From: <u>Tuija Catalano</u>

To: Peskin, Aaron (BOS); Safai, Ahsha (BOS); Preston, Dean (BOS); Ronen, Hillary; Angulo, Sunny (BOS); Sandoval,

Suhagey (BOS); Snyder, Jen (BOS); Beinart, Amy (BOS)

Cc: <u>Major, Erica (BOS)</u>; <u>Patricia Delgrande</u>; <u>Evette Davis</u>; <u>Luis Cuadra</u>

Subject: 7/20 LU Committee - Item #3 - UMU Legislation

Date: Sunday, July 19, 2020 1:02:03 PM

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Dear Supervisors Peskin, Safai, Preston and Ronen,

My office represents the project sponsor for 2300 Harrison Street. We will be speaking at tomorrow's land use committee hearing on the UMU legislation and are continuing to ask for inclusion of a grandfathering clause, because excluding a grandfathering clause would set a negative precedent and would also place a Planning Comm'n approved project on an uncertain race against the proposed legislation.

<u>Background</u>: PC approved 2300 Harrison in December 2019. UMU legislation was introduced in February 2020, when the 2300 Harrison project was on appeal at the Board of Appeals and the Board of Supervisors. Due to the pandemic, the CEQA appeal has not yet been heard by the BOS, which is also preventing the BOA appeal from being scheduled/heard. We have heard about a tentative BOS appeal date, but do not yet have confirmation from the Clerk's Office and thus we have <u>no confirmed BOS or BOA appeal hearing dates</u> as of today. Even if the BOS and BOA dates were confirmed today/tomorrow, those hearings could always be continued, which places the 2300 Harrison project in an extremely uncertain position where the UMU legislation may well become effective before the pending appeals have been heard/decided.

<u>Unfairness</u>: 2300 Harrison followed all applicable Planning processes, engaged in extensive community discussions, was designed based on UMU zoning that has existed since 2009 (as part of the EN plan), and spent years to process approvals. It is fundamentally unfair and inequitable to change the rules <u>after</u> the project has already been approved by the PC and <u>after</u> the project sponsor has spent years and substantial amount of money to entitle the project per existing rules.

<u>Clarification</u>: 2300 Harrison uses the State Density Bonus Program (SDBP), however importantly, the use of the program has <u>NO</u> impact on the amount of proposed office use. Current UMU controls regulate office uses pursuant to vertical controls under Sec. 803.9(f). The existing controls allow up to 2 floors of office for a 5-story building, which is the proposal <u>without the SDBP</u>. The SDBP merely allows the addition of a 6th, residential, floor, but does <u>not</u> allow any additional office square footage than what would be allowed without the use of the SDBP. <u>Project Benefits</u>: In addition to the approx. 27,000 sf office addition, the project proposes 24 residential rental units on an existing surface parking lot, including 6 on-site BMR units (which is double the required amount) at AMI levels as low as 50% and up to 80%. The project also results in over \$3.5M in impact fee payments that will fund infrastructure, schools, childcare, and other

programs, broken down as follows:

Project's Impact Fees	Residential Fee	Non-Resid. Fee	Total Fee
Transportation Sustainability Fee	\$266,322	\$649,999	\$916,321
EN Infrastructure Fee	\$350,808	\$459,255	\$810,063
Child Care Fee	\$62,853	\$49,981	\$112,834
School Impact Fee	\$110,797	\$18,626	\$129,423
Jobs-Housing Linkage Fee	n/a	\$1,365,235	\$1,365,235
Inclusionary In Lieu Fee on Bonus Units	\$246,462	n/a	\$246,462
TOTALS	\$1,037,242	\$2,543,096	\$3,580,338

<u>PC Recommendation</u>: On April 23, 2020, the PC discussed the legislation, including lengthy discussion re inclusion of a grandfathering clause. I just rewatched the hearing and below are verbatim quotes from couple of the Commissioners (Sue Diamond and Kathrin Moore) expressing support for the grandfathering clause.

Commissioner Sue Diamond: "I also feel that grandfathering is a way to be fair to those who have already submitted their applications consistent with the old rules. And that's especially true in this case where we have a project that has been in the pipeline for many, many years and has received Planning Commission approval. If I understand it correctly without grandfathering this project is dead, but with grandfathering the project appeals can be heard by the Board of Supervisors or BOA and judged on its merits. My understanding is also that it's has been the past pattern and practice of this Commission and Department to use grandfathering as a way to ameliorate the impacts on those that are caught midstream. For example the two other pieces of legislation that we have on the docket today both explicitly address and include a grandfathering clause. And I do believe that predictability is an important way to keep costs down so that money isn't wasted pursing a particular project only to find that the rules are changed at the very end of the process."

<u>Commissioner Kathrin Moore</u>: "I am in full support of the legislation, with an emphasis on limiting office expansion in the Mission. I am in <u>support to not affect the Harrison project</u>, partially because it is already on its own cycle in terms of the appeals. I am surprised that it even would fall under something that wouldn't be a grandfathering clause. I am interested to know more what other projects are in the pipeline."

The Commission unanimously recommended approval on 6-0 vote on the motion to "approve, with staff modifications, <u>including a grandfathering clause to exempt those projects that submitted applications to the Planning Department at the date of introduction</u>."

<u>Conclusion</u>: We respectfully ask that that the legislation be amended to include a grandfathering clause so that the 2300 Harrison project can be heard on its merits at the BOS and BOA appeals instead of being potentially superseded by the pending legislation. After several years of processing of the applications, a project should not be placed in a position to race against the timing for concurrently pending legislation that was introduced after the PC approvals. Specifically, we ask that the legislation provide that "it shall not apply to projects that have filed their Development Application with the Planning Department prior to the date when

the legislation was introduced (i.e. prior to Feb. 11, 2020)."

Thank you for your time. If you have any questions, my cell phone number is included below and I would be happy to talk more today or tomorrow.



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 From:
 Beinart, Amy (BOS)

 To:
 Major, Erica (BOS)

Subject: FW: UMU Oridinance Amening the Planning Code

Date: Monday, July 20, 2020 4:33:26 PM

<<<<<>>>>>

Amy Beinart | Legislative Aide/Chief of Staff

Office of Supervisor Hillary Ronen

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From: zrants <zrants@gmail.com>
Sent: Monday, July 20, 2020 4:29 PM

To: Ronen, Hillary hillary.ronen@sfgov.org

Cc: Beinart, Amy (BOS) <amy.beinart@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>;

Dean Preston <deanpreston7@gmail.com>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>

Subject: re: UMU Oridinance Amening the Planning Code

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I prepared a statement for pubic comment today but was not able to get through, so I am sending this to you via email.

July 20, 2020

Supervisors:

re: Item 3: UMU Oridinance Amening the Planning Code

Good afternoon this is Mari Eliza with the Eastern Neighborhood Improvement Association and the Coalition for San Francisco neighborhoods but I am speaking for myself today.

I am in support of Hillary Ronen's UMU ordinance amending the Planning Code.

As a long-time artist living in the Mission I have witnessed a series of changes brought on by dotcom booms and busts. Nothing damaged the charm and character of the Mission until the recent surge of uncontrolled growth brought on by a huge influx of high-end office use. The cash that came with it ushered in changes in political priorities that devastated the neighborhood, and killed the cultural diversity that created a wide range of businesses that drew people to San Francisco.

Even though voters passed a number of bills to protect what they treasure and want to keep in San Francisco, developers and their supporters always find a way to ignore the will of the people. Proposition X was supposed to protect PDR spaces for artists and non-profits in the Mission, but the high-end office use in UMU zoning has put increased pressures on PDR zoning and also brought

increased illegal office use into PDR spaces.

In the last few years we have watched state and city legislators remove CEQA protections, up-zone the once affordable artists communities, and turn them into tech toy factories and sleeping cells. When the Eastern Neighborhoods Plan became too restrictive, spot zoning and variances made the plan irrelevant. Gentrification and high rents closed the clubs and music venues and pushed musicians and artists out for good.

We don't need more tech offices now that people are working from home. We need bigger homes to accommodate the new home offices and other work spaces for people who are working at home creating new cottage industries.

Please support Hillary's Ordinance.

Mari Eliza, concerned Mission resident and artist