

# 3832 18th Street - Appeal By Neighbors

Dear Board of Supervisors,

We are appealing the San Francisco Planning Commission Motion adopted on October 14, 2021 to approve the Conditional Use Authorization and group housing project at 3832 18th Street.

I am the neighbor directly to the east of the proposed project, and I have been living here for approximately 13 years, with my partner and two kids.

Before we lay our arguments, we want to set the record straight, that every neighbor that has supported this appeal recognizes the need for more housing and is supportive of seeing the site developed. **We recognize that the existing 2 story building needs to get bigger, and we are fully behind this.**

However, the currently approved plan is not only outsized for the size and context, but is also not the kind of housing the neighborhood needs. We will discuss these problem areas below and make specific proposals on how to modify the project to address the neighborhood concerns.

There are three problematic areas:

- Project fails to meet Group Housing requirements
- Conditional Use Findings Are Blatantly Erroneous
- Project Discriminates Against Families

## Project fails to meet Group Housing requirements.

The group housing regulations state the following:

Group Housing. A Residential Use that provides lodging or both meals and lodging, without individual cooking facilities, by prearrangement for a week or more at a time, in a space not defined by this Code as a dwelling unit. Such group housing shall include, but not necessarily be limited to, a Residential Hotel, boardinghouse, guesthouse, rooming house, lodging house, residence club, commune, fraternity or sorority house, monastery, nunnery, convent, or ashram

This project is abusing the Planning Code by invoking the 2005 Zoning Administrator's interpretation as the basis to create market rate condos to be sold individually, with no common purpose among the participants.

Additionally, the project here includes “convection microwave ovens”, in addition to a stove-top and a fridge. One has to really squint very hard to pretend this is not a full kitchen.

This project should not be deemed Group Housing, neither by the letter nor by the spirit of the regulations.

We understand that at least some members of the Board agree that this loophole must be changed, which is why an Ordinance has been proposed to amend the Planning Code to eliminate this loophole and require Group Housing projects to meet the original intent of the Planning Code definition.

## Conditional Use Findings Are Blatantly Erroneous.

The Conditional Use Authorization the developer was seeking requires specific findings to be made. As we will show below, a lot of these findings fly in the face of what should be obvious to all.

Commissioner Diamond exclaimed that “I am really struggling to see how we can make the findings that are in the draft motion” and listed some of those. “The extraordinary addition of height makes it very hard to support those findings”.

**7A.** Conditional Use Finding requires that the “**size and intensity**” **need to be compatible with the neighborhood**. The Planning staff findings state that the greater area is predominantly 2, 3 and 4 story buildings (around 40ft) and in the same paragraph somehow finds a 68 ft tall building – 1.5 times the standard, that digs deep in the mid-block, into the protected open space for the neighborhood, are “compatible”.

**7B.** Requires that it is “**not detrimental to the health, safety or convenience of the residing**” in the area. This again, does not stand on its face. The substantial massing would block air flow, would eliminate all natural light from the lower floors of the surrounding buildings, would cast shadows on rooftop solar panels (say, 3824 18th) and would cast shadows on the mid-block open space, affecting the enjoyment of dozens of yards, and the outdoor area for seniors in the 3850 18th St city building.

**8H.** This finding requires that **cultural and economic diversity is preserved**. The press has been calling this type of unit “Tech Dorms”. The developer is unwilling to state the sales prices for the market-rate units, however, based on lower-end comparables which range from \$1,006 to \$1,313 per square foot, it is reasonable to expect that a 400 square foot unit would sell for \$400,000 to \$525,000 if they went on the market today. Given that these will be condos, there will also be HOA fees of hundreds of dollars per month, but again, the developer has refused to provide an estimate. Contrast this with Mission Terrace next door where the rents are in the hundreds. There will also be HOA fees on top of this. Comparable units with fewer amenities

according to our research are even higher (\$500-600k - see Appendix A). The developer calls those “naturally affordable” - a euphemism perhaps for “very profitable”.

Keeping in mind that only 3 of the 19 units are BMR and that even these will be selling for an amount that is affordable to households earning 80 percent of the AMI, which in 2021 was \$74,600 for a single-person household and \$106,550 for a four-person household.

Contrast this with Mission Terrace next door where the rents are in the low hundreds of dollars per month. In that 3 of the 19 units are BMR (about 15% of the project), the idea that this project will serve a low-income population is absurd.

As stated in the proposed Ordinance amending the definition of Group Housing “(g) Group Housing ownership units run the risk of becoming unregulated corporate rentals or second and third homes for San Francisco or non-San Francisco residents, which contravenes the intended social benefits and shared investment needed to ensure a successful Group Housing project.”

Last, we reached out to several banks and asked if they would lend for such a project and have yet to find one.

We don't think this project preserves economic or cultural diversity.

**8L. Project increases the number of family-sized units on-site.** This requirement is as clear and objective as it gets. In response, planning staff stated: “This project increases the number of bedrooms which is desirable for many families”. Their response is absurd. This project removes a unit suitable for families and does not help families in any way.

If you have not read through the CU findings, please take the time to do so. They are disconnected from reality.

## Project Discriminates Against Families

San Francisco has a policy detailed in the General Plan to encourage family housing. Excerpts below:

POLICY 4.1 Promote housing for families with children in new development by locating multi- bedroom units.

POLICY 4.2 Encourage the remodeling of existing housing for families with children.

No family (without kids – and certainly not with kids) can adequately live in such limited space. This project will continue to push families out of this city.

There is no argument available that these tiny single resident housing are healthy for the neighborhood, or required. Our research shows that planning has been approving studios and one bedrooms at an alarming rate.

<b>Unit Types</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
0 or 1 bedroom	1,916	852	620	1275	1329	5992
2 bedrooms	1,439	581	399	380	976	3775
3 or 4 bedrooms	99	44	61	41	90	335

The city has a need for additional housing, but has created incentives that push developers to a single type of housing that is inconsistent with our broader goals.

## Developer Has Refused To Cooperate

The developer has been frustratingly uncooperative from the beginning:

- Failed to address neighbor questions during the pre-application hearing. Promised information would be provided past the hearing. Has not done so to date.
- Misrepresented several of their employees and contractors as “concerned citizens” at the Planning Commission hearings.
- Presented last minute, take-it-or-leave-it offers that could not be shared with the neighbors.
- Mised neighbors in signing their appeal (which did not qualify due to insufficient signatories) by lying about the implications of signing it. They stated that by supporting their appeal, neighbors would be taking a *neutral* stance on this project.
- Has continually dodged the question on the alleged “affordability” of the created units and has sought to walk back their own statements on the estimated sales prices.

## Alternatives Should Be Considered

The developer has previously rejected all of our modification proposals, so we kindly ask the Board of Supervisors to consider them instead.

We are attaching some sketches (Appendix B) that show how the developer could reduce the size of the units, and change the massing of the building. This would maintain the same number of units and the smaller units would be more “naturally affordable” - a characteristic the developer has been touting.

While the proposals above could be the basis for compromise, the neighbors are not thrilled with a building with only zero bedroom units. As such, we are providing an additional proposal which reduces the massing, and the number of units, providing a better mixture of units - some with more bedrooms. We hope the Board of Supervisors will give it consideration.

## Conclusion

We hope we have shown you how this project is unsuitable on a number of levels. The developer has tried to make use of every available loophole in the system to destroy a home that can house a family, and create 19 units to serve single individuals that can afford them.

They will jam a gigantic structure in a small lot, not caring about the consequences for the neighborhood. This project fails to provide any benefits that are consistent with city goals.

We kindly ask that you uphold our appeal, and deny this project, or approve it with modifications to reduce the massing and alter the unit types.



# Actual Size





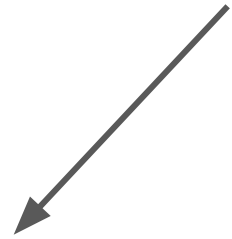
An aerial photograph of a city street intersection. The sky is blue with wispy white clouds. In the foreground, a street curves from the bottom left towards the right. Several cars are visible on the road. In the middle ground, there are several buildings. A prominent one is a colorful, multi-story building with red, white, and grey sections. To its left is a white, multi-story building with a blue facade. Further left, there are more residential-style buildings. In the background, a city skyline is visible under a clear blue sky. A large orange arrow points from the right towards the left, with the text "60 ft" written inside it.

60 ft





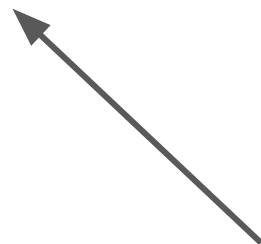
Morning Light



North



Evening Light







Senior Yard



North



# Appendix A

At the October 14, 2021 Planning Commission hearing, Mark Loper (attorney for the developer) said "The project sponsor is an experienced developer has a condo project at 570 jessie street including studio condos and 901 bush street with many under 400 square feet."

([https://sanfrancisco.granicus.com/TranscriptViewer.php?view\\_id=20&clip\\_id=39583](https://sanfrancisco.granicus.com/TranscriptViewer.php?view_id=20&clip_id=39583))

## 570 Jessie Street

A Vanguard project <https://www.570jessie.com/>

<https://www.trulia.com/p/ca/san-francisco/570-jessie-st-san-francisco-ca-94103--2082850435>

**Studio / 1 bath with a Trulia estimate of \$945,600.**

<https://www.redfin.com/CA/San-Francisco/570-Jessie-St-94103/home/110058783>

**One unit sold for \$500K in 2015.**

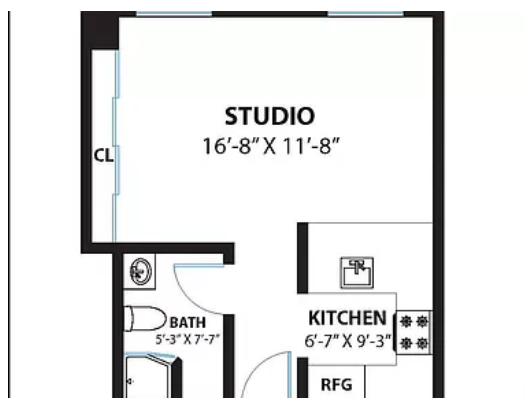
## 901 Bush Street

### CURRENT AVAILABLE LISTINGS: 03/10/2022

RESIDENCE #	LIST PRICE	LIST \$/S.F.	BED/BATH	SQ.FT.	DETAILS
302	\$595,000	-	1/1	0	<a href="#">MORE</a>
406	\$529,500	-	0/1	0	<a href="#">MORE</a>

<https://www.zillow.com/b/901-bush-st-san-francisco-ca-5XsRTf/>

**Studio is under 300 square feet and is for sale for \$529,000**

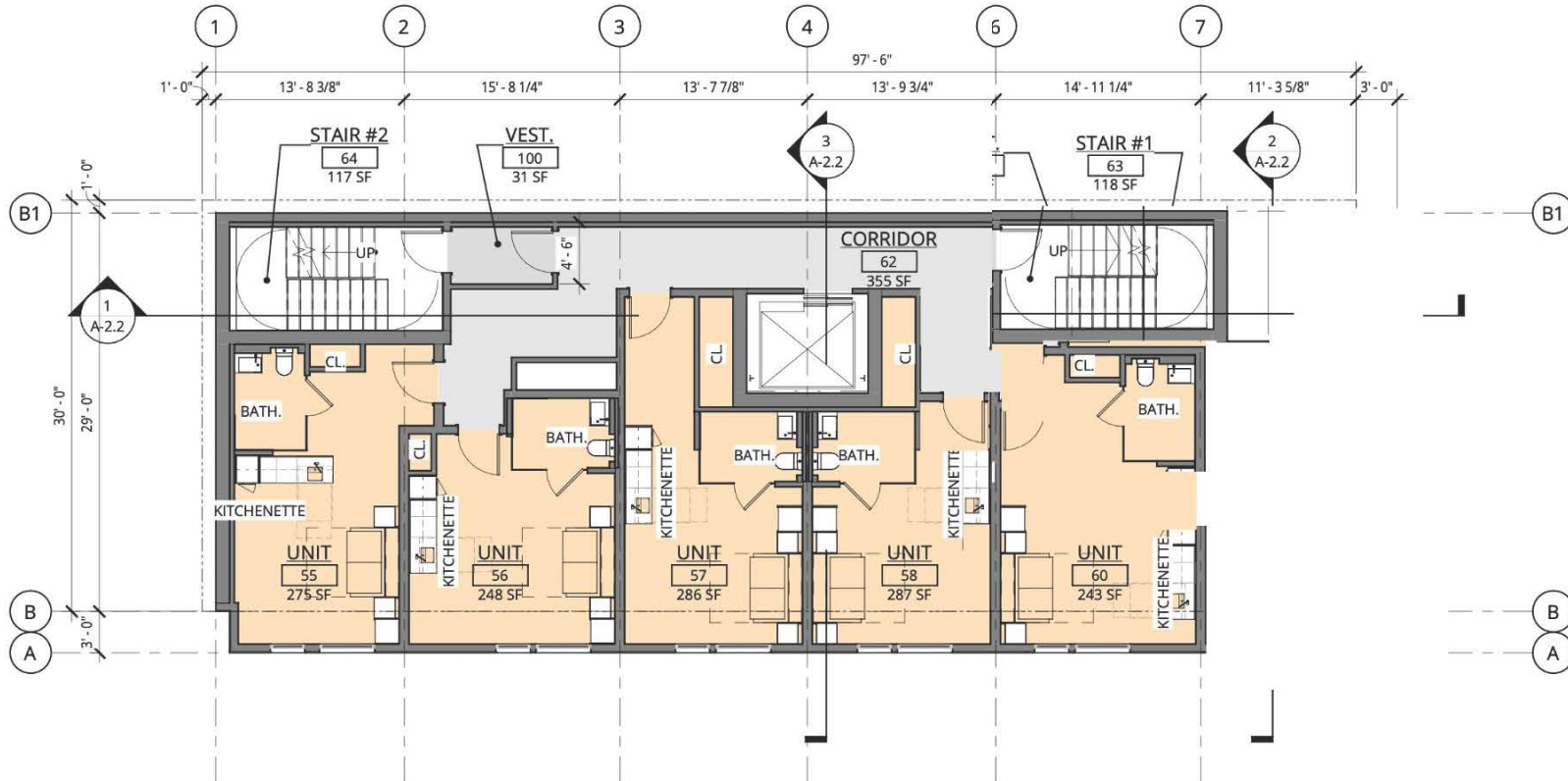


## Appendix B

## Options Based on 841 Polk St layout

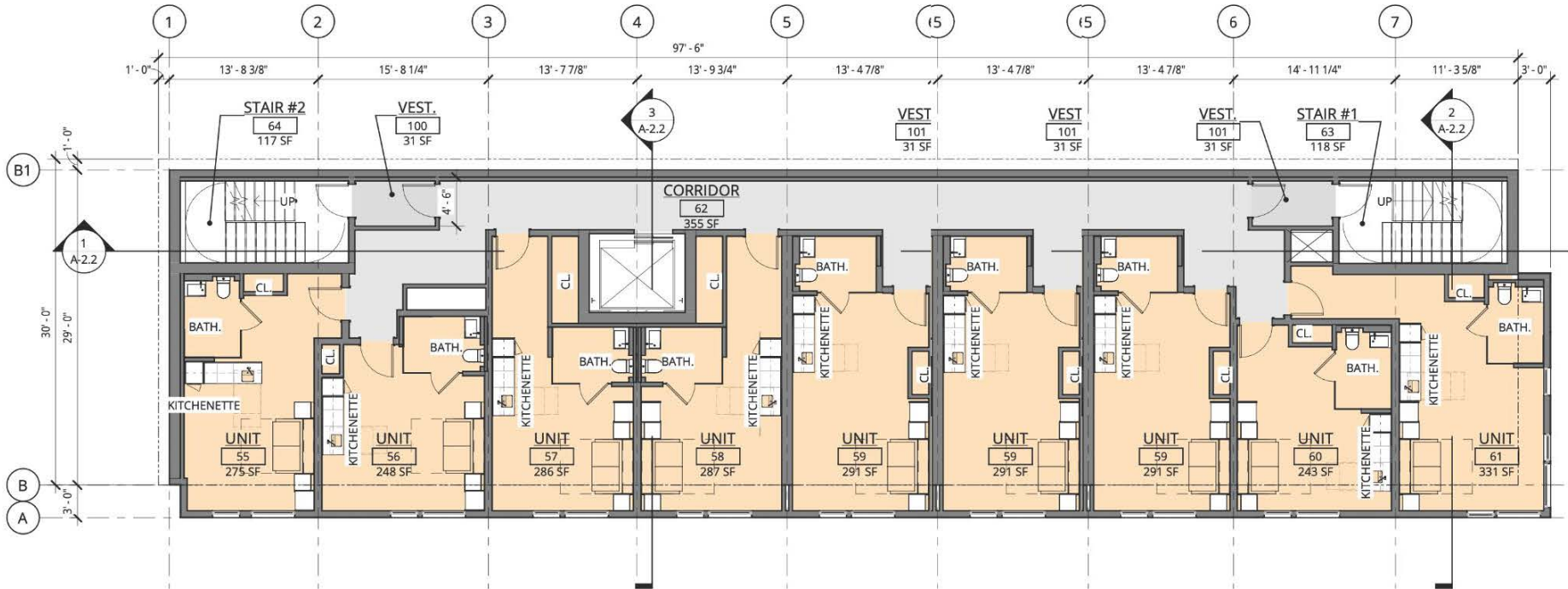
- Smaller units - more “naturally affordable”
  - Various options allow for some bigger units (e.g. BMRs)
  - Can keep 40 ft max height and yard setback
- 
- Next 3 slides show floor plan variations which can be mixed and matched for the options that follow.

# 5 units keeping the rear yard (any floor)

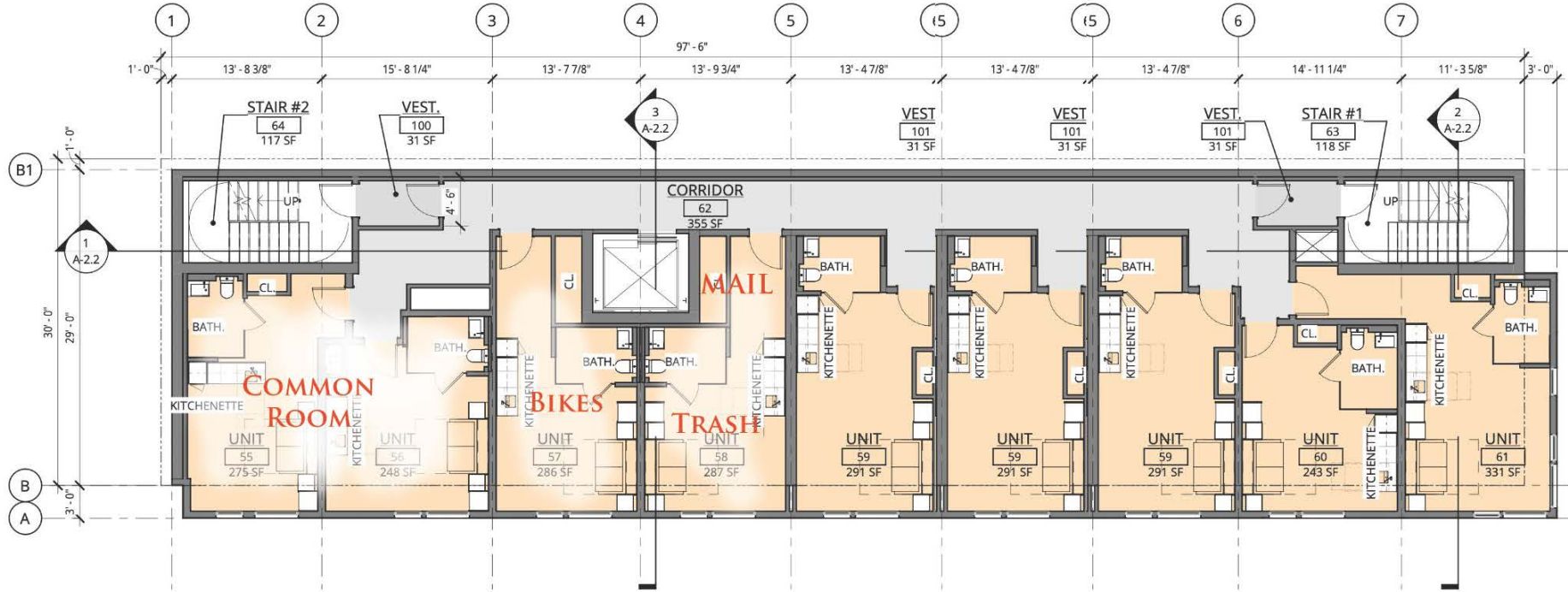




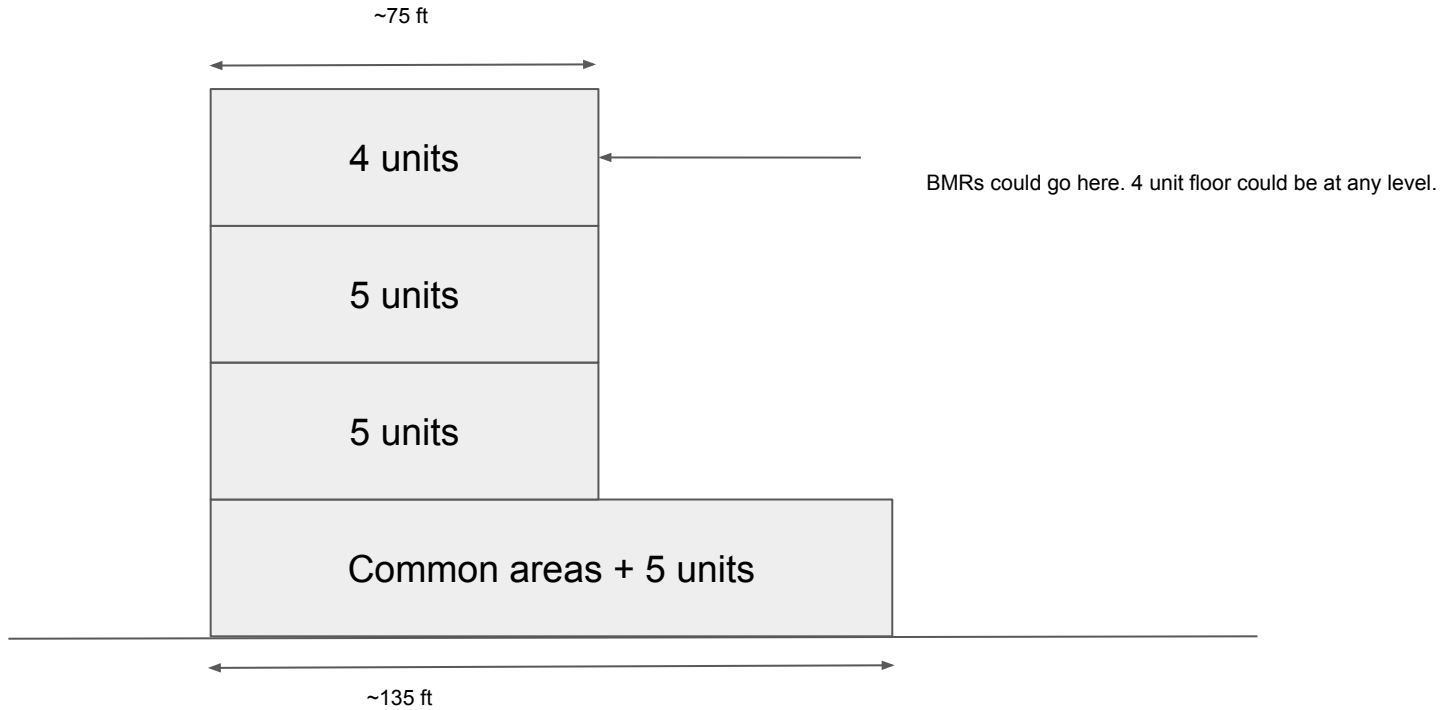
# 9 units - no yard (ground floor only)



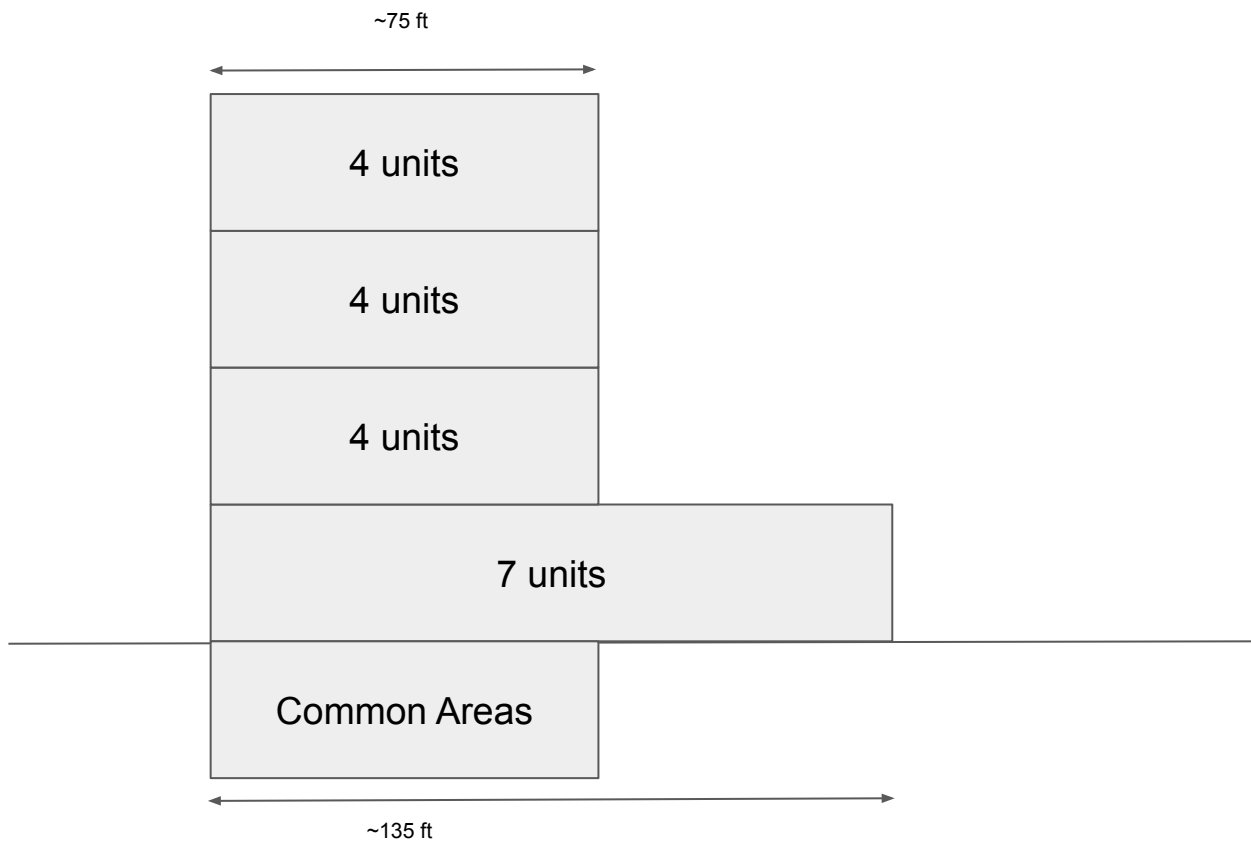
# 5 units, common spaces (ground floor only)



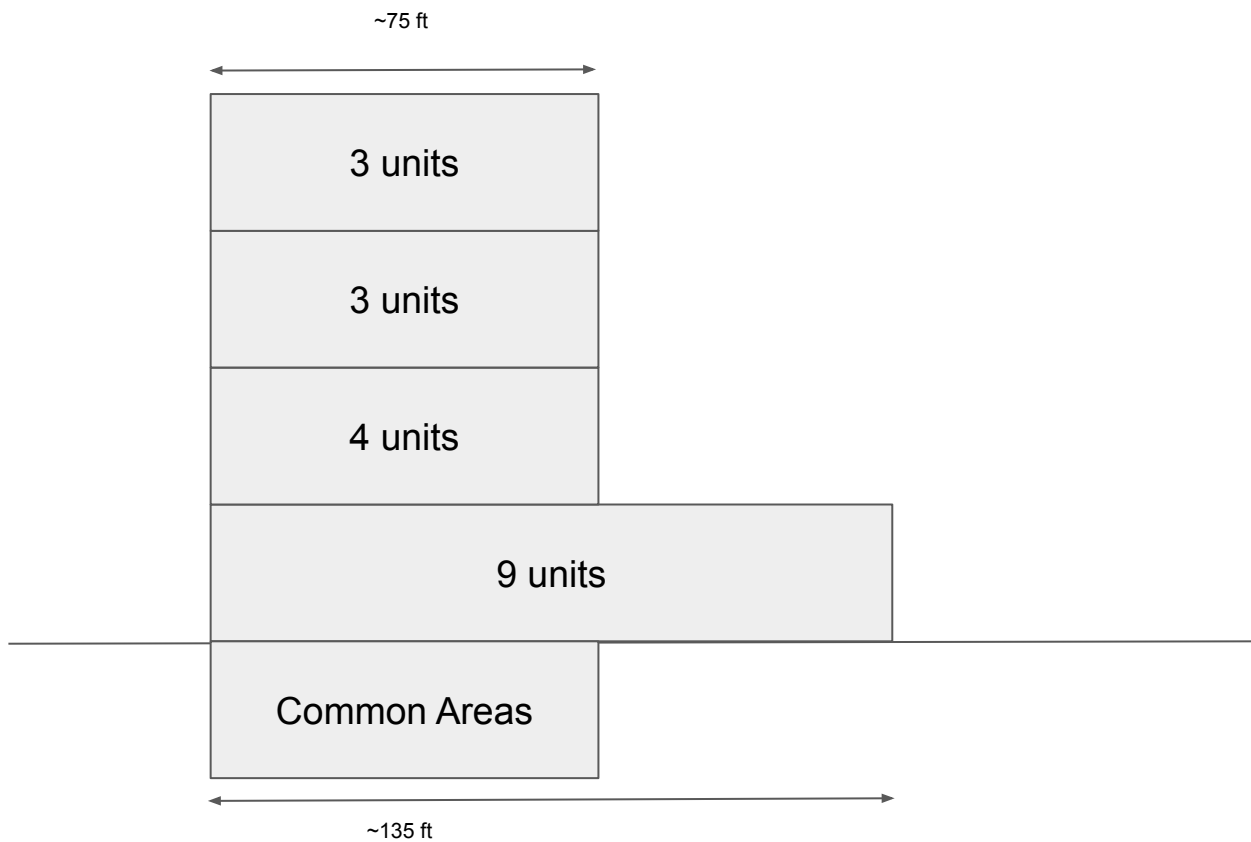
# Option A: 19 units, no basement



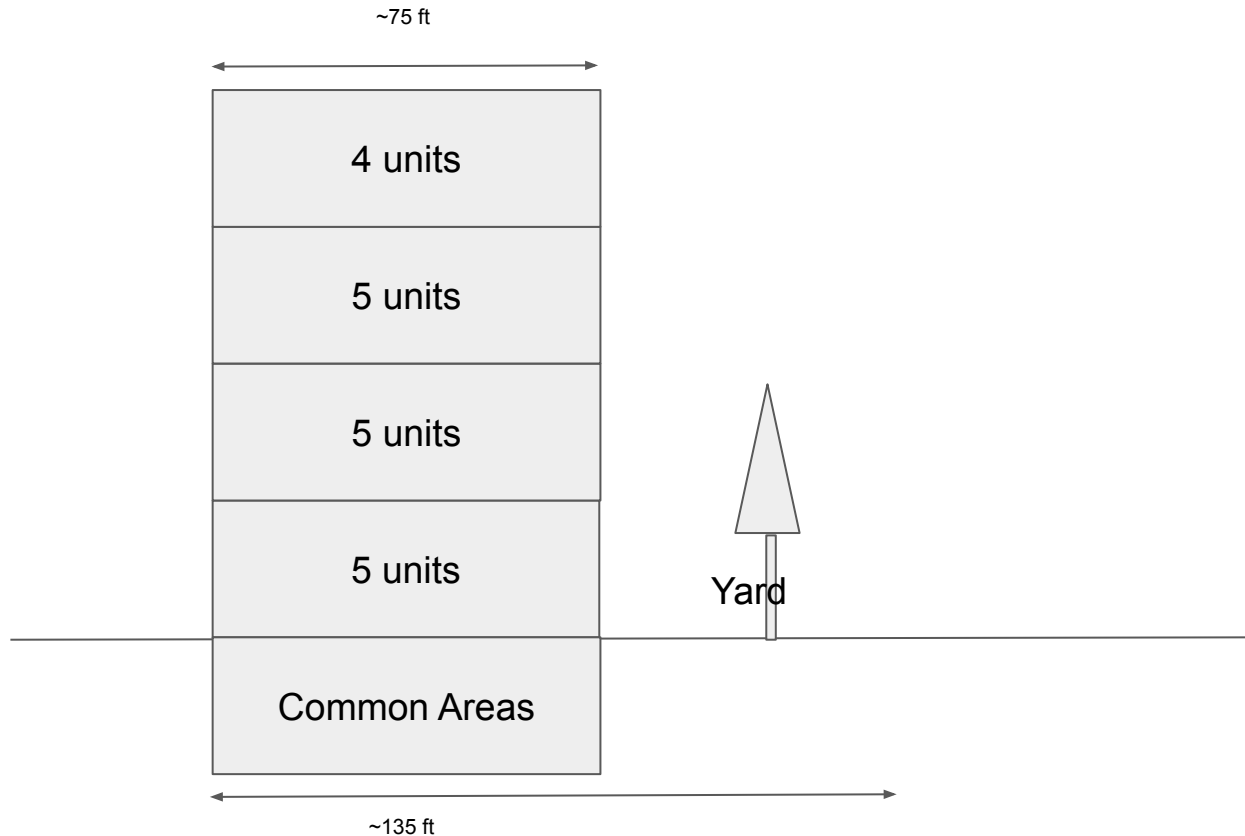
# Option B: 19 units, with basement



# Option C: 19 units, with basement



# Option D: 19 units, with basement & yard





# Option F (Family Friendly): 6 units, with yard

