

[Planning Code, Zoning Map - Alexandria Theater SUD]

Ordinance amending the Planning Code and Zoning Map to establish the Alexandria Theater Special Use District (SUD), at the northwest corner of Geary Boulevard and 18th Avenue, allowing exceptions to existing zoning controls for a residential project in the SUD, subject to specified conditions; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Environmental and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 241198 and is incorporated herein by reference. The Board affirms this determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance,

1 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
2 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
3 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

4 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
5 amendments will serve the public necessity, convenience, and welfare for the reasons set
6 forth in Planning Commission Resolution No. _____, and the Board incorporates such
7 reasons herein by reference. A copy of said resolution is on file with the Clerk of the Board of
8 Supervisors in File No. _____.

9
10 Section 2. General Findings.

11 (a) California faces a severe crisis of housing affordability and availability, prompting
12 the Legislature to declare, in Section 65589.5 of the Government Code, that the state is
13 experiencing "a housing supply and affordability crisis of historic proportions. The
14 consequences of failing to effectively and aggressively confront this crisis are hurting millions
15 of Californians, robbing future generations of a chance to call California home, stifling
16 economic opportunities for workers and businesses, worsening poverty and homelessness,
17 and undermining the state's environmental and climate objectives."

18 (b) According to the Planning Department's 2020 Housing Inventory, the cost of
19 housing in San Francisco has increased dramatically since the Great Recession of 2008-
20 2009, with the median sale price for a two-bedroom house more than tripling from \$493,000 in
21 2011 to \$1,580,000 in 2021, including a 9% increase from 2019 to 2020 alone, even in the
22 face of the COVID-19 pandemic. The median rental price for a two-bedroom apartment saw
23 similar although slightly smaller increases, nearly doubling from \$2,570 to \$4,500 per month,
24 from 2011 to 2019, before declining in 2020 due to the pandemic.

1 (c) These housing cost trends follow decades of underproduction of housing in the Bay
2 Area, according to the Planning Department's 2019 Housing Affordability Strategies Report.
3 The City's Chief Economist has estimated that approximately 5,000 new market-rate housing
4 units per year would be required to keep housing prices in San Francisco aligned with the
5 general rate of inflation.

6 (d) San Francisco's Regional Housing Needs Allocation ("RHNA") in the current 2023-
7 2031 Housing Element cycle is 82,069 units over those eight years (46,598 of which must be
8 affordable to extremely low-, very low-, low-, and moderate-income households), which is
9 more than 2.5 times the allocation of the previous eight-year cycle.

10 (e) On January 31, 2023, the City adopted the 2022 Update of the Housing Element
11 of the General Plan ("2022 Housing Element"), as required by state law. The 2022 Housing
12 Element is San Francisco's first housing plan that is centered on racial and social equity. It
13 articulates San Francisco's commitment to recognizing housing as a right, increasing housing
14 affordability for low-income households and communities of color, opening small and mid-rise
15 multifamily buildings across all neighborhoods, and connecting housing to neighborhood
16 services like transportation, education, and economic opportunity.

17 (f) The 2022 Housing Element includes goals, objectives, policies, and implementing
18 programs that seek to guide development patterns and the allocation of resources to San
19 Francisco neighborhoods. Generally, it intends to shift an increased share of San Francisco's
20 projected future housing growth to transit corridors and low-density residential districts within
21 "Well-Resourced Neighborhoods" (areas identified by the state as neighborhoods that provide
22 strong economic, health, and educational outcomes for its residents), while aiming to prevent
23 the potential displacement and adverse racial and social equity impacts of zoning changes,
24 planning processes, or public and private investments on populations and in areas that may
25 be vulnerable to displacement, such as "Priority Equity Geographies" (identified in the

1 Department of Public Health's Community Health Needs Assessment as Areas of
2 Vulnerability).

3 (g) Despite the need for additional housing, construction of new housing has slowed
4 dramatically in San Francisco in recent years due to increased construction costs and
5 decreased availability of financing. To incent housing development, the City has been
6 exploring new exceptions to the generally applicable zoning for projects seeking to convert
7 existing underutilized commercial spaces to residential uses.

8 (h) Large development projects in San Francisco often incorporate certain public
9 benefits, such as committing to local hiring, engaging a skilled and trained workforce, or
10 paying prevailing wage. These features of such projects can result in local jobs and economic
11 benefits to the community. The City and the project sponsor are evaluating the scope of public
12 benefits to be provided in connection with a project developed pursuant to this ordinance,
13 which public benefits may be memorialized in a separate agreement.

14 (i) The Alexandria Theater opened in 1923, on the northwest corner of Geary
15 Boulevard and 18th Avenue. The theater was designed by the Reid brothers, who also
16 designed the Cliff House and the Spreckels Temple of Music in Golden Gate Park. When it
17 opened, it was hailed as a monument to Egyptian design. The historic and architectural
18 features of the theater have been recognized by various publications. Over the years, the
19 theater underwent several changes in ownership, and some physical renovations, but
20 continuously operated as a movie palace until it finally shut down in 2004. Since then, the
21 Alexandria Theater has remained vacant since 2004.

22 (j) It is reasonable and in the public interest to increase the development potential of
23 the property where the Alexandria Theater is located by providing exceptions to the existing
24 40-foot height limit and the applicable dwelling unit density limit of one unit per 600 square
25

1 feet of lot area. It is also reasonable and appropriate to vest discretion to grant this exception
2 in the Planning Commission, which is best suited to evaluate the development proposal.

3
4 Section 3. Article 2 of the Planning Code is hereby amended by adding Section 249.4,
5 to read as follows:

6 **SEC. 249.4. ALEXANDRIA THEATER SPECIAL USE DISTRICT.**

7 *(a) Purpose. The Alexandria Theater Special Use District is intended to allow the adaptive*
8 *reuse of the Alexandria Theater, a 1923 movie palace with historic architectural features, and to*
9 *promote the development of much-needed housing in the City.*

10 *(b) Location. The Alexandria Theater Special Use District consists of Assessor's Parcel Block*
11 *No. 1450, Lot 048. Its boundaries are shown on Special Use District Map SU03 of the Zoning Map,*
12 *and generally it consists of the parcel at the northwest corner of the intersection of 18th Avenue and*
13 *Geary Boulevard.*

14 *(c) Controls. The zoning controls for the Alexandria Theater Special Use District are the same*
15 *as the controls set forth in Section 739 (Geary Boulevard Neighborhood Commercial District). In*
16 *addition, all other applicable provisions of the Planning Code apply in the Alexandria Theater Special*
17 *Use District, including Section 415 et seq.*

18 *(d) Exceptions. Notwithstanding the requirements of the foregoing subsection (c), the Planning*
19 *Commission (Commission) may grant a residential development project one or more exceptions from*
20 *the maximum building height and dwelling unit density requirements of Section 739, and from the*
21 *affordable percentage and unit mix requirements of Section 415 et seq. The Commission shall only*
22 *grant such exceptions if it finds that the project meets the following requirements and standards:*

23 *(1) A maximum building height of 80 feet.*

24 *(2) A minimum of 12% on-site Affordable Units, as defined in Section 401.*

25 *(3) The following dwelling unit mix:*

1 (A) at least 62% 2-bedroom, 1-bathroom;

2 (B) at least 18% 3-bedroom, 1.5-bathroom; and

3 (C) up to a maximum of 20% 1-bedroom, 1-bathroom.

4 (4) The following historic features of the existing structure are retained in place as part
5 of the residential development project:

6 (A) the exterior blade sign;

7 (B) the exterior marquee;

8 (C) the interior sunburst chandelier; and

9 (D) all existing interior Egyptian Revival motif murals.

10 (e) **Hearing and Decision.**

11 (1) **Hearing.** The Commission shall hold a public hearing for all projects that are
12 subject to subsection (d).

13 (2) **Notice of Hearing.** Notice of such hearing shall be provided as required by Section
14 333 of this Code.

15 (3) **Director's Recommendations on Modifications and Exceptions.** At the hearing,
16 the Planning Director shall review for the Commission key issues related to the project and recommend
17 to the Commission modifications, if any, to the project and conditions for approval as necessary. The
18 Planning Director shall also make recommendations to the Commission on any proposed exceptions
19 pursuant to subsection (d) and the project's compliance with the requirements and standards of
20 subsections (d)(1) through (d)(4).

21 (4) **Decision and Imposition of Conditions.** The Commission, after public hearing and,
22 after making appropriate findings, may approve, disapprove, or approve subject to conditions, the
23 project and any associated requests for exception. Notwithstanding Section 303(j), the Commission
24 need not make any specific findings for a change in use or demolition of a movie theater. As part of its
25 review and decision, the Commission may impose additional conditions, requirements, modifications,

1 and limitations on a proposed project in order to achieve the objectives, policies, and intent of the
2 General Plan or of this Code.

3 (5) **Appeal.** The decision of the Commission may be appealed to the Board of Appeals
4 by any person aggrieved within 15 days after the date of the decision by filing a written notice of
5 appeal with that body, setting forth the allegation that there was an error in the interpretation of the
6 provisions of this Code or abuse of discretion on the part of the Commission. The procedure and
7 requirements for the transmittal of the record, notice of hearing, and hearing in connection with any
8 appeal under this Section shall be as specified in Article I, Sections 8 through 16 of the Business and
9 Tax Regulations Code. After a hearing and any necessary investigation, the Board of Appeals may
10 concur in the decision of the Commission, or by the affirmative vote of four members (or if a vacancy
11 exists, by a vote of three members) overrule the action of the Commission upon finding that the
12 Commission erred in the interpretation of the provisions of this Code, or abused its discretion.

13 (6) **Discretionary Review.** No requests for discretionary review shall be accepted by
14 the Planning Department or heard by the Commission for projects subject to this Section 249.4.

15 (7) **Change of Conditions.** Once a project is approved, authorization of a change in
16 any condition previously imposed by the Commission shall require approval by the Commission subject
17 to the procedures set forth in this Section 249.4.

18 (f) **Relationship to State or Local Density Bonus Programs.** Any residential project developed
19 pursuant to subsection (d) shall not be eligible for additional density or modifications to development
20 standards allowed in any state or local law allowing additional density or modifications to
21 development standards in exchange for on-site affordable housing, including but not limited to the State
22 Density Bonus Law (California Government Code Section 65915 et seq.), the Affordable Housing
23 Bonus Program (Planning Code Section 206 et seq.), and Planning Code Section 207.

24 (g) **Implementation Timeline.** The sponsor of any residential development project approved
25 pursuant to subsection (d) shall obtain a building permit or, in the case of a site permit, an addendum

1 that authorizes construction of the development, within three years of the effective date of the ordinance
2 in Board File No. 241198, enacting this Section 249.4. If the sponsor does not obtain said permit or
3 addendum within three years, this Section 249.4 will expire.

4 (h) **Conflicts.** In the event of a conflict between other provisions of the Planning Code and this
5 Section 249.4, this Section shall control.

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7 Section 4. Article 2.5 of the Planning Code is hereby amended by adding Section
8 263.14, to read as follows:

9 **SEC. 263.14. SPECIAL HEIGHT EXCEPTIONS: PERMITTED BUILDING HEIGHT IN**
10 **THE ALEXANDRIA THEATER SPECIAL USE DISTRICT.**

11 In the 40-X Height and Bulk District, as designated on Section Map HT03 of the Zoning Map,
12 located within the boundaries of the Alexandria Theater Special Use District, height exceptions above
13 the maximum height limit may be approved by the Planning Commission for a residential project in
14 accordance with the procedures and criteria set forth in Section 249.4.

15
16 Section 5. Zoning Map. The Planning Code is hereby amended by revising Special
17 Use District Map SU03 of the Zoning Map of the City and County of San Francisco, as follows:

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Description of Property	Special Use District Hereby Approved
Assessor's Parcel Block No. 1450, Lot 048	Alexandria Theater

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22 Section 6. Expiration Date. Planning Code Sections 249.4 and 263.14 in Sections 3
23 and 4 of this ordinance, respectively, and the Zoning Map amendment in Section 5, shall
24 expire by operation of law three years from the effective date of the ordinance in Board File
25 No. 241198 establishing Sections 249.4 and 263.14, unless, (a) a project approved under

1 Section 249.4 has received a building permit or, in the case of a site permit, an addendum
2 that authorizes construction of the project, or (b) the City extends or re-enacts this ordinance
3 before its expiration date. Upon its expiration, the City Attorney is authorized to cause
4 Sections 249.4 and 263.14 to be removed from the Planning Code and the Alexandria
5 Theater Special Use District to be removed from the Zoning Map.

6
7 Section 7. Effective Date. This ordinance shall become effective 30 days after
8 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
9 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
10 of Supervisors overrides the Mayor’s veto of the ordinance.

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12 APPROVED AS TO FORM:
13 DAVID CHIU, City Attorney
14 By: /s/ HEATHER GOODMAN
15 HEATHER GOODMAN
Deputy City Attorney

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