

From: [Thomas Schuttler](#)
To: [Mayor Eric Bono](#)
Subject: Comments for May 16th LUT Melgar/Mandelman Legislation
Date: Friday, May 13, 2022 4:07:53 PM
Attachments: [111 Photo - 311 16th Ave.pdf.pdf](#)
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Dear Ms. Major:

I think the Supervisors on this Committee, particularly Chair Melgar have worked hard on this legislation and I appreciate her hard work and that of my District 8 Supervisor Mandelman. Everyone tried their very best.

Thank you.

However, I want to make several points in this submission for the members of the LUT for the May 16th hearing on the Legislation before it goes onto the full Board.

Point #1

There are a lot of things for the Board of Supervisors to consider in dealing with this proposed Ordinance that is in response to SB-9 and any proposed SB-9 projects.

Among those things is the fact that SB-9 could be overturned at the ballot box by the California voters.

Or the RHNA numbers which are being challenged could turn out to be if not bogus, somewhat inflated.

Point #2

There are other suggestions that should get consideration for a similar Ordinance, such as Planning Commissioner Frank Fung's idea that *only* the corner lots in San Francisco neighborhoods be up zoned to allow up to six units or Supervisor Peskin's idea that all the three RH-1 designations, just be up zoned to RH-2. (RH-2, RH-2(D) and RH-2(S)).

Point #3

Supervisor Mar wanted to address the affordability issue in the neighborhoods and that needs to be figured out somehow. It is a very important issue regardless of the "feasibility" as outlined in the Consultant's studies. All three feasibility studies presented to the LUT state that densification even at market rate is "challenging".

But since we already have so much market rate housing, and it seems like we have so much high-end market rate housing, it is good public policy to try and facilitate more affordability, not less while densifying, since we also have such an astounding level of income inequality in San Francisco.

And it is a moral issue.

Certainly with the spectre of long time owners, "cashing out" as stated in the Planning Department's October 21, 2021 Executive Summary (page 14) on SB 9, affordability and protection of existing housing from speculation is critical.

Point #4

With any upzoning and densification, speculation will likely increase which is why it is reasonable to worry about people "cashing out", particularly as property values increase.

That is one reason I think [Board File No. 200451](#) should be re-introduced. This proposal that was tabled May 4, 2020, would revise the definition of the Demolition Calculations as approved by the Board of Supervisors when Planning Code Section 317 was passed in 2008. They have never been revised or adjusted as the Planning Commission could have done per [Planning Code Section 317\(b\)\(2\)\(D\)](#). With [Board File No. 200451](#), the Supervisors could exert their legislative authority, even if the Planning Commission has not.

This would put some constraints on projects like the one below in Point #5. (This was part of my submission for the March 7, 2022 LUT hearing.) This is a speculative project in the Richmond District.

This spec project appears to have taken advantage of what has become a loophole in Planning Code Section 317. This is discussed below in my comments from March 7th.

Planning Code Section 317 was approved unanimously by the Board and became effective on May 18, 2008 exactly 14 years ago. Here are the Findings for Planning Code Section 317. Most notable are the first three sentences:

SEC. 317. LOSS OF RESIDENTIAL AND UNAUTHORIZED UNITS THROUGH DEMOLITION, MERGER, AND CONVERSION.

(a) Findings. San Francisco faces a continuing shortage of affordable housing. There is a high ratio of rental to ownership tenure among the City's residents. The General Plan recognizes that existing housing is the greatest stock of rental and financially accessible residential units, and is a resource in need of protection. Therefore, a public hearing will be held prior to approval of any permit that would remove existing housing, with certain exceptions, as described below. The Planning Commission shall develop a Code Implementation Document setting forth procedures and regulations for the implementation of this Section 317 as provided further below. The Zoning Administrator shall modify economic criteria related to property values and construction costs in the Implementation Document as warranted by changing economic conditions to meet the intent of this Section.

Point #5

Submitted for the LUT Hearing on March 7, 2022, Board Files No.210866; 211234; 211202 regarding a Richmond District speculative project [with the update highlighted](#):

The attached [311 Plans](#) for this project, show that there were [likely two units existing on the site, as there are two kitchens noted on Sheet 2](#). Perhaps the second unit was a UDU?

And looking at the attached Google Earth photo from [October 2017](#), it seems reasonable to say that it defies logic to think this project that was approved by the City as an Alteration, was an Alteration. It looks like a Demolition...de facto and in fact. There are no published Demo Calcs for this project on the SFPIM.

There are also two Google Earth photos attached from [August 2015](#), showing the original building.

Again, the attached [311 Plans](#) show a kitchen on both the Existing first floor and second floor. This spec project caused a loss in affordability and "financially accessible residential units".

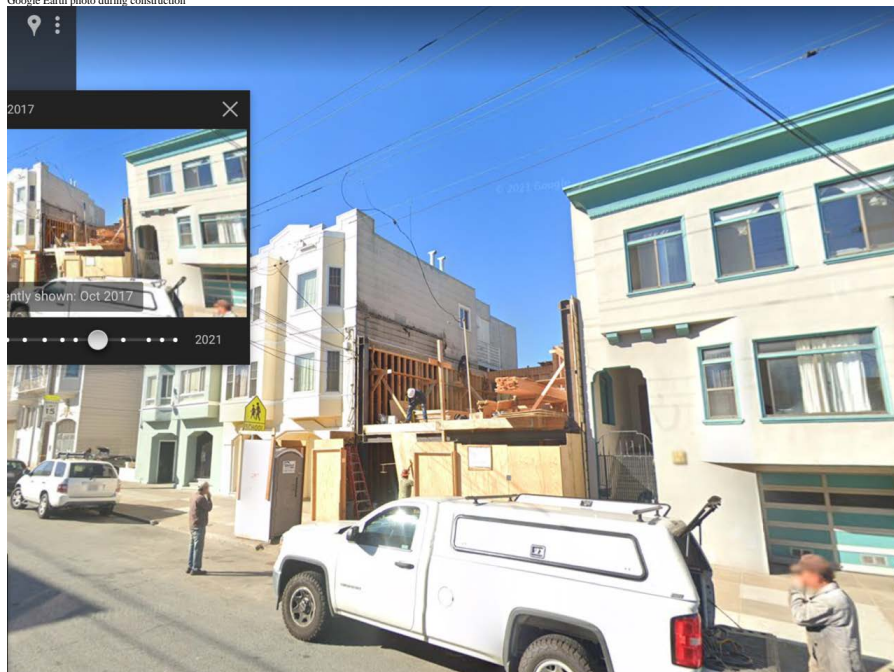
This Richmond District speculative project was completed in 2020. The smallest unit (825 sq.ft) sold for \$998K, a four bedroom unit (2,301sq.ft) sold for \$2.290 million in 2020; and currently the third unit (2,374 sq.ft) is for sale asking \$2.5 million [and as an update this unit sold in the last few weeks for \\$2.425 million.](#)

Previously prior to the start of construction, the entitlement for this Richmond District spec project sold in [June 2017](#) for \$1.960 million according to Redfin. According to Zillow, the [June 2013](#) sales price prior to the City bestowing the entitlement on the original house that appears to have two units...or at least two potential individual living spaces each with a kitchen...was \$997K. (The 2014 site permit was valued at \$855K)

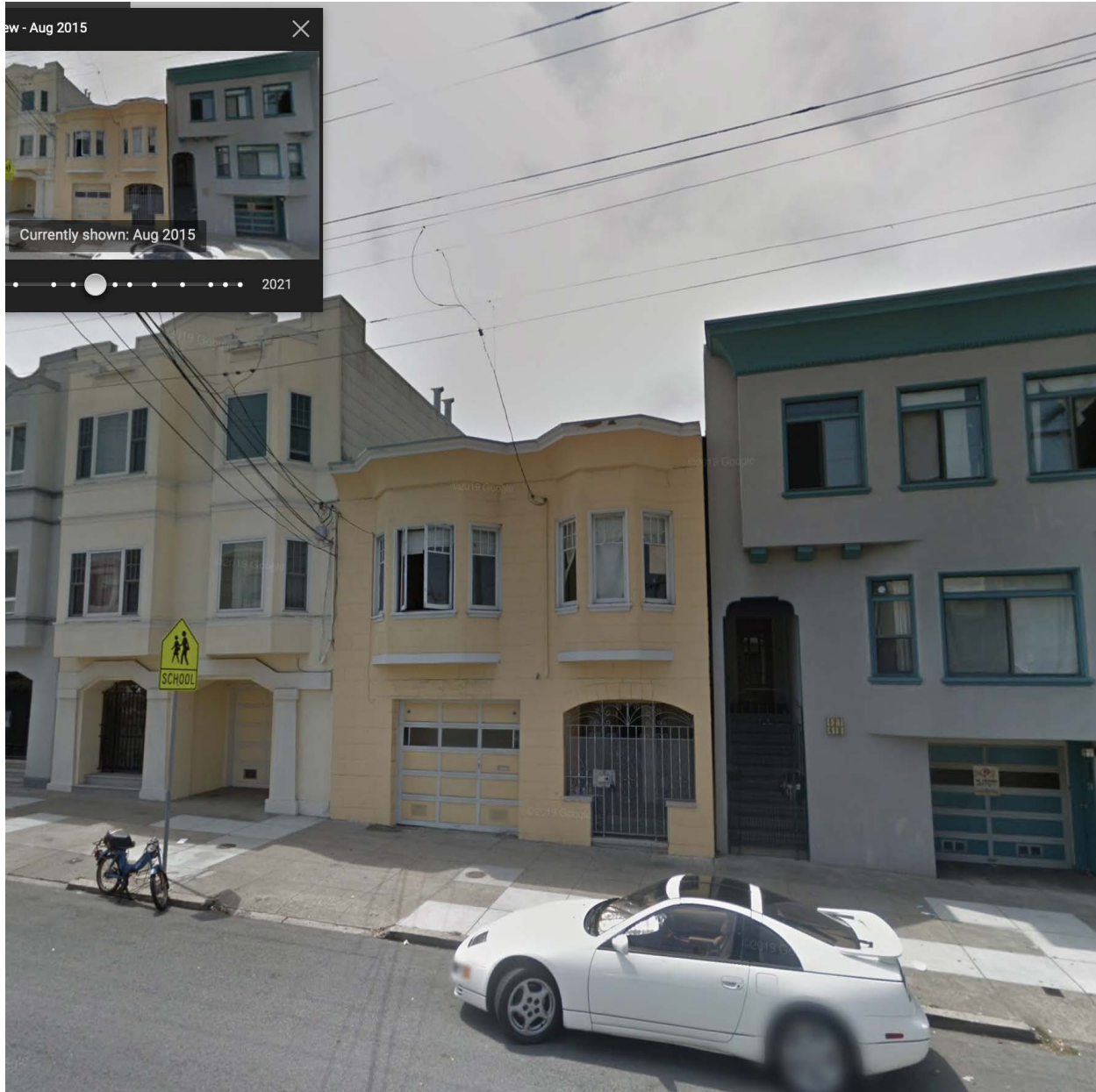
This sales history and this project is a good example of the *pattern* of speculation in San Francisco housing. It can also be called "commodification".

As Decision Makers seek to densify the City to provide housing for residents, this *pattern* needs to be either mitigated or prevented or both.

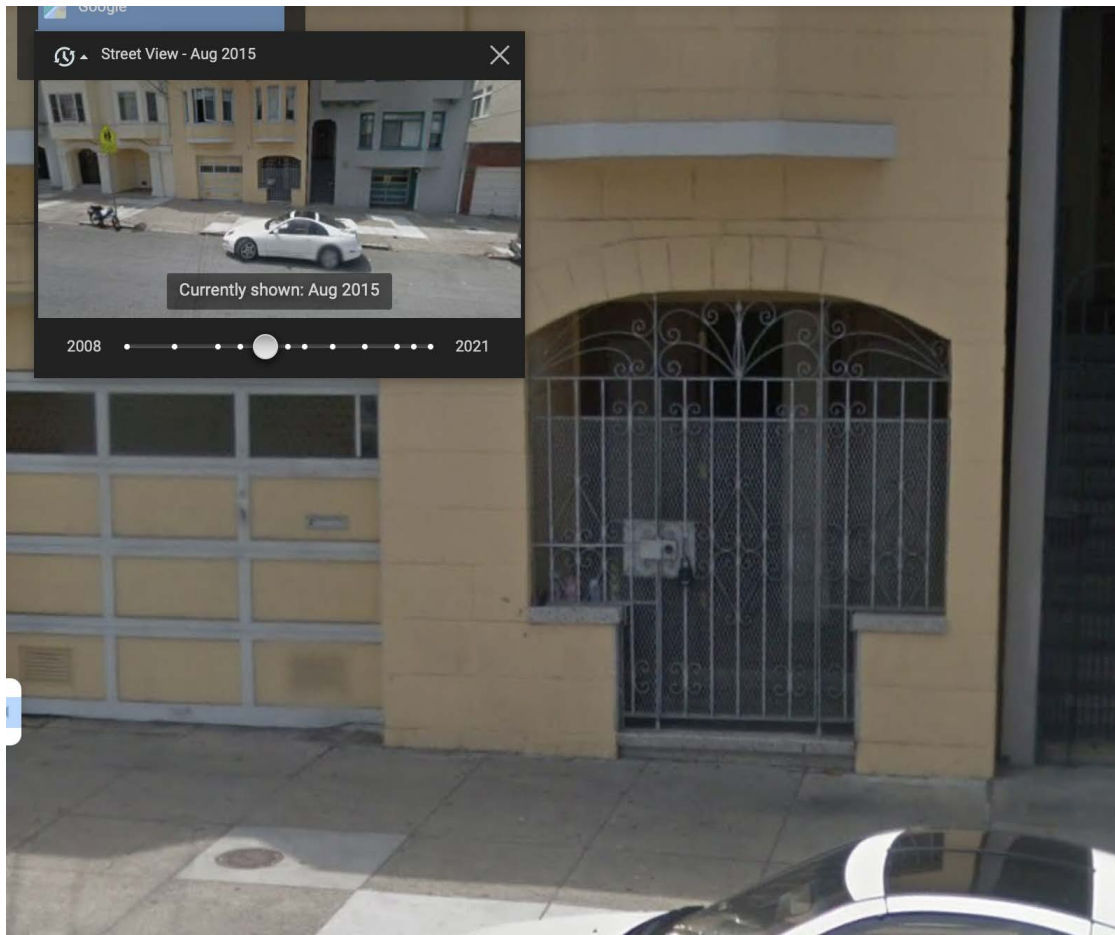
Google Earth photo during construction



Google Earth photo prior to construction



Looks like two separate entrances behind gate?



Thank you.
Sincerely,
Georgia Schuttish

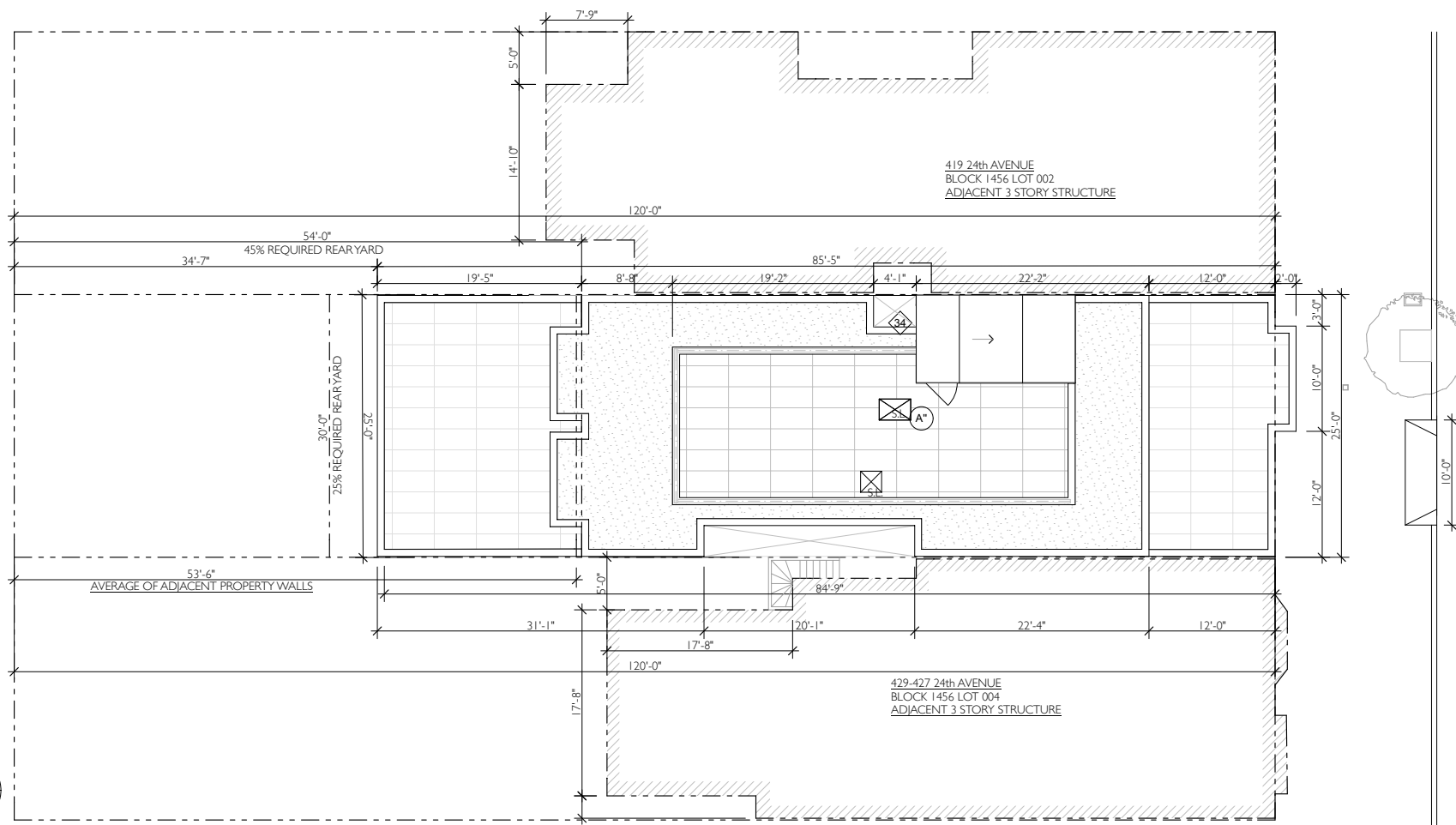
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TITLE:
EXISTING AND PROPOSED SITE PLANS

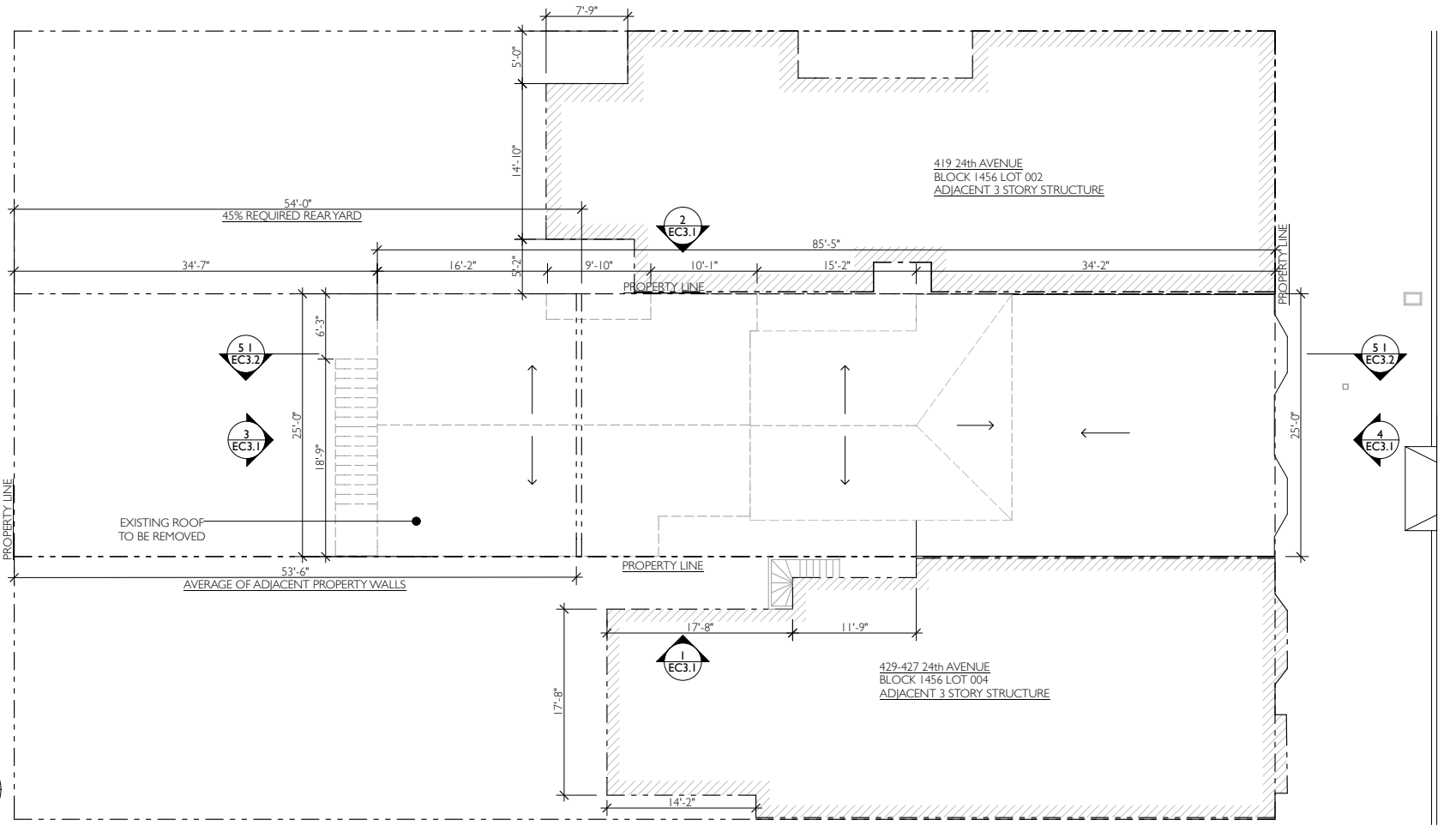
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SHEET 1



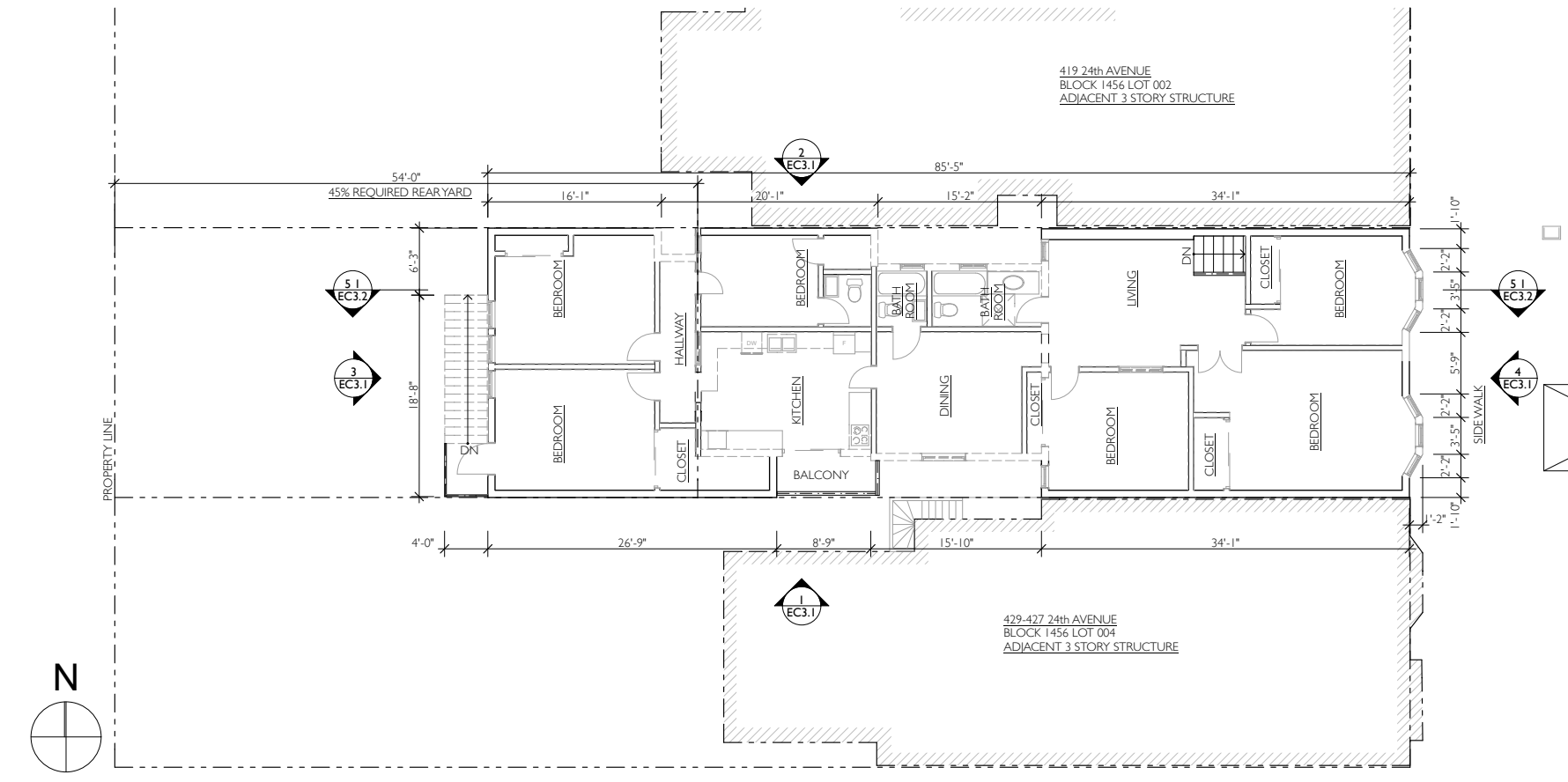
2 PROPOSED SITE PLAN
 SCALE: 1/8" = 1'-0"



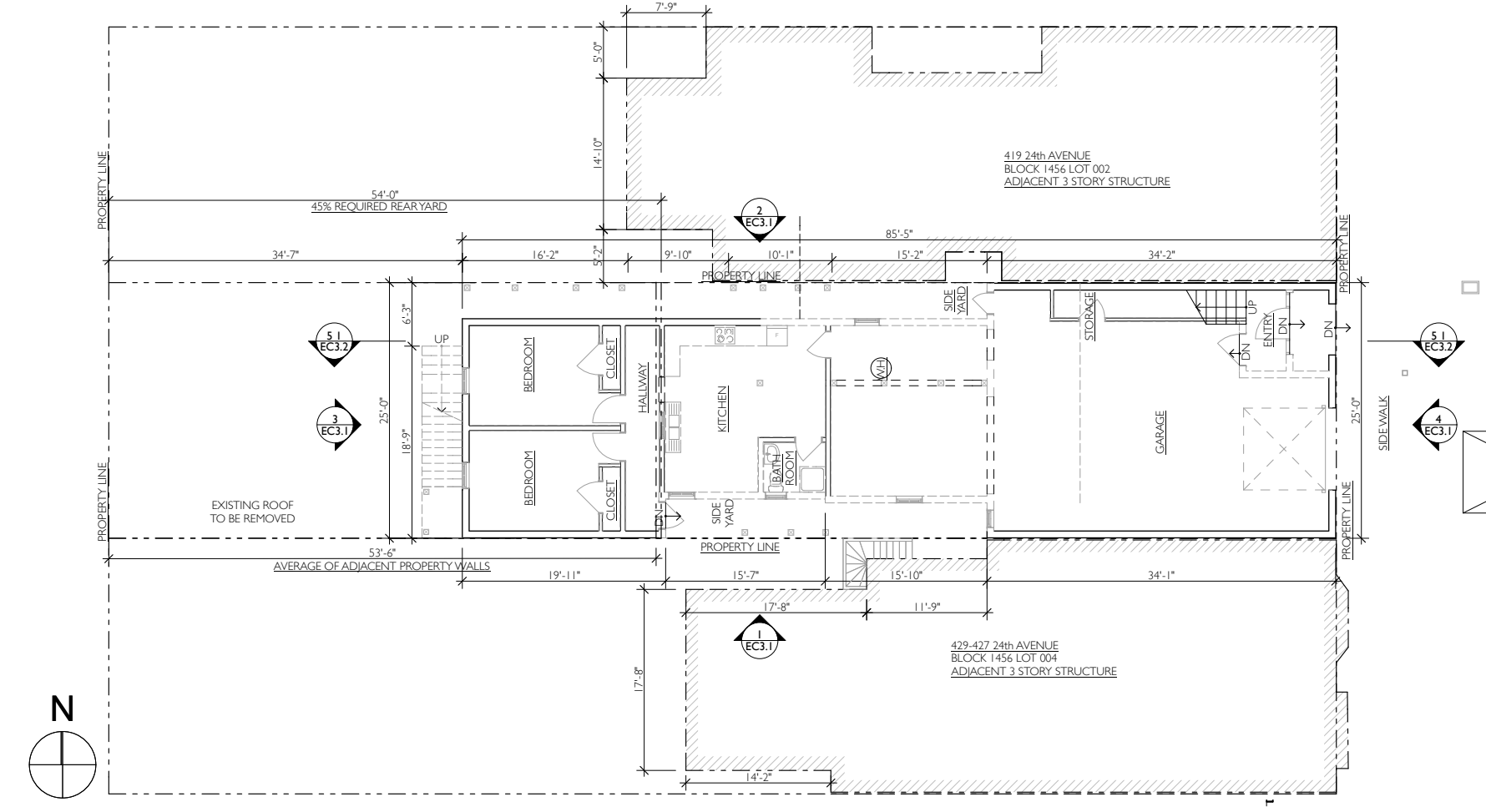
1 EXISTING SITE PLAN
 SCALE: 1/8" = 1'-0"

WALL LEGEND

	EXISTING WALL CONSTRUCTION TO REMAIN.
	EXISTING WALL CONSTRUCTION TO BE REMOVED
	PROPOSED 1-HR WALL CONSTRUCTION
	PROPOSED 2-HR RATED WALL CONSTRUCTION
	ADJACENT BUILDINGS



2 (E) SECOND FLOOR PLAN
SCALE: 1/8" = 1'-0"



1 (E) FIRST FLOOR PLAN
SCALE: 1/8" = 1'-0"

WALL LEGEND

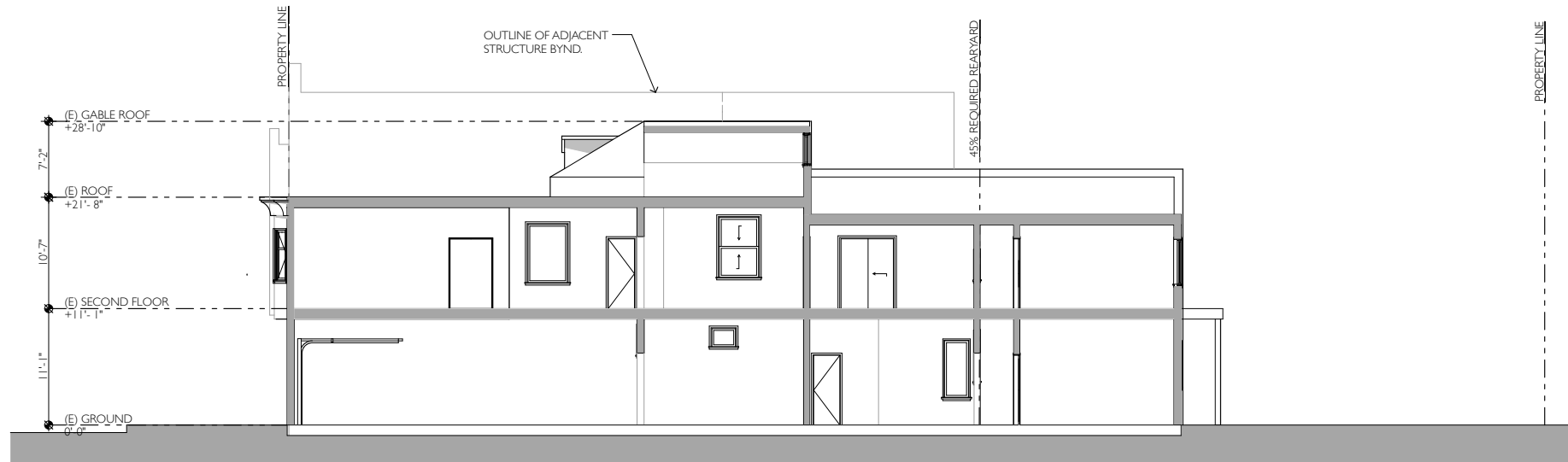
	EXISTING WALL CONSTRUCTION TO REMAIN
	EXISTING WALL CONSTRUCTION TO BE REMOVED
	PROPOSED 1-HR WALL CONSTRUCTION
	PROPOSED 2-HR RATED WALL CONSTRUCTION
	ADJACENT BUILDINGS



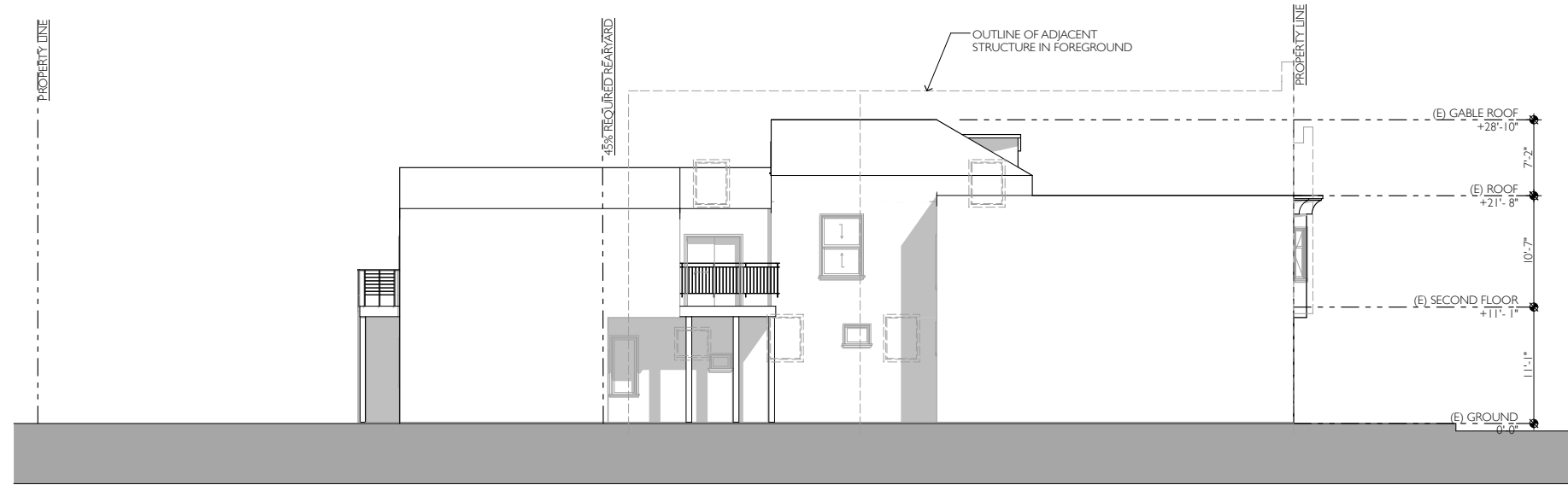
4 (E) EAST (FRONT) ELEVATION
SCALE: 1/8" = 1'-0"



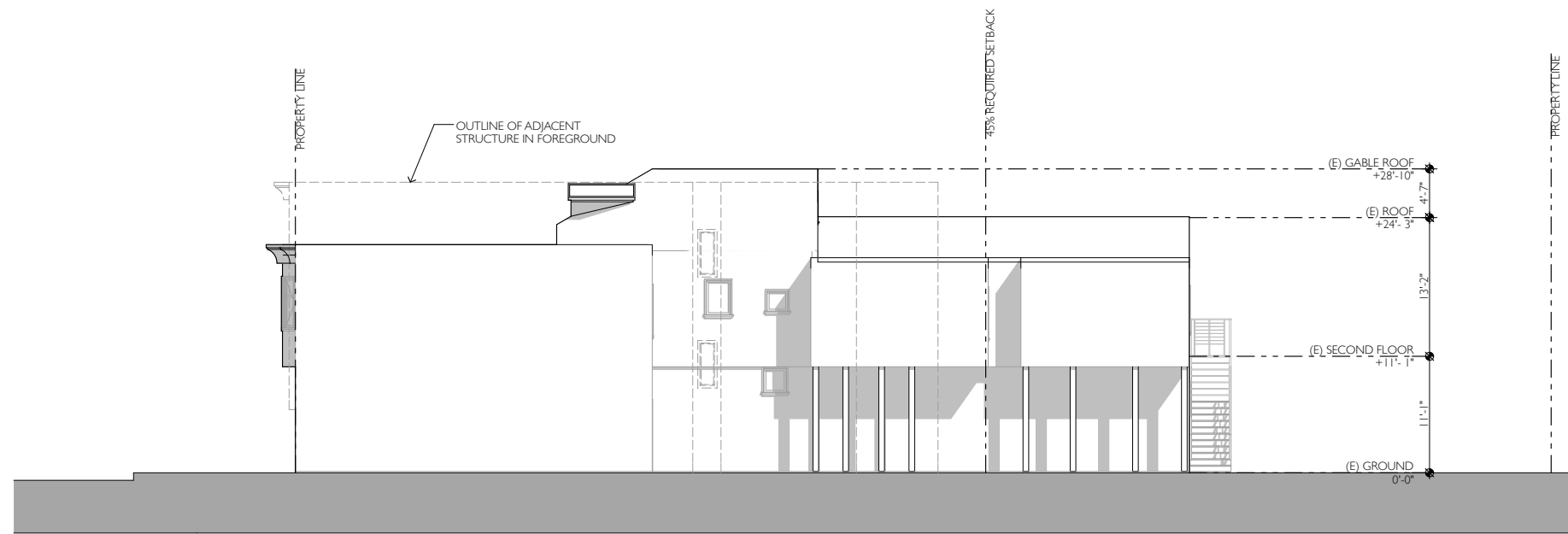
3 (E) WEST (REAR) ELEVATION
SCALE: 1/8" = 1'-0"



5 (E) WEST-EAST BUILDING SECTION
SCALE: 1/8" = 1'-0"



2 (E) SOUTH (SIDE) ELEVATION
SCALE: 1/8" = 1'-0"



1 (E) NORTH (SIDE) ELEVATION
SCALE: 1/8" = 1'-0"

STAMP:

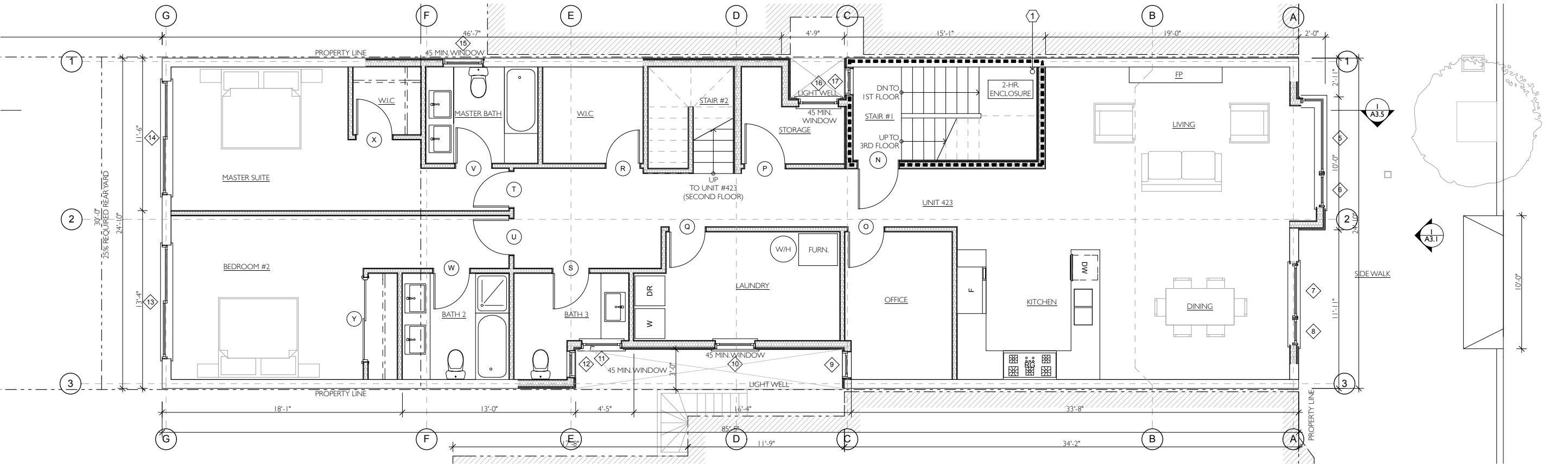
TITLE:
PROPOSED FLOOR PLANS

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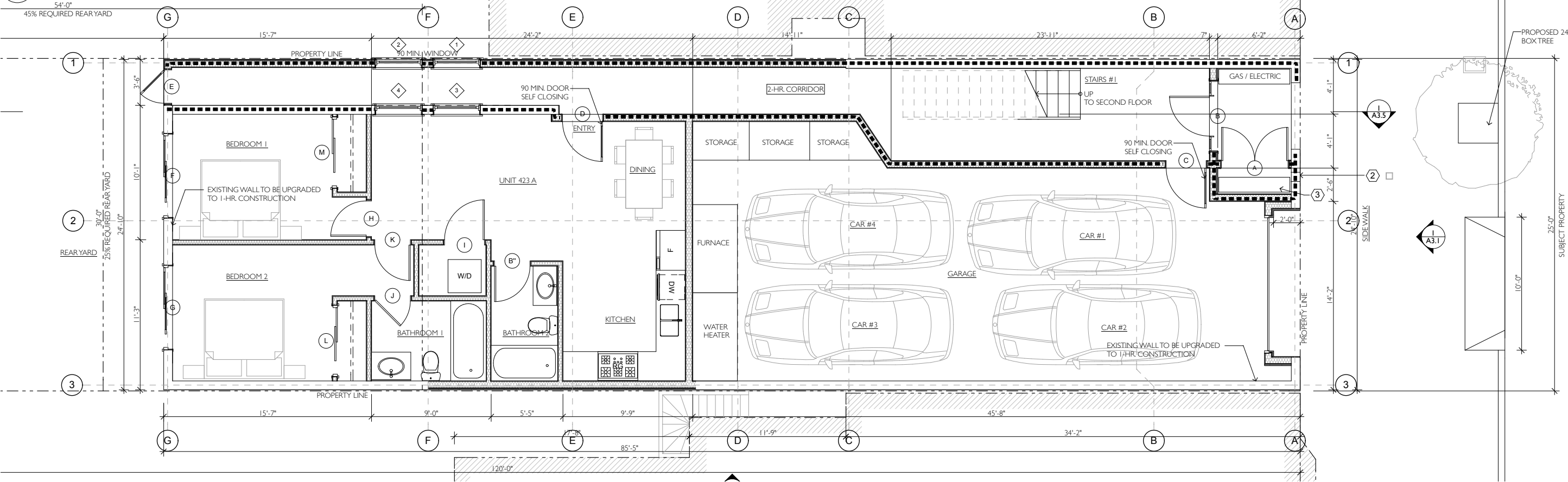
SHEET 4

SHEET 27 OF 29 © Y.A. studio 2013



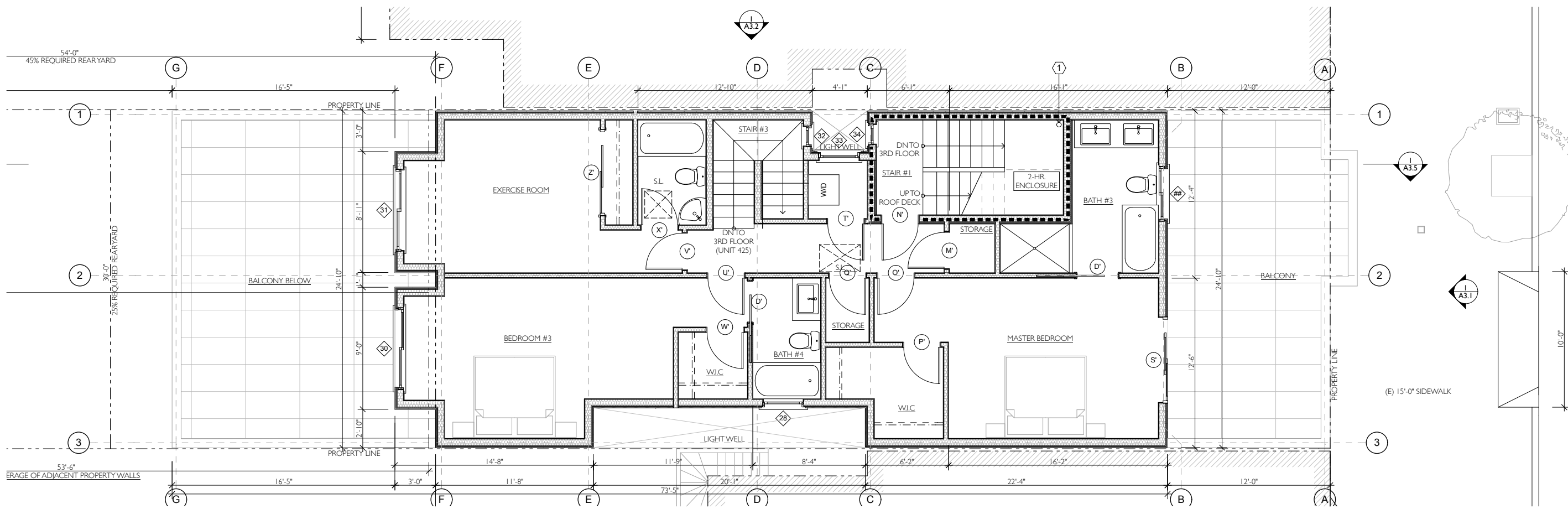
2 PROPOSED SECOND FLOOR PLAN

SCALE: 1/4" = 1'-0"

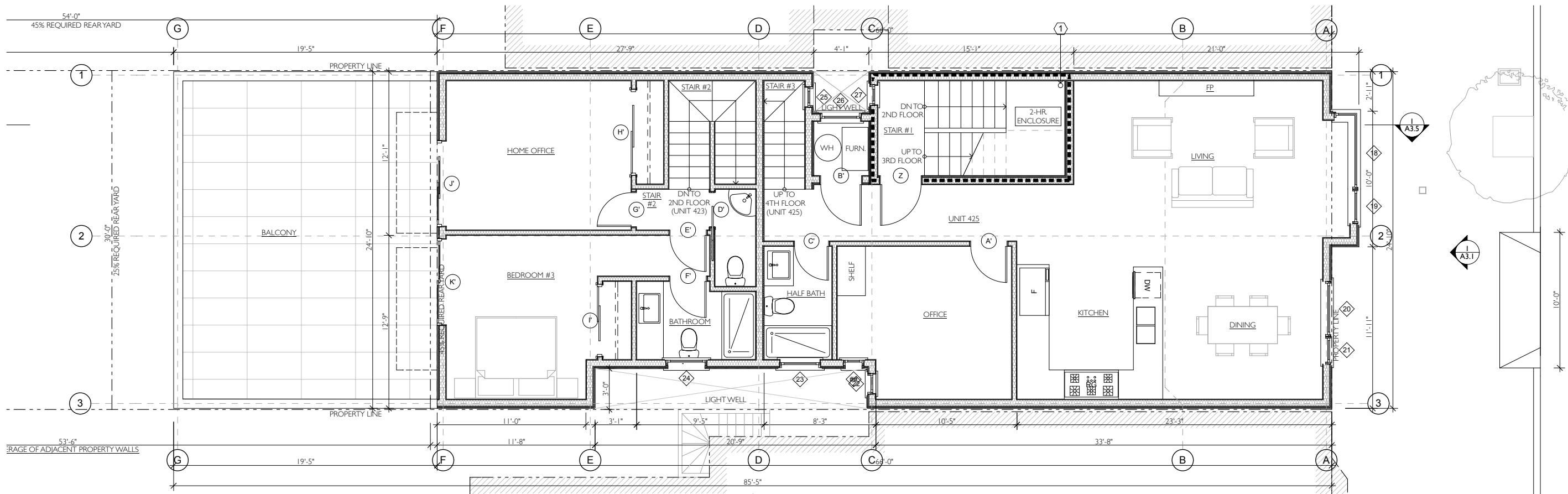


1 PROPOSED FIRST FLOOR PLAN

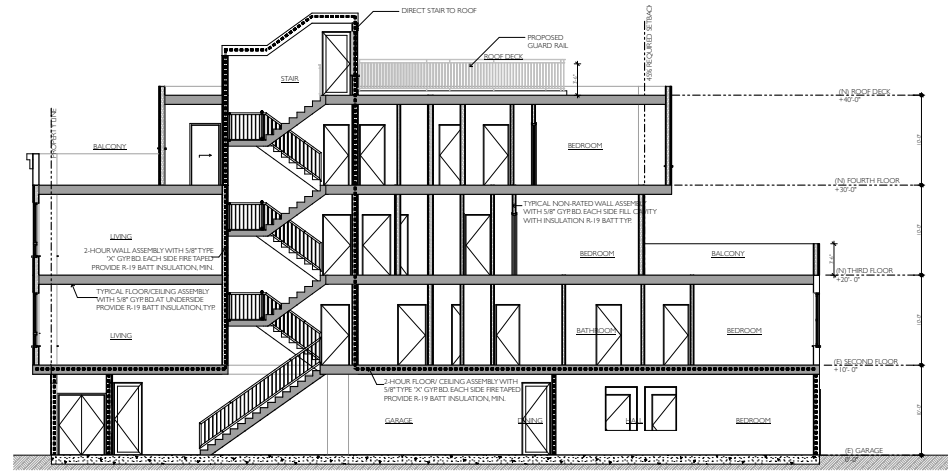
SCALE: 1/4" = 1'-0"



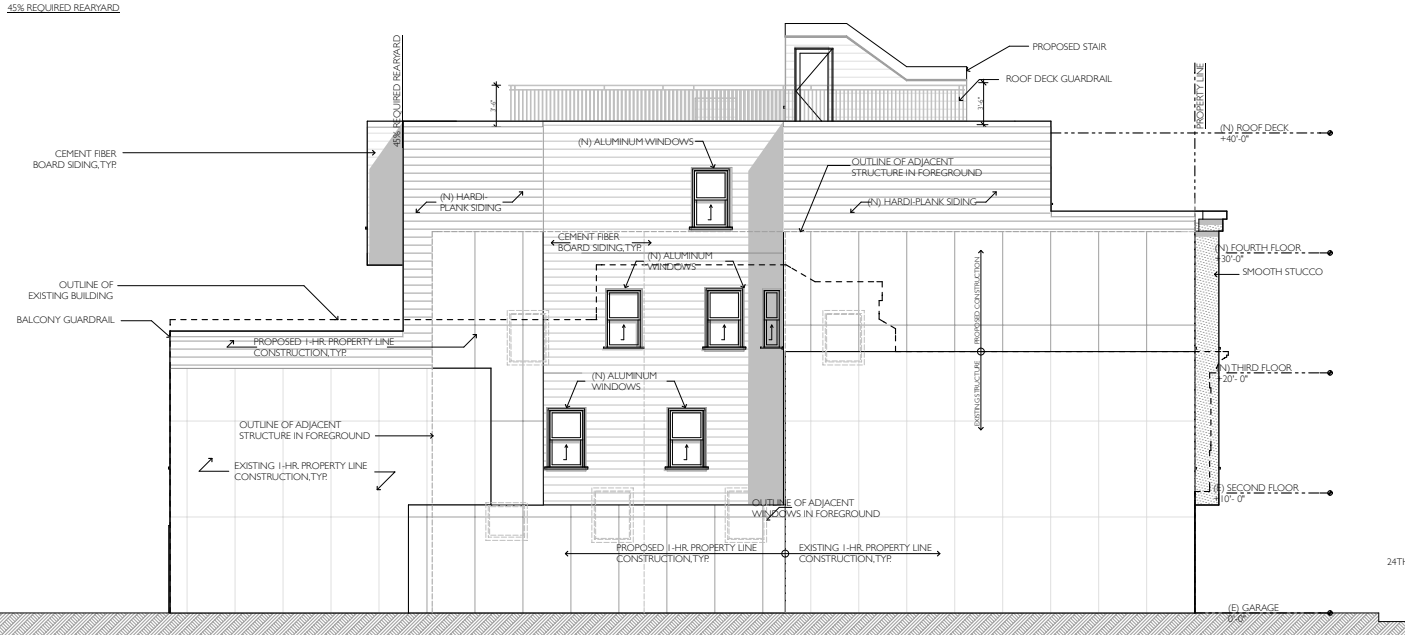
2 PROPOSED FOURTH FLOOR PLAN
SCALE: 1/4" = 1'-0"



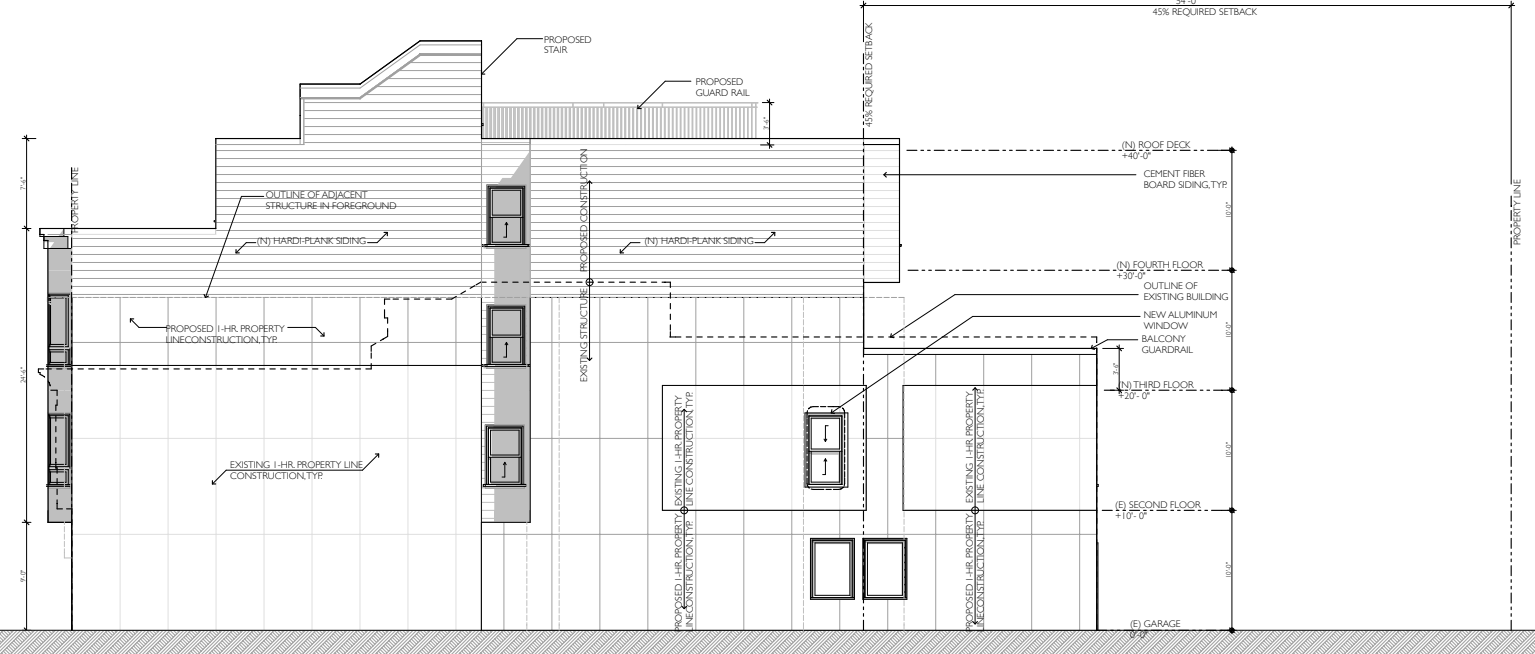
1 PROPOSED THIRD FLOOR PLAN
SCALE: 1/4" = 1'-0"



5 (N) PROPOSED WEST-EAST BUILDING SECTION
SCALE: 3/32" = 1'-0"



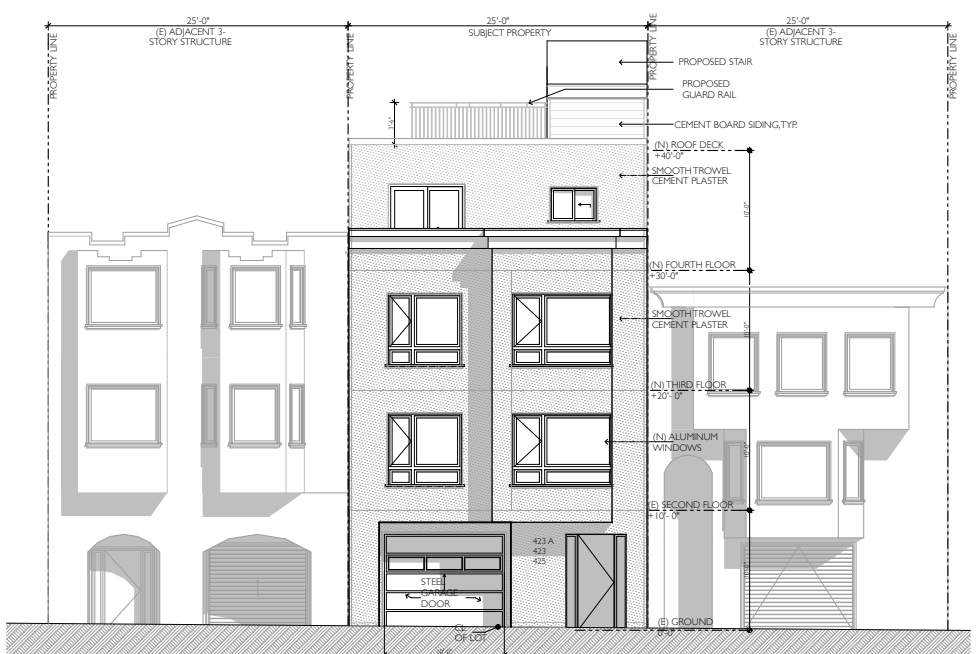
4 (N) PROPOSED SOUTH (SIDE) ELEVATION
SCALE: 1/8" = 1'-0"



3 (N) PROPOSED NORTH (SIDE) ELEVATION
SCALE: 1/8" = 1'-0"



2 (N) PROPOSED WEST (REAR) ELEVATION
SCALE: 1/8" = 1'-0"



1 (N) PROPOSED EAST (FRONT) ELEVATION
SCALE: 1/8" = 1'-0"

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From: [Thomas Schuttish](#)
To: [Major, Erica \(BOS\)](#)
Cc: [Bintliff, Jacob \(BOS\)](#); [Lovett, Li \(BOS\)](#); [Smeallie, Kyle \(BOS\)](#); [Low, Jen \(BOS\)](#); [Hepner, Lee \(BOS\)](#)
Subject: LUT Monday May 9, 2022
Date: Saturday, May 7, 2022 4:30:04 PM
Attachments: [WebPage.pdf](#)

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Dear Ms. Major:

Good afternoon. Hope you are well.

Please include the attached pdf in the Board Files for your hearing on Monday afternoon for Items #2, #3 and #4.

These items are Board Files: 210866; 220446 and 220447.

There is a lot of useful and interesting information in this Executive Summary. I am cc'ing the Supervisors' staff.

This pdf is an Executive Summary prepared for the Planning Commission's October 21, 2021 Informational Hearing on SB 9 and SB10.

It is not currently part of the Board files as best I can tell.

My main point in sending this Summary is what was written on page 14 in the first full paragraph, which starts, "Many areas of the city...", the fourth sentence regarding owners that may "cash out" which is concerning.

This may be the "black swan" of SB 9, and I don't think it has received enough attention, particularly given how housing in San Francisco has become a commodity in a highly speculative market.

But the the Racial and Social Equity Analysis that starts on page 10 is valuable reading as well.

This Executive Summary was written prior to the first two Century/Urban Feasibility Studies were published but while they were being drafted by the Consultant with input from the Planning Department and I think this Executive Summary from October 21, 2021 should be in the Board Files if it isn't already.

Thanks very much and take good care.

Sincerely,

Georgia Schuttish