




## GENERAL PLAN REFERRAL

May 15, 2024

**Case No.:** 2024-003749GPR  
**Address:** 1000 Sutter St.  
**Block/Lot No.:** 0279/005  
**Project Sponsor:** Mayor's Office of Housing & Community Development  
**Applicant:** Sophie Rubin, Preservation Project Manager  
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**Recommended By:**   
Joshua Switzky, Deputy Director of Citywide Policy for  
Rich Hillis, Director of Planning

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

Please note that a General Plan Referral is a determination regarding the project's consistency with the Eight Priority Policies of Planning Code Section 101.1 and conformity with the Objectives and Policies of the General Plan. This General Plan Referral is not a permit to commence any work or change occupancy. Permits from appropriate Departments must be secured before work is started or occupancy is changed.

### Project Description

The Project is the provision of construction and permanent financing for the Granada Hotel, to provide approximately 212 units of permanent supportive housing for homeless households and those at risk of homelessness with incomes at or below 50% MOHCD Area Median Income (MOHCD AMI).

The Granada Hotel was acquired in November 2020 with a \$42M Homekey grant from the California Department of Housing and Community Development (HCD). Rehabilitation began in March 2022 and is slated to be completed in late 2024 or early 2025, financed by a loan from the San Francisco Housing Accelerator Fund, which

expires in October of 2024. Rehabilitation includes seismic retrofitting and updating or full replacement of outdated building systems including framing, electrical, heating, and plumbing.

Total development costs for the Granada Hotel purchase and rehabilitation are approximately \$113.5M. The City previously approved funds of approximately \$23M in 2020. Under the Project, the City would assume the Housing Accelerator Fund loan and upsize the City's permanent loan to approximately \$71,125,575.

## Environmental Review

On 9/18/2020, the planning department determined the project to be statutorily exempt under California Assembly Bill 83.

## General Plan Compliance and Basis for Recommendation

As described below, the proposed avigation easement to CCSF 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.A

##### ENSURE HOUSING STABILITY AND HEALTHY HOMES

###### POLICY 2

Preserve affordability of existing subsidized housing, government-owned or cooperative-owned housing, or SRO hotel rooms where the affordability requirements are at risk or soon to expire.

#### OBJECTIVE 4.A

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

###### Policy 3

Acquire and rehabilitate privately-owned housing as permanently affordable to better serve residents and areas vulnerable to displacement with unmet affordable housing needs.

###### Policy 39

Support the repair and rehabilitation of housing to ensure life safety, health, and well-being of residents, especially in Environmental Justice Communities, and to support sustainable building practices.

*The Project would provide permanent funding for approximately 212 affordable SRO housing units which were acquired and rehabilitated within an Environmental Justice Community.*

**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. The property does not include retail spaces.*

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

*Property has been upgraded, preserving the existing building, and the ownership of the SRO by a non-profit and reserved for those who have experienced homelessness preserves economic diversity in the neighborhood. The Project would conserve 212 existing affordable housing units.*

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

*The Project deed restricts 212 SRO units as permanently affordable for those earning less than 50% of area median income (AMI).*

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

*The Project would have no effect on commuter traffic, MUNI transit service, 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 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 include seismic upgrades as a large component of the rehabilitation.*

7. That the landmarks and historic buildings be preserved;

*The Project would preserve the existing building. The property is a Historic Resource located in the Lower Nob Hill Apartment Hotel Historic District. Rehabilitation of the property follows all applicable preservation*

*guidelines.*

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

*The Project would remodel an existing building. The Project would have no effect on the city's parks and open spaces and their access to sunlight and vistas.*

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