



November 22, 2022

Ms. Angela Calvillo, Clerk
Honorable Supervisor Peskin
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: Transmittal of Planning Department Case Number 2022-009014PCA
Electric Vehicle Charging Locations
Board File No. 220851

Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and Supervisor Peskin,

On November 10, 2022, the Planning Commission (Commission) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Electric Vehicle Charging Locations Ordinance, which was introduced by Mayor Breed on January 11, 2022 (under Board File Number 220036) and duplicated by Supervisor Peskin at the Land Use and Transportation Committee on July 18, 2022. The proposed Ordinance would make amendments to the Planning Code to include new criteria under Planning Code section 303(cc) for assessing whether to grant a conditional use (CU) authorization for Fleet Charging locations and remove the potential for Fleet Charging to be principally permitted in any Production, Distribution and Repair (PDR) district. At the hearing the Commission recommended approval with modification.

The Commission's proposed modifications are as follows:

1. Remove proposed CU criterion 1 and proposed CU criterion 3
2. Principally Permit Fleet Charging in PDR districts, as specified in the recently approved ordinance (i.e., if the existing use is a Private Parking Lot or Vehicle Storage Lot, except for PDR-1-B) and ensure that Fleet Charging uses that displace PDR uses are subject to a PDR replacement requirement. Conditionally allow Fleet Charging with proposed criterion 2 in some use districts, as specified in the recently approved ordinance.
3. Add new Planning Code requirements for Fleet Charging
 - Prohibit new curb cuts on protected pedestrian-, cycling, and transit-oriented street frontages

- Require some projects to prepare and implement a driveway and loading operations plan
4. After additional study, update the Transportation Sustainability Fee to include impact fee categories for “Fleet Charging” and “Parcel Delivery Service”

The proposed amendments are not defined as a project under CEQA Guidelines Sections 15060(c) and 15378 because they do not result in a physical change in the environment.

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,



Aaron D. Starr
Manager of Legislative Affairs

cc: Robb Kapla, Deputy City Attorney
Sunny Angulo, Aide to Supervisor Sunny Angulo
Erica Major, Office of the Clerk of the Board

Attachments:

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21197

HEARING DATE: NOVEMBER 10, 2022

Project Name: Electric Vehicle Charging Locations
Case Number: 2022-009014PCA – [Board File No. 220851](#)
Initiated by: Mayor Breed, Introduced, Filed Duplicated by Supervisor Peskin on July 18, 2022
Staff Contact: Jenny Delumo, aaron.starr@sfgov.org, 628-652-7533
Reviewed by: AnMarie Rodgers, anmarie.rodgers@sfgov.org

RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND PLANNING CODE SECTION 303(cc) TO INCLUDE NEW CRITERIA FOR ASSESSING WHETHER TO GRANT A CONDITIONAL USE AUTHORIZATION FOR FLEET CHARGING LOCATIONS AND REMOVE THE POTENTIAL FOR FLEET CHARGING TO BE PRINCIPALLY PERMIT IN ANY PRODUCTION, DISTRIBUTION, AND REPAIR DISTRICT; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on January 11, 2022 Mayor Breed introduced an ordinance under Board of Supervisors (hereinafter “Board”) File Number 220036, which would which would amend the Planning Code to create Electric Vehicle Charging Location and Fleet Charging as Automotive Uses, allow conversion of Automotive Service Stations to Electric Vehicle Charging Locations without Conditional Use authorization, revise zoning control tables to reflect these changes, and require annual reporting by the Planning Department regarding Electric Vehicle Charging Location and Fleet Charging project approvals; and

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the ordinance on April 14, 2022; and

WHEREAS on May 3, 2022, Mayor Breed submitted a substitute ordinance which was assigned to the Land Use and Transportation Committee; and

WHEREAS, on May 17, 2022, the Planning Department transmitted the Commission’s recommended modifications to the substituted ordinance to the Board.

WHEREAS, on July 18, 2022, the Land Use and Transportation Committee duplicated the ordinance to include additional Conditional Use authorization criteria (herein “proposed Ordinance”, Board File No. 220851); and

WHEREAS, on September 6, 2022, the Board passed the substituted ordinance; and

WHEREAS, on September 16, 2022, Mayor Breed approved the substituted ordinance; and

WHEREAS, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 20, 2022 and continued the item to a public hearing at a regularly scheduled meeting to consider the proposed Ordinance on November 10, 2022; and

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2) and

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

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance; and

WHEREAS, the Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Commission hereby **approves with modifications** the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Remove proposed CU Criterion 1 and proposed CU Criterion 3
2. Principally Permit Fleet Charging in PDR districts, as specified in the recently approved ordinance (i.e., if the existing use is a Private Parking Lot or Vehicle Storage Lot, except for PDR-1-B) and ensure that Fleet Charging uses that displace PDR uses are subject to a PDR replacement requirement. Conditionally allow Fleet Charging with proposed criterion 2 in some use districts, as specified in the recently approved ordinance.
3. Add new Planning Code requirements for Fleet Charging
 - Prohibit new curb cuts on protected pedestrian-, cycling, and transit-oriented street frontages
 - Require some projects to prepare and implement a driveway and loading operations plan
4. After additional study, update the Transportation Sustainability Fee (TSF) to include impact fee categories for “Fleet Charging” and “Parcel Delivery Service”.

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:

The Commission supports the proposed ordinance as it is consistent with policies in both the Transportation Element (policies 1.2, 1.3, 1.6, and 21.2) and the Commerce and Industry Element (policies 1.1 and 1.2). The proposed ordinance would include appropriate controls over the establishment of Fleet Charging in a manner that prioritizes transit while encouraging development in locations that would provide net benefits and minimize undesirable consequences.

General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

TRANSPORTATION ELEMENT

OBJECTIVE 1

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH-QUALITY LIVING ENVIRONMENT OF THE BAY AREA

POLICY 1.2

Ensure the safety and comfort of pedestrians throughout the city.

POLICY 1.3

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs, particularly those of commuters.

POLICY 1.6

Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

POLICY 21.2

Reduce, relocate or prohibit automobile facility features on transit preferential streets, such as driveways and loading docks, to avoid traffic conflicts and automobile congestion.

The proposed ordinance with staff modifications ensure that new Fleet Charging facilities will be reviewed to maintain or advance the safety and comfort for people walking and bicycling, and that effects on transit operations can be considered prior to approval, including prohibiting new curb cuts on a protected street frontage. This is consistent with the ensuring pedestrian safety, giving priority to public transit, accommodating priority travel modes when and where most appropriate, and avoiding traffic conflicts and automobile congestion.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

The proposed Ordinance will facilitate the establishment of Fleet Charging according to existing land use patterns and controls. Better regulations for these uses will provide substantial net benefits for the city, while minimizing any undesirable consequences.

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The proposed Ordinance allows new commercial activity, Fleet charging, with controls that are appropriate for each district. This added commercial activity will help the city meet its Climate Change Goals and maintain a favorable social and cultural climate in San Francisco. This enhances San Francisco as a location for firms.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

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

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. 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 proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

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

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

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

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on November 10, 2022.

A handwritten signature in blue ink, appearing to read 'Jonas P. Ionin'.

Jonas P. Ionin
Commission Secretary

AYES: Braun, Diamond, Koppel, Tanner

NOES: Ruiz, Imperial, Moore

ABSENT: None

ADOPTED: November 10, 2022



EXECUTIVE SUMMARY PLANNING CODE TEXT AMENDMENT

HEARING DATE: November 10, 2022

90-Day Deadline: October 24, 2022¹

Project Name: Electric Vehicle (EV) Charging Locations Ordinance
Case Number: 2022-009014PCA – [Board File No. 220851](#)
Initiated by: Mayor Breed, Introduced, Filed Duplicated by Supervisor Peskin on July 18, 2022
Staff Contact: Jenny Delumo, jenny.delumo@sfgov.org, 628.652.7568
Reviewed by: AnMarie Rodgers, anmarie.rodgers@sfgov.org

Recommendation: Approval with Modifications

Please note that the Planning Department has revised the case report for the October 20, 2022 hearing as follows, based on further consideration of the proposed ordinance. “The Way It Is” and “The Way It Would Be” section has been amended to correctly identify where Fleet Charging is allowed pursuant to the recently approved ordinance. Two of the of the recommendations have been revised: the Department does not recommend revisiting where Fleet Charging is allowed at this time, as it was recently legislated at the Board of Supervisors. In addition, the Department clarified that they will conduct additional study prior to updating the impact fee categories for Fleet Charging under the Transportation Sustainability Fee (TSF). The remainder of the recommendations are unchanged.

Planning Code Amendment

The proposed Ordinance is a duplication of the Electric Vehicle (EV) Charging Locations Ordinance ([Board File No. 220036](#)) that was passed by the Board of Supervisors on September 6, 2022 and approved by Mayor Breed on September 19, 2022. The proposed ordinance would make amendments to the Planning Code to include new criteria under Planning Code section 303(cc) for assessing whether to grant a conditional use (CU) authorization for Fleet Charging locations, which was a new definition created under the EV Charging Locations Ordinance and remove the potential for Fleet Charging to be Principally Permitted in any Production, Distribution and Repair (PDR) district.

¹ This item was continued from a regular hearing on October 20, 2022 at the request of Supervisor Peskin. The Department’s understanding is that Supervisor Peskin intends to introduce a resolution at the Board of Supervisors to retroactively extend the deadline for Planning Commission review of the proposed ordinance. The new deadline is unknown at this time.

The Way It Is	The Way It Would Be
<p>1. Fleet Charging is an Automotive Use that is permitted as follows:</p> <p>Not Permitted: Residential House (RH); Residential Mixed (RM); Residential Transit Oriented (RTO); Downtown Residential (DTR); Neighborhood Commercial Cluster (NC-1) and Neighborhood Commercial Shopping Center (NC-S); and some Mixed Use Districts (see exceptions below).</p> <p>Conditional Use: Residential Commercial (RC); Community Business Districts (C-2); Downtown (C-3); most Neighborhood Commercial Districts (except NC-1 and NC-S); some Mixed Use Districts (MUG, MUR, MUO, UMU, WMUG, WMUO, SALI, CMUO); and Production, Distribution and Repair (Industrial or PDR) Districts (see exception below). Some have additional requirements such as within enclosed building.</p> <p>Principally Permitted: None, except if the existing use is a Private Parking Lot or Vehicle Storage Lot in PDR-1-D, PDR-1-G, and PDR-2 zoning districts.</p> <p>Accessory Use: Fleet Charging is not allowed as an accessory use to any other principal use.</p>	<p>1. There would be no change to the locations where Fleet Charging is not permitted, and Fleet Charging would continue to be prohibited as an accessory use; however, as drafted, Fleet Charging would not be Principally Permitted in PDR-1-D, PDR-1-G, and PDR-2 if the existing use is a Private Parking Lot or Vehicle Storage Lot. Instead, these locations would require a Conditional Use authorization.</p>
<p>2. The Planning Commission must use the criteria in section 303(c) of the Planning Code when determining whether to grant a CU authorization for a Fleet Charging use. Those criteria include assessing if the proposed use is necessary or desirable, and will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, among other items.</p>	<p>2. Section 303(cc) of the Planning Code would be amended to include three new criteria that the Planning Commission must consider when evaluating a Fleet Charging use for CU authorization.</p>

Background

The proposed Ordinance is a duplicate of a substitute ordinance [[Board File No. 220036](#)] that amended the Planning Code to create Electric Vehicle Charging Location and Fleet Charging as Automotive Uses², allow the conversion of Automotive Service Stations to Electric Vehicle Charging Locations without CU authorization, principally permit conversion of other Automotive Uses to Electric Vehicle Charging Locations, revise zoning control tables to reflect these changes, and require annual reporting by the Planning Department regarding Electric Vehicle Charging Location and Fleet Charging project approvals. The substitute ordinance was passed by the Board of Supervisors on September 6, 2022 and signed by Mayor Breed on September 16, 2022.

Issues and Considerations

Types of Fleets

Vehicular fleets can vary, such as taxis, ride hailing fleets for transportation network companies (TNCs) like Lyft or Uber; autonomous vehicle fleets; Parcel Delivery Service like UPS, FedEx, Amazon and the United States Postal Service; or City-owned or city-contracted vehicles. Each type of fleet has different effects on land use, transportation, and the environment depending on how they are powered (gas, diesel, electricity, hydrogen, etc.), their purpose and intensity, and the extent they are regulated (e.g., the extent City can regulate them). Land use regulations for fleets should reflect these differences.

Fleet Charging and Other Fleet Related Planning Code Definitions

The Fleet Charging definition applies to facilities that are primarily dedicated to the electric charging of vehicles in a non-retail manner (i.e., private access), which most commonly will be used for select fleets. The Planning Code also includes specific uses that are primarily dedicated to the parking of vehicles, including Parking Lots/Garages (both Public and Private), and Vehicle Storage Lots/Garages. Additionally, a Parcel Delivery Service may include accessory parking for its fleet of delivery vehicles. The Board of Supervisors passed a resolution in March 2022 imposing interim zoning controls requiring a CUA for Parcel Delivery Services [Board File No. 220159]. The key distinction for Fleet Charging facilities is that their purpose is not for the parking or storing of vehicles, but instead for the electric charging of vehicles that then vacate the facility (with a caveat for accessory maintenance). Additionally, adding EV charging infrastructure to an existing Parking or Parcel Delivery Service use would not convert that use into a Fleet Charging use because the primary activity would still be the parking of vehicles.

Ridehailing Services and Parcel Delivery Services Impacts

Ridehailing services match riders with drivers on demand. Parcel delivery services distribute retail products directly to end users. Recent trends in San Francisco show an increase in ridehailing services, including vehicle trips by TNCs and vehicle trips by parcel delivery providers. TNCs are estimated to comprise almost half of the vehicle miles travelled (VMT) increase in San Francisco on a typical weekday between 2010 and 2016. Similarly, e-commerce and resulting deliveries have also grown in recent years. In the U.S., e-commerce sales in 2018 represented 14.3 percent of all total retail sales. Post-pandemic changes in delivery services have likely accentuated this retail trend.

Ridehailing and parcel delivery vehicle trips are often convenient and increase accessibility for some. However, they also create potential conflicts with users of the transportation system. For example, **research indicates**

² A Fleet Charging Automotive Use is not a type of PDR use in the Planning Code.

ridehailing services provided by TNCs can induce vehicle trips by 43 percent to 61 percent,³ thereby increasing congestion. TNCs accounted for approximately 50 percent of the increase in congestion between 2010 and 2016 in the City, which has the effect of delaying transit, increasing VMT, and increasing greenhouse gasses.⁴

Autonomous vehicle ridehailing fleets are somewhat of an unknown since only a few companies have permits from the State to conduct fully driverless testing and/or fully driverless ridehailing service. There are uncertainties about how deployment of autonomous vehicles could ultimately occur, due to uncertainty about regulations, adoption rate, and cost of autonomous vehicles. Autonomous vehicles that operate as ridehailing fleets will likely have similar impacts as TNCs. The Department received applications for approximately eight autonomous vehicle Fleet Charging projects over the last two years, and the Department expects this trend to continue, if not increase.

Last year the Department published the 2021 Citywide Nexus Analysis (Nexus Analysis, supplemental memo is in Exhibit C). The purpose of the Nexus Analysis is to evaluate the demand for infrastructure and impact upon infrastructure new development will have. As part of this analysis, the Department calculated the trip generation rates for an autonomous ridehailing fleet facility and a last-mile logistics use (i.e., handling and/or warehouse storage for Parcel Delivery Services).⁵ **The Nexus Analysis found that a Parcel Delivery Service and autonomous vehicle ridehailing fleet could generate over two and three times, respectively, as many motorized trips per 1,000 square feet than a typical PDR use, and likely other types of fleets.**

Monitoring, analysis, and reporting would inform the Department's and City's understanding of the effects of ridehailing services and Parcel Delivery Services. The recently approved ordinance requires annual reporting by the Department on the location of EV Charging and Fleet Charging project approvals, including those associated with ridehailing fleets and parcel delivery fleets. This would not change with the proposed ordinance. In addition to reporting on the locations of EV Charging and Fleet Charging projects, the Department intends to collaborate with the San Francisco Municipal Transportation Agency on monitoring of Fleet Charging projects and analysis of their effects on the transportation and circulation system. Other departments and agencies may be consulted as part of this analysis. This information would be included in the annual reporting on the location of EV Charging and Fleet Charging project approvals, as available. The Department also proposes incorporating the results of this monitoring and analysis into the update of the Transportation Element.

General Plan Compliance

The proposed ordinance is consistent with policies in both the Transportation Element (policies 1.2, 1.3, 1.6, and 21.2) and the Commerce and Industry Element (policies 1.1 and 1.2). For example, the proposed ordinance would include appropriate controls over the establishment of Fleet Charging in a manner that prioritizes transit (consistent with the City's Transit First Policy and Transportation Element policy 1.3) while encouraging development in locations that would provide net benefits and minimize undesirable consequences (consistent with Commerce and Industry policy 1.1). The draft legislation (Exhibit A) provides a fuller discussion of General Plan compliance.

³ San Francisco County Transportation Authority, TNCs & Congestion, Final Report, October 2018, https://www.sfcta.org/sites/default/files/2019-05/TNCs_Congestion_Report_181015_Finals.pdf, accessed October 2022.

⁴ San Francisco Planning Department, TNCs and Land Use Planning, June 2022.

⁵ Urban Economics, Transit Sustainability Fee for Logistics & Emerging Mobility Services Land Uses, February 11, 2022.

Racial and Social Equity Analysis

The proposed ordinance could have varying effects on racial and social equity. The following assumes that the proposed CU criteria in the proposed ordinance are targeted at “fleets” dedicated to ridehailing that use Electric Vehicle Charging Stations, as opposed to other types of fleets. Two of the proposed CU criteria may essentially prohibit ridehailing fleets that use Electric Vehicle Charging Stations from locating anywhere in the City as the criteria would be challenging for such fleets to meet.

Support for transit use could increase racial and social equity. Such prohibition could advance racial and social equity if the assumption is the ridehailing services, like TNCs, will be reduced or that the Planning Department can effectively regulate the impacts of low-occupancy vehicles associated with such land uses. TNCs induce new vehicle trips by 43 percent to 61 percent⁶ by shifting people from low carbon modes like transit, bicycling and walking, or by taking a trip they would otherwise not make at all. This has the effect of increasing congestion, which can lead to greater VMT⁷ and delay to transit. Low-income and communities of color tend to use transit more and TNCs less for trips than other communities. Access to TNCs services may be cost-prohibitive or unavailable to them.⁸ Even if TNCs were affordable, some research shows that TNC drivers turn down ride requests from neighborhoods with communities of color and low-income households.⁹ People with disabilities have also been underserved by ridehailing services. According to the Department’s TNCs and Land Use Planning report, “TNCs did not provide vehicles accessible to people using wheelchairs, charged higher fares for users requesting wheelchair-accessible vehicles, and relied on mobile applications and websites that were not accessible by screen readers or assistive devices.”¹⁰ While some air pollutant effects would be lessened by electric vehicles¹¹, particulate matter from tires may pollute more than vehicular exhaust.¹²

Alternatively, the proposed Ordinance could harm transit by reducing fee support without significantly reducing competing trips by fleets. It is unlikely that ridehailing vehicle operations will be non-existent or significantly reduced in San Francisco if the Planning Code effectively prohibited such Fleet Charging facilities from locating in the City. The demand for and availability of the services in San Francisco is likely not substantially dependent on the location of the land use. Instead, the effective prohibition could increase trip length when a ridehailing vehicle and parcel delivery vehicle is driving as the associated companies establish the uses in a nearby jurisdiction. In this scenario, San Francisco would not be able to collect development impact fees from the use,

⁶ San Francisco County Transportation Authority, TNCs & Congestion, Final Report, October 2018, https://www.sfcta.org/sites/default/files/2019-05/TNCs_Congestion_Report_181015_Finals.pdf, accessed

⁷ Increase VMT also creates higher crash exposure or public safety concerns. Governor’s Office of Planning and Research. (2016). Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA. Page III:40 cites several studies to support this statement.

⁸ San Francisco Planning Department, TNCs and Land Use Planning, June 2022.

⁹ Ibid.

¹⁰ Ibid.

¹¹ According to the California Air Resources Board, vehicles emit inhalable particles from two major sources: the exhaust system, which electric vehicles can address; and non-exhaust sources including brake wear, tire and road wear, clutch wear and road dust resuspension, which electric vehicles do not address. <https://ww2.arb.ca.gov/resources/documents/brake-tire-wear-emissions>.

¹² Carrington, D. (2022, June 3). Car Tyres Produce Vastly More Particle Pollution Than Exhausts, Tests Show. The Guardian. <https://www.theguardian.com/environment/2022/jun/03/car-tyres-produce-more-particle-pollution-than-exhausts-tests-show>

although the vehicular impacts may be concentrated and exacerbated in San Francisco. Most of the Transportation Sustainability Fee funding goes towards funding transit.

The Department's recommendations below seek to strike a balance in these effects.

Implementation

The Department has determined that this ordinance will impact our current implementation procedures in the following ways:

Depending on which recommendations are carried forward, implementation may require internal coordination on processes, fee schedule updates, development of guidance for developers, and coordination with other agencies, among other items.

Recommendation

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Remove proposed CU Criterion 1 and proposed CU Criterion 3.
2. Principally Permit Fleet Charging in PDR districts, as specified in the recently approved ordinance (i.e., if the existing use is a Private Parking Lot or Vehicle Storage Lot, except for PDR-1-B) and ensure that Fleet Charging uses that displace PDR uses are subject to a PDR replacement requirement. Conditionally allow Fleet Charging with proposed criterion 2 in some use districts, as specified in the recently approved ordinance.
3. Add new Planning Code requirements for Fleet Charging.
 - Prohibit new curb cuts for Fleet Charging on protected pedestrian-, cycling, and transit-oriented street frontages
 - Require some projects to prepare and implement a driveway and loading operations plan
4. After additional study, update the Transportation Sustainability Fee (TSF) to include impact fee categories for "Fleet Charging" and "Parcel Delivery Service".

Basis for Recommendation

The Department supports the intent of the proposed Ordinance because it is consistent with the City's policies about Transit First, and climate action, and it reflects the Department's concerns about the potential land use and transportation impacts of some fleets. However, as written, some of the proposed criteria would be difficult to implement and may have negative unintended consequences.

Staff recommendations, which are further described below, are designed to achieve the intent of the CU criteria in the proposed Ordinance while minimizing impacts on transit and people bicycling or walking.

Recommendation 1: Remove proposed CU Criterion 1 and proposed CU Criterion 3

Criterion 1: The proposed Fleet Charging use will not induce demand for low occupancy vehicles in highly congested areas or in transit-rich areas.

- Implementation of this criterion would effectively prohibit Fleet Charging associated with ridehailing and potentially other fleets in locations of concern (i.e., highly congested areas or in transit-rich areas) from receiving a CU.
- The Department agrees that the City should set policy that avoids induced demand for low occupancy vehicles in locations of concern, but land use regulations may not be the best option to do so. It will be challenging for Department staff and, ultimately, Planning Commissioners to analyze a project's consistency with this criterion (including undefined terms) and effectively monitor and enforce any conditions that some projects would need to implement to meet this criterion (e.g., pricing incentives/disincentives, geographic or time of day restrictions, etc.). Recommendations 2 and 3 would provide a path for Fleet Charging associated with ridehailing to receive a CU while minimizing localized transportation impacts.

Criterion 3: If the vehicles accessing the proposed Fleet Charging use are owned by one ownership entity, that the ownership entity establishes that it has secured sufficient parking spaces for vehicles when not in operation within San Francisco or adjacent counties.

- It appears the intent of Criterion 3 is to avoid the congestion that occurs when fleet vehicles associated with ridehailing services circle City streets without passengers. As written this criterion would be challenging to implement and enforce (e.g., change in ownership, what qualifies as an intensification of use, requiring data from adjacent counties).
- This criterion could result in the unintended consequences, such as prompting companies to secure more vehicle parking spaces that could otherwise be used for higher and more desirable uses.

Recommendation 2: Principally Permit Fleet Charging in PDR districts, as specified in the recently approved ordinance (i.e., if the existing use is a Private Parking Lot or Vehicle Storage Lot, except for PDR-1-B), and ensure that Fleet Charging uses that displace PDR uses are subject to a PDR replacement requirement. Conditionally allow Fleet Charging with proposed criterion 2 in some use districts, as specified in the recently approved ordinance.

The proposed ordinance would require a conditional use authorization for Fleet Charging for all PDR districts, regardless of the existing use. Staff recommend changing the proposed ordinance to allow Fleet Charging as specified in the recently approved ordinance. This means Fleet Charging would be principally permitted in PDR-1-D, PDR-1-G, and PDR-2 if the existing use is a Private Parking Lot or Vehicle Storage Lot. Otherwise, Fleet Charging would require a conditional use authorization in all PDR districts. Heavy industry, petroleum-based vehicle fleets that operate as a Private Parking Lot or Vehicle Storage Lot use already exist in our PDR Districts. Further, the type of vehicle activity that is typically associated with Fleet Charging would be less likely to affect transit operations and bicycling and walking conditions if located in a PDR District. This is also consistent with the Commission's resolution on the recently approved ordinance, which recommended Fleet Charging be principally permitted in PDR districts.

PDR districts provide an important reservoir for blue-collar jobs and industry support for San Francisco's diverse economy. Currently, there is an industrial replacement requirement that is unclear and, at times, is only applied to industrial buildings and not PDR uses. To maintain an adequate supply of PDR lands for a diverse economy, this ambiguity should be fixed with this ordinance. Planning Code Section 202.7 should be amended to specify that any PDR uses within PDR zoning districts that are displaced should be subject to a PDR replacement requirement. In this way, new lands would be made available for fleet charging *and* the City could protect the space available for critical PDR uses.

Staff recommends that remaining use districts that require a CU for Fleet Charging remain as otherwise currently written in the Planning Code. For the CU, staff recommend evaluating the CUs under existing Planning Code section 303(c) criteria and the proposed criterion 2: *Vehicle movement on or around the Fleet Charging use will not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement.*

The department evaluates transportation-related impacts under the California Environmental Quality Act. The Department's significance criteria for assessing impacts to transportation and circulation considers similar factors as identified in criterion 2. This includes whether a project could create potentially hazardous conditions for people walking, bicycling, or driving, or public transit operations, interfere with accessibility for people walking or bicycling, or substantially delay public transit such that a significant impact could occur, among other significance criteria.

Recommendation 3: Add new Planning Code requirements for Fleet Charging

Vehicle trips generated by Fleet Charging create potential conflicts with transit vehicles, people walking, and people bicycling due to those vehicles accessing a project site's charging or parking facilities. The following requirements are recommended to reduce these conflicts and support the Fleet Charging projects in meeting the proposed criterion 2:

- Prohibit new curb cuts for Fleet Charging on protected pedestrian-, cycling, and transit-oriented street frontages (no CU allowed). This is consistent with the City's Transit First Policy, Vision Zero Policy, and Planning Code Section 155(r) and would prioritize protected streets for transit and people walking and biking.
- Require some projects to prepare and implement a driveway and loading operations plan (Planning Code section 155(u)). Staff recommend a plan be required of Fleet Charging projects that include 25 or more electric vehicle charging spaces or parking spaces.

If implemented, staff recommend a "grandparenting" provision that would state projects with a complete application before November 10, 2022 would not be subject to these new requirements. Applications submitted after November 10, 2022 would be subject to these new requirements. This is consistent with past Department practice for new or updated regulations that could substantially affect a project.

Recommendation 4: After additional study, update the Transportation Sustainability Fee (TSF) to include impact fee categories for Fleet Charging and "Parcel Delivery Service".

Currently, the TSF for these uses is assessed using the Non-residential or PDR category based on the gross square feet of the project (Planning Code section 411A). However, Fleet Charging and Parcel Delivery Services may generate substantially more vehicle trips than a typical Non-residential or PDR project, and, at times, may not have an associated building (gross square feet). A new fee category specific to Parcel Delivery Services would also be consistent with the Interim Zoning Controls - Conditional Use Authorization for Parcel Delivery Service Uses ordinance, which states that the Department is considering potential zoning amendments and other policy approaches to address the issues associated with this use (Board File No. 220159). A nexus study already exists that establishes a reasonable relationship between the use and the maximum potential for a new fee. Additional study is needed to understand other policy considerations such as feasibility and feedback from stakeholders to ensure that new fees match the City's broader policy goals. This would include identifying how to charge Fleet Charging on open lots without a building and substantiate the level at which to set the new fee without being prohibitive to Fleet Charging uses. If implemented, staff recommend a "grandparenting" provision that would state projects with a complete application before initiation of such an ordinance would be subject to the existing applicable fee category. Applications submitted after initiation of such an ordinance would be subject to the new fee category. This is consistent with past Department practice for new or updated regulations that could substantially affect a project.

Required Commission Action

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Sections 15060(c) and 15378 because they do not result in a physical change in the environment.

Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 220851
- Exhibit C: Transit Sustainability Fee for Logistics & Emerging Mobility Services Land Uses Memo, February 11, 2022



PLANNING COMMISSION DRAFT RESOLUTION

HEARING DATE: November 10, 2022

Project Name: Electric Vehicle Charging Locations
Case Number: 2022-009014PCA – [Board File No. 220851](#)
Initiated by: Mayor Breed, Introduced, Filed Duplicated by Supervisor Peskin on July 18, 2022
Staff Contact: Jenny Delumo, jenny.delumo@sfgov.org, 628-652-7513
Reviewed by: AnMarie Rodgers, anmarie.rodgers@sfgov.org

RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND PLANNING CODE SECTION 303(cc) TO INCLUDE NEW CRITERIA FOR ASSESING WHETHER TO GRANT A CONDITIONAL USE AUTHORIZATION FOR FLEET CHARGING LOCATIONS AND REMOVE THE POTENTIAL FOR FLEET CHARGING TO BE PRINCIPALLY PERMITTED IN ANY PRODUCTION, DISTRIBUTION, AND REPAIR (PDR) DISTRICT; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on January 11, 2022 Mayor Breed introduced an ordinance under Board of Supervisors (hereinafter “Board”) File Number 220036, which would which would amend the Planning Code to create Electric Vehicle Charging Location and Fleet Charging as Automotive Uses, allow conversion of Automotive Service Stations to Electric Vehicle Charging Locations without Conditional Use authorization, revise zoning control tables to reflect these changes, and require annual reporting by the Planning Department regarding Electric Vehicle Charging Location and Fleet Charging project approvals; and

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the ordinance on April 14, 2022; and

WHEREAS on May 3, 2022, Mayor Breed submitted a substitute ordinance which was assigned to the Land Use and Transportation Committee; and

WHEREAS, on May 17, 2022, the Planning Department transmitted the Commission’s recommended modifications to the substituted ordinance to the Board.

WHEREAS, on July 18, 2022, the Land Use and Transportation Commission duplicated the ordinance to include additional Conditional Use authorization criteria and remove the potential for Fleet Charging to be Principally Permitted in any PDR district (herein “proposed Ordinance”, Board File No. 220851); and

WHEREAS, on September 6, 2022, the Board passed the substituted ordinance; and

WHEREAS, on September 16, 2022, Mayor Breed approved the substituted ordinance; and

WHEREAS, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 20, 2022 and continued the item to a public hearing at a regularly scheduled meeting to consider the proposed Ordinance on November 10, 2022; and

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2) and

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

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance; and

WHEREAS, the Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Commission hereby **approves with modifications** the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Remove proposed CU Criterion 1 and proposed CU Criterion 3
2. Principally Permit Fleet Charging in PDR districts, as specified in the recently approved ordinance (i.e., if the existing use is a Private Parking Lot or Vehicle Storage Lot, except for PDR-1-B) and ensure that Fleet Charging uses that displace PDR uses are subject to a PDR replacement requirement. Conditionally allow Fleet Charging with proposed criterion 2 in some use districts, as specified in the recently approved ordinance.
3. Add new Planning Code requirements for Fleet Charging
 - Prohibit new curb cuts on protected pedestrian-, cycling, and transit-oriented street frontages
 - Require some projects to prepare and implement a driveway and loading operations plan
4. After additional study, update the Transportation Sustainability Fee (TSF) to include impact fee categories for “Fleet Charging” and “Parcel Delivery Service”.

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:

The Commission supports the proposed ordinance as it is consistent with policies in both the Transportation Element (policies 1.2, 1.3, 1.6, and 21.2) and the Commerce and Industry Element (policies 1.1 and 1.2). The proposed ordinance would include appropriate controls over the establishment of Fleet Charging in a manner that prioritizes transit while encouraging development in locations that would provide net benefits and minimize undesirable consequences.

General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

TRANSPORTATION ELEMENT

OBJECTIVE 1

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH-QUALITY LIVING ENVIRONMENT OF THE BAY AREA

POLICY 1.2

Ensure the safety and comfort of pedestrians throughout the city.

POLICY 1.3

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs, particularly those of commuters.

POLICY 1.6

Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

POLICY 21.2

Reduce, relocate or prohibit automobile facility features on transit preferential streets, such as driveways and loading docks, to avoid traffic conflicts and automobile congestion.

The proposed ordinance with staff modifications ensure that new Fleet Charging facilities will be reviewed to maintain or advance the safety and comfort for people walking and bicycling, and that effects on transit operations can be considered prior to approval, including prohibiting new curb cuts on a protected street frontage. This is consistent with the ensuring pedestrian safety, giving priority to public transit, accommodating priority travel modes when and where most appropriate, and avoiding traffic conflicts and automobile congestion.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences.
Discourage development which has substantial undesirable consequences that cannot be mitigated.

The proposed Ordinance will facilitate the establishment of Fleet Charging according to existing land use patterns and controls. Better regulations for these uses will provide substantial net benefits for the city, while minimizing any undesirable consequences.

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The proposed Ordinance allows new commercial activity, Fleet charging, with controls that are appropriate for each district. This added commercial activity will help the city meet its Climate Change Goals and maintain a favorable social and cultural climate in San Francisco. This enhances San Francisco as a location for firms.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

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

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood

parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. 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 proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

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

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

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

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on October 20, 2022.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED:

[Planning Code - Electric Vehicle Charging Locations]

Ordinance amending the Planning Code to create Electric Vehicle Charging Location and Fleet Charging as Automotive Uses, allow conversion of Automotive Service Stations to Electric Vehicle Charging Locations without Conditional Use authorization and principally permit conversion of other Automotive Uses to Electric Vehicle Charging Locations, revise zoning control tables to reflect these changes, and require annual reporting by the Planning Department regarding Electric Vehicle Charging Location and Fleet Charging project approvals; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of

Supervisors in File No. 220851 and is incorporated herein by reference. The Board affirms this determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. _____, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. _____, and incorporates such reasons by this reference thereto. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. _____, and is incorporated herein by reference.

(d) This ordinance is based on the following findings:

(1) In 2021, the Intergovernmental Panel on Climate Change issued a report further underscoring the need for urgent action to cut global greenhouse gas emissions (GHGs) in half by 2030 and reach net-zero emissions no later than 2050 to prevent the most catastrophic effects of climate change and reduce detrimental impacts to human health and ecosystems.

(2) San Francisco, the Bay Area, and the State of California are already suffering the effects of climate change in the form of droughts, air pollution, extreme heat, frequent wildfires, flooding, and other drastic impacts on weather and the environment.

(3) To address these urgent challenges, in 2021 Mayor London Breed sponsored legislation to update the City's climate action goals. As a result of Ordinance No. 117-21, San Francisco now has climate action goals to reduce emissions 61% below 1990 levels by 2030 and reach net-zero emissions by 2040.

1 (4) To achieve net-zero emissions by 2040, the updated climate action goals
2 prioritize the City's Transit First policy and encourage a shift to low-carbon modes of
3 transportation such as taking transit, walking, and biking. All remaining modes of
4 transportation, including private and commercial vehicles, must be electrified to further reduce
5 and eventually eliminate remaining transportation emissions.

6 (5) The City's climate action targets, per Ordinance No. 117-21, include the
7 following transportation and land use goals:

8 (A) By 2030, 80% of trips taken by low-carbon modes such as walking,
9 biking, transit, and shared Electric Vehicles (EVs).

10 (B) By 2030, increase vehicle electrification to at least 25% of all
11 registered private vehicles, and, by 2040, to 100% of all such vehicles.

12 (6) As reported in the latest San Francisco GHG Emissions Inventory, San
13 Francisco's 2019 emissions were 41% below 1990 levels—six years ahead of the previously
14 established goal to reduce emissions 40% by 2025. However, additional efforts must be
15 undertaken to ensure the net-zero commitment is met by 2050.

16 (7) As of 2019, nearly half (47%) of San Francisco's GHG emissions came from
17 the transportation sector, with the vast majority (72%) of those emissions from privately
18 owned cars and trucks. Despite the City's success in reducing overall emissions to date, GHG
19 emissions from the transportation sector have remained relatively stable.

20 (8) In 2019, Mayor Breed released the Electric Vehicle Roadmap ("the
21 Roadmap") to accelerate and advance EV adoption to reduce emissions and associated air
22 pollution health impacts from the transportation sector. To date, EVs represent about 11% of
23 new light-duty vehicle registrations in San Francisco. The Roadmap sets a 2030 goal of 100%
24 of new passenger vehicle registrations with no increase in total vehicle registrations per
25 household and an ambitious goal of 100% emission-free ground transportation by 2040.

1 These goals are aligned with California’s targets to increase EV adoption and access to EV
2 charging. In September 2020, Governor Gavin Newsom issued an executive order requiring
3 only zero emission passenger cars to be sold in California by 2035. Additionally, the City’s
4 goals are aligned with the Biden Administration’s goal that 50% of all new vehicles sold in the
5 United States in 2030 be zero-emission vehicles.

6 (9) The rate of EV adoption is determined in large part by access to charging.
7 The three greatest barriers at this time for drivers to buy EVs are cost of the EVs, lack of
8 charging infrastructure, and the range of EVs, the latter two barriers are interrelated and result
9 in “range anxiety,” or the fear that EV owners won’t be able to locate a charger or that if they
10 do, someone else will be using it.

11 (10) Range anxiety is also an equity issue. Nearly 70% of San Francisco
12 residents live in multi-unit buildings and most such residents do not have access to off-street
13 parking or home charging. EV charging at home should not be a privilege available only to
14 single-family home residents or those with EV charging available at the workplace. To provide
15 expanded access to EV charging, in June 2021, the California Public Utilities Commission
16 ruled that electrical corporations should prioritize their near-term investments to create
17 charging options to customers without access to home charging.

18 (11) Publicly accessible EV charging stations—including public Level 2 (240
19 volt), DC fast (“superchargers”), and workplace chargers—are the most efficient and effective
20 solution to meet anticipated demand for EV charging. San Francisco’s combination of
21 population density, small size, and resulting high land costs make it the perfect place to install
22 fast-charging plazas that mimic the gas station experience that drivers have come to expect
23 when fueling their vehicles. Fast-charging plazas are integral to San Francisco’s developing a
24 comprehensive public charging network. With a robust network of public charging stations, EV
25 owners will be able to access fast charging as needed and close to their homes.

1 (12) Without this ordinance’s amendments of the Planning Code, further air
2 quality and GHG degradation would occur because the ongoing inconvenience of finding EV
3 charging stations would result in a low rate of adoption of EVs. Multiple studies have
4 suggested a correlation between increasing the number of charging stations and higher EV
5 adoption rates, as summarized in an October 2017 white paper by the International Council
6 on Clean Transportation (ICCT). In addition, the EV Roadmap identified the expansion of
7 publicly accessible Level 2 and fast charging infrastructure in San Francisco as a key strategy
8 to increase EV adoption rates.

9 (13) In 2020, the ICCT completed a study on San Francisco’s EV charging
10 needs in 2030 and 2040. The ICCT projects that by 2030, more than 170,000 light-duty EVs
11 will be registered in the City. To meet that charging demand, the City must have six times
12 more charging capacity than in 2019. The number of publicly accessible charging stations in
13 San Francisco needs to increase from about 800 in 2019 to 2,000 by 2025, and over 5,000 by
14 2030, to meet this demand.

15 (14) Currently, EV charging is not defined in the Planning Code. As a result,
16 applications to install EV charging projects require an EV service provider (EVSP) and the
17 Planning Department or Commission to work out a permitting pathway, on a case-by-case
18 basis, using Planning Code provisions designed for gas stations and auto service centers.
19 The existing use categories are an imperfect fit for this new use. They impose limitations
20 more appropriate for the facilities they were intended to address—conventional fueling
21 facilities—rather than less-impactful EV charging stations, creating lengthy approval
22 processes and bureaucratic delays that should be avoided for EV charging projects.

23 (15) By defining “Electric Vehicle Charging Location” as an “Automotive Use” in
24 the Planning Code and establishing zones in the City in which stand-alone EV charging is
25 permitted, this ordinance will make it easier to convert existing sites with “Automotive Uses” to

1 EV charging plazas or hubs. This will result in a clear approval path for EV charging projects,
2 reducing delays and additional workflow in Planning, and expanding opportunities to deploy
3 publicly accessible EV charging stations within San Francisco. This ordinance will expedite
4 expansion of critical EV charging services, creating new public charging options for San
5 Francisco residents and visitors, thus encouraging the adoption of EVs by a greater share of
6 the population. This in turn will help the City meet its climate action goals to reduce emissions
7 from the transportation sector.

8
9 Section 2. The Planning Code is hereby amended by revising Sections 102 (including
10 placing new defined terms in alphabetical sequence with existing defined terms), 142, 187.1,
11 202.2, 202.5, 204, 210.1, 210.2, 210.3, 303, 311, 710, 711, and 713, and adding Sections
12 202.13-and 204.6, to read as follows:

13 **SEC. 102. DEFINITIONS.**

14 * * * *

15 **A**

16 * * * *

17 **Automotive Use.** A Commercial Use category that includes Automotive Repair,
18 Ambulance Services, Automobile Sale or Rental, Automotive Service Station, Automotive
19 Wash, Electric Vehicle Charging Location, Fleet Charging, Gas Station, Parcel Delivery Service,
20 Private Parking Garage, Private Parking Lot, Public Parking Garage, Public Parking Lot,
21 Vehicle Storage Garage, Vehicle Storage Lot, and Motor Vehicle Tow Service. All Automotive
22 Uses that have Vehicular Use Areas defined in this Section of the Code shall meet the
23 screening requirements for vehicular use areas in Section 142.

1 **Automotive Use, Non-Retail.** A subcategory of Automotive Use that includes
2 Ambulance Services, Fleet Charging, Parcel Delivery Service, Private Parking Garage, Private
3 Parking Lot, and Motor Vehicle Tow Service.

4 **Automotive Use, Retail.** A subcategory of Automotive Use that includes Automotive
5 Repair, Automotive Sale or Rental, Automobile Service Station, Automotive Wash, Electric
6 Vehicle Charging Location, Gas Station, Public Parking Garage, Public Parking Lot, Vehicle
7 Storage Garage, and Vehicle Storage Lot.

8 * * * *

9 **E**

10 * * * *

11 **Electric Vehicle Charging Location.** Automotive Use, Retail that provides electricity to
12 electric motor vehicles through ~~more than one~~ ~~or more~~ Electric Vehicle Charging Stations on a retail
13 basis to the general public as a primary use. Electric Vehicle Charging Locations may ~~include up to~~
14 ~~one-third of the total Electric Vehicle Charging Stations dedicated to Fleet Charging as an~~
15 ~~accessory use per Section 204.6(a), and may include ancillary services, including but not limited~~
16 ~~to restrooms, self-service vending, and limited retail amenities primarily for the benefit of customers~~
17 ~~charging their vehicles.~~

18 **Electric Vehicle Charging Station.** An electric vehicle charging space served by an electric
19 vehicle charger or other charging equipment.

20 * * * *

21 **F**

22 * * * *

23 **Fleet Charging.** Automotive Use, Non-Retail that provides electricity to electric motor vehicles
24 through one or more Electric Vehicle Charging Stations that are dedicated or reserved for private
25

1 parties pursuant to contract or other agreement and are not available to the general public. **Fleet**
2 Charging is not allowed as an accessory use to any other principal use.

3 * * * *

4 **SEC. 142. SCREENING AND GREENING OF PARKING AND VEHICULAR USE**
5 **AREAS.**

6 Off-street parking and Vehicular Use Areas adjacent to the public right-of-way shall be
7 screened as provided in this Section 142. Where an existing Automotive Use converts to an Electric
8 Vehicle Charging Location, the requirements of this Section shall not apply.

9 * * * *

10 **SEC. 187.1. AUTOMOTIVE SERVICE STATIONS, ELECTRIC VEHICLE CHARGING**
11 **LOCATIONS, AND GAS STATIONS AS LEGAL NONCONFORMING USES.**

12 (a) **Continuation as a Nonconforming Use.** Notwithstanding any other provision of
13 this Code, an Automotive Service Station or a Gas Station as defined in Section 102 of this
14 Code, located in a Residential district, and having legal nonconforming use status under the
15 provisions of this Code on January 1, 1980, shall be regarded as a legal nonconforming use
16 so long as the station either: (1) continues to sell and dispense gasoline and other motor fuels
17 and lubricating fluids directly into motor vehicles, or (2) transitions to an Electric Vehicle Charging
18 Location.

19 * * * *

20 **SEC. 202.2. LOCATION AND OPERATING CONDITIONS.**

21 * * * *

22 (b) **Automotive Uses.** The Automotive Uses listed below shall be subject to the
23 corresponding conditions:

24 * * * *

1 (2) **Conditional Use Authorization Required for Establishments that Sell**
2 **Beer or Wine with Motor Vehicle Fuel.** Any establishment that proposes to retail motor
3 vehicle fuel and provide retail sale of beer or wine shall require Conditional Use authorization.
4 The Planning Commission may deny authorization or grant Conditional Use authorization to
5 an applicant based upon the criteria set forth in Section 303(c) of this Code.

6 * * * *

7 (D) **Definitions.** For purposes of Subsection 202.2(b)(1) and (2), the
8 following definitions shall apply:

9 (i) "Alcoholic beverages" shall be as defined in California
10 Business and Professions Code Section 23004;

11 (ii) "Beer" and "wine" shall be as defined in California Business
12 and Professions Code Section 23006 and Section 23007, respectively;

13 (iii) "Motor vehicle fuel" shall mean gasoline, other motor fuels
14 including electricity at an Electric Vehicle Charging Location, and lubricating oil dispensed directly
15 into motor vehicles; and

16 (iv) "Establishment" shall include an arrangement where a lot
17 containing a business selling motor vehicle fuel provides direct access to another business
18 selling alcoholic beverages on the same or adjacent lot.

19 * * * *

20 (3) **Automotive Wash.** Cleaning and polishing are required to be conducted
21 within an enclosed building having no openings, other than fixed windows or exits required by
22 law located within 50 feet of any R District, and that has an off-street waiting and storage area
23 outside the building which accommodates at least one-quarter the hourly capacity in vehicles
24 of the enclosed operations, provided: (1) that incidental noise is reasonably confined to the
25 premises by adequate soundproofing or other device; and (2) that complete enclosure within a

1 building may be required as a condition of approval, notwithstanding any other provision of
2 this Code; but the foregoing provisions shall not preclude the imposition of any additional
3 conditions pursuant to Section 303 of this Code.

4 (4) **Electric Vehicle Charging Location.** At Electric Vehicle Charging Locations, the
5 Electric Vehicle Charging Stations, including the charging space for the electric vehicle and all
6 necessary charging equipment and infrastructure, may be located within any setbacks required by the
7 underlying zoning district. Any structures associated with ancillary services, including restrooms or
8 vending machines, must adhere to any underlying zoning setback requirements.

9 (5) **Fleet Charging and Electric Vehicle Charging Location Reporting Requirements.**
10 Beginning on June 1, 2023, the Planning Department shall submit a report to the Board of Supervisors
11 and the Mayor that includes the number and location of all Electric Vehicle Charging Locations and
12 Fleet Charging locations that have been approved since the ordinance in Board File No. 220851
13 establishing this reporting requirement became effective. The Planning Department's report shall
14 include: the address of each such charging location, number of charging stations at each location,
15 prior use of the property, whether the charging location was principally permitted or conditionally
16 permitted, and what percent of each station is dedicated to Fleet Charging. The Planning Department
17 shall submit this report annually for five years, with the last report to be submitted on June 1, 2027.

18 * * * *

19 **SEC. 202.5. CONVERSION OF AUTOMOTIVE SERVICE STATIONS.**

20 * * * *

21 (b) **Definitions.** Whenever used in this Section, unless a different meaning clearly
22 appears from the context:

23 (1) "Automotive Service Station" or "service station" shall mean a retail automotive
24 service use as defined in Section 102 of this Code.

(2) "Conversion" shall mean to change the use of a property from a service station use to a different type of use. A change from Automotive Service Station to Electric Vehicle Charging Location is not a change to a different type of use and shall not be a "Conversion" subject to this Section.

* * * *

SEC. 202.13. CONVERSION OF AUTOMOTIVE USE TO ELECTRIC VEHICLE CHARGING LOCATION.

Notwithstanding any other provisions of this Code, any Automotive Use, including Retail or Non-Retail uses, as defined in Section 102, shall be principally permitted to convert to an Electric Vehicle Charging Location, also as defined in Section 102, regardless of the underlying zoning district. Further, such conversion shall not be subject to the notification requirements outlined in Section 311.

SEC. 204. ACCESSORY USES, GENERAL.

This Section 204 and Sections 204.1 through 204.56, shall regulate Accessory Uses, as defined in Section 102. Any use which does not qualify as an Accessory Use shall be classified as a Principal or Conditional Use, unless it qualifies as a temporary use under Sections 205 through 205.4 of this Code.

* * * *

SEC. 204.6. FLEET CHARGING NOT PERMITTED AS ACCESSORY USE TO ELECTRIC VEHICLE CHARGING LOCATIONS.

In all use districts of the City, Fleet Charging is not permitted ~~In order for to be a classified as an Accessory Use to an Electric Vehicle Charging Location, no more than one-third of the Electric Vehicle Charging Stations may be dedicated to Fleet Charging and two-thirds, or more, of the Electric Vehicle Charging Stations shall be available for general public use.~~

* * * *

1 **SEC. 210.1. C-2 DISTRICTS: COMMUNITY BUSINESS.**

2 * * * *

3 **Table 210.1**

4 **ZONING CONTROL TABLE FOR C-2 DISTRICTS**

5

Zoning Category	§ References	C-2
-----------------	--------------	-----

6

7 * * * *

8 **NON-RESIDENTIAL STANDARDS AND USES**

9 * * * *

10 Automotive Use Category

11

Automotive Repair	§ 102	NP
Automotive Sale/Rental	§ 102	P (3)
Automotive Service Station	§§ 102, 202.2(b), 202.5	P (2)
Automotive Wash	§§ 102, 202.2(b)	C (2)
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P</u>
<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>

12

13

14

15

16

17

18

19

20 * * * *

21 **SEC. 210.2. C-3 DISTRICTS: DOWNTOWN COMMERCIAL.**

22 * * * *

23 **Table 210.2**

24 **ZONING CONTROL TABLE FOR C-3 DISTRICTS**

Zoning Category	§ References	C-3-O	C-3- O(SD)	C-3-R	C-3-G	C-3-S
--------------------	--------------	-------	---------------	-------	-------	-------

* * * *

NON-RESIDENTIAL STANDARDS AND USES

* * * *

Automotive Use Category

Automotive Repair	§ 102	NP	NP	NP	NP	P
Automotive Sale/Rental	§ 102	P (4)	P (4)	P (4)	P (3)	P (3)
Automotive Service Station	§§ 102, 202.2(b), 202.5	NP	NP	NP	P	P
Automotive Wash	§§ 102, 202.2(b)	NP	NP	NP	C	C
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>
<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>
Gas Station	§§ 102, 187.1, 202.2(b)	NP	NP	NP	<u>CP</u>	<u>CP</u>

* * * *

SEC. 210.3. PDR DISTRICTS.

* * * *

Table 210.3

ZONING CONTROL TABLE FOR PDR DISTRICTS

Zoning Category	§ References	PDR-1-B	PDR-1-D	PDR-1-G	PDR-2
--------------------	--------------	---------	---------	---------	-------

* * * *

NON-RESIDENTIAL STANDARDS AND USES

* * * *

Automotive Use Category

Automotive Uses*	§ 102	NP	P	P	P
Automotive Repair	§ 102	P (3)	P	P	P
Automotive Sale/Rental	§ 102	P	P (4)	P	P
Automotive Service Station	§§ 102, 202.2(b), 202.5	P	P	P	P
Automotive Wash	§§ 102, 202.2(b)	P	P	P	P
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>	<u>CP</u>	<u>CP</u>	<u>CP</u>

* * * *

SEC. 303. CONDITIONAL USES.

* * * *

(cc) Fleet Charging. With regard to a Conditional Use application for a Fleet Charging use as defined in Section 102 of this Code, in addition to consideration of the criteria

1 set forth in subsection (c) above, the Planning Commission shall consider the extent to which
2 the following criteria are met:

3 (1) The proposed Fleet Charging use will not induce demand for low occupancy
4 vehicles in highly congested areas or in transit-rich areas.

5 (2) Vehicle movement on or around the Fleet Charging use will not unduly
6 impact pedestrian spaces or movement, transit service, bicycle movement, or the overall
7 traffic movement.

8 (3) If the vehicles accessing the proposed Fleet Charging use are owned by
9 one ownership entity, that the ownership entity establishes that it has secured sufficient
10 parking spaces for vehicles when not in operation within San Francisco or adjacent counties.
11

12 **SEC. 311. PERMIT REVIEW PROCEDURES.**

13 (a) **Purpose.** The purpose of this Section 311 is to establish procedures for reviewing
14 building permit applications to determine compatibility of the proposal with the neighborhood
15 and for providing notice to property owners and residents on the site and neighboring the site
16 of the proposed project and to interested neighborhood organizations, so that concerns about
17 a project may be identified and resolved during the review of the permit.

18 (b) **Applicability.** Except as indicated in this subsection (b), all building permit
19 applications in Residential, NC, NCT, and Eastern Neighborhoods Mixed Use Districts for a
20 change of use; establishment of a Micro Wireless Telecommunications Services Facility;
21 establishment of a Formula Retail Use; demolition, new construction, or alteration of buildings;
22 and the removal of an authorized or unauthorized residential unit, shall be subject to the
23 notification and review procedures required by this Section 311. In addition, with the exception
24 of Grandfathered MCDs converting to Cannabis Retail use pursuant to Section 190(a), all
25 building permit applications that would establish Cannabis Retail or Medical Cannabis

1 Dispensary uses, regardless of zoning district, shall be subject to the notification and review
2 procedures required by this Section 311. Notwithstanding the foregoing or any other
3 requirement of this Section 311, a change of use to a Child Care Facility, as defined in
4 Section 102, shall not be subject to the review requirements of this Section 311.
5 Notwithstanding the foregoing or any other requirement of this Section 311, building permit
6 applications to construct an Accessory Dwelling Unit pursuant to Section 207(c)(6) shall not
7 be subject to the notification or review requirements of this Section 311. Notwithstanding the
8 foregoing or any other requirement of this Section 311, a change of use to a principally
9 permitted use in an NC or NCT District, or in a limited commercial use or a limited corner
10 commercial use, as defined in Sections 186 and 231, respectively, shall not be subject to the
11 review or notice requirements of this Section 311. Notwithstanding the foregoing or any other
12 requirement of this Section 311, building permit applications to change any existing Automotive Use to
13 an Electric Vehicle Charging Location shall not be subject to the review or notification requirements of
14 this Section 311.

15 * * * *

16
17 **SEC. 710. NC-1 – NEIGHBORHOOD COMMERCIAL CLUSTER DISTRICT.**

18 * * * *

19 **Table 710. NEIGHBORHOOD COMMERCIAL CLUSTER DISTRICT NC-1**
20 **ZONING CONTROL TABLE**

21 * * * *

Zoning Category	§ References	Controls
* * * *		
NON-RESIDENTIAL STANDARDS		

* * * *				
Non-Residential Uses		Controls by Story		
		1st	2nd	3rd+
* * * *				
Automotive Use Category				
Automotive Uses*	§ 102	NP	NP	NP
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C(12)</u>	<u>C(12)</u>	<u>C(12)</u>
Parking Garage, Private	§ 102	C	C	C

* * * *

(12) P where existing use is any Automotive Use.

* * * *

SEC. 711. NC-2 – SMALL-SCALE NEIGHBORHOOD COMMERCIAL DISTRICT.

* * * *

**Table 711. SMALL-SCALE NEIGHBORHOOD COMMERCIAL DISTRICT NC-2
ZONING CONTROL TABLE**

* * * *

Zoning Category	§ References	Controls		
* * * *				
NON-RESIDENTIAL STANDARDS				
* * * *				
Non-Residential Uses		Controls by Story		

		1st	2nd	3rd+
	* * * *			
	Automotive Use Category			
	Automotive Uses*	§ 102	NP	NP
	Automotive Repair	§ 102	C	NP
	Automotive Service Station	§§ 102, 202.2(b)	C	NP
	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C(13)</u>	<u>C(13)</u>
	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C</u>	<u>C</u>
	Gas Station	§§ 102, 187.1, 202.2(b)	C	NP

* * * *

(13) P where existing use is any Automotive Use.

* * * *

SEC. 713. NC-S – NEIGHBORHOOD COMMERCIAL SHOPPING CENTER

DISTRICT.

* * * *

**Table 713. NEIGHBORHOOD COMMERCIAL SHOPPING CENTER DISTRICT NC-S
ZONING CONTROL TABLE**

* * * *

Zoning Category	§ References	Controls
* * * *		

NON-RESIDENTIAL STANDARDS				
* * * *				
Non-Residential Uses		Controls by Story		
		1st	2nd	3rd+
* * * *				
Automotive Use Category				
Automotive Uses*	§ 102	NP	NP	NP
Automotive Sale/Rental	§ 102	C	NP	NP
Automotive Service Station	§§ 102, 202.2(b)	P	NP	NP
Automotive Wash	§§ 102, 202.2(b)	C	NP	NP
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C(9)</u>	<u>C(9)</u>	<u>C(9)</u>
Gas Station	§§ 102, 187.1, 202.2(b)	C	NP	NP

* * * *

(9) P where existing use is any Automotive Use.

Section 3. Amendment of Specific Zoning Control Tables.

Zoning Control Tables 712, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, and 764 are hereby amended identically to the amendment of Zoning Control Table 711 in Section 2 of this ordinance, to create “Electric Vehicle Charging Location” and “Fleet Charging” as new

Non-Residential Uses within the Automotive Use Category, citing Planning Code Sections 102, 202.2(b) and 202.13 as references, identifying “C” as the zoning control, and including the note for “Electric Vehicle Charging Location” use (*“P where existing use is any Automotive Use.”*), provided that the note shall be numbered as appropriate for each table, as follows.

Zoning Control Table	Note #
712	12
714	9
715	8
716	8
717	7
718	8
719	10
720	6
721	6
722	14
723	10
724	7
725	7
726	8
727	3
728	8
729	6
730	6

1	731	7
2	732	7
3	733	7
4	734	7
5	735	3
6	736	3
7	737	5
8	738	3
9		
10	739	8
11	740	5
12		
13	741	3
14	742	3
15		
16	743	3
17	744	4
18	745	4
19		
20	750	10
21	751	8
22	752	8
23	753	6
24	754	9
25	755	7

756	7
757	11
758	10
759	9
760	5
761	7
762	8
763	8
764	10

Section 4. The Planning Code is hereby amended by revising Sections 810, 811, 812, 827, 829, 840, 841, 842, 843, 844, 845, 846, 847, and 848, to read as follows:

SEC. 810. CHINATOWN COMMUNITY BUSINESS DISTRICT.

* * * *

Table 810.

CHINATOWN COMMUNITY BUSINESS DISTRICT ZONING CONTROL TABLE

* * * *

Zoning Category	§ References	Controls		
NON-RESIDENTIAL USES		Controls by Story		
		1st	2nd	3rd+
* * * *				
Automotive Use Category				

Automotive Uses*	§§ 102, 202.54	NP	NP	NP
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C(4)</u>	<u>C(4)</u>	<u>C(4)</u>
Parking Garage, Private	§ 102	C	C	C

* * * *

(4) P where existing use is any Automotive Use.

* * * *

SEC. 811. CHINATOWN VISITOR RETAIL DISTRICT.

* * * *

Table 811.

CHINATOWN VISITOR RETAIL DISTRICT ZONING CONTROL TABLE

* * * *

Zoning Category	§ References	Controls		
NON-RESIDENTIAL USES		Controls by Story		
		1st	2nd	3rd+
* * * *				
Automotive Use Category				
Automotive Uses*	§§ 102, 202.54	NP	NP	NP
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C(3)</u>	<u>C(3)</u>	<u>C(3)</u>
Parking Garage, Private	§ 102	C	C	C

* * * *

(3) P where existing use is any Automotive Use.

* * * *

SEC. 812. CHINATOWN RESIDENTIAL NEIGHBORHOOD COMMERCIAL DISTRICT.

* * * *

Table 812.

**CHINATOWN RESIDENTIAL NEIGHBORHOOD COMMERCIAL DISTRICT
ZONING CONTROL TABLE**

* * * *

Zoning Category	§ References	Controls		
NON-RESIDENTIAL USES		Controls by Story		
		1st	2nd	3rd+
* * * *				
Automotive Use Category				
Automotive Uses*	§§ 102, 202.54	NP	NP	NP
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C(3)</u>	<u>C(3)</u>	<u>C(3)</u>
Parking Garage, Private	§ 102	C	C	C

* * * *

(3) P where existing use is any Automotive Use.

* * * *

SEC. 827. RINCON HILL DOWNTOWN RESIDENTIAL MIXED USE DISTRICT (RH-DTR).

* * * *

Table 827

RINCON HILL DOWNTOWN RESIDENTIAL MIXED USE DISTRICT

ZONING CONTROL TABLE

No.	Zoning Category	§ References	Rincon Hill Downtown Residential Mixed Use District Zoning Controls
* * * *			
Non-Residential Standards and Uses			
* * * *			
.40	Automotive Repair	§ 890.15	NP
<u>.40a</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C</u>
<u>.40b</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>NP</u>

* * * *

SEC. 829. SOUTH BEACH DOWNTOWN RESIDENTIAL MIXED USE DISTRICT (SB-DTR).

* * * *

Table 829

SOUTH BEACH DOWNTOWN RESIDENTIAL MIXED USE DISTRICT ZONING CONTROL
TABLE

No.	Zoning Category	§ References	South Beach Downtown Residential Mixed Use District Zoning Controls
* * * *			
Non-Residential Standards and Uses			
* * * *			
.40	Automotive Repair	§ 890.15	NP
<u>.40a</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>C</u>
<u>.40b</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>NP</u>

* * * *

SEC. 840. MUG – MIXED USE-GENERAL DISTRICT.

* * * *

Table 840

MUG – MIXED USE-GENERAL DISTRICT ZONING CONTROL TABLE

No.	Zoning Category	§ References	Mixed Use-General District Controls
* * * *			

Motor Vehicle Services			
* * * *			
840.75	Non-Auto Vehicle Sales or Rental	§ 890.69	P
<u>840.76</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b),</u> <u>202.13</u>	<u>P</u>
<u>840.77</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within</u> <u>an enclosed building</u>

* * * *

SEC. 841. MUR – MIXED USE-RESIDENTIAL DISTRICT.

* * * *

Table 841

MUR – MIXED USE-RESIDENTIAL DISTRICT ZONING CONTROL TABLE

* * * *

No.	Zoning Category	§ References	Mixed Use- Residential District Controls
* * * *			
Motor Vehicle Services			
* * * *			
841.75	Non-Auto Vehicle Sales or Rental	§ 890.69	P

<u>841.76</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b),</u> <u>202.13</u>	<u>P</u>
<u>841.77</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within</u> <u>an enclosed building</u>

* * * *

SEC. 842. MUO – MIXED USE-OFFICE DISTRICT.

* * * *

Table 842

MUO – MIXED USE-OFFICE DISTRICT ZONING CONTROL TABLE

No.	Zoning Category	§ References	Mixed Use-Office District Controls
* * * *			
Motor Vehicle Services			
* * * *			
842.75	Non-Auto Vehicle Sales or Rental	§ 890.69	P
<u>842.76</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b),</u> <u>202.13</u>	<u>P</u>
<u>842.77</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within</u> <u>an enclosed building</u>

* * * *

1 **SEC. 843. UMU – URBAN MIXED USE DISTRICT.**

2 * * * *

3 **Table 843**

4 **UMU – URBAN MIXED USE DISTRICT ZONING CONTROL TABLE**

No.	Zoning Category	§ References	Urban Mixed Use District Controls
* * * *			
Motor Vehicle Services			
<u>843.68</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P</u>
<u>843.69</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within an enclosed building</u>
843.70	Vehicle Storage - Open Lot	§ 890.131	NP

16 * * * *

17
18 **SEC. 844. WMUG – WSOMA MIXED USE-GENERAL DISTRICT.**

19 * * * *

20 **Table 844**

21 **WMUG – WSOMA MIXED USE-GENERAL DISTRICT ZONING CONTROL TABLE**

No.	Zoning Category	§ References	WSoMa Mixed Use- General District Controls
-----	-----------------	--------------	--

* * * *			
Motor Vehicle Services			
* * * *			
844.75	Non-Auto Vehicle Sales or Rental	§ 890.69	C
<u>844.76</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P with no ingress/egress onto alleys, as defined in the Western SoMa Community Plan, within or along any RED or RED-MX Districts</u>
<u>844.77</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within an enclosed building with no ingress/egress onto alleys, as defined in the Western SoMa Community Plan, within or along any RED or RED-MX Districts</u>

* * * *

SEC. 845. WMUO – WSOMA MIXED USE-OFFICE DISTRICT.

* * * *

Table 845

WMUO – WSOMA MIXED USE-OFFICE DISTRICT ZONING CONTROL TABLE

No.	Zoning Category	§ References	WSoMa Mixed Use- Office District Controls
* * * *			
Motor Vehicle Services			
* * * *			
845.75	Non-Auto Vehicle Sales or Rental	§ 890.69	P
<u>845.76</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P</u>
<u>845.77</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within an enclosed building</u>

* * * *

SEC. 846. SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT.

* * * *

Table 846

SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT ZONING CONTROL TABLE

No.	Zoning Category	§ References	SALI District Controls
* * * *			
Motor Vehicle Services			
* * * *			
846.75	Non-Auto Vehicle Sales or Rental	§ 890.69	P
<u>846.76</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P</u>
<u>846.77</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within an enclosed building</u>

* * * *

SEC. 847. RED-MX – RESIDENTIAL ENCLAVE-MIXED DISTRICT.

* * * *

Table 847

RED-MX – RESIDENTIAL ENCLAVE-MIXED DISTRICT ZONING CONTROL TABLE

No.	Zoning Category	§ References	Residential Enclave-Mixed Controls
* * * *			
Automotive Services			

* * * *			
847.63	Public Transportation Facility	§ 890.80	NP
<u>847.64</u>	<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>NP</u>
<u>847.65</u>	<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>NP</u>

* * * *

SEC. 848. CMUO-CENTRAL SOMA MIXED-USE OFFICE DISTRICT.

* * * *

Table 848		
CMUO-CENTRAL SOMA MIXED-USE OFFICE DISTRICT ZONING CONTROL TABLE		
Central SoMa Mixed Use-Office District Controls		
Zoning Category	§ References	Controls
* * * *		
Automotive Use Category		
Automotive Uses*	§ 102	P
<u>Electric Vehicle Charging Location</u>	<u>§§ 102, 202.2(b), 202.13</u>	<u>P</u>

<u>Fleet Charging</u>	<u>§§ 102, 303(cc)</u>	<u>C and must be within</u> <u>an enclosed building</u>
-----------------------	------------------------	--

* * * *

Section 5. 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.

Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance. The preceding sentence does not apply to Section 3 of the ordinance, which uses a different methodology for amending the sections of the Municipal Code to which it applies.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ Robb Kapla
ROBB KAPLA
Deputy City Attorney

n:\legana\as2021\2100505\01614631.docx



MEMORANDUM

To: Jeremy Shaw, San Francisco Planning Department
From: Robert Spencer, Urban Economics
CC: Rachel Bramwell, AECOM
Date: February 11, 2022
Subject: Transit Sustainability Fee for Logistics & Emerging Mobility Services Land Uses

This memorandum presents the maximum justified Transit Sustainability Fee (TSF) for two land use categories that only now are beginning to be developed in San Francisco:

- ◆ Last-mile logistics, defined as goods handling and/or short-term warehousing for parcel delivery services that distribute retail products directly to end users.
- ◆ Emerging mobility services (EMS), defined as electric vehicle charging stations and/or maintenance facilities that are dedicated or reserved for private parties pursuant to contract or other agreement and are not available to the general public, such as for transportation network companies.¹

Currently these land uses are included in the production, distribution, repair (PDR) economic activity category for purposes of assessing the TSF. Research on recent projects suggests that trip generation rates, the primary factor in assessing fees by category, are significantly higher for last-mile logistics and EMS than for other PDR uses. This memorandum presents the results of an analysis that applied this research using the TSF model to calculate the maximum justified fee for these two new categories if segregated out from PDR.

The analysis presented in this memorandum is based on the modeling done for the most recent nexus update for the City's development impact fees, the *San Francisco Infrastructure Nexus Analysis* completed by Hatch Consulting for the San Francisco Planning Department in 2021 (2021 Nexus Report). This memorandum focuses on changes to that nexus analysis caused by the segregation of last-mile logistics and EMS from PDR. Tables in this memorandum reflect the comparable tables from the 2021 Nexus Report that are altered by the inclusion of these two new categories in the nexus analysis. Tables from the 2021 Nexus Report that are not altered by the inclusion of these two categories are not shown in this memorandum. Please refer to the 2021 Nexus Report for these additional tables as well as a more complete explanation of the nexus methodology and data sources.

¹Emerging mobility services may also include other types of operations such as transportation network company driver hubs and commercial kitchens and restaurants that primarily provide food to customers via food delivery services (i.e., ghost kitchens). This memorandum presents a narrow definition of emerging mobility services because there is not enough data or literature available about the trip generation rates of these other types of emerging mobility services to inform the trip rate used to develop the maximum justified transit sustainability fee for this land use.

LAND USE AND TRIP GENERATION PROJECTIONS

A market-based analysis of the potential development for these land uses was not available for this study. Even if available, such an analysis would be highly speculative given the limited historical and other market data available to estimate future development for last-mile logistics and EMS land uses.

In place of a market-based analysis, the current list of proposed last-mile logistics and EMS development projects tracked in the San Francisco Planning Department's database, also known as "pipeline projects", is used to estimate total development over the 2040 planning horizon of the TSF model.² Based on experience with this database, proposed projects often can take years to gain final approval and proceed to construction or never get built, while other projects are proposed and completed over time. The use of pipeline project data is a reasonable substitute in the absence of a market-based analysis of long-range development potential. Based on a sensitivity analysis using the TSF model, a significant change to the amount of development allocated to these two new land uses makes a minor difference in the maximum justified fee for any land use (+/- \$1.00).

Table 1 summarizes the current list of proposed projects for last-mile logistics and EMS. The table also shows estimated employment from this development based on employment density factors. The employment density factors are based on data from recent project proposals.

The TSF nexus analysis is based on citywide development estimates for 2019 and development projections for 2040 consistent with projections used for regional transportation planning and provided by the Association of Bay Area Governments/Metropolitan Transportation Commission (ABAG/MTC). Estimates of growth in dwelling units and jobs, the metrics used to estimate impacts on the transportation system, are shown in **Table 2** including the estimates for last-mile logistics and EMS from Table 1. Employment growth for last-mile logistics and EMS is deducted from total growth for PDR and use in the 2021 Nexus Report so that total employment remains consistent with the ABAG/MTC projections.

The TSF nexus analysis is based on motorized person trip generation rates, or the number of person trips taken by either autos or transit vehicles. Auto trips are included because increased trips add to roadway congestion that reduces transit service. Transit trips are included because increased trips add to the demand for transit services. Bicycle and pedestrian trips are excluded because these trips benefit the transit system by reducing vehicle congestion and demand for transit services, reducing overcrowding.

Based on a review of the available literature, few studies of trip generation rates have been completed for the last-mile logistics and EMS categories. This result is not surprising given that these land uses are relatively new in the urban environment. The trip generation rates used for this analysis are based on facilities (1) closely similar in type based on the definitions provided at the beginning of this memorandum, and (2) located in or near San Francisco. Data sources included:

- ♦ Last-mile Logistics: Trip rate based on existing operating Amazon/On Trac facility located at 250 Utah Avenue/299 Littlefield Avenue in the City of South San Francisco.

² While the estimated development over the 2040 horizon is based on current projects in the pipeline, the department expects emerging mobility projects in the future will exceed what is currently contained in the pipeline.

- ♦ Emerging mobility services: Trip rate based on project data provided by the project proponent for a Cruise electric vehicle charging and maintenance facility and autonomous vehicle transportation network company service proposed at 640 Cesar Chavez in San Francisco.

Table 1: Last-mile Logistics and Emerging Mobility Services Proposed Development Projects

Sponsor	Project	Building Square Feet		
		2040	Existing	Net New
<i>Last-mile Logistics</i>				
Prologis	749 Toland / SF Gateway	2,160,000	450,000	1,710,000
Amazon	900 7 th Street	500,000	-	500,000
Prologis	1300 Carroll Avenue	240,000	-	240,000
DashMart	320 10th Street	5,250	-	5,250
GoPuff	3535 Geary Avenue	12,000	-	12,000
Food Rocket	207 9 th Street	18,000	-	18,000
Food Rocket	1812 Polk Street	<u>3,050</u>	<u>-</u>	<u>3,050</u>
Total		3,361,541	873,241	2,488,300
Employees per 1,000 square feet ¹		<u>1.43</u>		
		Employment 3,555		
<i>Emerging Mobility Services</i>				
Cruise	1201 Bryant Street	105,178	-	105,178
Cruise (Phase I & II)	640 Cesar Chavez	51,786	-	51,786
Waymo	201 Toland Street	30,000	-	30,000
EVGO	3865 Irving Street	3,130	-	3,130
EVGO	2860 16th Street	<u>NA</u>	<u>NA</u>	<u>NA</u>
Total		190,094	-	190,094
Employees per 1,000 square feet ²		<u>0.58</u>		
		Employment 110		

¹ Equals 700 square feet per worker (source: Collier's International, *The E-commerce Revolution: How Labor, Automation and Amazon Will Impact Industrial Real Estate*, January 2018, p. 4).

² Equals 1,204 square feet per worker and based proposed project at 640 Cesar Chavez.

Source: San Francisco Planning Department pipeline projects database, San Francisco Assessor-Recorder.

Table 2: San Francisco Growth

Economic Activity Category	2019	2040	2019 – 2040 Growth	
			Amount	Percent
Residential				
Households	402,772	483,693	80,921	20%
Housing Units	402,800	509,200	106,400	26%
Vacancy Rate	0.0%	5.0%		
Nonresidential (Jobs)				
Management, Information & Professional Services	422,273	498,633	76,360	18%
Retail/Entertainment	118,350	117,192	(1,158)	(1%)
Cultural/Institution/Education	91,319	90,848	(471)	(1%)
Medical and Health Services	49,064	67,292	18,228	37%
Visitor Services	25,581	24,788	(793)	(3%)
Production, Distribution, Repair	61,773	70,092	8,320	13%
Last-mile Logistics	-	3,555	3,555	NA
Emerging Mobility Services	-	110	110	NA
Total Employment	768,360	872,510	104,150	14%
Sources: Table 1; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 21.				

Trip rates per building square foot for emerging mobility services may be significantly affected by the number of outdoor charging stations. The project at 640 Cesar Chavez has 64 outdoor charging stations proposed. Application of the trip rate for this project to other emerging mobility services projects should consider the number of outdoor charging stations per building square feet in case that may make a significant difference in the trip rate per building square foot.

Revised estimates for growth in trip generation from new development including the last-mile logistics and EMS categories are shown in **Table 3** based on the growth projection discussed above. Trip generation rates reflect those used in the 2021 Nexus Study, plus trip rates for last-mile logistics and EMS identified for this analysis (see bottom of page 2, above).

Table 4 summarizes the trip generation estimates for 2019, 2040, and growth 2019-2040, and compares the total to the estimates from the 2021 Nexus Report. As shown in the table, the last-mile logistics and EMS categories account for 20,000 additional trips over the 2040 planning horizon, or a net increase of 14,000 trips after the decrease in PDR trips associated with segregating out these two new categories.

Table 3: San Francisco Development and Trip Generation, 2019-2040

Economic Activity Category	2019-2040 Households & Jobs	Residential Vacancy Rate¹ or Gross Sq. Ft. per Employee	2040-2019 Housing Units & 1,000 Sq. Ft.²	Trip Generation Rate (per 1,000 Sq. Ft.)³	2019-2040 Trip Generation (average daily trips)³
Residential					
Housing	80,921	NA	106,400	3.48	373,000
Nonresidential					
Management, Information & Professional Services	76,360	240	18,400	9.87	181,000
Retail/Entertainment	(1,158)	350	(400)	68.00	(27,000)
Cultural/Institution/Education	(471)	350	(200)	23.00	(5,000)
Medical and Health Services	18,228	350	6,400	22.00	141,000
Visitor Services	(793)	440	(400)	7.84	(4,000)
Subtotal Office / Commercial	92,166	258	23,800	12.02	286,000
Production, Distribution, Repair	8,319	570	4,700	6.72	32,000
Last-mile Logistics	3,555	700	2,500	14.70	37,000
Emerging Mobility Services	110	1,726	200	23.25	5,000
Total Nonresidential	104,150	306	31,200		360,000
Total					733,000
¹ Residential vacancy rate reflects a reasonable supply/demand balance in the housing market and not the current low supply/high demand market in the City. ² "1,000 Sq. Ft." is thousand building square feet and applies to nonresidential development. ³ Trip generation rate and total trip generation is for motorized trips only (auto and transit) and excludes bicycle and pedestrian trips. Rate per housing unit for new construction is same as rate per 1,000 square feet based on survey of recent housing projects (1,000 gross building square feet of residential uses per unit). Sources: Table 1; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 46; trip generation rates for last-mile logistics and emerging mobility services reflect rates for existing nearby facilities with similar land use (see bottom of page 2 of this memorandum for sources).					

Table 4: Summary of Trip Generation

Economic Activity Category	Trip Generation 2019	Trip Generation 2040	Growth in Trip Generation
Housing	2,066,000	2,439,000	373,000
Office / Commercial	5,018,000	5,304,000	286,000
Production, Distribution, Repair (PDR)	237,000	282,000	39,000
Last-mile Logistics	-	37,000	37,000
Emerging Mobility Services	-	5,000	5,000
Total	7,321,000	8,054,000	733,000
2021 Nexus Analysis	7,321,000	8,025,000	704,000
Change	-	29,000	29,000
Sources: Table 3; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 22.			

TRANSIT CAPITAL MAINTENANCE COMPONENT

The TSF has two components: a transit capital maintenance component and a transit capital facilities component. The former is discussed in this section and later in the next section. Each component is calculated separately and then summed to calculate the TSF.

The transit capital maintenance component is calculated based on providing sufficient funding to maintain the existing level of service (LOS) as growth occurs. LOS is the ratio of existing supply of transit services (measured by transit revenue service hours) to the level of existing transportation demand (measured by number of auto plus transit person trips). The transit capital maintenance component of the TSF is based on the cost of a revenue service hour per trip. Revisions to the growth projections described in the prior section have no impact on this metric because all the data inputs to the cost per trip calculation are based on existing conditions. Last-mile logistics and EMS were such a small share of total PDR uses in 2019 that separating them out for the purposes of this part of the nexus analysis would not affect this component of the TSF.

Consequently, for the purposes of this analysis, the primary input to the transit capital maintenance component of the maximum justified TSF are the trip generation rates associated with last-mile logistics and EMS projects. **Table 5** applies these trip rates from Table 3 to the cost per trip calculated in the 2021 Nexus Report to calculate the transit capital maintenance component of the TSF. The trip rates and maximum justified fee for the residential, nonresidential, and PDR categories remain the same as in the 2021 Nexus Report.

Table 5: Transit Capital Maintenance Component Maximum Justified Fee

Economic Activity Category	Cost per Trip	Trip Generation Rate (per 1,000 sq. ft.)	Maximum Justified Transit Capital Maintenance Fee (2017\$) (per sq. ft.)	Maximum Justified Transit Capital Maintenance Fee (2020\$) (per sq. ft.)¹
Residential	\$3,972	3.48	\$13.82	\$ 16.34
Nonresidential (ex. PDR/Logistics/EMS)	3,972	12.02	47.74	56.46
Production, Distribution, Repair (PDR)	3,972	6.72	26.69	31.56
Last-mile Logistics	3,972	14.70	58.39	69.05
Emerging Mobility Services	3,972	23.25	92.35	109.21
¹ Inflation from 2017 to 2020 was 18.26 percent based on San Francisco annual infrastructure construction cost inflation estimate provided by the S.F. Controller's Office. Sources: Table 1; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 25.				

TRANSIT CAPITAL FACILITIES COMPONENT

The transit capital facilities component of the TSF is based on allocation of costs for a list of major proposed projects and programs drawn from the SFMTA's most recent long-range plan, the *Transportation 2045* report (T2045). Only projects and programs that directly address transit overcrowding by maintaining or expanding transit facilities, or that otherwise improve transit service, are considered for the TSF nexus analysis.

The total cost of each project or program is allocated to new development and the TSF based on one of the following two fair share cost allocation methods:

- Method 1: If the project or program includes both replacement and expansion of an existing transit facility then the total cost is allocated to trips generated by existing and new (2019-2040) development because all development (existing and new) is assumed to be associated with the need for the project or program. Existing development is based on 2019 land use and new development includes all development, Citywide.
- Method 2: If the project or program only provides expanded transit capacity needed to serve demand from new development then the total cost is allocated only to trips generated by new development, because only new development is associated with the need for the project or program.

As shown in **Table 6**, Method 1 results in an allocation of 8.9 percent of the total cost to new development and the TSF. In the 2021 Nexus Report the allocation was 8.8 percent. The increase is due to the increase in net new trips discussed above and shown in Table 4. Consistent with the 2021 Nexus Report, Method 2 results in an allocation of 100 percent of total cost to new development and the TSF.

Table 6: Trip Generation Shares

Development	Trip Generation	Method 1	Method 2
		Growth Share of 2040 Total	Growth Only
2019 Development	7,321,000	90.9%	NA
2019-2040 Development	733,000	9.1%	100.0%
2040 Development	8,039,000	100.0%	NA
Source: Table 3; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 26.			

Total CIP costs are allocated to new development and existing development based on the allocation methods discussed above and the shares shown in Table 6. This cost allocation between existing and new development is detailed in **Table 7**.

The potential TSF cost share shown in Table 7 must be adjusted for anticipated funding to calculate the maximum justified funding that could be provided by the TSF. Maximum justified TSF funding is based on applying any estimated funding from existing revenue sources after funding of the existing development cost share. Anticipated funding is first allocated to the existing development cost share. Any funding remaining after allocation to the existing development cost share is then deducted from the TSF cost share. **Table 8** shows the maximum justified TSF funding for the transit capital facilities component based on this approach.

Table 7: Transit Capital Facilities Fair Share Cost Allocation (\$ million)

Expenditure Category / Project or Program	Total Cost	Allocation Method ¹	Fair Share Cost Allocation	Existing Development Cost Share	Potential TSF Cost Share
Muni Fleet, Facilities & Infrastructure					
Facilities, New	\$ 141	2	100.0%	\$ -	\$ 141
Facilities, SOGR	1,471	1	9.1%	1,337	134
Fixed Guideway, SOGR	853	1	9.1%	775	78
Fleet, New	289	2	100.0%	-	289
Fleet, SOGR	2,234	1	9.1%	2,031	203
Subtotal	\$4,988			\$4,143	\$ 845
Transit Optimization & Expansion					
Core Capacity & Transit Enhancements	\$1,177	2	100.0%	\$ -	\$1,177
Major Capital Projects & Transit Expansion	1,397	2	100.0%	-	1,397
Muni Forward	87	2	100.0%	-	87
Subtotal	\$2,661			\$ -	\$2,661
Regional Transit & Smart Systems Management					
Caltrain Modernization and SOGR (SF share)	\$ 130	1	9.1%	\$ 118	\$ 12
BART Vehicles (SF share)	-	2	100.0%	-	-
Downtown Caltrain Extension (DTX) (SF share)	43	1	9.1%	39	4
Smart Technology	54	1	9.1%	49	5
Transportation Demand Management	41	1	9.1%	37	4
Subtotal	\$ 268			\$ 243	\$25
Total	\$7,917			\$4,386	\$3,531
Note: "SOGR" is "State of Good Repair". ¹ Method 1 allocates costs based on total trip generation in 2040 (existing and new development). Method 2 allocates costs based only on trip generation from new development (2019-2040). Sources: Table 6; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 29.					

**Table 8: Transit Capital Facilities Maximum Justified TSF Funding Share
(\$ million)**

Expenditure Category / Project or Program	Antici- pated Funding	Existing Develop- ment Cost Share	Net Funding Available For TSF Cost Share	Potential TSF Cost Share	Maximum Justified TSF Funding
<i>Formula</i>	<i>a</i>	<i>b</i>	<i>c = a - b¹</i>	<i>d</i>	<i>e = d - c</i>
Muni Fleet, Facilities & Infrastructure					
Facilities, New	\$99	\$ -	\$ 99	\$141	\$ 42
Facilities, SOGR	1,030	1,337	-	134	134
Fixed Guideway, SOGR	597	775	-	78	78
Fleet, New	202	-	202	289	87
Fleet, SOGR	1,564	2,031	-	203	203
Subtotal	\$3,492	\$4,143	\$301	\$845	\$544
Transit Optimization & Expansion					
Core Capacity & Transit Enhancements	\$824	\$-	\$824	\$1,177	\$353
Major Capital Projects & Transit Expansion	978	-	978	1,397	419
Muni Forward	61	-	61	87	26
Subtotal	\$1,863	\$-	\$1,863	\$2,661	\$798
Regional Transit & Smart Systems Management					
Caltrain Modernization and SOGR (SF share)	\$91	\$118	\$-	\$12	\$12
BART Vehicles (SF share)	-	-	-	-	-
Downtown Caltrain Extension (DTX) (SF share)	30	39	-	4	4
Smart Technology	38	49	-	5	5
Transportation Demand Management	29	37	-	4	4
Subtotal	\$188	\$243	\$-	\$25	\$25
Total	\$5,543	\$4,386	\$2,164	\$3,531	\$1,367
Note: "SOGR" is "State of Good Repair". ¹ Unless negative, then \$0. Sources: Table 7; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 30.					

The fee schedule for the TSF transit capital facilities component is based on the maximum justified cost per trip and is shown in **Table 9**. The cost per trip is based on the maximum justified TSF funding shown in Table 8 and the total number of trips generated by new development calculated in Table 6. Compared to the 2021 Nexus study, maximum justified TSF funding increased from \$1,352 million to \$1,358 million and trips increased from 704,000 to 718,000 as described above. The cost per trip decreased from \$1,920 to \$1,891.

The maximum justified TSF for each economic activity category is based on the cost per trip shown in Table 9 multiplied by the trip generation rates for each category. The maximum justified fee schedule is shown in **Table 10**.

Table 9: Transit Capital Facilities Cost per Trip

	2021 Nexus Report	With Last-mile Logistics & EMS	Change
Maximum Justified TSF Funding	\$ 1,352,000,000	\$1,367,000,000	\$15,000,000
Total Trip Generation	704,000	733,000	29,000
Total Cost per Trip	\$ 1,920	\$ 1,865	\$ (55)
Sources: Tables 3 and 8; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 31.			

Table 10: Transit Capital Facilities Component Maximum Justified Fee

Economic Activity Category	Cost per Trip	Trip Generation Rate (per 1,000 sq. ft.)	Maximum Justified Transit Capital Facilities Fee (2017\$) (per sq. ft.)	Maximum Justified Transit Capital Facilities Fee (2020\$) (per sq. ft.) ¹
Residential	\$1,865	3.48	\$6.49	\$7.68
Nonresidential (ex. PDR/Logistics/EMS)	1,865	12.02	22.42	26.51
Production, Distribution, Repair (PDR)	1,865	6.72	12.53	14.82
Last-mile Logistics	1,865	14.70	27.42	32.43
Emerging Mobility Services	1,865	23.25	43.36	51.28
¹ Inflation from 2017 to 2020 was 18.26 percent based on San Francisco annual infrastructure construction cost inflation estimate provided by the S.F. Controller's Office.				
Sources: Tables 3 and 9; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 32.				

The maximum justified TSF is the sum of the two component fees from Tables 5 and 10. The maximum justified TSF is shown in **Table 11** per square foot of building space.

Table 11: Maximum Justified TSF

Economic Activity Category	Maximum Justified TSF per Square Foot (2020\$)		
	Transit Components		Total
	Transit Capital Maintenance	Transit Capital Facilities	
Residential	\$ 16.34	\$7.68	\$ 24.02
Nonresidential (ex. PDR/Logistics/EMS)	56.46	26.51	82.97
Production, Distribution, Repair (PDR)	31.56	14.82	46.38
Last-mile Logistics	69.05	32.43	101.48
Emerging Mobility Services	109.21	51.28	160.49
Sources: Tables 5 and 10.			

Table 12 compared the maximum justified TSF with last-mile logistics and EMS with results from the 2021 Nexus Report. The TSF declines for residential, nonresidential, and PDR because of declines in the transit capital facilities component described above. The maximum justified TSF for the last-mile logistics and EMS categories is 2.2 and 3.5 times higher than for the revised PDR category.

Table 12: Comparison of Maximum Justified Fees to 2021 Nexus Report

Economic Activity Category	Maximum Justified TSF per Sq. Ft.		
	2021 Nexus Report	With Last-mile Logistics & EMS	Change
Residential	24.24	\$24.02	\$ (0.22)
Nonresidential (ex. PDR)/Logistics/EMS)	83.75	82.97	(0.78)
Production, Distribution, Repair (PDR)	46.82	46.38	(0.44)
Last-mile Logistics	NA	101.48	NA
Emerging Mobility Services	NA	160.49	NA
Sources: Table 11; Hatch Consulting, <i>San Francisco Infrastructure Nexus Analysis</i> , 2021, Table 33.			

This analysis of last-mile logistics and EMS development suggests that their segregation from PDR land uses will result in significantly higher maximum justified fees. These higher fees are primarily due to the higher trip generation rates associated with these new development types compared to typical PDR trip generation rates.

Total TSF revenue over the 2040 planning horizon is estimated to generate about \$4.2 billion, assuming no change in fee levels. Charging the maximum justified fee for last-mile logistics and EMS would increase this revenue by \$260 million, or 6.1 percent. However, it is more likely due to project economic feasibility that the fee would be set significantly less than the maximum justified amount, as it is for the other TSF land uses. The existing PDR fee, for example, is \$9.45 per square foot, or 20 percent of the maximum justified fee. If the fee for these two land uses was set at 20 percent of the maximum justified amount, then the revenue increase would be \$32 million, or about 0.8 percent of total projected TSF revenue.