Lew, Lisa (BOS)

From:	BOS Legislation, (BOS)
То:	Major, Erica (BOS); Emily Murase; BOS Legislation, (BOS)
Subject:	RE: [JTF] Concerns about Housing Element's Impact on Japantown

From: Emily Murase <<u>emurase@japantowntaskforce.org</u>>
Sent: Wednesday, November 2, 2022 7:38 PM
To: Major, Erica (BOS) <<u>erica.major@sfgov.org</u>>
Cc: Emily Murase <<u>emurase@japantowntaskforce.org</u>>
Subject: Fwd: [JTF] Concerns about Housing Element's Impact on Japantown

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Hello, I would like to submit these materials to the Land Use and Transportation Committee as public comment, in advance of the 11/15 meeting where the Planning Department is expected to present on the Housing Element. Kindly include it in the public record for that meeting. Thank you!

Members of the Board of Supervisors Land Use and Transportation Committee:

On behalf of the Japantown Task Force, I am writing to you to express **concerns about the San Francisco Housing Element's impact on Japantown.** We wanted to provide you with these concerns in advance of the **11/15 Land Use and Transportation Committee meeting** where the Planning Department will be presenting the latest draft.

- Despite the Housing Element's focus on racial and social equity, Japantown finds itself in the predicament of being a community of color which has been eviscerated by government policy, but sits on a major transit corridor that is targeted for more housing. Consequently, the Housing Element proposes to upzone the Japantown malls superblocks along Geary Boulevard by increasing the height limit to 240 feet and removing density limits. It also proposes increasing the height limit on other commercial blocks north of Post Street to 85 feet. These changes could result in devastating impacts to Japantown, with dramatically taller buildings and more than doubling the current housing supply, which will unfairly overburden the community, given its small footprint. Although more housing, especially affordable housing, is needed in Japantown, we want to ensure that the community determines if and how Japantown will be rezoned to accommodate such housing. This was sprung on Japantown in the Draft EIR released in April 2022, with no advance warning to the community.
- 2. Although the Housing Element states that Japantown, as a Priority Equity Geography (or Area of Vulnerability) would **not be rezoned** unless requested by the community, the Housing Element has **already** signaled to property owners that the City is contemplating height limit increases, which will lead to **speculation and increases in property value.**
- 3. Given Japantown's history, especially during the Redevelopment/urban renewal period, **the community lacks trust in the City to protect it from gentrification and displacement.** For example, the Housing Element calls for the community to produce a set of community benefits to mitigate the effects of new development with increased affordable housing, so that the approval of such projects can be streamlined. However, there is no guarantee that even if the community could come to an agreement on such a community benefits package, that the package will be accepted as feasible by the City or by developers.

Additional details about these core concerns can be found in the attached 4 comment letters that have been submitted to the Planning Department/Commission. Planning Department staff members have confirmed receipt of these letters and we have been in regular communication with them. We are seeking assurances that proposals directly impacting Japantown, in particular rezoning proposals, will be brought to the Japantown community early and be open to dialogue. For example, we were quite dismayed to see the 240 feet height limit proposal without prior consultation. Nevertheless, we applaud the equity orientation of the Housing Element, and believe that the Housing Element and related plans represent an opportunity for the City to restore trust among members of the Japantown community and beyond.

Please let me know if you have any questions or concerns that I can address in advance of the 11/15 meeting.

Regards,

Emily

Emily M. Murase, PhD ムラセエミリー Executive Director Japantown Task Force, Inc.

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Rich Hillis Director San Francisco Planning Department via email

March 25, 2022

Dear Director Hillis:

The Japantown Task Force (JTF) would like to thank the Housing Element team members for their outreach and engagement with the Japantown community in developing an unprecedented housing plan centered on social justice and equity to guide San Francisco housing policy and programs over the next eight years.

The Land Use and Transportation Committee of the Japantown Task Force reviewed the Housing Element Draft 2 and would like to offer the following feedback. Please note that the truncated timeline made it challenging for us to discuss Draft 2 with the broader Japantown community. We encourage the Planning Commission to continue to emphasize targeted outreach with San Francisco communities as more drafts are developed.

POLICIES OF NOTABLE JTF SUPPORT

Policy 10 and Policy 11 – Urban Renewal in the Western Addition during the 60's and 70's caused destruction and human trauma to the thriving Japanese American and African American communities in Japantown and the Fillmore, so we appreciate government recognition for inflicting these harms and a commitment towards repairing them. Policy 10's support for the development of land trusts and community ownership is crucial for community determination in Japantown and a goal that is highlighted both in the Japantown Cultural Heritage and Sustainability Strategy (JCHESS) Report, as well as the developing Cultural History, Housing, and Economic Sustainability Strategies (CHHESS) Report. By conducting a study to engage with Certificate of Preference Holders and their descendants, Policy 10 will support Japanese American and African Americans who were forcibly displaced by urban redevelopment. Community engagement should be an important part of creating and implementing the Certificate of Preference Study.

Policy 36 and 37 – Policies that reinforce cultural identity, expression, and activities support the sustainability of an authentic Japantown and are essential to Japantown's survival as a Cultural District.

Policy 15, 16, 17 and 18 – The inclusion of Japantown as a Priority Equity Geography supports our goal to preserve and develop as an authentic and dynamic Cultural District, specifically: expanding permanently affordable housing investments (15), improving access to well-paid jobs and business ownership for communities of color (16), investing in infrastructure (17), and tailoring zoning changes to serve the specific needs of communities of color.

Policy 22 – Dedicated funding streams for permanent supporting housing would significantly support community members who work in Japantown, including nonprofit and small business

workers. This would also support Japanese Americans and their descendants who were forcibly displaced by urban redevelopment that would like to return to Japantown.

JTF POINTS OF CRITIQUE

Policy 6 and Policy 11 – We recommend care in considering how Policy 6, regarding nondiscrimination, might conflict with Policy 11's reparations practices, including engaging with Japanese American and African American Certificate of Preference holders.

Policy 25 – While we agree that reducing development constraints and streamlining entitlement and permitting processes will support the establishment and development of housing and businesses in Japantown, we feel community engagement is a crucial checks and balance to protect vulnerable neighborhoods like Japantown. Requiring early, pre-design engagement from developers could help balance these interests and pave the way for successful development. In addition, helping neighborhoods create an area plan could help to promote community engagement without increasing developer constraints.

Policy 32 and Policy 33 – It is important to maintain vehicular access and parking to Japantown until robust regional and local transit becomes a reliable and adequate substitute. The Japanese American incarceration, as well as urban redevelopment, severely harmed Japantown as a residential neighborhood and forced Japanese Americans to settle away from Japantown. Japantown remains a destination point that Japanese Americans will travel to from far across the Bay Area. Vehicular access is important for Japanese Americans to be able to return to and continue to access Japantown.

Policy 20 – The Japantown Task Force would suggest amending this to "consider increasing" density. Community engagement with neighborhoods is critical to assess the impact of increased density on those neighborhoods.

NEW POLICY RECOMMENDATION

We recommend that the Planning Commission consider adding a policy that would support neighborhoods in Priority Equity Geographies to develop their own Area Plans. This would support neighborhoods like Japantown in guiding future growth, development, and infrastructure, while facilitating the streamlining of lengthy development processes.

Thank you again for your continued engagement with and support of Japantown in your outreach efforts.

Sincerely,

Evily 4

Executive Director

Cc: Kimia Haddadan Shelley Caltagirone Malena Leon-Farrera



Rich Hillis Director, San Francisco Planning Department Via email

April 29, 2022

Dear Director Hillis:

The Japantown Task Force (JTF) would like to thank the Planning Department and Housing Element team members for their continued outreach and engagement with the Japantown community in the development of San Francisco's Housing Element 2022 Update. The Land Use and Transportation Committee of JTF has reviewed the Housing Element Draft 3 and would like to share the following comments. We were once again challenged with conducting broad community engagement on this latest update, particularly given the simultaneous impacts of Redistricting and the Cherry Blossom Festival over the past several weeks. We appreciate and look forward to future outreach to Japantown and other San Francisco communities as part of the EIR process as well as the next phase of the Racial and Social Equity Action Plan.

Policy 5 (Reparations Programs), Policy 11 (Homeownership programs designed around reparations framework), Policy 12 (Investment in cultural anchors):

JTF appreciates the equity-centered policies designed to repair past harm caused by discriminatory governmental actions, including the WWII incarceration and Urban Renewal/Redevelopment. In particular, we support the expanded and more aggressive approach to Certificates of Preference holders and their descendants, not only identifying them and making them aware of opportunities, but also creating effective homeownership programs such as financial assistance for second loans and down payment assistance to lower barriers to homeownership.

Policy 20 (Rezoning Program): Changes in height and density were controversial as part of the Better Neighborhood Plan (BNP) effort in Japantown in 2011. There was heavy opposition to the proposed towers of 150' - 250' and, more importantly, a resulting lack of trust due to a flawed process. As a result, the BNP failed to galvanize community support.

While the potential Housing Element height increases are more modest, because of the community's memory, we anticipate the need to engage and educate the community around the proposed rezoning impacts and strongly encourage resourcing clear communication and visualization of height and density changes to promote clarity and understanding. We note that in recent community discussions to develop the CHHESS in collaboration with the Mayor's Office of Housing and Community Development, the community has expressed a strong desire for affordable housing, workforce housing, young families, and housing for descendants of Certificate of Preference holders.

Impact to Existing Merchants and Small Businesses: JTF urges care in the assessment and remediation of risks to existing merchants in culturally significant districts so that housing developments do not inadvertently displace existing merchants. For example, avoid implementing development financing that prevents leasing space to "low credit" (i.e., small) business.

Thank you again for your continued engagement with and support of Japantown in your outreach efforts. We especially appreciate the responsiveness of your team, copied below.

Sincerely,

Early Ph. Annen

Emily M. Murase Executive Director

Cc: Kimia Haddadan Shelley Caltagirone Malena Leon-Farrera



Rachael Tanner President San Francisco Planning Commission Via email

June 21, 2022

Dear President Tanner:

The Japantown Task Force (JTF) has prioritized engaging in the public process to develop San Francisco's 2022 Housing Element Update (SFHE) and we thank the Planning Department, and the Housing Element Update team in particular, for connecting with and listening to community stakeholders in good faith.

Overview

A subcommittee of the JTF Land Use and Transportation Committee conducted a review of the Draft Environmental Impact Report (DEIR) and shared its findings with the full Land Use Committee, the Ad-Hoc Technical Committee on the Japan Center Malls, and the JTF Board of Directors. We are concerned that the proposals it encompasses could exert extreme development pressure and harmful impacts on Japantown.

As you know, Japantown is one of only three remaining Japantowns in the United States and became the City's first Cultural District in 2013, a designation designed to preserve and stabilize at-risk areas of unique cultural heritage. It is also a community that has been eviscerated by racist government policy, most recently through City sanctioned urban renewal that reduced Japantown from 40 blocks to its current core of 6 city blocks, displacing hundreds of families and businesses in the process.

We support the need of every neighborhood – including Japantown – to share the responsibility of addressing the very real housing crises. We also support creating more opportunities for the Japanese American community to return to and reside in Japantown after being forcibly removed and displaced, both by the race-based and wholly unwarranted wartime incarceration and the City's redevelopment programs. **However, we think the DEIR contains proposals that unfairly overburden Japantown**. JTF would like to note the following of particular concern:

1) Dramatic Increases to Height Limits and Lifting of Density Limits – Figure 2-7 (Volume 1, page 185) shows an almost five-fold increase in height limits along Geary Boulevard between Laguna and Fillmore Streets, from the current 50' limit to 240'. The DEIR also shows a 70% increase to existing height limits one block north of Post Street, between Laguna and Webster Streets, from the current 50' limit and lifts housing density limits for all of these blocks. The combination of these upzoning changes could result in **more than doubling** the housing supply in Japantown by 2050 – an increase of 2,700 more housing units by 2050 – representing a **108% increase** above the 2,500 units as of 2021 and allowing 400 more housing units by 2050 than the 2014 Housing Element. These changes could lead to significant impacts on 1) cultural and historic resources, 2) transportation and circulation, 3) shadow, and possibly 4) wind. And yet, there are NO analyses of these potential impacts in the DEIR.

It is important to note that, in the March 2022 SF Housing Element draft Sites Inventory and Rezoning Program Report, potential height limit increases for Japantown were between 55' and 85', NOT 240' and 85'. *There was no communication with Japantown on showing these significant changes in the DEIR before its publication.*

- Singled out for Significant Growth Of the three Cultural Districts impacted by the DEIR (the others being the Castro and Sunset Chinese Cultural Districts), Japantown is the only community that is expected to absorb massive growth.
- 3) Elimination of Community Engagement Japantown is designated as a potential Housing Sustainability District which could result in ministerial approvals for projects that meet the 20% affordable unit benchmarks. This would presumably supplant any community engagement for potentially significant development and impacts, stripping the community of any self-determination.

At the same time, the Housing Element includes policies that seek to redress harm to the Japanese American community caused by past discriminatory government actions. Our previous comment letter expressed our recognition and support for these policies. However, the above proposals in the DEIR are in direct conflict with the equity-centered values of the Housing Element Update.

Furthermore, the mitigation measures included in the DEIR are not adequate to address the potential impact of the significant changes shown in the report. Such dramatic changes, as noted above, warrant further impact analyses. This is the basis of the following comments, recommendations, and requests for clarifications.

Comments/Request for Clarification/Recommendations

- 1. How were the increased building heights and housing units for Japantown determined? What unit size(s) were assumed?
- How would the Housing Sustainability District considered for Japantown be applied to future housing development? Would the 20% affordability requirement be applied to NEW housing development? The proposed 20% seems to be too low, especially given

the disproportionate impacts on Japantown, the forced removal of Japanese Americans from Japantown, and the subsequent loss of generational wealth resulting from displacement caused by governmental actions.

- 3. The DEIR states that the increased height limits and density in Japantown will lead to development pressure which will result in a greater probability that historic buildings in Japantown may be altered, demolished, relocated, and/or added to vertically or horizontally. Yet, the SFHE Update includes policies that seek to address harm to American Indian, Black, *Japanese*, Filipino and other communities brought by past discriminatory government actions. The Historic Preservation Commission approved two resolutions (Resolutions 0746 and 1127) that sought redress of such harms by calling on the Planning Department to develop proactive strategies to address structural and institutional racism, including improving efforts to collaborate with community members to identify and safeguard aspects of tangible and intangible heritage associated with marginalized racial and social groups, including Asian and Pacific Islander communities. This would also involve considering EIR alternatives for building projects that would produce significant impacts on historic resources.
- 4. There are myriad cultural assets and anchors in Japantown that have been carefully documented (i.e. Japantown Historic Context Statement, the 2013 Japantown Cultural Heritage Economic Sustainability Strategy or JCHESS). Although 72% of Japantown parcels lie within the City's first Cultural District, the DEIR notes that 73% of Japantown's historic aged parcels have not yet been evaluated for their historic significance. Yet, without evaluation, the DEIR states that only 4% of Japantown's Cultural District are likely to be historic resources. It is imperative that the evaluation of historic aged parcels in Japantown for their historic significance be completed before housing projects are considered. The impacts on Japantown's historic resources are not limited to individual buildings and sites; they extend to the entire cultural district's tangible and intangible historic resources. Therefore, historic buildings and other spaces should be preserved and not lost or adversely changed. Such buildings should NOT be demolished or changed in such ways that would be incompatible with the existing historic character of Japantown.
- 5. The DEIR proposes mitigation measures to address adverse impacts on historic resources. They do not go far enough to uphold the Historic Preservation Commission's Resolutions 0746 and 1127 to remedy past injustices. How will the redress policies and affordability requirements protect Japantown from the impacts of the significant increase in building heights and densities on its historic resources and cultural district?
- 6. The City should take a very rigorous and diligent approach with property owners/developers who want to change Japantown's historic and cultural assets. The community should be informed and involved early in the planning and design process, so that important historic and cultural assets in Japantown be preserved for future generations. Property owners/developers should work together with the community on

height, density, location, as well as air quality, noise, vibration, water, power, and health impacts on the community.

- 7. The City must require that current residents of buildings affected by proposed housing projects should not be displaced and be allowed to safely relocate during construction and be guaranteed housing in the proposed project upon completion at the same rent.
- 8. The City should require that individual housing projects in Japantown incorporate design features that would ensure that the safety of pedestrians, bicyclists and drivers are protected.
- 9. The City should consider the overall future parking demand in Japantown resulting from the significant increase in housing proposed under the SFHE Update policies, when evaluating the parking demand of individual building projects and their transportation impacts, as well as when considering changes to the Japantown garage. Given the importance of the retail and cultural spaces in Japantown, and the need to accommodate parking for visitors from across the City and Bay Area region, it is imperative that the Japantown garage supply NOT be decreased and be sized to adequately meet the future parking demand of residents, workers, and visitors to Japantown.
- 10. The DEIR should provide more comprehensive analyses of shadow impacts in areas most impacted by the SFHE Update policies, such as Japantown. Notably, the current DEIR does NOT include a shadow analysis of the City-owned Peace Plaza, historically significant open space dedicated to the cultural life of Japantown. In addition to analyzing impacts on publicly-owned parks and open spaces, the DEIR should evaluate the impacts of taller buildings on privately owned public open spaces and overall access to sun within buildings such as in common and recreational spaces, as they become more essential to the quality of life with greater housing and population density.
- 11. The City should consider requiring integration of common recreational/open spaces as part of new developments that increase housing density significantly. For example, if the Japan Center Malls were to be replaced with tall dense housing and retail space, there could be rooftop or mid-section/terraced open green spaces that provide access to fresh air, daylight, and nature.
- 12. Given the high concentration of seniors in Japantown, consideration should be given to ensuring that access to sun, air and light is maximized, given that seniors are more impacted by building shadows due to their limited mobility.
- 13. The DEIR should provide wind analyses of taller buildings in Japantown, and that stronger mitigation measures be proposed. The cumulative wind impacts of taller buildings on the small Japantown footprint must be evaluated in the DEIR, and particularly, the relative wind impacts as experienced by seniors and children. Further,

the wind impacts of individual building projects should be evaluated and designed to avoid Significant wind impacts generated by taller buildings.

14. The DEIR states that the City will acquire and develop more parks and open space, as well as public services facilities, such as fire stations, police stations, schools and libraries, to meet the increased demand. There is no detail in the DEIR about where such facilities would be located in or near Japantown. This merits further clarification.

Again, we fundamentally support the need for expanded housing in Japantown. However, we request that the above additional points of analyses and clarifications be completed to make the Environmental Impact Report more comprehensive than it is currently. In its present state, the DEIR is vague, incomplete, and potentially very damaging to San Francisco Japantown. We look forward to your response to our requests, recommendations, and comments.

Sincerely,

Early Ph. Phinen

Emily M. Murase Executive Director

Cc: Rich Hillis Julian Banales Shelley Caltagirone Jonas Ionin Elizabeth White



October 14, 2022

San Francisco Planning Commission Rich Hillis, Director of Planning VIA EMAIL

RE: San Francisco Housing Element Update, Draft 4 and Companion Documents

Dear Director Hillis:

The Japantown Task Force (JTF) commends the Housing Element team members on the continued focus of the Housing Element on racial and social equity to guide San Francisco housing policy and programs over the next eight years.

Upon reviewing Draft 4 (October 2022) of the Housing Element Update and its companion documents, the Land Use and Transportation Committee of JTF offers the following feedback on behalf of the JTF board of directors. Given the seven-day comment period, it was incredibly challenging for us to provide commentary on Draft 4, and virtually impossible to discuss Draft 4 with the broader Japantown community. Therefore, we continue to encourage the Planning Department and Commission to conduct targeted outreach with San Francisco communities, in order to ensure that community needs are reflected in the Housing Element. Given that Draft 4 of the Housing Element *Goals/Objectives/Policies/Actions* (Goals/Objectives) remains largely unchanged from Draft 3 released in March, our comments focus on the *Site Inventory/Rezoning Program* (Site Inventory/Rezoning) and *Analysis of Governmental and Non-Governmental Constraints* (Constraints Analysis) documents, which were substantially revised and expanded from the March drafts.

COMMENTS ON SITE INVENTORY/REZONING REPORT

Bigger Gap to Close with Rezoning by January 31, 2026

Compared to the March Site Inventory/Rezoning report, the October Site Inventory/Rezoning report shows a larger gap (34,183 units vs. 22,558 units) between the RHNA (Regional Housing Needs Allocation) to San Francisco and the amount of housing the City is projecting to be built under current zoning and City/State law. The October report notes that, in order to close the gap, the City must complete rezoning sites to increase the amount of allowable housing by January 31, 2026, or three years after the statutory deadline for the Housing Element approval/certification by the State. Given the ambitious citywide rezoning program laid out in the report, we hope that the Planning Department utilizes all of the tools at its disposal to educate and engage the public about the implications of such rezoning.

We also recommend that the Planning Department coordinate its rezoning program with other City agencies, who will be responsible for designing and implementing public improvements and enhanced City services needed to accommodate and mitigate the impacts of such rezoning, such as transit, open space, and streetscape.

Rezoning Program's Applicability to Priority Equity Geographies

Like the March report, the October Site Inventory/Rezoning report calls for rezoning sites along transit corridors, such as Geary Boulevard. However, the October report states that the Rezoning Program will <u>not include</u> "Priority Equity Geographies" or Areas of Vulnerability, which include Japantown, **unless requested through community-led processes** (bold text for emphasis). We appreciate this clarification, since it was not stated in the March report or the April Draft EIR analysis.

Taller Height Limits along Major Transportation Corridors

Notwithstanding the qualifier noted above, the October Site Inventory/Rezoning report shows three Rezoning Scenarios that proposes more housing along Geary in Japantown. All three scenarios show <u>taller</u> height limits along Geary than was shown in the March report. They show **height limit increases from the current 50' height limit to a new 240' height limit**, compared to the new height limit of 85' in the March report. Two of the scenarios (A and B) show increases in height limits to 240' for property within 800' of Geary Boulevard, as well.

As expressed in our June comment letter on the Draft EIR, we are gravely concerned about this dramatic increase in height limits (almost five-fold) along Geary Boulevard between Laguna and Fillmore streets, and the disproportionate impacts that such buildings and the additional housing and population could have on Japantown. Dramatic height limit increases could lead to significant impacts on (1) cultural and historical resources, (2) transportation and circulation, (3) shadow, and possibly (4) wind. We understand that any increases in height limits would be undertaken at the community's request, but we are concerned about the signals to property owners that the report sends about the potential height limit increases and the concomitant increases in property value.

Form-Based Density Controls

As noted in the March report, the October Site Inventory/Rezoning report proposes removing density controls based on lot size along Geary in Japantown and allowing property owners to accommodate as many housing units that make sense within the building envelope, as prescribed by height and bulk limits and setbacks. This would mean more housing density within the taller 240' height limits on property along Geary. For Scenarios A and B, more housing would be allowed within the taller 240' height limits on property along more to accommodate as many housing within the taller 240' height limits on property along Geary.

As stated above, we are gravely concerned about the disproportionate impacts that the additional housing and density accommodated under both increased building heights and form-based density controls would have on Japantown.

Protecting Japantown from Designation as a Housing Sustainability District

The March report and the April Draft EIR showed Japantown as a potential Housing Sustainability District, which could result in ministerial approvals for projects that meet the 20% affordable unit benchmarks. In our June comment letter on the DEIR, we expressed concern about such designation and how it would presumably supplant any community engagement for potentially significant development and impacts, stripping the community of any selfdetermination.

The October report notes that areas vulnerable to displacement, such as Japantown, would <u>not</u> be designated as a Housing Sustainability District. If this understanding is correct, we appreciate the October report's protection of Japantown and other areas vulnerable to displacement from being designated a Housing Sustainability District. We would appreciate confirmation that our understanding is correct.

COMMENTS ON CONSTRAINTS ANALYSIS

Compared to the March 2022 Analysis of Governmental and Non-Governmental Constraints (Constraints Analysis), the October 2022 Constraints Analysis has been expanded to address in greater detail the constraints to housing production and policies/actions designed to reduce such constraints. We appreciate the clear summary of each constraint and the policies/actions that would reduce such constraints laid out in the October analysis.

Area Plans

In March, we sent a comment letter on Draft 2 of the Housing Element which recommended adding a policy that would support neighborhoods in Priority Equity Geographies, such as Japantown, to develop their own Area Plans.

Instead of Area Plans, the October Constraints Analysis offers a compromise approach to neighborhoods like Japantown, which states that in order to ensure that long-range planning processes do not exacerbate existing political struggles and animosity and result in delay of housing approvals and increased community discontent, Policy 29 in the Housing Element calls for **community-led processes** in Priority Geographies (such as Japantown) **that provide defined community benefits or mitigations for effects of new development with increased affordable housing**, in order to reduce burdens on advocates of vulnerable populations and community members, and establish more predictable outcomes for housing applications.

Our interpretation of this policy and actions is that in Priority Geographies, such as Japantown, *in lieu of an Area Plan*, the community would produce a set of community-informed community benefits <u>in advance of individual housing projects</u>, which would be incorporated into individual

projects, so that community members would not have to advocate or fight for the inclusion of such benefits in the project. In those cases, the project approval would be streamlined, including reducing notification requirements, consolidated appeal hearings, or ministerial approvals (no Planning Commission hearings).

If this interpretation is correct, we surmise that this policy and actions <u>assume</u> that the Japantown community can come to an agreement on a package of community benefits that will sufficiently mitigate concerns about new development. We expect that this will be challenging to accomplish, especially given the multiple impacts from new development and viewpoints/stakeholders in the community. There's also no guarantee that this package of community benefits will be accepted as feasible by the City or by developers.

Any discussion of community benefits should be preceded by a community-wide discussion of the values and vision for Japantown's future physical footprint. Such a discussion would occur through an area planning process or similar process.

Although the Constraints Analysis references the fact that the Better Neighborhoods Plan in Japantown was not approved, the Japantown community built on the Better Neighborhoods Plan to create the Japantown Cultural Heritage and Economic Sustainability Strategy (JCHESS) in 2013, and we would like to complete our vision planning efforts with the creation of an area plan. Therefore, we urge the Planning Department and Commission to work with the Japantown community on creating an area plan.

Development Agreements

The October Constraints Analysis discusses the challenges that projects on large sites with Development Agreements face when substantial investments in infrastructure, streets, parks, and other community facilities are required.

In Japantown, the Hotel Kabuki/Malls/Kabuki Theater blocks (Malls blocks) spanning Laguna to Fillmore streets between Geary Boulevard and Post Street could be developed in the future, and would likely be subject to a Development Agreement, which is a mutual contract between the City and private parties. Given the City-owned Japan Malls parking garage and the Cityowned Peace Plaza Park on these blocks, substantial development on these blocks would likely involve substantial investments in rebuilding the garage and the Peace Plaza.

The October Analysis points out that Policy 24 promotes mixed-income development projects that maximize permanently affordable housing balanced against other permanent community benefits. It calls for public-private partnership solutions to front-end the necessary funding for infrastructure investments to expedite housing for large development agreement projects. Such funding could include Infrastructure Financing Districts, Tax Increment Financing, or other methods to provide direct City investment allocation of public financing.

Development of the Malls blocks will likely involve City investment and funding in infrastructure to ensure that permanently affordable housing is built on those blocks. Any development

agreement for such projects must include community benefits, with the community as a participant or third-party beneficiary, so that the community can monitor the City's and private parties' implementation of such benefits and hold them accountable if the benefits are not produced.

As noted in our June comment letter on the DEIR, we fundamentally support the need for expanded housing in Japantown. However, we want to ensure that the community determines if and how Japantown will be rezoned to accommodate such housing. We also want to ensure that the Planning Department and the Japantown community engage in a discussion of values and vision for Japantown's future before discussing community benefits which would be included in future housing development projects.

Thank you for considering our comments. We look forward to your response and continued dialogue.

Sincerely,

Endy M. Muran

Emily M. Murase, PhD Executive Director