



GENERAL PLAN REFERRAL

January 13, 2021

Case No.: 2017-000275GPR
Address: 921 Howard Street
Block/Lot No.: 3732/100
Project Sponsor: 5H GP LLC
Applicant: Jonathan Gagan – (415) 701-5517
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Mayor’s Office of Housing and Community Development
1 South Van Ness
San Francisco, CA 94103
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Recommended By: 
Rich Hillis, Director of Planning

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

Project Description

The 20,795 square foot (0.48-acre) project site is located just west of the intersection of Fifth and Howard Streets in the South of Market (SoMa) neighborhood. The project site currently contains a two 2-story commercial building and a parking lot.

The proposed project involves the demolition of the existing building and associated parking lot, and construction of an eighteen story, 235,680 square foot building containing 203 dwelling units and 1,970 of ground floor commercial space. The project will also provide three off-street parking spaces and 254 bicycle parking space. There will also be a third-floor podium terrace that will provide open space for the building’s residents. The units are 100 percent affordable ranging from 67% - 105% AMI.

MOHCD, on behalf of site’s owner, is submitting this General Plan Referral request for the following reasons:

1) The City and County of San Francisco will acquire the site from the current owner, 5H GP LLC, an affiliate of the Tenderloin Neighborhood Development Corporation (TNDC). At construction loan closing, the City and County of San Francisco will enter into a ground lease with 5th and Howard Associates, LP, another affiliate of TNDC.

2) The City and County of San Francisco will provide up to \$35 million to fund construction and development costs. Of this \$35 million, \$25 million will be made up of 2019 GO Bond funds.

Environmental Review

Project was approved under California Senate Bill 35; it is therefore considered a ministerial approval and is not subject to CEQA.

General Plan Compliance and Basis for Recommendation

As described below, the proposed acquisition, ground lease, and provision of financing for an affordable housing project is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with the Objectives and Policies of 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.

HOUSING ELEMENT

OBJECTIVE 1

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

Policy 1.3

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

The proposed property acquisition, ground lease and provision of financing would allow for the construction of 203 permanently affordable housing units at an ideal site that was recently up-zoned to allow greater amounts of 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 subject site is within the South of Market neighborhood and immediately adjacent to Downtown, where daily trips can easily be accommodated by walking bicycling and transit.

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.**Policy 4.7****Encourage an equitable distribution of growth according to infrastructure and site capacity.**

The subject site was recently rezoned to enable greater capacity for housing development and within a Plan Area that emphasizes the need for affordable housing.

OBJECTIVE 8**BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.****Policy 8.1****Support the production and management of permanently affordable housing.**

The proposed property acquisition, land lease, and provision of financing will allow for the production of a permanently affordable housing project.

CENTRAL SOMA PLAN**OBJECTIVE 2.3****ENSURE THAT AT LEAST 33 PERCENT OF NEW HOUSING IS AFFORDABLE TO VERY LOW, LOW, AND MODERATE-INCOME HOUSEHOLDS.****Policy 2.3.3****Ensure that affordable housing generated by the Central SoMa Plan stays in the neighborhood.**

Whether or not the subject is taking advantage of affordable housing funds raised in SoMa through impact fees or other means, the construction of 203 affordable unit in Central SoMa will help reach the overall goal of producing affordable units equal to at least 33 percent of all new housing units.

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;

Currently, the site contains a parking lot and commercial businesses. The current occupants will relocate prior to construction. The new project will include a commercial space, and the project sponsor anticipates renting the space at low-cost to a community serving retail business or nonprofit. The sponsor has

engaged local stakeholders such as SOMA Pilipinas to ensure the space best serves community needs.

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

No housing exists on the project site. The project will provide 203 new affordable housing units, thus resulting in a significant increase in the neighborhood housing stock. The project will be located in a high-density, mixed-use district and the proposed design conforms with the scale and context of the surrounding neighborhood.

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

This site will be used to develop 203 units of new 100% affordable housing units targeting low- and moderate-income households ranging from 67%-105% AMI. These units will enhance the existing City's affordable housing supply.

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

The project will not include parking, but the project will transform an under-utilized site, located approximately 0.4 of a mile away from the Powell Street BART and Muni metro station. The project will transform the site into a pedestrian-oriented, community facing affordable housing development.

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 project will develop affordable housing, which will increase proximity of local workforce to available jobs, thereby helping with resident employment.

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

The project team is designing the building to meet current seismic and building standards.

7. That the landmarks and historic buildings be preserved;

This policy does not apply because the Project is not a landmark or historic building.

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

This policy does not apply given that the project is not situated next to a park or open space.

Recommendation: Finding the project, on balance, is in conformity with the General Plan