



# SAN FRANCISCO PLANNING DEPARTMENT

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## Appeal of Community Plan Evaluation 1726-1730 Mission Street Project

**DATE:** July 17, 2017

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**FROM:** Lisa Gibson, Environmental Review Officer – (415) 575-9032  
Joy Navarrete, Senior Environmental Planner – (415) 575-9040  
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**RE:** File No. 170808, Planning Department Case No. 2014-002026ENV – Appeal of the Community Plan Evaluation for the 1726-1730 Mission Street Project. Block/Lot: 3532/004A and 005

**PROJECT SPONSOR:** Jody Knight, Reuben, Junius & Rose, on behalf of Sustainable Living, LLC – (415) 567-9000

**APPELLANT:** J. Scott Weaver, Law Office of J. Scott Weaver, on behalf of Our Mission No Eviction – (415) 317-0832

**HEARING DATE:** July 25, 2017

**ATTACHMENTS:** A – July 3, 2017 appeal letter from J. Scott Weaver  
B – Planning Commission Motion No. 19931

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### INTRODUCTION

This memorandum and the attached documents are a response to a letter of appeal to the Board of Supervisors (the Board) regarding the Planning Department's (the "Department") issuance of a Community Plan Evaluation (CPE) under the *Eastern Neighborhoods Rezoning and Area Plan Final*

*Environmental Impact Report* (“Eastern Neighborhoods PEIR or PEIR”)<sup>1</sup> in compliance with the California Environmental Quality Act (“CEQA”) for the 1726-1730 Mission Street Project (the “Project”).

The Department, pursuant to CEQA, the CEQA Guidelines, 14 Cal. Code of Reg. Sections 15000 *et seq.*, and Chapter 31 of the San Francisco Administrative Code, determined that the Project is consistent with the development density established by zoning, community plan, and general plan policies in the Eastern Neighborhoods Rezoning and Area Plans (the “Eastern Neighborhoods Area Plans”) for the project site, for which a Programmatic EIR was certified, and issued the CPE for the Project on May 24, 2017. The Department determined that the Project would not result in new significant environmental effects, or effects of greater severity than were already analyzed and disclosed in the PEIR, and that the Project is therefore exempt from further environmental review beyond what was conducted in the CPE Initial Study and the Eastern Neighborhoods PEIR in accordance with CEQA Section 21083.3 and CEQA Guidelines Section 15183.

The decision before the Board is whether to uphold the Planning Department’s determination that the Project is exempt from further environmental review (beyond what was conducted in the CPE Initial Study and the PEIR) pursuant to CEQA Section 21083.3 and CEQA Guidelines Section 15183 and deny the appeal, or to overturn the Department’s CPE determination for the Project and return the CPE to the Department for additional environmental review.

## PROJECT DESCRIPTION

The project site is on the west side of Mission Street between Duboce Avenue and 14th Street in San Francisco’s Mission neighborhood. The project site consists of two adjacent parcels: Assessor’s Block 3532, Lots 004A and 005. Both lots are rectangular; Lot 004A has an area of 2,800 square feet (sf), and Lot 005 has an area of 5,000 sf. Each lot has an existing curb cut. Lot 004A is occupied by a two-story, 24-foot-tall building that was constructed in 1923. This building is currently vacant; it was previously occupied by a sausage factory. Lot 005 is occupied by a two-story, 24-foot-tall building that was constructed in 1991. This building is currently vacant; it was previously used as an office and storage warehouse for the adjacent sausage factory.

The proposed project consists of merging the two existing lots into a single 7,800-sf lot, demolishing the existing buildings, and constructing a six-story, 66-foot-tall, building containing 40 dwelling units, approximately 2,250 gross square feet (gsf) of production/distribution/repair (PDR) space, and a garage with 22 parking spaces. There would be a 14-foot-tall elevator penthouse on the roof of the proposed

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<sup>1</sup> The Eastern Neighborhoods Rezoning and Area Plan Final EIR (Planning Department Case No. 2004.0160E), State Clearinghouse No. 2005032048) was certified by the Planning Commission on August 7, 2008. The project site is within the Eastern Neighborhoods Rezoning and Area Plan project area.

building, resulting in a maximum building height of 80 feet. The dwelling units would be on the second through sixth floors, and the PDR space and the parking garage would be on the ground floor. One parking space would be provided at grade, and the other 21 parking spaces would be housed in mechanical stackers. The two existing curb cuts on Mission Street would be removed, and a garage door and a new 10-foot-wide curb cut and driveway would be provided on Mission Street near the north end of the project site. A total of 70 bicycle parking spaces would be provided; 62 Class 1 spaces would be provided in the ground-floor garage, and eight Class 2 spaces would be provided as bicycle racks on the Mission Street sidewalk adjacent to the project site. Usable open space for the residents of the proposed project would be provided in the form of a common roof deck and private decks.

Construction of the proposed project would take about 14 months. The proposed project would be supported by a mat slab foundation; pile driving would not be required. Construction of the proposed project would require excavation to a depth of about two feet below ground surface (bgs); additional excavation to a depth of about 12 feet bgs at the rear of the project site would be required for the car stackers. About 558 cubic yards of soil would be excavated and removed from the project site.

## SITE DESCRIPTION

The project site is on an improved block bounded by Mission Street on the east, 14th Street on the south, Valencia Street on the west, and 13th Street on the north. The project vicinity is characterized by residential, institutional, retail, and PDR uses. The scale of development in the project vicinity varies in height from 15 to 65 feet. There is a four-story residential building (1720-1724 Mission Street) adjacent to and north of the project site, and there is a three-story residential building (1738-1748 Mission Street) adjacent to and south of the project site. The properties that are adjacent to and west of the project site are occupied by three-story residential buildings that front on Woodward Street, an alley that runs parallel to Mission and Valencia streets in the interior of the project block. Other land uses on the project block include three-, four-, and five-story residential buildings, restaurant, retail, entertainment, and PDR uses, a surface parking lot, a gas station, an auto repair garage, and Annunciation Cathedral.

The properties on the east side of Mission Street across from the project site are occupied by a four-story office building with a surface parking lot, an electrical supply and hardware store with a parking garage, and a three-story mixed-use building featuring residential uses above a ground-floor retail use. Other land uses in the project vicinity include U.S. Highway 101 (one-half block north of the project site), the San Francisco Friends School (one block west), and the former San Francisco Armory (one-half block south), which was previously occupied by a film production studio.

The project site is well served by public transportation. Within one-quarter mile of the project site, the San Francisco Municipal Railway (Muni) operates the 14 Mission, 14R Mission Rapid, 49 Van Ness/Mission, and 55 16th Street bus lines and the F Market historic streetcar. The Bay Area Rapid Transit District's 16th Street/Mission station is three blocks south of the project site, just outside the one-quarter-mile radius.

## ENVIRONMENTAL REVIEW PROCESS

The environmental evaluation application (Case No. 2014-002026ENV) for the Project was filed by the sponsor, Sustainable Living, LLC, on April 10, 2015. On May 24, 2017, the Department issued a CPE Certificate and Initial Study, based on the following determinations:

1. The proposed project is consistent with the development density established for the project site in the Eastern Neighborhoods Rezoning and Area Plans;
2. The proposed project would not result in effects on the environment that are peculiar to the project or the project site that were not identified as significant effects in the Eastern Neighborhoods PEIR;
3. The proposed project would not result in potentially significant off-site or cumulative impacts that were not identified in the Eastern Neighborhoods PEIR;
4. The proposed project would not result in significant effects, which, as a result of substantial new information that was not known at the time the Eastern Neighborhoods PEIR was certified, would be more severe than were already analyzed and disclosed in the PEIR; and
5. The project sponsor will undertake feasible mitigation measures specified in the Eastern Neighborhoods PEIR to mitigate project-related significant impacts.

The Project was considered by the Planning Commission on June 1, 2017. On that date, the Planning Commission adopted the CPE with approval of the Project under Planning Code Section 329 (Large Project Authorization), which constituted the Approval Action under Chapter 31 of the Administrative Code.

A Large Project Authorization was also approved under Planning Code Section 329 and the Mission 2016 Interim Zoning Controls. In accordance with the Mission 2016 Interim Zoning Controls, which require additional information and analysis regarding the economic and social effects of the proposed project such as housing affordability, displacement, and loss of PDR, the project sponsor prepared such additional analysis, which the Planning Commission reviewed and considered before approving the Large Project Authorization<sup>2</sup> (see Attachment B to this Appeal Response - Planning Commission Motion No. 19931).

On July 3, 2017, an appeal of the CPE determination was filed by J. Scott Weaver, Law Office of J. Scott Weaver, on behalf of Our Mission No Eviction (Appellant). The three page appeal letter from the

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<sup>2</sup> Mission 2016 Interim Controls Additional Findings for 1726-1730 Mission Street, Case No. 2014-002026ENV, submitted to Linda Ajello Hoagland, San Francisco Planning Department.

Appellant is included as Attachment A to this appeal response (“Appeal Letter”). The Appellant’s letter also includes 80 pages of supporting materials that are provided in the file “Appeal Ltr 070317.pdf,” available online as part of Board of Supervisors File No. 170808.

## CEQA GUIDELINES

### Community Plan Evaluations

CEQA Section 21083.3 and CEQA Guidelines Section 15183 **mandate** that projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, **shall not** require additional environmental review except as might be necessary to examine whether there are project-specific effects that are peculiar to the project or its site and that were not disclosed as significant effects in the prior EIR. Guidelines Section 15183 specifies that examination of environmental effects shall be limited to those effects that: a) are peculiar to the project or parcel on which the project would be located; b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent; c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR; or d) are previously identified significant effects which, as a result of substantial information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than that discussed in the underlying EIR. Guidelines Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, then an additional EIR need not be prepared for that project solely on the basis of that impact.

### Significant Environmental Effects

In determining the significance of environmental effects caused by a project, CEQA Guidelines Section 15064(f) states that the decision as to whether a project may have one or more significant effects shall be based on substantial evidence in the record of the lead agency. CEQA Guidelines 15604(f)(5) offers the following guidance: “Argument, speculation, unsubstantiated opinion or narrative, or evidence that is clearly inaccurate or erroneous, or evidence that is not credible, shall not constitute substantial evidence. Substantial evidence shall include facts, reasonable assumption predicated upon facts, and expert opinion supported by facts.”

## SAN FRANCISCO ADMINISTRATIVE CODE

Section 31.16(e)(3) of the Administrative Code states: “The grounds for appeal of an exemption determination shall be limited to whether the project conforms to the requirements of CEQA for an exemption.”

San Francisco Administrative Code Section 31.16(b)(6) provides that in reviewing an appeal of a CEQA decision, the Board of Supervisors “shall conduct its own independent review of whether the CEQA decision adequately complies with the requirements of CEQA. The Board shall consider anew all facts,

evidence and issues related to the adequacy, accuracy and objectiveness of the CEQA decision, including, but not limited to, the sufficiency of the CEQA decision and the correctness of its conclusions.”

## CONCERNS RAISED AND PLANNING DEPARTMENT RESPONSES:

The three-page Appeal Letter incorporated previous letters from the Appellant that were submitted to the Planning Commission (May 30, 2017), and a variety of studies and reports in support of the appeal. These documents are attached as Exhibit D to the Appeal Letter and may be found in “Appeal Ltr 070317.pdf,” available online as part of Board of Supervisors File No. 170808<sup>3</sup>. The three-page Appeal Letter contains seven bulleted items expressing the general basis for the appeal. These seven general concerns are listed in order below as Concerns 1 through 4 (the first, third, and fifth bulleted items are included under the discussion of Concern 1).

**Concern 1:** The Project does not qualify for a Community Plan Exemption under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3 because the approval is based upon an out of date 2008 EIR prepared for the Eastern Neighborhoods Area Plan and the EIR’s analyses and determinations can no longer be relied upon to support the claimed exemption in the areas of, inter alia, direct, indirect, and cumulative impacts to: land use, consistency with area plans and policies, land use, recreation and open space, traffic and circulation, transit and transportation, health and safety, and impacts relative to the Mission Gateway.

**Response 1:** The appeal does not identify new substantial information that was not known at the time the Eastern Neighborhoods PEIR was certified establishing that the Project would result in significant impacts that were not discussed in the Eastern Neighborhoods PEIR or in more severe adverse impacts than discussed in the PEIR. Therefore, under CEQA Guidelines Section 15183, an additional EIR shall not be prepared for the project. Additionally, absent a change in the Eastern Neighborhoods Rezoning and Area Plans, reopening the Eastern Neighborhoods PEIR is neither warranted nor required under CEQA.

The Appellant alleges that the Department’s determination to issue a CPE for the Project is invalid because substantial changes have occurred with respect to the circumstances under which the Eastern Neighborhoods Area Plans were approved due to the involvement of new significant environmental effects and a substantial increase in the severity of previously identified significant effects in the Eastern Neighborhoods PEIR. Item 1, Bullet 5 of the Appeal Letter states:

“Substantial changes in circumstances require major revisions to the Eastern Neighborhoods Area Plan EIR due to the involvement of new significant environmental effects and an increase in the severity of previously identified significant impacts; there is

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<sup>3</sup> <https://sfgov.legistar.com/LegislationDetail.aspx?ID=3099187&GUID=FFEC787B-C514-40C2-9909-83F800B0B01A&Options=ID|Text|&Search=170808>

new information of substantial importance that would change the conclusions set forth in said EIR and the requirements of the Mitigation Monitoring and Reporting Report.”

In order to provide context for the response to this concern, a brief review of the Eastern Neighborhoods PEIR and discussion of CEQA’s requirements for when a certified EIR must be revised is provided, before addressing the appeal’s concerns with significant new environmental effects and increased severity of significant effects that were previously identified in the Eastern Neighborhoods PEIR.

### Eastern Neighborhoods PEIR and the Project CPE

#### *Eastern Neighborhoods PEIR*

As discussed on pages 2 through 4 of the CPE Certificate, the Eastern Neighborhoods PEIR is a comprehensive programmatic report that presents an analysis of the environmental effects of implementation of the Eastern Neighborhoods Rezoning and Area Plans, as well as the potential impacts under several proposed alternatives. According to CEQA Guidelines Section 15168, a program EIR:

... is an EIR which may be prepared on a series of actions that can be characterized as one large project and are related either: (1) geographically; (2) as logical parts in the chain of contemplated actions; (3) in connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program; or (4) as individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways.

Use of a program EIR: (1) provides an occasion for a more exhaustive consideration of effects and alternatives than would be practical in an EIR on an individual action; (2) ensures consideration of cumulative impacts that might be slighted in a case-by-case analysis; (3) avoids duplicative reconsideration of basic policy considerations; (4) allows the lead agency to consider broad policy alternatives and program-wide mitigation measures at an early time when the agency has greater flexibility to deal with basic problems or cumulative impacts; and (5) allows reduction in paperwork. Subsequent activities in the program must be examined in the light of the program EIR to determine whether an additional environmental document must be prepared.

The Eastern Neighborhoods PEIR evaluated three rezoning alternatives, two community-proposed alternatives which focused largely on the Mission District, and a “No Project” alternative. The alternative ultimately approved, or the Preferred Project, represented a combination of two of the rezoning alternatives. The Planning Commission adopted the Preferred Project after fully considering the environmental effects of the Preferred Project and the various scenarios discussed in the PEIR.

As discussed on page 5 of the CPE Certificate, the Eastern Neighborhoods PEIR identified significant impacts related to land use, transportation, cultural resources, shadow, noise, air quality, and hazardous materials. Additionally, the PEIR identified significant cumulative impacts related to land use,

transportation, and cultural resources. Mitigation measures were identified that reduced all impacts to less than significant, except for those related to land use (cumulative impacts on PDR use), transportation (program-level and cumulative traffic impacts at nine intersections; program-level and cumulative transit impacts on seven SFMTA lines), cultural resources (cumulative impacts from demolition of historical resources), and shadow (program-level impacts on parks).

On August 7, 2008, the Planning Commission certified the Eastern Neighborhoods PEIR by Motion 17659 and adopted the Preferred Project for final recommendation to the Board of Supervisors. CEQA Guidelines Sec 15162(c) establishes that once a project, in this case the Eastern Neighborhoods Rezoning and Area Plans, is approved:

“[T]he lead agency’s role in that approval is completed unless further discretionary approval on that project is required. Information appearing after an approval does not require reopening of that approval. If after the project is approved, any of the conditions described in subdivision (a) occurs, a subsequent EIR or negative declaration shall only be prepared by the public agency which grants the next discretionary approval for the project, if any.” [Emphasis added.]

Thus, even if the Appellant’s unsubstantiated claims that the build-out of development consistent with the adopted rezoning and area plans somehow constituted new information or changed circumstances resulting in new or more severe impacts on the physical environment than previously disclosed (i.e., the conditions described in subdivision (a) of CEQA Guidelines section 15162(c), the Eastern Neighborhoods PEIR would remain valid under CEQA. Simply stated, unless and until the Eastern Neighborhoods Rezoning and Area Plans themselves are amended or revised, the reopening of the Eastern Neighborhoods PEIR is neither warranted nor required under CEQA.

#### *Project CPE*

As discussed above, under the Community Plan Evaluations section, CEQA Guidelines Section 15183 limits future environmental review for projects consistent with the development density established by the Eastern Neighborhoods Rezoning and Area Plans. Lead agencies shall not require additional environmental review except as might be necessary to examine whether there are project-specific significant effects that are peculiar to the project or its site and that were not disclosed as significant effects in the prior EIR. Per CEQA Guidelines Section 15183, “this streamlines the review of such projects and reduces the need to prepare repetitive environmental studies.” That is, lead agencies are not to reanalyze impacts that are attributable to the project site being developed consistent with the Eastern Neighborhoods Rezoning and Area Plans.

In accordance with CEQA Guidelines Section 15183, a project-level environmental review was undertaken as documented in the CPE Initial Study to determine if the 1726-1730 Mission Street Project would result in additional impacts specific to the development proposal or the project site and whether

the proposed development would be within the scope of the Eastern Neighborhoods PEIR, so as to assess whether further environmental review is required.

The CPE Initial Study fully described the proposed project (consistent with CEQA Guidelines Section 15124), its environmental setting (consistent with CEQA Guidelines Section 15125), and its potential impacts to the environment (consistent with CEQA Guidelines Section 15126). Consistent with CEQA Guidelines Section 15183, the CPE Initial Study evaluated whether the proposed project would result in significant impacts that: (1) are peculiar to the project or project site; (2) were not identified as significant project-level, cumulative, or off-site effects in the Eastern Neighborhoods PEIR; or (3) are previously identified significant effects, which as a result of substantial new information that was not known at the time that the Eastern Neighborhoods PEIR was certified, are determined to have a more severe adverse impact than discussed in the PEIR.

Impacts to the environment that might result with implementation of the Project were analyzed in the CPE Initial Study according to the project's potential impacts upon the specific setting for each environmental topic, clearly stated significance criteria, and substantial evidence in the form of topic-specific analyses. The CPE Initial Study prepared for the Project evaluates its potential project-specific environmental effects and incorporates by reference information contained in the Eastern Neighborhoods PEIR. Project-specific studies related to transportation, noise, geology, and hazards were prepared for the Project to determine if it would result in any significant environmental impacts that were not identified in the Eastern Neighborhoods PEIR.

The CPE Initial Study determined that the proposed project would not have a significant impact that was not previously identified and analyzed in the Eastern Neighborhoods PEIR for all CEQA Guidelines Appendix G environmental topics. The CPE Initial Study identified (and updated as needed to conform with current Planning Department practices) five mitigation measures from the Eastern Neighborhoods PEIR to be applied to the Project to avoid impacts previously identified in the PEIR related to archeological resources, noise, air quality, and hazardous materials. Additionally, per CEQA Guidelines 15183, "(a)n effect of a project on the environment shall not be considered peculiar to the project or the parcel...if uniformly applied development policies or standards have been previously adopted by the city or county with a finding that the development policies or standards will substantially mitigate that environmental effect when applied to future projects."

As discussed on pages 14 and 15 of the CPE Initial Study, since the certification of the Eastern Neighborhoods PEIR in 2008, several new policies, regulations, statutes, and funding measures have been adopted, passed, or are underway that have or will implement mitigation measures or further reduce less-than-significant impacts identified in the PEIR. These include, but are not limited to:

- State legislation amending CEQA to eliminate consideration of aesthetics and parking impacts for infill projects in transit priority areas, effective January 2014 (see CPE Initial Study, page 15);

- State legislation amending CEQA and San Francisco Planning Commission resolution replacing level of service (LOS) analysis of automobile delay with vehicle miles traveled analysis, effective March 2016 (see CPE Initial Study, pages 15 and 16);
- The adoption of 2016 interim controls in the Mission District requiring additional information and analysis regarding housing affordability, displacement, loss of PDR and other analyses, effective January 14, 2016 through January 14, 2018 or when permanent controls are in effect, whichever occurs first;
- San Francisco Bicycle Plan update adoption in June 2009, Better Streets Plan adoption in 2010, Transit Effectiveness Project (aka "Muni Forward") adoption in March 2014, Vision Zero adoption by various City agencies in 2014, Proposition A and B passage in November 2014, and the Transportation Sustainability Program (see CPE Initial Study "Transportation and Circulation" section);
- San Francisco ordinance establishing Noise Regulations Related to Residential Uses Near Places of Entertainment, effective June 2015 (see CPE Initial Study "Noise" section);
- San Francisco ordinances establishing Construction Dust Control, effective July 2008, and Enhanced Ventilation Required for Urban Infill Sensitive Use Developments, amended December 2014 (see CPE Initial Study "Air Quality" section);
- San Francisco Clean and Safe Parks Bond passage in November 2012 and San Francisco Recreation and Open Space Element of the General Plan adoption in April 2014 (see CPE Initial Study "Recreation" section);
- Urban Water Management Plan adoption in 2011 and Sewer System Improvement Program process (see CPE Initial Study "Utilities and Service Systems" section);
- Article 22A of the Health Code amendments effective August 2013 (see CPE Initial Study "Hazards and Hazardous Materials" section); and
- San Francisco's "Strategies to Address Greenhouse Gas Emissions", a greenhouse gas emissions reduction strategy prepared November 2010 (See CPE Initial Study "Greenhouse Gas Emissions" section).

In summary, project-level environmental review was conducted, as documented in the CPE Initial Study, in accordance with CEQA Guidelines 15183, which limits any further environmental review for projects, like 1726-1730 Mission Street, that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects that are peculiar to the project or its site and that were not disclosed as significant effects in the prior EIR. The environmental analysis in the CPE Initial Study concluded that, with the incorporation of mitigation measures from the Eastern Neighborhoods PEIR and implementation of uniformly applied development policies and standards, there would not be any project-specific effects that are peculiar to the project or its site and that were not disclosed as significant effects in the Eastern Neighborhoods PEIR. Therefore, per CEQA Guidelines Section 15183, no further environmental review may be required, and a Community Plan Evaluation was issued based on the environmental analysis in the CPE Initial Study.

Per CEQA Guidelines Section 15183, if an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR *or* can be substantially mitigated by the imposition of uniformly applied development policies or standards, then an additional EIR **shall not** be prepared for the project solely on the basis of that impact.

Concern 1 alleges that substantial changes with respect to the circumstances under which the Eastern Neighborhoods Area Plans has been undertaken have occurred, including growth that has exceeded that which was considered in the Eastern Neighborhoods PEIR, the pace of that growth, and impacts associated with displacement of existing residents and businesses. Concern 1 also alleges that there have been substantial increases in the severity of previously identified significant effects including (as noted above), in relation to traffic and transit, parking, air quality, loss of PDR space, and hazardous materials. to the Department responds to each of these concerns as follows:

### Population and Housing

In its assertion that the Eastern Neighborhoods PEIR no longer fully discloses the cumulative impacts of Eastern Neighborhood projects, the Appellant states on page 2 of his Appeal Letter:

“The PEIR’s projections for housing, including this project and those in the pipeline, have been exceeded when cumulative impacts are considered, i.e., ‘past, present, and reasonably foreseeable probable future projects.’(Guidelines, § 15355)”

The Appeal Letter incorporates by reference a letter submitted by the Appellant to the Planning Commission on May 30, 2017, which states:

“The proposed project (36 units) is being built in conjunction with a number of other projects currently in the pipeline for the area. Pipeline projects between the intersection of South Van Ness and Mission, and 16th and Mission and one block either side of Mission (eight blocks) are: 130 Otis Street (220 units), 1601 Mission Street (354 units), 1801 Mission Street (54 units), 1863 Mission Street (36 units), 1900 Mission Street (9 units), 1924 Mission Street (13 units), 1979 Mission Street (331 units), 198 Valencia (28 units), 235 Valencia (50 units), 80 Julian (9 units), 1463 Stevenson (45 units), and 1500 15th Street, (184 units - density bonus).

Additionally, there are two affordable housing projects, one at 1950 Mission Street (157 units), and one at 490 South Van Ness Avenue (133 units). Total number of pipeline units, including the proposed project are within two blocks either side of sausage factory is 1,659 units.

Built after 2008, but equally applicable to any cumulative analysis are 1880 Mission Street (202 units), 1501 15th Street (40 units), 380 14th Street (29 units) and 411 Valencia (16) 1587 15th (26 units) 1972 units.

This is extraordinary in such a small geographic area. The total number of units contemplated under the most ambitious scenario for the Mission in the Eastern Neighborhoods Plan was 2054 units, with a Preferred Project at 1696 units. To provide a sense of proportionality, the Mission Area Plan is approximately 72 blocks, whereas the number of blocks considered above is eight.

This project, when looked at cumulatively results in significant impacts on the immediate area, including impacts on traffic, circulation, air quality, noise, and open space, as well as socioeconomic impacts on this a working class neighborhood and an especially vulnerable SRO Hotel population. Once these projects are in place, existing SRO tenants will be ousted and replaced by will be gone, replaced by tourists, and ...”

Although the Eastern Neighborhoods PEIR contained projections of population and housing growth through the year 2025, the PEIR does not include these population and housing projections as a cap or limit to growth within the areas that would be subject to the Eastern Neighborhoods Plans. Rather, the growth projections were based upon the best estimates available at the time the Eastern Neighborhoods PEIR was prepared. Regardless, and as discussed below, growth under the Eastern Neighborhoods Plans to date has not exceeded the growth projections used to support the environmental impact analysis in the Eastern Neighborhoods PEIR.

As of July 2016, projects containing 8,527 dwelling units and 2,205,720 square feet of non-residential space (excluding PDR loss) have completed environmental review or are currently undergoing environmental review within all of the Eastern Neighborhoods plan areas, corresponding to an overall population increase of approximately 22,099 to 25,183 persons. Of the 8,527 dwelling units that are under review or have completed environmental review, building permits have been pulled for 4,321 dwelling units,<sup>4</sup> or approximately 51 percent of those units (information is not available regarding building permits for non-residential square footage). Thus, the number of units approved, let alone constructed, is well below the PEIR projection.

The Eastern Neighborhoods PEIR projected that implementation of the Mission Area Plan could result in an increase of 1,696 net dwelling units and 700,000 to 3,500,000 sf of non-residential space (excluding PDR loss), corresponding to an overall population increase of approximately 4,719 to 12,207 persons in the area

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<sup>4</sup> This number includes all units approved under CEQA for projects anticipated by the Eastern Neighborhoods PEIR (including CPEs and other types of CEQA documents). Once a project has been approved under CEQA, the building permit process must still be completed. When used in the context of a building permit, the term “pulled” encompasses the different levels of review a permit undergoes from when it is filed (application accepted) to complete (project has been constructed). According to Current Planning staff, projects that are under construction can take up to two years before they are completed and ready for occupancy.

covered by the Mission Area Plan. As of July 2016, projects containing 2,116 dwelling units and 493,373 square feet of non-residential space (excluding PDR loss), including the 1726-1730 Mission Street Project, had been completed, approved or are proposed to complete environmental review within the Mission Plan Area, corresponding to an overall population increase of 5,987 to 6,248 persons. Of the 2,116 dwelling units that are under review or have completed environmental review, building permits have been issued for 590 dwelling units, or approximately 28 percent of those units, well below the PEIR projection.

The growth projections in the PEIR were used as an analytical tool to contextualize the potential environmental impacts of the Eastern Neighborhoods Area Plans. The PEIR assumed a total amount of development resulting from the Eastern Neighborhoods Area Plans consisting of all development types (residential, commercial, etc.), and analyzed impacts based on this total development amount. Although the number of foreseeable dwelling units in the Mission Plan Area may exceed the range of residential development anticipated by the Eastern Neighborhoods PEIR by approximately 420 dwelling units (should all proposed projects be both approved and constructed), the total amount of foreseeable non-residential space in the Mission Plan Area is well below the maximum evaluated in the Eastern Neighborhoods PEIR, as is the overall population increase. Therefore, while more residential development has occurred in this area, less non-residential development has occurred, and the total amount of development and the estimated population increase assumed in the PEIR have not been exceeded.

The Eastern Neighborhoods PEIR utilized growth projections to analyze the physical environmental impacts that could result from development under the Eastern Neighborhoods Plan on Land Use; Population, Housing, Business Activity, and Employment; Transportation; Noise; Air Quality; Parks, Recreation, and Open Space; Utilities/Public Services; and Water. However, the CPE Initial Study prepared for the proposed project does not rely solely on the growth projections considered in the Eastern Neighborhoods PEIR in examining whether the project would have significant impacts that are peculiar to the project or site. The project- and site-specific analysis contained in the CPE Initial Study is based on updated growth projections and related modelling to evaluate project-level and cumulative impacts on traffic and transportation, air quality, and greenhouse gases.

For example, the projected transportation conditions and cumulative effects of project buildout analyzed in the Eastern Neighborhoods PEIR were based on a 2025 horizon year. However, in 2015, the Planning Department updated its cumulative transportation impact analysis for all projects to use a 2040 horizon year. Therefore, the project-specific cumulative transportation impact analysis presented in the CPE Initial Study conducted to determine whether the proposed project would result in new or substantially more severe significant impacts than previously disclosed is based on updated growth projections through year 2040. San Francisco 2040 cumulative conditions were projected using a run of the San Francisco County Transportation Authority's (Transportation Authority) San Francisco Activity Model Process (SF-CHAMP) and includes residential and job growth estimates and reasonably foreseeable transportation investments through 2040.

As another example, as discussed on pages 31 and 32 of the CPE Initial Study, the Project's air quality impacts were screened using screening criteria established by the Bay Area Air Quality District in 2011 and screened using the City's Air Pollutant Exposure Zone mapping. The exposure zone mapping is based on modeling in 2012 of all known air pollutant sources, provides health protective standards for cumulative PM<sub>2.5</sub> concentration and cumulative excess cancer risk, and incorporates health vulnerability factors and proximity to freeways. As discussed on page 35 of the CPE Initial Study, the Project's greenhouse gas emissions impacts were evaluated against consistency with San Francisco's GHG Reduction Strategy, a strategy that has resulted in a 23.3 percent reduction in GHG emissions in 2012 compared to 1990 levels, exceeding the year 2020 reduction goals outlined in the BAAQMD's 2010 Clean Air Plan.

### Eastern Neighborhoods PEIR, Displacement and Cumulative Impacts

The Appellant asserts that the high cost of housing and consequent displacement of residents and businesses represent substantial changes to the circumstances considered in the Eastern Neighborhoods PEIR. In a May 30, 2017, letter to the Planning Commission (Appeal Letter Exhibit D), the Appellant states:

“Unfortunately, circumstances have rendered the 2008 PEIR out of date and it cannot be a reliable measure of environmental impacts of market rate development in the Mission. It is well recognized that the Mission has already experienced extensive displacement of its residents, so much so, that it is now in an advanced stage [of] gentrification.”

The Appellant also provides a bullet list of eight items as evidence of changing demographics and economic conditions in the Eastern Neighborhoods and Mission Plan areas purported to represent changed circumstances not considered by the Eastern Neighborhoods PEIR:

- The PEIR did not anticipate the “advanced gentrification” of the neighborhood, the extensive displacement of Latino families, the reverse commute to distant areas.
- At the time the PEIR was prepared, research regarding the extent of increased automobile traffic and greenhouse gas emissions was not available.
- The unanticipated additional demand for affordable housing due to the overdevelopment of luxury housing.
- The unexpected disappearance of Redevelopment [Agency] money to fund affordable housing and no new resources to compensate for the loss.
- The PEIR was prepared during an economic recession and did not anticipate the development of luxury housing and high-end retail projects.
- The PEIR assumed that the Eastern Neighborhoods Plan and the Mission Area Plan meet the goal of providing over 60 percent low-, moderate-, and middle-income housing. This goal has not been met, further exacerbating problems related to displacement.

- The PEIR did not anticipate the impact of tech shuttles on traffic and housing demand, with high-income tech employees moving to neighborhoods like the Mission in which many of the tech shuttle stops are located and increasing the already-high demand for housing.
- The cumulative housing production in the Mission now exceeds the projections under any of the three scenarios analyzed in the PEIR

A response to statements regarding displacement, gentrification and cumulative impacts of market-rate development, including the proposed project, is presented below and in subsequent responses.

### Traffic

In Exhibit D of the Appeal Letter, the Appellant notes several transportation-related issues allegedly not anticipated by the Eastern Neighborhoods PEIR, including “reverse commutes to distant areas” and “increased automobile traffic” related to the fact that “upper income residents are twice as likely to own a car and half as likely to use public transit.” No substantial evidence was presented in support of these allegations.

In April 2017, updated traffic counts were conducted at four intersections in the Mission neighborhood (Guerrero Street/16th Street, South Van Ness Avenue/16th Street, Valencia Street/15th Street, and Valencia Street/16th Street) that were analyzed in the Eastern Neighborhoods PEIR.<sup>5</sup> All four of these intersections are within five blocks of the project site. Compared to traffic volume projections for 2017, the updated traffic counts showed that there were fewer vehicles at three of the intersections (3, 10, and 14 percent decreases) and more vehicles at one intersection (6 percent increase). Overall, there were fewer vehicles at these four intersections (average decrease of 4 percent) when compared to traffic volume projections for 2017.

The travel demand analysis methodology employed in the Eastern Neighborhoods PEIR is provided on pages 267 through 269 of the PEIR. Briefly, the analysis relied upon the San Francisco County Transportation Authority (SFCTA) countywide travel demand forecasting model to develop forecasts for development and growth under the No Project and three zoning options (A, B and C) through the year 2025 in the Eastern Neighborhoods study area. This approach took into account both future development expected within the boundary of the Eastern Neighborhoods Area Plans and the expected growth in housing and employment for the remainder of San Francisco and the nine-county Bay Area. Growth forecasts were prepared for each traffic analysis zone (or TAZ) in the Eastern Neighborhoods study area and the remainder of the City. As the Eastern Neighborhoods PEIR points out on page 268,

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<sup>5</sup> Fehr & Peers, *Updated Eastern Neighborhoods Traffic Counts*, April 17, 2017.

“[n]o separate cumulative model run was undertaken, because, as noted, the 2025 forecasts developed by the Planning Department include growth in the remainder of San Francisco, as well as in the rest of the Bay Area. Thus, each rezoning option effectively is [sic] represents a different cumulative growth scenario for the year 2025, including growth from development that would occur with implementation of the proposed Eastern Neighborhoods Rezoning and Area Plans, as well as other, non-project-generated growth accounted for in the 2025 No-Project scenario.”

As discussed on pages 24 through 26 of the CPE Initial Study for the Project, significant and unavoidable impacts were identified in the Eastern Neighborhoods PEIR for transportation and circulation (specifically, transit). The Appellant provides no evidence that traffic conditions in the area of the Project today represent “changed circumstances” necessitating further environmental review beyond what was conducted in the CPE Initial Study, nor does the Appellant identify specific significant transportation and circulation impacts that would result from the Project that were not already analyzed in the PEIR.

As stated on page 21 of the CPE Initial Study, the Project’s potential impacts related to transportation and circulation were analyzed and presented in a Transportation Circulation Memorandum (see footnote 9 on page 21). As discussed in the CPE Initial Study, the projected transportation conditions and cumulative effects of project buildout analyzed in the Eastern Neighborhoods PEIR were based on a 2025 horizon year. However, in 2015, the Planning Department updated its cumulative transportation impact analysis for all projects to use a 2040 horizon year. Therefore, the project-specific cumulative transportation impact analysis presented in the CPE Initial Study conducted to determine whether the proposed project would result in new or substantially more severe significant impacts than previously disclosed is based on updated growth projections through year 2040. San Francisco 2040 cumulative conditions were projected using a SF-CHAMP model run and includes residential and job growth estimates and reasonably foreseeable transportation investments through 2040.

The potential transportation and circulation impacts of the Project are evaluated under Topic 4 of the CPE Initial Study (pages 21 through 27). As discussed on page 16 of the CPE Initial Study, with the Planning Commission’s adoption of Resolution 19579 on March 3, 2016, the City no longer considers automobile delay, as described solely by level of service or similar measures of vehicular capacity or traffic congestion, to be a significant impact on the environment under CEQA. Consistent with Resolution 19579, the CPE Initial Study provides an analysis of the Project’s anticipated project-specific and cumulative contribution to vehicle miles traveled and induced automobile travel. In both instances, the analysis determined that the Project would not result in a significant project-specific or cumulative impact. Furthermore, as discussed on page 15 of the CPE Initial Study under “Aesthetics and Parking,” the Project qualifies as an infill project: it is in a transit priority area, it is on an infill site, and it is a mixed-use residential project. Consistent with CEQA Section 21099, aesthetics and parking are not considered as significant environmental effects for such infill projects.

The “Transportation and Circulation” section of the CPE Initial Study provides a comprehensive analysis of the Project’s anticipated trip generation and its potential effects on transit, pedestrians, bicyclists, loading, and construction traffic. The analysis is based on the Transportation Circulation Memorandum prepared for the proposed project, as stated above, and the analysis and conclusions presented in the Eastern Neighborhoods PEIR. On the basis of the substantial evidence provided by the Transportation Circulation Memorandum and an analysis of the Project’s potential transportation and circulation effects in relation to the Eastern Neighborhoods PEIR, the CPE Initial Study concluded on pages 24 through 27 that the Project would not result in significant impacts on transit, pedestrians, and bicycles beyond those identified in the Eastern Neighborhoods PEIR.

The Appellant’s contention that the environmental analysis in the CPE Initial Study is flawed because the Eastern Neighborhoods PEIR did not consider traffic and transportation effects resulting from displacement is not based upon substantial evidence; the various reports and studies included with the Appeal Letter do not provide specific technical analysis connecting displacement in the Mission District with observable traffic and transportation effects (noting again that traffic congestion is no longer considered an impact under CEQA).

### Conclusion

On page 3 of the Appeal Letter, the Appellant states: “The City is engaging in a pattern and practice of approving residential projects in the Mission based on a Community Plan Exemption that improperly tiers off of an out of date Eastern Neighborhoods Area Plan EIR instead of conducting project level environmental review.” This is incorrect. The Planning Department properly relies upon CEQA Guidelines Section 15183 to determine if additional environmental review is required for projects that are consistent with the development density established under existing zoning, community plans, or general plan policies, including the Eastern Neighborhoods Plan, for which an EIR was certified. In accordance with this provision of the CEQA Guidelines, additional environmental review **shall not** be required for such projects except as might be necessary to examine whether there are project-specific significant effects that are peculiar to the project or its site. The project-level environmental review in the CPE Initial Study determined that the Project would not result in significant effects that are peculiar to the project or its site that were not previously disclosed in the Eastern Neighborhoods PEIR.

The Appellant does not provide substantial evidence to support the contention that the Project would result in significant effects that are peculiar to the project or its site and that were not previously disclosed in the Eastern Neighborhoods PEIR. The Eastern Neighborhoods PEIR did consider the effects of displacement of residents and businesses as a result of the rezoning options considered and found those impacts to be less-than-significant. Contrary to the Appellant’s assertion, growth in the Eastern Neighborhoods and Mission Plan areas (as measured by dwelling units and population) do not represent a new significant environmental effect or increased severity of an environmental effect analyzed in the Eastern Neighborhoods PEIR, such that a project-specific EIR would need to be prepared.

Concern 2: The claimed community benefits of the Eastern Neighborhoods Area Plan, outlined in the 2008 PEIR, its approvals and the Statement of Overriding Considerations have not been fully funded, implemented, or are underperforming and the determinations and findings for the proposed Project that rely on the claimed benefits to override impacts outlined in the PEIR are not supported. The City should have conducted Project level review based upon up to date data and the actual community benefits that have accrued since the adoption of the 2008 plan and did not.

Response 2: The Appellant's contentions concerning community benefits are not valid grounds for an appeal of the CPE because they do not demonstrate that the Project would result in significant effects that are peculiar to the project or its site that were not disclosed in the Eastern Neighborhoods PEIR.

As stated above, CEQA Section 21083.3 and CEQA Guidelines Section 15183 mandate that projects that are consistent with the development density established under existing zoning, community plans, or general plan policies for which an EIR was certified shall not require additional environmental review except as might be necessary to examine whether there are project-specific significant effects that are peculiar to the project or its site. The Appellant's contentions concerning the funding and implementation of community benefits do not demonstrate that the project would result in significant effects that are peculiar to the project or its site that were not disclosed in the Eastern Neighborhoods PEIR. Therefore, these contentions do not form a valid ground for an appeal of the determination that the project qualifies for a CPE.

For informational purposes, however, the following discussion about the status of the community benefits identified in the CEQA findings and Statement of Overriding Consideration for the adoption of the Eastern Neighborhoods Area Plans is provided.

The Appellant does not specify which community benefits "have not been fully funded, implemented or are underperforming..." or which findings and determinations for the Project "rely on the claimed benefits to override impacts outlined in the PEIR." Regardless, as the following discussion indicates, community benefits are being provided under the Eastern Neighborhoods Plan through an established process.

The Eastern Neighborhoods Plan included, as an informational item considered by the Planning Commission at the time of the original Eastern Neighborhoods Plans approvals in 2008, a Public Benefits Program detailing a framework for delivering infrastructure and other public benefits as described in an Implementation Document titled Materials for Eastern Neighborhoods Area Plans Initiation Hearing.<sup>6</sup> The Public Benefits Program consists of:

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<sup>6</sup> San Francisco Planning Department, *Materials for Eastern Neighborhoods Area Plans Initiation Hearing*, Case No. 2004.0160EMTUZ. April 17, 2008. Available at: [http://sf-planning.org/sites/default/files/FileCenter/Documents/1507-VOL3\\_Implementation.pdf](http://sf-planning.org/sites/default/files/FileCenter/Documents/1507-VOL3_Implementation.pdf), accessed July 14, 2017.

- 1) an Improvements Program that addresses needs for open space, transit and the public realm, community facilities and affordable housing;
- 2) a Funding Strategy that proposes specific funding strategies and sources to finance the various facilities and improvements identified in the Improvements Plan, and matches these sources to estimated costs; and
- 3) a section on Program Administration that establishes roles for the community and City agencies, provides responsibilities for each, and outlines the steps required to implement the program.

Some of the benefits were to be provided through requirements that would be included in changes to the Planning Code. For example, Planning Code Section 423 (Eastern Neighborhoods Community Infrastructure Impact Fee) fees are collected for "Transit", "Complete Streets", "Recreation and Open Space", "Child Care", and in some portions of the Mission District and the South of Market Area, "Affordable Housing". Other benefits were to be funded by fees accrued with development and through other sources of funding. The Public Benefits Program was not intended to be a static list of projects; rather, it was designed to be modified by a Citizens Advisory Committee as needs were identified through time.

The Appellant's assertion that "the claimed benefits to override impacts outlined in the PEIR are not supported," stating that benefits have not been have not been fully funded, implemented, or are underperforming, is incorrect.

In terms of the process for implementing the Public Benefits Program, new development within the Eastern Neighborhoods Plan area, including the Project, are required to pay development impact fees upon issuance of the "first construction document" (either a project's building permit or the first addendum to a project's site permit), which fees are collected to fund approximately 30 percent of the infrastructure improvements planned within the Eastern Neighborhoods Plan area. Additional funding mechanisms for infrastructure improvements are identified through the City's 10-year Capital Plan. Eighty percent of development impact fees must go towards Eastern Neighborhoods priority projects, until those priority projects are fully funded. The fees are dispersed to fund infrastructure improvements within the entirety of the Eastern Neighborhoods Plan area, on a priority basis established by the Eastern Neighborhoods Citizen Advisory Committee (CAC) and the City's Interagency Plan Implementation Committee (IPIC). The IPIC works with the CAC to prioritize future infrastructure improvements. Additionally, the Planning Department and Capital Planning Program are working with the implementing departments to identify additional state and federal grants, general fund monies, or other funding mechanisms such as land-secured financing or infrastructure finance districts to fund the remaining emerging needs. Impact fees are distributed among the following improvement categories: open space, transportation and streetscape, community facilities, childcare, library, and program administration. As stated in the January 2016 Planning Department's Interagency Plan Implementation

Committee Annual Report,<sup>7</sup> the Planning Department forecasts that pipeline projects, including the proposed project, would contribute approximately \$79.1 million in impact fee revenue within the Eastern Neighborhoods Plan area between fiscal years 2017 and 2021.

Infrastructure projects that are currently underway are also listed in the Planning Department's Interagency Plan Implementation Committee Annual Report. These include various streetscape, roadway, park, and childcare facility improvements. Additionally, a Transportation Sustainability Fee was adopted in November 2015 (BOS File Number 150790) and expenditures of this will shall be allocated according to Table 411A.6A in the Ordinance, which gives priority to specific projects identified in different area plans. These processes and funding mechanisms are intended to provide for implementation of infrastructure improvements to keep pace with development and associated needs of existing and new residents and businesses within the area. The CPE Initial Study provides further information regarding improvements within the Eastern Neighborhoods Plan Area. Regarding transit, as discussed on pages 24 and 25 of the CPE Initial Study, Mitigation Measures E-5 through E-11 in the Eastern Neighborhoods PEIR were adopted as part of the Eastern Neighborhoods Area Plans with uncertain feasibility to address significant transit impacts. While these plan-level measures are not applicable to the Project, each is in some stage of implementation (see discussion on pages 24 and 25 of the CPE Initial Study). Regarding recreation, the funding and planning for several Eastern Neighborhoods parks and open space resources is discussed on pages 37 and 38 of the CPE Initial Study.

Thus, based on the evidence provided, the public benefits included in the Public Benefits Program are in the process of being provided under the Eastern Neighborhoods Area Plans. As is generally the case with development fee-based provision of community benefits, capital facilities are constructed as fees are collected and are rarely provided in advance of development. The Appellant's assertion that the provision of community benefits is so deficient as to render the environmental determinations in the Eastern Neighborhoods PEIR invalid is not supported by substantial evidence. As described above, the CPE does provide an up-to-date description of the provision of transportation and recreation community benefits. For these and other impact analyses, the CPE properly concludes that the Project would not result in a significant impact not previously identified in the Eastern Neighborhoods PEIR.

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<sup>7</sup> *City and County of San Francisco, Interagency Plan Implementation Committee Annual Report*, January 2016. Available at [http://www.sf-planning.org/ftp/files/plans-and-programs/plan-implementation/2016\\_IPIC\\_Report\\_FINAL.pdf](http://www.sf-planning.org/ftp/files/plans-and-programs/plan-implementation/2016_IPIC_Report_FINAL.pdf), accessed July 14, 2017.

**Concern 3:** The CEQA findings are inadequate and incomplete, fail to adequately describe the Project's components and are not supported by substantial evidence.

**Response 3:** The CEQA findings adopted by the Planning Commission on June 1, 2017 as part of the Commission's approval of the Large Project Authorization for the Project are not subject to appeal under San Francisco Administrative Code Section.

Per San Francisco Administrative Code Section 31.16(c)(3), (d)(3), and (e)(3), the grounds for appeal of an environmental determination are limited to whether the **environmental determination** is adequate under CEQA. The CEQA findings are findings made as a part of the Project approval action, which is not before the Board of Supervisors in this appeal of the Community Plan Evaluation. Challenging the CEQA findings would appropriately be part of any appeal of the Project's approval action, which was a Large Project Authorization. Regardless, neither state law nor Chapter 31 of the Administrative Code requires that any CEQA findings be made when a project is approved in reliance on a Community Plan Evaluation. Detailed CEQA findings are required to be made only when an EIR has been prepared, there are significant unmitigated environmental impacts associated with the project, and the agency decides to approve the project despite those impacts, pursuant to CEQA Guidelines Section 15091.

**Concern 4:** The Project is inconsistent with the General Plan and the Mission Area Plan.

**Response 4:** The Project is consistent with the development density established under the Eastern Neighborhoods Area Plan, and would not result in significant impacts on the physical environment due to conflicts with the General Plan or the Mission Area Plan that are peculiar to the project or the project site.

On page 3 of the Appeal Letter, the Appellant states "The Proposed Project is inconsistent with the General Plan and the Mission Area Plan." In a May 30, 2017 letter to the Planning Commission (Appeal Letter Exhibit D), the Appellant states:

"In evaluating the desirability of the proposed project, the Commission should evaluate it in light of its inconsistency with the objectives of the Eastern Neighborhoods and Mission Plans. The EIR for the Eastern Neighborhoods Plan reflected the Eastern Neighborhood objectives as follows:

- *Reflect Local Values:* To develop a rezoning proposal that reflects the land use needs and priorities of each neighborhoods' stakeholders and that meets citywide goals for residential and industrial land use.
- *Increase Housing:* To identify appropriate locations for housing in the City's industrially zoned land to meet a citywide need for more housing, and affordable housing in particular. [Emphasis added.]
- *Maintain Some Industrial Land Supply:* To retain an adequate supply of industrial land to meet the current and future needs of the City's production, distribution, and repair businesses and the city's economy.

- *Improve the Quality of All Existing Areas with Future Development:* To improve the quality of the residential and nonresidential places that future development will create over that which would occur under the existing zoning.

The Mission Area Plan was even more specific in its land use policy: to protect "established areas of residential, commercial, and PDR, and ensuring that areas that have become mixed-use over time develop in such a way that they contribute positively to the neighborhood. A place for living and working also means a place where affordably priced housing is made available, a diverse array of jobs is protected, and where goods and services are oriented to the needs of the community." [Emphasis added.]

Mission-wide goals include:

- Increase the amount of affordable housing.
- Preserve and enhance the existing Production, Distribution and Repair businesses.
- Preserve and enhance the unique character of the Mission's distinct commercial areas.
- Minimize displacement."

Topic 1(b) in the "Land Use and Land Use Planning" section of the CPE Initial Study limits review of the Project's conflicts with any applicable land use plan, policy, or regulation to those "adopted for the purpose of avoiding or mitigating an environmental effect." Project-related policy conflicts and inconsistencies do not constitute, in and of themselves, significant environmental impacts. The consistency of the Project with those General Plan and Mission Area Plan policies that do not relate to physical environmental issues or result in physical environmental effects (such as those cited above by the Appellant), were considered by the Planning Commission as part of its determination of whether to approve, modify, or disapprove the Project.

As discussed above under Concern 1, the loss of PDR space resulting from implementation of the Eastern Neighborhoods Plan was found to be a significant and unavoidable impact in the Eastern Neighborhoods Plan PEIR. To address that impact, the City created PDR zones in the Eastern Neighborhoods Plan Area, including the Mission Area, in which PDR uses would be protected and competing uses, including residential and office developments, are not permitted, and made findings that the loss of PDR uses and space outside the PDR zoning districts was acceptable and overridden by the other benefits of the Plan.

The Project's contribution to loss of PDR space is disclosed under Topic 1(b) of the CPE Initial Study. As discussed on pages 16 and 17 of the CPE Initial Study, development of the proposed project would result in the net loss of approximately 8,950 square feet of PDR space. This net loss of PDR space would be a considerable contribution to the cumulative loss of PDR space analyzed in the Eastern Neighborhoods PEIR but would not result in significant impacts that were previously not identified or a more severe adverse impact than analyzed in the Eastern Neighborhoods PEIR.

The Planning Department's Citywide Planning and Policy Analysis Division determined that the Project was consistent with the General Plan and with the bulk, density, and land uses as envisioned in the Mission Area Plan. The determination further states:

"The proposed project is consistent with the height, bulk, density, and land uses as envisioned in the Plan. Objective 1.1 of the Plan calls for strengthening the Mission's existing mixed use character, while maintaining the neighborhood as a place to live and work. The proposed project is consistent with this objective by providing a project with production, distribution, and repair (PDR) on the ground floor with residential units above. The project is also consistent with Objective 1.7, "Retain the Mission's role as an important location for production, distribution, and repair activities". As a primarily residential project with PDR, the proposed project is consistent with the determination."

The Citywide determination concludes:

"For the purposes of the Citywide Planning and Policy Analysis division, the project is eligible for consideration of a Community Plan Exemption under California Public Resources Code Sections 21159.21, 21159.23, 21159.24, 21081.2, and 21083.3, and/or Section 15183 of the California Environmental Quality Act (CEQA) Guidelines."

As a general matter, the determination of whether a project is consistent with a specific plan or policy can be subjective, and is best made with a broad understanding of the often-competing policy objectives in a planning document. Consequently, policy consistency determinations are ultimately made by the City's decision-making bodies such as the Planning Commission and the Board of Supervisors independent of the environmental review process, as part of the decision to approve or reject the project. In its approval of the Project's Large Project Authorization, the Planning Commission determined that the project is generally consistent with the objectives and policies of the General Plan, including the Mission Area Plan.

Accordingly, the Project would not result in significant impacts on the physical environment due to inconsistency with the General Plan, the Eastern Neighborhoods Plan, or the Mission Subarea Plan that are peculiar to the project or the project site.

## **CONCLUSION:**

The Appellant has not demonstrated nor provided substantial evidence to support a claim that the CPE fails to conform to the requirements of CEQA for a community plan evaluation pursuant to CEQA Section 21083.3 and CEQA Guidelines Section 15183. The Planning Department conducted necessary studies and analyses, and provided the Planning Commission with the information and documents necessary to make an informed decision, based on substantial evidence in the record, at a noticed public hearing in accordance with the Planning Department's CPE Initial Study and standard procedures, and pursuant to CEQA and the CEQA Guidelines. Therefore, the Planning Department respectfully recommends that the Board of Supervisors uphold the Department's determination for the CPE and reject Appellant's appeal.

# Attachment A

July 3, 2017 Appeal Letter



## 1. Appeal of the adoption of the Community Plan Exemption and CEQA Findings

The appeal of the adoption of the Community Plan Exemption and CEQA Findings are filed on the following bases.

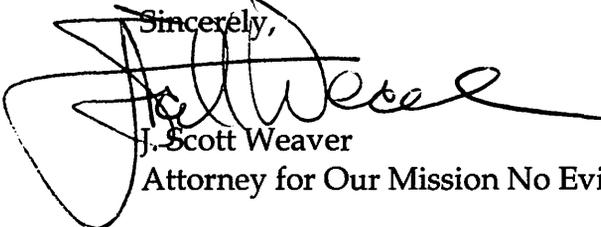
- The CEQA findings did not take into account the potential cumulative impacts of this project along with nearly 2,000 other units constructed, entitled, or in the pipeline for the area along Mission Street, beginning at the intersection of Mission and South Van Ness Avenue and continuing to 16<sup>th</sup> Street, and including one block on either side of Mission Street (hereafter “Mission Gateway” which was not considered in the Eastern Neighborhoods Plain EIR (PEIR). Potential impacts with respect to traffic and circulation, noise, air quality, recreation and open space, impacts on SRO Hotels, and overall gentrification and displacement impacts on businesses, residents, and nonprofits within the Mission Gateway.
- The Proposed Project does not qualify for a Community Plan Exemption under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3 because the approval is based upon an out of date 2008 EIR prepared for the Eastern Neighborhoods Area Plan and the EIR’s analysis and determination can no longer be relied upon to support the claimed exemption in the areas of, *inter alia*, direct, indirect, and cumulative impacts to: land use, consistency with area plans and policies, land use, recreation and open space, traffic and circulation, transit and transportation, health and safety, and impacts relative to the Mission Gateway.
- The PEIR’s projections for housing, including this project and those in the pipeline, have been exceeded when cumulative impacts are considered, i.e., “past, present, and reasonably foreseeable probable future projects.” (Guidelines, § 15355)
- The claimed community benefits of the Eastern Neighborhoods Area Plan, outlined in the 2008 PEIR, its approvals and the Statement of Overriding Considerations have not been fully funded, implemented, or are underperforming and the determinations and findings for the proposed Project that rely on the claimed benefits to override impacts outlined in the PEIR are not supported. The City should

have conducted Project level review based upon up to date data and the actual community benefits that have accrued since the adoption of the 2008 plan and did not.

- Substantial changes in circumstances require major revisions to the Eastern Neighborhoods Area Plan EIR due to the involvement of new significant environmental effects and an increase in the severity of previously identified significant impacts; there is new information of substantial importance that would change the conclusions set forth in said EIR and the requirements of the Mitigation Monitoring and Reporting Report.
- The CEQA findings are inadequate and incomplete and are not supported by substantial evidence.
- The Proposed Project is inconsistent with the General Plan and the Mission Area Plan.

## 2. Pattern and Practice

The City is engaging in a pattern and practice of approving residential projects in the Mission based upon a Community Plan Exemption that improperly tiers off of an out of date Eastern Neighborhoods Area Plan EIR instead of conducting project level environmental review. This results in the approval of projects with unexamined environmental affects to the detriment of Mission residents.

Sincerely,  
  
J. Scott Weaver  
Attorney for Our Mission No Eviction

**EXHIBIT A**

**EXHIBIT A**

**EXHIBIT A**

**EXHIBIT A**



# SAN FRANCISCO PLANNING DEPARTMENT

REGISTRATION  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2017 JUL -3 AM 9:03

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Transportation Sustainability Fee (Sec. 411A)
- Eastern Neighborhoods Impact Fee (Sec. 423)
- First Source Hiring (Admin. Code)
- Residential Child Care Fee (Sec. 414A)
- Other

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Planning  
Information:  
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## Planning Commission Motion No. 19931

HEARING DATE: JUNE 1, 2017

Case No.: 2014-002026ENX  
 Project Address: 1726-1730 Mission Street  
 Zoning: UMU (Urban Mixed Use) District  
 68-X Height and Bulk District  
 Block/Lot: 3532/004A and 005  
 Project Sponsor: Jody Knight – Reuben, Junius & Rose , LLP  
 One Bush Street, Suite 600  
 San Francisco, CA 94104  
 Staff Contact: Linda Ajello Hoagland – (415) 575-6823  
[linda.ajellohaoagland@sfgov.org](mailto:linda.ajellohaoagland@sfgov.org)

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION, PURSUANT TO PLANNING CODE SECTION 329 AND PLANNING COMMISSION RESOLUTION NO. 19865-MISSION 2016 INTERIM ZONING CONTROLS, TO DEMOLISH A 11,200 SQUARE FOOT, TWO-STORY INDUSTRIAL BUILDING, AND TO CONSTRUCT A SIX-STORY, 66-FOOT-TALL, 33,589 SQUARE FOOT MIXED-USE BUILDING WITH 40 DWELLING UNITS, APPROXIMATELY 2,250 SQUARE FEET OF GROUND FLOOR PDR (PRODUCTION, DISTRIBUTION AND REPAIR) AND 22 OFF-STREET PARKING SPACES FOR THE PROJECT AT 1726-1730 MISSION STREET WITHIN THE UMU (URBAN MIXED-USE) ZONING DISTRICT AND A 68-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

### PREAMBLE

On July 14, 2015, Jody Knight (hereinafter "Project Sponsor"), on behalf of Sustainable Living LLC (Property Owner), filed an application with the Planning Department (hereinafter "Department") for a Large Project Authorization for the proposed project at 1726-1730 Mission Street, Lots 004A, 005, Block 3532 (hereinafter "subject property"), pursuant to Planning Code Section 329 and the Mission 2016 Interim Zoning Controls, to demolish an 11,200 square-foot (sq. ft.), two-story, approximately 20-foot-tall industrial building and to construct a six-story, 66-foot-tall 35,893 sq. ft. mixed-use building with 40 dwelling units, 2,250 sq. ft. of ground floor PDR (Production Distribution and Repair) and 22 below off-street parking spaces within the UMU (Urban Mixed-Use) Zoning District, and 68-X Height and Bulk District.

On May 18, 2017, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2014-002026ENX. At this public hearing, the Commission continued the project to the public hearing on June 1, 2017.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commissions review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On May 24, 2017, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is

available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records; the file for Case No. 2014-002026ENX is located at 1650 Mission Street, Suite 400, San Francisco, California.

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 the applicant, Department staff, and other interested parties.

**MOVED**, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2014-002026ENX, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

## **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 above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project site is on the west side of Mission Street, between Duboce Avenue and 14<sup>th</sup> Street in the Urban Mixed Use (UMU) Zoning District. The property is currently developed with a two-story, 11,200 square foot industrial building that is 20 feet in height. The subject properties are located mid-block with a combined street frontage of approximately 78 feet on Mission Street. The existing industrial building occupies the entire street frontage and is built to the front property line. In total, the site is approximately 7,800 square feet.
3. **Surrounding Properties and Neighborhood.** The Project Site is located in the UMU Zoning District along a mixed-use corridor within the Mission Area Plan. The Project Site is bounded by Duboce and 13<sup>th</sup> Streets to the north, 14<sup>th</sup> Street to the south, Woodward Street to the west and Mission Street to the east. The surrounding neighborhood is characterized by a wide variety of residential, commercial, retail, PDR and public uses. The adjacent properties to the north and south include three-story, multi-family residential uses, three- and four-story multi-family residential uses to the west and across Mission Street to the east is a four-story commercial building. The surrounding properties are located within the: Urban Mixed Use (UMU); Residential Mixed, Low Density (RM-1); and Production Distribution and Repair, General (PDR-1-G). There is one school (San Francisco Friends School) located within 1,000 feet of the Project Site. Access to Highway 101 and Interstate 80 is about one block to the east at the on- and off-ramps located at South Van Ness Avenue and the Central Freeway. The Project Site is located

along Mission Street, which is a high injury pedestrian and vehicular corridor. Other zoning districts in the vicinity of the Project Site include: PDR-1-G (Production, Distribution, and Repair - General); RM-1 (Residential Mixed - Low Density); NCT-3 (Moderate Scale Neighborhood Commercial Transit); and, P (Public).

4. **Project Description.** The Project consists of merging the two existing lots into a single 7,800 square-foot (sq. ft.) lot, demolition of a two-story industrial building, and construction of a six-story, 66-foot tall, 35,893 sq. ft. mixed-use building with 40 dwelling units, approximately 2,250 sq. ft. of ground floor PDR (Production Distribution and Repair) use, and 22 off-street parking spaces. One parking space would be handicap accessible, and the other 21 parking spaces would be housed in mechanical stackers. A garage door would be provided on Mission Street. The northernmost of the two existing curb cuts would be retained, and the other curb cut at the south end of the project site would be removed. The project would provide a total of 68 bicycle parking spaces, which would consist of 60 Class 1 spaces in the garage, and eight Class 2 spaces on the Mission Street sidewalk. Usable open space for the residents of the proposed project would be provided in the form of a common roof deck. Four new trees would be planted adjacent to the subject property along Mission Street.
5. **Public Comment.** The Department has received one letter of support from San Francisco Housing Action Coalition (SFHAC), and four letters opposing the project, expressing concern over the height of the project, impacts to light and air to adjacent residential properties, increased vehicular traffic and construction noise.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
  - A. **Permitted Uses in UMU Zoning Districts.** Planning Code Sections 843.20 state that residential use is a principally permitted use within the UMU Zoning District. PDR uses listed in Planning Code Sections 843.70-843.87 are principally, conditionally or not permitted.

*The Project would construct new residential and retain PDR uses within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20 and 843.70-843.87. Depending on the specific PDR tenant, they will comply as principally permitted PDR uses per Sec. 843.70-843.87 or seek a Conditional Use, as required by the Planning Code.*
  - B. **Floor Area Ratio.** Planning Code Section 124 establishes a FAR (Floor Area Ratio) of 5:1 for properties within the UMU Zoning District and a 68-X Height and Bulk District.

*The subject lots are 7,800 sq. ft. in total, thus resulting in a maximum allowable floor area of 39,000 sq. ft. for non-residential uses. The Project would construct approximately 2,250 sq. ft. of PDR space, and would comply with Planning Code Section 124.*
  - C. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth of the lot to be provided at every residential level.

*The Project provides a 1,950 square foot rear yard at the first residential level and would comply with Planning Code Section 134. The Project occupies a mid-block with frontage on Mission Street. The subject lot does not currently contribute to a pattern of mid-block open space, and the addition of the proposed code-complying rear yard would help to preserve light and air to neighboring residential dwellings.*

- D. **Usable Open Space.** Planning Code Section 135 requires a minimum of 80 sq. ft. of open space per dwelling unit, if not publically accessible, or 54 sq. ft. of open space per dwelling unit, if publically accessible. Private usable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 sq. ft. is located on a deck, balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 sq. ft. if located on open ground, a terrace or the surface of an inner or outer court. Common usable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum are of 300 sq. ft.

*For the proposed 40 dwelling units, the Project is required to provide 3,830 sq. ft. of common open space. In total, the Project exceeds the requirements for open space by providing a total of approximately 4,695 sq. ft. of Code-complying usable open space. The Project would construct common open space roof deck (measuring approximately 3,925 sq. ft.) as well as four private second floor terraces in the rear yard (measuring approximately 770 sq. ft. Therefore, the Project complies with Planning Code Section 135.*

- E. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

*The subject lot is not located in close proximity to an Urban Bird Refuge as defined in Section 139, and the Project meets the requirements for feature-related hazards.*

- F. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, rear yard or other open area that meets minimum requirements for area and horizontal dimensions. To meet exposure requirements, a public street, public alley, side yard or rear yard must be at least 25 feet in width.

*The Project organizes the dwelling units to have exposure on Mission Street or the code-complying rear yard. As proposed, 20 dwelling units face the rear yard and 20 units face Mission Street; therefore, the Project complies with Planning Code Section 140.*

- G. **Street Frontage in Mixed Use Districts.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the

principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level.

*The off-street parking is located below grade and is accessed through one 12-ft wide garage entrance located along Mission Street. The Project features active uses on the ground floor with a residential lobby, and replacement PDR space. The ground floor ceiling height of the non-residential uses are at least 17-ft. tall for frontage along Mission Street. Therefore, the Project complies with Planning Code Section 145.1.*

- H. **Off-Street Parking.** Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit.

*For the 40 dwelling units, the Project is allowed to have a maximum of 30 off-street parking spaces. Currently, the Project provides 22 off-street parking spaces via mechanical lifts, and one handicap parking space. Therefore, the Project complies with Planning Code Section 151.1.*

- I. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires one Class 1 bicycle parking space per dwelling unit and one Class 2 bicycle parking spaces for every 20 dwelling units. Additional bicycle parking requirements apply based on classification of non-residential uses, at least two Class 2 spaces are required for retail uses.

*The Project includes 40 dwelling units; therefore, the Project is required to provide 40 Class 1 bicycle parking spaces and two Class 2 bicycle parking spaces for residential uses and 2 Class 2 spaces for the ground floor non-residential uses. The Project will provide 62 Class 1 bicycle parking spaces and 8 Class 2 bicycle parking spaces, which exceeds the requirement. Therefore, the Project complies with Planning Code Section 155.2.*

- J. **Transportation Demand Management (TDM) Plan.** Pursuant to Planning Code Section 169 and the TDM Program Standards, the Project shall finalize a TDM Plan prior to Planning Department approval of the first Building Permit or Site Permit. As currently proposed, the Project must achieve a target of 14 points.

*The Project submitted a completed Environmental evaluation Application prior to September 4, 2016. Therefore, the Project must only achieve 50% of the point target established in the TDM Program Standards, resulting in a target of 7 points. As currently proposed, the Project will achieve its required 7 points through the following TDM measures:*

- *Bicycle Parking (Option D)*
- *Bicycle Repair Station*
- *Delivery Supportive Amenities*
- *Family TDM Amenities (Option A)*
- *Real Time Transportation Information Displays*
- *On-site Affordable Housing (Option C)*
- *Unbundle Parking (Location B)*
- *Parking Supply (OptionB)*

- K. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

*The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project meets this requirement.*

- L. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

*For the 40 dwelling units, the Project is required to provide at least 16 two-bedroom units or 12 three-bedroom units. The Project provides one-bedroom units and 20 two-bedroom. Therefore, the Project meets and exceeds the requirements for dwelling unit mix.*

- M. **Shadow.** Planning Code Sections 147 and 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

*The Planning Department prepared a preliminary shadow fan analysis and determined that the proposed project would not cast shadows on any parks or open spaces at any time during the year. The preliminary shadow fan analysis accounts for the 14-foot-tall elevator penthouse on the roof of the proposed building.*

- N. **Transportation Sustainability Fee.** Planning Code Section 411A establishes the Transportation Sustainability Fee (TSF) and is applicable to project that are the following: (1) More than twenty new dwelling units; (2) New group housing facilities, or additions of 800 gross square feet or more to an existing group housing facility; (3) New construction of a Non-Residential use in excess of 800 gross square feet, or additions of 800 gross square feet or more to an existing Non-Residential use; or (4) New construction of a PDR use in excess of 1,500 gross square feet, or additions of 1,500 gross square feet or more to an existing PDR use; or (5) Change or Replacement of Use, such that the rate charged for the new use is higher than the rate charged for the existing use, regardless of whether the existing use previously paid the TSF or TIDF; (6) Change or Replacement of Use from a Hospital or a Health Service to any other use.

*The Project includes more than twenty dwelling units, and the replacement of PDR space; therefore, the TSF, as outlined in Planning Code Section 411A, applies.*

- O. **Inclusionary Affordable Housing Program in UMU Zoning District.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects that consist of 10 or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 419 the current Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative in the UMU Zoning District for Tier B is to provide 17.5% of the proposed dwelling units as affordable. This requirement is subject to change under pending legislation to modify Planning Code Section 415 which is currently under review by the Board of Supervisors (Board File Nos.161351 and 170208). The proposed changes to Section 415, which include but are not limited to modifications to the amount of inclusionary housing required onsite or offsite, the methodology of fee calculation, and dwelling unit mix requirements, will become effective after approval by the Board of Supervisors

*The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project. The Project Sponsor submitted such Affidavit on April 24, 2017. The EE application was submitted on February 6, 2015. Pursuant to Planning Code Sections 415.3, 415.6 and 419, the current on-site requirement is 17.5%. 7 units (4 one-bedroom and 3 two-bedroom) of the 40 units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.*

- P. **Residential Childcare Impact Fee.** Planning Code Section 414A is applicable to any residential development citywide that results in the addition of a residential unit.

*The Project includes approximately 27,145 sq. ft. new residential use and 2,250 sq. ft. of PDR use. The proposed Project is subject to fees as outlined in Planning Code Section 414A.*

- Q. **Eastern Neighborhood Infrastructure Impact Fee.** Planning Code Section 423 is applicable to any development project within the UMU (Urban Mixed-Use) Zoning District that results in the addition of gross square feet of residential and non-residential space.

*The Project includes approximately 35,893 gross square feet of new development consisting of approximately 27,145 sq. ft. of residential use and 2,250 sq. ft. of PDR use. These uses are subject to Eastern Neighborhood Infrastructure Impact Fees Tier 1 for residential and Tier 2 for non-residential, as outlined in Planning Code Section 423.*

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

A. Overall building mass and scale.

*The Project would construct a new six-story mixed-use building on the west side of Mission Street. The scale of the Project is appropriate from an urban design perspective because it recognizes the significance of this location along the Mission Street transit corridor, where the height limits were increased to 68 feet, as part of the Eastern Neighborhoods Area Plan. These increased height limits provide the opportunity to support the City's housing goals and public transit infrastructure. Overall, the Project's massing also recognizes the existing block pattern as it relates to the street frontage and block wall along Mission Street. The Project's rear yard location contributes positively to the irregular pattern of interior block open space in the subject block. The adjacent properties to the north and south include three-story, multi-family residential uses, three- and four-story multi-family residential uses to the west and across Mission Street to the east is a four-story commercial building. The neighborhood is characterized by a wide variety of residential, commercial, retail, PDR and public uses. In addition, the Project includes projecting vertical and horizontal elements, which provide modulation along the street facades. Thus, the Project is appropriate for a mid-block lot and consistent with the mass and scale of the intent of the height-bulk and zoning changes from 50-X to 68-X and M-1 to UMU, which occurred as part of the Eastern Neighborhoods Area Plan.*

B. Architectural treatments, facade design and building materials.

*The Mission is one of the City's most distinctive neighborhoods as identified in the City's General Plan. The proposed facade design and architectural treatments with various vertical and horizontal elements and a pedestrian scale ground floor which is consistent with the unique identity of the Mission. The new building's character ensures the best design of the times with high-quality building materials (including white veramic frit glass, French balconies with metal mesh guardrails and Swisspearl panels) that relates to the surrounding structures that make-up the Mission's distinct character while acknowledging and respecting the positive attributes of the older buildings. It also provides an opportunity for an increased visual interest that enhances and creates a special identity with a unique image of its own in the neighborhood. Overall, the Project offers an architectural treatment, which provides for contemporary, yet contextual, architectural design that appears consistent and compatible with the surrounding neighborhood*

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access.

*The Project is consistent with the development density established for the Project Site in the Eastern Neighborhoods Area Plan. The building's ground floor PDR, and residential lobby proposes a 55% active street frontage which will enhance and offer an effective and engaging connection between the public and private areas. It will enliven the sidewalk offering a sense of security and encouraging positive activities that will benefit, not just the immediate areas, but the overall neighborhood as well.*

*It provides a code compliant rear yard open space at the rear yard to face the adjacent buildings' rear yard, enhancing the natural light exposure and overall livability of the neighbors' units even without an established mid-block open space. The singular driveway on Mission Street and the proposed independently accessible mechanical parking spaces in the basement reduces vehicular queuing and minimizes potential conflicts with pedestrians and bicyclists. Overall, the design of the lower floors enhances the pedestrian experience and accommodates new street activity.*

- D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site.

*The Project provides the required open space for the 40 dwelling units through common open space located on the roof deck. In addition, the Project includes private open space for four dwelling units, which are in addition to the required open space. In total, the Project provides approximately 4,695 sq. ft. of open space, which exceeds the required amount for the dwelling units.*

- E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2.

*Planning Code Section 270.2 does not apply to the Project, and no mid-block alley or pathway is required.*

- F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

*In compliance with Planning Code Section 138.1, the Project provides four street trees along Mission Street. The Project will also add bicycle parking along the sidewalk in front of the Project for public use. These improvements will enhance the public realm.*

- G. Circulation, including streets, alleys and mid-block pedestrian pathways.

*Since the subject lot has one street frontage, automobile access is limited to the one entry/exit (measuring 12-ft wide) along Mission Street, minimizing impacts to pedestrian and vehicular traffic along Mission Street. Pedestrian access is provided to the residences via a lobby and two secondary exits directly to the sidewalk. The Project includes ground floor PDR along Mission Street with an independent pedestrian entry from Mission Street.*

- H. Bulk limits.

*The Project is within an 'X' Bulk District, which does not restrict bulk.*

- I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan.

*The Project, on balance, meets the Objectives and Policies of the General Plan. See below.*

8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

## **HOUSING ELEMENT**

### **Objectives and Policies**

#### **OBJECTIVE 1**

**IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.**

##### **Policy 1.1**

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

##### **Policy 1.8**

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional, or other single use development projects.

*The Project is a higher density mixed-use development on an underutilized lot along a primary vehicular transit corridor. The Project Site is an ideal infill site that is currently a vacant PDR use. The proposed Project would add 40 units of housing to the site with a dwelling unit mix of one-bedroom, and two-bedroom units. The Project Site was rezoned to UMU as part of a long range planning goal to create a cohesive, higher density residential and mixed-use neighborhood. The Project includes seven on-site affordable housing units for ownership, which complies with the UMU District's goal to provide a higher level of affordability.*

#### **OBJECTIVE 4**

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

##### **Policy 4.1**

Develop new housing, and encourage the remodeling of existing housing, for families with children.

##### **Policy 4.4**

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

##### **Policy 4.5**

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

*The Project will add 40 dwelling units to the City's housing stock, and meets the affordable housing requirements by providing for seven on-site permanently affordable units for ownership.*

**OBJECTIVE 11**

**SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.**

**Policy 11.1**

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

**Policy 11.2**

Ensure implementation of accepted design standards in project approvals.

**Policy 11.3**

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

**Policy 11.4**

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

**Policy 11.6**

Foster a sense of community through architectural design, using features that promote community interaction.

**Policy 11.8**

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

*The Project would construct a new six-story mixed-use building on the west side of Mission Street. The scale of the Project is appropriate from an urban design perspective because it recognizes the significance of this location along the Mission Street transit corridor, where the height limits were increased to 68 feet, as part of the Eastern Neighborhoods Area Plan. These increased height limits provide the opportunity to support the City's housing goals and public transit infrastructure. Overall, the Project's massing also recognizes the existing block pattern as it relates to the street frontage along Mission Street. The Project's rear yard location contributes to the pattern of interior block open space in the subject block. The neighborhood is characterized by a wide variety of commercial, retail, PDR, public and residential uses. In addition, the Project includes projecting vertical and horizontal architectural elements, which provide vertical and horizontal modulation along the street facades. Thus, the Project is appropriate for a mid-block lot and consistent with the mass and scale of the intent of the height-bulk and zoning changes from 50-X to 68-X and M-1 to UMU, which occurred as part of the Eastern Neighborhoods Area Plan.*

**OBJECTIVE 12**

**BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.**

**Policy 12.2**

Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing.

*The Project is located in proximity to many neighborhood amenities. The Project is located on Mission Street and near Valencia Street, which provide a variety of retail establishments, fitness gyms, small grocery stores, and cafes. The Project is also located near the SoMa West Skate and Dog Park, and the Brick & Mortar Music Hall.*

**OBJECTIVE 13**

**PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.**

**Policy 13.1**

Support "smart" regional growth that locates new housing close to jobs and transit.

**Policy 13.3**

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

*The Project Site is located within a quarter mile of several local transit lines including Muni lines 14,14R, 49, and 55. The 16<sup>th</sup> Street & Mission Bart Station is slightly more than a quarter mile to the south on Mission Street. Residential mixed-use development at this site would support a smart growth and sustainable land use pattern in locating new housing in the urban core close to jobs and transit. Furthermore, the bicycle network in the Mission District is highly developed and utilized. The Project provides an abundance of bicycle parking on-site in addition to vehicle parking.*

**RECREATION AND OPEN SPACE ELEMENT**

**Objectives and Policies**

**OBJECTIVE 1:**

**ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM**

**Policy 1.9:**

Preserve sunlight in public open spaces.

*The Planning Department prepared a preliminary shadow fan analysis and determined that the proposed project would not cast shadows on any parks or open spaces at any time during the year.*

**OBJECTIVE 2:**

**INCREASE RECREATION AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BY REGION**

**Policy 2.11:**

Assure that privately developed residential open spaces are usable, beautiful, and environmentally sustainable.

*The Project proposes landscaped open space at the rear of the second level, and the roof deck has potential for planters and additional landscaping.*

**OBJECTIVE 3:  
IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE**

**Policy 3.6:**  
Maintain, restore, expand and fund the urban forest.

*The proposed Project will add to the urban forest with the addition of street trees.*

**TRANSPORTATION ELEMENT**

**Objectives and Policies**

**OBJECTIVE 24:  
IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.**

**Policy 24.2:**  
Maintain and expand the planting of street trees and the infrastructure to support them.

**Policy 24.4:**  
Preserve pedestrian-oriented building frontages.

*The Project will install new street trees along Mission Street. Frontages are designed with transparent glass and intended for active spaces oriented at the pedestrian level.*

**OBJECTIVE 28:  
PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.**

**Policy 28.1:**  
Provide secure bicycle parking in new governmental, commercial, and residential developments.

**Policy 28.3:**  
Provide parking facilities which are safe, secure, and convenient.

*The Project includes 62 Class 1 bicycle parking spaces in secure and convenient location.*

**OBJECTIVE 34:  
RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.**

**Policy 34.1:**

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

**Policy 34.3:**

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

**Policy 34.5:**

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

*The Project has a parking to dwelling unit ratio of .55 space per unit, which is the permitted ratio of .75 per unit. The parking spaces are accessed by one ingress/egress point measuring 12-ft. wide from Mission Street. Parking is adequate for the Project and complies with maximums prescribed by the Planning Code. The Project will also reduce the number of curb cuts; currently there are two existing curb cuts, and only one curb cut is proposed. Triple car stackers are utilized to provide more space for 62 bicycle parking spaces, and resident amenities such as car seat storage, a bicycle repair station, and a real-time transit display in the lobby. Such amenities will help to promote alternative modes of transportation, and reduce the need for on-street and off-street automobile parking spaces.*

## **URBAN DESIGN ELEMENT**

### **Objectives and Policies**

#### **OBJECTIVE 4:**

**IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.**

#### **Policy 4.4:**

Design walkways and parking facilities to minimize danger to pedestrians.

#### **Policy 4.13:**

Improve pedestrian areas by providing human scale and interest.

#### **Policy 4.15:**

Protect the livability and character of residential properties from the intrusion of incompatible new buildings.

*As the Project Site has only one street frontage, it will provide only one vehicular access point for the Project, reducing potential conflict with pedestrians and bicyclists. The garage security gate is recessed to provide queue space to reduce the potential of arriving cars blocking sidewalks and impeding the path of pedestrians. The 17-foot ground floor heights and active use will enhance the pedestrian experience and the*

*site will be further improved through the removal of a curbcut, and the addition of street trees. Currently, the site contains a vacant industrial building formerly occupied by Home Sausage Company.*

## **COMMERCE AND INDUSTRY ELEMENT**

### **Objectives and Policies**

#### **OBJECTIVE 4:**

**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.

#### **Policy 4.4:**

When displacement does occur, attempt to relocate desired firms within the city.

*The Project will be replacing approximately 2,250 square feet of PDR space. The building is currently unoccupied, therefore displacement will not occur.*

## **MISSION AREA PLAN**

### **Objectives and Policies**

#### **Land Use**

#### **OBJECTIVE 1.1**

**STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK.**

#### **Policy 1.1.7**

Permit and encourage greater retail uses on the ground floor on parcels that front 16th Street to take advantage of transit service and encourage more mixed uses, while protecting against the wholesale displacement of PDR uses.

#### **Policy 1.1.8**

While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

*The Project will provide 2,250 square feet of replacement PDR space on the ground floor of the building while also providing new housing on a site where none currently exists. Therefore strengthening the mixed use character and maintaining the neighborhood as a place to live and work.*

**OBJECTIVE 1.2**

**IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.**

**Policy 1.2.1**

Ensure that in-fill housing development is compatible with its surroundings.

**Policy 1.2.2**

For new construction, and as part of major expansion of existing buildings in neighborhood commercial districts, require ground floor commercial uses in new housing development. In other mixed-use districts encourage housing over commercial or PDR where appropriate.

**Policy 1.2.3**

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

*The Project will replace a vacant industrial building with a new mixed-use building with ground floor PDR space and residential units above, consistent with the existing residential, commercial and PDR uses in the neighborhood. Additionally, the Project complies with the applicable building height and bulk guidelines and with the bedroom mix requirements.*

**Housing**

**OBJECTIVE 2.3**

**ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES.**

**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 unless all Below Market Rate units are two or more bedrooms.

**Policy 2.3.5**

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

**Policy 2.3.6**

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

*The Project includes 20 one-bedroom and 20 two-bedroom units of which 7 will be Below Market Rate (BMR). Three of the BMR units will be two-bedroom units. Furthermore, the Project will be subject to the Eastern Neighborhood Impact Fee, Transportation Sustainability Fee and Residential Childcare Fee.*

**OBJECTIVE 2.6**

**CONTINUE AND EXPAND THE CITY'S EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY.**

**Policy 2.6.1**

Continue and strengthen innovative programs that help to make both rental and ownership housing more affordable and available.

*The Project will create forty residential units, seven of which are BMR units, on a site where no housing currently exists, thus increasing affordable housing production and availability.*

**Built Form**

**OBJECTIVE 3.1**

**PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.**

**Policy 3.1.6**

New buildings should epitomize the best in contemporary architecture, but should do so with full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them.

**Policy 3.1.8**

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

*The Project will replace an unremarkable concrete industrial building with a well-articulated, contemporary, mixed-use building. The Project will be constructed with high quality materials and within the allowed height limits for the zoning district to respect the surrounding buildings. The existing buildings on the Project site are built out to the rear property line leaving no rear yard open space. The Project will provide a conforming rear yard open space, thus improving the existing pattern of rear yard open space which exists on the adjacent properties.*

**OBJECTIVE 3.2**

**PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM.**

**Policy 3.2.1**

Require high quality design of street-facing building exteriors.

**Policy 3.2.2**

Make ground floor retail and PDR uses as tall, roomy and permeable as possible.

**Policy 3.2.3**

Minimize the visual impact of parking.

**Policy 3.2.4**

Strengthen the relationship between a building and its fronting sidewalk.

*The Project is largely residential, but includes a moderately-sized ground floor PDR component along Mission Street. The Project provides the mix of uses encouraged by the Area Plan for this location. In addition, the Project is located within the prescribed height and bulk limits, and includes the appropriate dwelling-unit mix, since 50% or 20 of the 40 units are two-bedroom dwelling units. The Mission is one of the City's most distinctive neighborhoods as identified in the City's General Plan. The new building's character ensures the best design of the times with high-quality building materials that relates to the surrounding structures that make-up the Mission's distinct character while acknowledging and respecting the positive attributes of the older buildings. It also provides an opportunity for an increased visual interest that enhances and creates a special identity with a unique image of its own in the neighborhood. Overall, the Project offers an architectural treatment that is contemporary, yet contextual, and that is consistent and compatible with the surrounding neighborhood. The Project minimizes the off-street parking to a single entrance along Mission Street.*

8. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the Project complies with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

*Currently, the existing building on the Project Site is vacant. Although the Project would remove this use, the Project does provide for a new PDR space of 2,250 square feet at the ground level. The Project improves the urban form of the neighborhood by adding new residents, visitors, and employees to the neighborhood, which would assist in strengthening nearby retail uses.*

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

*No housing exists on the Project Site. The Project will provide up to 40 new dwelling units, thus resulting in a significant increase in the neighborhood housing stock. The Project offers an architectural treatment that is contemporary, yet contextual, and an architectural design that is consistent and compatible with the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.*

- C. That the City's supply of affordable housing be preserved and enhanced.

*The Project will not displace any affordable housing because there is currently no housing on the site. The Project will comply with the City's Inclusionary Housing Program, therefore increasing the stock of affordable housing units in the City.*

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

*The Project Site is served by public transportation. Future residents would be afforded close proximity to bus or rail transit. The Project also provides sufficient off-street parking at a ratio of .55 per dwelling unit, and sufficient bicycle parking for residents and their guests.*

- E. 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 is consistent with the Mission Area Plan, which encourages mixed-use development along Mission Street. The Project does not involve the creation of commercial office development. The Project would enhance opportunities for resident employment and ownership in industrial and service sectors by providing for new housing and PDR space, which will increase the diversity of the City's housing supply (a top priority in the City) and provide new potential neighborhood-serving uses and employment opportunities.*

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

*The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not adversely affect the property's ability to withstand an earthquake.*

- G. That landmarks and historic buildings be preserved.

*There are no landmarks or historic buildings on the Project Site.*

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

*The Planning Department prepared a preliminary shadow fan analysis and determined that the proposed project would not cast shadows on any parks or open spaces at any time during the year.*

9. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning

and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

*The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.*

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
11. The Commission hereby finds that approval of the Large Project Authorization would promote the health, safety and welfare of the City.

## DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Large Project Authorization Application No. 2014-002026ENX** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated May 1, 2017, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

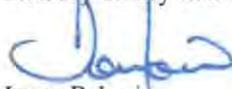
The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

**APPEAL AND EFFECTIVE DATE OF MOTION:** Any aggrieved person may appeal this Section 329 Large Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion No. 19931. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.

**Protest of Fee or Exaction:** You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on June 1, 2017.



Jonas P. Ionin  
Commission Secretary

AYES: Hillis, Johnson, Koppel, Moore, Richards

NAYS: Fong, Melgar

ADOPTED: June 1, 2017

## EXHIBIT A

### AUTHORIZATION

This authorization is for a Large Project Authorization to allow the demolition of an existing two-story industrial building and new construction of a six-story mixed-use building with 40 dwelling units and 2,250 sq. ft. of ground floor PDR space located at 1726-1730 Mission Street, Block 3532, Lots 004A and 005, pursuant to Planning Code Section 329 and Planning Commission Resolution No. 19865 (Mission 2016 Interim Zoning Controls), within the UMU Zoning District and a 68-X Height and Bulk District; in general conformance with plans, dated May 1, 2017, and stamped "EXHIBIT B" included in the docket for Record No. 2014-002026ENX and subject to conditions of approval reviewed and approved by the Commission on June 1, 2017 under Motion No. 19931. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

### RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on June 1, 2017 under Motion No. 19931.

### PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19931 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

### SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

### CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Conditional Use authorization.

## Conditions of Approval, Compliance, Monitoring, and Reporting

### PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

3. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

6. **Mitigation Measures.** Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014-002026ENV) attached as Exhibit C are necessary to

avoid potential significant effects of the proposed project and have been agreed to by the Project Sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## DESIGN

7. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

8. **Garbage, Composting and Recycling Storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

9. **Rooftop Mechanical Equipment.** Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

10. **Lighting Plan.** The Project Sponsor shall submit an exterior lighting plan to the Planning Department prior to Planning Department approval of the building / site permit application.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

11. **Transformer Vault.** The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

- a. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
- b. On-site, in a driveway, underground;

- c. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- d. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
- e. Public right-of-way, underground; and based on Better Streets Plan guidelines;
- f. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- g. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>*

## **PARKING AND TRAFFIC**

12. **Unbundled Parking.** All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

13. **Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than 30 off-street parking spaces. Per the Project Description, the Project Sponsor has specified that they will provide no more than 22 off-street parking spaces.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

14. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 44 bicycle parking spaces (40 Class 1 spaces for the residential portion of the Project and 4 Class 2 spaces for both the residential and commercial/PDR portion of the Project).

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

15. **Managing Traffic During Construction.** The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## PROVISIONS

16. **Anti-Discriminatory Housing.** The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
17. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.  
*For information about compliance, contact the First Source Hiring Manager at 415-581-2335, [www.onestopSF.org](http://www.onestopSF.org)*
18. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
19. **Child Care Fee - Residential.** The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
20. **Eastern Neighborhoods Infrastructure Impact Fee.** The Project is subject to the Eastern Neighborhoods Infrastructure Impact Fee, as applicable, pursuant to Planning Code Section 423.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

## MONITORING

21. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## OPERATION

22. **Garbage, Recycling, and Composting Receptacles.** Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <http://sfdpw.org>*

23. **Sidewalk Maintenance.** The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards. *For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org/>*

24. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

25. **Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## ENTERTAINMENT COMMISSION – NOISE ATTENUATION CONDITIONS

26. **Chapter 116 Residential Projects.** The Project Sponsor shall comply with the “Recommended Noise Attenuation Conditions for Chapter 116 Residential Projects,” which were recommended by the Entertainment Commission on April 5, 2016. These conditions state:

- a) **Community Outreach.** Project Sponsor shall include in its community outreach process any businesses located within 300 feet of the proposed project that operate between the hours of 9PM-5AM. Notice shall be made in person, written or electronic form.

- b) **Sound Study.** Project sponsor shall conduct an acoustical sound study, which shall include sound readings taken when performances are taking place at the proximate Places of Entertainment, as well as when patrons arrive and leave these locations at closing time. Readings should be taken at locations that most accurately capture sound from the Place of Entertainment to best of their ability. Any recommendation(s) in the sound study regarding window glaze ratings and soundproofing materials including but not limited to walls, doors, roofing, etc. shall be given highest consideration by the project sponsor when designing and building the project.
- c) **Design Considerations:**
  - i. During design phase, project sponsor shall consider the entrance and egress location and paths of travel at the Place(s) of Entertainment in designing the location of (a) any entrance/egress for the residential building and (b) any parking garage in the building.
  - ii. In designing doors, windows, and other openings for the residential building, project sponsor should consider the POE's operations and noise during all hours of the day and night.
- d) **Construction Impacts.** Project sponsor shall communicate with adjacent or nearby Place(s) of Entertainment as to the construction schedule, daytime and nighttime, and consider how this schedule and any storage of construction materials may impact the POE operations.
- e) **Communication.** Project Sponsor shall make a cell phone number available to Place(s) of Entertainment management during all phases of development through construction. In addition, a line of communication should be created to ongoing building management throughout the occupation phase and beyond.

## **INCLUSIONARY HOUSING REQUIREMENTS**

27. **Affordable Units.** The following Inclusionary Affordable Housing Requirements are those in effect at the time of Planning Commission action. In the event that the requirements change, the Project Sponsor shall comply with the requirements in place at the time of issuance of first construction document. This requirement is subject to change under pending legislation to modify Planning Code Section 415 which is currently under review by the Board of Supervisors (Board File Nos. 161351 and 170208). The proposed changes to Section 415, which include but are not limited to modifications to the amount of inclusionary housing required onsite or offsite, the methodology of fee calculation, and dwelling unit mix requirements, will become effective after approval by the Board of Supervisors.
- a) **Number of Required Units.** Pursuant to Planning Code Section 419, the Project is currently required to provide 17.5% of the proposed dwelling units as affordable to qualifying households. The Project contains 40 units; therefore, 7 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 7 affordable units on-site. If the Project is subject to a different requirement if the Charter Amendment is approved and

new legislative requirements take effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- b) **Unit Mix.** The Project contains 20 one-bedroom, and 20 two-bedroom units; therefore, the required affordable unit mix is 3 one-bedroom, and 4 two-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- c) **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- d) **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than seventeen and one half percent (17.5%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- e) **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- f) **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A

copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or MOHCD websites, including on the internet at:

<http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>. As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- (i) The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- (ii) If the units in the building are offered for sale, the affordable unit(s) shall be sold to first time home buyer households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average of ninety (90) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco " but these income levels are subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the Project is subject to a different income level requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements. The initial sales price of such units shall be calculated according to the Procedures Manual. Limitations on (i) reselling; (ii) renting; (iii) recouping capital improvements; (iv) refinancing; and (v) procedures for inheritance apply and are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- (iii) The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.

- (iv) Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- (v) Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- (vi) The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the Project.
- (vii) If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- (viii) If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.

**EXHIBIT B**

**EXHIBIT B**

**EXHIBIT B**

**EXHIBIT B**

**Exhibit B Link to Planning Commission Hearing June 1, 2017**

[http://sanfrancisco.granicus.com/MediaPlayer.php?view\\_id=20&clip\\_id=26002](http://sanfrancisco.granicus.com/MediaPlayer.php?view_id=20&clip_id=26002)

**Beginning at 6:09.**

**EXHIBIT C**

**EXHIBIT C**

**EXHIBIT C**

**EXHIBIT C**

**Exhibit C Link to Eastern Neighborhoods Plan EIR**

<http://sf-planning.org/area-plan-eirs>

**(scroll down)**

**EXHIBIT D**

**EXHIBIT D**

**EXHIBIT D**

**EXHIBIT D**

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West Bay Law  
Law Office of J. Scott Weaver

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May 30, 2017

Commissioners,  
San Francisco Planning Commission  
1650 Mission Street, Room 400  
San Francisco, CA 94103

***Re: Case No. 2015-004454PRV 1726-1730 Mission Street***

I am unable to attend the meeting scheduled for June 1, 2017 and therefore make this submission for your consideration of the above referenced matter.

The developer proposes a 6 story 69 foot tall building with 36 units along with a 29 car parking garage. The project seeks both Conditional Use and Large Project Authorizations. This project is situated on Mission Street between Duboce Avenue and 14<sup>th</sup> Street. This area is the "Gateway to the Mission", an already gentrifying area and one that is seeing numerous projects, proposed, entitled, and/or built in the immediate vicinity. The Department has not carefully evaluated the project from the standpoint of its cumulative impacts on an area that already faces challenges with respect to traffic and circulation, noise, air quality, recreation, and open space, and displacement – especially of its SRO tenants.

**Context.**

The proposed project (36 units) is being built in conjunction with a number of other projects currently in the pipeline for the area. Pipeline projects between the intersection of South Van Ness and Mission, and 16<sup>th</sup> and Mission and one block either side of Mission (eight blocks) are: 130 Otis Street (220 units), 1601 Mission Street (354 units), 1801 Mission Street (54 units), 1863 Mission Street (36 units), 1900 Mission Street (9 units), 1924 Mission Street (13 units), 1979 Mission Street (331 units), 198 Valencia (28 units), 235 Valencia (50 units), 80 Julian (9 units), 1463 Stevenson (45 units), and 1500 15<sup>th</sup> Street, (184 units – density bonus).

Additionally, there are two affordable housing projects, one at 1950 Mission Street (157 units), and one at 490 South Van Ness Avenue (133 units). Total number of pipeline units, including the proposed project are within two blocks either side of sausage factory is 1,659 units.

Built after 2008, but equally applicable to any cumulative analysis are 1880 Mission Street (202 units), 1501 15<sup>th</sup> Street (40 units), 380 14<sup>th</sup> Street (29 units) and 411 Valencia (16) 1587 15<sup>th</sup> (26 units) 1972 units.

This is extraordinary in such a small geographic area. The total number of units contemplated under the most ambitious scenario for the Mission in the Eastern Neighborhoods Plan was 2054 units, with a Preferred Project at 1696 units. To provide a sense of proportionality, the Mission Area Plan is approximately 72 blocks, whereas the number of blocks considered above is eight.

This project, when looked at cumulatively results in significant impacts on the immediate area, including impacts on traffic, circulation, air quality, noise, and open space, as well as socio-economic impacts on this a working class neighborhood and an especially vulnerable SRO Hotel population.<sup>1</sup> Once these projects are in place, existing SRO tenants will be ousted and replaced by will be gone, replaced by tourists, and

#### **Cumulative Impacts Require Examination**

Under Public Resources Code Section 21083 subdivision (b)(2).) "The possible effects of a project are individually limited but cumulatively considerable. As used in this paragraph 'cumulatively considerable' means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects." Stated otherwise, a lead agency shall require an EIR be prepared for a project when the record contains substantial evidence that the "project has possible environmental effects that are individually limited but cumulatively considerable." (Guidelines section 15065 subdivision (a) (3).)

Therefore, the impact of the proposed project should be evaluated in conjunction with the cumulative impacts it and the additional 2,000 plus units would have on the eight block area immediately surrounding it. **No such evaluation has been done, and is necessary given the extraordinary number of units being proposed for such a small area.**

For example, anyone who drives down Mission Street in the immediate area of the project has observed slow, backed up traffic. Addition of these units will only make matters worse and will cause further congestion affecting both the automobile drivers and commuters traveling along the many bus lines that travel through the area. Further, the intersection of Duboce Avenue and South Van Ness, one block away, is severely backed up – especially during commute hours. It is also a very dangerous area from the standpoint of pedestrian safety.

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<sup>1</sup> We believe that the next wave of gentrification will result in a significant reduction in traditional SRO residents as Hotel owners "upgrade" their units. Currently there are hundreds of SRO units within the area between Duboce and 16<sup>th</sup> Street, Valencia and South Van Ness Avenue.

Other issues to consider are noise (the 101 Freeway crosses Mission Street very close to the proposed project), Open space is virtually non-existent, yet the thousands of people who would move to the area would require it, and recreation (other than the local bars, there is none).

Finally, we cannot overlook the gentrification impacts on the already gentrifying neighborhood which would effectively wipe out small mom and pop businesses and SRO Hotels as we know them.

### **CLOSER ENVIRONMENTAL REVIEW IS REQUIRED**

Presumably, this and many of the other projects mentioned above received (or anticipate receiving) a Community Plan Exemption based on the Eastern Neighborhoods PEIR<sup>2</sup>. The use of the PEIR is inappropriate in this instance for several reasons. exemption was in error because 1) the eight-year-old PEIR is no longer viable due to unanticipated circumstances on the ground, and 2) the PEIR did not consider impacts on this eight block area, nor could it have anticipated the intense level of development along this gateway to the Mission.

### **Substantial New Information Negates the Exemption From Environmental Review.**

The Department has issued a Community Plan Exemption which allows the Department to use the Eastern Neighborhoods Plan EIR (PEIR) instead of a project EIR - except with respect to areas of concern unique to the project. The use of the PEIR in this way presupposes that it is sufficiently current to address all areas required under CEQA.

Unfortunately, circumstances on the ground have rendered the 2008 PEIR out of date, and it cannot be a reliable measure of environmental impacts of market rate development in the Mission. It is well recognized that the Mission has already experienced extensive displacement of its residents, so much so, that it is now in an advanced stage gentrification. <http://missionlocal.org/2015/09/sf-mission-gentrification-advanced/> Should the project proceed, it will cause significant economic and social changes in the immediate area that will result in physical changes, not the least of which is displacement of residents and buisnesses which will affect air quality, traffic and transportation, as well as negative impacts on the immediate neighborhood (See CEQA guidelines, 15604 (e).

The demand for affordable housing has increased significantly since the PEIR, and the glut of luxury housing only makes matters worse. The most recent Nexus Study, commissioned by the Planning Department, concluded that the production of 100 market rate rental units generates a demand of 24 lower income households through goods and services demanded by the market rate tenants. The affordable housing proposed by the project does not meet this demand.

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<sup>2</sup> We recognize that two projects, 30 Otis Street and 1601 Mission are outside the area studied under the Eastern Neighborhoods PEIR.

When substantial new information becomes available, CEQA Guidelines require comprehensive analysis of these issues. (CEQA Guidelines Sec. 15183). The situation on the ground has changed substantially since the PEIR was prepared in 2008.

- The PEIR did not anticipate the “advanced gentrification” of the neighborhood, along with the extensive displacement of Latino families and businesses, the reverse commute to distant areas, and that impact on greenhouse gas emissions and on traffic congestion.
- Along similar lines, at the time the PEIR was prepared, research regarding the extent of increased automobile traffic and greenhouse gas emissions was not available. There is now solid evidence that upper income residents are twice as likely to own a car and half as likely to use public transit. (See Exhibit 3)
- The unanticipated additional demand for affordable housing due to the overbuild of luxury housing.
- The unexpected disappearance of Redevelopment money to fund affordable housing, without new resources compensating for the loss.
- The PEIR was prepared during a recessionary period. Since then, both rents and evictions have increased dramatically, especially impacting the Mission. This has led to the development of luxury units and high end retail that was not anticipated in the PEIR.
- The PEIR assumed that the Eastern Neighborhoods Plan and the Mission Plan would meet their goals of providing over 60% low, moderate, and middle income housing. This goal has not come close to materializing, further exacerbating the problems of displacement.
- The PEIR did not anticipate the impact of tech shuttles from a traffic standpoint, nor from that of the demand for housing. The specter of living within a few blocks of a free ride to work has caused many tech employees to move to areas where the shuttles stop – predominantly in the Mission. As such we have high earning employees exacerbating the already high demand for housing. The anti-eviction mapping project has documented the connection between shuttle stops and higher incidences of nofault evictions. (<http://www.antievictionmappingproject.net/techbusevictions.html> )
- The cumulative housing production in the Mission (built and in the pipeline) now exceeds projections under any of the three scenarios envisioned when the Eastern Neighborhoods Plan created. According to Planning Department Data, projects

containing 2,451 housing units have either been completed or are under environmental review as of 2/23/16. Option A of the PEIR envisioned 782 units, Option B 1,118 units and Option C 2054 units, with a Preferred Project at 1696 units.

These changed circumstances render the current PEIR obsolete. Further, cumulative impacts have not been adequately addressed due to the obsolescence of the PEIR. The Community Plan Exemption is therefore no longer relevant.

### **CONDITIONAL USE SHOULD BE DENIED**

In addition to exemption from environmental review, the applicant is seeking Condition Use authorization under the Interim Controls instituted by the Commission on January 14, 2016.

Planning Code Section 303(c)(1) requires a grant of conditional use only upon a finding that “the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.”

The project as proposed is not necessary or desirable for and compatible with the community. Conditional use should be denied for several reasons: 1) the project is inconsistent with the stated purposes of the Eastern Neighborhoods Plan and the Mission Plan, 2) the proposed project does not comply with Interim Controls or MAP 2020 guidelines.

#### **The Proposed Project is Inconsistent with the Stated Purposes of the Eastern Neighborhoods Plan and the Mission Plan.**

In evaluating the desirability of the proposed project, the Commission should evaluate it in light of its inconsistency with the objectives of the Eastern Neighborhoods and Mission Plans. The EIR for the Eastern Neighborhoods Plan reflected the Eastern Neighborhood objectives as follows:

- *Reflect Local Values:* To develop a rezoning proposal that reflects the land use needs and priorities of each neighborhoods’ stakeholders and that meets citywide goals for residential and industrial land use.

- *Increase Housing:* To identify appropriate locations for housing in the City’s industrially zoned land to meet a citywide need for more housing, and affordable housing in particular. (emphasis supplied)

- *Maintain Some Industrial Land Supply:* To retain an adequate supply of industrial land to meet the current and future needs of the City's production, distribution, and repair businesses and the city's economy.

- *Improve the Quality of All Existing Areas with Future Development:* To improve the quality of the residential and nonresidential places that future development will create over that which would occur under the existing zoning.

The Mission Area Plan was even more specific in its land use policy: to protect "established areas of residential, commercial, and PDR, and ensuring that areas that have become mixed-use over time develop in such a way that they contribute positively to the neighborhood. A place for living and working also means a place where affordably priced housing is made available, a diverse array of jobs is protected, and where goods and services are oriented to the needs of the community."

Mission-wide goals include:

- Increase the amount of affordable housing.
- Preserve and enhance the existing Production, Distribution and Repair businesses.
- Preserve and enhance the unique character of the Mission's distinct commercial areas.
- Minimize displacement.

In light of these goals, the Commission must consider; the loss of PDR, the minimal community benefits conferred – including minimal affordable housing, and the cumulative impacts of this and similar projects.

#### **The Proposed Project Does Not Comply with Interim Controls or MAP 2020 Objectives.**

Under the Interim Controls, the sponsor is required to evaluate, from a socio-economic perspective, how the proposed project would affect existing and future residents, business and community serving providers in the area. (Interim Controls, IV.C(1)). The sponsor completely avoided any meaningful evaluation, in light of the massive number of units scheduled to come on line in the foreseeable future.

In the preamble to the Interim Controls, the Commission found that they were consistent with the eight priority policies of section 101.1 of the Planning Code including: 1) preserving and enhancing neighborhood employment and ownership of neighborhood-serving businesses; 2) preserving, existing neighborhood character and economic and cultural diversity; and 3) preserving and enhancing affordable housing.

Likewise, the stated purpose of the MAP 2020 Planning Process is to "retain low to moderate income residents and community-serving businesses (including Production,

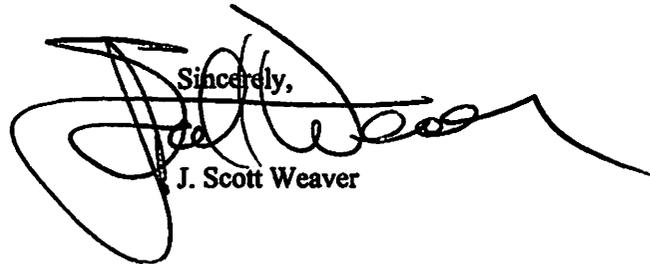
San Francisco Planning Commission  
May 30, 2017  
Page Seven

Distribution, and Repair) artists and nonprofits in order to strengthen and preserve the socioeconomic diversity of the Mission neighborhoods”.

The cumulative impacts of this and other predominantly luxury development projects create a result 180 degrees opposite the purposes of Interim Controls and the MAP 2020 process. The commission cannot make an informed decision as to whether the project, both individually and cumulatively, is “necessary or desirable for and compatible with the neighborhood or community. For that reason, the Commission should require evaluation of these impacts.

**More Rigorous Evaluation is Requested.**

More rigorous of this and the other related projects listed above is necessary, not only in light of the CEQA issues raised by the lack of cumulative impact study, but also in terms of the goals of the Eastern Neighborhoods Plan and MAP 2020.

Sincerely,  
  
J. Scott Weaver

JSW:sme  
cc Plaza 16 Coalition  
bcc numerous



# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

**DATE:** 12 May 2017  
**TO:** Honorable Members of the San Francisco Board of Supervisors  
**FROM:** John Rahaim  
Director of Planning  
**RE:** **HOUSING BALANCE REPORT No. 5**  
**1 January 2007 – 31 December 2016**

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

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**415.558.6378**

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## SUMMARY

This report is submitted in compliance with Ordinance No. 53-15 requiring the Planning Department to monitor and report on the housing balance between new market rate and new affordable housing production. One of the stated purposes of the Housing Balance is "to ensure that data on meeting affordable housing targets Citywide and within neighborhoods informs the approval process for new housing development." This report is the fifth in the series and covers the ten-year period from 1 January 2007 through 31 December 2016.

The "Housing Balance" is defined as the proportion of all new affordable housing units to the total number of all new housing units for a 10-year "Housing Balance Period." In addition, a calculation of "Projected Housing Balance" which includes residential projects that have received approvals from the Planning Commission or Planning Department but have not yet received permits to commence construction will be included.

In the 2007-2016 Housing Balance Period, 22% of net new housing produced was affordable. By comparison, the expanded Citywide Cumulative Housing Balance is 23%, although this varies by districts. Distribution of the Cumulative Housing Balance over the 11 Board of Supervisor Districts ranges from -197% (District 4) to 67% (District 5). This variation, especially with negative housing balances, is due to the larger number of units permanently withdrawn from rent control protection relative to the number of total net new units and net affordable units built in those districts.

The Projected Housing Balance Citywide is 14%. Three major development projects were identified in the ordinance for exclusion in the projected housing balance calculations until site permits are obtained. Remaining phases for these three projects will add up to 22,000 net units including over 4,900 affordable units; this would increase the projected housing balance to 20% if included in the calculations.

## BACKGROUND

On 21 April 2015, the Board of Supervisors passed Ordinance No. 53-15 amending the *Planning Code* to include a new *Section 103* requiring the Planning Department to monitor and report on the Housing Balance between new market rate housing and new affordable housing production. The *Housing Balance Report* will be submitted bi-annually by April 1 and October 1 of each year and will also be published on a visible and accessible page on the Planning Department's website. *Planning Code Section 103* also requires an annual hearing at the Board of Supervisors on strategies for achieving and maintaining the required housing balance in accordance with the City's housing production goals. (See *Appendix A* for complete text of Ordinance No. 53-15.)

The stated purposes for the Housing Balance Monitoring and Reporting are: a) to maintain a balance between new affordable and market rate housing Citywide and within neighborhoods; b) to make housing available for all income levels and housing need types; c) to preserve the mixed-income character of the City and its neighborhoods; d) to offset the withdrawal of existing housing units from rent stabilization and the loss of single-room occupancy hotel units; e) to ensure the availability of land and encourage the deployment of resources to provide sufficient housing affordable to households of very low, low, and moderate incomes; f) to ensure adequate housing for families, seniors and the disabled communities; g) to ensure that data on meeting affordable housing targets Citywide and within neighborhoods informs the approval process for new housing development; and h) to enable public participation in determining the appropriate mix of new housing approvals.

Specifically, the *Housing Balance Report* will supplement tracking performance toward meeting the goals set by the City's *Housing Element* and Proposition K. Housing production targets in the City's *Housing Element*, adopted in April 2015, calls for 28,870 new units built between 2015 and 2022, 57%<sup>1</sup> of which should be affordable. As mandated by law, the City provides the State Department of Housing and Community Development an annual progress report.<sup>2</sup> In November 2014, San Francisco's voters endorsed Proposition K, which set a goal of 33% of all new housing units to be affordable. In addition, Mayor Ed Lee set a goal of creating 30,000 new and rehabilitated homes by 2020; he pledged at least 30% of these to be permanently affordable to low-income families as well as working, middle income families.<sup>3</sup>

This *Housing Balance Report* was prepared from data gathered from previously published sources including the Planning Department's annual *Housing Inventory* and quarterly *Pipeline Report* data, San Francisco Rent Board data, and the Mayor's Office of Housing and Community Development's *Weekly Dashboard*.

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<sup>1</sup> The Ordinance inaccurately stated that "22% of new housing demands to be affordable to households of moderate means"; San Francisco's Regional Housing Needs Assessment (RHNA) allocation for moderate income households is 19% of total production goals.

<sup>2</sup> Printed annual progress reports submitted by all California jurisdictions can be accessed here – <http://www.hcd.ca.gov/community-development/housing-element/annual-progress-reports/index.php> – or by calling HCD at 916-263-2911 for the latest reports as many jurisdictions now file reports online.

<sup>3</sup> For more information on and tracking of 30K by 2020, see <http://sfmayor.org/housing> .

## CUMULATIVE HOUSING BALANCE CALCULATION

*Planning Code Section 103* calls for the Housing Balance “be expressed as a percentage, obtained by dividing the cumulative total of extremely low, very low, low, and moderate income affordable housing (all units 0-120% AMI) minus the lost protected units, by the total number of net new housing units within the Housing Balance Period.” The ordinance requires that the “Cumulative Housing Balance” be provided using two calculations: a) one consisting of net housing built within a 10 year Housing Balance period, less units withdrawn from protected status, plus net units in projects that have received both approvals from the Planning Commission or Planning Department and site permits from the Department of Building Inspection, and b) the addition of net units gained through acquisition and rehabilitation of affordable units, HOPE SF and RAD units. “Protected units” include units that are subject to rent control under the City’s Residential Rent Stabilization and Arbitration Ordinance. Additional elements that figure into the Housing Balance include completed HOPE SF and RAD public housing replacement, substantially rehabilitated units, and single-room occupancy hotel units (SROs). The equation below shows the second, expanded calculation of the Cumulative Housing Balance.

$$\begin{array}{r}
 \text{[Net New Affordable Housing +} \\
 \text{Completed Acquisitions \& Rehabs + Completed} \\
 \text{HOPE SF + RAD Public Housing Replacement +} \\
 \text{Entitled \& Permitted Affordable Units]} \\
 \text{– [Units Removed from Protected Status]} \\
 \hline
 \text{[Net New Housing Built + Net Entitled \& Permitted Units]}
 \end{array}
 =
 \begin{array}{l}
 \text{CUMULATIVE} \\
 \text{HOUSING} \\
 \text{BALANCE}
 \end{array}$$

The first “Housing Balance Period” is a ten-year period starting with the first quarter of 2005 through the last quarter of 2014. Subsequent housing balance reports will cover the 10 years preceding the most recent quarter. This report covers January 2007 (Q1) through December 2016 (Q4).

Table 1A below shows the Cumulative Housing Balance for 10 year 2007 Q1 – 2016 Q4 period is 14% Citywide. With the addition of RAD units, the expanded Cumulative Housing Balance is 23%. In comparison, the expanded Cumulative Housing Balance for 10 year 2006 Q1 – 2015 Q4 period was 18%. The Board of Supervisors recently revised the ordinance to include Owner Move-Ins (OMIs) in the Housing Balance calculation. Although OMIs were not specifically called out by in the original Ordinance in the calculation of the Housing Balance, these were included in earlier reports because this type of no-fault eviction results in the loss of rent controlled units either permanently or for a period of time.

**Table 1A**  
**Cumulative Housing Balance Calculation, 2007 Q1 – 2016 Q4**

BoS Districts	Net New Affordable Housing Built	Acquisitions & Rehabs and Small Sites Completed	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Units	Cumulative Housing Balance
BoS District 1	170	-	(496)	4	340	114	-70.9%
BoS District 2	37	24	(315)	11	871	271	-21.3%
BoS District 3	205	6	(372)	16	951	302	-11.6%
BoS District 4	10	-	(437)	7	115	98	-197.2%
BoS District 5	709	293	(398)	196	1,744	598	34.2%
BoS District 6	3,239	1,155	(135)	960	17,158	6,409	22.1%
BoS District 7	99	-	(220)	-	530	104	-19.1%
BoS District 8	97	17	(655)	17	1,115	416	-34.2%
BoS District 9	217	319	(582)	17	1,034	237	-2.3%
BoS District 10	1,353	24	(249)	274	4,281	2,034	22.2%
BoS District 11	30	-	(323)	9	180	297	-59.5%
<b>TOTALS</b>	<b>6,166</b>	<b>1,838</b>	<b>(4,182)</b>	<b>1,511</b>	<b>28,319</b>	<b>10,880</b>	<b>13.6%</b>

Table 1B below shows the Expanded Cumulative Housing Balances for Board of Supervisor Districts ranging from -197% (District 4) to 67% (District 5). Negative balances in Districts 1 (-71%), 2 (-23%), 3 (-12%), 4 (-197%), 8 (-35%), and 11 (-60%) resulted from the larger numbers of units removed from protected status relative to the net new affordable housing and net new housing units built in those districts.

**Table 1B**  
**Expanded Cumulative Housing Balance Calculation, 2007 Q1 – 2016 Q4**

BoS Districts	Net New Affordable Housing Built	Acquisitions & Rehabs and Small Sites Completed	RAD Program and Hope SF Replacement Units	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Units	Expanded Cumulative Housing Balance
BoS District 1	170	-	144	(496)	4	340	114	-39.2%
BoS District 2	37	24	251	(315)	11	871	271	0.7%
BoS District 3	205	6	577	(372)	16	951	302	34.5%
BoS District 4	10	-	-	(437)	7	115	98	-197.2%
BoS District 5	709	293	806	(398)	196	1,744	598	68.6%
BoS District 6	3,239	1,155	561	(135)	960	17,158	6,409	24.5%
BoS District 7	99	-	110	(220)	-	530	104	-1.7%
BoS District 8	97	17	330	(655)	17	1,115	416	-12.7%
BoS District 9	217	319	268	(582)	17	1,034	237	18.8%
BoS District 10	1,353	24	436	(249)	274	4,281	2,034	29.1%
BoS District 11	30	-	-	(323)	9	180	297	-59.5%
<b>TOTALS</b>	<b>6,166</b>	<b>1,838</b>	<b>3,483</b>	<b>(4,182)</b>	<b>1,511</b>	<b>28,319</b>	<b>10,880</b>	<b>22.5%</b>

## PROJECTED HOUSING BALANCE

Table 2 below summarizes residential projects that have received entitlements from the Planning Commission or the Planning Department but have not yet received a site or building permit. Overall projected housing balance at the end of 2016 is 16%. This balance is expected to change as several major projects have yet to declare how their affordable housing requirements will be met. In addition, three entitled major development projects – Treasure Island, ParkMerced, and Hunters Point – are not included in the accounting until applications for building permits are filed or issued as specified in the ordinance. Remaining phases from these three projects will yield an additional 22,000 net new units; 22% (or 4,900 units) would be affordable to low and moderate income households.

The Projected Housing Balance does not account for affordable housing units that will be produced as a result of the Inclusionary Housing Fee paid in a given reporting cycle. Those affordable housing units are produced several years after the Fee is collected. Units produced through the Fee typically serve lower income households than do the inclusionary units, including special needs populations requiring services, such as seniors, transitional aged youth, families, and veterans.

**Table 2**  
**Projected Housing Balance Calculation, 2016 Q4**

BoS District	Very Low Income	Low Income	Moderate	TBD	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	-	-	-	19	0.0%
BoS District 2	-	-	-	-	-	25	0.0%
BoS District 3	-	-	14	-	14	190	7.4%
BoS District 4	-	-	-	-	-	14	0.0%
BoS District 5	-	-	28	3	31	275	11.3%
BoS District 6	-	158	103	52	313	3,664	8.5%
BoS District 7	-	-	-	284	284	1,057	26.9%
BoS District 8	-	5	3	-	8	84	9.5%
BoS District 9	-	132	8	1	141	722	19.5%
BoS District 10	-	985	-	168	1,153	6,008	19.2%
BoS District 11	-	-	-	-	-	1	0.0%
<b>TOTALS</b>	-	<b>1,280</b>	<b>156</b>	<b>508</b>	<b>1,944</b>	<b>12,059</b>	<b>16.1%</b>

## CUMULATIVE HOUSING BALANCE ELEMENTS

Because the scope covered by the Housing Balance calculation is broad, each element – or group of elements – will be discussed separately. The body of this report will account for figures at the Board of Supervisor district level. The breakdown of each element using the Planning Department District geographies, as required by *Section 103*, is provided separately in an *Appendix B*. This is to ensure simple and uncluttered tables in the main body of the report.

### Affordable Housing and Net New Housing Production

Table 3 below shows housing production between 2007 Q1 and 2016 Q4. This ten-year period resulted in a net addition of over 28,300 units to the City's housing stock, including almost 6,170 affordable units. A majority of net new housing units and affordable units built in the ten year

reporting period were in District 6 (17,160 or 61% and 3,240 or 53% respectively). District 10 follows with about 4,280 (15%) net new units, including over 1,350 (22%) affordable units.

The table below also shows that almost 22% of net new units built between 2007 Q1 and 2016 Q4 were affordable units, mostly (61%) in District 6. While District 1 saw modest gains in net new units built, half of these were affordable (50%).

**Table 3**  
**New Housing Production by Affordability, 2007 Q1 – 2016 Q4**

BoS District	Very Low	Low	Moderate	Middle	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
BoS District 1	170			-	170	340	50.0%
BoS District 2			37	-	37	871	4.2%
BoS District 3	161	2	42	-	205	951	21.6%
BoS District 4			10	-	10	115	8.7%
BoS District 5	439	174	96	-	709	1,744	40.7%
BoS District 6	1,982	727	507	23	3,239	17,158	18.9%
BoS District 7	70	29		-	99	530	18.7%
BoS District 8		82	15	-	97	1,115	8.7%
BoS District 9	138	40	39	-	217	1,034	21.0%
BoS District 10	404	561	388	-	1,353	4,281	31.6%
BoS District 11		13	17	-	30	180	16.7%
<b>TOTAL</b>	<b>3,364</b>	<b>1,628</b>	<b>1,151</b>	<b>23</b>	<b>6,166</b>	<b>28,319</b>	<b>21.8%</b>

It should be noted that units affordable to Extremely Very Low Income (EVLI) households are included under the Very Low Income (VLI) category because certain projects that benefit homeless individuals and families – groups considered as EVLI – have income eligibility caps at the VLI level.

### Acquisition and Rehabilitation of Affordable Housing Units

Table 4 below lists the number of units that have been rehabilitated and/or acquired between 2007 Q1 and 2016 Q4 to ensure permanent affordability. These are mostly single-room occupancy hotel units that are affordable to extremely very low and very low income households.

**Table 4a**  
**Acquisitions and Rehabilitation of Affordable Housing, 2007-2016**

<b>BoS District</b>	<b>No. of Buildings</b>	<b>No. of Units</b>
BoS District 2	1	24
BoS District 5	2	290
BoS District 6	13	1,127
BoS District 9	2	319
<b>TOTALS</b>	<b>18</b>	<b>1,760</b>

### Small Sites Program

The San Francisco Small Sites Program (SSP) is an initiative of the Mayor's Office of Housing and Community Development (MOHCD) to acquire small rent-controlled buildings (with four to 25 units) where tenants are at risk of eviction through the Ellis Act or owner move-ins. Since its inception in 2014, some 13 buildings with 78 units have been acquired.

**Table 4b**  
**Small Sites Program, 2014-2016**

<b>BoS District</b>	<b>No. of Buildings</b>	<b>No. of Units</b>
Bos District 3	1	6
BoS District 5	1	3
BoS District 6	3	28
BoS District 8	4	17
BoS District 9	4	24
<b>TOTALS</b>	<b>13</b>	<b>78</b>

## RAD Program

The San Francisco Housing Authority's Rental Assistance Demonstration (RAD) program preserves at risk public and assisted housing projects. According to the Mayor's Office, RAD Phase I transferred 1,425 units to developers in December 2015. An additional 2,028 units were transferred as Phase II in 2016.

**Table 5**  
**RAD Affordable Units, 2016-2017**

<b>BoS District</b>	<b>No of Buildings</b>	<b>No of Units</b>
BoS District 1	2	144
BoS District 2	3	251
BoS District 3	4	577
BoS District 5	7	806
BoS District 6	4	561
BoS District 7	1	110
BoS District 8	4	330
BoS District 9	2	268
BoS District 10	2	436
BoS District 11	-	-
<b>TOTALS</b>	<b>29</b>	<b>3,483</b>

## Units Removed From Protected Status

San Francisco's Residential Rent Stabilization and Arbitration Ordinance protects tenants and preserves affordability of about 175,000 rental units by limiting annual rent increases. Landlords can, however, terminate tenants' leases through no-fault evictions including condo conversion, owner move-in, Ellis Act, demolition, and other reasons that are not the tenants' fault. The Housing Balance calculation takes into account units permanently withdrawn from rent stabilization as loss of affordable housing. The following no-fault evictions affect the supply of rent controlled units by removing units from the rental market: condo conversion, demolition, Ellis Act, and owner move-ins (OMIs). It should be noted that initially, OMIs were not specifically called out by the Ordinance to be included in the calculation. However, because owner move-ins have the effect of the losing rent controlled units either permanently or for a substantial period of time, these numbers are included in the Housing Balance calculation as intended by the legislation's sponsors. Some of these OMI units may return to being rentals and will still fall under the rent control ordinance. On 14 November 2016, the Board of Supervisors amended Planning Code Section 103 to include OMIs as part of the housing balance calculation.

Table 6 below shows the distribution of no-fault eviction notices issued between January 2007 and December 2016. Eviction notices have been commonly used as proxy for evictions. Owner Move-In and Ellis Out notices made up the majority of no fault evictions (55% and 32% respectively). Distribution of these no-fault eviction notices is almost evenly dispersed, with Districts 8 and 9 leading (16% and 14%, respectively).

**Table 6**  
**Units Removed from Protected Status, 2007 Q1 – 2016 Q4**

<b>BoS District</b>	<b>Condo Conversion</b>	<b>Demolition</b>	<b>Ellis Out</b>	<b>Owner Move-In</b>	<b>Units Removed from Protected Status</b>
BoS District 1	3	26	160	307	496
BoS District 2	17	13	86	199	315
BoS District 3	6	10	238	118	372
BoS District 4	-	87	76	274	437
BoS District 5	17	21	125	235	398
BoS District 6	1	76	46	12	135
BoS District 7	-	31	37	152	220
BoS District 8	19	43	262	331	655
BoS District 9	4	61	209	308	582
BoS District 10	2	29	45	173	249
BoS District 11	-	81	44	198	323
<b>TOTALS</b>	<b>69</b>	<b>478</b>	<b>1,328</b>	<b>2,307</b>	<b>4,182</b>

## Entitled and Permitted Units

Table 7 lists the number of units that have received entitlements from the Planning Commission or the Planning Department. These pipeline projects have also received site permits from the Department of Building Inspection and most are under construction as of the final quarter of 2016. Over half of these units are being built in or will be built in District 6 (59%). Fourteen percent of units that have received Planning entitlements and site permits from the DBI will be affordable.

**Table 7**  
**Permitted Units, 2016 Q4**

BoS District	Very Low Income	Low Income	Moderate	TBD	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
BoS District 1	-	-	4	-	4	114	3.5%
BoS District 2	-	-	11	-	11	271	4.1%
BoS District 3	-	12	4	-	16	302	5.3%
BoS District 4	-	-	7	-	7	98	7.1%
BoS District 5	108	50	38	-	196	598	32.8%
BoS District 6	235	483	242	-	960	6,409	15.0%
BoS District 7	-	-	-	-	-	104	0.0%
BoS District 8	-	10	-	7	17	416	4.1%
BoS District 9	-	12	5	-	17	237	7.2%
BoS District 10	-	245	28	1	274	2,034	13.5%
BoS District 11	-	-	9	-	9	297	3.0%
<b>TOTALS</b>	<b>343</b>	<b>812</b>	<b>348</b>	<b>8</b>	<b>1,511</b>	<b>10,880</b>	<b>13.9%</b>

## PERIODIC REPORTING AND ONLINE ACCESS

This report complies with *Planning Code Section 103* requirement that the Planning Department publish and update the *Housing Balance Report* bi-annually on April 1 and October 1 of each year. *Housing Balance Reports* are available and accessible online, as mandated by the ordinance, by going to this link: <http://www.sf-planning.org/index.aspx?page=4222> .

## ANNUAL HEARING

An annual hearing on the Housing Balance before the Board of Supervisors will be scheduled by April 1 of each year. This year's Housing Balance Report will be scheduled to be heard before the Board of Supervisors before the end of June 2017. The Mayor's Office of Housing and Community Development, the Mayor's Office of Economic and Workforce Development, the Rent Stabilization Board, the Department of Building Inspection, and the City Economist will present strategies for achieving and maintaining a housing balance consistent with the City's housing goals at this annual hearing. The ordinance also requires that MOHCD will determine the amount of funding needed to bring the City into the required minimum 33% should the cumulative housing balance fall below that threshold.

APPENDIX A  
Ordinance 53-15

AMENDED IN COMMITTEE  
4/6/15

FILE NO. 150029

ORDINANCE NO. 53-15

1 [Planning Code - City Housing Balance Monitoring and Reporting]

2

3 **Ordinance amending the Planning Code to require the Planning Department to monitor**  
4 **the balance between new market rate housing and new affordable housing, and publish**  
5 **a bi-annual Housing Balance Report; requiring an annual hearing at the Board of**  
6 **Supervisors on strategies for achieving and maintaining the required housing balance**  
7 **in accordance with San Francisco's housing production goals; and making**  
8 **environmental findings, Planning Code, Section 302 findings, and findings of**  
9 **consistency with the General Plan, and the eight priority policies of Planning Code,**  
10 **Section 101.1.**

11

12 **NOTE: Unchanged Code text and uncodified text are in plain Arial font.**  
13 **Additions to Codes are in single-underline italics Times New Roman font.**  
14 **Deletions to Codes are in ~~strickthrough Italics Times New Roman font.~~**  
15 **Board amendment additions are in double-underlined Arial font.**  
16 **Board amendment deletions are in ~~strickthrough Arial font.~~**  
17 **Asterisks (" \* \* \* ") indicate the omission of unchanged Code**  
18 **subsections or parts of tables.**

16

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

17

18

Section 1. Findings.

19

(a) The Planning Department has determined that the actions contemplated in this  
20 ordinance comply with the California Environmental Quality Act (California Public Resources  
21 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of  
22 Supervisors in File No. 150029 and is incorporated herein by reference. The Board of  
23 Supervisors affirms this determination.

24

(b) On March 19, 2015, the Planning Commission, in Resolution No. 19337, adopted  
25 findings that the actions contemplated in this ordinance are consistent, on balance, with the

Supervisor Kim  
BOARD OF SUPERVISORS

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1 adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the  
2 Board of Supervisors in File No. 150029, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code  
4 Amendment will serve the public necessity, convenience, and welfare for the reasons set forth  
5 in Planning Commission Resolution No. 150029 and the Board incorporates such reasons  
6 herein by reference.

7  
8 Section 2. The Planning Code is hereby amended by adding new Section 103 to read  
9 as follows:

10 **SEC. 103. HOUSING BALANCE MONITORING AND REPORTING.**

11 **(a) Purposes. To maintain a balance between new affordable and market rate housing City-**  
12 **wide and within neighborhoods, to make housing available for all income levels and housing need**  
13 **types, to preserve the mixed income character of the City and its neighborhoods, to offset the**  
14 **withdrawal of existing housing units from rent stabilization and the loss of single-room-occupancy**  
15 **hotel units, to ensure the availability of land and encourage the deployment of resources to provide**  
16 **sufficient housing affordable to households of very low, low, and moderate incomes, to ensure adequate**  
17 **housing for families, seniors and the disabled community, to ensure that data on meeting affordable**  
18 **housing targets City-wide and within neighborhoods informs the approval process for new housing**  
19 **development, and to enable public participation in determining the appropriate mix of new housing**  
20 **approvals, there is hereby established a requirement, as detailed in this Section 103, to monitor and**  
21 **regularly report on the housing balance between market rate housing and affordable housing.**

22 **(b) Findings.**

23 **(1) In November 2014, the City voters enacted Proposition K, which established City**  
24 **policy to help construct or rehabilitate at least 30,000 homes by 2020. More than 50% of this housing**  
25 **would be affordable for middle-class households, with at least 33% affordable for low- and moderate-**

1 income households, and the City is expected to develop strategies to achieve that goal. This section  
2 103 sets forth a method to track performance toward the City's Housing Element goals and the near-  
3 term Proposition K goal that 33% of all new housing shall be affordable housing, as defined herein.

4 (2) The City's rent stabilized and permanently affordable housing stock serves very low-  
5 low-, and moderate-income families, long-time residents, elderly seniors, disabled persons and others.  
6 The City seeks to achieve and maintain an appropriate balance between market rate housing and  
7 affordable housing City-wide and within neighborhoods because the availability of decent housing and  
8 a suitable living environment for every San Franciscan is of vital importance. Attainment of the City's  
9 housing goals requires the cooperative participation of government and the private sector to expand  
10 housing opportunities to accommodate housing needs for San Franciscans at all economic levels and to  
11 respond to the unique needs of each neighborhood where housing will be located.

12 (3) For tenants in unsubsidized housing, affordability is often preserved by the  
13 Residential Rent Stabilization and Arbitration Ordinance's limitations on the size of allowable rent  
14 increases during a tenancy. As documented in the Budget and Legislative Analyst's October 2013  
15 Policy Analysis Report on Tenant Displacement, San Francisco is experiencing a rise in units  
16 withdrawn from rent controls. Such rises often accompany periods of sharp increases in property  
17 values and housing prices. From 1998 through 2013, the Rent Board reported a total of 13,027 no-fault  
18 evictions (i.e., evictions in which the tenant had not violated any lease terms, but the owner sought to  
19 regain possession of the unit). Total evictions of all types have increased by 38.2% from Rent Board  
20 Year (i.e. from March through February) 2010 to Rent Board Year 2013. During the same period, Ellis  
21 Act evictions far outpaced other evictions, increasing by 169.8% from 43 in Rent Board Year 2010 to  
22 116 in Rent Board Year 2013. These numbers do not capture the large number of owner buyouts of  
23 tenants, which contribute further to the loss of rent-stabilized units from the housing market. Any fair  
24 assessment of the affordable housing balance must incorporate into the calculation units withdrawn  
25 from rent stabilization.

1                   (4) Pursuant to Government Code Section 65584, the Association of Bay Area  
2 Governments (ABAG), in coordination with the California State Department of Housing and  
3 Community Development (HCD), determines the Bay Area's regional housing need based on regional  
4 trends, projected job growth, and existing needs. The regional housing needs assessment (RHNA)  
5 determination includes production targets addressing housing needs of a range of household income  
6 categories. For the RHNA period covering 2015 through 2022, ABAG has projected that at least 38%  
7 of new housing demands for San Francisco will be from very low and low income households  
8 (households earning under 80% of area median income), and another 22% of new housing demands to  
9 be affordable to households of moderate means (earning between 80% and 120% of area median  
10 income). Market-rate housing is considered housing with no income limits or special requirements  
11 attached.

12                   (5) The Housing Element of the City's General Plan states: "Based on the growing  
13 population, and smart growth goals of providing housing in central areas like San Francisco, near jobs  
14 and transit, the State Department of Housing and Community Development (HCD), with the  
15 Association of Bay Area Governments (ABAG), estimates that in the current 2015-2022 Housing  
16 Element period San Francisco must plan for the capacity for roughly 28,870 new units, 57% of which  
17 should be suitable for housing for the extremely low, very low, low and moderate income households to  
18 meet its share of the region's projected housing demand." Objective 1 of the Housing Element states  
19 that the City should "identify and make available for development adequate sites to meet the City's  
20 housing needs, especially permanently affordable housing." Objective 7 states that San Francisco's  
21 projected affordable housing needs far outpace the capacity for the City to secure subsidies for new  
22 affordable units.

23                   (6) In 2012, the City enacted Ordinance 237-12, the "Housing Preservation and  
24 Production Ordinance," codified in Administrative Code Chapter 10F.4, to require Planning  
25 Department staff to regularly report data on progress toward meeting San Francisco's quantified

1 production goals for different household income levels as provided in the General Plan's Housing  
2 Element. That Ordinance requires data on the number of units in all stages of the housing production  
3 process at various affordability levels to be included in staff reports on all proposed projects of five  
4 residential units or more and in quarterly housing production reports to the Planning Commission. The  
5 Planning Department has long tracked the number of affordable housing units and total number of  
6 housing units built throughout the City and in specific areas and should be able to track the ratio called  
7 for in this Section 103.

8 (7) As the private market has embarked upon, and government officials have urged, an  
9 ambitious program to produce significant amounts of new housing in the City, the limited remaining  
10 available land makes it essential to assess the impact of the approval of new market rate housing  
11 developments on the availability of land for affordable housing and to encourage the deployment of  
12 resources to provide such housing.

13 (c) Housing Balance Calculation.

14 (1) For purposes of this Section 103, "Housing Balance" shall be defined as the  
15 proportion of all new housing units affordable to households of extremely low, very low, low or  
16 moderate income households, as defined in California Health & Safety Code Sections 50079.5 et seq.,  
17 as such provisions may be amended from time to time, to the total number of all new housing units for a  
18 10 year Housing Balance Period.

19 (2) The Housing Balance Period shall begin with the first quarter of year 2005 to the  
20 last quarter of 2014, and thereafter for the ten years prior to the most recent calendar quarter.

21 (3) For each year that data is available, beginning in 2005, the Planning Department  
22 shall report net housing construction by income levels, as well as units that have been withdrawn from  
23 protection afforded by City law, such as laws providing for rent-controlled and single resident  
24 occupancy (SRO) units. The affordable housing categories shall include net new units, as well as  
25 existing units that were previously not restricted by deed or regulatory agreement that are acquired for

1 preservation as permanently affordable housing as determined by the Mayor's Office of Housing and  
2 Community Development (MOHCD) (not including refinancing or other rehabilitation under existing  
3 ownership), protected by deed or regulatory agreement for a minimum of 55 years. The report shall  
4 include, by year, and for the latest quarter, all units that have received Temporary Certificates of  
5 Occupancy within that year, a separate category for units that obtained a site or building permit, and  
6 another category for units that have received approval from the Planning Commission or Planning  
7 Department, but have not yet obtained a site or building permit to commence construction (except any  
8 entitlements that have expired and not been renewed during the Housing Balance Period). Master  
9 planned entitlements, including but not limited to such areas as Treasure Island, Hunters Point  
10 Shipyard and Park Merced, shall not be included in this latter category until individual building  
11 entitlements or site permits are approved for specific housing projects. For each year or approval  
12 status, the following categories shall be separately reported:

13 (A) Extremely Low Income Units, which are units available to individuals or  
14 families making between 0-30% Area Median Income (AMI) as defined in California Health & Safety  
15 Code Section 50106, and are subject to price or rent restrictions between 0-30% AMI;

16 (B) Very Low Income Units, which are units available to individuals or families  
17 making between 30-50% AMI as defined in California Health & Safety Code Section 50105, and are  
18 subject to price or rent restrictions between 30-50% AMI;

19 (C) Lower Income Units, which are units available to individuals or families  
20 making between 50-80% AMI as defined in California Health & Safety Code Section 50079.5, and are  
21 subject to price or rent restrictions between 50-80% AMI;

22 (D) Moderate Income Units, which are units available to individuals or families  
23 making between 80-120% AMI, and are subject to price or rent restrictions between 80-120% AMI;

24 (E) Middle Income Units, which are units available to individuals or families  
25 making between 120-150% AMI, and are subject to price or rent restrictions between 120-150% AMI;

1 (F) Market-rate units, which are units not subject to any deed or regulatory  
2 agreement with price restrictions:

3 (G) Housing units withdrawn from protected status, including units withdrawn  
4 from rent control (except those units otherwise converted into permanently affordable housing),  
5 including all units that have been subject to rent control under the San Francisco Residential Rent  
6 Stabilization and Arbitration Ordinance but that a property owner removes permanently from the  
7 rental market through condominium conversion pursuant to Administrative Code Section 37.9(a)(9),  
8 demolition or alterations (including dwelling unit mergers), or permanent removal pursuant to  
9 Administrative Code Section 37.9(a)(10) or removal pursuant to the Ellis Act under Administrative  
10 Code Section 37.9(a)(13):

11 (H) Public housing replacement units and substantially rehabilitated units  
12 through the HOPE SF and Rental Assistance Demonstration (RAD) programs, as well as other  
13 substantial rehabilitation programs managed by MOHCD.

14 (4) The Housing Balance shall be expressed as a percentage, obtained by dividing the  
15 cumulative total of extremely low, very low, low and moderate income affordable housing units (all  
16 units 0-120% AMI) minus the lost protected units, by the total number of net new housing units within  
17 the Housing Balance Period. The Housing Balance shall also provide two calculations:

18 (A) the Cumulative Housing Balance, consisting of housing units that have  
19 already been constructed (and received a Temporary Certificate of Occupancy or other certificate that  
20 would allow occupancy of the units) within the 10-year Housing Balance Period, plus those units that  
21 have obtained a site or building permit. A separate calculation of the Cumulative Housing Balance  
22 shall also be provided, which includes HOPE SF and RAD public housing replacement and  
23 substantially rehabilitated units (but not including general rehabilitation / maintenance of public  
24 housing or other affordable housing units) that have received Temporary Certificates of Occupancy  
25

1 within the Housing Balance Period. The Housing Balance Reports will show the Cumulative Housing  
2 Balance with and without public housing included in the calculation; and

3 (B) the Projected Housing Balance, which shall include any residential project  
4 that has received approval from the Planning Commission or Planning Department, even if the  
5 housing project has not yet obtained a site or building permit to commence construction (except any  
6 entitlements that have expired and not been renewed during the Housing Balance period). Master  
7 planned entitlements shall not be included in the calculation until individual building entitlements or  
8 site permits are approved.

9 (d) Bi-annual Housing Balance Reports. Within 30 days of the effective date of this  
10 Section 103 By June 1, 2015, the Planning Department shall calculate the Cumulative and Projected  
11 Housing Balance for the most recent two quarters City-wide, by Supervisorial District, Plan Area, and  
12 by neighborhood Planning Districts, as defined in the annual Housing Inventory, and publish it as an  
13 easily visible and accessible page devoted to Housing Balance and Monitoring and Reporting on the  
14 Planning Department's website. By August September 1st and February March 1st of each year, the  
15 Planning Department shall publish and update the Housing Balance Report, and present this report at  
16 an informational hearing to the Planning Commission and Board of Supervisors, as well as to any  
17 relevant body with geographic purview over a plan area upon request, along with the other quarterly  
18 reporting requirements of Administrative Code Chapter 10F.4. The annual report to the Board of  
19 Supervisors shall be accepted by resolution of the Board, which resolution shall be introduced  
20 by the Planning Department. The Housing Balance Report shall also be incorporated into the  
21 Annual Planning Commission Housing Hearing and Annual Report to the Board of Supervisors  
22 required in Administrative Code Chapter 10F.4.

23 (e) Annual Hearing by Board of Supervisors.

24 (1) The Board of Supervisors shall hold a public Housing Balance hearing on an annual  
25 basis by April 1 of each year, to consider progress towards the City's affordable housing goals.

1 including the goal of a minimum 33% affordable housing to low and moderate income households, as  
2 well as the City's General Plan Housing Element housing production goals by income category. The  
3 first hearing shall occur no later than 30 days after the effective date of this ordinance, and by April 1  
4 of each year thereafter.

5 (2) The hearing shall include reporting by the Planning Department, which shall present  
6 the latest Housing Balance Report City-wide and by Supervisorial District and Planning District; the  
7 Mayor's Office of Housing and Community Development, the Mayor's Office of Economic and  
8 Workforce Development, the Rent Stabilization Board, by the Department of Building Inspection, and  
9 the City Economist on strategies for achieving and maintaining a housing balance in accordance with  
10 San Francisco's housing production goals. If the Cumulative Housing Balance has fallen below 33% in  
11 any year, MOHCD shall determine how much funding is required to bring the City into a minimum  
12 33% Housing Balance and the Mayor shall submit to the Board of Supervisors a strategy to accomplish  
13 the minimum of 33% Housing Balance. City Departments shall at minimum report on the following  
14 issues relevant to the annual Housing Balance hearing: MOHCD shall report on the annual and  
15 projected progress by income category in accordance with the City's General Plan Housing Element  
16 housing production goals, projected shortfalls and gaps in funding and site control, and progress  
17 toward the City's Neighborhood Stabilization goals for acquiring and preserving the affordability of  
18 existing rental units in neighborhoods with high concentrations of low and moderate income  
19 households or historically high levels of evictions; the Planning Department shall report on current  
20 and proposed zoning and land use policies that affect the City's General Plan Housing Element  
21 housing production goals; the Mayor's Office of Economic and Workforce Development shall report on  
22 current and proposed major development projects, dedicated public sites, and policies that affect the

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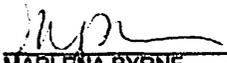
1 City's General Plan Housing Element housing production goals; the Rent Board shall report on the  
2 withdrawal or addition of rent-controlled units and current or proposed policies that affect these  
3 numbers; the Department of Building Inspection shall report on the withdrawal or additon of  
4 Residential Hotel units and current or proposed policies that affect these numbers; and the City  
5 Economist shall report on annual and projected job growth by the income categories specified in the  
6 City's General Plan Housing Element.

7 (3) All reports and presentation materials from the annual Housing Balance hearing  
8 shall be maintained by year for public access on the Planning Department's website on its page  
9 devoted to Housing Balance Monitoring and Reporting.

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Section 4. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By:   
MARLENA BYRNE  
Deputy City Attorney

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**City and County of San Francisco**  
**Tails**  
**Ordinance**

City Hall  
 1 Dr. Carlton B. Goodlett Place  
 San Francisco, CA 94102-6689

**File Number:** 150029

**Date Passed:** April 21, 2015

Ordinance amending the Planning Code to require the Planning Department to monitor the balance between new market rate housing and new affordable housing, and publish a bi-annual Housing Balance Report; requiring an annual hearing at the Board of Supervisors on strategies for achieving and maintaining the required housing balance in accordance with San Francisco's housing production goals; and making environmental findings, Planning Code, Section 302, findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

April 06, 2015 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

April 06, 2015 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

April 14, 2015 Board of Supervisors - PASSED, ON FIRST READING

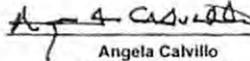
Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

April 21, 2015 Board of Supervisors - FINALLY PASSED

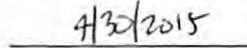
Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 150029

**I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/21/2015 by the Board of Supervisors of the City and County of San Francisco.**

  
 \_\_\_\_\_  
 Angela Calvillo  
 Clerk of the Board

  
 \_\_\_\_\_  
 Mayor

  
 \_\_\_\_\_  
 Date Approved

**APPENDIX B**

**CUMULATIVE HOUSING BALANCE REPORT No 5 TABLES BY PLANNING DISTRICTS**

**Table 1A  
Cumulative Housing Balance Calculation, 2007 Q1 – 2016 Q4**

Planning Districts	New Affordable Housing Built	Acquisitions & Rehabs and Small Sites Completed	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Permitted Units	Cumulative Housing Balance
1 Richmond	170		(569)	54	513	175	-50.1%
2 Marina	2	24	(180)	2	282	160	-34.4%
3 Northeast	191	6	(384)	12	753	271	-17.1%
4 Downtown	1,682	851	(119)	304	5,630	2,124	35.1%
5 Western Addition	621	293	(207)	142	1,809	448	37.6%
6 Buena Vista	190	5	(239)	30	899	437	-1.0%
7 Central	18		(384)	-	348	51	-91.7%
8 Mission	345	347	(540)	16	1,504	469	8.5%
9 South of Market	1,815	304	(125)	933	13,814	5,871	14.9%
10 South Bayshore	753		(76)	1	1,807	322	31.8%
11 Bernal Heights	240	8	(184)	-	73	20	68.8%
12 South Central	10		(375)	10	128	307	-81.6%
13 Ingleside	119		(179)	-	547	93	-9.4%
14 Inner Sunset	-		(189)	-	103	36	-136.0%
15 Outer Sunset	10		(432)	7	109	96	-202.4%
<b>TOTALS</b>	<b>6,166</b>	<b>1,838</b>	<b>(4,182)</b>	<b>1,511</b>	<b>28,319</b>	<b>10,880</b>	<b>13.6%</b>

**Table 1B**  
**Expanded Cumulative Housing Balance Calculation, 2007 Q1 – 2016 Q4**

Planning Districts	New Affordable Housing Built	Acquisitions & Rehabs and Small Sites Completed	RAD Program & HopeSF Replacement Units	Units Removed from Protected Status	Total Entitled Affordable Units Permitted	Total Net New Units Built	Total Entitled Permitted Units	Expanded Cumulative Housing Balance
1 Richmond	170		144	(569)	54	513	175	-29.2%
2 Marina	2	24	138	(180)	2	282	160	-3.2%
3 Northeast	191	6	577	(384)	12	753	271	39.3%
4 Downtown	1,682	851	285	(119)	304	5,630	2,124	38.7%
5 Western Addition	621	293	919	(207)	142	1,809	448	78.3%
6 Buena Vista	190	5	132	(239)	30	899	437	8.8%
7 Central	18		107	(384)	-	348	51	-64.9%
8 Mission	345	347	91	(540)	16	1,504	469	13.1%
9 South of Market	1,815	304	276	(125)	933	13,814	5,871	16.3%
10 South Bayshore	753		436	(76)	1	1,807	322	52.3%
11 Bernal Heights	240	8	268	(184)	-	73	20	357.0%
12 South Central	10		-	(375)	10	128	307	-81.6%
13 Ingleside	119		-	(179)	-	547	93	-9.4%
14 Inner Sunset	-		110	(189)	-	103	36	-56.8%
15 Outer Sunset	10		-	(432)	7	109	96	-202.4%
<b>TOTALS</b>	<b>6,166</b>	<b>1,838</b>	<b>3,483</b>	<b>(4,182)</b>	<b>1,511</b>	<b>28,319</b>	<b>10,880</b>	<b>22.5%</b>

**Table 2**  
**Projected Housing Balance Calculation, 2016 Q4**

BoS District	Very Low Income	Low Income	Moderate	TBD	Total Affordable Units	Net New Units	Total Affordable Units as % of Net New Units
1 Richmond	-	-	-	-	-	19	0.0%
2 Marina	-	-	-	-	-	20	0.0%
3 Northeast	-	-	8	-	8	143	5.6%
4 Downtown	-	-	96	-	96	2,024	4.7%
5 Western Addition	-	65	11	3	79	133	59.4%
6 Buena Vista	-	-	20	-	20	172	11.6%
7 Central	-	-	-	-	-	48	0.0%
8 Mission	-	5	8	18	31	1,304	2.4%
9 South of Market	-	154	13	34	201	3,173	6.3%
10 South Bayshore	-	141	-	168	309	3,032	10.2%
11 Bernal Heights	-	-	-	-	-	4	0.0%
12 South Central	-	-	-	1	1	916	0.1%
13 Ingleside	-	915	-	284	1,199	1,021	117.4%
14 Inner Sunset	-	-	-	-	-	36	0.0%
15 Outer Sunset	-	-	-	-	-	14	0.0%
<b>TOTALS</b>	-	<b>1,280</b>	<b>156</b>	<b>508</b>	<b>1,944</b>	<b>12,059</b>	<b>16.1%</b>

**Table 3**  
**New Housing Production by Affordability, 2007 Q1 – 2016 Q4**

Planning Districts	Very Low	Low	Moderate	Middle Income	Total Affordable Units	Total Net Units	Affordable Units as % of Total Net Units
1 Richmond	170	-	-	-	170	513	33.1%
2 Marina	-	-	-	-	-	282	0.0%
3 Northeast	161	2	28	-	191	753	25.4%
4 Downtown	1,048	338	273	23	1,682	5,630	29.9%
5 Western Addition	367	174	80	-	621	1,809	34.3%
6 Buena Vista	72	64	54	-	190	899	21.1%
7 Central	-	18	-	-	18	348	5.2%
8 Mission	214	62	69	-	345	1,504	22.9%
9 South of Market	724	628	463	-	1,815	13,814	13.1%
10 South Bayshore	298	300	155	-	753	1,807	41.7%
11 Bernal Heights	240	-	-	-	240	73	328.8%
12 South Central	-	10	-	-	10	128	7.8%
13 Ingleside	70	32	17	-	119	547	21.8%
14 Inner Sunset	-	-	-	-	-	103	0.0%
15 Outer Sunset	-	-	10	-	10	109	9.2%
<b>TOTALS</b>	<b>3,364</b>	<b>1,628</b>	<b>1,149</b>	<b>23</b>	<b>6,164</b>	<b>28,319</b>	<b>21.8%</b>

**Table 4a**  
**Acquisitions and Rehabilitation of**  
**Affordable Housing, 2007 Q1 – 2016 Q4**

<b>Planning District</b>	<b>No. of Buildings</b>	<b>No. of Units</b>
2 Marina	1	24
4 Downtown	6	826
5 Western Addition	2	290
8 Mission	2	319
9 South of Market	7	301
<b>TOTALS</b>	<b>18</b>	<b>1,760</b>

**Table 4b**  
**Small Sites Program Acquisitions – 2015 - 2016**

<b>Planning District</b>	<b>No. of Buildings</b>	<b>No. of Units</b>
3 Northeast	1	6
4 Downtown	2	25
5 Western Addition	1	3
6 Buena Vista	1	5
8 Mission	5	28
9 South of Market	1	3
11 Bernal Heights	2	8
<b>TOTALS</b>	<b>13</b>	<b>78</b>

**Table 5**  
**RAD Affordable Units**

<b>Planning District</b>	<b>No of Buildings</b>	<b>No of Units</b>
1 Richmond	2	144
2 Marina	2	138
3 Northeast	4	577
4 Downtown	3	285
5 Western Addition	8	919
6 Buena Vista	2	132
7 Central	1	107
8 Mission	1	91
9 South of Market	1	276
10 South Bayshore	2	436
11 Bernal Heights	2	268
12 South Central	-	-
13 Ingleside	-	-
14 Inner Sunset	1	110
15 Outer Sunset	-	-
<b>TOTALS</b>	<b>29</b>	<b>3,483</b>

**Table 6**  
**Units Removed from Protected Status, 2007 Q1 – 2016 Q4**

<b>Planning District</b>	<b>Condo Conversion</b>	<b>Demolition</b>	<b>Ellis Out</b>	<b>Owner Move-In</b>	<b>Total Units Permanently Lost</b>
1 Richmond	4	31	193	341	569
2 Marina	11	5	35	129	180
3 Northeast	11	11	232	130	384
4 Downtown	-	68	47	4	119
5 Western Addition	7	10	63	127	207
6 Buena Vista	4	11	94	130	239
7 Central	17	23	132	212	384
8 Mission	2	33	258	247	540
9 South of Market	3	20	35	67	125
10 South Bayshore	-	13	8	55	76
11 Bernal Heights	4	28	45	107	184
12 South Central	-	83	39	253	375
13 Ingleside	-	40	21	118	179
14 Inner Sunset	6	15	54	114	189
15 Outer Sunset	-	87	72	273	432
<b>Totals</b>	<b>69</b>	<b>478</b>	<b>1,328</b>	<b>2,307</b>	<b>4,182</b>

**Table 7**  
**Entitled and Permitted Units, 2017 Q4**

<b>Planning District</b>	<b>Very Low Income</b>	<b>Low Income</b>	<b>Moderate</b>	<b>TBD</b>	<b>Total Affordable Units</b>	<b>Net New Units</b>	<b>Total Affordable Units as % of Net New Units</b>
1 Richmond	-	50	4	-	54	175	30.9%
2 Marina	-	-	2	-	2	160	1.3%
3 Northeast	-	12	-	-	12	271	4.4%
4 Downtown	83	207	14	-	304	2,124	14.3%
5 Western Addition	108	-	34	-	142	448	31.7%
6 Buena Vista	-	10	13	7	30	437	6.9%
7 Central	-	-	-	-	-	51	0.0%
8 Mission	-	12	4	-	16	469	3.4%
9 South of Market	152	521	260	-	933	5,871	15.9%
10 South Bayshore	-	-	-	1	1	322	0.3%
11 Bernal Heights	-	-	-	-	-	20	0.0%
12 South Central	-	-	10	-	10	307	3.3%
13 Ingleside	-	-	-	-	-	93	0.0%
14 Inner Sunset	-	-	-	-	-	36	0.0%
15 Outer Sunset	-	-	7	-	7	96	7.3%
<b>TOTALS</b>	<b>343</b>	<b>812</b>	<b>348</b>	<b>8</b>	<b>1,511</b>	<b>10,880</b>	<b>13.9%</b>



# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

## RESIDENTIAL PIPELINE ENTITLED HOUSING UNITS 2017 Q1

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

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

State law requires each city and county to adopt a Housing Element as a part of its general plan. The State Department of Housing and Community Development (HCD) determines a Regional Housing Need (RHNA) that the Housing Element must address. The need is the minimum number of housing units that a region must plan for in each RHNA period.

This table represents completed units and development projects in the current residential pipeline to the first quarter of 2017 (Q1). The total number of entitled units is tracked by the San Francisco Planning Department and is updated quarterly in coordination with the *Quarterly Pipeline Report*. Subsidized housing units – including moderate and low income units – as well as inclusionary units are tracked by the Mayor’s Office of Housing; these are also updated quarterly.

	RHNA Production Goals 2015 - 2022	New Units Built 2015 Q1 to 2017 Q1	Entitled by Planning in 2017 Q1 Pipeline*	Percent of RHNA Goals Built and Entitled by Planning
<b>Total Units</b>	<b>28,869</b>	<b>9,170</b>	<b>23,773</b>	<b>114.1%</b>
Above Moderate ( > 120% AMI )	12,536	7,486	19,740	217.2%
Moderate Income ( 80 - 120% AMI )	5,460	384	761	21.0%
Low Income ( < 80% AMI )	10,873	1,300	3,104	40.5%
<i>Affordability to be Determined</i>			168	

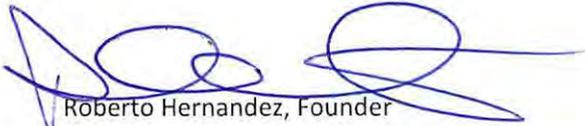
\* This column does not include three entitled major development projects with a remaining total of 22,680 net new units: Hunters' Point, Treasure Island and ParkMerced. However, phases of these projects will be included when applications for building permits are filed and proceed along the development pipeline. These three projects will include about 4,920 affordable units (22% affordable).

June 9, 2017

Dear San Francisco Board of Supervisors,

I authorize attorney Scott Weaver to represent Our Mission No Eviction in our CEQA appeal of the recently approved development at 1726 Mission St, case 2014-002026ENV/2014-002026ENX.

Sincerely,



Roberto Hernandez, Founder  
Our Mission No Eviction

CASE NUMBER:  
For Staff Use only

REG-1  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2017 JUL -3 AM 9:03

# APPLICATION FOR Board of Supervisors Appeal Fee Waiver

## 1. Applicant and Project Information

APPLICANT NAME: J. Scott Weaver		
APPLICANT ADDRESS: 4104 24th St. #957 San Francisco, CA 94114		TELEPHONE: (415) 317-0832
		EMAIL: j.scott.weaver@aol.com
NEIGHBORHOOD ORGANIZATION NAME: Our Mission No Eviction		
NEIGHBORHOOD ORGANIZATION ADDRESS: c/o J Scott Weaver 4104 24th St #957 San Francisco, CA 94114		TELEPHONE: (415) 317-0832
		EMAIL: j.scottweaver@aol.com
PROJECT ADDRESS: 1726-30 Mission St		
PLANNING CASE NO.: 2015-004454 PRU	BUILDING PERMIT APPLICATION NO.:	DATE OF DECISION (IF ANY): June 1, 2017

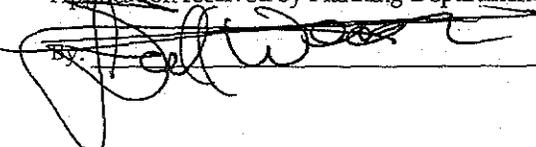
## 2. Required Criteria for Granting Waiver

(All must be satisfied; please attach supporting materials)

- The appellant is a member of the stated neighborhood organization and is authorized to file the appeal on behalf of the organization. Authorization may take the form of a letter signed by the President or other officer of the organization.
- The appellant is appealing on behalf of an organization that is registered with the Planning Department and that appears on the Department's current list of neighborhood organizations.
- The appellant is appealing on behalf of an organization that has been in existence at least 24 months prior to the submittal of the fee waiver request. Existence may be established by evidence including that relating to the organization's activities at that time such as meeting minutes, resolutions, publications and rosters.
- The appellant is appealing on behalf of a neighborhood organization that is affected by the project and that is the subject of the appeal.

For Department Use Only

Application received by Planning Department:

By: 

Date: \_\_\_\_\_

Submission Checklist:

- APPELLANT AUTHORIZATION
- CURRENT ORGANIZATION REGISTRATION
- MINIMUM ORGANIZATION AGE
- PROJECT IMPACT ON ORGANIZATION
  
- WAIVER APPROVED       WAIVER DENIED



**SAN FRANCISCO  
PLANNING  
DEPARTMENT**

**FOR MORE INFORMATION:  
Call or visit the San Francisco Planning Department**

**Central Reception**  
1650 Mission Street, Suite 400  
San Francisco CA 94103-2479

TEL: 415.558.6378  
FAX: 415.558.6409  
WEB: <http://www.sfplanning.org>

**Planning Information Center (PIC)**  
1660 Mission Street, First Floor  
San Francisco CA 94103-2479

TEL: 415.558.6377  
*Planning staff are available by phone and at the PIC counter.  
No appointment is necessary.*

WEST BAY LAW  
WARTELLE, WEAVER & SCHREIBER  
A PROFESSIONAL CORPORATION  
369 PINE ST. STE. 506 415-693-0504  
SAN FRANCISCO, CA 94104

WELLS FARGO BANK, N.A.  
www.wellsfargo.com  
11-4288/1210

20936

7-3-17

PAY TO THE  
ORDER OF

S.F. Planning Department

\$ 578<sup>00</sup>/<sub>100</sub>

Five Hundred Seventy Eight and 00/100

DOLLARS

VOID IF NOT CASHED WITHIN 90 DAYS

*[Signature]*  
AUTHORIZED SIGNATURE

MEMO

THIS DOCUMENT MUST HAVE A COLORED BACKGROUND, ULTRAVIOLET FIBERS AND AN ARTIFICIAL WATERMARK ON THE BACK - VERIFY FOR AUTHENTICITY.

WEST BAY LAW WARTELLE, WEAVER & SCHREIBER A PROFESSIONAL CORPORATION

20936

2017 JUL -3 AM 9:03  
BOARD OF SUPERVISORS  
SAN FRANCISCO

WEST BAY LAW WARTELLE, WEAVER & SCHREIBER A PROFESSIONAL CORPORATION

20936

# Attachment B

Planning Commission Motion No. 19931



# SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Transportation Sustainability Fee (Sec. 411A)
- Eastern Neighborhoods Impact Fee (Sec. 423)
- First Source Hiring (Admin. Code)
- Residential Child Care Fee (Sec. 414A)
- Other

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

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

## Planning Commission Motion No. 19931 HEARING DATE: JUNE 1, 2017

Case No.: **2014-002026ENX**  
 Project Address: **1726-1730 Mission Street**  
 Zoning: **UMU (Urban Mixed Use) District**  
**68-X Height and Bulk District**  
 Block/Lot: **3532/004A and 005**  
 Project Sponsor: **Jody Knight – Reuben, Junius & Rose , LLP**  
**One Bush Street, Suite 600**  
**San Francisco, CA 94104**  
 Staff Contact: **Linda Ajello Hoagland – (415) 575-6823**  
[linda.ajellohaoagland@sfgov.org](mailto:linda.ajellohaoagland@sfgov.org)

**ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION, PURSUANT TO PLANNING CODE SECTION 329 AND PLANNING COMMISSION RESOLUTION NO. 19865-MISSION 2016 INTERIM ZONING CONTROLS, TO DEMOLISH A 11,200 SQUARE FOOT, TWO-STORY INDUSTRIAL BUILDING, AND TO CONSTRUCT A SIX-STORY, 66-FOOT-TALL, 33,589 SQUARE FOOT MIXED-USE BUILDING WITH 40 DWELLING UNITS, APPROXIMATELY 2,250 SQUARE FEET OF GROUND FLOOR PDR (PRODUCTION, DISTRIBUTION AND REPAIR) AND 22 OFF-STREET PARKING SPACES FOR THE PROJECT AT 1726-1730 MISSION STREET WITHIN THE UMU (URBAN MIXED-USE) ZONING DISTRICT AND A 68-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

### PREAMBLE

On July 14, 2015, Jody Knight (hereinafter "Project Sponsor"), on behalf of Sustainable Living LLC (Property Owner), filed an application with the Planning Department (hereinafter "Department") for a Large Project Authorization for the proposed project at 1726-1730 Mission Street, Lots 004A, 005, Block 3532 (hereinafter "subject property"), pursuant to Planning Code Section 329 and the Mission 2016 Interim Zoning Controls, to demolish an 11,200 square-foot (sq. ft.), two-story, approximately 20-foot-tall industrial building and to construct a six-story, 66-foot-tall 35,893 sq. ft. mixed-use building with 40 dwelling units, 2,250 sq. ft. of ground floor PDR (Production Distribution and Repair) and 22 below off-street parking spaces within the UMU (Urban Mixed-Use) Zoning District, and 68-X Height and Bulk District.

On May 18, 2017, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2014-002026ENX. At this public hearing, the Commission continued the project to the public hearing on June 1, 2017.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On May 24, 2017, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is

available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records; the file for Case No. 2014-002026ENX is located at 1650 Mission Street, Suite 400, San Francisco, California.

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 the applicant, Department staff, and other interested parties.

**MOVED**, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2014-002026ENX, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

## 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 above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project site is on the west side of Mission Street, between Duboce Avenue and 14<sup>th</sup> Street in the Urban Mixed Use (UMU) Zoning District. The property is currently developed with a two-story, 11,200 square foot industrial building that is 20 feet in height. The subject properties are located mid-block with a combined street frontage of approximately 78 feet on Mission Street. The existing industrial building occupies the entire street frontage and is built to the front property line. In total, the site is approximately 7,800 square feet.
3. **Surrounding Properties and Neighborhood.** The Project Site is located in the UMU Zoning District along a mixed-use corridor within the Mission Area Plan. The Project Site is bounded by Duboce and 13<sup>th</sup> Streets to the north, 14<sup>th</sup> Street to the south, Woodward Street to the west and Mission Street to the east. The surrounding neighborhood is characterized by a wide variety of residential, commercial, retail, PDR and public uses. The adjacent properties to the north and south include three-story, multi-family residential uses, three- and four-story multi-family residential uses to the west and across Mission Street to the east is a four-story commercial building. The surrounding properties are located within the: Urban Mixed Use (UMU); Residential Mixed, Low Density (RM-1); and Production Distribution and Repair, General (PDR-1-G). There is one school (San Francisco Friends School) located within 1,000 feet of the Project Site. Access to Highway 101 and Interstate 80 is about one block to the east at the on- and off-ramps located at South Van Ness Avenue and the Central Freeway. The Project Site is located

along Mission Street, which is a high injury pedestrian and vehicular corridor. Other zoning districts in the vicinity of the Project Site include: PDR-1-G (Production, Distribution, and Repair - General); RM-1 (Residential Mixed - Low Density); NCT-3 (Moderate Scale Neighborhood Commercial Transit); and, P (Public).

4. **Project Description.** The Project consists of merging the two existing lots into a single 7,800 square-foot (sq. ft.) lot, demolition of a two-story industrial building, and construction of a six-story, 66-foot tall, 35,893 sq. ft. mixed-use building with 40 dwelling units, approximately 2,250 sq. ft. of ground floor PDR (Production Distribution and Repair) use, and 22 off-street parking spaces. One parking space would be handicap accessible, and the other 21 parking spaces would be housed in mechanical stackers. A garage door would be provided on Mission Street. The northernmost of the two existing curb cuts would be retained, and the other curb cut at the south end of the project site would be removed. The project would provide a total of 68 bicycle parking spaces, which would consist of 60 Class 1 spaces in the garage, and eight Class 2 spaces on the Mission Street sidewalk. Usable open space for the residents of the proposed project would be provided in the form of a common roof deck. Four new trees would be planted adjacent to the subject property along Mission Street.
5. **Public Comment.** The Department has received one letter of support from San Francisco Housing Action Coalition (SFHAC), and four letters opposing the project, expressing concern over the height of the project, impacts to light and air to adjacent residential properties, increased vehicular traffic and construction noise.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

- A. **Permitted Uses in UMU Zoning Districts.** Planning Code Sections 843.20 state that residential use is a principally permitted use within the UMU Zoning District. PDR uses listed in Planning Code Sections 843.70-843.87 are principally, conditionally or not permitted.

*The Project would construct new residential and retain PDR uses within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20 and 843.70-843.87. Depending on the specific PDR tenant, they will comply as principally permitted PDR uses per Sec. 843.70-843.87 or seek a Conditional Use, as required by the Planning Code.*

- B. **Floor Area Ratio.** Planning Code Section 124 establishes a FAR (Floor Area Ratio) of 5:1 for properties within the UMU Zoning District and a 68-X Height and Bulk District.

*The subject lots are 7,800 sq. ft. in total, thus resulting in a maximum allowable floor area of 39,000 sq. ft. for non-residential uses. The Project would construct approximately 2,250 sq. ft. of PDR space, and would comply with Planning Code Section 124.*

- C. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth of the lot to be provided at every residential level.

*The Project provides a 1,950 square foot rear yard at the first residential level and would comply with Planning Code Section 134. The Project occupies a mid-block with frontage on Mission Street. The subject lot does not currently contribute to a pattern of mid-block open space, and the addition of the proposed code-complying rear yard would help to preserve light and air to neighboring residential dwellings.*

- D. **Usable Open Space.** Planning Code Section 135 requires a minimum of 80 sq. ft. of open space per dwelling unit, if not publically accessible, or 54 sq. ft. of open space per dwelling unit, if publically accessible. Private usable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 sq. ft. if located on a deck, balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 sq. ft. if located on open ground, a terrace or the surface of an inner or outer court. Common usable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum area of 300 sq. ft.

*For the proposed 40 dwelling units, the Project is required to provide 3,830 sq. ft. of common open space. In total, the Project exceeds the requirements for open space by providing a total of approximately 4,695 sq. ft. of Code-complying usable open space. The Project would construct common open space roof deck (measuring approximately 3,925 sq. ft.) as well as four private second floor terraces in the rear yard (measuring approximately 770 sq. ft.). Therefore, the Project complies with Planning Code Section 135.*

- E. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

*The subject lot is not located in close proximity to an Urban Bird Refuge as defined in Section 139, and the Project meets the requirements for feature-related hazards.*

- F. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, rear yard or other open area that meets minimum requirements for area and horizontal dimensions. To meet exposure requirements, a public street, public alley, side yard or rear yard must be at least 25 feet in width.

*The Project organizes the dwelling units to have exposure on Mission Street or the code-complying rear yard. As proposed, 20 dwelling units face the rear yard and 20 units face Mission Street; therefore, the Project complies with Planning Code Section 140.*

- G. **Street Frontage in Mixed Use Districts.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the

principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level.

*The off-street parking is located below grade and is accessed through one 12-ft wide garage entrance located along Mission Street. The Project features active uses on the ground floor with a residential lobby, and replacement PDR space. The ground floor ceiling height of the non-residential uses are at least 17-ft. tall for frontage along Mission Street. Therefore, the Project complies with Planning Code Section 145.1.*

- H. **Off-Street Parking.** Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit.

*For the 40 dwelling units, the Project is allowed to have a maximum of 30 off-street parking spaces. Currently, the Project provides 22 off-street parking spaces via mechanical lifts, and one handicap parking space. Therefore, the Project complies with Planning Code Section 151.1.*

- I. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires one Class 1 bicycle parking space per dwelling unit and one Class 2 bicycle parking spaces for every 20 dwelling units. Additional bicycle parking requirements apply based on classification of non-residential uses, at least two Class 2 spaces are required for retail uses.

*The Project includes 40 dwelling units; therefore, the Project is required to provide 40 Class 1 bicycle parking spaces and two Class 2 bicycle parking spaces for residential uses and 2 Class 2 spaces for the ground floor non-residential uses. The Project will provide 62 Class 1 bicycle parking spaces and 8 Class 2 bicycle parking spaces, which exceeds the requirement. Therefore, the Project complies with Planning Code Section 155.2.*

- J. **Transportation Demand Management (TDM) Plan.** Pursuant to Planning Code Section 169 and the TDM Program Standards, the Project shall finalize a TDM Plan prior to Planning Department approval of the first Building Permit or Site Permit. As currently proposed, the Project must achieve a target of 14 points.

*The Project submitted a completed Environmental evaluation Application prior to September 4, 2016. Therefore, the Project must only achieve 50% of the point target established in the TDM Program Standards, resulting in a target of 7 points. As currently proposed, the Project will achieve its required 7 points through the following TDM measures:*

- *Bicycle Parking (Option D)*
- *Bicycle Repair Station*
- *Delivery Supportive Amenities*
- *Family TDM Amenities (Option A)*
- *Real Time Transportation Information Displays*
- *On-site Affordable Housing (Option C)*
- *Unbundle Parking (Location B)*
- *Parking Supply (OptionB)*

- K. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

*The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project meets this requirement.*

- L. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

*For the 40 dwelling units, the Project is required to provide at least 16 two-bedroom units or 12 three-bedroom units. The Project provides one-bedroom units and 20 two-bedroom. Therefore, the Project meets and exceeds the requirements for dwelling unit mix.*

- M. **Shadow.** Planning Code Sections 147 and 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

*The Planning Department prepared a preliminary shadow fan analysis and determined that the proposed project would not cast shadows on any parks or open spaces at any time during the year. The preliminary shadow fan analysis accounts for the 14-foot-tall elevator penthouse on the roof of the proposed building.*

- N. **Transportation Sustainability Fee.** Planning Code Section 411A establishes the Transportation Sustainability Fee (TSF) and is applicable to project that are the following: (1) More than twenty new dwelling units; (2) New group housing facilities, or additions of 800 gross square feet or more to an existing group housing facility; (3) New construction of a Non-Residential use in excess of 800 gross square feet, or additions of 800 gross square feet or more to an existing Non-Residential use; or (4) New construction of a PDR use in excess of 1,500 gross square feet, or additions of 1,500 gross square feet or more to an existing PDR use; or (5) Change or Replacement of Use, such that the rate charged for the new use is higher than the rate charged for the existing use, regardless of whether the existing use previously paid the TSF or TIDF; (6) Change or Replacement of Use from a Hospital or a Health Service to any other use.

*The Project includes more than twenty dwelling units, and the replacement of PDR space; therefore, the TSF, as outlined in Planning Code Section 411A, applies.*

- O. **Inclusionary Affordable Housing Program in UMU Zoning District.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects that consist of 10 or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 419 the current Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative in the UMU Zoning District for Tier B is to provide 17.5% of the proposed dwelling units as affordable. This requirement is subject to change under pending legislation to modify Planning Code Section 415 which is currently under review by the Board of Supervisors (Board File Nos.161351 and 170208). The proposed changes to Section 415, which include but are not limited to modifications to the amount of inclusionary housing required onsite or offsite, the methodology of fee calculation, and dwelling unit mix requirements, will become effective after approval by the Board of Supervisors

*The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project. The Project Sponsor submitted such Affidavit on April 24, 2017. The EE application was submitted on February 6, 2015. Pursuant to Planning Code Sections 415.3, 415.6 and 419, the current on-site requirement is 17.5%. 7 units (4 one-bedroom and 3 two-bedroom) of the 40 units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.*

- P. **Residential Childcare Impact Fee.** Planning Code Section 414A is applicable to any residential development citywide that results in the addition of a residential unit.

*The Project includes approximately 27,145 sq. ft. new residential use and 2,250 sq. ft. of PDR use. The proposed Project is subject to fees as outlined in Planning Code Section 414A.*

- Q. **Eastern Neighborhood Infrastructure Impact Fee.** Planning Code Section 423 is applicable to any development project within the UMU (Urban Mixed-Use) Zoning District that results in the addition of gross square feet of residential and non-residential space.

*The Project includes approximately 35,893 gross square feet of new development consisting of approximately 27,145 sq. ft. of residential use and 2,250 sq. ft. of PDR use. These uses are subject to Eastern Neighborhood Infrastructure Impact Fees Tier 1 for residential and Tier 2 for non-residential, as outlined in Planning Code Section 423.*

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

A. Overall building mass and scale.

*The Project would construct a new six-story mixed-use building on the west side of Mission Street. The scale of the Project is appropriate from an urban design perspective because it recognizes the significance of this location along the Mission Street transit corridor, where the height limits were increased to 68 feet, as part of the Eastern Neighborhoods Area Plan. These increased height limits provide the opportunity to support the City's housing goals and public transit infrastructure. Overall, the Project's massing also recognizes the existing block pattern as it relates to the street frontage and block wall along Mission Street. The Project's rear yard location contributes positively to the irregular pattern of interior block open space in the subject block. The adjacent properties to the north and south include three-story, multi-family residential uses, three- and four-story multi-family residential uses to the west and across Mission Street to the east is a four-story commercial building. The neighborhood is characterized by a wide variety of residential, commercial, retail, PDR and public uses. In addition, the Project includes projecting vertical and horizontal elements, which provide modulation along the street facades. Thus, the Project is appropriate for a mid-block lot and consistent with the mass and scale of the intent of the height-bulk and zoning changes from 50-X to 68-X and M-1 to UMU, which occurred as part of the Eastern Neighborhoods Area Plan.*

B. Architectural treatments, facade design and building materials.

*The Mission is one of the City's most distinctive neighborhoods as identified in the City's General Plan. The proposed facade design and architectural treatments with various vertical and horizontal elements and a pedestrian scale ground floor which is consistent with the unique identity of the Mission. The new building's character ensures the best design of the times with high-quality building materials (including white ceramic frit glass, French balconies with metal mesh guardrails and Swisspearl panels) that relates to the surrounding structures that make-up the Mission's distinct character while acknowledging and respecting the positive attributes of the older buildings. It also provides an opportunity for an increased visual interest that enhances and creates a special identity with a unique image of its own in the neighborhood. Overall, the Project offers an architectural treatment, which provides for contemporary, yet contextual, architectural design that appears consistent and compatible with the surrounding neighborhood*

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access.

*The Project is consistent with the development density established for the Project Site in the Eastern Neighborhoods Area Plan. The building's ground floor PDR, and residential lobby proposes a 55% active street frontage which will enhance and offer an effective and engaging connection between the public and private areas. It will enliven the sidewalk offering a sense of security and encouraging positive activities that will benefit, not just the immediate areas, but the overall neighborhood as well.*

*It provides a code compliant rear yard open space at the rear yard to face the adjacent buildings' rear yard, enhancing the natural light exposure and overall livability of the neighbors' units even without an established mid-block open space. The singular driveway on Mission Street and the proposed independently accessible mechanical parking spaces in the basement reduces vehicular queuing and minimizes potential conflicts with pedestrians and bicyclists. Overall, the design of the lower floors enhances the pedestrian experience and accommodates new street activity.*

- D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site.

*The Project provides the required open space for the 40 dwelling units through common open space located on the roof deck. In addition, the Project includes private open space for four dwelling units, which are in addition to the required open space. In total, the Project provides approximately 4,695 sq. ft. of open space, which exceeds the required amount for the dwelling units.*

- E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2.

*Planning Code Section 270.2 does not apply to the Project, and no mid-block alley or pathway is required.*

- F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

*In compliance with Planning Code Section 138.1, the Project provides four street trees along Mission Street. The Project will also add bicycle parking along the sidewalk in front of the Project for public use. These improvements will enhance the public realm.*

- G. Circulation, including streets, alleys and mid-block pedestrian pathways.

*Since the subject lot has one street frontage, automobile access is limited to the one entry/exit (measuring 12-ft wide) along Mission Street, minimizing impacts to pedestrian and vehicular traffic along Mission Street. Pedestrian access is provided to the residences via a lobby and two secondary exits directly to the sidewalk. The Project includes ground floor PDR along Mission Street with an independent pedestrian entry from Mission Street.*

- H. Bulk limits.

*The Project is within an 'X' Bulk District, which does not restrict bulk.*

- I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan.

*The Project, on balance, meets the Objectives and Policies of the General Plan. See below.*

8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

## **HOUSING ELEMENT**

### **Objectives and Policies**

#### **OBJECTIVE 1**

**IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.**

##### **Policy 1.1**

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

##### **Policy 1.8**

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional, or other single use development projects.

*The Project is a higher density mixed-use development on an underutilized lot along a primary vehicular transit corridor. The Project Site is an ideal infill site that is currently a vacant PDR use. The proposed Project would add 40 units of housing to the site with a dwelling unit mix of one-bedroom, and two-bedroom units. The Project Site was rezoned to UMU as part of a long range planning goal to create a cohesive, higher density residential and mixed-use neighborhood. The Project includes seven on-site affordable housing units for ownership, which complies with the UMU District's goal to provide a higher level of affordability.*

#### **OBJECTIVE 4**

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

##### **Policy 4.1**

Develop new housing, and encourage the remodeling of existing housing, for families with children.

##### **Policy 4.4**

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

##### **Policy 4.5**

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

*The Project will add 40 dwelling units to the City's housing stock, and meets the affordable housing requirements by providing for seven on-site permanently affordable units for ownership.*

**OBJECTIVE 11**

**SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.**

**Policy 11.1**

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

**Policy 11.2**

Ensure implementation of accepted design standards in project approvals.

**Policy 11.3**

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

**Policy 11.4**

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

**Policy 11.6**

Foster a sense of community through architectural design, using features that promote community interaction.

**Policy 11.8**

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

*The Project would construct a new six-story mixed-use building on the west side of Mission Street. The scale of the Project is appropriate from an urban design perspective because it recognizes the significance of this location along the Mission Street transit corridor, where the height limits were increased to 68 feet, as part of the Eastern Neighborhoods Area Plan. These increased height limits provide the opportunity to support the City's housing goals and public transit infrastructure. Overall, the Project's massing also recognizes the existing block pattern as it relates to the street frontage along Mission Street. The Project's rear yard location contributes to the pattern of interior block open space in the subject block. The neighborhood is characterized by a wide variety of commercial, retail, PDR, public and residential uses. In addition, the Project includes projecting vertical and horizontal architectural elements, which provide vertical and horizontal modulation along the street facades. Thus, the Project is appropriate for a mid-block lot and consistent with the mass and scale of the intent of the height-bulk and zoning changes from 50-X to 68-X and M-1 to UMU, which occurred as part of the Eastern Neighborhoods Area Plan.*

**OBJECTIVE 12**

**BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.**

**Policy 12.2**

Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing.

*The Project is located in proximity to many neighborhood amenities. The Project is located on Mission Street and near Valencia Street, which provide a variety of retail establishments, fitness gyms, small grocery stores, and cafes. The Project is also located near the SoMa West Skate and Dog Park, and the Brick & Mortar Music Hall.*

**OBJECTIVE 13**

**PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.**

**Policy 13.1**

Support “smart” regional growth that locates new housing close to jobs and transit.

**Policy 13.3**

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

*The Project Site is located within a quarter mile of several local transit lines including Muni lines 14,14R, 49, and 55. The 16<sup>th</sup> Street & Mission Bart Station is slightly more than a quarter mile to the south on Mission Street. Residential mixed-use development at this site would support a smart growth and sustainable land use pattern in locating new housing in the urban core close to jobs and transit. Furthermore, the bicycle network in the Mission District is highly developed and utilized. The Project provides an abundance of bicycle parking on-site in addition to vehicle parking.*

**RECREATION AND OPEN SPACE ELEMENT**

**Objectives and Policies**

**OBJECTIVE 1:**

**ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM**

**Policy 1.9:**

Preserve sunlight in public open spaces.

*The Planning Department prepared a preliminary shadow fan analysis and determined that the proposed project would not cast shadows on any parks or open spaces at any time during the year.*

**OBJECTIVE 2:**

**INCREASE RECREATION AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BY REGION**

**Policy 2.11:**

Assure that privately developed residential open spaces are usable, beautiful, and environmentally sustainable.

*The Project proposes landscaped open space at the rear of the second level, and the roof deck has potential for planters and additional landscaping.*

**OBJECTIVE 3:  
IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE**

**Policy 3.6:**  
Maintain, restore, expand and fund the urban forest.

*The proposed Project will add to the urban forest with the addition of street trees.*

**TRANSPORTATION ELEMENT**

**Objectives and Policies**

**OBJECTIVE 24:  
IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.**

**Policy 24.2:**  
Maintain and expand the planting of street trees and the infrastructure to support them.

**Policy 24.4:**  
Preserve pedestrian-oriented building frontages.

*The Project will install new street trees along Mission Street. Frontages are designed with transparent glass and intended for active spaces oriented at the pedestrian level.*

**OBJECTIVE 28:  
PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.**

**Policy 28.1:**  
Provide secure bicycle parking in new governmental, commercial, and residential developments.

**Policy 28.3:**  
Provide parking facilities which are safe, secure, and convenient.

*The Project includes 62 Class 1 bicycle parking spaces in secure and convenient location.*

**OBJECTIVE 34:  
RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD  
COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND  
LAND USE PATTERNS.**

**Policy 34.1:**

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

**Policy 34.3:**

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

**Policy 34.5:**

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

*The Project has a parking to dwelling unit ratio of .55 space per unit, which is the permitted ratio of .75 per unit. The parking spaces are accessed by one ingress/egress point measuring 12-ft. wide from Mission Street. Parking is adequate for the Project and complies with maximums prescribed by the Planning Code. The Project will also reduce the number of curb cuts; currently there are two existing curb cuts, and only one curb cut is proposed. Triple car stackers are utilized to provide more space for 62 bicycle parking spaces, and resident amenities such as car seat storage, a bicycle repair station, and a real-time transit display in the lobby. Such amenities will help to promote alternative modes of transportation, and reduce the need for on-street and off-street automobile parking spaces.*

**URBAN DESIGN ELEMENT**

**Objectives and Policies**

**OBJECTIVE 4:**

**IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.**

**Policy 4.4:**

Design walkways and parking facilities to minimize danger to pedestrians.

**Policy 4.13:**

Improve pedestrian areas by providing human scale and interest.

**Policy 4.15:**

Protect the livability and character of residential properties from the intrusion of incompatible new buildings.

*As the Project Site has only one street frontage, it will provide only one vehicular access point for the Project, reducing potential conflict with pedestrians and bicyclists. The garage security gate is recessed to provide queue space to reduce the potential of arriving cars blocking sidewalks and impeding the path of pedestrians. The 17-foot ground floor heights and active use will enhance the pedestrian experience and the*

*site will be further improved through the removal of a curbcut, and the addition of street trees. Currently, the site contains a vacant industrial building formerly occupied by Home Sausage Company.*

## **COMMERCE AND INDUSTRY ELEMENT**

### **Objectives and Policies**

#### **OBJECTIVE 4:**

**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.

#### **Policy 4.4:**

When displacement does occur, attempt to relocate desired firms within the city.

*The Project will be replacing approximately 2,250 square feet of PDR space. The building is currently unoccupied, therefore displacement will not occur.*

## **MISSION AREA PLAN**

### **Objectives and Policies**

#### **Land Use**

#### **OBJECTIVE 1.1**

**STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK.**

#### **Policy 1.1.7**

Permit and encourage greater retail uses on the ground floor on parcels that front 16th Street to take advantage of transit service and encourage more mixed uses, while protecting against the wholesale displacement of PDR uses.

#### **Policy 1.1.8**

While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

*The Project will provide 2,250 square feet of replacement PDR space on the ground floor of the building while also providing new housing on a site where none currently exists. Therefore strengthening the mixed use character and maintaining the neighborhood as a place to live and work.*

**OBJECTIVE 1.2**

**IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.**

**Policy 1.2.1**

Ensure that in-fill housing development is compatible with its surroundings.

**Policy 1.2.2**

For new construction, and as part of major expansion of existing buildings in neighborhood commercial districts, require ground floor commercial uses in new housing development. In other mixed-use districts encourage housing over commercial or PDR where appropriate.

**Policy 1.2.3**

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

*The Project will replace a vacant industrial building with a new mixed-use building with ground floor PDR space and residential units above, consistent with the existing residential, commercial and PDR uses in the neighborhood. Additionally, the Project complies with the applicable building height and bulk guidelines and with the bedroom mix requirements.*

**Housing**

**OBJECTIVE 2.3**

**ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES.**

**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 unless all Below Market Rate units are two or more bedrooms.

**Policy 2.3.5**

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

**Policy 2.3.6**

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

*The Project includes 20 one-bedroom and 20 two-bedroom units of which 7 will be Below Market Rate (BMR). Three of the BMR units will be two-bedroom units. Furthermore, the Project will be subject to the Eastern Neighborhood Impact Fee, Transportation Sustainability Fee and Residential Childcare Fee.*

**OBJECTIVE 2.6**

**CONTINUE AND EXPAND THE CITY'S EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY.**

**Policy 2.6.1**

Continue and strengthen innovative programs that help to make both rental and ownership housing more affordable and available.

*The Project will create forty residential units, seven of which are BMR units, on a site where no housing currently exists, thus increasing affordable housing production and availability.*

**Built Form**

**OBJECTIVE 3.1**

**PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.**

**Policy 3.1.6**

New buildings should epitomize the best in contemporary architecture, but should do so with full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them.

**Policy 3.1.8**

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

*The Project will replace an unremarkable concrete industrial building with a well-articulated, contemporary, mixed-use building. The Project will be constructed with high quality materials and within the allowed height limits for the zoning district to respect the surrounding buildings. The existing buildings on the Project site are built out to the rear property line leaving no rear yard open space. The Project will provide a conforming rear yard open space, thus improving the existing pattern of rear yard open space which exists on the adjacent properties.*

**OBJECTIVE 3.2**

**PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM.**

**Policy 3.2.1**

Require high quality design of street-facing building exteriors.

**Policy 3.2.2**

Make ground floor retail and PDR uses as tall, roomy and permeable as possible.

**Policy 3.2.3**

Minimize the visual impact of parking.

**Policy 3.2.4**

Strengthen the relationship between a building and its fronting sidewalk.

*The Project is largely residential, but includes a moderately-sized ground floor PDR component along Mission Street. The Project provides the mix of uses encouraged by the Area Plan for this location. In addition, the Project is located within the prescribed height and bulk limits, and includes the appropriate dwelling-unit mix, since 50% or 20 of the 40 units are two-bedroom dwelling units. The Mission is one of the City's most distinctive neighborhoods as identified in the City's General Plan. The new building's character ensures the best design of the times with high-quality building materials that relates to the surrounding structures that make-up the Mission's distinct character while acknowledging and respecting the positive attributes of the older buildings. It also provides an opportunity for an increased visual interest that enhances and creates a special identity with a unique image of its own in the neighborhood. Overall, the Project offers an architectural treatment that is contemporary, yet contextual, and that is consistent and compatible with the surrounding neighborhood. The Project minimizes the off-street parking to a single entrance along Mission Street.*

8. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the Project complies with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

*Currently, the existing building on the Project Site is vacant. Although the Project would remove this use, the Project does provide for a new PDR space of 2,250 square feet at the ground level. The Project improves the urban form of the neighborhood by adding new residents, visitors, and employees to the neighborhood, which would assist in strengthening nearby retail uses.*

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

*No housing exists on the Project Site. The Project will provide up to 40 new dwelling units, thus resulting in a significant increase in the neighborhood housing stock. The Project offers an architectural treatment that is contemporary, yet contextual, and an architectural design that is consistent and compatible with the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.*

- C. That the City's supply of affordable housing be preserved and enhanced.

*The Project will not displace any affordable housing because there is currently no housing on the site. The Project will comply with the City's Inclusionary Housing Program, therefore increasing the stock of affordable housing units in the City.*

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

*The Project Site is served by public transportation. Future residents would be afforded close proximity to bus or rail transit. The Project also provides sufficient off-street parking at a ratio of .55 per dwelling unit, and sufficient bicycle parking for residents and their guests.*

- E. 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 is consistent with the Mission Area Plan, which encourages mixed-use development along Mission Street. The Project does not involve the creation of commercial office development. The Project would enhance opportunities for resident employment and ownership in industrial and service sectors by providing for new housing and PDR space, which will increase the diversity of the City's housing supply (a top priority in the City) and provide new potential neighborhood-serving uses and employment opportunities.*

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

*The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not adversely affect the property's ability to withstand an earthquake.*

- G. That landmarks and historic buildings be preserved.

*There are no landmarks or historic buildings on the Project Site.*

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

*The Planning Department prepared a preliminary shadow fan analysis and determined that the proposed project would not cast shadows on any parks or open spaces at any time during the year.*

9. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning

and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

*The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.*

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
11. The Commission hereby finds that approval of the Large Project Authorization would promote the health, safety and welfare of the City.

### DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Large Project Authorization Application No. 2014-002026ENX** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated May 1, 2017, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

**APPEAL AND EFFECTIVE DATE OF MOTION:** Any aggrieved person may appeal this Section 329 Large Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion No. 19931. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.

**Protest of Fee or Exaction:** You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on June 1, 2017.



Jonas P. Ionin  
Commission Secretary

AYES: Hillis, Johnson, Koppel, Moore, Richards

NAYS: Fong, Melgar

ADOPTED: June 1, 2017

## EXHIBIT A

### AUTHORIZATION

This authorization is for a Large Project Authorization to allow the demolition of an existing two-story industrial building and new construction of a six-story mixed-use building with 40 dwelling units and 2,250 sq. ft. of ground floor PDR space located at 1726-1730 Mission Street, Block 3532, Lots 004A and 005, pursuant to Planning Code Section 329 and Planning Commission Resolution No. 19865 (Mission 2016 Interim Zoning Controls), within the UMU Zoning District and a 68-X Height and Bulk District; in general conformance with plans, dated May 1, 2017, and stamped "EXHIBIT B" included in the docket for Record No. 2014-002026ENX and subject to conditions of approval reviewed and approved by the Commission on June 1, 2017 under Motion No. 19931. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

### RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on June 1, 2017 under Motion No. 19931.

### PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19931 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

### SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

### CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Conditional Use authorization.

## Conditions of Approval, Compliance, Monitoring, and Reporting

### PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to do so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
3. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
6. **Mitigation Measures.** Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014-002026ENV) attached as Exhibit C are necessary to

avoid potential significant effects of the proposed project and have been agreed to by the Project Sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## DESIGN

7. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

8. **Garbage, Composting and Recycling Storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

9. **Rooftop Mechanical Equipment.** Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

10. **Lighting Plan.** The Project Sponsor shall submit an exterior lighting plan to the Planning Department prior to Planning Department approval of the building / site permit application.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

11. **Transformer Vault.** The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

- a. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
- b. On-site, in a driveway, underground;

- c. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- d. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
- e. Public right-of-way, underground; and based on Better Streets Plan guidelines;
- f. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- g. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>*

## **PARKING AND TRAFFIC**

12. **Unbundled Parking.** All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

13. **Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than 30 off-street parking spaces. Per the Project Description, the Project Sponsor has specified that they will provide no more than 22 off-street parking spaces.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

14. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 44 bicycle parking spaces (40 Class 1 spaces for the residential portion of the Project and 4 Class 2 spaces for both the residential and commercial/PDR portion of the Project).

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

15. **Managing Traffic During Construction.** The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## PROVISIONS

16. **Anti-Discriminatory Housing.** The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
17. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.  
*For information about compliance, contact the First Source Hiring Manager at 415-581-2335, [www.onestopSF.org](http://www.onestopSF.org)*
18. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
19. **Child Care Fee - Residential.** The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
20. **Eastern Neighborhoods Infrastructure Impact Fee.** The Project is subject to the Eastern Neighborhoods Infrastructure Impact Fee, as applicable, pursuant to Planning Code Section 423.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

## MONITORING

21. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## OPERATION

22. **Garbage, Recycling, and Composting Receptacles.** Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <http://sfdpw.org>*

23. **Sidewalk Maintenance.** The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards. *For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org/>*

24. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

25. **Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## ENTERTAINMENT COMMISSION – NOISE ATTENUATION CONDITIONS

26. **Chapter 116 Residential Projects.** The Project Sponsor shall comply with the "Recommended Noise Attenuation Conditions for Chapter 116 Residential Projects," which were recommended by the Entertainment Commission on April 5, 2016. These conditions state:

- a) **Community Outreach.** Project Sponsor shall include in its community outreach process any businesses located within 300 feet of the proposed project that operate between the hours of 9PM-5AM. Notice shall be made in person, written or electronic form.

- b) **Sound Study.** Project sponsor shall conduct an acoustical sound study, which shall include sound readings taken when performances are taking place at the proximate Places of Entertainment, as well as when patrons arrive and leave these locations at closing time. Readings should be taken at locations that most accurately capture sound from the Place of Entertainment to best of their ability. Any recommendation(s) in the sound study regarding window glaze ratings and soundproofing materials including but not limited to walls, doors, roofing, etc. shall be given highest consideration by the project sponsor when designing and building the project.
- c) **Design Considerations:**
  - i. During design phase, project sponsor shall consider the entrance and egress location and paths of travel at the Place(s) of Entertainment in designing the location of (a) any entrance/egress for the residential building and (b) any parking garage in the building.
  - ii. In designing doors, windows, and other openings for the residential building, project sponsor should consider the POE's operations and noise during all hours of the day and night.
- d) **Construction Impacts.** Project sponsor shall communicate with adjacent or nearby Place(s) of Entertainment as to the construction schedule, daytime and nighttime, and consider how this schedule and any storage of construction materials may impact the POE operations.
- e) **Communication.** Project Sponsor shall make a cell phone number available to Place(s) of Entertainment management during all phases of development through construction. In addition, a line of communication should be created to ongoing building management throughout the occupation phase and beyond.

## INCLUSIONARY HOUSING REQUIREMENTS

27. **Affordable Units.** The following Inclusionary Affordable Housing Requirements are those in effect at the time of Planning Commission action. In the event that the requirements change, the Project Sponsor shall comply with the requirements in place at the time of issuance of first construction document. This requirement is subject to change under pending legislation to modify Planning Code Section 415 which is currently under review by the Board of Supervisors (Board File Nos. 161351 and 170208). The proposed changes to Section 415, which include but are not limited to modifications to the amount of inclusionary housing required onsite or offsite, the methodology of fee calculation, and dwelling unit mix requirements, will become effective after approval by the Board of Supervisors.
- a) **Number of Required Units.** Pursuant to Planning Code Section 419, the Project is currently required to provide 17.5% of the proposed dwelling units as affordable to qualifying households. The Project contains 40 units; therefore, 7 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 7 affordable units on-site. If the Project is subject to a different requirement if the Charter Amendment is approved and

new legislative requirements take effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- b) **Unit Mix.** The Project contains 20 one-bedroom, and 20 two-bedroom units; therefore, the required affordable unit mix is 3 one-bedroom, and 4 two-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.

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- c) **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.

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- d) **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than seventeen and one half percent (17.5%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.

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- e) **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.

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- f) **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A

copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or MOHCD websites, including on the internet at: <http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>. As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

- (i) The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- (ii) If the units in the building are offered for sale, the affordable unit(s) shall be sold to first time home buyer households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average of ninety (90) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco " but these income levels are subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the Project is subject to a different income level requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements. The initial sales price of such units shall be calculated according to the Procedures Manual. Limitations on (i) reselling; (ii) renting; (iii) recouping capital improvements; (iv) refinancing; and (v) procedures for inheritance apply and are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- (iii) The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.

- (iv) Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- (v) Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- (vi) The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the Project.
- (vii) If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- (viii) If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.