



SAN FRANCISCO PLANNING DEPARTMENT

September 28, 2016

Ms. Angela Calvillo, Clerk
Honorable Mayor Lee
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

**Re: Transmittal of Planning Department Case Number 2016-011082PCA:
Temporary Homeless Shelters in PDR WMUO, and SALI Districts
Board File No. 160960
Planning Commission Recommendation: Approval**

Dear Ms. Calvillo and Mayor Lee,

On September 22, 2016, the Planning Commission conducted duly noticed public hearing at regularly scheduled meetings to consider the proposed Ordinance, introduced by Mayor Lee, that would amend the Planning Code to allow temporary Homeless Shelters in the Production, Distribution, and Repair (PDR), the Western SoMa Mixed Use-Office (WMUO), and the Service/Arts/Light Industrial (SALI) zoning districts subject to Conditional Use authorization. At the hearing the Planning Commission recommended approval.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr", with a long horizontal line extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc:

Christopher T. Tom, Deputy City Attorney
Nichole Elliot, Director, Legislative & Government Affairs, Mayor's Office

Andrea Ausberry, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution

Planning Department Executive Summary



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Planning Code Text Amendment

HEARING DATE: SEPTEMBER 22, 2016

EXPIRATION DATE: DECEMBER 5, 2016

Project Name: Temporary Homeless Shelters in PDR WMUO, and SALI Districts
Case Number: 2016-011082PCA [Board File No. 160960]
Initiated by: Mayor Edwin Lee/ Introduced September 6, 2016
Staff Contact: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362
Reviewed by: AnMarie Rodgers, Senior Policy Advisor
anmarie.rodgers@sfgov.org, 415-558-6395
Recommendation: **Recommend Approval**

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San Francisco,
CA 94103-2479

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PLANNING CODE AMENDMENT

Ordinance amending the Planning Code to allow temporary Homeless Shelters in the Production, Distribution, and Repair (PDR), the Western SoMa Mixed Use-Office (WMUO), and the Service/Arts/Light Industrial (SALI) zoning districts subject to conditional use authorization

The Way It Is Now:

Homeless Shelters, temporary or permanent, are not permitted in PDR, WMUO, and SALI zoning Districts.

The Way It Would Be:

Temporary Homeless Shelters would be permitted in PDR, WMUO, and SALI zoning Districts with Conditional Use Authorization, only if the following conditions are met:

1. The Homeless Shelter would operate for no more than four years, and
2. The Homeless Shelter would be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco.

Construction of a permanent structure or building in these districts to be used as a Homeless Shelter is not permitted. If such a use is to be located within a building or structure, the building or structure must be either preexisting, having been completed and previously occupied by a use other than a Homeless Shelter, or temporary.

BACKGROUND

On June 21, 2016 the Board of Supervisors passed an ordinance (Ordinance No. 117-16) that amended Administrative Code Chapter 106, to require the City to open and operate no fewer than six Navigation Centers by July 31, 2018 (within 24 months of the July 31, 2016 effective date). The ordinance also requires that the City develop plans for the equitable distribution of shelter and housing resources, and identify

sustainable revenue sources for the development of new permanent housing for homeless individuals. This ordinance is intended to help the City meet this requirement.

ISSUES AND CONSIDERATIONS

2014 Homeless Shelter Ordinance

On November 25 2014, Mayor Edwin Lee introduced an ordinance (Ordinance No. 014-15) that amended the Planning Code add a definition of Homeless Shelters and to permit Homeless Shelters anywhere in the City that allowed group housing, either as a principally permitted use or with Conditional Use authorization. It also amended the Administrative Code to require contracts between the City and shelter operators to contain operational standards.

This ordinance came about because of a California state law that requires jurisdictions to allow homeless shelters as of right at least in one zoning district. Prior to this ordinance, the Zoning Administrator had to determine on a case-by-case basis which use category the Homeless Shelter fit into based on the proposed length of stay. These determinations were based on the following criteria:

- a) Shelters offering a long-term stay (more than one month) were considered to be "Group Housing"
- b) Shelters offering a short-term stay (less than a month) were considered to be "Hotel uses"

While Group Housing is allowed as of right in many zoning districts, Hotel uses are only allowed with Conditional Use authorization and only in certain zoning districts. Based on these interpretations, if a proposed Homeless Shelter was considered a Hotel use, the Planning Code did not have any zoning district that would allow the use as of right. This made San Francisco's Homeless Shelter controls out of compliance with the State law.

The law also excluded Homeless Shelters from any zoning district that did not already permit group housing, which includes all PDR Districts, WMUO and SALI. These districts tend to be districts located in the eastern-central and eastern-southern portion of the City (See Map in Exhibit B), and prohibit residential uses, like Group Housing, because of the City's desire to protect and preserve its dwindling stock of industrial spaces.

Homelessness in San Francisco

A significant number of people in San Francisco cannot obtain adequate or appropriate shelter. According to the San Francisco biennial "Point-in-Time" homeless count and survey taken in January 2015, there were 6,686 adults and 853 youth without a place to live, constituting a total of 7,539 homeless people. Between the January 2013 homeless people count and survey and the January 2015 homeless people count and survey, the number of homeless people rose in seven of the 11 San Francisco supervisorial districts. A 10-year trend of comparable Point-in-Time data (excluding the targeted youth count) identified a 7% increase in the number of homeless people in San Francisco between 2005 and 2015.

As San Francisco's homeless population ages, additional health services are needed to address the homeless population's deteriorating health. According to the January 2015 homeless count and survey, 22% of the homeless people were between the ages of 51 and 60, up from 14% in 2013, and 8% were 61 or older, up from 3% in 2013.

The inability to obtain adequate or appropriate shelter threatens the health and safety of homeless people. Homelessness is an independent risk factor for a number of illnesses through its association with

exposure to harsh weather, high stress levels, sleep deprivation, general unsanitary surroundings, lack of access to hygiene facilities, and poor nutrition. For example, sleep deprivation impairs cognitive processes and increases the risk of heart disease, heart attack, heart failure, irregular heartbeat, high blood pressure, stroke, and diabetes.

Navigation Centers

The City has partnered and collaborated with community-based nonprofit organizations serving homeless populations to develop and implement new strategies to shelter and identify housing for difficult-to-serve homeless populations, including residents of encampments, people who have not accessed the traditional shelter system, the long-term homeless population, and Homeward Bound clients. Since 2015, the City has successfully piloted the Navigation Center model, a temporary Homeless Shelter model that minimizes barriers to participation and seeks to connect clients to stable income, public benefits, and permanent housing outside of the Navigation Center. The one existing Navigation Center is located at 1950 Mission Street. This ordinance would facilitate the expansion of the Navigation Center model and the successful transition of difficult-to-serve homeless populations to services and permanent housing.

Production Distribution and Repair (PDR) Districts

PDR activities provide critical support to the drivers of San Francisco's economy, including the tourist industry, high tech industry and financial and legal services, to name a few. PDR businesses also tend to provide stable and well-paying jobs for the 50% of San Francisco residents who do not have a college degree. Overall, there are approximately 60,000 PDR jobs in San Francisco – about 10% of the city's workforce.

PDR Districts provide space for a wide variety of PDR and other non-residential activities in districts where these uses are free from inherent economic and operational competition and conflicts with housing, large office developments, and large-scale retail, which are not permitted in these Districts. Other uses that share operational characteristics with PDR uses are permitted in these Districts, as they require large flexible spaces and prefer separation from intensive housing districts. PDR-zoned land is also an important reservoir of space in San Francisco for new and evolving industry and activity types that cannot be foreseen today and cannot practically function or compete for space in a typical downtown office or neighborhood commercial environment. Business and activities allowed in PDR Districts generally share a need for flexible operating space that features large open interior spaces, high ceilings, freight loading docks and elevators, floors capable of bearing heavy loads, and large (often uncovered exterior) storage areas. These uses are often not ideally compatible with housing for operational reasons, including the need for significant trucking and delivery activities, 24-hour operation, and emission of noise, odors and vibrations. Importantly, PDR uses are limited in the amount of rent they can afford relative to office, retail, and residential uses, yet are important sectors of the City's economy.

WMUO- Western SoMa Mixed Use-Office District

The Western SoMa Mixed Use-Office (WMUO) runs predominantly along the Townsend Street corridor between 4th Street and 7th Street and on 11th Street, from Harrison Street to the north side of Folsom Street. The WMUO is designed to encourage office uses along with small-scale light industrial and arts activities. Nighttime entertainment is permitted, although limited by buffers around RED and RED-MX districts. Office, general commercial, most retail, production, distribution, and repair uses are also principal permitted uses. Residential uses, large hotels, adult entertainment and heavy industrial uses are not permitted.

SALI- Service/Arts/Light Industrial District

The Service/Arts/Light Industrial (SALI) District is largely comprised of low-scale buildings with production, distribution, and repair uses. The district is designed to protect and facilitate the expansion of existing general commercial, manufacturing, home and business service, and light industrial activities, with an emphasis on preserving and expanding arts activities. Nighttime Entertainment is permitted although limited by buffers around RED and RED-MX districts. Residential Uses, Offices, Hotels, and Adult Entertainment uses are not permitted.

RECOMMENDATION

The Department recommends that the Commission recommend *approval* of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

BASIS FOR RECOMMENDATION

The Department supports the proposed ordinance because it will improve upon the 2014 Homeless Shelter Ordinance by allowing for a more equitable distribution of shelter and housing resources, without threatening the availability of space for PDR uses. The City is challenged with finding a solution to its chronic homeless problem, and shelters, particularly in the form of navigation centers, are a part of that solution. While PDR, WMUO, and SALI Districts serve to protect the City’s industrial areas, the Department believes that the requirement that these shelters be temporary- no more than four years- and that they must be operated or otherwise manage by the City will ensure that any impact to our industrial spaces will be minimal and reversible. The CU requirement will allow for additional review to ensure that these temporary Homeless Shelters may be more easily located where maximum benefits to homeless people may be provided and that Homeless Shelters are not placed next to incompatible uses nor over concentrated in any one neighborhood.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

IMPLEMENTATION

The Department determined that this ordinance will not impact our current implementation procedures.

ENVIRONMENTAL REVIEW

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

PUBLIC COMMENT

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

RECOMMENDATION: Recommendation of Approval
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Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Map of PDR, WMUO, and SALI Districts
- Exhibit C: Board of Supervisors File No. 160960



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 19741

HEARING DATE SEPTEMBER 22, 2016

Project Name: Temporary Homeless Shelters in PDR, WMUO, and SALI Districts
Case Number: 2016-011082PCA [Board File No. 160960]
Initiated by: Mayor Edwin Lee/ Introduced September 6, 2016
Staff Contact: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362

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RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ALLOW TEMPORARY HOMELESS SHELTERS IN THE PRODUCTION, DISTRIBUTION, AND REPAIR, THE WSOA MIXED USE-OFFICE, AND THE SERVICE/ARTS/LIGHT INDUSTRIAL ZONING DISTRICTS, SUBJECT TO CONDITIONAL USE AUTHORIZATION; AFFIRMING THE PLANNING COMMISSION'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS OF PUBLIC CONVENIENCE, NECESSITY, AND WELFARE UNDER PLANNING CODE, SECTION 302; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1.

WHEREAS, on September 6, 2016 Mayor Lee introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 160960 which would amend the Planning Code to allow temporary Homeless Shelters in the Production, Distribution, and Repair, the WSoMa Mixed Use-Office, and the Service/Arts/Light Industrial zoning districts, subject to conditional use authorization; and

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on September 22, 2016; and,

WHEREAS, the proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment; and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

MOVED, that the Planning Commission hereby recommends that the Board of Supervisors approve the proposed ordinance.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The Planning Commission supports the proposed ordinance because it will improve upon the 2014 Homeless Shelter Ordinance by allowing for a more equitable distribution of shelter and housing resources, without threatening the availability of space for PDR uses.
2. The Commission finds that the City is challenged with finding a solution to its chronic homeless problem, and shelters, particularly in the form of navigation centers, are a part of that solution.
3. While PDR, WMUO, and SALI Districts serve to protect the City's industrial areas, the Commission finds that the requirement that these shelters be temporary- no more than four years- and that they must be operated or otherwise managed by the City will ensure that any impact to our industrial spaces will be minimal and reversible.
4. The Commission finds that the CU requirement will allow for additional review to ensure that these temporary Homeless Shelters may be more easily located where maximum benefits to homeless people may be provided and that Homeless Shelters are not placed next to incompatible uses nor over concentrated in any one neighborhood.
5. **General Plan Compliance.** The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE IV

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

Policy 4.3

Carefully consider public actions that displace existing viable industrial firms.

The proposed ordinance requires that the temporary Homeless Shelters obtain Conditional Use authorization. This added layer of review will help ensure that they do not displace existing viable industrial firms.

Policy 4.5

Control encroachment of incompatible land uses on viable industrial activity.

The proposed ordinance will allow for temporary Homeless Shelters to be placed in industrial areas. The temporary nature of these shelters will help ensure that they do not permanently encroach into viable industrial land, and the Conditional Use requirement will help ensure that they are not placed adjacent to incompatible uses.

HOUSING ELEMENT

OBJECTIVE IV

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

Policy 4.2

Provide a range of housing options for residents with special needs for housing support and services.

This ordinance allows temporary Homeless Shelters to be constructed in zoning districts where they are currently prohibited. Temporary Homeless Shelters are not a permanent solution to homelessness; however they are a vital housing option for people who have lost their homes and need a place to live while they are seeking permanent housing. Further, the Navigation Center model that the City is employing provides housing support and services to homeless individuals.

OBJECTIVE VI

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

Policy 6.1

Prioritize permanent housing and service enriched solutions while pursuing both short- and long-term strategies to eliminate homelessness.

This ordinance helps the City pursue short-term strategies to eliminate homelessness.

6. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code 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 proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

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

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

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

The proposed Ordinance would not have an adverse effect on 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 Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the 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 proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

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

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

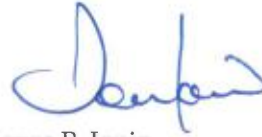
8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

7. **Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board ADOPT the proposed Ordinance described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on September 22, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Fong, Hillis, Koppel, Melgar

NOES: None

ABSENT: Johnson, Moore, Richards

ADOPTED: September 22, 2016

