

**REVISED LEGISLATIVE DIGEST**  
(1/23/2017, Amended in Committee)

[Planning Code - Transportation Demand Management Program Requirement]

**Ordinance amending the Planning Code to establish a citywide Transportation Demand Management (TDM) Program, to require Development Projects to incorporate design features, incentives, and tools that support sustainable forms of transportation; to create a new administrative fee to process TDM Plan applications and compliance reports; and to make conforming amendments to various sections of the Planning Code; affirming the Planning Department's determination under the California Environmental Quality Act, and making findings of public necessity, convenience, and welfare 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

The Planning Code contains a number of requirements to promote modes of transportation other than the automobile. For example, Section 155.2 requires some projects to provide bicycle parking; Section 155.4 requires non-residential uses over 10,000 square feet to provide shower facilities and locker rooms; and Section 163 requires transportation management programs and brokerage services for large office projects in Commercial and Mixed Use Districts.

Amendments to Current Law

This Ordinance would amend the Planning Code to add a comprehensive Transportation Demand Management (TDM) Program, codified in new Section 169. The Ordinance defines TDM to include "design features, incentives, and tools" implemented by development projects in order to reduce Vehicle Miles Travelled, or VMT, "by helping residents, tenants, employees, and visitors choose sustainable travel options such as transit, bicycle riding, or walking." It defines VMT, in turn, as "a measure of the amount and distance that a Development Project causes people to drive." The Ordinance makes extensive findings explaining the Program's policy goals "to help keep San Francisco moving as it grows, and to promote better environmental, health, and safety outcomes, consistent with [many] state, regional, and local policies," including AB 32, Plan Bay Area, and the City's Transit First policy.

The TDM Program would apply to most development projects in the City, both residential and non-residential. The major exceptions are small projects (less than 10 residential units or less than 10,000 square feet of commercial space), one hundred per cent affordable housing projects, and parking garages. The ordinance would not apply to development projects that have received their approval before the effective date of the ordinance.

The Ordinance provides for gradual, phased-in implementation of the TDM Program:

- Development Projects with a Development Application filed or an Environmental Application deemed complete on or before September 4, 2016 shall be subject to 50% of the applicable target, as defined in the Planning Commission's Standards;
- Development Projects with no Development Application filed or an Environmental Application deemed complete on or before September 4, 2016, but that file a Development Application on or after September 5, 2016, and before January 1, 2018, shall be subject to 75% of such target; and
- Development Projects with a Development Application on or after January 1, 2018 shall be subject to 100% of such target.

Under the Ordinance, a development project must submit a proposed plan to comply with the TDM Program, called a TDM Plan, together with its first application. The proposed TDM Plan is reviewed in conjunction with the rest of the approvals required for the project, and compliance the Plan becomes a condition of approval of the project. The Ordinance includes reporting and monitoring requirements. For instance, development projects subject to the Program must maintain a TDM coordinator; allow City staff access to relevant portions of the property to conduct site visits, and surveys; and submit periodic compliance reports.

The Ordinance delegates to the Planning Commission the authority to prepare the "Planning Commission Standards for the Transportation Demand Management Program, or TDM Program Standards," which "contain the specific requirements necessary for compliance with the TDM Program." The Ordinance provides that the Planning Commission shall prepare the TDM Program standards with the assistance of Planning Department staff and in consultation with staff of the San Francisco Municipal Transportation Agency and the San Francisco County Transportation Authority, and that the Standards shall be updated from time to time, at the Commission's discretion.

The Ordinance establishes general principles to guide the Planning Commission in the preparation of the TDM Program Standards. First, it mandates that the requirements of the TDM Program shall be proportionate to the total amount of VMT that development projects produce, and shall take into account site-specific information, such as density, diversity of land uses, and access to travel options other than the private automobile in the surrounding vicinity. Second, it requires that the TDM Program Standards provide flexibility to development projects to achieve the purposes of the TDM Program in a way that best suits the circumstances of each project, by including a menu of TDM measures from which to choose. Third, the Ordinance requires that each of the TDM measures in the TDM Program Standards shall be assigned a number of points, reflecting its relative effectiveness to reduce VMT. The Ordinance mandates that the Planning Department prepare a report on the implementation of the TDM Program, and any updates to the TDM Program Standards, one year after the effective date of the Program, and every four years afterwards. The Ordinance

mandates that staff present this report to the Planning Commission and the Board of Supervisors, if a Supervisor requests at hearing on the matter.

The Ordinance also sets forth administrative fees to cover the administrative costs of processing TDM Plan review and compliance reports, and amends several other sections of the Planning Code, to make conforming amendments.

### Background Information

This Ordinance is part of the Transportation Sustainability Program, or TSP. The TSP is a policy initiative aimed at accommodating new population growth in San Francisco, while minimizing its impact on the City's transportation system. It is a joint effort of the Mayor's Office, the Planning Department, the San Francisco County Transportation Authority, and the San Francisco Municipal Transportation Agency. The TSP has spanned many years and has involved a robust process of public outreach and discussion. The TSP includes three separate but related policy initiatives: the Transportation Sustainability Fee (TSF); the modernization of San Francisco's environmental review process under the California Environmental Quality Act (CEQA); and the Transportation Demand Management (TDM) Program. The two first components have already been adopted through a separate ordinance (in the case of the TSF) and resolution (in the case of CEQA modernization).

This revised Legislative Digest incorporates amendments that the Land Use Committee made to the Ordinance on November 28, 2016, and on January 23, 2017.

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