

LEGISLATIVE DIGEST

[Planning Code - Waiving Certain Development Impact Fees in the Market and Octavia Area Plan]

Ordinance amending the Planning Code to waive certain development impact fees in the Market and Octavia Area Plan (the Market and Octavia Area Plan and Upper Market Neighborhood Commercial District Affordable Housing Fee, the Van Ness & Market Affordable Housing and Neighborhood Infrastructure Fee, and the Van Ness & Market Community Facilities Fee), and to create a process for previously approved projects to request modification to conditions of approval related to these fees, subject to delegation by the Planning Commission; affirming the Planning Department’s determination under the California Environmental Quality Act; and making public necessity, convenience, and welfare findings under Planning Code, Section 302, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Article 4 of the Planning Code contains development impact fees that the City assesses as part of the development process. Some of those fees apply Citywide, while others apply to specific areas of the City. Three of these area-specific fees apply in the Market and Octavia Area Plan: the Market and Octavia Area Plan and Upper Market Neighborhood Commercial District Affordable Housing Fee, the Van Ness & Market Affordable Housing and Neighborhood Infrastructure Fee, and the Van Ness & Market Community Facilities Fee.

Amendments to Current Law

This Ordinance creates a process for approved development projects in the Market and Octavia Area Plan that have not yet obtained their first construction document to waive the Market and Octavia Area Plan and Upper Market Neighborhood Commercial District Affordable Housing Fee, the Van Ness & Market Affordable Housing and Neighborhood Infrastructure Fee, and the Van Ness & Market Community Facilities Fee. It authorizes the Planning Commission to change the conditions of approval of such projects to reflect the fee waivers, and to delegate to the Planning Director the authority to approve these waivers administratively.

The Ordinance also amends Sections 249.33 and 303.1 of the Planning Code, to make conforming changes.

Background Information

The Ordinance contains ample findings setting forth its intent – primarily, to improve the financial feasibility of development projects in the Plan Area, in order to facilitate housing development, address the housing crisis, and meet the City’s obligations under the Housing Element.

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