




GENERAL PLAN REFERRAL

February 27, 2024

Case No.: 2024-001361GPR
Address: 249 Pennsylvania Avenue
Block/Lot Nos.: 3999/015

Project Sponsor: Mayor's Office of Housing & Community Development
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Recommended By: 
Joshua Switzky, Deputy Director of Citywide Policy for
Rich Hillis, Director of Planning

Finding: The project, on balance, is **in conformity** with the General Plan.

Project Description

The City and County of San Francisco, acting by and through the Mayor's Office of Housing & Community Development (MOHCD), is proposing to provide acquisition and predevelopment financing for the proposed project located at 249 Pennsylvania ("Project"). The Project was awarded MOHCD financing under the 2023 Multi Site Acquisition and Predevelopment Notice of Funding Availability (NOFA) proposal submitted by Tenderloin Neighborhood Development Corporation and Young Community Developers to finance 100% affordable housing. The site is at the corner of Pennsylvania Ave and Mariposa Street, adjacent to I-280. GPR referral is required due to the proposed Predevelopment and Acquisition financing, as well as the future ground lease between the City and the project developer / owner to develop, own and operate the housing.

The Site is currently excavated, and once housed Center Hardware, which was demolished in 2019 leaving a large, rectangular site well positioned for housing development. The UMU zoning and 40-X height limit lends itself to residential multifamily development, and using the State Density Bonus, allows for a mid-rise building. The project team will select an architect to begin the design process, alongside robust community outreach. The team is confident that the site can support 100+ units needed to create economies of scale during property operations and ensure its financial sustainability long into the future. The team will mitigate the adjacency to I-280 by planning for increased air filtration, upgraded windows and soundproofing, and using greenery and outdoor spaces to buffer the building from the freeway.

The project is anticipated to house families between 30%-80% of Area Median Income (AMI) (approx. \$38,900-\$103,750/year for a three-person household). With the focus on family households, at least half of the units will be 2- and 3-bedroom units. Amenities will include a large community room, ample laundry facilities, bike parking, and offices for property management and social service staff.

Environmental Review

The Project is a real estate transaction only. It is 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

As described below, the proposed refinancing and rehabilitation is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with 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.

SHOWPLACE SQUARE/POTRERO AREA PLAN

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE / POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

POLICY 2.1.2

Provide land and funding for the construction of new housing affordable to very low and low income households.

OBJECTIVE 2.3

REQUIRE THAT A SIGNIFICANT NUMBER OF UNITS IN NEW DEVELOPMENTS HAVE TWO OR MORE BEDROOMS EXCEPT SENIOR HOUSING AND SRO DEVELOPMENTS UNLESS ALL BELOW MARKET RATE UNITS ARE TWO OR MORE BEDROOM UNITS

POLICY 2.3.1

Target the provision of affordable units for families.

POLICY 2.3.3

Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments.

The Project would provide housing affordable to very low- and low-income households. At least half of the housing units will be 2- and 3-bedroom units suitable for families.

HOUSING ELEMENT

OBJECTIVE 4.A

SUBSTANTIALLY EXPAND THE AMOUNT OF PERMANENTLY AFFORDABLE HOUSING FOR EXTREMELY LOW- TO MODERATE-INCOME HOUSEHOLDS

Policy 22

Create dedicated and consistent local funding sources and advocate for regional, State, and Federal funding to support building permanently affordable housing for very low-, low-, and moderate-income households that meets the Regional Housing Needs Allocation targets.

OBJECTIVE 4.C

DIVERSIFY HOUSING TYPES FOR ALL CULTURES, FAMILY STRUCTURES, AND ABILITIES

Policy 33

Prevent the outmigration of families with children and support the needs of families to grow.

The Project would provide housing affordable to very low- and low-income households, to help meet the City's Regional Housing Needs Allocation targets. At least half of the housing units will be 2- and 3-bedroom units suitable for families with children and growing families.

Planning Code Section 101 Findings

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:

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 Project would have no effect on existing neighborhood-serving retail uses and opportunities for resident employment in and ownership of such businesses.

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

The Project would have no effect on existing housing. It would protect neighborhood character by allowing very low-, Low-, and moderate-income households who may otherwise be displaced from the City to reside

in the neighborhood.

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

The Project would enhance the City's supply of affordable housing.

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

The Project would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking in San Francisco County.

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 Project would have no effect on the City's industrial or service sectors or on future opportunities for resident employment or ownership in these sectors.

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

The Project would be built to all applicable seismic standards.

7. That the landmarks and historic buildings be preserved;

The Project would have no 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 Project would have no effect on the City's parks and open space and their access to sunlight and vistas.

Finding: The project, on balance, is **in conformity** with the General Plan.