordinance, approved as to form by the City Attorney, and directs staff to make corresponding updates to the Land Use Index of the General Plan; and,

BE IT FURTHER RESOLVED, that pursuant to Planning Code section 340, the Planning Commission does hereby adopt the 2014 Housing Element as the Housing Element of the San Francisco General Plan, and recommends that the Board of Supervisors adopt the attached ordinance.

I hereby certify that the foregoing Resolution was ADOPTED by the Planning Commission on

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Jonas Ionia

Commission Secretary

AYES: Fong, Wu, Moore, Richards, Antonini, Johnson, Hillis

NOES:

ABSENT:

ADOPTED: February 5, 2015

