




# GENERAL PLAN REFERRAL

November 14, 2024

**Case No.:** 2024-010396GPR  
**Address:** 2530 18th Street  
**Block/Lot Nos.:** 4014/002A  
**Project Sponsor:** Mayor's Office of Housing & Community Development  
**Applicant:** Anne Romero – (628) 652-5834  
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**Recommended By:**   
Joshua Switzky, Deputy Director of Citywide Policy for  
Rich Hillis, Director of Planning

**Finding:** The project, on balance, is **in conformity** with the General Plan.

## Project Description

The project would construct an eight (8) story mixed-use social services and multi-family residential building with approximately seventy-three (73) affordable apartments including approximately thirty-five (35) one-bedroom units, approximately thirty-two (32) two-bedroom units, and approximately six (6) three-bedroom units. Each apartment would include a full kitchen and bathroom. The building would also include a staff apartment, resident support and management areas, offices, and a community room to be occupied by the Homeless Prenatal Program (HPP).

Competitively selected for funding under the 2022 Homeless Families Notice of Funding Availability (NOFA) issued jointly by the Department of Homelessness and Supportive Housing (HSH) and the Mayor's Office of Housing and Community Development (MOHCD), 2530 18th Street (Site) initially was conceived as a new construction 74-unit affordable housing development with 50% of the units set aside for families who have experienced homelessness (Project). The Site is currently owned by 2530 18th, LLC, an affiliate of Homeless

Prenatal Program (HPP), which has partnered on the development with Mercy Housing California (and HPP together, Sponsors). The Project received a \$16 million preliminary gap commitment from MOHCD on June 24, 2022.

On August 25th, 2023, the MOHCD Loan Committee approved 1) a loan of \$4,946,900 to Mercy Housing California 104, L.P., for predevelopment expenses through construction close, and 2) a loan in the amount of \$4,900,000 to 2530 18th, LLC to repay an acquisition loan from First Republic Bank (FRB). Upon construction start, the land will transfer to MOHCD, and the \$6,900,000 MOHCD Acquisition Loan will be considered paid in kind, up to the appraised value.

HPP has requested \$2M in City funding through the MOHCD to repay a \$2M acquisition loan provided by CommonSpirit to lower holding costs while the Project furthers design and obtains financing, bringing the total City financing of the Project to \$11,846,900. This request is going to the Citywide Affordable Housing Loan Committee on November 15, 2024, and if approved, will be presented to the Board of Supervisors for approval in December 2024.

## Environmental Review

On March 23, 2022, the planning department determined that the project is eligible for approval under Senate Bill 35 (California Government Code Section 65913.4) in conjunction with the State Density Bonus Law (California Government Code Section 65915). Therefore, the project is considered ministerial and is not subject to CEQA.

## General Plan Compliance and Basis for Recommendation

As described below, the Project is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with the General Plan.

Note: General Plan Objectives are shown in **BOLD UPPER CASE** font; Policies are in **Bold** font; staff comments are in *italic* font.

### 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**

##### POLICY 2.1.2

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

#### 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 2.3.3**

**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.**

*The Project's housing units would be affordable to extremely low-, low-, and moderate-income households. Approximately half of the housing units would be 2- and 3-bedroom units suitable for families. The Project site is adjacent to the Potrero Avenue transit corridor.*

**HOUSING ELEMENT**

**OBJECTIVE 1.C**

**ELIMINATE HOMELESSNESS.**

**OBJECTIVE 4.A**

**SUBSTANTIALLY EXPAND THE AMOUNT OF PERMANENTLY AFFORDABLE HOUSING FOR EXTREMELY LOW- TO MODERATE-INCOME HOUSEHOLDS.**

**OBJECTIVE 4.C**

**DIVERSIFY HOUSING TYPES FOR ALL CULTURES, FAMILY STRUCTURES, AND ABILITIES.**

**Policy 8**

**Expand permanently supportive housing and services for individuals and families experiencing homelessness as a primary part of a comprehensive strategy to eliminate homelessness.**

**Policy 22**

**Create dedicated and consistent local funding sources and advocate for regional, State, and Federal funding to support building permanently affordable housing for very low-, low-, and moderate-income households that meets the Regional Housing Needs Allocation targets.**

**Policy 33**

**Prevent the outmigration of families with children and support the needs of families to grow.**

*Approximately half of the housing units included in the Project would be reserved for households who have experienced homelessness. The Project's housing units would be affordable to extremely low-, low-, and moderate-income households, to help meet the City's Regional Housing Needs Allocation targets, and approximately half of the housing units would be 2- and 3-bedroom units suitable for families with children and growing families.*

**Planning Code Section 101 Findings**

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The Project is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

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 Project would have no effect on existing neighborhood-serving retail uses and opportunities for resident employment in and ownership of such businesses.*

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

*The Project would have no effect on existing housing. It would protect neighborhood character by allowing households who may otherwise be displaced from the City due to lack of affordable housing to reside in the neighborhood.*

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

*The Project would enhance the City’s supply of affordable housing.*

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

*The Project would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking in San Francisco County.*

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 Project would have no effect on the City’s industrial or service sectors or on future opportunities for resident employment or ownership in these sectors.*

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

*The Project would be built to all applicable seismic standards.*

7. That the landmarks and historic buildings be preserved;

*The Project would have no 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 Project would have no effect on the City's parks and open space and their access to sunlight and vistas.*

**Finding:** The project, on balance, is **in conformity** with the General Plan.