



SAN FRANCISCO PLANNING DEPARTMENT

General Plan Referral

1650 Mission St.
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San Francisco,
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Date: January 13, 2020
Case No. Case No. 2019-023188GPR
Acquisition of 1939 Market Street

Reception:
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Block/Lot No.: 3501-006 & 3501-007
Project Sponsor: Joyce Slen
Mayor's Office of Housing & Community Development
(MOHCD)
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Planning
Information:
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Recommendation: Finding the proposed acquisition of 1939 Market Street, on balance/in conformity with the General Plan.

Recommended
By: 
John Rahaim, Director of Planning

PROJECT DESCRIPTION

The Project is the City's proposed purchase of a parcel located at 1939 Market Street for permanent affordable housing. The parcel is currently owned by the Sheet Metal Workers' International Association Local Union 104 and leased as an administrative office and training facility. The City and County of San Francisco has signed a Letter of Intent with the current parcel owner to purchase the site. Upon the City's acquisition of the parcel, the Sheet Metal Workers' Union will lease the space from the City for 24 months. It is anticipated that the City will secure approval by the Board of Supervisors for site acquisition in late-February 2020 and close on the acquisition in late-March 2020. The Mayor's Office of Housing and Community Development intends to construct affordable housing on the site. The City will select a developer for the site through a Requests for Qualifications process when funding for development becomes available. The submittal is for a General Plan Referral to recommend whether the Project is in conformity

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with the General Plan, pursuant to Section 4.105 of the Charter, and Section 2A.52 and 2A.53 of the Administrative Code.

ENVIRONMENTAL REVIEW

Real estate transaction only. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

GENERAL PLAN COMPLIANCE AND BASIS FOR RECOMMENDATION

The Project is the City's proposed acquisition of property containing an existing structure with office and commercial space. The proposed acquisition of 1939 Market Street is consistent with the Eight Priority Policies of Planning Code Section 101.1 as described in the body of this letter and is, on balance, in conformity with the following 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 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas. Such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

Comment: The property that is proposed for acquisition and permanent affordable housing sits in the Market Octavia Area Plan boundaries, which encourages infill housing in an area with easy access to transit and services.

POLICY 1.3

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

Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable 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.

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Comment: The permanently affordable housing project to be constructed on this property would be easily accessible to major MUNI and bicycle routes, and would enable households to rely on walking, public transportation and bicycling for most trips.

OBJECTIVE 4, FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

POLICY 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable housing, addressing an unmet housing need in San Francisco.

POLICY 4.5

Ensure that new permanently affordable housing is located in all of the city's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable housing in an existing, diverse, mixed-use neighborhood close to amenities like parks, schools and high-frequency transit.

OBJECTIVE 7, SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

Comment: Once the site is acquired, the affordable housing project constructed on the site will be eligible to take advantage of legislation and zoning that encourages the production of more and affordable housing, including HOME-SF and removal of housing density limits in a Neighborhood Commercial Transit zoning district.

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.

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Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable housing.

OBJECTIVE 13, PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.**POLICY 13.1**

Support “smart” regional growth that locates new housing close to jobs and transit.

Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable housing in a neighborhood close to high-frequency transit and within proximity and access to jobs.

POLICY 13.3

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable housing in a neighborhood close to high-frequency transit, protected bicycle infrastructure, and ground floor commercial corridors that encourage pedestrian activity.

COMMERCE AND INDUSTRY ELEMENT**OBJECTIVE 3, PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.****POLICY 3.1**

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

Comment: The City could explore retaining space for technical training and associated administrative offices on site after the Sheet Metal Worker’s Union’s 24-month lease is up in order to provide opportunities for employment improvement to unskilled and semi-skilled workers.

Market and Octavia Area Plan**OBJECTIVE 2.2, ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.**

Comment: The acquisition of 1939 Market Street would secure this site for permanently affordable housing. Future infill housing on this site would be built close to transit and services.

ACQUISITION OF 1939 MARKET STREET**PROPOSITION M FINDINGS – PLANNING CODE SECTION 101.1**

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:

Eight Priority Policies Findings

The subject project is found to be consistent with the Eight Priority Policies of Planning Code Section 101.1 in that:

The proposed project is found to be consistent with the eight priority policies of Planning Code Section 101.1 in that:

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 existing uses on the site include an administrative office and training facility. The Sheet Metal Workers' Union's will continue to lease the space for 24 months after the City's purchase, preserving the retail and community-serving job-related uses. It is not yet known whether the project MOHCD intends to construct will preserve these uses on the ground floor, which could provide future opportunities for neighborhood-serving retail uses and employment.

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

The Project would have no adverse effect on the City's existing housing stock or on neighborhood character. The construction of a 100% affordable housing project on the site is likely to enhance the cultural and economic diversity of the neighborhood.

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

The acquisition of this site would allow the construction of permanently affordable housing, enhancing the City's supply of affordable housing.

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

The proposed acquisition of the site would not result in commuter traffic impeding MUNI's transit service, overburdening the streets or altering current neighborhood parking.

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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 residential employment and ownership in these sectors be enhanced.

The Project would not adversely affect the City's economic base or future opportunities for employment and/or ownership. The future affordable housing project on the site will increase opportunities for residential employment in our industrial and service sectors by offering permanently affordable housing units for low-income households and families.

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

The Project would not adversely affect achieving the greatest possible preparedness against injury and loss of life in an earthquake. The affordable housing project to be constructed on the site would be required to meet all applicable building code seismic standards.

7. That landmarks and historic buildings be preserved.

This Project would not adversely affect any landmarks or buildings of historic significance. Per the Department's Property Information Map and Database, the building that could be demolished or altered to create affordable housing has a Historic Resource Status of "C", indicating that no historic resource is present.

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

The acquisition of the site would not adversely affect any parks or open space. The affordable housing project to be constructed on the site would undergo review to ensure it doesn't create a negative impact to sunlight and vistas to our parks and open space.

RECOMMENDATION:

Finding the acquisition of 1939 Market Street, on balance, in-conformity with the General Plan