



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 19822

HEARING DATE: DECEMBER 15, 2016

Project Name: 1500 Mission Street (a.k.a Goodwill Site)
Case Number: 2014-000362PCAMAP
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RESOLUTION OF INTENT TO INITIATE AN AMENDMENT TO THE PLANNING CODE IN ORDER TO FACILITATE THE CONSOLIDATION OF CITY OFFICES INTO A SINGLE BUILDING AND ALLOW THE CREATION OF A RESIDENTIAL DEVELOPMENT THAT WOULD PROVIDE AFFORDABLE UNITS IN EXCESS OF THE CITY'S INCLUSIONARY AFFORDABLE HOUSING PROGRAM, INCLUDING 1) AN AMENDMENT OF THE PLANNING CODE TEXT TO ADD SECTION 249.XX TO ESTABLISH THE 1500 STREET SPECIAL USE DISTRICT AND AMEND SECTION 270 TO REGULATE BUILDING BULK WITHIN THE SPECIAL USE DISTRICT; 2) AMENDMENTS TO SPECIAL USE DISTRICT MAP SU07 AND HEIGHT AND BULK MAP HT07 TO REFLECT THE CREATION OF THE SPECIAL USE DISTRICT AND REDESIGNATE THE HEIGHT AND BULK OF ASSESSOR'S BLOCK 3506, LOT 006 AND 007, FROM 85-R-2, 85/250-R-2 AND 120/320-R-2 TO 85-X, 130/240-R-3 AND 130/400-R-3.

PREAMBLE

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco authorizes the Planning Commission to propose ordinances regulating or controlling the height, area, bulk, set-back, location, use or related aspects of any building, structure or land for Board of Supervisors' consideration and periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan; and

WHEREAS, the Planning Code and associated zoning maps implement goals, policies, and programs of the General Plan for the future physical development of the City and County of San Francisco that take into consideration social, economic and environmental factors; and

WHEREAS, the Planning Code and associated zoning maps shall be periodically amended in response to changing physical, social, economic, environmental or legislative conditions; and

WHEREAS, on April 29, 2015, Steve Vettel of Farella Braun & Martel on behalf of Goodwill SF Urban Development, LLC ("Project Sponsor") filed applications requesting a) approval of a Downtown Project Authorization pursuant to Section 309 of the San Francisco Planning Code; b) a Planning Code Text Amendment; and c) Zoning Map Amendments. On October 19, 2016, Mr. Vettel also submitted an application for a General Plan Amendment to facilitate the construction of a mixed-use project located at 1500 Mission Street ("Project") with 1) an approximately 264-foot tall that would consolidate office space for multiple City departments, including the Department of Building Inspection, SF Public Works, and the Planning Department; and 2) an approximately 400-foot tall building containing approximately 560 dwelling units providing on-site inclusionary affordable dwellings units amounting to 20 percent of the total constructed units, in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) as described below along with a request to i) change the building height and bulk districts at the project site from 85-X, 85/250-R-2 and 120/320-R-2 to 85-X, 130/240-R-3 and 130/400-R-3; ii) amend Section 270 to add subsection (g) to modify bulk limits owing to the unique needs of the City's one-stop permit center and the locations windy conditions; iii.) allow for parking in excess of that which is currently permitted for the office use owing to the unique needs of the City's vehicular fleet; iv.) allow office use above the fourth floor as a contingency should the City not occupy the office building; v.) permit certain overhead projections intended primarily to reduce ground level wind speeds; and vi.) limit the maximum horizontal area required for Dwelling Unit Exposure requirements to 65 feet.

WHEREAS, the Project is located on the Mission Street transit corridor, and responds to the transit-rich location by proposing increased housing and employment on the Project site; and

WHEREAS, the project site is located within the Hub Plan Area currently being studied by the Planning Department and is consistent with the proposed heights and bulks associated with the Hub Project; and

WHEREAS, San Francisco faces a continuing shortage of affordable housing low-income residents. The San Francisco Planning Department reported that for the five-year period between 2005 and 2009, 14,397, total new housing units were built in San Francisco. This number includes 3,707 units for low and very low-income households out of a total need of 6,815 low and very low-income housing units for the same period. According to the state Department of Housing and Community Development, there will be a regional need for 214,500 new housing units in the nine Bay Area counties from 2007 to 2014. Of that amount, over 58%, or 125,258 units, are needed for moderate/middle, low and very low-income households. The Association of Bay Area Governments (ABAG) is responsible for allocating the total regional need numbers among its member governments which includes both counties and cities. ABAG estimated that San Francisco's low and very low-income housing production need from 2007 through 2014 is 12,124 units out of a total new housing need of 31,193 units, or 39 percent of all units built. The production of low and moderate/middle income units fell short of the ABAG goals; and

WHEREAS, the 2015 Consolidated Plan for July 1, 2015 to June 30, 2020, issued by the Mayor's Office of Housing, establishes that extreme housing pressures face San Francisco, particularly in regard to low- and moderate/middle-income residents. Many elements constrain housing production in the City. This is especially true of affordable housing. San Francisco is largely built out, with very few large open tracts of land to develop. There is no available adjacent land to be annexed, as the cities located on San Francisco's southern border are also dense urban areas. Thus new construction of housing is limited to areas of the City not previously designated as residential areas, infill sites, or to areas with increased density. New

market-rate housing absorbs a significant amount of the remaining supply of land and other resources available for development and thus limits the supply of affordable housing; and

WHEREAS, the findings of former Planning Code Section 313.2 for the Jobs-Housing Linkage Program, now found in Planning Code Sections 413 *et seq.*, relating to the shortage of affordable housing, the low vacancy rate of housing affordable to persons of lower and moderate/middle income, and the decrease in construction of affordable housing in the City are hereby reaffirmed; and

WHEREAS, the Project would address the City's severe need for additional housing for low income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) through compliance with the terms of section 415 and additional affordable units included as part of a real estate conveyance with the City for the City Office building; and

WHEREAS, the Project provides a unique opportunity to satisfy the City and County of San Francisco's unmet office needs to provide a consolidated one-stop permit center; enhanced pedestrian connectivity via a mid-block public space and alley network extending from Mission Street to South Van Ness Avenue, and ground floor community event spaces; and

WHEREAS, the proposed City office building is fiscally prudent and has a positive net present value over the next thirty years. In addition to lower operating expenses compared to current assets or other alternatives (including the purchase of existing office space or other newly constructed office space), the project will also be more efficient and environmentally sustainable. Additional benefits are anticipated through enhanced inter-agency collaboration through colocation, a one-stop permit center, a connection to existing City offices at 1 South Van Ness, and employee and customer efficiencies given proximity to other government offices in the Civic Center area. The Project would address the City's severe need for additional housing for low income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) as described above; and

WHEREAS, the proposed General Plan Amendment and Special Use District would not result in increased development potential from what is permitted under the existing height and bulk districts; and

WHEREAS, the Project proposes neighborhood-serving amenities, such as new ground floor retail; proposes new publicly accessible open space, improved pedestrian connectivity, enhanced public service and incorporation of sustainability features into the Project; and

WHEREAS, the City Attorney's Office drafted a Proposed Ordinance to make the necessary amendments to the Planning Code related to creation of a special use district, modification of bulk controls applicable to the project site, and revision to the Zoning Map SU07 and H07 to implement the Project. The Office of the City Attorney approved the Proposed Ordinance as to form; and

WHEREAS, a Planning Code and Zoning Map Amendment Initiation is not a project under California Environmental Quality Act; and

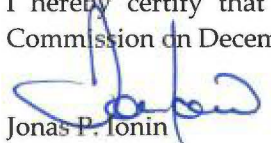
WHEREAS, the Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Planning Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Planning Department, Jonas Ionin (Commission Secretary) as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

RESOLVED, that pursuant to Planning Code Section 302, the Commission Adopts a Motion of Intent to Initiate amendments to the Planning Code Text and Zoning Maps;

AND BE IT FURTHER RESOLVED, that pursuant to Planning Code Section 306.3, the Planning Commission authorizes the Department to provide appropriate notice for a public hearing to consider the above referenced Planning Code Text and Zoning Maps Amendment contained in the draft Ordinance, approved as to form by the City Attorney in **Exhibit B**, to be considered at a publicly noticed hearing on or after March 16, 2017.

I hereby certify that the foregoing RESOLUTION was ADOPTED by the San Francisco Planning Commission on December 15, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Fong, Richards, Johnson, Koppel, Melgar, Moore

NAYS: None

ABSENT: Hillis

ADOPTED: December 15, 2016