

File No. 140414

Committee Item No. 5

Board Item No. 41

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development Date June 9, 2014

Board of Supervisors Meeting

Date JUNE 24, 2014

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input type="checkbox"/>	<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Ordinance
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
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Completed by: Andrea Ausberry Date June 5, 2014

Completed by: AD Date 6-11-14

[General Plan - Repealing Ordinance No. 108-11 - Adoption of 2009 Housing Element]

Ordinance amending the General Plan by repealing Ordinance No. 108-11 and adopting the 2009 Housing Element; and making findings, including environmental findings, Planning Code, Section 340, findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

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 ~~striketrough italics Times New Roman font~~. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in ~~striketrough 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. Introduction. On March 31, 2011, pursuant to San Francisco Charter section 4.105 and Planning Code section 340, the San Francisco Planning Commission recommended to the San Francisco Board of Supervisors the adoption of the 2009 Housing Element, an amendment to the San Francisco General Plan. On March 24, 2011, the Planning Commission had certified the San Francisco 2004 and 2009 Housing Element Environmental Impact Report (EIR) pursuant to the California Environmental Quality Act ("CEQA") (Public Resources Code section 21000 et seq.) in Planning Commission Motion 18307, adopted findings pursuant to CEQA in Motion 18308, and adopted the 2009 Housing Element as an amendment to the General Plan in Resolution 18309. A copy of said resolutions and motion are on file with the Clerk of the Board of Supervisors in File No. 140414.

1 In June 2011, in Ordinance 108-11, the Board of Supervisors adopted the 2009
2 Housing Element as the Housing Element of the San Francisco General Plan and adopted
3 findings pursuant to CEQA. A copy of said Ordinance is on file with the Clerk of the Board of
4 Supervisors in File No. 140414.

5 ~~After the adoption of the 2009 Housing Element by the Board of Supervisors, an~~
6 association of neighborhood groups challenged in San Francisco Superior Court, among other
7 things, the adequacy of the final environmental impact report (FEIR) prepared for the 2009
8 Housing Element and the adequacy of the Board's findings under CEQA. On December 19,
9 2013, the Superior Court upheld the City's compliance with CEQA in all respects, except for
10 the FEIR's analysis of the alternatives required by CEQA and the CEQA Guidelines, and the
11 City's adoption of CEQA Findings. On January 15, 2014, the Superior Court ordered the City
12 to set aside its certification of the FEIR and the approval of the 2009 Housing Element and
13 related CEQA findings, revise the FEIR's alternatives analysis, and reconsider its previous
14 approvals.

15 Pursuant to the Court's order, the Planning Department prepared a revised alternatives
16 analysis and recirculated it for public review and comment. On April 24, 2014, the Planning
17 Commission rescinded Motion 18307, and certified the Final EIR including the revised
18 alternatives analysis in Motion 19121. A copy of said motion is on file with the Clerk of the
19 Board of Supervisors in File No. 140414. On April 24, 2014, the Planning Commission also
20 rescinded Resolution 18309 and Motion 18308, and reconsidered its approval of the 2009
21 Housing Element and adoption of CEQA Findings in light of the revised certified FEIR. As set
22 forth below, the Planning Commission continues to recommend the adoption of the 2009
23 Housing Element as the Housing Element of the San Francisco General Plan.

24 Section 2. Findings. The Board of Supervisors of the City and County of San
25 Francisco hereby finds and determines that:

1 (a) Pursuant to San Francisco Charter 4.105 and San Francisco Planning Code
2 Section 340, any amendments to the General Plan shall first be considered by the Planning
3 Commission and thereafter recommended for approval or rejection by the Board of
4 Supervisors. On April 24, 2014, by Resolution 19123, the Planning Commission conducted a
5 ~~duly noticed public hearing on the General Plan amendment adopting the 2009 Housing~~
6 Element as the Housing Element of the San Francisco General Plan ("2009 Housing
7 Element"). A copy of the 2009 Housing Element is on file with the Clerk of the Board of
8 Supervisors in File No. 140414. Pursuant to Planning Code Section 340, the Planning
9 Commission found that the public necessity, convenience and general welfare required the
10 General Plan amendment, adopted the General Plan amendment and recommended it for
11 approval to the Board of Supervisors. A copy of Planning Commission Resolution No. 19123
12 is on file with the Clerk of the Board of Supervisors in File No. 140414.

13 (b) The Board finds that this ordinance adopting the 2009 Housing Element is, on
14 balance, in conformity with the priority policies of Planning Code Section 101.1 and consistent
15 with the General Plan as it is proposed for amendment herein, for the reasons set forth in
16 Planning Commission Motion No. 19122, and the Board hereby incorporates these findings
17 herein by reference.

18 (c) On April 24, 2014, by Motion No. 19121, the Planning Commission certified as
19 adequate, accurate and complete the 2004 and 2009 Housing Element Final Environmental
20 Impact Report, including the revised alternatives analysis ("Final EIR"), finding that the Final
21 EIR reflected the independent judgment and analysis of the City and County of San
22 Francisco, is adequate, accurate and objective, and that the content of the report and the
23 procedures through which the Final EIR was prepared, publicized and reviewed comply with
24 the provisions of CEQA, the CEQA Guidelines (14 Cal. Code Regs. Section 15000 et seq.)
25 and Chapter 31 of the San Francisco Administrative Code. A copy of the Final EIR and

1 Planning Commission Motion No. 19121 are on file with the Clerk of the Board in File No.
2 140414.

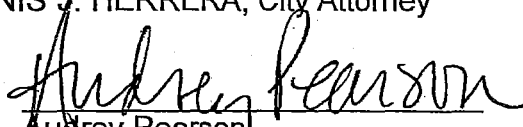
3 (d) In accordance with the actions contemplated herein, the Board has reviewed the
4 Final EIR, and adopts and incorporates by reference, as though fully set forth herein, the
5 findings required by CEQA, including a statement of overriding considerations and the
6 mitigation monitoring and reporting program, adopted by the Planning Commission on April
7 24, 2014, in Motion No. 19122. A copy of said Motion No. 19122 is on file with the Clerk of
8 the Board of Supervisors in File No. 140414.

9 Section 3. The Board of Supervisors hereby rescinds Ordinance 108-11, repeals the
10 2004 Housing Element, and adopts the 2009 Housing Element as the Housing Element to the
11 San Francisco General Plan.

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

16
17
18 APPROVED AS TO FORM:
19 DENNIS J. HERRERA, City Attorney

20 By:


21 Audrey Pearson
22 Deputy City Attorney

23 n:\land\l2014\120178\00913186.doc

LEGISLATIVE DIGEST

[General Plan - Repealing Ordinance No. 108-11 - Adoption of 2009 Housing Element]

Ordinance amending the San Francisco General Plan by repealing Ordinance 108-11 and adopting the 2009 Housing Element; making findings, including environmental findings, Planning Code section 340 findings, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Currently, the Housing Element of the San Francisco General Plan is the 2009 Housing Element, adopted in June 2009 in Ordinance 108-11. Pursuant to a court order, the City is enjoined from relying on several objectives and policies in the 2009 Housing Element, until the City has complied with the California Environmental Quality Act ("CEQA"). The City must set aside and reconsider the approval of the 2009 Housing Element after CEQA has been completed.

Amendments to Current Law

This legislation would set aside Ordinance 108-11, and adopt the 2009 Housing Element as the Housing Element for the San Francisco General Plan. In general, the policies contained in the 2009 Housing Element are intended to prioritize the creation of permanently affordable housing; recognize and preserve neighborhood character; integrate planning of housing, jobs, transportation and infrastructure; and maintain the City as a sustainable model of development.

Background Information

The Housing Element of the San Francisco General Plan is a policy document that consists of goals and policies to guide the City and private developers in preserving, improving and providing housing to meet the projected housing needs of all economic segments of the community, as required under Government Code section 65580 et seq. ("State housing element law"). Under State housing element law, cities and counties are required to update their housing elements periodically, usually every five years, based on the regional housing needs allocation (RHNA) provided by the California Department of Housing and Community Development (HCD) through the Association of Bay Area Governments (ABAG).

In June 2009, the Board of Supervisors adopted the 2009 Housing Element in Ordinance 108-11, and affirmed the Planning Commission's certification of the environmental impact report prepared for the 2004 and 2009 Housing Element. However, subsequent to the adoption of the 2009 Housing Element, an association of neighborhood groups challenged the EIR in San

FILE NO.

Francisco Superior Court in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court case number 513-077. On December 19, 2013, the trial court found that the EIR complied with CEQA in all respects, except for its analysis regarding alternatives. In addition, the court found the City's findings under CEQA conclusory. On January 15, 2014, the Court ordered the City to set aside and void its certification of the 2004 and 2009 Housing Element EIR, and its approval of the 2009 Housing Element. The Court ordered the City to revise the EIR to address the deficiencies in the alternatives analysis, and remanded the approvals of the EIR and the 2009 Housing Element update to the Planning Commission for reconsideration.

In response to the Court's orders, the Planning Department prepared a Revised Alternative Analysis ("the Revision"), published a supplemental Responses to Comments document, and thereafter, the Planning Commission certified the EIR. The Planning Commission continues to recommend the adoption of the 2009 Housing Element as the Housing Element for the City's General Plan.

This ordinance repeals the previous adoption of the 2009 Housing Element (Ordinance 108-11) as required by the Court, and re-adopts the 2009 Housing Element based on the revised Final EIR, and revised findings under CEQA. The objectives and policies in the 2009 Housing Element remain the same, except for a reference to planning work in Japantown which has been deleted.



SAN FRANCISCO PLANNING DEPARTMENT

April 24, 2014

Ms. Angela Calvillo, Clerk
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 2007.1275EM:
General Plan Amendments Related to the 2009 Housing Element

BOS File No: _____ (pending)

Planning Commission Recommendation: Approval

Dear Ms. Calvillo,

Pursuant to Charter Section 4.105, the San Francisco Planning Commission recommends an amendment of the San Francisco General Plan. On April 24, 2014, the Commission adopted a resolution recommending the adoption of an ordinance amending the General Plan by adopting the 2009 Housing Element as the City's Housing Element.

BACKGROUND

As you may recall, in June 2011, the San Francisco Board of Supervisors adopted the 2009 Housing Element as the City's Housing Element of the General Plan in Ordinance 108-11, and denied an appeal of the 2004 and 2009 Housing Element Environmental Impact Report (EIR) in Motion M11-12. However, after the adoption of the 2009 Housing Element, an association of neighborhood groups challenged the EIR in San Francisco Superior Court in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court case number 513-077. The trial court found that the EIR complied with the California Environmental Quality Act (CEQA) in all respects, except for its analysis regarding alternatives. In addition, the court found the City's findings under CEQA conclusory. On January 15, 2014 the San Francisco Superior Court ordered the City to revise the EIR to address the deficiencies in the alternatives analysis, and remanded the approvals of the EIR and the 2009 Housing Element update to the Planning Commission for reconsideration.

In response to the Court's determination, the Planning Department's Environmental Planning ("EP") division prepared a Revised Alternative Analysis ("the Revision"), which was circulated for public comment from December 18, 2013 until February 18, 2014. The Department responded to comments on the Revision on April 10, 2014. On April 24, 2014, the Planning Commission in Motion 19121, certified the Final EIR, as updated by the Revision.

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Planning
Information:
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SAN FRANCISCO
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2009 HOUSING ELEMENT ADOPTION

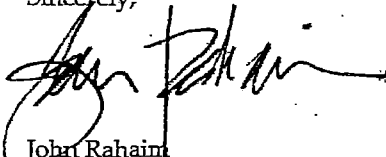
The Planning Commission continues to recommend the 2009 Housing Element as the City's Housing Element of the General Plan. Thus, on March 27th, 2014, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the initiation of a proposed Ordinance to again amend the General Plan and adopt the 2009 Housing Element. On April 24th, 2014, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting and, by a vote of 5-1, adopted Resolution 19123, recommending a proposed Ordinance to amend the General Plan and adopt the 2009 Housing Element. The Commission adopted related findings under CEQA in Motion 19122.

The enclosed ordinance readopts the 2009 Housing Element as originally adopted by the Board of Supervisors, with one exception: the Planning Commission deleted references in Policy 1.2 to additional area planning in Japantown.

Attached, please find a more detailed memo dated March 30th, 2011 on the development of the policies contained 2009 Housing Element. In addition, the attached resolutions and exhibits provide more detail about the Commission's April 24, 2014 actions.

If you have any questions or require further information please do not hesitate to contact me.

Sincerely,



John Rahaim
Director of Planning

cc via electronic transmittal: City Attorneys John Givner and Audrey Pearson; Assistant Clerk Andrea Ausberry

Attachments (one copy of the following):

- Planning Commission Resolution No. 19122 (CEQA Findings)
- Planning Commission Resolution No. 19123 (Adoption of 2009 Housing Element)
- Planning Commission Executive Summary for Case No. 2007.1275EM-April 24th, 2014
- The 2009 Housing Element, Parts 1 and 2
- Draft Ordinance: General Plan Amendments related to the 2009 Housing Element
- Memo from the Planning Department dated March 30th, 2011



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: April 23, 2014
TO: San Francisco Planning Commission
FROM: Menaka Mohan (415-575-9141)
Citywide Planner
RE: Planning Commission Action – Case No. 2007.1275EM

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To San Francisco Planning Commission:

Attached is the Mitigation Monitoring and Reporting Program referenced in the CEQA Findings, as Exhibit 1. This MMRP was inadvertently left out of your packet for April 24, 2014 for Item 12a "2009 Housing Element; Adopting CEQA Findings".

Due to the unusual route that the 2009 Housing Element has taken prior to its presentation to you on April 24, 2014, the mitigation measure in the MMRP, which mitigates a significant impact on noise, has been incorporated into the 2009 Housing Element proposed for adoption, as Implementation Measure 17.

(see http://www.sf-planning.org/ftp/general_plan/11_Housing_Implementing_Programs.html).

The updated packet is included here for your reference.

Attachments:

1. 2009 Housing Element; Adopting CEQA Findings
2. Exhibit 1 to Attachment A: 2004 and 2009 Housing Element Mitigation Monitoring and Reporting Program

Memo

2004 AND 2009 HOUSING ELEMENT

MITIGATION MONITORING AND REPORTING PROGRAM

MITIGATION MEASURES					
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
NOISE					
<i>Mitigation Measure M-NO-1: Interior and Exterior Noise</i>					
For new residential development located along streets with noise levels above 75 dBA L_{dn} , the planning department shall require the following:	San Francisco Planning Department	Prior to completion of project-level environmental review and/or the first project approval action.	Ensure that appropriate level of noise analysis is conducted by the Project Sponsor, and where necessary, that residential site design minimizes noise impacts to public and private open space.	San Francisco Planning Department	Prior to completion of project-level environmental review and the first project approval action.
<ol style="list-style-type: none"> The Planning Department shall require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-generating uses within two blocks of the project site, and including at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes), prior to completion of the environmental review. The analysis shall demonstrate with reasonable certainty that Title 24 standards, where applicable, can be met, and that there are no particular circumstances about the proposed project site that appear to warrant heightened concern about noise levels in the vicinity. Should such concerns be present, the Department may require the completion of a detailed noise assessment by person(s) qualified in acoustical analysis and/or engineering prior to the first project approval action, in order to demonstrate that acceptable interior noise levels consistent with those in the Title 24 standards can be attained; and To minimize effects on development in noisy areas, for new residential uses, the Planning Department shall, through its building permit review process, in conjunction with noise analysis required above, require that open space required under the Planning Code for such uses be protected, to the maximum feasible extent, from existing ambient noise levels that could prove annoying or disruptive to users of the open space. Implementation of this measure could involve, among other things, site design that uses the building itself to shield on-site open space from the greatest noise sources, construction of noise barriers between noise sources and open space, and 					

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MITIGATION MEASURES

Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	Monitoring Schedule
appropriate use of both common and private open space in multi-family dwellings, and implementation would also be undertaken consistent with other principles of urban design.					

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ATTACHMENT A

2009 SAN FRANCISCO HOUSING ELEMENT

CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS: FINDINGS OF FACT, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES AND STATEMENT OF OVERRIDING CONSIDERATIONS

SAN FRANCISCO PLANNING COMMISSION

In determining to approve the proposed 2009 San Francisco Housing Element and related approval actions (the "Project"), the San Francisco Planning Commission ("Planning Commission" or "Commission") makes and adopts the following findings of fact and statement of overriding considerations and adopts the following recommendations regarding mitigation measures and alternatives based on substantial evidence in the whole record of this proceeding and under the California Environmental Quality Act, California Public Resources Code Sections 21000 *et seq.* ("CEQA"), particularly Sections 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Sections 15000 *et seq.* ("CEQA Guidelines"), particularly Sections 15091 through 15093, and Chapter 31 of the San Francisco Administration Code.

I. Introduction

This document is organized as follows:

Section I provides a description of the proposed Project, the environmental review process for the Project, the Planning Commission actions to be taken, and the location of records;

Section II identifies the impacts found not to be significant that do not require mitigation;

Section III identifies potentially-significant impacts that can be avoided or reduced to less-than-significant levels through mitigation;

Section IV identifies significant impacts that cannot be avoided or reduced to less-than-significant levels;

Section V discusses why a subsequent or supplemental EIR is not required;

Section VI evaluates the different Project alternatives and the economic, legal, social, technological, policy, and other considerations that support the rejection of the alternatives as infeasible; and

Section VII presents a statement of overriding considerations setting forth specific reasons in support of the Planning Commission's actions and its rejection of the Alternatives not incorporated into the Project.

Attached to these findings as Exhibit 1 is the Mitigation Monitoring and Reporting Program ("MMRP") for the mitigation measures that have been proposed for adoption. The Mitigation Monitoring and Reporting Program is required by CEQA Section 21081.6 and *CEQA Guidelines* Section 15091. It provides a table setting forth each mitigation measure listed in the Final EIR ("FEIR") that is required to reduce or avoid a significant adverse impact. Exhibit 1 also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule.

These findings are based upon substantial evidence in the entire record before the Planning Commission. The references set forth in these findings to certain pages or sections of the EIR or responses to comments in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

a. Project Description

State Housing Element Law

Since 1969, California's Housing Element law, Government Code Sections 65580 *et seq.*, has required local jurisdictions to adequately plan for and address the housing needs of all segments of its population, such that all communities contribute to the attainment of California's housing goal. Thus, each local jurisdiction is required to include a housing element as an element of its general plan.

State housing element law requires that each city and county develop local housing programs designed to meet its "fair share" of housing needs for all income groups during a stated planning period. The "fair share" allocation of regional housing needs (called the RHNA) is determined by regional planning agencies. San Francisco's RHNA is determined by the Association of Bay Area Governments (ABAG). By allocating each jurisdiction's regional housing need, and by requiring that each jurisdiction's housing element addresses the RHNA for the relevant planning period, state Housing Element law ensures that each jurisdiction accepts responsibility for the housing that represents the number of additional dwelling units that would be required to accommodate the anticipated growth in households, replace expected demolitions and conversions of housing units to non-housing uses, and achieve a future vacancy rate that allows for the healthy functioning of the housing market.

Each housing element must include an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs, a statement of housing goals, policies and objectives, as well as a program setting forth actions that the locality is undertaking or will undertake to implement the policies and achieve the goals and objectives.

State law requires the housing element to be updated periodically, usually every five years. The most recent update of the housing element occurred in 2004, when the City adopted the 2004 Housing Element, an update to the 1990 Residence Element. The 2004 Housing Element addressed the City's housing needs for the planning period 1999 to 2006. Subsequent to adoption of the 2004 Housing Element, the California Court of Appeal determined the environmental document prepared for the 2004 Housing Element was inadequate, and directed the City to prepare an EIR (see *San Franciscans for Livable Neighborhoods v. City and County of San Francisco* [June 22, 2007, A112987] [unpublished opinion]). The Court allowed the City to continue to rely on the 2004 Housing Element pending the completion of the EIR, except for several express policies and objectives.

2009 Housing Element

During the pendency of litigation over the 2004 Housing Element's environmental review, and in accordance with state Housing Element law, the City underwent a comprehensive planning process and prepared the next update of the Housing Element to address the planning period 2007 through 2014. The result was the proposed 2009 Housing Element.

The 2009 Housing Element consists of three parts. Part I of the 2009 Housing Element consists of the Data and Needs Analysis section, which provides a statistical baseline for determining

appropriate housing objectives, policies and implementation strategies. This section includes San Francisco population and employment trends, housing data, and inventories of land available for housing development. Part I provides a foundation for the proposed changes to the objectives and policies contained in Part II of the 2009 Housing Element.

Part I also presents an updated calculation of San Francisco's fair share of the regional housing need, for January 2007 through June 2014. The City's RHNA goal is 31,193 housing units, or 4,159 units per year. Part I identifies where development capacity exists under existing zoning for future potential housing throughout the City.

Part II of the 2009 Housing Element, summarized in the Project Description of the EIR, and attached as an appendix thereto, sets forth the objectives, policies, and implementing strategies intended to address the City's housing needs based on the RHNA. Generally, the objectives and policies contained in Part II prioritize the creation of permanently affordable housing; conserve and improve the existing housing stock; recognize and preserve neighborhood character; integrate planning of housing, jobs, transportation and infrastructure; and maintain the City as a sustainable model of development.

The 2009 Housing Element also includes implementation measures, which are proposed for adoption and which have been reviewed in the EIR, and a series of "Strategies for Further Review." The Strategies for Further Review are ideas which were raised over the course of development and outreach for the 2009 Housing Element. Most of the strategies require further examination, and potentially long-term study, before they can be directly implemented.

b. Environmental Review

The Planning Department printed and circulated a Notice of Preparation (NOP) on October 8, 2008 that solicited comments regarding the content of the proposed EIR for the 2004 Housing Element that was required by the court. The NOP for the Draft EIR was circulated for 30 days in accordance with CEQA Guidelines Section 15082(b). During the NOP circulation period, a public scoping meeting was held on November 6, 2008.

Subsequent to the circulation of the NOP, a draft of the proposed 2009 Housing Element was completed. The scope of the EIR was revised to include both the 2004 Housing Element and the 2009 Housing Element. Therefore, the Planning Department printed and recirculated an NOP on September 2, 2009 that solicited comments regarding the content of the EIR for the proposed Housing Elements. During the NOP circulation period, the Planning Department held a public scoping meeting on September 30, 2009.

The Planning Department published the Draft EIR and provided public notice of the availability of the Draft EIR for public review and comment on June 30, 2010. Notices of Completion and copies of the Draft EIR were distributed to the State Clearing house.

The Planning Commission held a duly noticed public hearing on the Draft EIR on August 5, 2010. At this hearing, opportunity for public comment was given, and public comment was received on the Draft EIR. The Planning Department accepted public comments on the Draft EIR from June 30, 2010 to August 31, 2010.

The Planning Department published the Comments and Responses on the Draft EIR on March 9, 2011. This document includes responses to environmental comments on the Draft EIR made at the public hearing on August 5, 2010, as well as written comments submitted on the Draft EIR from June 30, 2010 to August 31, 2010. The Comments and Responses document also contains text changes to the Draft EIR made by the EIR preparers to correct or clarify information.

presented in the Draft EIR, including changes to the Draft EIR text made in response to comments.

The Planning Commission certified the Final EIR on March 24, 2011 and recommended that the Board of Supervisors adopt the 2009 Housing Element as the Housing Element of the General Plan. The Board of Supervisors amended the General Plan and adopted the 2009 Housing Element in June 2011. Subsequent to the Board's approval, however, San Franciscans for Livable Neighborhoods again challenged the environmental document prepared for the 2009 Housing Element. The trial court found that the City complied with CEQA in all respects except for the EIR's treatment of alternatives, and the City's adoption of findings under CEQA. In a January 15, 2014 Peremptory Writ of Mandate, the Court ordered the City to set aside and reconsider the EIR and the approval of the 2009 Housing Element.

In response to the Court's direction, the Planning Department revised the alternatives analysis of the EIR. The Department published the Draft EIR Revised Chapter VII Alternatives (the Revision) and provided public notice of the availability of the Revision for public review and comment on December 18, 2013. Notices of Completion and copies of the Revision were distributed to the State Clearinghouse. The Planning Commission held a duly noticed public hearing on the Revision on January 23, 2014. At this hearing, opportunity for public comment on the Revision was given and public comment was received on the Revision. The Planning Department accepted public comments on the Revision from December 18, 2013 to February 18, 2014. The Planning Department published the Responses to Comments on the Revision on April 10, 2014. This document includes responses to environmental comments on the Revision made at the public hearing on January 23, 2014, as well as written comments submitted on the Revision from December 18, 2013 to February 18, 2014. The April 10, 2014 Responses to Comments document also contains text changes to the Revision made by the EIR preparers to correct or clarify information presented in the Revision:

c. Planning Commission Actions

The Planning Commission is being requested to take the following actions to approve and implement the proposed Project.

- Certify the Final EIR.
- Adopt CEQA Findings and a Mitigation Monitoring and Reporting Program.
- Approve and recommend adoption of the 2009 Housing Element of the San Francisco General Plan by the Board of Supervisors.
- Set aside Planning Commission Motions 18307, 18308 and Resolution 18309 in compliance with the Peremptory Writ of Mandate.

d. Location of Records

The record upon which all findings and determinations related to the Project are based includes, but is not limited to, the following:

- The San Francisco 2009 Housing Element (drafts 1, 2 and 3 and proposed amendments);
- The San Francisco 2004 Housing Element;
- The San Francisco 1990 Residence Element;

- The EIR and all documents referenced in or relied upon by the EIR;
- All information (including written evidence and testimony) provided by City staff to the Planning Commission relating to the EIR, the proposed approvals, the Project, and the alternatives set forth in the EIR;
- All information (including written evidence and testimony) presented to the Planning Commission by the environmental consultant and sub-consultants who prepared the EIR, or incorporated into reports presented to the Planning Commission;
- All information (including written evidence and testimony) presented to the City from other public agencies relating to the Project or the EIR;
- All information (including written evidence and testimony) presented at any public hearing or workshop related to the Project and the EIR;
- For documentary and information purposes, all locally-adopted land use plans and ordinances, including, without limitation, general plans, specific plans and ordinances, together with environmental review documents, findings, mitigation monitoring programs and other documentation relevant to planned growth in the area;
- The MMRP; and
- All other documents comprising the record pursuant to Public Resources Code Section 2116.76(e)

The public hearing transcripts, a copy of all letters regarding the EIR and the Revision received during the public review periods, the administrative record, and background documentation for the Final EIR are located at the Planning Department, 1650 Mission Street, Suite 400, San Francisco. Jonas Ionin, Commission Secretary, is the custodian of these documents and materials.

II. Impacts Found Not to Be Significant, Thus Requiring No Mitigation

Finding: Based on substantial evidence in the whole record of this proceeding, the City finds that the implementation of the Project would not result in any significant environmental impacts in the following areas: Land Use and Land Use Planning; Aesthetics; Population and Housing; Cultural and Paleontological Resources; Air Quality; Greenhouse Gas Emissions; Wind and Shadow; Recreation; Utilities and Service Systems; Public Services; Biological Resources; Geology and Soils, Hydrology/Water Quality; Hazards/Hazardous Materials; Mineral/Energy Resources; Agricultural Resources. Each of these topics is analyzed and discussed in detail, including, but not limited to, in the EIR at Chapters V.B, V.C, V.D, V.E, V.H, V.I, V.J, V.K, V.L, V.M, V.N, V.O, V.P, V.Q, V.R, and V.S.

III. Findings of Potentially-Significant Impacts that Can be Avoided or Reduced to a Less-Than-Significant Level

Finding: The California Environmental Quality Act (CEQA) requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible.

The findings in this Section III and in Section IV concern mitigation measures set forth in the FEIR. These findings discuss mitigation measures as proposed in the FEIR and recommended for adoption by the Planning Commission and the Board of Supervisors.

As explained previously, Exhibit 1, attached, contains the Mitigation Monitoring and Reporting Program required by CEQA Section 21081.6 and *CEQA Guidelines* Section 15091. It provides a table setting forth each mitigation measure listed in Chapter V of the EIR that is required to reduce or avoid a significant adverse impact. Exhibit 1 also specifies the agency responsible for implementation of each measure, establishes monitoring actions and a monitoring schedule.

The Planning Commission finds that, based on the record before it, the mitigation measure proposed for adoption in the FEIR is feasible, and that it can and should be carried out by the Planning Commission and Board of Supervisors, and staff has recommended that it be incorporated into the 2009 Housing Element as an implementation measure found in Appendix C. The Planning Commission acknowledges that if such measures were not adopted and implemented, the Project may result in additional significant unavoidable impacts. For this reason, and as discussed in Section VI, the Planning Commission is adopting a Statement of Overriding Considerations as set forth in Section VII.

The mitigation measures identified in the FEIR which would reduce or avoid significant adverse environmental impacts are proposed for adoption as implementation measures of the 2009 Housing Element, and are set forth in Exhibit 1, in the Mitigation Monitoring and Reporting Program.

Noise:

a) Potentially Significant Impact

Implementation of the 2009 Housing Element would promote housing near transit and other infrastructure, housing near neighborhood services, and housing within mixed-use areas which could result in housing located in area that already experience ambient noise levels above 75 Ldn. Residential development in areas that experience noise levels above 75 Ldn could expose noise sensitive receptors to noise levels in excess of established standards. Compliance with Title 24, which typically addresses interior noise levels for housing developments, may not mitigate exterior noise on private open space. Other site specific conditions may warrant acoustical monitoring and analysis beyond the requirements for Title 24. This could result in a significant impact with respect to noise.

b) Mitigation Measure and Conclusion

The City finds the potentially-significant impact listed above would be reduced to a less-than-significant level with implementation of mitigation measure M-NO-1, which would require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-generating uses within two blocks of the project site, and includes at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes), prior to completion of environmental review. The analysis shall demonstrate with reasonable certainty that Title 24 standards, where applicable, can be met, and that there are no particular circumstances about the proposed project site that appear to warrant heightened concern about noise levels in the vicinity of the proposed project. Should such concerns be present, the Department may require the completion of a detailed noise assessment by person(s) qualified in acoustical analysis and/or engineering prior to the first project approval action, in order to demonstrate that acceptable interior noise levels consistent with those in Title 24 standards can be attained.

In addition, to minimize effects on development in noisy areas, for new residential uses, the Planning Department, shall, through its building permit review process, in conjunction with noise analysis required above, require that open space required by the Planning Code for such uses be protected, to the maximum feasible extent, from existing ambient noise levels that could

prove annoying or disruptive to users of the open space. Implementation of this measure could involve, among other things, site design that uses the building itself to shield on-site open space from the greatest noise sources, construction of noise barriers between noise sources and open space, and appropriate use of both common and private open space in multi-family dwellings. Implementation would also be undertaken consistent with other principles of urban design.

Compliance with this mitigation measure M-NO-1, together with compliance with Title 24 of the California Code of Regulations and the California Building Code and the San Francisco Police Code, would reduce the impact to a less-than-significant level.

IV. Significant Impacts That Cannot Be Avoided or Reduced to a Less-Than-Significant Level.

Finding: Based on substantial evidence in the whole record of these proceedings, the City finds that, where feasible, changes or alterations have been required, or incorporated into the 2009 Housing Element to reduce the significant environmental impact as identified in the FEIR. The City determines that the following significant impacts on the environment, as reflected in the FEIR, are unavoidable, but under Public Resources Code Section 21081(a)(3) and (b), and *CEQA Guidelines* 15091(a)(3), 15092(b)(2)(B), and 15093, the City determines that the impacts are acceptable due to the overriding considerations described in Section VII below. This finding is supported by substantial evidence in the record of this proceeding.

Transportation/Circulation:

a. Impact – Transit

Adoption of the 2009 Housing Element would result in implementation of objectives and policies that encourage residential development that takes advantage of alternative modes of transportation, including transit. Under 2025 Cumulative Conditions, the California Street and Market Street Subway transit corridors are anticipated to operate near Muni's transit capacity utilization standard of 85 percent. A substantial mode shift to transit could result in an increase in transit ridership above Muni's capacity utilization standard, thereby resulting in overcrowding on the public transit system. To reduce potential overcrowding on transit, SFMTA could increase capacity on Muni by implementing the transportation plans and programs, as described in the Draft EIR at Section V.F-15 to V.F-18, which include SFPark, SFGO, the San Francisco Bicycle Plan, the Central Subway, Bus Rapid Transit and the Better Streets Plan. Implementation of these plans and programs could reduce congestion and decrease transit travel times, allowing a given bus to complete more runs in a day, which allows MUNI's capacity to increase without acquiring additional buses. However, although many of the transportation plans are in the process of being or have been implemented, implementation has not been secured for all of the measures, or for those measures that have been implemented, they have not been implemented for a sufficient amount of time to determine the extent of their effectiveness, and it is not known whether the implementation of all of the measures would provide a sufficient decrease in travel time, and subsequent increase in bus runs, to carry all projected riders. SFMTA could also increase capacity on MUNI by providing more buses. However, this approach would involve increased costs to SFMTA for which funding has not been identified, and could require additional sources of revenue. Although SFMTA is pursuing additional sources of revenue through development impact fees, increases in vehicle license fees, and issuance of bonds, those measures require approval by the Board of Supervisors after appropriate study, or by voters in a general election, and the outcome of those efforts cannot be determined at this time. Because the certainty and feasibility of these two mitigation options cannot be established, the impact on transit would remain significant and unavoidable.

b) Mitigation Measure:

No feasible mitigation measures have been identified for the potentially significant impact on transit. Hence a significant and unavoidable transit impact would occur with implementation of the 2009 Housing Element.

V. Why Subsequent Environmental Analysis or Recirculation is Not Required.

Finding: For the reasons set forth below and elsewhere in the Administrative Record, none of the factors are present which would necessitate recirculation of the Final EIR under CEQA Guideline Section 15088.5 or the preparation of a subsequent or supplemental EIR under CEQA Guideline Section 15162.

The Comments and Responses documents thoroughly addressed all public comments that the Planning Department received on the Draft EIR and on the Revision. In response to these comments, the Department added new and clarifying text to the EIR and the Revision. In addition, since publication of the original Draft EIR, the staff, in response to public comments and additional staff evaluation of the 2009 Housing Element, modified a number of policies and Objectives in the 2009 Housing Element in order to avoid or alleviate specific concerns raised by the public and City officials. The Comments and Responses documents, which are incorporated herein by reference, analyzed all of these changes and determined that these changes did not constitute new information of significance that would add new significant environmental effects, or substantially increase the severity of effects identified in the Final EIR.

Further, additional changes to the 2009 Housing Element have been incorporated into the Element after publication of the Comments and Responses document. These changes have been addressed orally by staff or in staff reports, which statements and reports are incorporated herein by reference, and based on this information, the Planning Department determined, and the trial court affirmed, that these additional changes do not constitute new information of significance that would alter any of the conclusions of the EIR.

Based on the information set forth above and other substantial evidence in light of the whole record on the Final EIR, which includes the Revision, the Commission determines that the 2009 Housing Element is within the scope of the project analyzed in the Final EIR; (2) approval of 2009 Housing Element will not require important revisions to the Final EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (3) taking into account the 2009 Housing Element and other changes analyzed in the Final EIR, no substantial changes have occurred with respect to the circumstances under which the Project are undertaken which would require major revisions to the Final EIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the Final EIR; and (4) no new information of substantial importance to the Project has become available which would indicate (a) the 2009 Housing Element or the approval action will have significant effects not discussed in the Final EIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the Final EIR would substantially reduce one or more significant effects on the environment. Consequently, there is no need to recirculate the Final EIR under CEQA Guideline 15088.5 or to prepare a subsequent or supplemental EIR under CEQA Guideline Section 15162.

VI. Evaluation of Project Alternatives.

This Section describes the EIR alternatives, including the 2004 Housing Element. This Section also outlines the 2009 Housing Element's purpose and provides the rationale for selecting the 2009 Housing Element and for rejecting alternatives as infeasible. Additional evidence to

support the City's conclusions regarding the Project and the Alternatives can be found in the administrative record.

CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project, which would "feasibly attain most of the basic objectives of the project, but would avoid or substantially lessen effects of the project, and evaluate the comparative merits of the project." (*CEQA Guidelines*, Section 15126.6(a)). Pursuant to the Court's December 19, 2013 Order in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court Case Number 513-077, the EIR evaluated a reasonable range of alternatives.

CEQA requires that every EIR evaluate a "No Project" alternative as part of the range of alternatives analyzed in the EIR. The Housing Element EIR's No Project analysis was prepared in accordance with *CEQA Guidelines* Sections 15126.6(e)(3)(A) and (C).

Alternatives provide a basis of comparison to the Project in terms of beneficial, significant, and unavoidable impacts. This comparative analysis is used to consider reasonable feasible options for minimizing environmental consequences of the Project.

A. Reasons for Selection of the Project

As described above and in this section, the project proposed for adoption is the 2009 Housing Element, as defined in the Project Description, with the changes incorporated into "Draft 3" of the 2009 Housing Element when it was approved by the Planning Commission and the Board of Supervisors in 2011 (in Board of Supervisors' Ordinance 108-11). The 2009 Housing Element is identified in the Draft EIR in Chapter IV, Project Description, particularly at pages IV-28 through IV-31. The 2009 Housing Element is selected for adoption because this Commission, the body pursuant to the San Francisco Charter charged with setting land use policy in San Francisco, based on the recommendation of the expert staff at the Planning Department, has determined that the 2009 Housing Element will best achieve all of the following objectives, which would not be achieved as well by any of the alternatives, including the 2004 Housing Element.

- Provide a vision for the City's housing and growth management through 2014

Although all the Alternatives provide a vision for housing and growth management, the 2009 Housing Element is a product of significant and recent community input and debate and includes responses to recent global economic indicators and global climate issues. In drafting the policies and objectives of the 2009 Housing Element, the Department worked closely with community leaders, stakeholders, City agencies, and community members starting in September of 2008. The Department convened a Community Advisory Body, held over a dozen stakeholder sessions, over 30 public workshops and presentations, hosted staff office hours, surveyed the community in writing and online, and the Planning Director hosted two workshops. In addition, the Planning Commission held several informational hearings. As a result of this extensive outreach and effort, the 2009 Housing Element best provides a community based vision for the City's housing future, which specifically incorporates and responds to an updated RHNA goal set for 2007 to 2014, and responds to recent global economic indicators and global climate issues. (See Policies 13.2 and 13.3).

- Maintain the existing housing stock to serve housing needs

The 2009 Housing Element recognizes that the majority of San Francisco's housing stock is over 60 years old and this existing stock is an important part of meeting San Francisco's housing demands. Retaining existing housing reduces the need for resources to build new housing, and maintains the total supply of lower cost housing, particularly that housing which is controlled by

the City's Rent Control Ordinance. Demolition of existing housing and construction of new housing often results in new units which are more costly than the units that were demolished. The 2009 Housing Element contains objectives which specifically discourage the demolition of existing housing (see Objective 2) and discourages the merger of existing units, unless the resulting units increases the City's supply of affordable or family housing (see Policy 2.1). The 2009 Housing Element also discourages the removal or reduction of housing for parking, thereby encouraging the maintenance of the existing housing stock (see Policy 2.3).

- Ensure capacity for the development of new housing to meet the RHNA at all income levels

The Association of Bay Area Governments (ABAG) determined that San Francisco's fair share of the regional housing need for January 2007 through June 2014 is 31,190 units, or about 4,160 units per year. This regional housing needs assessment (RHNA) includes production targets addressing housing at a range of household income categories. San Francisco's RHNA target includes 18,880 units, or 61%, that are affordable to moderate income households (120% of the area median income) and below. Under existing zoning, the City has enough capacity to meet the overall RHNA. However, the City historically has not met the RHNA targets at all income levels, particularly for affordable housing. Because of the high cost of housing, subsidies required to provide a unit to low or very low income households can be up to \$200,000 per unit, and thus, the total cost to meet those needs exceeds \$2 billion. Public and private subsidies will not be able to fulfill all of San Francisco's affordable housing needs.

The 2009 Housing Element contains objectives and policies designed to ensure that the City has capacity for the development of various types of housing for households at all income levels. It also contains objectives and policies to foster a housing stock that meets the needs of all residents across all lifecycles, such as families with children, people with disabilities and seniors, many of whom have income levels that can only be met by affordable units, and who often do not have access to private transportation (See Policy 4.1, 4.2 and 4.3). The 2009 Housing Element seeks to ensure that units affordable to all income levels are located throughout San Francisco according to infrastructure and site capacity (Policy 4.6), and encourages integrated neighborhoods with a diversity of unit types and affordability levels (Policy 4.5). The 2009 Housing Element encourages the completion of key opportunity areas such as Treasure Island, and Candlestick Point/Hunters Point Shipyard, which will provide significant new capacity for new neighborhoods with units at all income levels (See Policy 1.2).

- Encourage housing development where supported by existing or planned infrastructure, while maintaining neighborhood character;

The 2009 Housing Element best balances the tension between the demand for additional housing with potential impacts on existing neighborhoods, where new housing is supported by existing infrastructure. The 2009 Housing Element supports the completion of planning for Treasure Island, Candlestick Point/Hunters Point Shipyard, as well as Park Merced and the Transbay Transit Center (See Policy 1.2). These areas have existing infrastructure to support new housing, or new infrastructure is planned for them. The 2009 Housing Element supports new, mixed-use infill development in areas where there is adequate open space, child care, neighborhood services and public transit (Policy 12.2). At the same time, the 2009 Housing Element seeks to maintain and support the diverse and distinct character of San Francisco's neighborhoods (See Objective 11), and ensures new and substantially altered buildings are compatible with existing neighborhood character (See Policy 11.2). The 2009 Housing Element also has several policies which call for community based planning processes; to allow greater input in the planning for new housing (See Policy 1.4), ensuring that the community is involved in the development process and that any tension between new and existing housing is lessened.

- Encourage, develop and maintain programs and policies to meet projected affordable housing needs

Affordable housing is the most salient housing issue in San Francisco. The 2009 Housing Element seeks to facilitate permanently affordable housing, and contains many objectives and policies designed to expand the number of resources for affordable housing, facilitate affordable housing development through land subsidy programs, and support programs that do not require direct public subsidies and that can facilitate the development of middle income units (See Objectives 3, 4 and 5.).

The 2009 Housing Element best promotes the need to encourage the creation of affordable housing without the need for public subsidies. To make a unit affordable to a low or very low income household requires a subsidy ranging from \$170,000 to \$200,000, yet the level of state and federal funding has decreased. To meet all RHNA goals for low and very low income households, a total of over \$2 billion is required. Thus, the 2009 Housing Element contains numerous policies that encourage the creation or preservation of "naturally" affordable units or units which are "affordable by design." This includes policies related to the preservation of existing older units (Objective 2), including rent controlled units (Policy 3.1), policies which encourage affordable housing through zoning accommodations (Policy 7.5), policies which consider the creation of and preservation of smaller units (Policy 1.5, 3.4), and policies allowing for the development of housing at increased densities where appropriate (Policy 1.6).

- Develop a vision for San Francisco that supports sustainable local, regional and state housing and environmental goals

The City, the greater Bay Area and the State of California have adopted environmental and housing goals for more sustainable development. SB 375, adopted by the State in 2008, seeks to link housing with transportation to address global climate change. ABAG has allocated regional housing needs based on the availability of transit infrastructure. San Francisco has adopted numerous plans that support green development and help to reduce the City's greenhouse gas emissions.

The 2009 Housing Element supports these environmental and housing goals with objectives and policies which support smart regional growth that locates new housing close to jobs and transit (Policy 1.10; 13.1), requires that the City work with localities region-wide to coordinate affordable housing productions (Policy 13.2), which promote "green" development at the highest level by encouraging walking, bicycling and transit (Policy 12.1, 13.3), and which encourage LEED developments (Policy 13.4). These objectives and policies will help ensure that San Francisco, and the region, works toward meeting the needs of the present without sacrificing the ability of future generations to meet their own needs.

- Adopt a housing element that substantially complies with California Housing Element Law as determined by the California Department of Housing and Community Development

A determination by the California Department of Housing and Community Development that the Housing Element substantially complies with state Housing Element law provides the City with a rebuttable assumption that the Housing Element complies with state Housing Element law and allows the City to amend redevelopment plans (an important source of affordable housing funds), and allows the City to maintain eligibility for state transportation, open space, and development funds.

HCD has previously found that the 2009 Housing Element substantially complied with state housing element law in a letter to the Department on July 29, 2011, and has previously

commended the City for its many innovative strategies and programs. The City expects that HCD will continue to find that the 2009 Housing Element complies with state housing element law.

B. Alternatives Rejected and Reasons for Rejection

An agency may reject project alternatives if it finds them infeasible. Feasible, under CEQA, is defined as capable of being accomplished in a successful manner within a reasonable period of time taking into account economic, environmental, social, technological and legal factors. (Public Resources Code §21061.1; CEQA Guidelines §15364.) Other considerations may also provide the basis for finding an alternative infeasible, such as whether an alternative is impractical, or undesirable from a policy standpoint. The City finds infeasible, and therefore rejects, the alternatives analyzed in the EIR, including the 2004 Housing Element, for the economic, legal, social, technological, policy, and other considerations set forth below and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII.

Rejection of 2004 Housing Element: The 2004 Housing Element was analyzed in the EIR at an equal level of detail as the 2009 Housing Element and was included as a Housing Element that the decision-makers could adopt in the alternative to the 2009 Housing Element, and in response to the Court's direction that the City analyze the 2004 Housing Element in an EIR. Generally, the policies and objectives in the 2004 Housing Element encourage housing in certain areas of the City, and encourage the construction of higher density developments and developments with reduced parking requirements. The overall impact conclusions for both the 2004 Housing Element and 2009 Housing Element were similar; however, there were differences in degree of the amount of impact.

Adoption of the 2004 Housing Element is hereby rejected as infeasible. The 2004 Housing Element would not meet the Project's Objectives to encourage housing development where supported by existing or planned infrastructure while maintaining neighborhood character, because the 2004 Housing Element "strongly encourages" developers to "take full advantage of building densities" (Policy 11.8) and to "use new housing as a means to enhance neighborhood vitality and diversity" (Policy 11.1). These two policies in particular could have more of an impact on neighborhood character and aesthetics than the Project, particularly in areas of the City that are dominated by lower density development. Although the EIR determined that neither the 2004 or the 2009 Housing Element would have a significant environmental impact on neighborhood character and aesthetics, because of these policies, the Department and Commission has determined that the 2004 Housing Element does not appropriately balance the need for new housing with the need to protect the character of established neighborhoods..

Although the conclusions regarding the impacts on transit for the 2004 and 2009 Housing Element are similar, based on the number of policies in the 2004 Housing Element regarding the reduction of parking requirements (such as Policy 4.4, and 11.7), as noted above, it is likely that the 2004 Housing Element would increase the significant and unavoidable impact on transit, as more housing units could be built without historically required parking, resulting in more person trips shifting to transit. This is because transit ridership increases as the cost of owning a private vehicle increases. In addition, the 2004 Housing Element included a number of policies designed to increase the allowable densities in a given building envelope. Studies have shown that transit use increases where housing densities are higher. An increase in the number of transit trips would decrease the amount of vehicle miles traveled and reduce the amount of greenhouse gas emissions and would better achieve the Project objective to support sustainable local, regional and state environmental goals. However, as noted above, the 2004 Housing Element does not appropriately balance that objective with the City's objective to maintain existing neighborhood character.

The policies and objectives in the 2004 Housing Element were proposed in response to San Francisco's RHNA goal for 2001-2006, which numbered 20,374. As noted, an updated Housing Element must now respond to ABAG's RHNA goal from 2007 to 2014. Although the higher density and reduced parking strategies encouraged in the 2004 Housing Element might better achieve the City's RHNA targets at the lower income levels, as noted above, the 2004 Housing Element does not appropriately balance that need with the City's objective to maintain existing neighborhood character. Unlike in the 2004 Housing Element, the 2009 Housing Element contains policies which focus housing growth according to community plans (Policy 1.2), and which ensure that community based planning processes are used to generate changes to land use controls (Policy 1.4). The 2009 Housing Element also contains more policies related to the preservation of neighborhood character (Objective 11).

Finally, the 2004 Housing Element was not created with the depth and breadth of community input and involvement that the 2009 Housing Element was. The 2009 Housing Element includes input from a Citizens Advisory Committee, over 30 public workshops, staff office hours, online and written surveys as well as workshops hosted by the Planning Director over a two and a half year period. The scope of community input on the 2009 Housing Element is an important aspect of the City's determination to recommend the 2009 Housing Element as the vision for the City's housing growth and management through 2014. As noted, none of the other alternatives, including the 2004 Housing Element, can match the 2009 Housing Element's recent community outreach.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, the 2004 Housing Element is hereby rejected as infeasible.

Rejection of Alternative A: The No Project/Continuation of 1990 Residence Element Alternative. Alternative A is the CEQA-required "No Project" alternative. CEQA Guidelines Section 15126.6(e)(3)(A) provides that "when the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the 'no project' alternative will be the continuation of the existing plan, policy or operation into the future." Under Alternative A: the No Project/Continuation of 1990 Residence Element Alternative, the 1990 Residence Element policies would remain in effect and neither the 2004 Housing Element nor the 2009 Housing Element policies would be implemented. Housing development in the City would continue as encouraged under the 1990 Residence Element.

Alternative A would not be desirable as a matter of policy nor meet the Project's Objectives as well as the 2009 Housing Element. Alternative A encourages housing in less limited areas than the Project, because the policies and implementation measures encourage housing that is consistent with existing land use patterns, and existing density patterns. Thus, because the City's projected growth and housing needs remain the same under Alternative A as they do under the Project, housing constructed in response under to the City's need would be constructed Citywide more so under Alternative A than the Project, which encourages housing along transit lines, or within a community planning process. In other words, similar amounts of total housing units would result from Alternative A and under the Project, but under Alternative A, these units would not be encouraged or concentrated where supported by existing or planned infrastructure, such as transit lines or in areas subject to community planning processes. Concentrating housing along transit lines or in areas subject to community planning processes better enables the City to meet the Objective of encouraging housing development where supported by existing or planned infrastructure.

There are no policies in Alternative A which specifically discourage the destruction or reduction of housing for parking, which is one strategy to meet affordable housing needs due to the higher cost of housing with parking. Thus, Alternative A would not meet the Project's Objective to encourage, develop and maintain programs and policies to meet projected affordable housing needs, particularly meeting the City's RHNA at all income levels.

Likewise, as noted, Alternative A does not contain policies which allow for the reduction in parking requirements, and thus construction of housing units could include construction of underground parking for those units, which could result in an increased amount of excavation. This would have a potentially greater impact on archeological and paleontological impacts, which are located underground. Although these impacts were found insignificant, there could be more such impacts as compared to the other Alternatives.

Alternative A contains less focus than the Project on encouraging housing near jobs and other services or along transit lines, which could result in the development of more housing farther away from these jobs and services resulting in more vehicle trips to access those activities than under the Project (which includes specific policies designed to encourage housing near jobs, other services and along transit lines, such as Policy 1.10, 13.1, 13.3). An increase in the amount of vehicle trips can result in more air quality impacts and greenhouse gas impacts, because vehicles are the biggest emitter of greenhouse gases. As a result, Alternative A has increased air quality and greenhouse gas impacts than the Project. Therefore, Alternative A does not meet the City's Objective in adopting a Housing Element that supports sustainable local, regional and state housing and environmental goals which call for a reduction in the amount of vehicle trips and greenhouse gas emissions, such as SB 375, the City's Climate Action Plan and the Department of the Environment's Strategic Action Plan, as well as the 2009 Housing Element.

Finally, Alternative A, approved almost 25 years ago, does not respond to the City's current housing and transportation needs or recent economic conditions which have had an impact on the creation and preservation of affordable housing or the need for middle class housing. The Commission finds that historically, development under Alternative A did not produce adequate affordable housing to meet the City's needs. For example, only 41% of the state mandate annual targets for the period covered by the 1990 Residence Element (1989-1998) was achieved. Thus, the Department recognizes a need to amend those policies to better meet those goals.

Because the policies in Alternative A were based on data and housing needs of the City prior to 1990, Alternative A includes policies and objectives which do not take into account the updated demographic information and background information that the policies and objectives in the 2009 Housing Element do. For example, Alternative A does not contain policies that protect historic resources to the same extent as the Project, because the Project's policies and objective's approach to historic resources reflects the changes in the City and state's approach to evaluating historic impacts. Also, the policies and objectives in Alternative A were developed under the assumption that the City's available land capacity included historic resources as potential soft sites capable of redevelopment. As a result of this methodology, the EIR concluded that Alternative A has a significant impact on historic resources, which the other Alternatives do not have. Likewise, the updated Data and Needs analysis in the 2009 Housing Element recognizes that the Planning Code's requirements for parking and open space are potential constraints on the development of housing, particularly affordable housing, and as a result, the 2009 Housing Element includes policies which address those constraints, such as Policy 7.5. The 1990 Residence Element does not include policies which address those constraints, because they were not recognized as issues in the Data and Needs Analysis for the 1990 Residence Element.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the

Statement of Overriding Considerations in Section VII below, Alternative A is hereby rejected as infeasible.

Rejection of Alternative B: 2004 Housing Element-Adjudicated. Alternative B includes the objectives, policies and implementation measures of the 2004 Housing Element except for the policies that were stricken by the San Francisco Superior Court, in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court case number 504-780. The remaining policies that constitute Alternative B can be found in the Appendices to the EIR. Similar to Alternative A, this alternative would include the updated Data and Needs analysis found in Part 1 of the 2009 Housing Element, which also includes the most recently identified RHNA for the current planning period.

As identified in the EIR, Alternative B was determined to be the environmentally superior alternative because Alternative B would come closer to meeting the key Project objective of meeting the RHNA than would Alternative A, and Alternative A would have a potentially greater impact on historic resources.

Similar to the reasons set forth in rejecting Alternative A, Alternative B would be less likely to meet the Project's Objectives to meet the RHNA than the 2009 Housing Element. Even if enough development and new housing units were built under Alternative B to meet the total RHNA, the policies and objectives in Alternative B may not ensure that the affordability of those new units would reflect the income levels required by the RHNA. This is because Alternative B does not contain policies and objectives that allow an increase in density of new housing or reduced parking requirements as much as the 2009 Housing Element. Higher density housing with reduced parking requirements is generally lower in cost than single family or other low density housing with "one-to-one" parking.

Similar to Alternative A, policies and objectives in Alternative B contain less focus than the Project on encouraging density of housing near jobs and other services or along transit lines, which could result in the development of more housing farther away from these jobs and services resulting in more vehicle trips to access those activities than under the Project. The Project, on the other hand, includes specific policies designed to encourage denser housing near jobs, other services and along transit lines, such as Policy 12.1, 12.2, and 1.10. An increase in the amount of vehicle trips under Alternative B can result in more air quality impacts and greenhouse gas impacts. As a result, Alternative B has more air quality and greenhouse gas impacts than the Project, and thus, Alternative B does not meet the City's Objective in adopting a Housing Element that supports sustainable local, regional and state housing and environmental goals which call for a reduction in the amount of vehicle trips - the biggest source of greenhouse gases. These goals are found in plans and policies such as SB 375, and local plans such as the City's Climate Action Plan and the Department of the Environment's Strategic Action Plan.

In addition, Alternative B is a compilation of policies and objectives that received no community input or involvement. Alternative B does not contain the policies and objectives related to housing issues that respond to all stakeholders in San Francisco, including neighborhood organizations, housing developers and affordable housing advocates. On the other hand, and as noted above, the 2009 Housing Element includes input from a Citizens Advisory Committee, over 30 public workshops, staff office hours, online and written surveys as well as workshops hosted by the Planning Director over a two and a half year period. The scope of community input on the 2009 Housing Element is an important aspect of the City's determination to recommend the 2009 Housing Element.

Although the EIR determined that neither the Project nor Alternative B would have a significant environmental impact on neighborhood character and aesthetics, Alternative B does not include policies that appropriately balance the need to accommodate housing with the need to protect the

character of established neighborhoods. While recognizing and preserving the unique character of San Francisco's neighborhoods is a central housing value in the 2009 Housing Element, the ability to meet the City's housing needs, particularly affordable housing needs is also salient. As noted above, San Francisco was not able to meet its RHNA targets for affordability under policies in Alternative A, which are similar to the policies in Alternative B. Thus, Alternative B protects neighborhood character at the expense of developing housing which can meet the City's affordable housing goals, such as housing which is denser or contains less parking.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, Alternative B: the 2004 Housing Element -- Adjudicated is hereby rejected as infeasible.

Rejection of Alternative C: 2009 Housing Element--Intensified. This alternative includes concepts that more actively encourage affordable housing development through zoning accommodations, and that encourage housing near transit. These concepts were generated based on ideas and alternative concepts raised over the course of outreach for the 2009 Housing Element preparation process, but which were ultimately not included. These concepts are intended to encourage housing by: 1) allowing for limited expansion of allowable building envelope for developments meeting the City's affordable housing requirement on-site with units of two or more bedrooms; 2) requiring development to the full allowable building envelope in locations that are directly on Transportation Effectiveness Project (TEP) rapid transit network lines; 3) giving height and/or density bonuses for development that exceeds affordable housing requirements in locations that are directly on TEP rapid transit network lines; 4) allowing height and/or density bonus for 100 percent affordable housing in all areas of the City except in RH-1 and RH-2 zones; and 5) granting of administrative exceptions for reduced parking spaces if the development is: a) in an RH-2 zoning district or greater; b) in an area where additional curb cuts would restrict parking in areas with parking shortages; or c) on a Transit Preferential Street.

Alternative C encourages housing density in more locations than the other Alternatives. By encouraging more dense housing, particularly along transit lines, with fewer controls over the height and bulk of that housing (thereby impacting neighborhood character), Alternative C would not meet the City's objectives to appropriately balance new housing development while maintaining existing neighborhood character. The increase in density under Alternative C could potentially result in incrementally increased impacts to scenic vistas, visual resources and visual character compared to the Project. Although these impacts were found less than significant, they would be incrementally greater than under the Project, and less responsive to the City's objective to balance new housing development with maintenance of existing neighborhood character.

Alternative C could result in greater impacts to archaeological resources compared to the Project due to the fact that potentially larger/taller projects would require more excavation. Alternative C also could have incrementally greater impacts on transit, because it would require development of full allowable building envelopes and would grant height and/or density bonuses that are on the rapid transit network as identified in the Transportation Effectiveness Project. Therefore more units would be built near transit, increasing the amount of transit trips. This impact would be significant and unavoidable, like the conclusion for the Project; however, it is likely that the impact would be greater under Alternative C than under the Project. As noted in the Revision, the increased promotion of density would also incrementally increase impacts on recreation, utilities and service systems, wind and shadow, geology and soils, hydrology and water quality, and hazards and hazardous materials. Although these impacts would be less than significant, they would be incrementally greater under Alternative C than under the 2009 Housing Element.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the

Statement of Overriding Considerations in Section VII below, Alternative C: Housing Element – Intensified is hereby rejected as infeasible.

Additional Alternatives Proposed by the Public

During the term of analysis of the 2009 Housing Element and its associated EIR and the Revision and the related comment periods, various commentators proposed alternatives to the 2009 Housing Element. To the extent that these comments addressed the adequacy of the EIR analysis, they were described and analyzed in the Responses to Comments documents. As presented in the record, and determined by the Superior Court, the Final EIR reviewed a reasonable range of alternatives; moreover, CEQA does not require the project sponsor to consider every proposed alternative so long as the CEQA requirements for alternatives analysis have been satisfied.

Although the EIR and the Revision discussed a reasonable range of alternatives, the Commission specifically rejects as infeasible the following alternatives proposed by the public in comments on the Draft EIR, for the reasons set forth herein and noted elsewhere in the record, including the Responses to Comments document, and memoranda by the Planning Department to the Planning Commission and the Board of Supervisors on the 2009 Housing Element when it was previously in front of those bodies in 2011.

A “RHNA-Focused Alternative” is rejected as infeasible because it fails to reduce environmental impacts, and because a RHNA-focused alternative would also result in cumulatively considerable contribution to a potentially feasible transit impact. The 2009 Housing Element includes policies that are designed to encourage moderate and low income housing consistent with the RHNA, and do not “allow wholesale density increases;” therefore a “RHNA-Focused Alternative” would not provide useful information for decision-makers.

A “No Post-2004 Rezoning” is rejected as infeasible because current, post-2004 planning controls, such as those found in Market and Octavia Area Plan and the Eastern Neighborhoods Area Plan reflect the existing environment, and any reversal to those controls would require significant community outreach and involvement, the development of draft plans, Planning Commission and Board of Supervisors hearings and environmental review. Based on the amount of time in which it took to adopt these plans, it is reasonable to assume that the efforts to reverse those plans also would also require significant amounts of time, particularly because a No Post-2004 Rezoning alternative would undo significant long-term planning efforts which received widespread community and official City support, including support by the Planning Commission and the Board of Supervisors. Because this alternative would not be capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental social, technological or legal factors, this alternative is infeasible, and therefore rejected.

A “No-Additional Rezoning” is rejected as infeasible and undesirable because it would preclude future development required to accommodate pipeline development, would not reduce any potentially significant impacts to transit, and could impact the City’s ability to meet the RHNA for all income groups because rezoning on a localized level is, at times, necessary and desirable to accommodate affordable housing developments. Moreover, the City currently complies with the State Density Bonus law (Government Code section 65915 et seq) by rezoning parcels to accommodate the various incentives and concessions required to be accommodated by that statute. Thus, the No-Additional Rezoning Alternative would not meet the Project’s Objectives, and would run afoul of the City’s legal obligation to grant density bonuses under the State Density Bonus law.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record and this document, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, these alternatives are hereby rejected as infeasible.

Although the Superior Court held that the EIR included a reasonable range of alternatives, additional alternatives were suggested by commenters on the Revision to the Chapter VII Alternatives Analysis. For the economic, legal, social, technological, policy, and other considerations set forth in the Responses to Comments on the Revision, and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, those additional alternatives are rejected as infeasible.

VII. Statement of Overriding Considerations.

Pursuant to Public Resources Section 21081 and CEQA Guidelines Section 15093, it is hereby found, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the 2009 Housing Element as set forth below independently and collectively outweighs the significant and unavoidable impacts and is an overriding consideration warranting approval of the 2009 Housing Element. Any one of the reasons for approval cited below is sufficient to justify approval of the 2009 Housing Element. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, this determination is that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the FEIR and the preceding findings, which are incorporated by reference into this Section, and in the documents found in the administrative record, as described in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, it is specifically found that there are significant benefits of the 2009 Housing Element in spite of the unavoidable significant impact on transit. It is further found that, as part of the process of approving the 2009 Housing Element, all significant effects on the environment from implementation of the 2009 Housing Element have been eliminated or substantially lessened where feasible. The remaining significant effect on transit found to be unavoidable is found to be acceptable due to the following specific overriding economic, technical, legal, social, policy, and other considerations.

1. Approval of the 2009 Housing Element will help the City to fulfill its fair share housing obligations as provided by the Association of Bay Area Governments. The City's fair share of regional housing, or RHNA, has been determined to be 3,294 units affordable to households with extremely low incomes; 3,295 for very low income households; 5,535 for low income households; 6,754 for moderate income households; and 12,315 for above moderate income households. The 2009 Housing Element encourages the production of housing in areas that are better served by transit, allows the consideration of parking and open space reductions, and encourages the retention of existing housing, all strategies that encourage the production and retention of housing at lower income levels. By encouraging these strategies, the 2009 Housing Element encourages the production of lower cost housing and housing that does not require the need for public housing subsidies.

2. The adoption of the 2009 Housing Element will allow the City to have a Housing Element that complies with State Housing Element law as determined by HCD. HCD previously determined that the 2009 Housing Element substantially complies with State Housing Element law in 2011, and it is anticipated that HCD will continue to find that the 2009 Housing Element complies with State Housing Element Law. Therefore, adoption of the 2009 Housing Element will allow the City to continue to be eligible for state and federal funds that require a Housing Element approved by HCD. These funds include affordable housing funds, open space funds

and transit funds, including grants under the OneBayArea Grant program as adopted by the Metropolitan Transportation Commission. Under the OneBayArea Grant program, MTC will direct \$38.8 million dollars in federal transportation funds to San Francisco.

3. The 2009 Housing Element is consistent with state, region and Citywide plans and policies to reduce greenhouse gas emissions by encouraging the provision of housing near transit. By encouraging housing along major transit lines and in close proximity to jobs and other daily activities, the 2009 Housing Element facilitates a decrease in the number of vehicle trips by City residents and visitors, and an increase in the number of persons using other modes for transportation, such as transit, bicycle and walking. The decreased use of private automobiles and increased use of transit, bicycles and walking will help reduce use of vehicles, a major source of greenhouse gas emissions. These plans and policies include, but are not limited to:

a. San Francisco's "Climate Action Plan: Local Actions to Reduce Greenhouse Gas Emissions," adopted in September 2004, which affirms San Francisco's commitment to reducing greenhouse gas emissions by 20% below 1990 levels by 2012. Among other policies, the Climate Action Plan outlines policies to discourage trips by private automobile and increase trips by other modes.

b. San Francisco Department of the Environment's Strategic Plan 2009-2011, a annually updated mission statement by the Department of the Environment, which among other topics, outlines goals and actions to promote non-vehicle use, such as bicycles, in San Francisco in order to reduce greenhouse gas emissions from transportation by 963,000 tons per year by 2012.

c. the Global Warming Solutions Act of 2006, otherwise known as AB 32, a California state law that requires the state's greenhouse gas emissions be reduced to 1990 levels by 2020, and SB 375, the Sustainable Communities and Climate Protection Act of 2008. Under SB 375, which supports the goals of AB 32, each region's Metropolitan Planning Organization must develop a Sustainable Communities Strategy that integrates transportation, land-use and housing policies to plan for achievement of the emissions target for their region, which in the San Francisco Bay Area is a 16% per-capita reduction in greenhouse gas emissions from passenger vehicles.

d. United Nations Urban Environmental Accords, a series of implementable goals that can be adopted at a city level to achieve urban sustainability, promote healthy economies, advance social equity and protect the world's ecosystem. Adopted in 2005, and signed by San Francisco, the Accords, among other goals, advocates for policies to reduce the percentage of commute trips by single occupancy vehicles by ten percent in seven years.

4. The 2009 Housing Element is a compilation of housing objectives and policies that were formed with the input of a broad range of community stakeholders that respond to current global economic indicators and climate issues. As noted elsewhere in this document and in the record and incorporated into this Statement of Overriding Considerations, the Department worked closely with community leaders, housing advocates, neighborhood groups, City agencies, and community members starting in 2008. The Commission finds that the policies and objectives in the resulting 2009 Housing Element best balances the diverse, and sometimes competing, needs of all San Francisco residents, while providing a comprehensive vision for the City's future projected housing needs.

5. The Project is consistent with and will help support the policies and objectives of the San Francisco General Plan, including but not limited to:

COMMERCE AND INDUSTRY ELEMENT

Policy 6.1 Ensure and encourage the retention and provision of neighborhood-serving goods and services in the City's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

Policy 6.3 Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.

Policy 6.4 Encourage the location of neighborhood shopping areas throughout City so that essential retail goods and personal services are accessible to all residents.

Policy 6.6 Adopt specific zoning districts, which conform to a generalized neighborhood commercial land use and density plan.

The 2009 Housing Element is consistent with these policies in the Commerce and Industry Element in that it encourages housing in mixed use developments, and served by neighborhood commercial districts. Neighborhood serving goods and services requires that there be a ready supply of customers in nearby housing. The 2009 Housing Element continues to utilize zoning districts which conforms to a generalized residential land use and density plan the General Plan.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 4 PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.6 Assure the provision of adequate public open space to serve new residential development.

The 2009 Housing Element is consistent with and fulfills this policy by encouraging an equitable distribution of growth according to infrastructure, which includes public open space and parks; and by requiring that development of new housing considers the proximity of quality of life elements such as open space.

TRANSPORTATION ELEMENT

OBJECTIVE 2: USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT

OBJECTIVE 3: ASSURE THAT NEIGHBORHOOD RESIDENTS HAVE ACCESS TO NEEDED SERVICES AND A FOCUS FOR NEIGHBORHOOD ACTIVITIES

OBJECTIVE 11: ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY.

The 2009 Housing Element is consistent with and fulfills these policies by supporting sustainable land use patterns that integrate housing with transportation in order to increase transit mode share; ensuring that new housing is sustainably supported by the City's public infrastructure system, including transit; by supporting "smart" regional growth that locates new housing close to jobs and transit; and by promoting sustainable land use patterns that integrate housing with transportation to increase transit mode, pedestrian and bicycle mode share.

In addition, the 2009 Housing Element fulfills the following policies found in various elements and Area Plans of the General Plan

BALBOA PARK AREA PLAN

OBJECTIVE 4.2 STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT BY PROVIDING AN APPROPRIATE MIX OF HOUSING

OBJECTIVE 4.3 ESTABLISH AN ACTIVE, MIXED USE NEIGHBORHOOD AROUND THE TRANSIT STATION THAT EMPHASIZES THE DEVELOPMENT OF HOUSING.

OBJECTIVE 4.4 CONSIDER HOUSING AS A PRIMARY COMPONENT TO ANY DEVELOPMENT ON THE RESERVOIR.

OBJECTIVE 5.5 PROVIDE INCREASED HOUSING OPPORTUNITIES AFFORDABLE TO A MIX OF HOUSEHOLDS AT VARYING INCOME LEVELS.

OBJECTIVE 4.6 ENHANCE AND PRESERVE THE EXISTING HOUSING STOCK.

The 2009 Housing Element is consistent with and promotes the objectives of the Balboa Park Area Plan listed above in that it supports the provision of new housing, particularly affordable housing, and promotes the retention of existing housing units.

BAYVIEW AREA PLAN

OBJECTIVE 5 PRESERVE AND ENHANCE EXISTING RESIDENTIAL NEIGHBORHOODS.

OBJECTIVE 6 ENCOURAGE THE CONSTRUCTION OF NEW AFFORDABLE AND MARKET RATE HOUSING AT LOCATION AND DENSITY LEVELS THAT ENHANCE THE OVERALL RESIDENTIAL QUALITY OF BAYVIEW HUNTERS POINT.

The 2009 Housing Element is consistent with and promotes the objectives of the Bayview Area Plan in that it promotes the development of new housing, particularly affordable housing while supporting and respecting the diverse and distinct character of San Francisco's neighborhoods, while ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

CENTRAL WATERFRONT AREA PLAN

OBJECTIVE 1.1 ENCOURAGE THE TRANSITION OF PORTIONS OF THE CENTRAL WATERFRONT TO A MORE MIXED-USE CHARACTER, WHILE PROTECTING THE NEIGHBORHOODS CORE OF PDR USES AS WELL AS THE HISTORIC DOGPATCH NEIGHBORHOOD

OBJECTIVE 1.2 IN AREAS OF THE CENTRAL WATERFRONT WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE CENTRAL WATERFRONT IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

The 2009 Housing Element is consistent with the Central Waterfront Area Plan in that it supports new housing, particularly affordable housing and mixed use developments, while encouraging housing close to transit and other amenities and neighborhood services, while ensuring that

growth is accommodated without substantially and adversely impacting existing neighborhood character

CHINATOWN AREA PLAN

OBJECTIVE 3 STABILIZE AND WHERE POSSIBLE INCREASE THE SUPPLY OF HOUSING

OBJECTIVE 4 PRESERVE THE URBAN ROLE OF CHINATOWN AS A RESIDENTIAL NEIGHBORHOOD

The 2009 Housing Element is consistent with the Chinatown Area Plan in that it encourages the provision of new housing, and encourages the maintenance and retention of existing housing, while ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

DOWNTOWN PLAN

OBJECTIVE 7 EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN

OBJECTIVE 8 PROTECT RESIDENTIAL USES IN AN ADJACENT TO DOWNTOWN FROM ENCROACHMENT BY COMMERCIAL USES.

The 2009 Housing Element is consistent with the Downtown Plan in that it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation.

MARKET AND OCTAVIA AREA PLAN

OBJECTIVE 1.1 CREATE A LAND USE PLAN THAT EMBRACES THE MARKET AND OCTAVIA NEIGHBORHOODS' POTENTIAL AS A MIXED-USE URBAN NEIGHBORHOOD

OBJECTIVE 1.2 ENCOURAGE URBAN FORM THAT REINFORCES THE PLAN AREAS UNIQUE PLACE IN THE CITY'S LARGER URBAN FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

OBJECTIVE 2.2 ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.

OBJECTIVE 2.3 PRESERVE AND ENHANCE EXISTING SOUND HOUSING STOCK.

The 2009 Housing Element is consistent with the Market and Octavia Area Plan because it promotes mix use developments, ensures that growth is accommodated without substantially and adversely impacting existing neighborhood character, and promotes the retention and maintenance of existing sound housing stock.

MISSION AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

The 2009 Housing Element promotes the Mission Area Plan in that it encourages that new housing be affordable to people with a wide range of incomes.

RINCON HILL AREA PLAN

OBJECTIVE 1.1 ENCOURAGE THE DEVELOPMENT OF A UNIQUE DYNAMIC, MIXED USE RESIDENTIAL NEIGHBORHOOD CLOSE TO DOWNTOWN, WHICH WILL CONTRIBUTE SIGNIFICANTLY TO THE CITY'S HOUSING SUPPLY.

OBJECTIVE 2.2 MAXIMIZE HOUSING IN RINCON HILL TO CAPITALIZE ON RINCON HILLS CENTRAL LOCATION ADJACENT TO DOWNTOWN EMPLOYMENT AND TRANSIT SERVICE, WHILE STILL RETAINING THE DISTRICT'S LIVABILITY.

The 2009 Housing Element is consistent with the Rincon Hill Area Plan in that it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation.

SHOWPLACE/POTRERO HILL AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE/POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

OBJECTIVE 2.2 RETAIN AND IMPROVE EXISTING HOUSING AFFORDABLE TO PEOPLE OF ALL INCOMES

OBJECTIVE 2.1 LOWER THE COST OF THE PRODUCTION OF HOUSING

The 2009 Housing Element is consistent with the Showplace/Potrero Hill Area Plan in that it promotes the development of housing that is affordable to people of all incomes.

SOMA AREA PLAN

OBJECTIVE 2: PRESERVE EXISTING HOUSING

OBJECTIVE 3 ENCOURAGE THE DEVELOPMENT OF NEW HOUSING, PARTICULARLY AFFORDABLE HOUSING.

The 2009 Housing Element is consistent with the SOMA Area Plan in that it promotes the development of housing that is affordable to people of all incomes and supports the conservation and improvement of the existing housing stock.



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No.19122

HEARING DATE APRIL 24, 2014

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Date: April 17, 2014
Case No.: 2007.1275EM
Project: 2009 Housing Element Update
Adoption Hearing
Staff Contact: Menaka Mohan- (415) 575-9141
Menaka.Mohan@sfgov.org
Reviewed by: Kearstin Dischinger and Teresa Ojeda

Recommendation: Adopt CEQA Findings related to the 2009 Housing Element Update

ADOPTING ENVIRONMENTAL FINDINGS AND A STATEMENT OF OVERRIDING CONSIDERATIONS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATE GUIDELINES IN CONNECTION WITH THE AMENDMENT OF THE SAN FRANCISCO GENERAL PLAN ADOPTING THE 2009 HOUSING ELEMENT AS THE HOUSING ELEMENT OF THE GENERAL PLAN.

Whereas, the San Francisco Planning Department, the Lead Agency responsible for the implementation of the California Environmental Quality Act ("CEQA"), California Public Resources Code section 21000 et seq, has prepared an environmental impact report for the proposed 2009 Housing Element, which is an amendment to the San Francisco General Plan ("Project"); and

Whereas, the Planning Department, in cooperation with the Mayor's Office of Housing and in consultation with other City agencies, developed the 2009 Update of the Housing Element of the General Plan ("the 2009 Housing Element") through a comprehensive community-based planning effort. The Department worked closely with community leaders, stakeholders, City agencies, and community members starting in September of 2008. A 15 member Community Advisory Body (CAB) was convened to assist staff on the development and refinement of a draft version of objectives, policies and implementation programs. The Department also hosted fourteen stakeholder sessions focusing on the needs and policy interests of special interest housing groups and organizations, and over 30 workshops, some in each supervisorial district of the City. The Planning Commission has hosted several informational hearings on the 2009 Housing Element; and

Whereas, The 2009 Housing Element consists of three parts. Part I of the 2009 Housing Element consists of the Data and Needs Analysis section, which provides a statistical baseline for determining appropriate housing objectives, policies and implementation strategies. This section includes San Francisco population and employment trends, housing data, and inventories of land available for housing development. Part I also presents an updated calculation of San Francisco's fair share of the regional housing need, for January 2007 through June 2014. The City's RHNA goal is 31,193 housing units, or

4,159 units per year. Part I identifies where development capacity exists under existing zoning for future potential housing throughout the City, and,

Whereas, Part II of the 2009 Housing Element, summarized in the Project Description of the EIR, and attached as an appendix thereto, sets forth the objectives, policies, and implementing strategies intended to address the City's housing needs based on the RHNA. Generally, the objectives and policies contained in Part II prioritize the creation of permanently affordable housing; conserve and improve the existing housing stock; recognize and preserve neighborhood character; integrate planning of housing, jobs, transportation and infrastructure; and maintain the City as a sustainable model of development; and,

Whereas, the 2009 Housing Element also includes implementation measures, which are proposed for adoption and which have been reviewed in the EIR, and a series of "Strategies for Further Review." The Strategies for Further Review are ideas which were raised over the course of development and outreach for the 2009 Housing Element. Most of the strategies require further examination, and potentially long-term study, before they can be directly implemented; and,

Whereas, the 2009 Housing Element includes input from the community, stakeholders and City officials, and responds to comments made at numerous public hearings. The 2009 Housing Element proposed for adoption was previously adopted by the Board of Supervisors in June 2011, which was Draft 3 of the 2009 Housing Element, published in February 2011, together with the amendments described in a staff memorandum to the Planning Commission dated March 17, 2011, including changes to Policy 1.6, Policy 1.10, Objective 11, and Policy 12.1; and the addition of two implementation measures (identified as mitigation measures in the EIR) related to review of noise conditions for housing and open space; and

Whereas, after the Board of Supervisors approved the 2009 Housing Element and upheld the Planning Commission's previous certification of the EIR, a group of neighborhood organizations challenged, among other things, the environmental impact report prepared for the 2009 Housing Element in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court Case No. 513-077; and,

Whereas, on December 19, 2013, the trial court found that the EIR complied with CEQA in all respects, except for its analysis regarding alternatives. In addition, the court found the City's Findings under CEQA (in Planning Commission Motion 18308) related to the adoption of the 2009 Housing Element, were conclusory; and,

Whereas, on January 15, 2014, the Court ordered the City to set aside and void its certification of the 2004 and 2009 Housing Element EIR and its approval of the 2009 Housing Element, and ordered the City to revise the EIR to address the deficiencies in the alternatives analysis, and remanded the approvals of the EIR and the 2009 Housing Element update to the Planning Commission for reconsideration; and,

Whereas, as required by the Superior Court, the San Francisco Planning Commission will set aside and reconsider adoption of the 2009 Housing Element including the CEQA Findings adopted by the Planning Commission in Motion 18308; and

Whereas, the Planning Department determined that an Environmental Impact Report ("EIR") was required for the proposed 2009 Housing Element, and provided public notice of that determination by publication in a newspaper of general circulation on October 8, 2008 and September 2, 2009; and

Whereas, the Planning Department on June 30, 2010, published the Draft Environmental Impact Report ("DEIR"). The DEIR was circulated for public review in accordance with the California

Environmental Quality Act, California Public Resources Code section 21000 et seq. ("CEQA"), the State CEQA Guidelines, 14 California Code of Regulations, Section 15000 et seq., ("CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Planning Commission held a public hearing on the DEIR on August 5, 2010; and,

Whereas, the Planning Department prepared responses to comments on the DEIR and published the Comments and Responses document on March 9, 2011; and

Whereas, as required the Court in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, the Planning Department on December 18, 2013 published a Revised Alternatives Analysis (the Revision) to the DEIR. The Revision was circulated for public review in accordance with CEQA, the CEQA Guidelines and Chapter 31. The Planning Commission held a public hearing on the Revision on January 23, 2014; and,

Whereas the Planning Department prepared responses to comments on the Revision and published the comments and responses document on April 10, 2014; and,

Whereas, the Revision and the Comments and Responses on the Revision, together with the originally published DEIR and Comments and Responses document, and additional information that became available, constitute the Final Environmental Impact Report ("FEIR"). The FEIR files and other Project-related Department files have been available for review by the Planning Commission and the public, and those files are part of the record before this Commission; and,

Whereas, the Planning Commission, on April 24, 2014, by Resolution No. 19123, rescinded Resolution No. 18307, and reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed complied with the provisions of CEQA, the CEQA Guidelines, Chapter 31 and the Superior Court's direction; and,

Whereas, the Planning Commission by Resolution No. 19121, also certified the FEIR and found that the FEIR was adequate, accurate, and objective, reflected the independent judgment of the Planning Commission, and adopted findings of significant impacts associated with the Project and certified the completion of the FEIR for the Project in compliance with CEQA and the CEQA Guidelines and the Superior Court; and,

Whereas, the Planning Department prepared proposed Findings, as required by CEQA and as amended pursuant to the direction of the Superior Court, regarding the alternatives, mitigation measures and significant environmental impacts analyzed in the FEIR and overriding considerations for approving the 2009 Housing Element, and a proposed mitigation monitoring and reporting program, attached as Exhibit 1 to Attachment A, which material was made available to the public and this Planning Commission for the Planning Commission's review, consideration and actions; and now

THEREFORE BE IT RESOLVED, that the Planning Commission has reviewed and considered the FEIR, and in particular, has reviewed and considered the Revision and the Comments and Responses on the Revision, and the actions associated with adoption of the 2009 Housing Element as the Housing Element of the San Francisco General Plan, and hereby adopts the Project Findings attached hereto as Attachment A including a statement of overriding considerations, and including as Exhibit 1 the Mitigation Monitoring and Reporting Program, which shall supercede the findings in Planning Commission Motion 18308.

Resolution 19122
Hearing Date: April 24, 2014

CASE NO. 2007.1275EM
CEQA Findings Re: General Plan Amendment updating the
Housing Element of the General Plan

I hereby certify that the foregoing Resolution was ADOPTED by the Planning Commission at its regular meeting of April 24, 2014.

Jonas Ionin

Commission Secretary

AYES: Moore, Wu, Fong, Borden, Hillis,

NOES: Antonini

ABSENT: Sugaya

ADOPTED: 5-1



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 19123

HEARING DATE APRIL 24, 2014

Date: April 17, 2014
Case No.: 2007.1275EM
Project: 2009 Housing Element Update
Adoption Hearing
Staff Contact: Menaka Mohan – (415) 575-9141
Menaka.Mohan@sfgov.org
Reviewed by: Kearstin Dischinger and Teresa Ojeda

Recommendation: Adopt the 2009 Housing Element Update

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RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE RESCINDING ORDINANCE 108-11 AND AMENDING THE GENERAL PLAN BY ADOPTING THE 2009 HOUSING ELEMENT UPDATE AS THE HOUSING ELEMENT OF THE SAN FRANCISCO GENERAL PLAN, AND ADOPTING ENVIRONMENTAL FINDINGS AND FINDINGS OF CONSISTENCY WITH THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 AND THE GENERAL PLAN.

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco mandates that the Planning Department shall periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan. In compliance with State law, the San Francisco Planning Department is seeking to update the Housing Element of the General Plan, and recommends the approval of an amendment to the General Plan to adopt the 2009 Housing Element Update as the City's Housing Element.

WHEREAS, On March 24, 2011, the Planning Commission certified an environmental impact report (EIR) on the 2004 and 2009 Housing Element (in Motion 18307) and recommended to the Board of Supervisors the adoption of an ordinance amending the General Plan by adopting the 2009 Housing Element Update (in Resolution 18309) and made findings pursuant to the California Environmental Quality Act (in Motion 18308). The Board of Supervisors adopted Ordinance 108-11, amending the General Plan by adopting the 2009 Housing Element Update as the Housing Element of the General Plan on June 2011.

Subsequent to the Board's approval, San Franciscans for Livable Neighborhoods, an unincorporated association of neighborhood groups challenged the 2004 and 2009 Housing Element EIR in the San Francisco Superior Court, in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court case number 513-077. On December 19, 2013, the trial court found that the EIR complied with CEQA in all respects,

except for its analysis regarding alternatives. In addition, the court found the City's findings under CEQA conclusory. On January 15, 2014, the Court ordered the City to set aside and void its certification of the 2004 and 2009 Housing Element EIR, and its approval of the 2009 Housing Element. The Court ordered the City to revise the EIR to address the deficiencies in the alternatives analysis, and remanded the approvals of the EIR and the 2009 Housing Element Update to the Planning Commission for reconsideration.

The Department's Environmental Planning ("EP") division prepared a Revised Chapter VII Alternative Analysis ("the Revision"), which was circulated for public comment from December 18, 2013 until February 18, 2014. The Commission held a hearing to receive comments on the Revision on January 23, 2014. EP responded to comments received on the Revision in a Responses to Comments document published on April 10, 2014.

WHEREAS, After review of the EIR, including the Revision, Staff continues to recommend adoption of the 2009 Housing Element Update as it was previously adopted by the San Francisco Board of Supervisors in Ordinance 108-11. The 2009 Housing Element Update includes "Draft 3" of the Element, published by the Department in February 2011, together with certain amendments adopted by the Planning Commission and Board of Supervisors in March and June 2011. Staff continues to recommend adoption of the 2009 Housing Element Update for the reasons set forth below, and as discussed in Resolution No. 19122, adopted April 24, 2014 (CEQA Findings).

The policies and objectives in the 2009 Housing Element Update resulted from significant public outreach and comment. The Planning Department, in cooperation with the Mayor's Office of Housing and in consultation with other City agencies, developed the 2009 Update of the Housing Element of the General Plan ("the 2009 Housing Element") through a comprehensive community-based planning effort. The Department worked closely with community leaders, stakeholders, City agencies, and community members starting in September of 2008. A 15 member Community Advisory Body (CAB) was convened to assist staff on the development and refinement of a draft version of objectives, policies and implementation programs. The Department also hosted fourteen stakeholder sessions focusing on the needs and policy interests of special interest housing groups and organizations, and over 30 workshops, some in each supervisorial district of the City. The Planning Commission hosted several informational hearings on the 2009 Housing Element. Based on this collaborative process with the public, the 2009 Housing Element Update best reflects the City's current housing objectives and balances the divergent housing needs and opportunities in San Francisco.

The Commission has reviewed the Revised Chapter VII Alternatives. The Alternatives analyzed in the Revision do not meet the City's current housing needs. Alternative A, the No Project Alternative, could have a significant impact on historic resources. Alternative A also does not limit the areas in which housing should be encouraged, which could result in more or denser housing located in areas where it is inappropriate. Alternative A does not contain policies or objectives which actively encourage housing in transit rich areas which could result

in housing located away from transit lines. Housing near transit reduces vehicle trips, which in turn reduces greenhouse gas emissions. Alternative A does not contain policies which reflect the City's increased protections for historic resources or for use of alternative modes of travel, such as walking or biking. Alternative A also does not contain policies which promote density or the use of parking requirements as a strategy to reduce the cost of housing, a significant issue facing San Francisco.

Alternative B, which consists of the remaining policies and objectives from the 2004 Housing Element which were not enjoined by the Superior Court, is not a Housing Element which was vetted in a public process, unlike Alternative A, the 2004 or the 2009 Housing Elements or the additional policies found in Alternative C, all of which when through public review and discussion. Alternative B does not encourage density or reduced parking requirements as a strategy to reduce the cost of housing to the same degree as the 2009 Housing Element, and the cost of housing is a significant issue facing San Francisco and a significant component of meeting the City's Regional Housing Needs Allocation at all income levels. In addition, Alternative B would not reduce the significant impact on transit because it encourages housing in mixed use districts and in industrial and commercial districts where locating housing could shift trips to transit lines.

The additional policies found in Alternative C to aggressively encourage housing in new commercial and institutional projects and housing near transit lines do not reflect an appropriate balance between new housing and the need to maintain existing neighborhood character.

The 2009 Housing Element Update is consistent with the Priority Policies of Planning Code Section 101.1(b). Planning Code Section 101.1(b) establishes eight priority policies and is the basis by which differences between competing policies in the General Plan are resolved. The project is consistent with the eight priority policies, in that:

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

The 2009 Housing Element update includes policies that call for building and enhancing the existing neighborhood serving retail uses, including building housing near neighborhood commercial districts and encouraging neighborhood commercial services adequate to serve residents. A central goal of the Housing Element is to plan for housing to support our existing and future workforce and projected population.

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

The 2009 Housing Element Update includes objectives and policies that support existing housing and neighborhood character, and aim to preserve the cultural and economic diversity of San Francisco's neighborhoods. There are two objectives and ten policies that address preserving the existing housing stock, including Objective 2 "Retain existing housing units and promote safety and maintenance standards, without jeopardizing affordability," and Policy 2.4 "Promote improvements and continued maintenance to

existing units to ensure long term habitation and safety;" and Objective 3, "Protect the affordability of the existing housing stock, especially rental units" and Policy 3.5 "Retain permanently affordable residential hotels and single room occupancy units"; there is also a separate objective, objective 11 "Support and respect the diverse and distinct character of San Francisco's neighborhoods," and nine supporting policies that address neighborhood character.

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

A central goal of the 2009 Housing Element Update, and perhaps the most salient issue facing San Francisco today, is to preserve and enhance the City's affordable housing supply. Nearly every Objective and policy included in the 2009 Housing Element Update can be considered as addressing the affordable housing supply, but most clearly there are three Objectives, including Objective 3 "Protect the affordability of housing stock, especially rental units;" Objective 7 "Secure funding and resources for permanently affordable housing, including innovative programs that are not solely reliant on traditional mechanisms or capital;" and Objective 8 "Build public and private sector capacity to support, facilitate, provide and maintain affordable housing," that directly address affordable housing; and several objectives and policies, including Objective 10 "Ensure a streamlined, yet thorough, and transparent decision-making process that intend to reduce the overall costs of housing construction, which results in greater affordability.

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

The land use patterns and growth projections supported by the 2009 Housing Element Update are the basis of current short- and long-term transportation planning for the City and County of San Francisco. Ultimately, a continuation of the dense urban fabric in places with greater transit options like San Francisco will allow the regions' projected population to work closer to their jobs, resulting in reduced commuter traffic, and reduced regional transportation burdens and costs, including pollution, congestion, and increased infrastructure demands.

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 2009 Housing Element Update would not adversely affect the industrial or service sectors or impede future opportunities for resident employment and ownership in the industrial or service sectors.

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

The 2009 Housing Element Update includes policies and implementation measures that encourage seismic sustainability of existing and new housing units, including Policy 2.5 "Encourage and support the seismic retrofitting of the existing housing stock."

7. That landmarks and historic buildings be preserved.

The 2009 Housing Element Update would not have a negative effect on the preservation of landmarks and historic buildings. The Housing Element includes policies that recognize landmarks and historic buildings

should be preserved, such as Policy 11.7 "Respect San Francisco's historic fabric by preserving landmark buildings and ensuring consistency with historic districts."

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

The 2009 Housing Element Update will not have an impact on open space and related sunlight issues. Individual buildings reviewed according to procedures described in Planning Code Section 295 are evaluated to identify the impacts of projects and buildings. Project permits can't be approved if the impacts are found to be significant.

In addition, the 2009 Housing Element was developed in coordination with existing General Plan policies. Analysis of applicable General Plan Objectives and Policies has determined that the proposed action is, on balance, consistent with the General Plan. Below are specific policies and objectives that support the proposed actions.

COMMERCE AND INDUSTRY ELEMENT

POLICY 6.1: Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

POLICY 6.3: Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.

POLICY 6.4: Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.

POLICY 6.6: Adopt specific zoning districts, which conform to a generalized neighborhood commercial land use and density plan.

The 2009 Housing Element is consistent with these policies in the Commerce and Industry Element in that it encourages housing in mixed use developments, and served by neighborhood commercial districts. Neighborhood serving goods and services requires that there be a ready supply of customers in nearby housing. The 2009 Housing Element continues to utilize zoning districts which conforms to a generalized residential land use and density plan the General Plan.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 4: PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

POLICY 4.6: Assure the provision of adequate public open space to serve new residential development.

The 2009 Housing Element is consistent with this objective and policy because it encourages an equitable distribution of growth according to infrastructure, which includes public open space and parks; and by requiring that development of new housing considers the proximity of quality of life elements such as open space.

TRANSPORTATION ELEMENT

OBJECTIVE 2 USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

OBJECTIVE 11: ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY.

OBJECTIVE 3: ASSURE THAT NEIGHBORHOOD RESIDENTS HAVE ACCESS TO NEEDED SERVICES AND A FOCUS FOR NEIGHBORHOOD ACTIVITIES.

The 2009 Housing Element is consistent with these policies because it supports sustainable land use patterns that integrate housing with transportation in order to increase transit mode share; ensuring that new housing is sustainably supported by the City's public infrastructure system, including transit; by supporting "smart" regional growth that locates new housing close to jobs and transit; and by promoting sustainable land use patterns that integrate housing with transportation to increase transit mode, pedestrian and bicycle mode share.

BALBOA PARK AREA PLAN

OBJECTIVE 4.2: STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT BY PROVIDING AN APPROPRIATE MIX OF HOUSING.

OBJECTIVE 4.3: ESTABLISH AN ACTIVE, MIXED-USE NEIGHBORHOOD AROUND THE TRANSIT STATION THAT EMPHASIZES THE DEVELOPMENT OF HOUSING.

OBJECTIVE 4.4: CONSIDER HOUSING AS A PRIMARY COMPONENT TO ANY DEVELOPMENT ON THE RESERVOIR.

OBJECTIVE 4.5: PROVIDE INCREASED HOUSING OPPORTUNITIES AFFORDABLE TO A MIX OF HOUSEHOLDS AT VARYING INCOME LEVELS.

OBJECTIVE 4.6: ENHANCE AND PRESERVE THE EXISTING HOUSING STOCK

The 2009 Housing Element is consistent with and promotes the objectives of the Balboa Park Area Plan listed above in that it supports the provision of new housing, particularly affordable housing, and promotes the retention of existing housing units.

BAYVIEW AREA PLAN

OBJECTIVE 5: PRESERVE AND ENHANCE EXISTING RESIDENTIAL NEIGHBORHOODS.

OBJECTIVE 6: ENCOURAGE THE CONSTRUCTION OF NEW AFFORDABLE AND MARKET RATE HOUSING AT LOCATIONS AND DENSITY LEVELS THAT ENHANCE THE OVERALL RESIDENTIAL QUALITY OF BAYVIEW HUNTERS POINT.

The 2009 Housing Element is consistent with and promotes the objectives of the Bayview Area Plan listed above in that it supports the provision of new housing, particularly affordable housing, and promotes the retention of exiting housing units.

CENTRAL WATERFRONT AREA PLAN

OBJECTIVE 1.1: ENCOURAGE THE TRANSITION OF PORTIONS OF THE CENTRAL WATERFRONT TO A MORE MIXED-USE CHARACTER, WHILE PROTECTING THE NEIGHBORHOOD'S CORE OF PDR USES AS WELL AS THE HISTORIC DOGPATCH NEIGHBORHOOD

OBJECTIVE 1.2: IN AREAS OF THE CENTRAL WATERFRONT WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

OBJECTIVE 2.1: ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE CENTRAL WATERFRONT IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

The 2009 Housing Element is consistent with the Central Waterfront Area Plan because it supports new housing, particularly affordable housing and mixed use developments, while encouraging housing close to transit and other amenities and neighborhood services, and ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

CHINATOWN AREA PLAN

OBJECTIVE 3: STABILIZE AND WHERE POSSIBLE INCREASE THE SUPPLY OF HOUSING

OBJECTIVE 4: PRESERVE THE URBAN ROLE OF CHINATOWN AS A RESIDENTIAL NEIGHBORHOOD.

The 2009 Housing Element is consistent with the Chinatown Area Plan because it encourages the provision of new housing, and encourages the maintenance and retention of existing housing, while ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

DOWNTOWN PLAN

OBJECTIVE 7: EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

OBJECTIVE 8: PROTECT RESIDENTIAL USES IN AND ADJACENT TO DOWNTOWN FROM ENCROACHMENT BY COMMERCIAL USES.

The 2009 Housing Element is consistent with the Downtown Plan because it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation.

MARKET AND OCTAVIA AREA PLAN

OBJECTIVE 1.1: CREATE A LAND USE PLAN THAT EMBRACES THE MARKET AND OCTAVIA NEIGHBORHOOD'S POTENTIAL AS A MIXED-USE URBAN NEIGHBORHOOD.

OBJECTIVE 1.2 ENCOURAGE URBAN FORM THAT REINFORCES THE PLAN AREA'S UNIQUE PLACE IN THE CITY'S LARGER URBAN FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

OBJECTIVE 2.2 ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.

OBJECTIVE 2.3 PRESERVE AND ENHANCE EXISTING SOUND HOUSING STOCK.

The 2009 Housing Element is consistent with the Market and Octavia Area Plan because it promotes mixed-use developments, ensures that growth is accommodated without substantially and adversely impacting existing neighborhood character, and promotes the retention and maintenance of existing sound housing stock.

MISSION AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

The 2009 Housing Element promotes the Mission Area Plan because it encourages new housing be affordable to people with a wide range of incomes.

RINCON HILL AREA PLAN

OBJECTIVE 1.1 ENCOURAGE THE DEVELOPMENT OF A UNIQUE DYNAMIC, MIXED-USE RESIDENTIAL NEIGHBORHOOD CLOSE TO DOWNTOWN, WHICH WILL CONTRIBUTE SIGNIFICANTLY TO THE CITY'S HOUSING SUPPLY.

OBJECTIVE 1.2 MAXIMIZE HOUSING IN RINCON HILL TO CAPITALIZE ON RINCON HILL'S CENTRAL LOCATION ADJACENT TO DOWNTOWN EMPLOYMENT AND TRANSIT SERVICE, WHILE STILL RETAINING THE DISTRICT'S LIVABILITY.

The 2009 Housing Element is consistent with the Rincon Hill Area Plan because it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation. Rincon Hill has existing infrastructure and contains numerous public transportation options including MUNI, Bart and Caltrain.

SHOWPLACE/POTRERO HILL AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE / POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

OBJECTIVE 2.2 RETAIN AND IMPROVE EXISTING HOUSING AFFORDABLE TO PEOPLE OF ALL INCOMES

OBJECTIVE 2.4 LOWER THE COST OF THE PRODUCTION OF HOUSING

The 2009 Housing Element is consistent with the Showplace/Potrero Hill Area Plan because it promotes the development of housing that is affordable to people of all incomes.

SOMA AREA PLAN

OBJECTIVE 2 PRESERVE EXISTING HOUSING.

OBJECTIVE 3 ENCOURAGE THE DEVELOPMENT OF NEW HOUSING, PARTICULARLY AFFORDABLE HOUSING.

The 2009 Housing Element is consistent with the SOMA Area Plan in that it promotes the development of housing that is affordable to people of all incomes and supports the conservation and improvement of the existing housing stock.

WHEREAS, Pursuant to Planning Code Section 340, on March 27, 2014, the Planning Commission adopted Resolution No. R-19108 a Resolution of Intention to initiate amendments to the General Plan of the City and County of San Francisco by adopting the 2009 Housing Element as the Housing Element of the San Francisco General Plan. Said Resolution is incorporated herein by reference; and,

WHEREAS, Prior to considering this relevant amendment to the General Plan, the Planning Commission adopted Motion No. 19121. In that action, the Commission certified the San Francisco 2004 and 2009 Housing Element Environmental Impact Report. On this same date, at a duly noticed public hearing, the Planning Commission also adopted Resolution 19122, adopting findings under the California Environmental Quality Act related to the 2009 Housing Element. Said Motions are incorporated herein by reference; and

WHEREAS, That on April 24, 2014, the Planning Commission held a duly noticed public hearing on the proposed amendment to the General Plan, and considered the written and oral testimony of Planning Department staff, representatives of other City Departments and members of the public concerning the proposed adoption of the 2009 Housing Element.

NOW THEREFORE BE IT RESOLVED, That pursuant to the Superior Court's direction, the Commission hereby rescinds Motion 18308, adopted on March 24, 2011 adopting findings pursuant to CEQA; and

BE IT FURTHER RESOLVED, That pursuant to the Superior Court's direction, that the Commission hereby rescinds Resolution 18309 adopted on March 24, 2011, recommending the adoption of the 2009 Housing Element as the Housing Element of the General Plan.

BE IT FURTHER RESOLVED, That the Commission amends the 2009 Housing Element Policy 1.2 to strike Japantown from the underlying text, chart and map of this policy.

BE IT FURTHER RESOLVED, That the Commission for the purposes of this action relies on the CEQA Findings in Resolution No. 19122 ; and

BE IT FURTHER RESOLVED, That the Commission for the reasons set forth herein, finds that the proposed 2009 Housing Element is, on balance, consistent with the General Plan and the priority policies of Planning Code Section 101.1; and

BE IT FURTHER RESOLVED, That on April 24, 2014, the Planning Commission held a public hearing on the 2009 Housing Element Update and considered the written and oral testimony of Planning Department staff, representatives of other City Departments and members of the public concerning the proposed General Plan Amendment; and

BE IT FURTHER RESOLVED, That pursuant to Planning Code Section 340, the Planning Commission does hereby find that the public necessity, convenience and general welfare require the approval of the attached ordinance, approved as to form by the City Attorney, and directs staff to make corresponding updates to the Land Use Index of the General Plan, and recommends the adoption of the 2009 Housing Element as it was adopted by the Board of Supervisors in Ordinance 108-11 to wit, "Draft 3" published in February 2011 together with amendments incorporated by the Planning Commission on March 24, 2011 in Resolution 18309, and deleting references to Japantown in Policy 1.2.

I hereby certify that the foregoing Resolution was ADOPTED by the Planning Commission on April 24, 2014.

Jonas Ionin

Commission Secretary

AYES: Moore, Wu, Fong, Borden, Hillis,

NOES: Antonini

ABSENT: Sugaya

ADOPTED: 5-1



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary

HEARING DATE: APRIL 24, 2014

Date: April 17, 2014
Case No.: 2007.1275EM
Project: 2009 Housing Element Update
Adoption Hearing
Staff Contact: Menaka Mohan -- (415) 575-9141
Menaka.Mohan@sfgov.org
Reviewed by: Sue Exline and Teresa Ojeda

Recommendation: Adopt the 2009 Housing Element Update

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PROJECT DESCRIPTION

Background:

The Housing Element is a State law mandated element of the San Francisco General Plan. Many state funds for infrastructure and community development are tied to an adopted Housing Element that has been found in substantial compliance with state law by the California Department of Housing and Community Development ("HCD"). Housing Elements are required to be updated periodically, generally every five years and according to a schedule set forth by HCD, and must include several mandatory components. Among these mandatory components are an identification and analysis of "existing and projected housing needs" at various income levels, and "a statement of goals, policies, quantified objectives, financial resources and scheduled programs" for the preservation, improvement and development of housing. The City's "existing and projected housing need" -- known as its Regional Housing Needs Allocation (RHNA) - is determined by HCD and the Association of Bay Area Governments (ABAG). For the period 2007-2014, the City's projected need totaled 31,193 new units, 18,880 (or 61%) of which must be affordable to households making 120% of the area median income, or less.

Beginning in 2008, the Planning Department, in cooperation with the Mayor's Office of Housing and in consultation with other City agencies, developed the 2009 Update of the Housing Element of the General Plan ("the 2009 Housing Element") through a comprehensive community-based planning effort. The Department worked closely with community leaders, stakeholders, City agencies, and community members. A 15 member Community Advisory Body (CAB) was convened to assist staff on the development and refinement of a draft version of objectives, policies and implementation programs. The Department also hosted fourteen stakeholder sessions focusing on the needs and policy interests of special interest housing groups and organizations, and over 30 workshops, some in each supervisorial district of the City. The Planning Commission hosted several informational hearings on the 2009 Housing Element.

Ultimately, the Department published three drafts of the proposed 2009 Housing Element, each of which was presented to the Commission for comment. Each of the drafts reflected several core housing ideas:

- Prioritization of permanently affordable housing;
- Recognition and preservation of neighborhood character;
- Integration of planning for housing, jobs, transportation and infrastructure; and
- San Francisco's role as sustainable model of development.

The Planning Commission recommended the adoption of the 2009 Housing Element to the Board of Supervisors in March 2011, in Resolution 18309. In addition, the Commission certified an environmental impact report (EIR) prepared on the 2004 and 2009 Housing Element, and adopted findings required by CEQA (in Resolution 18307 and Motion 18308). The Board of Supervisors affirmed the certification of the 2009 Housing Element EIR on May 10, 2011 and adopted the 2009 Housing Element as the City's Housing Element on June 21, 2011. HCD found the 2009 Housing Element in substantial compliance with state Housing Element law on July 29, 2011.

CEQA Challenge:

Subsequent to the adoption of the 2009 Housing Element, an association of neighborhood groups challenged the EIR in San Francisco Superior Court in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court case number 513-077. On December 19, 2013, the trial court found that the EIR complied with CEQA in all respects, except for its analysis regarding alternatives. In addition, the court found the City's findings under CEQA conclusory. On January 15, 2014, the Court ordered the City to set aside and void its certification of the 2004 and 2009 Housing Element EIR, and its approval of the 2009 Housing Element. The Court ordered the City to revise the EIR to address the deficiencies in the alternatives analysis, and remanded the approvals of the EIR and the 2009 Housing Element update to the Planning Commission for reconsideration.

In response to the Court's determination, the Department's Environmental Planning ("EP") division has prepared a Revised Alternative Analysis ("the Revision"), which was circulated for public comment from December 18, 2013 until February 18, 2014. Environmental Planning published a Comments and Responses document on the comments received on the Revision on April 10, 2014, and will present its findings for the certification of the EIR in a separate Commission action.

Current Recommendation:

The Department continues to recommend the adoption of the 2009 Housing Element as the Housing Element for the City's General Plan. The policies and objectives in the 2009 Housing Element Update resulted from significant public outreach and comment. The Department has reviewed the Revised Chapter VII Alternatives, and determined that the various Alternatives analyzed in the Revision and the 2004 Housing Element, do not meet the City's current housing needs or reflect a balanced approach to accommodating the City RHNA at all income levels, while still maintaining the character of the diverse San Francisco neighborhoods.

For example, Alternative A, the No Project Alternative, could have a significant impact on historic resources because it does not contain policies which reflect the City's increased protections for historic resources. Alternative A also does not limit the areas in which housing should be encouraged, which could result in more or denser housing located in areas where it is inappropriate. Alternative A does not contain policies or objectives which actively encourage housing in transit rich areas which could result in housing located away from transit lines. Housing near transit reduces vehicle trips, which in turn reduces greenhouse gas emissions. Alternative A does not encourage the use of alternative modes of travel, such as walking or biking. Alternative A also does not contain policies which promote density or the use of

modified parking requirements as a strategy to reduce the cost of housing, a significant issue facing San Francisco.

Alternative B, which consists of the remaining policies and objectives from the 2004 Housing Element which were not enjoined by the Superior Court in a previous lawsuit, is not a Housing Element which was vetted in a public process, unlike Alternative A, the 2004 or the 2009 Housing Elements or the additional policies found in Alternative C, all of which went through public review and discussion. Alternative B does not encourage density or allow for reduced parking requirements as a strategy to reduce the cost of housing to the same degree as the 2009 Housing Element. The cost of new housing is a significant issue facing San Francisco and a significant component of meeting the City's RHNA at all income levels. In addition, Alternative B would not reduce the significant impact on transit because it encourages housing in mixed use districts and in industrial and commercial districts where locating housing could shift total person-trips to transit lines. Thus, Alternative B would not reduce the significant impact, and would not meet the project's objectives.

At the same time, the additional policies found in Alternative C which aggressively encourages housing near transit lines, and require the building of housing to the allowable building envelopes and allow for easier relief from parking requirements and height, bulk and density requirements, do not reflect an appropriate balance between new housing and the need to maintain existing neighborhood character.

In addition, the Department continues to recommend the 2009 Housing Element Update because it is consistent with the Priority Policies of Planning Code Section 101.1(b), and the other policies and objectives of the General Plan, as set forth in the attached Resolution.

On March 27, 2014, the Planning Department initiated adoption proceedings for the 2009 Housing Element.

PUBLIC COMMENT

As noted above, in developing the 2009 Housing Element, the Department worked closely with community leaders, stakeholders, City agencies, and community members starting in September of 2008 (see Appendix B for complete listing). Highlights of the public outreach included a Community Advisory Board that worked with staff to develop and refine the policies, objectives, and implementation measures. Additionally several stakeholder meetings and nearly 30 public meetings were held with neighborhoods groups and community residents. The Department also held "drop-in" hours with two of the sessions serving as informal sit-downs with the Planning Director.

Citywide has not received any additional public comment specifically on the 2009 Housing Element Update.

The Department acknowledges that EP received numerous comments on the Revised EIR which addressed the merits of the 2009 Housing Element, particularly as the Housing Element relates to RH-1 and RH-2 zoning (72% of all existing land parcels in San Francisco). The Department provided EP with a general response in a memorandum dated March 31, 2014.

The memo notes that contrary to numerous comments on the Revised EIR, the 2009 Housing Element would not eliminate RH-1 and RH-2 zoning. If a community planning process is proposed for a specific

area, the 2009 Housing Element would not require changes to regulations for any residential districts, including RH-1 or RH-2 zoning districts.

Further, the 2009 Housing Element does not call for changes to the density of RH-1 and RH-2 districts, either on a neighborhood or Citywide level. Instead, various policies in the 2009 Housing Element discusses specific planning tools that can be used in future community or area planning efforts to address residential regulations such as those regarding secondary units, density limits, and parking maximums. However, the policies call for changes only with neighborhood support or through a community planning process and other policies advise that changes must be consistent with the existing neighborhood character.

The Department notes that the 2009 Housing Element explicitly references RH-1 and RH-2 districts in the discussion of certain policies (e.g. Policy 1.6 and 11.5), but those discussions relate to the need to respect and maintain existing elements of RH-1 and RH-2 districts, particularly the height and bulk patterns. Although previous drafts of the 2009 Housing Element did reference the *density* in RH-1 and RH-2 districts, the determination to refer instead to height and bulk patterns mirrors similar language in the 1990 Residence Element. The 1990 Residence Element included Policy 12.5 which stated: "Relate land use controls to the appropriate scale for new and existing residential areas." The interpretive text for that policy refers not to density, but to the *zoning envelope*: "In recognition of the special character of single family and two family neighborhoods, *zoning envelopes* should be tailored to the prevailing built pattern to maintain the low density character. In all other new and existing residential areas, the *zoning envelope* should be of an appropriate scale and form to encourage residential development and diversity of housing choice." (Emphasis added). Thus, the 2009 Housing Element's discussion of RH-1 and RH-2 is substantially similar to previous policies in the 1990 Residence Element.

The language eventually recommended (and ultimately adopted) for the 2009 Housing Element's Policies 1.6 and 11.5 were developed in response to multiple community comments. On the one hand, some community members asserted that the Housing Element should not suggest special considerations for any districts, including the RH-1 and RH-2 districts. Other community members, however, asserted that the Housing Element should strongly direct that community planning processes should not consider any changes to RH-1 and RH-2 districts. The Department believed, and continues to believe, that the proposed language in Policy 1.6 and 11.5 melds these two concerns, allowing for changes through the community planning process for all residential districts, but requiring special consideration to the existing building envelope for RH-1 and RH-2 districts.

ENVIRONMENTAL REVIEW

With the Revised EIR and the Responses to Comments thereto, the Planning Department has prepared environmental impact report (EIR) on the 2009 Housing Element update. The 2004 and 2009 Housing Element Final EIR is proposed for certification under separate Commission action.

REQUIRED COMMISSION ACTION

Adopt amendments to the General Plan by adopting the 2009 Housing Element as the Housing Element of the San Francisco General Plan.

BASIS FOR RECOMMENDATION

- The project provides a community based vision for the City's housing future.
- The project is required by State law, with links to infrastructure and housing funds.
- The project supports sustainable growth in the City and the region.

RECOMMENDATION: Adopt amendments General Plan by adopting the 2009 Housing Element.

Attachments:

1. Comments and Responses to Housing Element Citywide to Environmental Planning Memo
2. Draft Resolution to adopt the 2009 Housing Element
3. Draft Ordinance for the 2009 Housing Element Update
 - a. Draft 2009 Housing Element Part 1, Part 2, and Appendices
 - b. *please note the Draft Ordinance and Draft Housing Element are unchanged from the version adopted by the Commission and Board in 2011, and reviewed by the Commission at the March 27, 2014 hearing*

The complete 2009 Housing Element was included in the March 27, 2014 Planning Commission Hearing and are available online.

Part 1 and Appendices:

http://www.sf-planning.org/ftp/general_plan/Housing_Element_Part_I_Data_Needs_Assmt_CPC_Adopted.pdf

Part 2: Objectives and Policies:

http://www.sf-planning.org/ftp/general_plan/I1_Housing.html

Implementing Programs: http://www.sf-planning.org/ftp/general_plan/I1_Housing_Implementing_Programs.html

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SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: March 31, 2014
TO: Sarah Jones, Environmental Review Officer
FROM: Josh Switzky
Acting Director, Citywide Planning Division
RE: Comments and Responses, Housing Element

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

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Thank you for the opportunity to respond to some of the comments you have received during the public comment period on Chapter VII Alternatives (Revised), specifically comments regarding the proposed 2009 Housing Element and its relationship to, and effect on RH-1 and RH-2 zoning, middle-income housing, and family housing.

As part of the development of the 2009 Housing Element policies, the Department conducted a review of San Francisco's housing stock. Based on that review, the Department, with guidance from the Community Advisory Body and input from City agencies and community members, developed updated Housing Element policies to facilitate opportunities for the City to meet various Citywide housing policy objectives. The identified and articulated housing policy objectives include: maintaining the existing stock (Objective 2 and related policies), meeting affordable housing goals (Objectives 1, 2, 3, 7, 8, & 9 and related policies), and providing equal access to housing opportunities (Objectives 4 & 5 and related policies).

San Francisco has roughly ten¹ residential zoning districts, and 43² districts which allow residential uses. However, approximately 72³ percent of all existing land parcels, and 50⁴ percent of the City's developable acreage (meaning non-open space or land that is not federally owned) is zoned RH-1 or RH-2. Combined, these two districts regulate the vast majority of residential parcels. Although the majority of parcels are within these low-density districts, the purpose of the Housing Element is to provide guidance for residential districts throughout the City, from areas with detached single-family homes to areas with high-rise residential uses, such as in the Downtown.

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The City's housing policy is presented in two ways. In addition to the Citywide goals contained in the Housing Element, the City's General Plan includes numerous smaller area plans or specific plans. These area or specific plans are consistent with the overall General Plan's goals and objectives, but provide more detailed objectives and policies tailored to a specific area, including objectives and policies related to housing. Consistent with this approach, the 2004 and 2009 Housing Elements include a framework for including more detailed housing policies and objectives on a community or neighborhood level, where there is an opportunity for greater community input and more detailed analysis of the neighborhood context. The 2004 and 2009 Housing Elements both support community driven policy changes that include neighborhood input, and advise that proposed zoning changes refer to existing zoning regulations and built form.

Numerous comments on the Revised EIR claimed that the 2004 or 2009 Housing Element would eliminate RH-1 and RH-2 zoning. This is incorrect. If a community planning process is proposed for a specific area, neither the 2004 or the 2009 Housing Element would require changes to regulations for any residential districts, including RH-1 or RH-2 zoning districts. For example, recent community plans (Market and Octavia and Eastern Neighborhoods) did not make changes to parcels zoned RH-1 and RH-2 within the applicable study area. Those area plans – and the policy determinations imbedded in them, including the determination to not change RH-1 and RH-2 zoned parcels – were made through a multi-year collaborative planning process, which included community stakeholders in the specific neighborhoods. However, because RH-1 and RH-2 constitutes 72 percent of all parcels and 50 percent of developable acreage in San Francisco, changes to RH-1 and RH-2 are not precluded by the Housing Element.

Neither the 2004 or 2009 Housing Element, or any of the alternatives analyzed in the EIR Revision, call for changes to the density of RH-1 and RH-2 districts, either on a neighborhood or Citywide level. Instead, various policies in the Housing Elements discuss specific planning tools that can be used in future community or area planning efforts to address residential regulations such as those regarding secondary units, density limits, and parking maximums. However, all versions of the Element call for changes only with neighborhood support or through a community planning process, and advise that changes must be consistent with the existing neighborhood character. The Department notes that Policy 11.4 of the 2009 Housing Element requires the City to "continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan" and that zoning amendments should conform generally to the existing zoning districts as noted on Map 6 "Generalized Permitted Housing Densities by Zoning District." (See Part I Data and Needs Analysis). This policy, table and map are substantially similar to those found in the 1990 Residence Element, particularly with regard to RH-1 and RH-2 zoning.

The Department also notes that the 2004 Housing Element does not specifically reference RH-1 or RH-2 anywhere in the document. The 2009 Housing Element calls out RH-1 and RH-2 districts in the discussion of certain policies (e.g. Policy 1.6 and 11.5), but those discussions relate to the need to respect and maintain existing elements of these districts, particularly the

height and bulk patterns. Although previous drafts of the 2009 Housing Element did reference the density in RH-1 and RH-2 districts, the final draft was amended to instead refer to height and bulk patterns with language that mirrors the 1990 Residence Element. The 1990 Residence Element included a similar Policy 12.5 which stated: "Relate land use controls to the appropriate scale for new and existing residential areas." The interpretive text for that policy refers not to density, but to the *zoning envelope*: "In recognition of the special character of single family and two family neighborhoods, zoning envelopes should be tailored to the prevailing built pattern to maintain the low density character. In all other new and existing residential areas, the zoning envelope should be of an appropriate scale and form to encourage residential development and diversity of housing choice."

The nuanced language in 2009 Housing Element Policy 1.6 and 11.5 was developed in response to multiple community comments. On the one hand, some community members asserted that the Housing Element should not suggest special considerations for any districts, including the RH-1 and RH-2 districts. Other community members, however, asserted that the Housing Element should strongly direct that community planning processes should not consider any changes to RH-1 and RH-2 districts. The language in Policy 1.6 and 11.5 melds these two concerns, allowing for changes through the community planning process for all residential districts, but requiring special consideration to the existing building envelope for RH-1 and RH-2.

In sum, Housing Element policies do not eliminate RH-1 or RH-2 zoning districts (or existing single-family, low-density or "middle income" neighborhoods) or preclude the development of single-family or low-density projects in the future. Housing Elements are policy-level documents intended to guide future residential development throughout San Francisco. Adoption of the Housing Element would not directly result in any amendments to development controls that would lead to the changes in RH-1 or RH-2 zoning. Neither the 2004 nor the 2009 Housing Element includes any changes to zoning controls, changes in height limits, or revisions in policies that would directly result in new development. Moreover, any future proposals that may result in changes to development controls would require additional policy review, including environmental review.

Numerous comments were made regarding the need for policies supporting "middle income" housing. The Department shares this concern. Thus, the 2009 Housing Element includes Policy 7.7 "Support housing for middle income households, especially through programs that do not require a direct public subsidy". That policy notes that "the City should support innovative market-based programs and practices that enable middle income housing opportunities. Creating smaller and less expensive units that are "affordable by design" can assist in providing units" to middle income households.

Similarly, Policy 7.8 also addresses middle income households: "Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives." That policy calls for the City to continue its homeownership assistance programs, including counseling, down payment assistance, silent second mortgages and programs that support teachers.

Numerous comments were made regarding the City's need for "family housing." The Housing Element also addresses "family housing" in Policy 4.1 "Develop new housing, and encourage the remodeling of existing housing for families with children." Policy 2.2: "Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing;" and Policy 11.3 "Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character" which ensures that existing neighborhoods with "family-housing" continue to attract and be suitable for families with children.

Numerous comments appear to equate "middle income housing" with housing found in RH-1 and RH-2 districts. However, the Department's analysis shows that RH-1 and RH-2 neighborhoods are not often affordable for middle income households. The Mayor's Office of Housing considers households (of 4) making \$77,700 to \$145,000 as middle income.⁵ Households in roughly this income bracket can afford (defined as spending roughly 30 percent of household income on housing) housing at \$316,000 to \$600,000 purchase price.⁶ Generally San Francisco's housing market does not deliver multi-bedroom units at this price point; on average there is an affordability gap of \$352,000 to \$68,000 for these households. Furthermore, the average cost of a single family dwelling in RH-1 zoning districts is generally much higher than in the more dense neighborhoods. For example, the 2011 State of the Housing Market found that households earning 80 percent of the AMI could only afford one quarter of the for sale units in only one neighborhood (the Bayview). Households at 120 percent of the AMI could afford to purchase homes in far more districts – however predominantly in the higher density districts. The single family construction type is generally at a premium in San Francisco and does not contribute to meeting the needs of new middle income households.

Finally, other comments appear to equate "family-housing" (meaning, households with children) with RH-1 and RH-2 neighborhoods. Although low-density neighborhoods may be desirable for families with children, the Department's analysis shows that many children also live in denser neighborhoods, such as the Tenderloin or Chinatown neighborhoods. In any event, as noted above, the policies in the Housing Elements do not call for the rezoning of any existing neighborhoods, and RH-1 and RH-2 neighborhoods constitute 72 percent of all parcels in San Francisco.

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ATTACHMENT A

2009 SAN FRANCISCO HOUSING ELEMENT

CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS: FINDINGS OF FACT, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES AND STATEMENT OF OVERRIDING CONSIDERATIONS

SAN FRANCISCO PLANNING COMMISSION

In determining to approve the proposed 2009 San Francisco Housing Element and related approval actions (the "Project"), the San Francisco Planning Commission ("Planning Commission" or "Commission") makes and adopts the following findings of fact and statement of overriding considerations and adopts the following recommendations regarding mitigation measures and alternatives based on substantial evidence in the whole record of this proceeding and under the California Environmental Quality Act, California Public Resources Code Sections 21000 *et seq.* ("CEQA"), particularly Sections 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Sections 15000 *et seq.* ("*CEQA Guidelines*"), particularly Sections 15091 through 15093, and Chapter 31 of the San Francisco Administration Code.

I. Introduction

This document is organized as follows:

Section I provides a description of the proposed Project, the environmental review process for the Project, the Planning Commission actions to be taken, and the location of records;

Section II identifies the impacts found not to be significant that do not require mitigation;

Section III identifies potentially-significant impacts that can be avoided or reduced to less-than-significant levels through mitigation;

Section IV identifies significant impacts that cannot be avoided or reduced to less-than-significant levels;

Section V discusses why a subsequent or supplemental EIR is not required;

Section VI evaluates the different Project alternatives and the economic, legal, social, technological, policy, and other considerations that support the rejection of the alternatives as infeasible; and

Section VII presents a statement of overriding considerations setting forth specific reasons in support of the Planning Commission's actions and its rejection of the Alternatives not incorporated into the Project.

Attached to these findings as Exhibit 1 is the Mitigation Monitoring and Reporting Program ("MMRP") for the mitigation measures that have been proposed for adoption. The Mitigation Monitoring and Reporting Program is required by CEQA Section 21081.6 and *CEQA Guidelines* Section 15091. It provides a table setting forth each mitigation measure listed in the Final EIR ("FEIR") that is required to reduce or avoid a significant adverse impact. Exhibit 1 also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule.

These findings are based upon substantial evidence in the entire record before the Planning Commission. The references set forth in these findings to certain pages or sections of the EIR or responses to comments in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

a. Project Description

State Housing Element Law

Since 1969, California's Housing Element law, Government Code Sections 65580 *et seq.*, has required local jurisdictions to adequately plan for and address the housing needs of all segments of its population, such that all communities contribute to the attainment of California's housing goal. Thus, each local jurisdiction is required to include a housing element as an element of its general plan.

State housing element law requires that each city and county develop local housing programs designed to meet its "fair share" of housing needs for all income groups during a stated planning period. The "fair share" allocation of regional housing needs (called the RHNA) is determined by regional planning agencies. San Francisco's RHNA is determined by the Association of Bay Area Governments (ABAG). By allocating each jurisdiction's regional housing need, and by requiring that each jurisdiction's housing element addresses the RHNA for the relevant planning period, state Housing Element law ensures that each jurisdiction accepts responsibility for the housing that represents the number of additional dwelling units that would be required to accommodate the anticipated growth in households, replace expected demolitions and conversions of housing units to non-housing uses, and achieve a future vacancy rate that allows for the healthy functioning of the housing market.

Each housing element must include an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs; a statement of housing goals, policies and objectives, as well as a program setting forth actions that the locality is undertaking or will undertake to implement the policies and achieve the goals and objectives.

State law requires the housing element to be updated periodically, usually every five years. The most recent update of the housing element occurred in 2004, when the City adopted the 2004 Housing Element, an update to the 1990 Residence Element. The 2004 Housing Element addressed the City's housing needs for the planning period 1999 to 2006. Subsequent to adoption of the 2004 Housing Element, the California Court of Appeal determined the environmental document prepared for the 2004 Housing Element was inadequate, and directed the City to prepare an EIR (see *San Franciscans for Livable Neighborhoods v. City and County of San Francisco* [June 22, 2007, A112987] [unpublished opinion]). The Court allowed the City to continue to rely on the 2004 Housing Element pending the completion of the EIR, except for several express policies and objectives.

2009 Housing Element

During the pendency of litigation over the 2004 Housing Element's environmental review, and in accordance with state Housing Element law, the City underwent a comprehensive planning process and prepared the next update of the Housing Element to address the planning period 2007 through 2014. The result was the proposed 2009 Housing Element.

The 2009 Housing Element consists of three parts. Part I of the 2009 Housing Element consists of the Data and Needs Analysis section, which provides a statistical baseline for determining

appropriate housing objectives, policies and implementation strategies. This section includes San Francisco population and employment trends, housing data, and inventories of land available for housing development. Part I provides a foundation for the proposed changes to the objectives and policies contained in Part II of the 2009 Housing Element.

Part I also presents an updated calculation of San Francisco's fair share of the regional housing need, for January 2007 through June 2014. The City's RHNA goal is 31,193 housing units, or 4,159 units per year. Part I identifies where development capacity exists under existing zoning for future potential housing throughout the City.

Part II of the 2009 Housing Element, summarized in the Project Description of the EIR, and attached as an appendix thereto, sets forth the objectives, policies, and implementing strategies intended to address the City's housing needs based on the RHNA. Generally, the objectives and policies contained in Part II prioritize the creation of permanently affordable housing; conserve and improve the existing housing stock; recognize and preserve neighborhood character; integrate planning of housing, jobs, transportation and infrastructure; and maintain the City as a sustainable model of development.

The 2009 Housing Element also includes implementation measures, which are proposed for adoption and which have been reviewed in the EIR, and a series of "Strategies for Further Review." The Strategies for Further Review are ideas which were raised over the course of development and outreach for the 2009 Housing Element. Most of the strategies require further examination, and potentially long-term study, before they can be directly implemented.

b. Environmental Review

The Planning Department printed and circulated a Notice of Preparation (NOP) on October 8, 2008 that solicited comments regarding the content of the proposed EIR for the 2004 Housing Element that was required by the court. The NOP for the Draft EIR was circulated for 30 days in accordance with CEQA Guidelines Section 15082(b). During the NOP circulation period, a public scoping meeting was held on November 6, 2008.

Subsequent to the circulation of the NOP, a draft of the proposed 2009 Housing Element was completed. The scope of the EIR was revised to include both the 2004 Housing Element and the 2009 Housing Element. Therefore, the Planning Department printed and recirculated an NOP on September 2, 2009 that solicited comments regarding the content of the EIR for the proposed Housing Elements. During the NOP circulation period, the Planning Department held a public scoping meeting on September 30, 2009.

The Planning Department published the Draft EIR and provided public notice of the availability of the Draft EIR for public review and comment on June 30, 2010. Notices of Completion and copies of the Draft EIR were distributed to the State Clearing house.

The Planning Commission held a duly noticed public hearing on the Draft EIR on August 5, 2010. At this hearing, opportunity for public comment was given, and public comment was received on the Draft EIR. The Planning Department accepted public comments on the Draft EIR from June 30, 2010 to August 31, 2010.

The Planning Department published the Comments and Responses on the Draft EIR on March 9, 2011. This document includes responses to environmental comments on the Draft EIR made at the public hearing on August 5, 2010, as well as written comments submitted on the Draft EIR from June 30, 2010 to August 31, 2010. The Comments and Responses document also contains text changes to the Draft EIR made by the EIR preparers to correct or clarify information

presented in the Draft EIR, including changes to the Draft EIR text made in response to comments.

The Planning Commission certified the Final EIR on March 24, 2011 and recommended that the Board of Supervisors adopt the 2009 Housing Element as the Housing Element of the General Plan. The Board of Supervisors amended the General Plan and adopted the 2009 Housing Element in June 2011. Subsequent to the Board's approval, however, San Franciscans for Livable Neighborhoods again challenged the environmental document prepared for the 2009 Housing Element. The trial court found that the City complied with CEQA in all respects except for the EIR's treatment of alternatives, and the City's adoption of findings under CEQA. In a January 15, 2014 Peremptory Writ of Mandate, the Court ordered the City to set aside and reconsider the EIR and the approval of the 2009 Housing Element.

In response to the Court's direction, the Planning Department revised the alternatives analysis of the EIR. The Department published the Draft EIR Revised Chapter VII Alternatives (the Revision) and provided public notice of the availability of the Revision for public review and comment on December 18, 2013. Notices of Completion and copies of the Revision were distributed to the State Clearinghouse. The Planning Commission held a duly noticed public hearing on the Revision on January 23, 2014. At this hearing, opportunity for public comment on the Revision was given and public comment was received on the Revision. The Planning Department accepted public comments on the Revision from December 18, 2013 to February 18, 2014. The Planning Department published the Responses to Comments on the Revision on April 10, 2014. This document includes responses to environmental comments on the Revision made at the public hearing on January 23, 2014, as well as written comments submitted on the Revision from December 18, 2013 to February 18, 2014. The April 10, 2014 Responses to Comments document also contains text changes to the Revision made by the EIR preparers to correct or clarify information presented in the Revision.

c. Planning Commission Actions

The Planning Commission is being requested to take the following actions to approve and implement the proposed Project.

- Certify the Final EIR.
- Adopt CEQA Findings and a Mitigation Monitoring and Reporting Program.
- Approve and recommend adoption of the 2009 Housing Element of the San Francisco General Plan by the Board of Supervisors.
- Set aside Planning Commission Motions 18307, 18308 and Resolution 18309 in compliance with the Peremptory Writ of Mandate.

d. Location of Records

The record upon which all findings and determinations related to the Project are based includes, but is not limited to, the following:

- The San Francisco 2009 Housing Element (drafts 1, 2 and 3 and proposed amendments);
- The San Francisco 2004 Housing Element;
- The San Francisco 1990 Residence Element;

- The EIR and all documents referenced in or relied upon by the EIR;
- All information (including written evidence and testimony) provided by City staff to the Planning Commission relating to the EIR, the proposed approvals, the Project, and the alternatives set forth in the EIR;
- All information (including written evidence and testimony) presented to the Planning Commission by the environmental consultant and sub-consultants who prepared the EIR, or incorporated into reports presented to the Planning Commission;
- All information (including written evidence and testimony) presented to the City from other public agencies relating to the Project or the EIR;
- All information (including written evidence and testimony) presented at any public hearing or workshop related to the Project and the EIR;
- For documentary and information purposes, all locally-adopted land use plans and ordinances, including, without limitation, general plans, specific plans and ordinances, together with environmental review documents, findings, mitigation monitoring programs and other documentation relevant to planned growth in the area;
- The MMRP; and
- All other documents comprising the record pursuant to Public Resources Code Section 2116.76(e)

The public hearing transcripts, a copy of all letters regarding the EIR and the Revision received during the public review periods, the administrative record, and background documentation for the Final EIR are located at the Planning Department, 1650 Mission Street, Suite 400, San Francisco. Jonas Ionin, Commission Secretary, is the custodian of these documents and materials.

II. Impacts Found Not to Be Significant, Thus Requiring No Mitigation

Finding: Based on substantial evidence in the whole record of this proceeding, the City finds that the implementation of the Project would not result in any significant environmental impacts in the following areas: Land Use and Land Use Planning; Aesthetics; Population and Housing; Cultural and Paleontological Resources; Air Quality; Greenhouse Gas Emissions; Wind and Shadow; Recreation; Utilities and Service Systems; Public Services; Biological Resources; Geology and Soils, Hydrology/Water Quality; Hazards/Hazardous Materials; Mineral/Energy Resources; Agricultural Resources. Each of these topics is analyzed and discussed in detail, including, but not limited to, in the EIR at Chapters V.B, V.C, V.D, V.E, V.H, V.I, V.J, V.K, V.L, V.M, V.N, V.O, V.P, V.Q, V.R, and V.S.

III. Findings of Potentially-Significant Impacts that Can be Avoided or Reduced to a Less-Than-Significant Level

Finding: The California Environmental Quality Act (CEQA) requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible.

The findings in this Section III and in Section IV concern mitigation measures set forth in the FEIR. These findings discuss mitigation measures as proposed in the FEIR and recommended for adoption by the Planning Commission and the Board of Supervisors.

As explained previously, **Exhibit 1**, attached, contains the Mitigation Monitoring and Reporting Program required by CEQA Section 21081.6 and *CEQA Guidelines* Section 15091. It provides a table setting forth each mitigation measure listed in Chapter V of the EIR that is required to reduce or avoid a significant adverse impact. **Exhibit 1** also specifies the agency responsible for implementation of each measure, establishes monitoring actions and a monitoring schedule.

The Planning Commission finds that, based on the record before it, the mitigation measure proposed for adoption in the FEIR is feasible, and that it can and should be carried out by the Planning Commission and Board of Supervisors, and staff has recommended that it be incorporated into the 2009 Housing Element as an implementation measure found in Appendix C. The Planning Commission acknowledges that if such measures were not adopted and implemented, the Project may result in additional significant unavoidable impacts. For this reason, and as discussed in Section VI, the Planning Commission is adopting a Statement of Overriding Considerations as set forth in Section VII.

The mitigation measures identified in the FEIR which would reduce or avoid significant adverse environmental impacts are proposed for adoption as implementation measures of the 2009 Housing Element, and are set forth in **Exhibit 1**, in the Mitigation Monitoring and Reporting Program.

Noise:

a) Potentially Significant Impact

Implementation of the 2009 Housing Element would promote housing near transit and other infrastructure, housing near neighborhood services, and housing within mixed-use areas which could result in housing located in area that already experience ambient noise levels above 75 Ldn. Residential development in areas that experience noise levels above 75 Ldn could expose noise sensitive receptors to noise levels in excess of established standards. Compliance with Title 24, which typically addresses interior noise levels for housing developments, may not mitigate exterior noise on private open space. Other site specific conditions may warrant acoustical monitoring and analysis beyond the requirements for Title 24. This could result in a significant impact with respect to noise.

b) Mitigation Measure and Conclusion

The City finds the potentially-significant impact listed above would be reduced to a less-than-significant level with implementation of mitigation measure M-NO-1, which would require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-generating uses within two blocks of the project site, and includes at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes), prior to completion of environmental review. The analysis shall demonstrate with reasonable certainty that Title 24 standards, where applicable, can be met, and that there are no particular circumstances about the proposed project site that appear to warrant heightened concern about noise levels in the vicinity of the proposed project. Should such concerns be present, the Department may require the completion of a detailed noise assessment by person(s) qualified in acoustical analysis and/or engineering prior to the first project approval action, in order to demonstrate that acceptable interior noise levels consistent with those in Title 24 standards can be attained.

In addition, to minimize effects on development in noisy areas, for new residential uses, the Planning Department, shall, through its building permit review process, in conjunction with noise analysis required above, require that open space required by the Planning Code for such uses be protected, to the maximum feasible extent, from existing ambient noise levels that could

prove annoying or disruptive to users of the open space. Implementation of this measure could involve, among other things, site design that uses the building itself to shield on-site open space from the greatest noise sources, construction of noise barriers between noise sources and open space, and appropriate use of both common and private open space in multi-family dwellings. Implementation would also be undertaken consistent with other principles of urban design.

Compliance with this mitigation measure M-NO-1, together with compliance with Title 24 of the California Code of Regulations and the California Building Code and the San Francisco Police Code, would reduce the impact to a less-than-significant level.

IV. Significant Impacts That Cannot Be Avoided or Reduced to a Less-Than-Significant Level.

Finding: Based on substantial evidence in the whole record of these proceedings, the City finds that, where feasible, changes or alterations have been required, or incorporated into the 2009 Housing Element to reduce the significant environmental impact as identified in the FEIR. The City determines that the following significant impacts on the environment, as reflected in the FEIR, are unavoidable, but under Public Resources Code Section 21081(a)(3) and (b), and *CEQA Guidelines* 15091(a)(3), 15092(b)(2)(B), and 15093, the City determines that the impacts are acceptable due to the overriding considerations described in Section VII below. This finding is supported by substantial evidence in the record of this proceeding.

Transportation/Circulation:

a. Impact – Transit

Adoption of the 2009 Housing Element would result in implementation of objectives and policies that encourage residential development that takes advantage of alternative modes of transportation, including transit. Under 2025 Cumulative Conditions, the California Street and Market Street Subway transit corridors are anticipated to operate near Muni's transit capacity utilization standard of 85 percent. A substantial mode shift to transit could result in an increase in transit ridership above Muni's capacity utilization standard, thereby resulting in overcrowding on the public transit system. To reduce potential overcrowding on transit, SFMTA could increase capacity on Muni by implementing the transportation plans and programs, as described in the Draft EIR at Section V.F-15 to V.F-18, which include SFPark, SFGo, the San Francisco Bicycle Plan, the Central Subway, Bus Rapid Transit and the Better Streets Plan. Implementation of these plans and programs could reduce congestion and decrease transit travel times, allowing a given bus to complete more runs in a day, which allows MUNI's capacity to increase without acquiring additional buses. However, although many of the transportation plans are in the process of being or have been implemented, implementation has not been secured for all of the measures, or for those measures that have been implemented, they have not been implemented for a sufficient amount of time to determine the extent of their effectiveness, and it is not known whether the implementation of all of the measures would provide a sufficient decrease in travel time, and subsequent increase in bus runs, to carry all projected riders. SFMTA could also increase capacity on MUNI by providing more buses. However, this approach would involve increased costs to SFMTA for which funding has not been identified, and could require additional sources of revenue. Although SFMTA is pursuing additional sources of revenue through development impact fees, increases in vehicle license fees, and issuance of bonds, those measures require approval by the Board of Supervisors after appropriate study, or by voters in a general election, and the outcome of those efforts cannot be determined at this time. Because the certainty and feasibility of these two mitigation options cannot be established, the impact on transit would remain significant and unavoidable.

b) Mitigation Measure:

No feasible mitigation measures have been identified for the potentially significant impact on transit. Hence a significant and unavoidable transit impact would occur with implementation of the 2009 Housing Element.

V. Why Subsequent Environmental Analysis or Recirculation is Not Required.

Finding: For the reasons set forth below and elsewhere in the Administrative Record, none of the factors are present which would necessitate recirculation of the Final EIR under CEQA Guideline Section 15088.5 or the preparation of a subsequent or supplemental EIR under CEQA Guideline Section 15162.

The Comments and Responses documents thoroughly addressed all public comments that the Planning Department received on the Draft EIR and on the Revision. In response to these comments, the Department added new and clarifying text to the EIR and the Revision. In addition, since publication of the original Draft EIR, the staff, in response to public comments and additional staff evaluation of the 2009 Housing Element, modified a number of policies and Objectives in the 2009 Housing Element in order to avoid or alleviate specific concerns raised by the public and City officials. The Comments and Responses documents, which are incorporated herein by reference, analyzed all of these changes and determined that these changes did not constitute new information of significance that would add new significant environmental effects, or substantially increase the severity of effects identified in the Final EIR.

Further, additional changes to the 2009 Housing Element have been incorporated into the Element after publication of the Comments and Responses document. These changes have been addressed orally by staff or in staff reports, which statements and reports are incorporated herein by reference, and based on this information, the Planning Department determined, and the trial court affirmed, that these additional changes do not constitute new information of significance that would alter any of the conclusions of the EIR.

Based on the information set forth above and other substantial evidence in light of the whole record on the Final EIR, which includes the Revision, the Commission determines that the 2009 Housing Element is within the scope of the project analyzed in the Final EIR; (2) approval of 2009 Housing Element will not require important revisions to the Final EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (3) taking into account the 2009 Housing Element and other changes analyzed in the Final EIR, no substantial changes have occurred with respect to the circumstances under which the Project are undertaken which would require major revisions to the Final EIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the Final EIR; and (4) no new information of substantial importance to the Project has become available which would indicate (a) the 2009 Housing Element or the approval action will have significant effects not discussed in the Final EIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the Final EIR would substantially reduce one or more significant effects on the environment. Consequently, there is no need to recirculate the Final EIR under CEQA Guideline 15088.5 or to prepare a subsequent or supplemental EIR under CEQA Guideline Section 15162.

VI. Evaluation of Project Alternatives.

This Section describes the EIR alternatives, including the 2004 Housing Element. This Section also outlines the 2009 Housing Element's purpose and provides the rationale for selecting the 2009 Housing Element and for rejecting alternatives as infeasible. Additional evidence to

support the City's conclusions regarding the Project and the Alternatives can be found in the administrative record.

CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project, which would "feasibly attain most of the basic objectives of the project, but would avoid or substantially lessen effects of the project, and evaluate the comparative merits of the project." (*CEQA Guidelines*, Section 15126.6(a)). Pursuant to the Court's December 19, 2013 Order in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court Case Number 513-077, the EIR evaluated a reasonable range of alternatives.

CEQA requires that every EIR evaluate a "No Project" alternative as part of the range of alternatives analyzed in the EIR. The Housing Element EIR's No Project analysis was prepared in accordance with *CEQA Guidelines* Sections 15126.6(e)(3)(A) and (C).

Alternatives provide a basis of comparison to the Project in terms of beneficial, significant, and unavoidable impacts. This comparative analysis is used to consider reasonable feasible options for minimizing environmental consequences of the Project.

A. Reasons for Selection of the Project

As described above and in this section, the project proposed for adoption is the 2009 Housing Element, as defined in the Project Description, with the changes incorporated into "Draft 3" of the 2009 Housing Element when it was approved by the Planning Commission and the Board of Supervisors in 2011 (in Board of Supervisors' Ordinance 108-11). The 2009 Housing Element is identified in the Draft EIR in Chapter IV, Project Description, particularly at pages IV-28 through IV-31. The 2009 Housing Element is selected for adoption because this Commission, the body pursuant to the San Francisco Charter charged with setting land use policy in San Francisco, based on the recommendation of the expert staff at the Planning Department, has determined that the 2009 Housing Element will best achieve all of the following objectives, which would not be achieved as well by any of the alternatives, including the 2004 Housing Element.

- Provide a vision for the City's housing and growth management through 2014

Although all the Alternatives provide a vision for housing and growth management, the 2009 Housing Element is a product of significant and recent community input and debate and includes responses to recent global economic indicators and global climate issues. In drafting the policies and objectives of the 2009 Housing Element, the Department worked closely with community leaders, stakeholders, City agencies, and community members starting in September of 2008. The Department convened a Community Advisory Body, held over a dozen stakeholder sessions, over 30 public workshops and presentations, hosted staff office hours, surveyed the community in writing and online, and the Planning Director hosted two workshops. In addition, the Planning Commission held several informational hearings. As a result of this extensive outreach and effort, the 2009 Housing Element best provides a community based vision for the City's housing future, which specifically incorporates and responds to an updated RHNA goal set for 2007 to 2014, and responds to recent global economic indicators and global climate issues. (See Policies 13.2 and 13.3).

- Maintain the existing housing stock to serve housing needs

The 2009 Housing Element recognizes that the majority of San Francisco's housing stock is over 60 years old and this existing stock is an important part of meeting San Francisco's housing demands. Retaining existing housing reduces the need for resources to build new housing, and maintains the total supply of lower cost housing, particularly that housing which is controlled by

the City's Rent Control Ordinance. Demolition of existing housing and construction of new housing often results in new units which are more costly than the units that were demolished. The 2009 Housing Element contains objectives which specifically discourage the demolition of existing housing (see Objective 2) and discourages the merger of existing units, unless the resulting units increases the City's supply of affordable or family housing (see Policy 2.1). The 2009 Housing Element also discourages the removal or reduction of housing for parking, thereby encouraging the maintenance of the existing housing stock (see Policy 2.3).

- Ensure capacity for the development of new housing to meet the RHNA at all income levels

The Association of Bay Area Governments (ABAG) determined that San Francisco's fair share of the regional housing need for January 2007 through June 2014 is 31,190 units, or about 4,160 units per year. This regional housing needs assessment (RHNA) includes production targets addressing housing at a range of household income categories. San Francisco's RHNA target includes 18,880 units, or 61%, that are affordable to moderate income households (120% of the area median income) and below. Under existing zoning, the City has enough capacity to meet the overall RHNA. However, the City historically has not met the RHNA targets at all income levels, particularly for affordable housing. Because of the high cost of housing, subsidies required to provide a unit to low or very low income households can be up to \$200,000 per unit, and thus, the total cost to meet those needs exceeds \$2 billion. Public and private subsidies will not be able to fulfill all of San Francisco's affordable housing needs.

The 2009 Housing Element contains objectives and policies designed to ensure that the City has capacity for the development of various types of housing for households at all income levels. It also contains objectives and policies to foster a housing stock that meets the needs of all residents across all lifecycles, such as families with children, people with disabilities and seniors, many of whom have income levels that can only be met by affordable units, and who often do not have access to private transportation (See Policy 4.1, 4.2 and 4.3). The 2009 Housing Element seeks to ensure that units affordable to all income levels are located throughout San Francisco according to infrastructure and site capacity (Policy 4.6), and encourages integrated neighborhoods with a diversity of unit types and affordability levels (Policy 4.5). The 2009 Housing Element encourages the completion of key opportunity areas such as Treasure Island, and Candlestick Point/Hunters Point Shipyard, which will provide significant new capacity for new neighborhoods with units at all income levels (See Policy 1.2).

- Encourage housing development where supported by existing or planned infrastructure, while maintaining neighborhood character;

The 2009 Housing Element best balances the tension between the demand for additional housing with potential impacts on existing neighborhoods, where new housing is supported by existing infrastructure. The 2009 Housing Element supports the completion of planning for Treasure Island, Candlestick Point/Hunters Point Shipyard, as well as Park Merced and the Transbay Transit Center (See Policy 1.2). These areas have existing infrastructure to support new housing, or new infrastructure is planned for them. The 2009 Housing Element supports new, mixed-use infill development in areas where there is adequate open space, child care, neighborhood services and public transit (Policy 12.2). At the same time, the 2009 Housing Element seeks to maintain and support the diverse and distinct character of San Francisco's neighborhoods (See Objective 11), and ensures new and substantially altered buildings are compatible with existing neighborhood character (See Policy 11.2). The 2009 Housing Element also has several policies which call for community based planning processes, to allow greater input in the planning for new housing (See Policy 1.4), ensuring that the community is involved in the development process and that any tension between new and existing housing is lessened.

- Encourage, develop and maintain programs and policies to meet projected affordable housing needs

Affordable housing is the most salient housing issue in San Francisco. The 2009 Housing Element seeks to facilitate permanently affordable housing, and contains many objectives and policies designed to expand the number of resources for affordable housing, facilitate affordable housing development through land subsidy programs, and support programs that do not require direct public subsidies and that can facilitate the development of middle income units (See Objectives 3, 4 and 5.).

The 2009 Housing Element best promotes the need to encourage the creation of affordable housing without the need for public subsidies. To make a unit affordable to a low or very low income household requires a subsidy ranging from \$170,000 to \$200,000, yet the level of state and federal funding has decreased. To meet all RHNA goals for low and very low income households, a total of over \$2 billion is required. Thus, the 2009 Housing Element contains numerous policies that encourage the creation or preservation of “naturally” affordable units or units which are “affordable by design.” This includes policies related to the preservation of existing older units (Objective 2), including rent controlled units (Policy 3.1), policies which encourage affordable housing through zoning accommodations (Policy 7.5), policies which consider the creation of and preservation of smaller units (Policy 1.5, 3.4), and policies allowing for the development of housing at increased densities where appropriate (Policy 1.6).

- Develop a vision for San Francisco that supports sustainable local, regional and state housing and environmental goals

The City, the greater Bay Area and the State of California have adopted environmental and housing goals for more sustainable development. SB 375, adopted by the State in 2008, seeks to link housing with transportation to address global climate change. ABAG has allocated regional housing needs based on the availability of transit infrastructure. San Francisco has adopted numerous plans that support green development and help to reduce the City’s greenhouse gas emissions.

The 2009 Housing Element supports these environmental and housing goals with objectives and policies which support smart regional growth that locates new housing close to jobs and transit (Policy 1.10; 13.1), requires that the City work with localities region-wide to coordinate affordable housing productions (Policy 13.2), which promote “green” development at the highest level by encouraging walking, bicycling and transit (Policy 12.1, 13.3), and which encourage LEED developments (Policy 13.4). These objectives and policies will help ensure that San Francisco, and the region, works toward meeting the needs of the present without sacrificing the ability of future generations to meet their own needs.

- Adopt a housing element that substantially complies with California Housing Element Law as determined by the California Department of Housing and Community Development.

A determination by the California Department of Housing and Community Development that the Housing Element substantially complies with state Housing Element law provides the City with a rebuttable assumption that the Housing Element complies with state Housing Element law and allows the City to amend redevelopment plans (an important source of affordable housing funds), and allows the City to maintain eligibility for state transportation, open space, and development funds.

HCD has previously found that the 2009 Housing Element substantially complied with state housing element law in a letter to the Department on July 29, 2011, and has previously

commended the City for its many innovative strategies and programs. The City expects that HCD will continue to find that the 2009 Housing Element complies with state housing element law.

B. Alternatives Rejected and Reasons for Rejection

An agency may reject project alternatives if it finds them infeasible. Feasible, under CEQA, is defined as capable of being accomplished in a successful manner within a reasonable period of time taking into account economic, environmental, social, technological and legal factors. (Public Resources Code §21061.1; CEQA Guidelines §15364.) Other considerations may also provide the basis for finding an alternative infeasible, such as whether an alternative is impractical, or undesirable from a policy standpoint. The City finds infeasible, and therefore rejects, the alternatives analyzed in the EIR, including the 2004 Housing Element, for the economic, legal, social, technological, policy, and other considerations set forth below and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII.

Rejection of 2004 Housing Element: The 2004 Housing Element was analyzed in the EIR at an equal level of detail as the 2009 Housing Element and was included as a Housing Element that the decision-makers could adopt in the alternative to the 2009 Housing Element, and in response to the Court's direction that the City analyze the 2004 Housing Element in an EIR. Generally, the policies and objectives in the 2004 Housing Element encourage housing in certain areas of the City, and encourage the construction of higher density developments and developments with reduced parking requirements. The overall impact conclusions for both the 2004 Housing Element and 2009 Housing Element were similar; however, there were differences in degree of the amount of impact.

Adoption of the 2004 Housing Element is hereby rejected as infeasible. The 2004 Housing Element would not meet the Project's Objectives to encourage housing development where supported by existing or planned infrastructure while maintaining neighborhood character, because the 2004 Housing Element "strongly encourages" developers to "take full advantage of building densities" (Policy 11.8) and to "use new housing as a means to enhance neighborhood vitality and diversity" (Policy 11.1). These two policies in particular could have more of an impact on neighborhood character and aesthetics than the Project, particularly in areas of the City that are dominated by lower density development. Although the EIR determined that neither the 2004 or the 2009 Housing Element would have a significant environmental impact on neighborhood character and aesthetics, because of these policies, the Department and Commission has determined that the 2004 Housing Element does not appropriately balance the need for new housing with the need to protect the character of established neighborhoods..

Although the conclusions regarding the impacts on transit for the 2004 and 2009 Housing Element are similar, based on the number of policies in the 2004 Housing Element regarding the reduction of parking requirements (such as Policy 4.4, and 11.7), as noted above, it is likely that the 2004 Housing Element would increase the significant and unavoidable impact on transit, as more housing units could be built without historically required parking, resulting in more person trips shifting to transit. This is because transit ridership increases as the cost of owning a private vehicle increases. In addition, the 2004 Housing Element included a number of policies designed to increase the allowable densities in a given building envelope. Studies have shown that transit use increases where housing densities are higher. An increase in the number of transit trips would decrease the amount of vehicle miles traveled and reduce the amount of greenhouse gas emissions and would better achieve the Project objective to support sustainable local, regional and state environmental goals. However, as noted above, the 2004 Housing Element does not appropriately balance that objective with the City's objective to maintain existing neighborhood character.

The policies and objectives in the 2004 Housing Element were proposed in response to San Francisco's RHNA goal for 2001-2006, which numbered 20,374. As noted, an updated Housing Element must now respond to ABAG's RHNA goal from 2007 to 2014. Although the higher density and reduced parking strategies encouraged in the 2004 Housing Element might better achieve the City's RHNA targets at the lower income levels, as noted above, the 2004 Housing Element does not appropriately balance that need with the City's objective to maintain existing neighborhood character. Unlike in the 2004 Housing Element, the 2009 Housing Element contains policies which focus housing growth according to community plans (Policy 1.2), and which ensure that community based planning processes are used to generate changes to land use controls (Policy 1.4). The 2009 Housing Element also contains more policies related to the preservation of neighborhood character (Objective 11).

Finally, the 2004 Housing Element was not created with the depth and breadth of community input and involvement that the 2009 Housing Element was. The 2009 Housing Element includes input from a Citizens Advisory Committee, over 30 public workshops, staff office hours, online and written surveys as well as workshops hosted by the Planning Director over a two and a half year period. The scope of community input on the 2009 Housing Element is an important aspect of the City's determination to recommend the 2009 Housing Element as the vision for the City's housing growth and management through 2014. As noted, none of the other alternatives, including the 2004 Housing Element, can match the 2009 Housing Element's recent community outreach.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, the 2004 Housing Element is hereby rejected as infeasible.

Rejection of Alternative A: The No Project/Continuation of 1990 Residence Element Alternative. Alternative A is the CEQA-required "No Project" alternative. CEQA Guidelines Section 15126.6(e)(3)(A) provides that "when the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the 'no project' alternative will be the continuation of the existing plan, policy or operation into the future." Under Alternative A: the No Project/Continuation of 1990 Residence Element Alternative, the 1990 Residence Element policies would remain in effect and neither the 2004 Housing Element nor the 2009 Housing Element policies would be implemented. Housing development in the City would continue as encouraged under the 1990 Residence Element.

Alternative A would not be desirable as a matter of policy nor meet the Project's Objectives as well as the 2009 Housing Element. Alternative A encourages housing in less limited areas than the Project, because the policies and implementation measures encourage housing that is consistent with existing land use patterns, and existing density patterns. Thus, because the City's projected growth and housing needs remain the same under Alternative A as they do under the Project, housing constructed in response under to the City's need would be constructed Citywide more so under Alternative A than the Project, which encourages housing along transit lines, or within a community planning process. In other words, similar amounts of total housing units would result from Alternative A and under the Project, but under Alternative A, these units would not be encouraged or concentrated where supported by existing or planned infrastructure, such as transit lines or in areas subject to community planning processes. Concentrating housing along transit lines or in areas subject to community planning processes better enables the City to meet the Objective of encouraging housing development where supported by existing or planned infrastructure.

There are no policies in Alternative A which specifically discourage the destruction or reduction of housing for parking, which is one strategy to meet affordable housing needs due to the higher cost of housing with parking. Thus, Alternative A would not meet the Project's Objective to encourage, develop and maintain programs and policies to meet projected affordable housing needs, particularly meeting the City's RHNA at all income levels.

Likewise, as noted, Alternative A does not contain policies which allow for the reduction in parking requirements, and thus construction of housing units could include construction of underground parking for those units, which could result in an increased amount of excavation. This would have a potentially greater impact on archeological and paleontological impacts, which are located underground. Although these impacts were found insignificant, there could be more such impacts as compared to the other Alternatives.

Alternative A contains less focus than the Project on encouraging housing near jobs and other services or along transit lines, which could result in the development of more housing farther away from these jobs and services resulting in more vehicle trips to access those activities than under the Project (which includes specific policies designed to encourage housing near jobs, other services and along transit lines, such as Policy 1.10, 13.1, 13.3). An increase in the amount of vehicle trips can result in more air quality impacts and greenhouse gas impacts, because vehicles are the biggest emitter of greenhouse gases. As a result, Alternative A has increased air quality and greenhouse gas impacts than the Project. Therefore, Alternative A does not meet the City's Objective in adopting a Housing Element that supports sustainable local, regional and state housing and environmental goals which call for a reduction in the amount of vehicle trips and greenhouse gas emissions, such as SB 375, the City's Climate Action Plan and the Department of the Environment's Strategic Action Plan, as well as the 2009 Housing Element.

Finally, Alternative A, approved almost 25 years ago, does not respond to the City's current housing and transportation needs or recent economic conditions which have had an impact on the creation and preservation of affordable housing or the need for middle class housing. The Commission finds that historically, development under Alternative A did not produce adequate affordable housing to meet the City's needs. For example, only 41% of the state mandate annual targets for the period covered by the 1990 Residence Element (1989-1998) was achieved. Thus, the Department recognizes a need to amend those policies to better meet those goals.

Because the policies in Alternative A were based on data and housing needs of the City prior to 1990, Alternative A includes policies and objectives which do not take into account the updated demographic information and background information that the policies and objectives in the 2009 Housing Element do. For example, Alternative A does not contain policies that protect historic resources to the same extent as the Project, because the Project's policies and objective's approach to historic resources reflects the changes in the City and state's approach to evaluating historic impacts. Also, the policies and objectives in Alternative A were developed under the assumption that the City's available land capacity included historic resources as potential soft sites capable of redevelopment. As a result of this methodology, the EIR concluded that Alternative A has a significant impact on historic resources, which the other Alternatives do not have. Likewise, the updated Data and Needs analysis in the 2009 Housing Element recognizes that the Planning Code's requirements for parking and open space are potential constraints on the development of housing, particularly affordable housing, and as a result, the 2009 Housing Element includes policies which address those constraints, such as Policy 7.5. The 1990 Residence Element does not include policies which address those constraints, because they were not recognized as issues in the Data and Needs Analysis for the 1990 Residence Element.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the

Statement of Overriding Considerations in Section VII below, Alternative A is hereby rejected as infeasible.

Rejection of Alternative B: 2004 Housing Element–Adjudicated. Alternative B includes the objectives, policies and implementation measures of the 2004 Housing Element except for the policies that were stricken by the San Francisco Superior Court, in *San Franciscans for Livable Neighborhoods v. City and County of San Francisco*, San Francisco Superior Court case number 504-780. The remaining policies that constitute Alternative B can be found in the Appendices to the EIR. Similar to Alternative A, this alternative would include the updated Data and Needs analysis found in Part 1 of the 2009 Housing Element, which also includes the most recently identified RHNA for the current planning period.

As identified in the EIR, Alternative B was determined to be the environmentally superior alternative because Alternative B would come closer to meeting the key Project objective of meeting the RHNA than would Alternative A, and Alternative A would have a potentially greater impact on historic resources.

Similar to the reasons set forth in rejecting Alternative A, Alternative B would be less likely to meet the Project's Objectives to meet the RHNA than the 2009 Housing Element. Even if enough development and new housing units were built under Alternative B to meet the total RHNA, the policies and objectives in Alternative B may not ensure that the affordability of those new units would reflect the income levels required by the RHNA. This is because Alternative B does not contain policies and objectives that allow an increase in density of new housing or reduced parking requirements as much as the 2009 Housing Element. Higher density housing with reduced parking requirements is generally lower in cost than single family or other low density housing with "one-to-one" parking.

Similar to Alternative A, policies and objectives in Alternative B contain less focus than the Project on encouraging density of housing near jobs and other services or along transit lines, which could result in the development of more housing farther away from these jobs and services resulting in more vehicle trips to access those activities than under the Project. The Project, on the other hand, includes specific policies designed to encourage denser housing near jobs, other services and along transit lines, such as Policy 12.1, 12.2, and 1.10. An increase in the amount of vehicle trips under Alternative B can result in more air quality impacts and greenhouse gas impacts. As a result, Alternative B has more air quality and greenhouse gas impacts than the Project, and thus, Alternative B does not meet the City's Objective in adopting a Housing Element that supports sustainable local, regional and state housing and environmental goals which call for a reduction in the amount of vehicle trips - the biggest source of greenhouse gases. These goals are found in plans and policies such as SB 375, and local plans such as the City's Climate Action Plan and the Department of the Environment's Strategic Action Plan.

In addition, Alternative B is a compilation of policies and objectives that received no community input or involvement. Alternative B does not contain the policies and objectives related to housing issues that respond to all stakeholders in San Francisco, including neighborhood organizations, housing developers and affordable housing advocates. On the other hand, and as noted above, the 2009 Housing Element includes input from a Citizens Advisory Committee, over 30 public workshops, staff office hours, online and written surveys as well as workshops hosted by the Planning Director over a two and a half year period. The scope of community input on the 2009 Housing Element is an important aspect of the City's determination to recommend the 2009 Housing Element.

Although the EIR determined that neither the Project nor Alternative B would have a significant environmental impact on neighborhood character and aesthetics, Alternative B does not include policies that appropriately balance the need to accommodate housing with the need to protect the

character of established neighborhoods. While recognizing and preserving the unique character of San Francisco's neighborhoods is a central housing value in the 2009 Housing Element, the ability to meet the City's housing needs, particularly affordable housing needs is also salient. As noted above, San Francisco was not able to meet its RHNA targets for affordability under policies in Alternative A, which are similar to the policies in Alternative B. Thus, Alternative B protects neighborhood character at the expense of developing housing which can meet the City's affordable housing goals, such as housing which is denser or contains less parking.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, Alternative B: the 2004 Housing Element — Adjudicated is hereby rejected as infeasible.

Rejection of Alternative C: 2009 Housing Element-Intensified. This alternative includes concepts that more actively encourage affordable housing development through zoning accommodations, and that encourage housing near transit. These concepts were generated based on ideas and alternative concepts raised over the course of outreach for the 2009 Housing Element preparation process, but which were ultimately not included. These concepts are intended to encourage housing by: 1) allowing for limited expansion of allowable building envelope for developments meeting the City's affordable housing requirement on-site with units of two or more bedrooms; 2) requiring development to the full allowable building envelope in locations that are directly on Transportation Effectiveness Project (TEP) rapid transit network lines; 3) giving height and/or density bonuses for development that exceeds affordable housing requirements in locations that are directly on TEP rapid transit network lines; 4) allowing height and/or density bonus for 100 percent affordable housing in all areas of the City except in RH-1 and RH-2 zones; and 5) granting of administrative exceptions for reduced parking spaces if the development is: a) in an RH-2 zoning district or greater; b) in an area where additional curb cuts would restrict parking in areas with parking shortages; or c) on a Transit Preferential Street.

Alternative C encourages housing density in more locations than the other Alternatives. By encouraging more dense housing, particularly along transit lines, with fewer controls over the height and bulk of that housing (thereby impacting neighborhood character), Alternative C would not meet the City's objectives to appropriately balance new housing development while maintaining existing neighborhood character. The increase in density under Alternative C could potentially result in incrementally increased impacts to scenic vistas, visual resources and visual character compared to the Project. Although these impacts were found less than significant, they would be incrementally greater than under the Project, and less responsive to the City's objective to balance new housing development with maintenance of existing neighborhood character.

Alternative C could result in greater impacts to archaeological resources compared to the Project due to the fact that potentially larger/taller projects would require more excavation. Alternative C also could have incrementally greater impacts on transit, because it would require development of full allowable building envelopes and would grant height and/or density bonuses that are on the rapid transit network as identified in the Transportation Effectiveness Project. Therefore more units would be built near transit, increasing the amount of transit trips. This impact would be significant and unavoidable, like the conclusion for the Project; however, it is likely that the impact would be greater under Alternative C than under the Project. As noted in the Revision, the increased promotion of density would also incrementally increase impacts on recreation, utilities and service systems, wind and shadow, geology and soils, hydrology and water quality, and hazards and hazardous materials. Although these impacts would be less than significant, they would be incrementally greater under Alternative C than under the 2009 Housing Element.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record, including the reasons set forth in the

Statement of Overriding Considerations in Section VII below, Alternative C: Housing Element – Intensified is hereby rejected as infeasible.

Additional Alternatives Proposed by the Public

During the term of analysis of the 2009 Housing Element and its associated EIR and the Revision and the related comment periods, various commentators proposed alternatives to the 2009 Housing Element. To the extent that these comments addressed the adequacy of the EIR analysis, they were described and analyzed in the Responses to Comments documents. As presented in the record, and determined by the Superior Court, the Final EIR reviewed a reasonable range of alternatives; moreover, CEQA does not require the project sponsor to consider every proposed alternative so long as the CEQA requirements for alternatives analysis have been satisfied.

Although the EIR and the Revision discussed a reasonable range of alternatives, the Commission specifically rejects as infeasible the following alternatives proposed by the public in comments on the Draft EIR, for the reasons set forth herein and noted elsewhere in the record, including the Responses to Comments document, and memoranda by the Planning Department to the Planning Commission and the Board of Supervisors on the 2009 Housing Element when it was previously in front of those bodies in 2011.

A “RHNA-Focused Alternative” is rejected as infeasible because it fails to reduce environmental impacts, and because a RHNA-focused alternative would also result in cumulatively considerable contribution to a potentially feasible transit impact. The 2009 Housing Element includes policies that are designed to encourage moderate and low income housing consistent with the RHNA, and do not “allow wholesale density increases;” therefore a “RHNA-Focused Alternative” would not provide useful information for decision-makers.

A “No Post-2004 Rezoning” is rejected as infeasible because current, post-2004 planning controls, such as those found in Market and Octavia Area Plan and the Eastern Neighborhoods Area Plan reflect the existing environment, and any reversal to those controls would require significant community outreach and involvement, the development of draft plans, Planning Commission and Board of Supervisors hearings and environmental review. Based on the amount of time in which it took to adopt these plans, it is reasonable to assume that the efforts to reverse those plans also would also require significant amounts of time, particularly because a No Post-2004 Rezoning alternative would undo significant long-term planning efforts which received widespread community and official City support, including support by the Planning Commission and the Board of Supervisors. Because this alternative would not be capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental social, technological or legal factors, this alternative is infeasible, and therefore rejected.

A “No-Additional Rezoning” is rejected as infeasible and undesirable because it would preclude future development required to accommodate pipeline development, would not reduce any potentially significant impacts to transit, and could impact the City’s ability to meet the RHNA for all income groups because rezoning on a localized level is, at times, necessary and desirable to accommodate affordable housing developments. Moreover, the City currently complies with the State Density Bonus law (Government Code section 65915 et seq) by rezoning parcels to accommodate the various incentives and concessions required to be accommodated by that statute. Thus, the No-Additional Rezoning Alternative would not meet the Project’s Objectives, and would run afoul of the City’s legal obligation to grant density bonuses under the State Density Bonus law.

For the foregoing reasons as well as economic, legal, social, technological, policy, and other considerations set forth herein and elsewhere in the record and this document, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, these alternatives are hereby rejected as infeasible.

Although the Superior Court held that the EIR included a reasonable range of alternatives, additional alternatives were suggested by commenters on the Revision to the Chapter VII Alternatives Analysis. For the economic, legal, social, technological, policy, and other considerations set forth in the Responses to Comments on the Revision, and elsewhere in the record, including the reasons set forth in the Statement of Overriding Considerations in Section VII below, those additional alternatives are rejected as infeasible.

VII. Statement of Overriding Considerations.

Pursuant to Public Resources Section 21081 and CEQA Guidelines Section 15093, it is hereby found, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the 2009 Housing Element as set forth below independently and collectively outweighs the significant and unavoidable impacts and is an overriding consideration warranting approval of the 2009 Housing Element. Any one of the reasons for approval cited below is sufficient to justify approval of the 2009 Housing Element. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, this determination is that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the FEIR and the preceding findings, which are incorporated by reference into this Section, and in the documents found in the administrative record, as described in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, it is specifically found that there are significant benefits of the 2009 Housing Element in spite of the unavoidable significant impact on transit. It is further found that, as part of the process of approving the 2009 Housing Element, all significant effects on the environment from implementation of the 2009 Housing Element have been eliminated or substantially lessened where feasible. The remaining significant effect on transit found to be unavoidable is found to be acceptable due to the following specific overriding economic, technical, legal, social, policy, and other considerations.

1. Approval of the 2009 Housing Element will help the City to fulfill its fair share housing obligations as provided by the Association of Bay Area Governments. The City's fair share of regional housing, or RHNA, has been determined to be 3,294 units affordable to households with extremely low incomes; 3,295 for very low income households; 5,535 for low income households; 6,754 for moderate income households; and 12,315 for above moderate income households. The 2009 Housing Element encourages the production of housing in areas that are better served by transit, allows the consideration of parking and open space reductions, and encourages the retention of existing housing, all strategies that encourage the production and retention of housing at lower income levels. By encouraging these strategies, the 2009 Housing Element encourages the production of lower cost housing and housing that does not require the need for public housing subsidies.

2. The adoption of the 2009 Housing Element will allow the City to have a Housing Element that complies with State Housing Element law as determined by HCD. HCD previously determined that the 2009 Housing Element substantially complies with State Housing Element law in 2011, and it is anticipated that HCD will continue to find that the 2009 Housing Element complies with State Housing Element Law. Therefore, adoption of the 2009 Housing Element will allow the City to continue to be eligible for state and federal funds that require a Housing Element approved by HCD. These funds include affordable housing funds, open space funds

and transit funds, including grants under the OneBayArea Grant program as adopted by the Metropolitan Transportation Commission. Under the OneBayArea Grant program, MTC will direct \$38.8 million dollars in federal transportation funds to San Francisco.

3. The 2009 Housing Element is consistent with state, region and Citywide plans and policies to reduce greenhouse gas emissions by encouraging the provision of housing near transit. By encouraging housing along major transit lines and in close proximity to jobs and other daily activities, the 2009 Housing Element facilitates a decrease in the number of vehicle trips by City residents and visitors, and an increase in the number of persons using other modes for transportation, such as transit, bicycle and walking. The decreased use of private automobiles and increased use of transit, bicycles and walking will help reduce use of vehicles, a major source of greenhouse gas emissions. These plans and policies include, but are not limited to:

a. San Francisco's "Climate Action Plan: Local Actions to Reduce Greenhouse Gas Emissions," adopted in September 2004, which affirms San Francisco's commitment to reducing greenhouse gas emissions by 20% below 1990 levels by 2012. Among other policies, the Climate Action Plan outlines policies to discourage trips by private automobile and increase trips by other modes.

b. San Francisco Department of the Environment's Strategic Plan 2009-2011, a annually updated mission statement by the Department of the Environment, which among other topics, outlines goals and actions to promote non-vehicle use, such as bicycles, in San Francisco in order to reduce greenhouse gas emissions from transportation by 963,000 tons per year by 2012.

c. the Global Warming Solutions Act of 2006, otherwise known as AB 32, a California state law that requires the state's greenhouse gas emissions be reduced to 1990 levels by 2020, and SB 375, the Sustainable Communities and Climate Protection Act of 2008. Under SB 375, which supports the goals of AB 32, each region's Metropolitan Planning Organization must develop a Sustainable Communities Strategy that integrates transportation, land-use and housing policies to plan for achievement of the emissions target for their region, which in the San Francisco Bay Area is a 16% per-capita reduction in greenhouse gas emissions from passenger vehicles.

d. United Nations Urban Environmental Accords, a series of implementable goals that can be adopted at a city level to achieve urban sustainability, promote healthy economies, advance social equity and protect the world's ecosystem. Adopted in 2005, and signed by San Francisco, the Accords, among other goals, advocates for policies to reduce the percentage of commute trips by single occupancy vehicles by ten percent in seven years.

4. The 2009 Housing Element is a compilation of housing objectives and policies that were formed with the input of a broad range of community stakeholders that respond to current global economic indicators and climate issues. As noted elsewhere in this document and in the record and incorporated into this Statement of Overriding Considerations, the Department worked closely with community leaders, housing advocates, neighborhood groups, City agencies, and community members starting in 2008. The Commission finds that the policies and objectives in the resulting 2009 Housing Element best balances the diverse, and sometimes competing, needs of all San Francisco residents, while providing a comprehensive vision for the City's future projected housing needs.

5. The Project is consistent with and will help support the policies and objectives of the San Francisco General Plan, including but not limited to:

COMMERCE AND INDUSTRY ELEMENT

Policy 6.1 Ensure and encourage the retention and provision of neighborhood-serving goods and services in the City's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

Policy 6.3 Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity

Policy 6.4 Encourage the location of neighborhood shopping areas throughout City so that essential retail goods and personal services are accessible to all residents.

Policy 6.6 Adopt specific zoning districts, which conform to a generalized neighborhood commercial land use and density plan.

The 2009 Housing Element is consistent with these policies in the Commerce and Industry Element in that it encourages housing in mixed use developments, and served by neighborhood commercial districts. Neighborhood serving goods and services requires that there be a ready supply of customers in nearby housing. The 2009 Housing Element continues to utilize zoning districts which conforms to a generalized residential land use and density plan the General Plan.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 4 PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.6 Assure the provision of adequate public open space to serve new residential development.

The 2009 Housing Element is consistent with and fulfills this policy by encouraging an equitable distribution of growth according to infrastructure, which includes public open space and parks; and by requiring that development of new housing considers the proximity of quality of life elements such as open space.

TRANSPORTATION ELEMENT

OBJECTIVE 2: USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AN IMPROVING THE ENVIRONMENT

OBJECTIVE 3: ASSURE THAT NEIGHBORHOOD RESIDENTS HAVE ACCESS TO NEEDED SERVICES AND A FOCUS FOR NEIGHBORHOOD ACTIVITIES

OBJECTIVE 11: ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY.

The 2009 Housing Element is consistent with and fulfills these policies by supporting sustainable land use patterns that integrate housing with transportation in order to increase transit mode share; ensuring that new housing is sustainably supported by the City's public infrastructure system, including transit; by supporting "smart" regional growth that locates new housing close to jobs and transit; and by promoting sustainable land use patterns that integrate housing with transportation to increase transit mode, pedestrian and bicycle mode share.

In addition, the 2009 Housing Element fulfills the following policies found in various elements and Area Plans of the General Plan

BALBOA PARK AREA PLAN

OBJECTIVE 4.2 STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT BY PROVIDING AN APPROPRIATE MIX OF HOUSING

OBJECTIVE 4.3 ESTABLISH AN ACTIVE, MIXED USE NEIGHBORHOOD AROUND THE TRANSIT STATION THAT EMPHASIZES THE DEVELOPMENT OF HOUSING.

OBJECTIVE 4.4 CONSIDER HOUSING AS A PRIMARY COMPONENT TO ANY DEVELOPMENT ON THE RESERVOIR.

OBJECTIVE 5.5 PROVIDE INCREASED HOUSING OPPORTUNITIES AFFORDABLE TO A MIX OF HOUSEHOLDS AT VARYING INCOME LEVELS.

OBJECTIVE 4.6 ENHANCE AND PRESERVE THE EXISTING HOUSING STOCK.

The 2009 Housing Element is consistent with and promotes the objectives of the Balboa Park Area Plan listed above in that it supports the provision of new housing, particularly affordable housing, and promotes the retention of existing housing units.

BAYVIEW AREA PLAN

OBJECTIVE 5 PRESERVE AND ENHANCE EXISTING RESIDENTIAL NEIGHBORHOODS.

OBJECTIVE 6 ENCOURAGE THE CONSTRUCTION OF NEW AFFORDABLE AND MARKET RATE HOUSING AT LOCATION AND DENSITY LEVELS THAT ENHANCE THE OVERALL RESIDENTIAL QUALITY OF BAYVIEW HUNTERS POINT.

The 2009 Housing Element is consistent with and promotes the objectives of the Bayview Area Plan in that it promotes the development of new housing, particularly affordable housing while supporting and respecting the diverse and distinct character of San Francisco's neighborhoods, while ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

CENTRAL WATERFRONT AREA PLAN

OBJECTIVE 1.1 ENCOURAGE THE TRANSITION OF PORTIONS OF THE CENTRAL WATERFRONT TO A MORE MIXED-USE CHARACTER, WHILE PROTECTING THE NEIGHBORHOODS CORE OF PDR USES AS WELL AS THE HISTORIC DOGPATCH NEIGHBORHOOD

OBJECTIVE 1.2 IN AREAS OF THE CENTRAL WATERFRONT WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE CENTRAL WATERFRONT IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

The 2009 Housing Element is consistent with the Central Waterfront Area Plan in that it supports new housing, particularly affordable housing and mixed use developments, while encouraging housing close to transit and other amenities and neighborhood services, while ensuring that

growth is accommodated without substantially and adversely impacting existing neighborhood character

CHINATOWN AREA PLAN

OBJECTIVE 3 STABILIZE AND WHERE POSSIBLE INCREASE THE SUPPLY OF HOUSING

OBJECTIVE 4 PRESERVE THE URBAN ROLE OF CHINATOWN AS A RESIDENTIAL NEIGHBORHOOD

The 2009 Housing Element is consistent with the Chinatown Area Plan in that it encourages the provision of new housing, and encourages the maintenance and retention of existing housing, while ensuring that growth is accommodated without substantially and adversely impacting existing neighborhood character.

DOWNTOWN PLAN

OBJECTIVE 7 EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN

OBJECTIVE 8 PROTECT RESIDENTIAL USES IN AN ADJACENT TO DOWNTOWN FROM ENCROACHMENT BY COMMERCIAL USES.

The 2009 Housing Element is consistent with the Downtown Plan in that it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation.

MARKET AND OCTAVIA AREA PLAN

OBJECTIVE 1.1 CREATE A LAND USE PLAN THAT EMBRACES THE MARKET AND OCTAVIA NEIGHBORHOODS' POTENTIAL AS A MIXED-USE URBAN NEIGHBORHOOD

OBJECTIVE 1.2 ENCOURAGE URBAN FORM THAT REINFORCES THE PLAN AREAS UNIQUE PLACE IN THE CITY'S LARGER URBAN FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

OBJECTIVE 2.2 ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA

OBJECTIVE 2.3 PRESERVE AND ENHANCE EXISTING SOUND HOUSING STOCK.

The 2009 Housing Element is consistent with the Market and Octavia Area Plan because it promotes mix use developments, ensures that growth is accommodated without substantially and adversely impacting existing neighborhood character, and promotes the retention and maintenance of existing sound housing stock.

MISSION AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

The 2009 Housing Element promotes the Mission Area Plan in that it encourages that new housing be affordable to people with a wide range of incomes.

RINCON HILL AREA PLAN

OBJECTIVE 1.1 ENCOURAGE THE DEVELOPMENT OF A UNIQUE DYNAMIC, MIXED USE RESIDENTIAL NEIGHBORHOOD CLOSE TO DOWNTOWN, WHICH WILL CONTRIBUTE SIGNIFICANTLY TO THE CITY'S HOUSING SUPPLY.

OBJECTIVE 2.2 MAXIMIZE HOUSING IN RINCON HILL TO CAPITALIZE ON RINCON HILLS CENTRAL LOCATION ADJACENT TO DOWNTOWN EMPLOYMENT AND TRANSIT SERVICE, WHILE STILL RETAINING THE DISTRICT'S LIVABILITY.

The 2009 Housing Element is consistent with the Rincon Hill Area Plan in that it encourages the development of new housing in areas that can accommodate that housing with planned or existing infrastructure, and supports new housing projects where households can easily rely on public transportation.

SHOWPLACE/POTRERO HILL AREA PLAN

OBJECTIVE 2.1 ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE/POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

OBJECTIVE 2.2 RETAIN AND IMPROVE EXISTING HOUSING AFFORDABLE TO PEOPLE OF ALL INCOMES

OBJECTIVE 2.1 LOWER THE COST OF THE PRODUCTION OF HOUSING

The 2009 Housing Element is consistent with the Showplace/Potrero Hill Area Plan in that it promotes the development of housing that is affordable to people of all incomes.

SOMA AREA PLAN

OBJECTIVE 2: PRESERVE EXISTING HOUSING

OBJECTIVE 3 ENCOURAGE THE DEVELOPMENT OF NEW HOUSING, PARTICULARLY AFFORDABLE HOUSING.

The 2009 Housing Element is consistent with the SOMA Area Plan in that it promotes the development of housing that is affordable to people of all incomes and supports the conservation and improvement of the existing housing stock.



SAN FRANCISCO PLANNING DEPARTMENT

March 30, 2011

Ms. Angela Calvillo, Clerk
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 Case Number 2007.1275EM
2009 Housing Element Update

Recommendation: Approval

Dear Supervisors and Ms. Calvillo,

On March 24, 2011, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearings at a regularly scheduled meeting to certify the 2009 Housing Element EIR, adopt CEQA findings for the proposed 2009 Housing Element Update and adopt the proposed Ordinance amending the General Plan to adopt the 2009 Housing Element Update.

At the March 24th Hearing, the Commission voted 7-0 to recommend approval of the proposed Ordinance which would amend the General Plan to update the Housing Element. The attached resolutions and exhibits provides more detail about the Commission's action, including the proposed 2009 Housing Element Update. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

John Rahaim
Planning Director

Cc: City Attorneys Audrey Pearson

Attachments (one copy of the following):

1. Planning Commission Resolution No. 18307, 18308, and 18309.
2. FEIR for the 2009 Housing Element Update
3. CEQA Findings for the 2009 Housing Element Update
4. Draft Ordinance and 2009 Housing Element
5. Memo from the Planning Department

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SAN FRANCISCO PLANNING DEPARTMENT

To: Honorable San Francisco Board of Supervisors,
Angela Calvillo, Clerk of the Board

Date: March 30, 2011

Re: 2009 Housing Element Update
—Commission Adopted CEQA Findings and draft Ordinance

Staff Contact: Kearstin Dischinger, Planner, (415) 558-6284
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On March 24, 2011, the San Francisco Planning Commission adopted the 2009 Update of the Housing Element of the General Plan, and certified a full Environmental Impact Report on the project. The 2009 update of the Housing Element includes Part 1: Data and Needs Analysis, which contains a description and analysis of San Francisco's population, household and employment trends, existing housing characteristics, and housing needs; Part 2: Objectives & Policies, which sets forth the policy framework to address the needs identified in Part 1; and a series of Appendices including implementing programs as actionable steps towards addressing housing issues.

This update, required by the State, has been the product of a comprehensive community-based planning effort, led by the Planning Department, in cooperation with the Mayor's Office of Housing and in consultation with a roundtable of other City agencies. Work began in September 2008 when staff convened a 15 member Community Advisory Body (CAB) made up of representatives nominated by each Supervisor to assist staff on draft development. In the two years that followed, the Department also hosted 14 stakeholder sessions focusing on the needs and policy interests of special interest housing groups and organizations; facilitated over 30 public workshops and presentations throughout the City, with several in each supervisorial district; invited community members to provide input at monthly office hours, through an online and written survey, or through written comments; and hosted two "Director's Forums" which enabled the Planning Director to hear directly from the public.

The 2009 update of the Housing Element is required by State Law. Without full approval by our local governing bodies, San Francisco is listed as "out of compliance" by the Department of Housing and Community Development (HCD). This impacts the City's eligibility for state housing, community development and infrastructure funding programs. Full approval, including adoption by the Board of Supervisors, will confirm our continued dedication towards meeting the State of California's objectives towards housing and community development, and will reinstate our eligibility for these funds.

As adopted by the Planning Commission, the 2009 Housing Element begins with four principles:

1. prioritization of permanently affordable housing;
2. recognition and preservation of neighborhood character;
3. integration of planning for housing with jobs, transportation and infrastructure; and
4. development of housing that facilitates our City as a model of sustainability.

The majority of the policies represent these core values and were, in themselves, not the subject of debate. However, the diversity of opinion in San Francisco means that not every policy represents consensus. At the heart of the controversy that remained at the Planning Commission hearing on March 24th were the seemingly opposite goals of enabling growth to address housing needs and preserving established neighborhood character.

This dichotomy of viewpoints is not unique to San Francisco - municipalities throughout the nation are plagued by this conflict: supporting growth in areas well-served by transit to promote a more sustainable future; and the desire to minimize change in established neighborhoods. The 2009 Housing Element attempts to provide a path forward on both issues, by mandating a clear, inclusive, community-driven process for any changes that will enable growth, and by providing policy considerations that are intended to protect what is most valuable about each individual neighborhood.

- **Supporting growth through community plans:** The Planning Department has in recent years planned for growth through community plans such as the Better Neighborhoods and Eastern Neighborhoods Plans. These plans direct development to areas well-served by transit, to ensure "complete neighborhoods" with supportive infrastructure and other improvements, and to relieve pressure on neighborhoods less able to accommodate growth. This process has provided a way for stakeholders to help direct the future of their area. Participants have been vocal about their support of the practice.

To provide certainty to citizens who feared that the Housing Element would cause increases in density to their neighborhoods without input, the document mandates that this process must continue to be used in the event of proposed changes to land use controls, such as increased housing density or height. It also dictates that any such changes must be generated through a community based planning processes initiated in partnership with the neighborhood, initiated by the Board of Supervisors. It states that any changes to land use policies and controls that result from the community planning process may be proposed only after an open and publicly noticed process, after review of a draft plan and environmental review, and with comprehensive opportunity for community input.

- **Preserving neighborhood character:** Protection of neighborhood character became a major issue for neighborhoods in the wake of the 2004 Housing Element, which promoted a number of one-size-fits-all strategies that might not be appropriate for some neighborhoods, such as encouraging higher residential density in neighborhood commercial districts, allowing flexibility in the number and size of units (density controls), and considering legalization of secondary units.

The 2009 Housing Element removed these policies, directed that all such changes should only be considered as a part of community planning processes as described above, and included numerous new policies intended to further reinforce the City's support of each neighborhood's individual character. It clarifies support for individual community efforts that support good planning principles, provides a process for Department adoption of neighborhood-specific design standards, acknowledges neighborhood Covenants Conditions and Restrictions (while clarifying that the Planning Department cannot legally enforce CC&Rs), and states that densities in established residential areas should promote compatibility with prevailing

neighborhood character, specifying that existing height and bulk patterns should be maintained in RH-1 and RH-2 areas.

CONTINUED ISSUES FOR CLARIFICATION

Despite continued outreach and discussion over the past two and a half years, there remain numerous misconceptions about the document, particularly that the document will enable change in established neighborhoods. Despite policies enabling growth only through a community planning process, and numerous policies preserving neighborhood character, a repeated misunderstanding is that the document contains recommendations for increased growth and density in the neighborhoods. In fact 2009 Housing Element does not contain any recommendations for increased density, height or changes in zoning, nor does it modify land use or the Planning Code. Furthermore, it mandates that consideration of such changes should only happen through a community planning process, as described above.

To further clarify, the Element provides policy background for housing programs and decisions; and to provide broad direction towards meeting the City's housing goals. It helps to guide discretionary decisions made by the City's Planning Commission and other decisionmakers, and helps them prioritize approval of certain kinds of housing projects over others. It does not enable change at the risk of neighborhood character, and instead provides numerous new policies to help preserve that character.

HOUSING ELEMENT



PART I: DATA AND NEEDS ANALYSIS

MARCH 2011 | ADAPTED BY ELON LINDO-GONZALEZ

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Introduction: Data and Needs Analysis

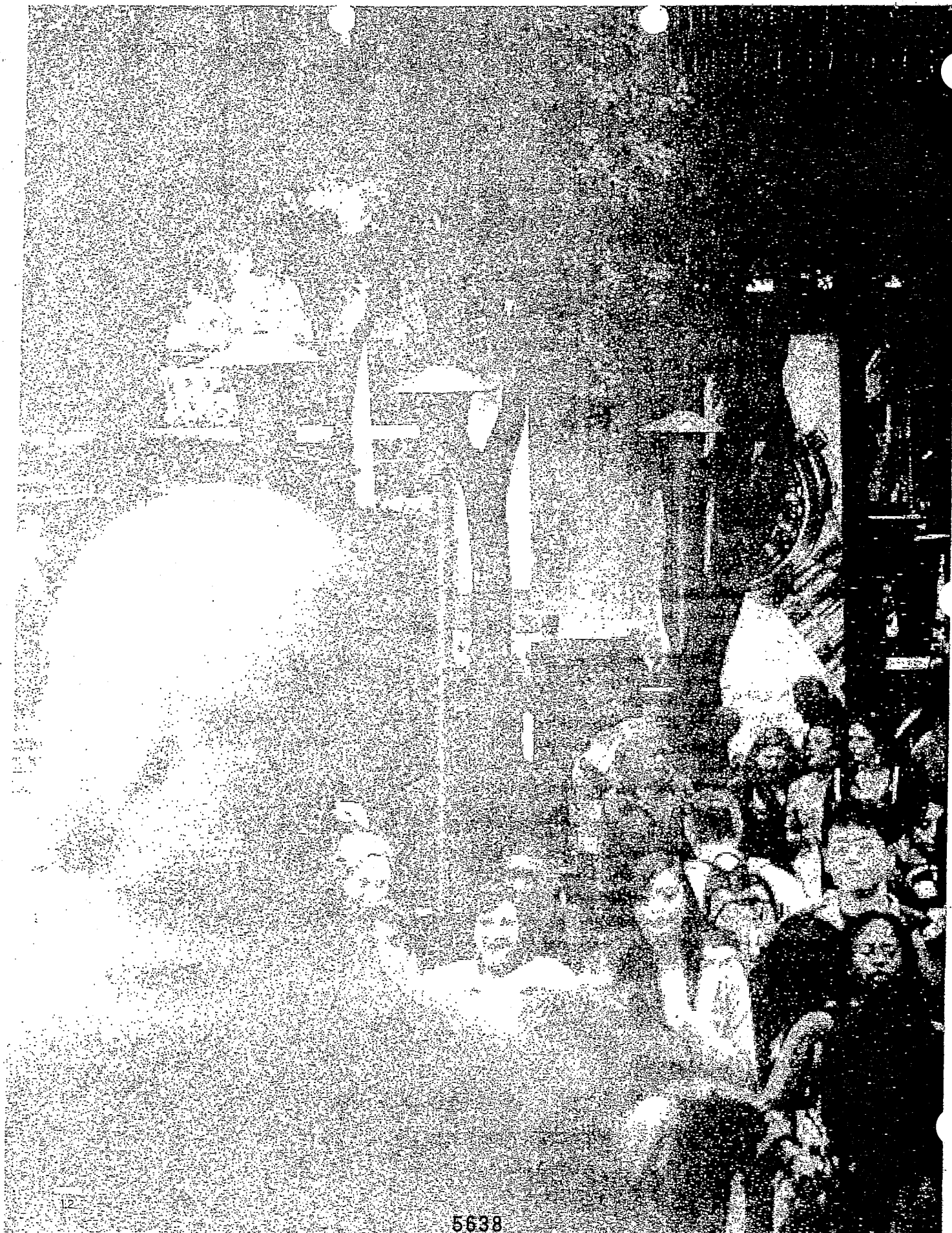
San Francisco remains a highly desirable place to live and its housing market has a seemingly infinite demand. Housing costs in San Francisco, for both renters and owners, are second only to that of New York City. The relative stability of local housing costs in the wake of the recent economic downturn is a testament to the robustness of the market. The continuing high cost of housing in San Francisco amplifies the need for providing affordable housing to all household income levels, especially low and very low income levels. The provision of adequate affordable housing remains a significant challenge for San Francisco.

This first part of the *Housing Element* contains a description and analysis of San Francisco's population and employment trends; existing housing characteristics; overall housing need, including special needs groups; and capacity for new housing based on land supply and site opportunities in compliance with Section 65583(a) of the state Housing

Element law. Information is presented on trends since the *2004 Housing Element* was published and on expected development for the next five to 10 years, at which time the *Housing Element* will be updated again. An evaluation of the *2004 Housing Element* is included in this document as an appendix.

Primary data sources include the Census Bureau and State Department of Finance for existing conditions, projections published by the Association of Bay Area Governments (ABAG), and independent analysis by the Planning Department.¹ The data used are the most reliable available for assessing existing conditions. These standard sources provide a basis for consistent comparison with older data and form the basis for the best possible forecasts. The data provide a general picture of economic trends and therefore do not necessarily reflect particular trends or cycles in the housing market and the wider economy.

¹ San Francisco relies on information provided by the Association of Bay Area Governments (ABAG). ABAG projections are the official projections of growth for the Bay Area and are used by numerous local governing agencies to identify potential needs and problems, both locally and regionally. The California State Housing and Community Development Department also uses these figures for determining housing needs for the state. ABAG projects the number of jobs for each county in the Bay Area 20 to 25 years into the future. The assumptions that ABAG used in Projections 2007 are based on demographic and economic data. The demographic assumptions take into account fertility, births, deaths, migration, household sizes, and labor force participation rates. Economic assumptions include exports, the rate of GDP growth, energy prices, productivity, and interest rates.



I.

Population, Employment and Income Trends

San Francisco continues to grow and has now surpassed its population peak of the 1950s; some 809,000 people call San Francisco home. A slight shift in the City's racial composition was noted in the U.S. Census Bureau's 2008 American Community Survey (ACS) estimate but San Francisco continues to be a culturally and racially diverse place. San Francisco households are generally better off and median incomes are rising; the 2008 ACS estimated San Francisco's median income at about \$73,798. San Francisco is also growing older. The median age of San Francisco residents has been rising since 1990, especially as the baby-boom generation ages. In 2008, the estimated median age was 40.4 years. Families with children constitute a small portion of San Francisco households. Under 13% of the City's total population is 14 years old and younger, giving San Francisco the distinction of having the fewest children of all major U.S. cities.

A. POPULATION AND DEMOGRAPHICS

1. Population Change

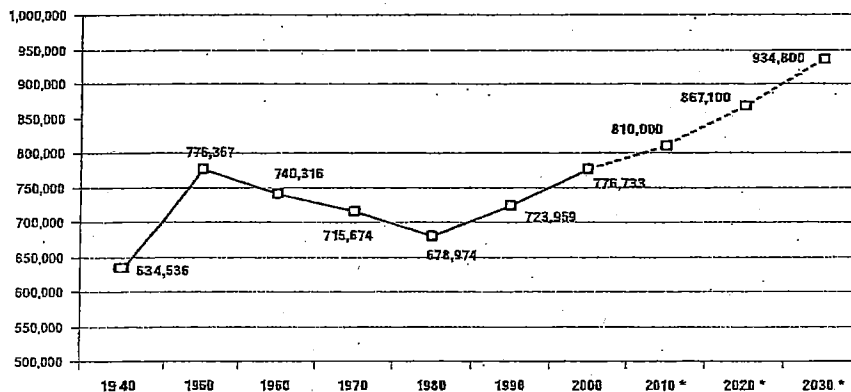
San Francisco has seen an increase in population and jobs in recent years. The 2000 Census counted over 776,730 San Franciscans while the Association of Bay Area Governments (ABAG) estimated some 634,430 jobs in the City. While the population and employment dropped in the early part of the decade, these numbers have returned to a healthy level of growth.

Exact numbers differ depending on the source; however, by all estimates San Francisco's population has increased since 2000. The state Department of Finance (DoF) estimated 824,525 San Franciscans in 2008 while ABAG's projections is about 803,235. The 2008 American Community Survey estimated San Francisco's population to be about 808,976. ABAG projects continued population growth to 867,100 by 2020 or an overall increase of about 57,100 people who will need to be housed over the next 12 years (Table I-1 and Figure I-1). Household growth, an approximation of the demand for housing, indicates a need for some 31,000 new units in the 12 years to 2020 just to accommodate projected population and household growth (Table I-1).

	1990	2000	2010 *	2020 *	2030 *
Total Population	723,959	776,733	810,000	867,100	934,800
Population Change		52,774	33,267	57,100	67,700
% Population Change		7.3%	4.3%	7.0%	7.8%
Household Population	699,330	756,976	789,100	845,800	913,000
% HH Population Change		8.2%	4.2%	7.2%	8.0%
Households	305,584	329,700	346,680	372,750	400,700
Households Change		24,116	16,980	26,070	27,950
% Households Change		7.9%	5.2%	7.5%	7.5%

SOURCES: Census Bureau, ABAG, Projections 2009

Table I-1
Population Trends and ABAG
Projections, San Francisco,
1990-2030



SOURCES: Census Bureau, ABAG Projections 2009

Figure I-1
Population Trends and ABAG
Projections, San Francisco,
1940-2030

2. Age

San Francisco's population, in line with national trends, is getting older as the baby boom generation ages. San Francisco also has the distinction of having the fewest number of children of all major American cities. Table I-2 and Figure 1-2 show recent population trends and projections by age group. The median age for San Francisco was estimated to be 40.4 years old in 2008, an increase from 36.5 in 2000. ABAG's *Projections 2007* calculated the median age to increase at a slower rate, not reaching 39.2 years until 2020.

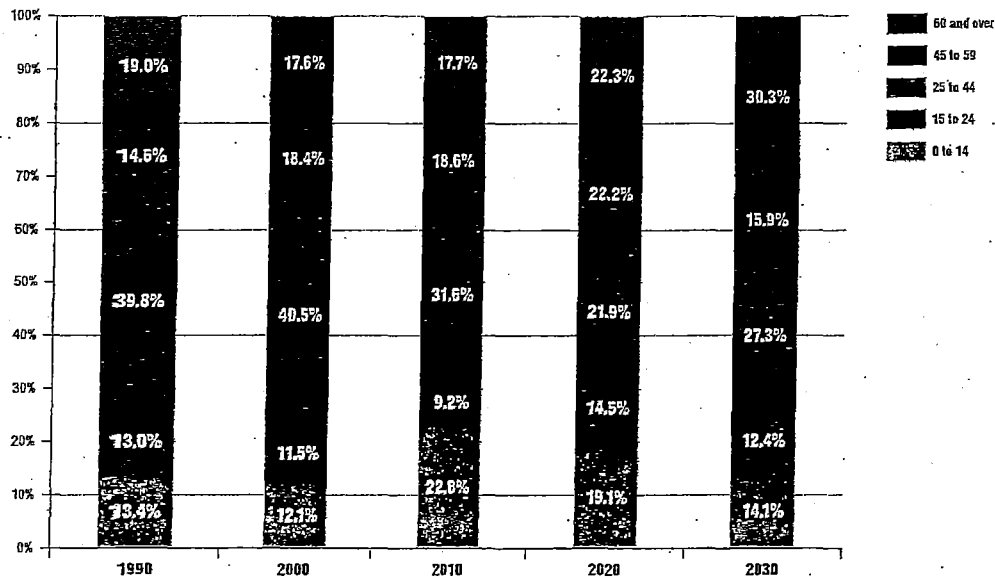
In 2000, San Franciscans 14 years and younger constituted only 12% of the city's population. The number of young San Franciscans, however, is expected to grow, almost doubling (96%) to 184,700 by 2010 and making up 23% of the total population. Their numbers will taper off the following decades and eventually return to a smaller proportion of the population by 2030.

From 1990 to 2000, the 45-59 age group grew approximately 34%, the highest growth rate of any group in the population for that period. San Franciscans 45 years and older are also forecast to increase, making up 36% of the population by 2010 and 44% by 2030. The City's older residents – those 60 years and older – will grow the most over the coming years, accounting for 30% of the total population by 2030.

Table I-2
Population Trends and
Projections by Age Groups,
San Francisco, 1990-2030

Age Group	1990	2000	2010	2020	2030
0 to 14	97,301	94,010	184,700	164,000	130,500
15 to 24	94,465	89,388	74,700	124,400	114,100
25 to 44	288,387	314,222	255,200	187,700	251,600
45 to 59	106,058	142,744	150,600	190,200	146,600
60 +	137,748	136,369	143,500	190,900	279,800
Total	723,959	776,733	808,700	857,200	922,600
Median Age	35.3	36.7	37.6	39.2	40.9

SOURCES: Census Bureau; ABAG, *Projections 2007*



SOURCES: Census Bureau; ABAG, *Projections 2007*

Figure I-2
Population
Trends and Projections by
Age Groups,
San Francisco, 1990-2030

3. Ethnic Composition

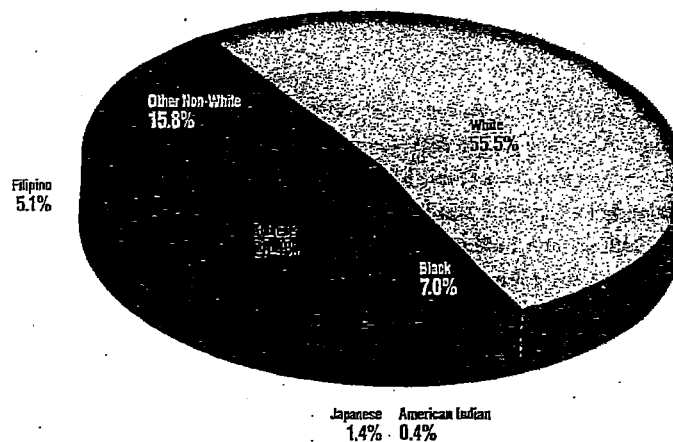
San Francisco's population is ethnically diverse (Table 1-3 and Figure I-3) despite a slight shift since the 2000 Census. Since 2000, the percentage of San Franciscans claiming white racial affiliation increased, totaling nearly 55% of the City's population according to the 2008 American Community Survey (ACS). San Francisco's African-American population continues to decline, dropping from 11% in 2000 to just 6.2% in 2008. San Franciscans of Chinese origin grew from 19.6% of the total population in 2000 to 20.1% by 2008. The proportion of San Franciscans identifying with Hispanic origins (of any race) has remained stable at about 14%. Household size and household incomes by ethnicity point to varied housing needs and abilities to pay for housing and will be discussed in later sections of this report.

Race	1980	1990	2000	2008
White	59.2%	53.6%	49.7%	54.7%
Black	12.7%	10.9%	7.8%	6.2%
American Indian	0.5%	0.5%	0.4%	0.4%
Japanese	1.8%	1.6%	1.5%	1.2%
Chinese	12.1%	18.1%	19.6%	20.1%
Filipino	5.7%	5.7%	5.2%	4.4%
Other Non-White	7.9%	9.7%	15.8%	13.0%
TOTAL	100.0%	100.0%	100.0%	100.0%
Hispanic Origin	12.4%	13.3%	14.1%	14.0%

SOURCE: Census Bureau

Table 1-3
Population Trends by
Ethnicity, San Francisco,
1980-2008

Figure I-3
Ethnic Composition,
San Francisco, 2008



SOURCE: Census Bureau.

As in most urban centers, there are concentrations of major ethnic groups in San Francisco neighborhoods. Many Latino households live in the Inner and Outer Mission districts, extending along Mission Street south to Daly City. A distinct Filipino community follows a similar residential pattern, with additional concentrations in the Excelsior area and, to a smaller degree, South of Market. Concentrations of several East Asian populations reside in the Richmond and Sunset Districts while still maintaining its traditional presence in Chinatown. Residential concentrations of African Americans occur in the Western Addition, South Bayshore, and Ingleside Districts. Southeast Asian communities have a strong presence in the Tenderloin District north of Market Street and in neighborhoods throughout the Bayview and Visitation Valley areas.

4. Household Characteristics

According to the 2000 Census, the number of San Francisco households grew from 305,584 in 1990 to 329,700, an increase of over 24,100 new households or about 7.9% growth (Table I-4). ABAG's *Projections 2007* estimates that the number of total households will continue to increase, growing to 348,330 by 2010 and to 386,680 by 2030 or an annual average of 1,900 new San Francisco households over 20 years.

Table I-4
Household Growth Trends
and Projections,
San Francisco, 1990-2030

	1990	2000	2010 *	2020 *	2030 *
Number of Households	305,584	329,700	346,680	372,750	400,700
Growth	6,628	24,116	16,980	26,070	27,950
Average Annual Growth	663	2,412	1,698	2,607	2,795
Percent Change	2.2%	7.9%	5.2%	7.5%	7.5%
Average Household Size	2.29	2.30	2.28	2.27	2.28
Average Household Size (Bay Area)	2.61	2.69	2.70	2.70	2.70

SOURCES: Census Bureau; * ABAG, *Projections 2009*

PART 1: DATA NEEDS & ANALYSIS

As shown in Table I-4, the average household size in San Francisco has been relatively constant, hovering at 2.3 persons and tending to be smaller than the Bay Area average. ABAG also projects that the number of persons per Bay Area household will be leveling off in the next 20 years.

San Francisco continues to have a comparatively small number of family households and this proportion is shrinking. According to the 2000 Census, family households comprised just 44% of all households in San Francisco (Table I-5), compared to over 46% in 1990. This decline does not necessarily indicate that families are leaving, as there were over 3,000 more family households in 2000; rather it indicates that non-family households are increasing at a much more rapid rate. The Census Bureau's definition of a family household - counting only those households with people related to the householder by birth, marriage, or adoption - also obscures the actual diversity of San Francisco's families and households. At the time of the American Community Survey in 2008, the estimated proportion of Census-defined family households in San Francisco remained steady about 43.1%. This is considerably less than the percentage for the entire Bay Area, where around 65% of all households are family households. Average family households are also likely to be larger than non-family households. The 2008 American Community Survey estimates these numbers to be 3.5 persons and 2.4 persons, respectively.

Household Characteristic	1990	2000
All Households	305,584	329,700
Family Households	141,790	145,186
As Percent of All Households	46.4%	44.0%
Bay Area Family Households as Percentage of All Households	65.5%	64.7%

Table I-5
Family and Non-Family Households, San Francisco, 1990 and 2000

SOURCES: Census Bureau; ABAG

In 2000, almost 70% of all households in the City were comprised of one or two people and household sizes are expected to remain proportionally about the same as the previous decades (Table I-6). The recent ACS estimate, however, shows that the proportion of single person households is growing. In 2008, they made up over 43% of all households, compared to 39% eight years earlier. The expected growth in households and the composition of these new households present specific housing needs.

Table I-6
Changes in Household Size,
San Francisco, 1970-2000

Household Size	1980		1990		2000	
	No.	% of Total	No.	% of Total	No.	% of Total
1	123,915	41.4%	120,047	39.2%	127,380	38.6%
2	90,681	30.3%	91,894	30.0%	101,781	30.9%
3	36,554	12.2%	38,158	12.5%	41,831	12.7%
4	23,321	7.8%	26,532	8.7%	28,563	8.7%
5	12,335	4.1%	14,504	4.7%	14,293	4.3%
6+	12,150	4.1%	14,849	4.9%	16,002	4.9%
TOTAL	298,956	100.0%	305,984	100.0%	329,850	100.0%

SOURCE: Census Bureau

Average household size varies by ethnicity. Table I-7 below shows that households falling under the "Other Race" and the "Native Hawaiian/ Pacific Islander" categories tend to be larger, averaging 3.7 and 3.5 people per household, respectively. Hispanic or Latino households are similarly larger than the citywide average, with 3.2 people per households. There are, on average, three people in an Asian household, while Black households are generally on par with the citywide average. White households are smallest in size, averaging less than two persons per household.

Table I-7
Household Size by Ethnicity,
San Francisco, 2000

Household	Average Household Size	No. of Households
White	1.92	199,980
Black	2.31	23,860
American Indian/Alaska Native	2.39	1,303
Asian	2.99	79,058
Native Hawaiian/Pacific Islander	3.53	905
Other Race	3.69	12,803
Two or More Race	2.45	11,794
Hispanic / Latino	3.23	31,509
All Households	2.30	329,700

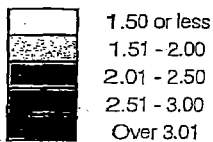
SOURCE: Census Bureau

Household size in San Francisco also reflects existing neighborhood housing stock (see Maps I-1 and I-2). Larger households of four or more persons are generally found in the southeastern neighborhoods of the Mission, Bayview, Visitacion Valley, and the Excelsior where typical housing units have two or more bedrooms. Somewhat smaller households are found in the western neighborhoods. The central and northeastern portions of the city generally have the smallest households—two or less than two persons—with the residential population tapering off near the commercial and industrial areas of the Financial District and South of Market.

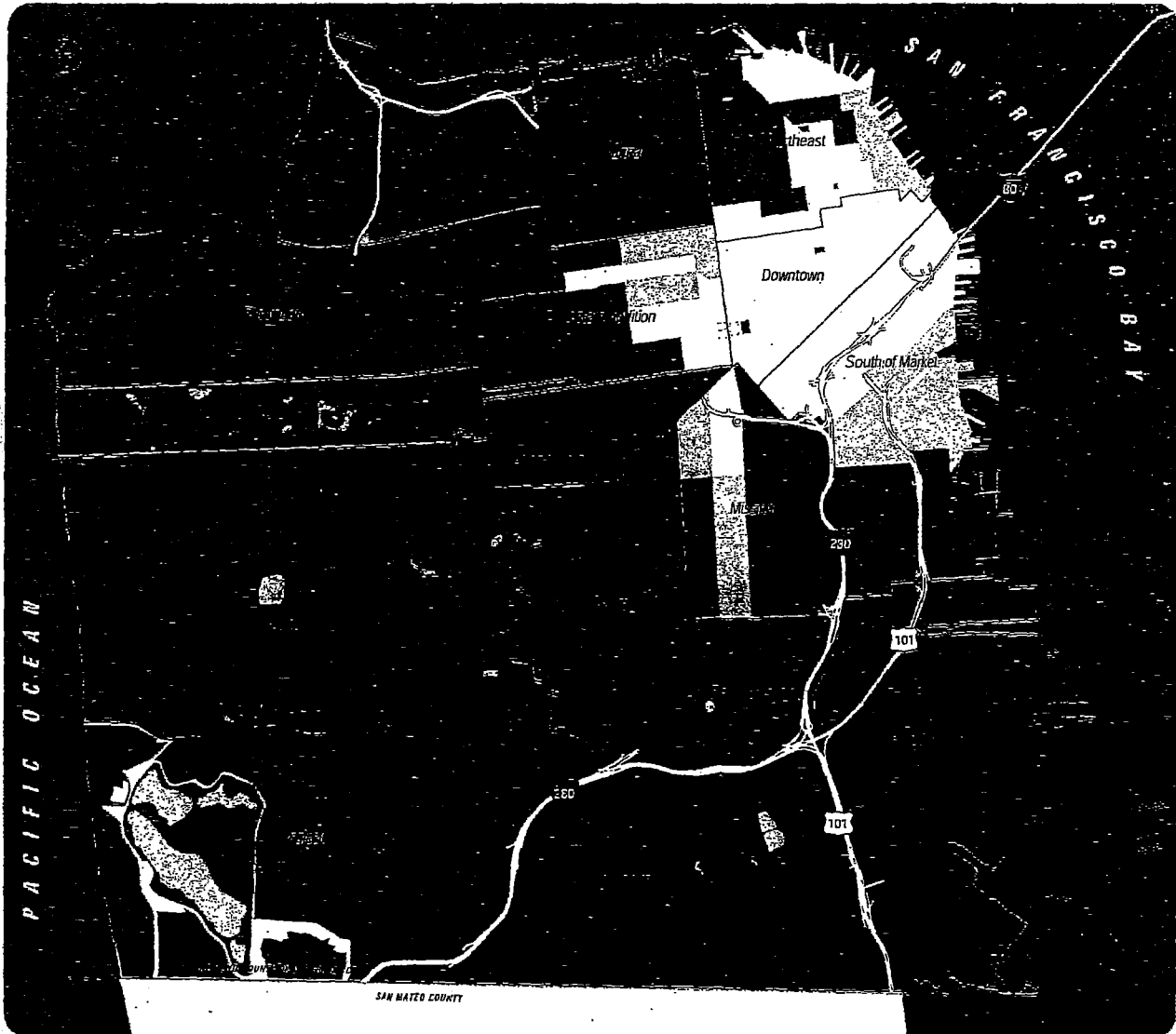


**Average Household Size by Census Tract
San Francisco, 2000**

0 Miles
MAP 01

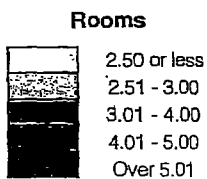


SOURCE: Census Bureau



**Median Room Count by Census Tract
San Francisco, 2000**

0 1 Miles
MAP 02



SOURCE: Census Bureau

B. EMPLOYMENT

1. Jobs

Employment growth in San Francisco and the region directly affects the demand for housing as new jobs attract new residents. As shown in Table I-8, total employment in San Francisco was growing steadily from 1970 to 2000. There was equivalent growth in population and households in San Francisco. However, the crash of dot-com ventures and the subsequent recovery show a net job loss in the years between 2000 and 2010 of approximately 65,700 (see Table I-8). ABAG forecasts more robust increases in San Francisco employment between 2010 and 2030. During the 2010 to 2020 period, the ABAG model shows 78,460 new jobs (13.8% increase) in San Francisco. From 2020-2030, 100,910 additional jobs are projected—a 15.6% gain:

Year	Total No. of Jobs	Growth (Loss)	% Change
1990	579,180	26,980	4.9%
2000	634,430	55,250	9.5%
2010*	568,730	(65,700)	-10.4%
2020*	647,190	78,460	13.8%
2030*	748,100	100,910	15.6%

SOURCES: Census Bureau; * ABAG, *Projections 2009*

Table I-8
San Francisco Employment Trends
and Projections, 1990-2030

From 2010 through 2030, the entire nine-county Bay Area is expected to add almost 1,262,890 jobs. Of that total, about 179,370 will be created in San Francisco and the City's share of regional employment will shrink slightly to less than 16% (Table I-9). Maintaining this job share ensures San Francisco's continuing role as an employment hub, making full use of existing infrastructure. Future targeted infrastructure enhancements to core job centers such as San Francisco will support overall reduction in greenhouse gas emissions in the region.

Year	San Francisco	Bay Area Total	San Francisco as % of Bay Area
1990	579,180		
2000	634,430	3,753,460	16.9%
2010 *	568,730	3,475,840	16.4%
2020 *	647,190	4,040,690	16.0%
2030 *	748,100	4,738,730	15.8%

SOURCE: ABAG, *Projections 2009*

Table I-9
San Francisco and Bay
Area Regional Employment
Projections, 1990-2030

Job growth in the next 20 years is expected to be strongest in the "Professional and Managerial Services" industry (37,830 new jobs), followed by the "Health and Educational Services" category (27,590), and the "Arts, Recreation, and Other Services" segment (26,470) (see Table I-10). In terms of percentage growth for the 2010-2030 period, "Manufacturing and Wholesale" (47.2%) and "Construction" (44.2%) industries lead the way. Almost all sectors of the local economy will have experienced net employment losses between the decennial censuses. For the current 2000-2010 decade, only the Health & Educational Services (3,940 new jobs) and Arts, Recreation and Other Services (1,980 jobs) sectors will have seen positive job growth. By 2010, Professional and Managerial Services will have experienced the largest losses—some 22,320 or 18% of this sector's jobs. Manufacturing and Wholesale employment will have lost some 18,930 jobs during that time—a substantial loss of 42.4%.

Table I-10
Employment Trends and
Projections by Industry,
San Francisco, 2000-2030

Industry	2000	2010	2020	2030	2000 - 2030	
					Change	% Change
Agriculture & Natural Resources	1,040	1,020	1,020	1,020	(20)	-1.9%
Construction	32,750	27,060	31,810	39,020	6,270	19.1%
Manufacturing & Wholesale	44,690	25,760	31,920	37,920	(6,770)	-15.1%
Retail	57,400	45,000	51,080	63,070	5,670	9.9%
Transportation & Utilities	32,610	28,150	29,970	30,970	(1,640)	-5.0%
Information	44,070	36,860	41,590	49,420	5,350	12.1%
Financial & Leasing (FIRE)	83,740	79,720	89,230	103,400	19,660	23.5%
Professional & Managerial Services	124,280	101,960	118,060	139,790	15,510	12.5%
Health & Educational Services	97,870	101,810	115,390	129,400	31,530	32.2%
Arts, Recreation & Other Services	95,010	96,990	110,260	123,460	31,530	29.9%
Government	29,040	24,400	26,860	30,630	1,590	5.5%
TOTAL	642,500	568,730	647,190	748,100	105,600	16.4%

SOURCE: ABAG, *Projections 2009*

2. Employed Residents and Commuters

During the early part of the decade, the number of employed residents in San Francisco declined (Table I-11). However, that trend has been reversed and by the end of the decade, a total of almost 413,870 employed residents is projected. ABAG's *Projections 2009* also indicate that this trend will continue over the 20 years with the addition of over 108,860 employed residents between 2010 and 2030.

Year	Employed Residents	No. of Change	% Change
2000	437,533		
2005	390,102	-47,431	-10.8%
2010	413,866	23,764	6.1%
2015	426,770	12,904	3.1%
2020	460,322	33,552	7.9%
2025	495,531	35,209	7.6%
2030	522,727	27,196	5.5%

Table I-11
Employed Residents Trends
and Projections, San Francisco,
2000-2030

SOURCE: ABAG, *Projections 2009*

The number of workers per household also declined between 2000 and 2005, from 1.33 to 1.15 (Table I-12). This number is expected to remain fairly constant until 2030 when it will increase to 1.25 workers per household. The Bay Area region will follow a similar trend.

Area	2000	2005	2010	2015	2020	2025	2030
San Francisco	1.33	1.15	1.19	1.18	1.23	1.28	1.30
Bay Area Region	1.40	1.25	1.28	1.30	1.36	1.40	1.43

Table I-12
Workers per Household Trends
and Projections, San Francisco
and Bay Area, 2000-2030

SOURCE: Planning Department based on ABAG *Projections 2009*

As of 2000, commuters into San Francisco held 44.4% of the jobs in the City (Table I-13). According to the Metropolitan Transportation Commission's *Commuter Forecasts for the San Francisco Bay Area: 1990-2030*, over half of these workers commute into the City via the Bay Bridge corridor. Between 2000 and 2010, it is estimated that commuters will have obtained 86.5% of new jobs in San Francisco.

As a regional job center, San Francisco will continue to have a larger share of commuters than other cities in the Bay Area. The regional transportation goal in the next ten years is to reduce commuting with a smaller share of new jobs created in San Francisco being taken by non-San Francisco residents. Table I-13, however, is not a job forecast nor does it show distribution of jobs throughout the area. Rather, it assumes that more of the future jobs in San Francisco are expected to be taken by San Francisco residents than has occurred in the past.

Category	2000	2010	2020	2030
Commuters	257,341	300,069	338,196	357,074
San Francisco Residents	321,913	328,563	362,044	402,829
TOTAL JOBS	579,254	628,632	700,240	759,903
% of Commuters	44.4%	47.7%	48.3%	47.0%
Increase		49,378	71,608	59,663
Change in Commuters		42,728	80,855	18,878
Regional Goal of Percent Change of Commuters		86.5%	53.2%	31.6%

Table I-13
Workers Commuting into
San Francisco, 2000-2030

SOURCE: Metropolitan Transportation Commission

C. INCOMES

1. Median Incomes

The 2000 Census noted San Francisco's median household income at \$55,221. This represents an increase of about 65% in the 10 years between Census counts (Table I-14). Table I-14 also shows that median and mean family incomes tend to be higher than that of non-family households. The 2008 American Community Survey (ACS) estimates the median household income at just under \$73,798 or about a 33.6% increase in the last eight years. Table I-15, moreover, shows these same incomes adjusted for inflation, where median household and median non-family household incomes have increased slightly, median family household incomes have increased almost 12%.

Table I-14
Household and Family
Income, San Francisco,
1990-2008

	1990	2000	2008 ACS
Median Household Income	\$33,414	\$55,221	\$73,798
Mean Household Income			\$108,753
Median Family Household Income	\$38,443	\$63,545	\$91,812
Mean Family Household Income			\$131,564
Median Non-Family Household Income		\$46,465	\$61,480
Mean Non-Family Household Income			\$88,772

SOURCE: Census Bureau

Table I-15
Household and Family
Income in Constant Dollars,
San Francisco, 1990-2008

Income Category	1990 (1999 Dollars)	2000 (1999 Income)	2008 (1999 Dollars)
Median Household Income	\$44,024	\$55,221	\$57,104
Median Family Income	\$53,440	\$63,545	\$71,044
Median Non-Family Household Income	\$35,696	\$46,465	\$47,573
Per Capita Income	\$25,949	\$34,556	\$36,693

SOURCE: Census Bureau

Table I-16 below shows household incomes by household type, tenure and ethnicity. In addition to the difference between median family income and median non-family income, disparities exist between home-owning households and renters, and amongst ethnic groups. This array of income, as well as household type, affects housing demand and affordability. For example, the family median income is not enough to afford the average 2008 rent for a two-bedroom apartment at \$2,650. And while the median family income is somewhat higher than that of a non-family household, it is spread among more people in the household and would have to pay for larger housing to accommodate the larger average family household size. There is thus a need for larger units affordable to families and large households in San Francisco and an on-going need for affordable housing for the population in general.

Characteristic	Median Income	% of San Francisco Median Household Income (\$55,221)
HOUSEHOLD TYPE		
Family Household	\$63,545	115.1%
Non-Family Household	\$46,457	84.1%
TENURE		
Owner Occupied Households Median Income	\$77,917	141.1%
Renter Occupied Households Median Income	\$45,275	82.0%
ETHNICITY		
White	\$63,227	114.5%
African American	\$29,640	53.7%
American Indian/Alaska Native	\$30,994	56.1%
Asian	\$49,596	89.8%
Native Hawaiian/Pacific Islander	\$33,750	61.1%
Other Race	\$47,651	86.3%
Two or More Race	\$49,040	88.8%
Hispanic or Latino	\$46,883	84.9%

* People who identify themselves as Hispanic or Latino may also identify themselves as a particular ethnicity.
SOURCE: Census Bureau

Table I-16
Household Income by
Household Type, Tenure and
Ethnicity, San Francisco,
2000

2. Employed Residents, Household Workers and Income

Generally, the overall number of employed persons in a city is probably not correlated with income. Rather, income levels relate more directly to general economic characteristics of an area, fluctuations in wages earned, inflation, and most directly, job mix. However, data suggest that some family incomes may rise as a result of increased employment. It is reasonable to expect that as employment increases, families would benefit from increased employment, thus increasing family income. This is evidenced in the higher median family income presented in Table I-15 above. Between 1990 and 2000, the number of families with no workers decreased from 14.7% to 12.8 %, possibly benefiting families (Table I-17). Additionally, this table shows that the number of families with two workers increased by about 6.6%, implying that those families earned more. However, one cannot be sure because, for instance, a family may have lost one job and replaced it with two lower-paying positions.

Workers	1990	2000
0	21,147	18,798
1	38,150	38,729
2	62,099	66,231
3+	22,422	23,428

Table I-17
Number of Workers in
Family, San Francisco,
1990-2000

SOURCE: Census Bureau

3. Income Disparities

Income disparity is even more significant when households' median incomes are compared by ethnicity. Table I-18 shows that across all types of households and per capita measures, white households have significantly higher earnings than other ethnicities. Only White households earn more than the 2000 Census citywide averages. African American households' median income of \$29,640 is 54% of the City's median income, while White households' median income is \$63,227 or 115% of the City's median income. Asian households have a median income that is 90% of the City's overall median income, followed by "Two or More Race" and "Other Race" households whose median incomes are about 89% and 86% of San Francisco's median income respectively. Median income of Hispanic or Latino households was pegged at \$46,883 or about 85% of the citywide median.

Table I-18
Incomes by Ethnicity
and Household Type,
San Francisco, 2000

Ethnicity	Median Household Income	Median Family Income	Median Non-Family Income	Average Family Size	Per Capita Income
White	\$63,227	\$81,891	\$52,715	2.72	\$48,393
African American	\$29,640	\$35,943	\$21,103	3.16	\$19,275
American Indian / Alaska Native	\$30,994	\$35,000	\$24,922	3.39	\$22,588
Asian	\$49,596	\$56,679	\$30,365	3.67	\$22,357
Native Hawaiian / Pacific Islander	\$33,750	\$31,985	\$38,333	4.47	\$12,476
Other Race	\$47,651	\$46,683	\$31,801	4.19	\$15,730
Two or More Races	\$49,040	\$51,571	\$41,677	3.33	\$22,091
Hispanic or Latino	\$46,883	\$46,809	\$35,911	3.88	\$18,584
Citywide	\$55,221	\$63,545	\$46,457	3.22	\$34,556

SOURCE: Census Bureau

As noted earlier, ethnic households tend to be larger than the City's overall average household size (Table I-7). Thus a look at per capita income provides a starker reality of income disparity. The 2000 Census shows that per capita income of San Franciscans of Native Hawaiian or Pacific Islander heritage is equivalent to only 36.1% of the City's overall, but for white San Franciscans, it is 140%. And while Asian households earn on average about 90.4% of the City's median income, per capita income of San Franciscans of Asian decent is \$22,357 or 64.7%.

4. Employment Trends and Income

The housing needs of San Francisco are based on providing housing to support the City's workforce, which includes both San Francisco residents and commuters. While San Francisco serves as a regional center for employment, a substantial portion of its workforce lives within the city boundaries. San Francisco's share of the regional housing needs assessment reflect the continuing need to provide housing for its workforce. The average income for the San Francisco workforce demonstrates the lack of housing affordable to many San Francisco workers, both residents and commuters. Table I-19 below shows the average wage by sector and total jobs in each sector. The office sector was by far the largest employer with 195,521 jobs. The retail and industrial sectors had 96,033 and 84,693 jobs respectively. The cultural/institutional sector also had a large number of jobs with 128,725 employees as of 2005. With an average rent of \$2,650 for a two-bedroom apartment in 2008, a household must have an annual income of at least \$106,000 to afford such a unit.

Industry	Average Annual Wages 2006	Average Employment 2006
TOTAL PRIVATE INDUSTRY	\$71,174	446,359
Goods Producing	\$58,145	28,430
Natural Resources and Mining	40,895	259
Construction	64,939	16,962
Manufacturing	48,263	11,209
Service Producing	\$72,061	417,929
Trade, Transportation and Utilities	52,215	68,538
Information	87,003	17,098
Financial Activities	160,040	57,827
Professional and Business Services	89,032	114,320
Education and Health Services	48,363	53,740
Leisure and Hospitality	28,083	74,074
Other Services	29,004	32,305
TOTAL GOVERNMENT	\$83,800	n/a

Table I-19
Average Annual Wage
and Employment by
Sector, San Francisco,
2006

SOURCE: S.E. Planning Department, California Employment Development Division

Because each sector in Table I-19 contains a variety of occupations, it is useful to call out the fastest growing categories of jobs in San Francisco, as shown in Table I-20. Of these, only three job classifications – Lawyers, General and Operations Managers, and Computer Software Engineers, Applications – have estimated annual wages around or above the \$106,000 required to afford asking rents of an average two-bedroom apartment in San Francisco.

Occupational Title	Job Openings 2004-2014	Mean Hourly Wage, 2008	Estimated Annual Wage*, 2008
Retail Salespersons	14,030	\$13.97	\$29,049
Waiters and Waitresses	11,090	\$10.69	\$22,236
Cashiers	10,970	\$12.37	\$25,730
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	7,660	\$9.81	\$20,391
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	6,520	\$12.94	\$26,919
Combined Food Preparation and Serving Workers, Including Fast Food	6,290	\$10.71	\$22,267
Registered Nurses	5,950	\$44.46	\$92,477
Office Clerks, General	4,780	\$15.79	\$32,831
Computer Software Engineers, Applications	4,740	\$49.92	\$103,829
General and Operations Managers	4,190	\$62.52	\$130,045
Food Preparation Workers	4,040	\$11.14	\$23,168
Executive Secretaries and Administrative Assistants	3,680	\$25.03	\$52,072
Accountants and Auditors	3,650	\$36.57	\$76,058
Security Guards	3,620	\$14.39	\$29,921
Carpenters	3,620	\$29.11	\$60,555
Cooks, Restaurant	3,430	\$13.09	\$27,226
Laborers and Freight, Stock, and Material Movers, Hand	3,290	\$14.31	\$29,771
Stock Clerks and Order Fillers	3,140	\$13.29	\$27,661
Customer Service Representatives	3,000	\$19.52	\$40,597
Bookkeeping, Accounting, and Auditing Clerks	2,850	\$20.79	\$43,243
Maids and Housekeeping Cleaners	2,720	\$13.18	\$27,400
Medical Scientists, Except Epidemiologists	2,670	\$45.76	\$95,174
Tellers	2,640	\$14.41	\$29,980
First-Line Supervisors/Managers of Office and Administrative Support Workers	2,630	\$28.10	\$58,438
Lawyers	2,570	\$70.00	\$145,600

Table I-20
Job Classifications with
Most Job Openings 2004-
2014 and Mean Hourly
Wages, 2008
San Francisco-Marín-San
Mateo Counties, 2004-2014

* Assumes 40-hour work week, 52-week year.
SOURCE: California Employment Development Department, *Occupational Employment Statistics Survey*
check <http://www.calmis.ca.gov/ile/ocoproj/sanfrisco.htm>

Much of the growth forecast to occur in the coming years will be in low- to medium-skilled jobs such as retail salespersons, waitpersons, cafeteria and coffee shop attendants, janitors and cleaners, and food preparation workers, with approximate annual pay scales ranging from \$20,900 to \$29,000 (Table I-20). Some of this growth may be absorbed by San Francisco residents through the First Source Hiring Program. However, this is a limited program since it only applies to city contracts and commercial development that is over 25,000 square feet.¹

¹ San Francisco's First Source Hiring Program (Chapter 83 of the Administrative Code) was created to foster construction and permanent employment opportunities for qualified economically disadvantaged individuals. Participation in this program is required in City contracts and City property contracts. To date, the First Source Hiring Program has employed at least 229 people permanently and 332 people through construction jobs. These numbers represent minimums, because not all hires are recorded.



II.

Housing Characteristics

This section provides background information on the physical and qualitative characteristics of San Francisco's housing stock. Totalling about 363,660 units, the City's housing stock is roughly divided into low-, medium-, and higher-density structures. The City's housing stock is older than other West Coast cities, with over 50% of the City's housing units constructed before World War II. San Francisco's housing tends to be smaller in size, with about 72% of all units containing two bedrooms or less. San Francisco, like most large cities, is a city of renters who occupy 62% of housing units in the City.

About 18,960 new housing units were added to the City's housing stock in the nine years following the 2000 Census; of these, 88% were in structures with ten or more units. Since 2000, almost 43% of all new housing was constructed in the largely industrial areas of the South of Market planning district; an additional combined total of 13% were built in the residential-zoned Inner and Outer Sunset, the Richmond, Ingleside, and Central and South Central planning districts.

Housing affordability continues to be a major concern as San Francisco has one of the least affordable housing markets in the nation. Roughly 26% of new housing built since 2000 qualified as affordable to households making 100% or less of the area median income. The cooling housing market, notwithstanding, homeownership in San Francisco remains elusive for most residents. Only 11% of all San Francisco households could afford the \$603,600 median housing price. Average asking rents stood at \$2,650 in 2008.

A. EXISTING HOUSING STOCK

1. General Characteristics

Structure Type and Tenure: According to the 2000 Census, San Francisco's over 346,500 housing units consisted of roughly equal proportions of low-density single family units, two to nine unit medium density structures, and ten unit plus high-density buildings (Table I-21). This has not changed dramatically in the last seven years. San Francisco is also city of renters: an estimated 62% of all households rent according to the latest American Community Survey estimates (2007). This latest Census survey, however, estimated that there has an increase in the rate of homeownership, with 39% of all households owning their homes, up from 35% seven years earlier. Table I-21 also shows that a vast majority of single-family units are owner-occupied (72%).

Table I-21
Housing Characteristics,
San Francisco,
2000 and 2007

Characteristic	All Units		Occupied		Rent		Own	
	2000	2007	2000	2007	2000	2007	2000	2007
TENURE STATUS								
					65.0%	62.2%	35.0%	37.8%
STRUCTURE TYPE								
Single Family	32.1%	34.4%	32.7%	34.9%	11.7%	14.5%	71.6%	68.5%
2 - 4 Units	23.3%	20.4%	23.4%	20.7%	26.7%	22.8%	17.2%	17.2%
5 - 9 Units	11.3%	10.4%	11.3%	10.2%	15.9%	14.1%	2.8%	3.8%
10 - 19 Units	10.1%	10.2%	10.1%	9.7%	14.3%	14.2%	2.3%	2.2%
20+ Units	22.9%	24.5%	22.3%	24.5%	31.2%	34.3%	5.9%	8.2%
Other	0.2%	0.1%	0.2%	0.1%	0.1%	0.0%	0.2%	0.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
UNIT SIZE								
No Bedroom	18.0%	14.1%	17.7%	14.0%	26.0%	21.7%	2.4%	1.3%
1 Bedroom	28.0%	28.2%	28.0%	27.9%	36.9%	39.1%	11.3%	9.6%
2 Bedrooms	29.8%	30.4%	29.7%	30.5%	25.0%	25.5%	38.5%	38.5%
3 Bedrooms	17.3%	18.5%	17.5%	19.1%	9.2%	9.8%	32.8%	34.4%
4 Bedroom	5.3%	6.3%	5.3%	6.2%	2.2%	2.5%	11.2%	12.3%
5 or more Bedrooms	1.7%	2.5%	1.8%	2.3%	0.7%	1.4%	3.8%	3.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
AGE OF HOUSING BY YEAR BUILT								
2000 and later		3.7%		4.6%		4.9%		4.1%
1980 - 1999	8.8%	8.5%	8.9%	8.6%	8.5%	9.0%	9.5%	7.9%
1960 - 1979	18.8%	14.6%	16.3%	14.6%	19.5%	17.1%	10.4%	10.6%
1940 - 1959	24.0%	20.0%	24.8%	20.4%	23.7%	18.6%	26.9%	23.2%
1939 or earlier	48.5%	53.3%	50.0%	51.9%	48.3%	50.5%	53.2%	54.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SOURCE: Census Bureau

Structure Size/Bedroom Counts Dwelling units in San Francisco are generally small in size. The 2000 Census showed that 76% of all units had two bedrooms or less. Only 7% of housing units had four or more bedrooms. These units were primarily in single-family homes and two unit residential flats. Renters, who make up two-thirds of all households in the City, tend to have smaller units. Over a quarter (26%) of renting households live in units without a bedroom, compared to just 2.4% of home owning households.

Age of Housing Stock: Over 53% of San Francisco's housing stock was built prior to 1940. New construction since 2000 accounts for just under 4% of the City's total housing stock. Housing added in the last 27 years represents approximately 12% of all units. Unlike some jurisdictions where older housing stock is targeted for demolition or replacement, most of San Francisco's older housing stock is in sound condition. Indeed, the City's iconic Victorians are over 100 years old. (See page 58 for discussion on replacement of units.) Table I-21 details other differences in housing characteristics by household tenure status.

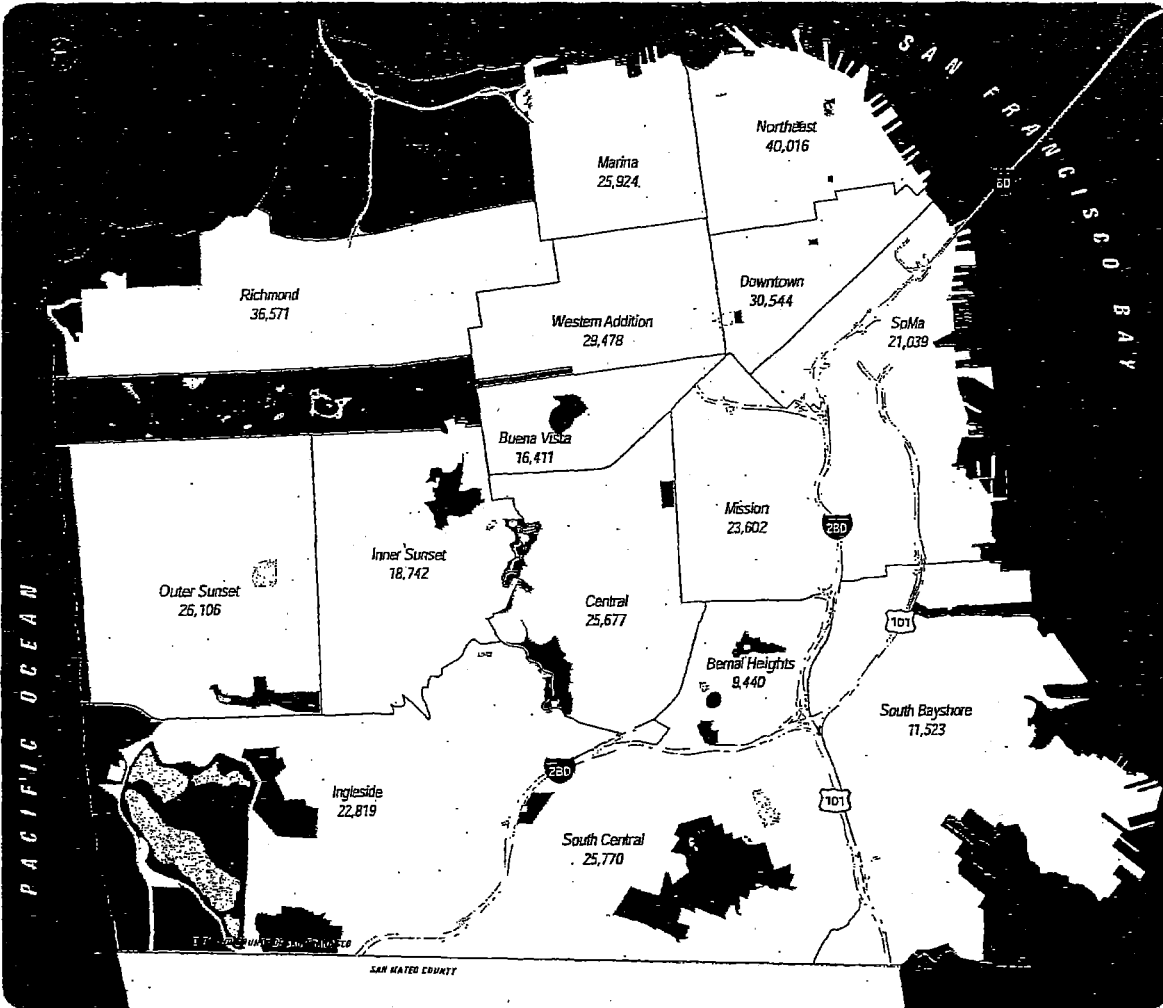
Location and Structure Type: Table I-22 in the following page shows the distribution of the City's housing inventory by planning district (see Map I-3) and by structure size. The Northeast planning district has the most housing units, followed by the Richmond, Western Addition and Downtown. The largely residential districts of Inner Sunset, Buena Vista and Bernal Heights, along with the industry-strewn Bayview, account for the fewest units. Single-family homes are concentrated in the residential-zoned districts of South Central, Inner Sunset, Outer Sunset and Ingleside. The Northeast planning district has the most high-density structures, followed by Western Addition, South of Market and Marina.

PART 1: DATA NEEDS & ANALYSIS

Planning District	Single Family	2 to 4 Units	5 to 9 Units	10 + Units	District Total
1 Richmond	10,441	15,371	5,031	5,728	36,571
Percent	29%	42%	14%	16%	10.1%
2 Marina	2,964	5,982	4,139	12,839	25,924
Percent	11%	23%	16%	50%	7.1%
3 Northeast	1,802	7,290	6,849	24,075	40,016
Percent	5%	18%	17%	60%	11.0%
4 Downtown	210	509	880	28,945	30,544
Percent	1%	2%	3%	95%	8.4%
5 Western Addition	2,264	5,979	4,063	17,172	29,478
Percent	8%	20%	14%	58%	8.1%
6 Buena Vista	2,123	6,777	3,493	4,018	16,411
Percent	13%	41%	21%	24%	4.5%
7 Central	8,657	9,442	2,927	4,651	25,677
Percent	34%	37%	11%	18%	7.1%
8 Mission	2,430	9,364	4,560	7,248	23,602
Percent	10%	40%	19%	31%	6.5%
9 South of Market	2,010	2,858	1,033	15,138	21,039
Percent	10%	14%	5%	72%	5.8%
10 South Bayshore	6,900	1,769	1,661	1,193	11,523
Percent	60%	15%	15%	10%	3.2%
11 Bernal Heights	5,355	3,135	481	469	9,440
Percent	57%	33%	5%	5%	2.6%
12 South Central	20,675	2,422	1,344	1,329	25,770
Percent	80%	9%	5%	6%	7.1%
13 Ingleside	16,514	1,495	462	4,348	22,819
Percent	72%	7%	2%	20%	6.3%
14 Inner Sunset	9,898	4,534	1,602	2,708	18,742
Percent	53%	24%	9%	14%	5.2%
15 Outer Sunset	19,020	4,546	1,321	1,219	26,106
Percent	73%	17%	5%	4%	7.2%
CITYWIDE TOTAL	111,263	81,473	39,846	131,080	363,662
Percent	31%	22%	11%	36%	100.0%

Table 1-22
Housing Stock by Planning
District and Structure Size,
San Francisco, 2008

SOURCE: SF Planning Department



**Housing Stock by Planning District
San Francisco, 2008**

0 1 Miles
MAP 03

KEY:

Outer Sunset
26,081

Planning District
Total Units

2. Changes to the Housing Stock, 2000 - 2008

Despite the economic downturn at the beginning of the new millennium, housing production in San Francisco seemed unaffected. Accounting for new production, demolitions, and alterations, the City has seen a net increase of over 18,960 housing units – an annual average of almost 2,010 units – in the last nine years. In comparison, a net total of 9,640 housing units were added between 1990 and 1999 or an annual rate of about 964 units per year. The three-year spike in demolitions between 2003 and 2005 is a result of extensive public housing renewal projects, all of which have since been replaced with new affordable housing. Table I-23 also shows a growing trend – roughly 15% in the last nine years – of new units from the conversion of commercial buildings.

Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change in Number of Units
2000	1,859	61	(1)	1,797
2001	1,619	99	259	1,779
2002	2,260	73	221	2,408
2003	2,730	286	52	2,496
2004	1,780	355	62	1,487
2005	1,872	174	157	1,855
2006	1,675	41	280	1,914
2007	2,197	81	451	2,567
2008	3,019	29	273	3,263
TOTAL	19,011	1,199	1,754	18,566

Table I-23
New Housing Construction,
Demolitions and Alterations,
San Francisco, 2000-2008

SOURCE: SF Planning Department

a. Type and Location of New Construction, 2000 - 2008

Most of the new construction in the last nine years has occurred in larger structures, with 85% of the housing developed in buildings with more than ten units (Table I-24). South of Market absorbed most of the new housing development since 2000, accounting for over 8,070 new units or almost 43% of all new housing during that period; Downtown and the Western Addition follow with roughly 3,465 and 1,504 respectively, together accounting for over 26% of new housing (Table I-25 and Map I-4). The largely residential districts of the Richmond, Inner and Outer Sunset, Ingleside, Central and South Central, combined, netted only 13% of the additional units to the City's housing stock.

Table I-24
Comparison of Existing
Stock with New Construction
by Building Type,
San Francisco, 1980-2008

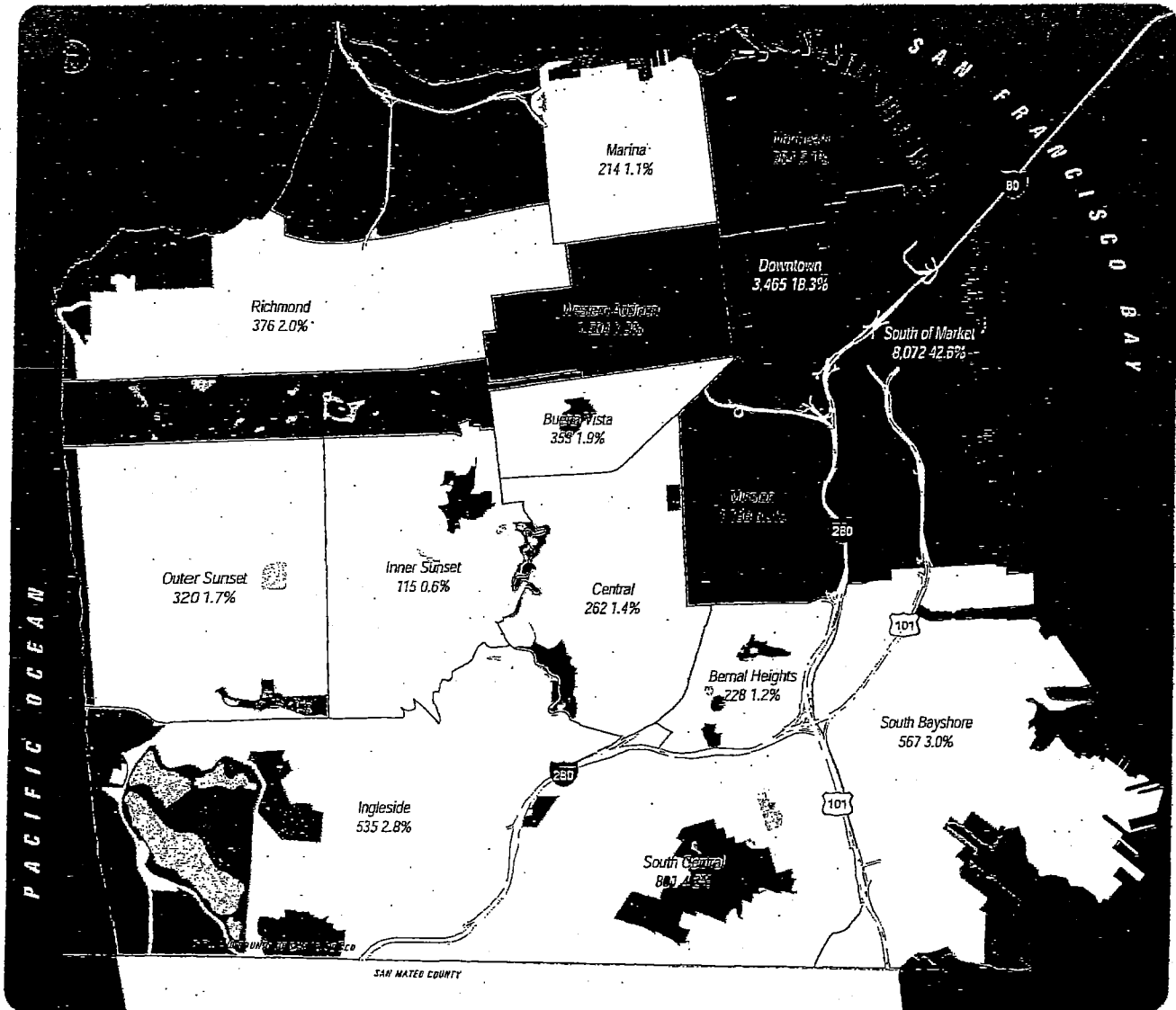
Building Type	Existing Stock			New Construction 2000-2008
	1980	1990	2000	
Single Family	32.3%	32.0%	31.3%	3.0%
Two Units	12.6%	24.0%	23.7%	3.9%
3 to 9 Units	20.8%	11.3%	11.1%	8.2%
10 + Units	34.3%	32.7%	34.0%	85.0%
TOTAL	100.0%	100.0%	100.0%	100.0%

SOURCES: Census Bureau, SF Planning Department

Table I-25
Net Change in the Housing
Stock by Planning District,
2000-2008

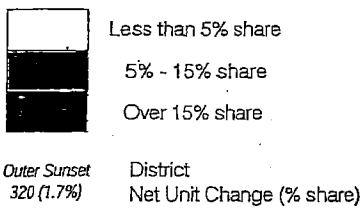
Planning District	2000 Census	Net Additions April 2000 - 2008	Total Housing Stock, 2008	% of Net Addition
1 - Richmond	36,195	376	36,571	2.0%
2 - Marina	25,710	214	25,924	1.1%
3 - Northeast	39,052	964	40,016	5.1%
4 - Downtown	27,079	3,465	30,544	18.3%
5 - Western Addition	27,974	1,504	29,478	7.9%
6 - Buena Vista	16,058	353	16,411	1.9%
7 - Central	25,415	262	25,677	1.4%
8 - Mission	22,414	1,188	23,602	6.3%
9 - South of Market	12,967	8,072	21,039	42.6%
10 - South Bayshore	10,956	567	11,523	3.0%
11 - Bernal Heights	9,212	228	9,440	1.2%
12 - South Central	24,969	801	25,770	4.2%
13 - Ingleside	22,284	535	22,819	2.8%
14 - Inner Sunset	18,627	115	18,742	0.6%
15 - Outer Sunset	25,786	320	26,106	1.7%
San Francisco Totals	344,698	18,964	363,662	100.0%

SOURCE: SF Planning Department



**Net Change to the Housing Stock by Planning District
San Francisco, April 2000 - December 2008**

0 1 Miles
MAP 04



b. Construction of Low and Moderate Income Housing, 2000 - 2008

Between 2000 and 2008, over 4,920 new affordable housing units, including inclusionary affordable units, were added to San Francisco's housing stock. San Francisco, however, did not meet its fair share of the regional housing needs production targets, especially for low and moderate income housing. (See *Appendix A* for details of the City's housing production performance in the evaluation of the 2004 Residence Element.)

Since 2000, 26% of all new housing units built in the City have been affordable units. Nearly 60% of these qualified as affordable at very low-income levels and another 16% that was considered affordable for low income households (Table I-26). An affordable rental unit is defined as housing for which rent equals 30% of the income of a household earning 60% or less of the area median income (AMI).¹

These totals represent construction of new units, including new units from alterations and conversion of commercial structures, but do not include permanently affordable units that result from the acquisition and rehabilitation of existing residential buildings by non-profit housing organizations. Of these affordable units, almost 2,410 units were specifically targeted for families and featured three- and four-bedroom units. Another 970 units were reserved for senior citizens and almost 765 units were efficiency units or one-bedroom units to house the formerly homeless. The Mayor's Office of Housing (MOH) noted that 2,320 affordable units were acquired or rehabilitated since 2000; almost 335 more units are underway or being planned. These numbers include both MOH and Redevelopment Agency projects.

Table I-26
Construction of New
Affordable Housing Units,
San Francisco, 2000-2008

Income Level	2000	2001	2002	2003	2004	2005	2006	2007	2008	Totals
Very Low	67	82	711	150	383	453	316	412	381	2,955
Low	54	80	81	94	2	236	17	120	81	765
Moderate	31	10	50	115	163	110	158	203	361	1,201
Total Newly Constructed Affordable Units	152	172	842	359	548	799	491	735	823	4,921
As % of Total New Construction	8.2%	10.6%	37.3%	13.2%	30.8%	42.7%	29.3%	33.5%	27.3%	25.9%

SOURCE: Planning Department, Housing Inventory

¹ Income and affordability guidelines are discussed on pp. 42-43.

c. Units Demolished

A total of 1,199 housing units were demolished between 2000 and 2008, or an annual average of over 130. This is lower than the number of units demolished in the two decades between 1980 and 1999 with an annual average of about 148 units. The City has a one-to-one unit replacement policy that requires units lost through demolition be replaced with the same number of units or more. As shown in Table I-27, almost 60% of all units demolished were in larger multi-unit structures. The two-year spike in housing demolitions were of that of North Beach Place and Valencia Gardens, two large, older public housing structures that have since been replaced by new affordable housing developments. Single-family homes represented over a quarter of residential units demolished from between 2000 and 2008 (316 units).

Table I-27
Demolitions by Structure
Type, 2000-2008

Structure Type	2000	2001	2002	2003	2004	2005	2006	2007	2008	TOTAL
Units Demolished	61	99	73	286	355	174	41	81	29	1,199
Single Family	31	48	55	34	30	70	18	19	11	316
2 Unit Building	18	22	8	14	10	16	12	8	4	112
3-4 Unit Building	12	15	10	3	9	3	11	3	3	69
5+ Unit Building	-	14	-	235	306	85	-	51	11	702

d. Other Changes to the Housing Stock

In addition to changes resulting from new construction and demolition, the quantity of housing in the City can be altered by other factors including the subdivision of units, dwelling unit mergers, and building conversion (e.g. converting housing to commercial space).

a. Alterations: Since 2000, some 1,754 net units have been added to the City's housing stock by some type of alteration. The majority of alterations that produce additional housing usually result in a single new unit. Most losses through alterations result from dwelling unit mergers, although recent legislative efforts have curbed historically high merger trends. A number of illegal units are also removed from the housing stock each year by code enforcement. A total of 204 housing units were removed in this fashion from 2000 to 2008.

b. Conversions: A growing trend in alterations is the conversion of commercial buildings to residential uses. Between 2000 and 2008, 1,318 units were added through commercial to residential conversion. Moreover, the number of housing units lost by conversion to non-residential uses has decreased dramatically over the last three decades after controls that discourage conversion to commercial uses were set in place in the mid-1980s and 1990s. Approximately 49 units were lost to such conversion between 2001 to 2008, at a similar rate in the previous 10 years and far reduced from the over 1,000 units that were converted to non-residential uses in the decade from 1970-1980 (Table I-28). No information is available on the number of units illegally converted from residential use.

Table I-28
Housing Units
Converted to Non-
Residential Use,
San Francisco,
1970-2008

Time Period	No. Units
1970 to 1980	1,094
1981 to 1990*	165
1991 to 2000	42
2001 to 2008	49

NOTES

* SF Planning Department, *A Study of Conversion of Apartments to Non-Residential Use in Commercial and Industrial Areas*, 1981

SOURCE: SF Planning Department

3. Secondary Units

No information is available on the number of illegal secondary units that have been added to the City's housing stock. However, a total of 80 units have been legalized between 2000 and 2008 and another 204 illegal units were removed in the same period (Table I-29).

Table I-29
**Legalization of Secondary
Units, 2000-2008**

Year	Units Legalized	Illegal Units Removed
2000	-	12
2001	8	22
2002	9	36
2003	11	33
2004	8	22
2005	16	38
2006	9	12
2007	11	10
2008	8	19
TOTALS	80	204

SOURCE: SF Housing Authority

4. Federally-Assisted Units

Table I-30 describes units in San Francisco that receive support under the Federal Section 8 rent subsidy program or are managed by the San Francisco Housing Authority. In the Section 8 program, residents pay 30% of their monthly income in rent, and the government subsidizes the difference so that the property owner receives a HUD-determined fair market rent each month. Section 8 subsidies are associated either with a particular housing unit (project-based) or with a qualifying household (voucher/certificate program).

Table I-30
**Citywide Inventory of
Public Assisted Housing,
San Francisco, 2007**

Type of Assistance	Total No. of Units	2007	
		Elderly Units	Family Units
Project Based Section 8	8,042		
For Profit	4,085	N/A	N/A
Non-Profit	3,957	N/A	N/A
Tenant Based Section 8	7,409	N/A	N/A
SF Housing Authority	6,262	2,025	4,237
TOTALS	21,713	2,025	4,237

SOURCE: SF Housing Authority

Section 8 housing units and those managed by the Housing Authority total over 21,710 units, representing about 6% of the city's total housing stock. Senior and disabled renters that meet the income eligibility requirements are given priority on roughly a third of all Housing Authority units, while the remaining units are predominantly occupied by family households. Almost half of all residents in Housing Authority units are African-American, and approximately one-fifth is Asian-American.

5. Residential Hotel Stock

Residential hotel units (also called Single Room Occupancy or SROs) typically provide affordable rental housing for solo occupancy and generally rented to lower income persons. There are over 500 residential hotels in San Francisco containing about 19,120 rooms (Table I-31); most of these SRO units have shared bathroom and kitchen facilities. Since 1990, non-profit organizations have purchased residential hotels and now maintain nearly a quarter of the units with a guaranteed level of affordability and, in some cases, related supportive services to residents. Of the residential hotels operated by private entities, about 3,000 of the 14,230 rooms operate as tourist rooms and therefore do not contribute to the affordable housing stock.

Year	For Profit Residential Hotels			Non-Profit Residential Hotels		Total	
	No. of Buildings	Residential Rooms	Tourist Rooms	No. of Buildings	Residential Rooms	No. of Buildings	Residential Rooms
1990	495	18,521	4,449	36	1,831	531	20,352
1995	496	18,415	4,457	36	1,481	532	19,896
2000	457	16,331	3,781	61	3,314	518	19,645
2005	435	15,106	3,345	71	4,217	506	19,323
2007	419	14,233	3,004	84	4,886	503	19,119

Table I-31
Residential Hotel Status,
San Francisco, 1990-2007

SOURCE: SF Department of Building Inspection

With the adoption of the Residential Hotel Ordinance in 1980, and subsequent amendments to that ordinance strengthening its enforcement in 1990, conversion of residential hotel rooms has significantly decreased. Over 481 units were lost due to demolitions or fire from 2000 to 2007 (Table I-32). These units are slated to be replaced or have already been replaced by permanently affordable units.

Reason for Loss	1975 - 1980	1980 - 1981	1981 - 1989	1990-1999	2000-2007
Demolitions/Fire	985		99	909	481
Conversions	2,710	1,188	109		
Earthquake Damage			202		
TOTAL	3,695	1,188	410	909	481

Table I-32
Loss of Residential Hotel
Rooms, San Francisco,
1975-2007

SOURCE: SF Department of Building Inspection

6. Live/Work

Although the City's Planning Code considers live/work units as commercial space, they serve as housing units and the Planning Department tracks information on live/work units and counts these as part of the city's housing stock. Over 4,570 live/work units have been completed since 1987. Construction of live/work units surged especially between 1997 and 2003 when some 29% of net housing added during that period were live/work units (Table I-33).

Table I-33
Live/Work Construction,
1987-2007

Year	No of Live/Work Units	Net Units	Live/Work as % of Net New Units
1987	46	1,426	3.2%
1988	3	1,907	0.2%
1989	104	2,345	4.4%
1990	44	1,737	2.5%
1991	225	1,732	13.0%
1992	75	725	10.3%
1993	93	288	32.3%
1994	55	1,186	4.6%
1995	126	401	31.4%
1996	196	683	28.7%
1997	276	725	38.1%
1998	219	874	25.1%
1999	658	1,285	51.2%
2000	694	1,797	38.6%
2001	349	1,779	19.6%
2002	417	2,408	17.3%
2003	646	2,496	25.9%
2004	148	1,487	10.0%
2005	62	1,855	3.3%
2006	95	1,778	5.3%
2007	42	2,567	1.6%
TOTALS	4,573	31,481	14.5%

Most live/work development occurred in such areas where land was relatively cheaper and many industrial buildings were converted to residential lofts. Over 70% of completed live/work units are located in the South of Market planning area. As commercial development, live/work units were exempt from obligations and conditions typically required of residential development such as school fees, inclusionary affordable housing requirements and open space provisions. Displacement of viable businesses and land use conflicts also prompted the Planning Commission to adopt interim zoning controls for southeastern portions of the city aimed at preserving industrially zoned lands from competing uses. These controls created Industrial Protection Zones where new housing and live/work units are not allowed, and accompanying Mixed Use Districts where housing would be encouraged. Concerned with distortions in the housing supply and with displacement of industrial space, the San Francisco Board of Supervisors also passed a six-month moratorium on the construction of new live/work units in February 2001. The temporary moratorium was intended to halt the approval of new projects while a study on the impact of live/work units on the city's housing market and industrial lands was being conducted. This moratorium was extended several times and eventually live/work loopholes were mended. Live/work units built after the moratorium were from development projects that were grandfathered in at the time of the legislation.

B. HOUSING TENURE AND AFFORDABILITY

1. Owner-Occupied Housing

The rate of homeownership estimated in 2007 (38%) has increased since the 2000 Census (35%) but is still much lower than the national average (69%). Table I-34 below shows rates of home ownership by planning district. At least 50% of homes owned are in the Ingleside, Inner Sunset, Outer Sunset, South Central, and South Bayshore planning districts. Home ownership rates are lowest in the downtown, with only two percent of people owning their home.

San Francisco's housing prices are among the highest in the nation. And despite recent price declines, at year-end 2008, the median price for an average single family home in San Francisco exceeded \$603,600 and was over 1.5 times the cost of similar housing in the Bay Area and three times the national average (Table I-35). It is estimated that only 11% of San Francisco's households can afford a median priced home in the City.

Planning District	Rate of Home Ownership
1 Richmond	38%
2 Marina	25%
3 Northeast	15%
4 Downtown	2%
5 Western Addition	19%
6 Buena Vista	26%
7 Central	41%
8 Mission	20%
9 South of Market	32%
10 South Bayshore	50%
11 Bernal Heights	53%
12 South Central	67%
13 Ingleside	59%
14 Inner Sunset	56%
15 Outer Sunset	59%
San Francisco Citywide	35%

Table I-34
Rate of Homeownership,
San Francisco, 2000

SOURCE: 2000 US Census

Planning District	Average Rent for a 2 Bedroom Apartment	Affordability Gap		% Over Rents Affordable by	
		Very Low Income	Low Income	Very Low Income	Low Income
1 Richmond	\$2,305	\$1,372	\$812	247.05%	154.39%
2 Marina	\$3,174	\$2,241	\$1,681	340.19%	242.59%
3 Northeast	\$3,120	\$2,187	\$1,627	334.41%	208.98%
4 Downtown	\$2,717	\$1,784	\$1,224	291.21%	181.98%
5 Western Addition	\$2,700	\$1,767	\$1,207	289.39%	180.84%
6 Buena Vista	\$2,750	\$1,817	\$1,257	294.75%	184.19%
7 Central	\$2,834	\$1,901	\$1,341	303.75%	189.82%
8 Mission	\$2,495	\$1,562	\$1,002	267.42%	167.11%
9 South of Market	\$3,284	\$2,351	\$1,791	351.98%	219.96%
10 South Bayshore	\$2,000	\$1,067	\$507	214.36%	133.96%
11 Bernal Heights	\$2,700	\$1,767	\$1,207	289.39%	180.84%
12 South Central	\$1,966	\$1,033	\$473	210.72%	131.68%
13 Ingleside	\$2,292	\$1,359	\$799	245.66%	153.52%
14 Inner Sunset	\$2,250	\$1,317	\$757	241.16%	150.70%
15 Outer Sunset	\$2,017	\$1,084	\$524	216.18%	134.10%
Citywide Average	\$2,650	\$1,717	\$1,157	284.03%	177.49%

Table I-36
Rental Affordability for
Lower Income Households
by Planning District,
San Francisco, 2008

SOURCE: Zillow.com

C. VACANCY

The overall housing vacancy rate in San Francisco is indicative of an enduring tight market. In 2000, vacancy rates at 2.5% for rentals and less than 1% for homeownership inevitably led to intense bidding and rising housing costs. Even as effects of the economic downturn in the dot-com industry were being manifest with job cuts and population out-migration, just 5% of the City's housing stock was vacant at the time of the Census in April 2000 (Table I-37). This is considered a healthy frictional rate in most housing markets. Of these vacant units in 2000, almost 3,800 or 1.1% of the total, were second homes for families with another primary residence, time shares, or corporately owned and utilized for employee housing. The 2008 American Community Survey shows units that are vacant and for sale stood at 2.0% and vacant units for rent at 5.4%. The unusually high total vacancy rate of 10% in 2008 suggests an increase in secondary homes, time-shares, and corporate homes used for employee housing. However, sampling error could also be a factor.

Table I-37
Vacancy Rates by Vacancy
Status, 1970-2008

Vacancy Status	1970	1980	1990	2000	2008
Vacant	4.89%	5.58%	6.97%	4.86%	10.2%
For Rent Vacant	3.17%	2.68%	3.71%	2.50%	5.4%
For Sale Vacant			0.56%	0.80%	2.0%

SOURCE: Census Bureau

The vacancy data included in Table I-37 is calculated as part of the decennial census, supplemented by the 2007 American Community Survey. The Census Bureau also undertakes an annual Housing Vacancy Survey which calculates vacancy rates for rental and homeowner properties in large metropolitan areas throughout the country. The methodology used to create this survey is different from that used for the decennial Census. Therefore, the results are not comparable. For example, the decennial census calculated a vacancy rate of 2.5% for 2000 while the Housing Vacancy Survey calculated a vacancy rate of 3.1%. The Housing Vacancy Survey data may not be as reliable as the decennial census because of sampling, it nevertheless allows for yearly comparisons. The Census Bureau is in the process of improving the Housing Vacancy Survey to make it consistent with other related Census data. Both data are provided here. Figure I-6 and I-7 below show vacancy rates for San Francisco from 2000-2007 based on this annual survey. This information can supplement Table I-37 to compare trends in vacancies.

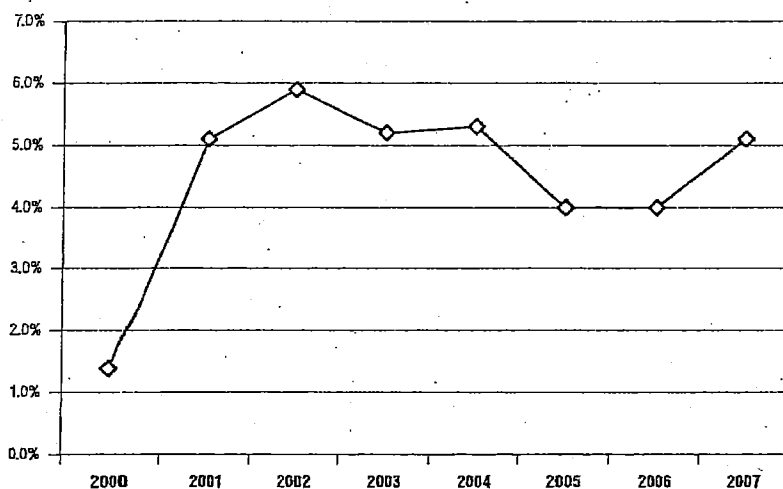


Figure I-6
Rental Vacancy Rates,
San Francisco, 2000-2007

SOURCE: RealFacts, San Francisco Market Overview, 4Q 2007

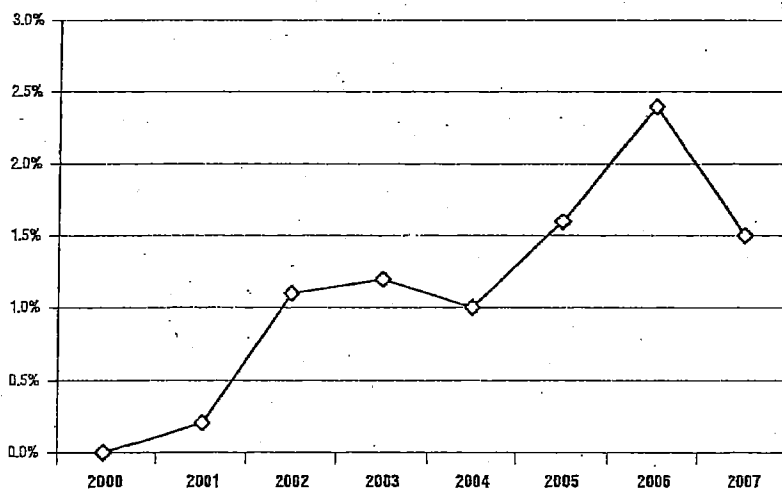


Figure I-7
Homeowner Vacancy Rates,
San Francisco, 2000-2007

SOURCE: Census Bureau, Housing Vacancy Survey

D. COASTAL ZONE HOUSING

California state regulations require that the *Housing Element* detail new construction and demolition activity occurring within California Coastal Zone areas. The City's entire western shoreline is within California's coastal zone area. The coastal area zone boundary includes about 30 residential blocks that front the Pacific Ocean (Map I-5). Approximately 320 units (or about 19% of the total) of the housing in these blocks were built between 1982 and 1999.

Twenty-eight new units in 14 structures were added to the housing stock between 2000 and 2008, or an average of about three new units a year (Table I-38). In this same period, three buildings with four units were demolished. The current development pipeline includes a 56-unit residential project within the coastal zone.

Within the larger census tract areas fronting the coastal shoreline (about 150 blocks), new construction in in-fill sites has generated 140 new units. This has been offset by 13 units lost to demolition or alteration projects. Some 112 new units are slated to be built in 49 structures in this larger area. In this larger area, about 830 units were built between 1982 and 1999. These units represent 7% of the total units counted in the 2000 Census.

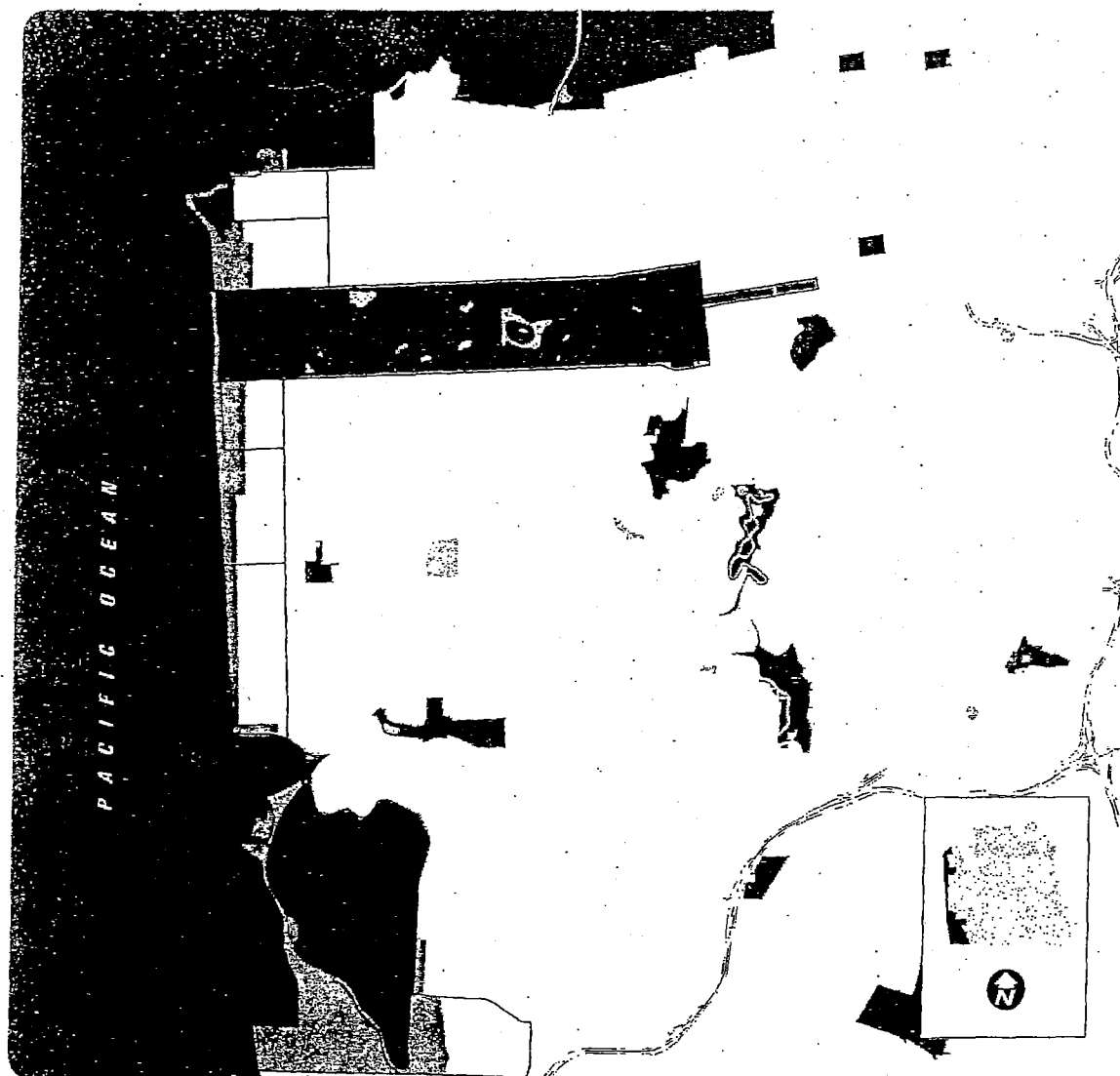
Table I-38
New Construction,
Alteration and Demolition
Activity in Coastal Area,
San Francisco, 2000-2008

Construction Type	Coastal Area		Larger Census Tracts	
	No. of Structures	No. of Units	No. of Structures	No. of Units
New Construction Completed	9	23	25	119
Addition through Alterations	5	5	21	21
Loss through Alterations	1	(1)	3	(4)
Demolition Completed	3	(4)	6	(9)
Net Change in Housing Stock	18	23	55	127
Development Pipeline (Q4 2008)	1	56	49	112



SOURCE: SF Planning Department

Residential development in the Coastal Zone must conform to City Planning Code density requirements. Development projects in the coastal zone also are required to apply for a coastal permit and are reviewed for consistency with Western Shoreline General Plan policies contained in the *Western Shoreline Plan* and Proposition M policies, one of which aims to preserve the City's supply of affordable housing.

In addition, new construction and demolition permits are reviewed for consistency with Article 10 of the California Government Code which requires that affordable lower income units converted or demolished in the Coastal Zone Area be replaced on a one-for-one basis, and that new housing developments, where feasible, provide housing units for persons and families of low or moderate income.



Coastal Zone Area
San Francisco

-  Coastal Zone
-  Coastal Zone Census Tracts

0 Miles

MAP 05

III.

Housing Needs

This section examines the type, amount and affordability of new housing construction needed in San Francisco, as determined by the Association of Bay Area Governments, through June 2014. It is based, in part, on the data presented in the preceding Sections.

A. REGIONAL HOUSING NEED ASSESSMENT

The Association of Bay Area Governments (ABAG), in coordination with the California State Department of Housing and Community Development (HCD), determine the Bay Area's regional housing need based on regional trends, projected job growth and existing needs. San Francisco's fair share of the regional housing need for January 2007 through June 2014 was calculated as 31,190 units, or about 4,160 units per year (Table I-39). This goal seeks to alleviate a tight housing market stemming from forecast household and employment growth as well as allocating regional household and employment growth to jurisdictions with established or planned transit infrastructures. More important, the regional housing needs assessment (RHNA) determination includes production targets addressing housing needs of a range of household income categories. A total of about 18,880 units or 61% of the RHNA target must be affordable to households making 120% of the area media income (AMI) or less.

Table I-39
**Regional Housing
Needs Assessment for
San Francisco,
2007-June 2014**

Household Income Category	No. of Units	% of Total	Annual Production Goal
Extremely Low (< 30% AMI)	3,294	10.5%	439
Very Low (31 - 50% AMI)	3,295	10.6%	439
Low (51 - 80% AMI)	5,535	17.7%	738
Moderate (81 - 120% AMI)	6,754	21.7%	901
Above Moderate (over 120% AMI)	12,315	39.5	1,642
Middle (120% - 150% AMI)	3,325	10.7%	443
Market (over 150% AMI)	8,990	28.8%	1,199
TOTAL UNITS	31,193	100.0%	4,159

SOURCE: ABAG, Planning Department

The Department of Housing and Urban Development determines the annual area median income (AMI) for the San Francisco Primary Metropolitan Statistical Area, which includes the counties of San Francisco, Marin and San Mateo. For 2008, the area median income for a single person household was over \$66,000 and \$94,300 for a household of four people (Table I-40).

Income Categories as percentage of Area Median Income (AMI)	Household Income by number of persons				
	1	2	3	4	5
Extremely Low (< 30% of AMI)	\$19,800	\$22,650	\$25,450	\$28,300	\$30,500
Very low (50% of AMI)	\$33,000	\$37,750	\$42,450	\$47,150	\$50,950
Low (80% of AMI)	\$52,800	\$60,350	\$67,900	\$75,450	\$81,500
Median (100% of AMI)	\$66,000	\$75,450	\$84,850	\$94,300	\$101,850
Moderate (120% of AMI)	\$79,200	\$90,550	\$101,800	\$113,150	\$122,200

Table I-40
Household Income
Standards by Household
Size, 2008

SOURCE: Department of Housing and Urban Development (HUD)

The median income in San Francisco, however, is lower than the area median income. This is due in part to higher median incomes in San Mateo and Marin counties and the concentrations of lower-income families in the City. For example, in 2007, Marin County's median household income of \$83,732 and San Mateo's \$94,517 were quite higher than the City's median household income of \$68,023.¹ Roughly 40% of all San Francisco households make less than 80% of the San Francisco PMSA area median income, and fall under the Department of Housing and Urban Development (HUD)'s low and very low income categories (Table I-41).

Characteristic	Very Low	Low	Moderate	Above Moderate
	(<50% of median)	(50-80% of median)	(80-120% of median)	(>120% of median)
All SF Households	27.8%	14.1%	14.8%	43.2%
Median Income for SF, 2007	\$68,023			

Table I-41
Income Distribution,
San Francisco, 2007

SOURCE: Census Bureau, 2007 American Community Survey

In order to account for this income variance, the Mayor's Office of Housing publishes a local AMI standard (Table I-42). San Francisco's Inclusionary Affordable Housing Program regulates housing assistance based on the San Francisco Area Median Income (SFAMI).

1 Figures cited are in 2007 inflation-adjusted dollars.

Household Income Categories	Household Size	Average Unit Size	Maximum Annual Income	Monthly Housing Expense	Maximum Purchase Price
Extremely Low Income (30% of HUD Area Median Income)	1	Studio	\$19,800	\$545	\$50,000
	2	1 Bedroom	\$22,650	\$623	\$57,000
	3	2 Bedroom	\$25,450	\$700	\$64,000
	4	3 Bedroom	\$28,300	\$778	\$72,000
	5	4 Bedroom	\$30,550	\$840	\$78,000
Very Low Income (50% of HUD Area Median Income)	1	Studio	\$33,000	\$908	\$84,000
	2	1 Bedroom	\$37,750	\$1,038	\$97,000
	3	2 Bedroom	\$42,450	\$1,167	\$109,000
	4	3 Bedroom	\$47,150	\$1,297	\$121,000
	5	4 Bedroom	\$50,950	\$1,401	\$131,000
Low Income (80% of HUD Area Median Income)	1	Studio	\$52,800	\$1,452	\$133,674
	2	1 Bedroom	\$60,350	\$1,660	\$154,752
	3	2 Bedroom	\$67,900	\$1,867	\$176,035
	4	3 Bedroom	\$75,450	\$2,075	\$197,113
	5	4 Bedroom	\$81,500	\$2,241	\$213,070
Median Income (100% of HUD Area Median Income)	1	Studio	\$66,000	\$1,815	\$181,193
	2	1 Bedroom	\$75,450	\$2,075	\$209,030
	3	2 Bedroom	\$84,850	\$2,333	\$237,072
	4	3 Bedroom	\$94,300	\$2,593	\$265,114
	5	4 Bedroom	\$101,850	\$2,801	\$286,397
Moderate Income (120% of HUD Area Median Income)	1	Studio	\$79,200	\$2,178	\$228,711
	2	1 Bedroom	\$90,550	\$2,490	\$263,308
	3	2 Bedroom	\$101,800	\$2,800	\$298,109
	4	3 Bedroom	\$113,150	\$3,112	\$335,115
	5	4 Bedroom	\$122,200	\$3,361	\$359,723

Table I-42
Affordable Housing
Guidelines, San
Francisco, 2008

Source: U.S. Department of Housing and Urban Development (HUD)

Note: Incomes are based on the 2008 Area Median Income (AMI) limits for the San Francisco HUD Metro FMR Area (HMEFA). Monthly housing expenses are calculated based on 33% of gross monthly income. (FMR = Fair Market Rent). Maximum purchase price is the affordable price from San Francisco's Inclusionary Housing Program and incorporates monthly fees and taxes into sales price.

B. HOUSING AFFORDABILITY NEEDS

1. Affordability of New Housing Construction

State law requires that the City address the housing needs for all income levels. ABAG estimates housing need by income group to provide a basis for determining what income levels need to be most served by new construction. ABAG figures are based on income distribution of all existing households in the City and in the Bay Area. ABAG's estimates split the difference between the City and the regional figure in an effort to move the City closer to the regional income distribution. Table I-39 (see page 41) shows that the City must construct almost 31,200 new housing units to meet its fair share of the Bay Area region's estimated housing need. At least 39% of these new units must be affordable to very low and low-income households. Another 22% should be affordable to households with moderate incomes.

The high cost of housing leads to numerous troublesome effects including overwhelming rent burden (as more of a household's income is needed to go toward rent); overcrowding as more people squeeze into smaller affordable units to share costs; an increase in workers per household needed to pay mortgage or meet monthly rent; increased commuter traffic from San Francisco job holders who cannot afford to live in the City; and an increase in the homeless population.

2. Households Overpaying

Rising housing costs lead to overpayment as more of a household's income is spent on housing. The 2008 American Community Survey (ACS) estimated median monthly rent at \$1,262 and median monthly housing costs for owner occupied units at \$3,182. Overpayment comes about when 30% or more of a household's income goes to paying rent or 35 percent or more of household income for mortgage payments. A higher percentage of poorer households thus tend to overpay: as Table I-43 shows, almost 68% of extremely low income renting households overpay, compared to 36% of all renting households. Table I-43 below also shows that about 40% of all San Francisco households spent more than 30% of its income on housing costs in 2008. The number and percentage of households overpaying has also grown since the 2000 Census. In 2000, housing costs for over two-thirds are very low income households represented 30% or more of their household income. Table I-43 also shows that a higher percentage of renting households tend to overpay. The marked increase in homeownership households overpaying by 2008 may be due in large part on the relaxation of criteria for mortgage financing.

Tenure Type	2000		2008	
	No. of Households	% of Households	No. of Households	% of Households
Renter Occupied *	76,600	35.8%	80,014	42.7%
Extremely Low Income	36,790	67.6%	n/a	
Very Low Income	16,012	60.4%	n/a	
Owner Occupied *	18,237	17.4%	48,915	38.6%
Extremely Low Income	6,833	66.8%	n/a	
Very Low Income	4,727	49.9%	n/a	
All Households	94,837	28.8%	128,929	39.9%

* Gross Rents or Monthly Housing Costs at 30% or more of household income.

SOURCE: Census Bureau, SCDS: CHAS Data 2000

Table I-43
Percentage of Very Low
Income Households
Overpaying Housing Costs,
San Francisco, 2000 and 2008

3. Overcrowded Households

A household is considered overcrowded when there is more than one person per room in the dwelling unit. The 2000 Census reported that over 40,900 or 12% of all San Francisco households were overcrowded (Table I-44). Of these households, 9,400 (3% of all San Francisco households) are severely overcrowded, with more than 1.5 occupants per room. Renter households are also more likely to be overcrowded than home-owning households.

Table I-44
Overcrowded Households by
Tenure, San Francisco, 2000

Tenure Type	Overcrowded		Severely Overcrowded	
	No. of Households	% of Households	No. of Households	% of Households
Owner Occupied	11,291	9.8%	1,808	1.6%
Renter Occupied	29,630	13.8%	7,636	3.6%
All Households	40,921	12.4%	9,444	2.9%

SOURCE: Census Bureau

Asian-American households make up a disproportionate number of overcrowded households. (Table I-45). This table also shows that a substantial percentage of Native Hawaiian/Pacific Islander, Other Race, and Asian-American households are overcrowded. These households are likely to be larger (see Table I-7 on page 9) and have lower incomes (see Tables I-16 and I-18, pages 16 and 17, respectively). Larger households have difficulty securing housing with three or more bedrooms, especially with the City's very limited stock of larger units. High housing costs also forces overcrowding. To afford the cost of housing, many low-income families crowd into smaller units.

Table I-45
Overcrowded Households
by Household Ethnicity,
San Francisco, 2000

Household Ethnicity	No. of Households	% of Households
White	9,452	4.7%
African American	2,495	10.5%
American Indian / Alaska Native	168	12.9%
Asian	21,452	27.1%
Native Hawaiian / Pacific Islander	358	39.6%
Other Race	5,046	39.4%
Two or More Races	1,950	16.5%
Hispanic / Latino	9,472	30.1%
All Households	40,921	12.4%

SOURCE: Census Bureau

4. Expiration of Units at Risk of Conversion or Expiration

Government Code Section 65583(a)(8)(A-D) requires that the Housing Element update inventory assisted housing developments at risk of expiration or conversion to market rate within the housing element planning period (2007-2014). Assisted housing developments include multifamily rental housing complexes that receive government assistance under any of the following federal, State, and/or local programs (or any combination of rental assistance, mortgage insurance, interest reductions, and/or direct loan programs) which are eligible to change to market-rate housing due to termination (opt-out) of a rent subsidy contract (e.g., Housing Choice Vouchers, Section 8) mortgage prepayment (e.g., FHA), or other state or local programs with expiring use restrictions.

Some 6,770 units funded through tax-credit, HCD, bond, and FHA identified as at-risk with expirations between 2000 and 2006 have been secured through renewed contracts. According to the San Francisco Redevelopment Agency, as of 2008, Section 8 housing is the only housing type at risk of conversion to market rate in San Francisco. As shown on Table I-46, almost 580 low-income units are at risk of losing their Federal Rental Section 8 subsidies by 2014. The SF Housing Authority manages contracts for over 8,000 Section 8 units. Almost half of these units are in projects owned or managed by non-profit organizations. Section 8 units receive Federal subsidies that provide the owners of these units with the difference between 30% of the tenant's income, and a HUD established rent for the units.

Expiration of Section 8 subsidies in privately owned projects could force tenants to pay market rate rents for their unit, or face eviction. Expiration of Section 8 contracts in nonprofit owned projects will burden organizations that lack sufficient income to meet operating costs and mortgage payments. Preservation costs for these units is estimated to be \$43,275,000.

According to the state Department of Housing and Community Development, the following entities are qualified to manage assisted units in San Francisco:

Organization	Address	City	Zip Code	Phone No.
Affordable Housing Foundation	P.O. Box 26516	San Francisco	94126	(415) 387-7834
Asian Neighborhood Design	461 Bush St 4th Flr	San Francisco	94108	(415) 982-2959
Bernal Heights Neighborhood Center	515 Cortland Ave	San Francisco	94110	(415) 206-2140
BRIDGE Housing Corporation	One Hawthorne, Ste. 400	San Francisco	94105	(415) 989-1111
BUILD Leadership Development Inc.	1280 Bison, Ste. B9-200	Newport Beach	92660	(949) 720-7044
Chinatown Community Development Center	1525 Grant Ave	San Francisco	94133	(415) 984-1450
Christian Church Homes of No. California, Inc.	303 Hegenberger Rd, Ste. 201	Oakland	94621-1419	(510) 632-6714
Foundation for Affordable Housing, Inc.	2847 Story Rd	San Francisco	95127	(408) 923-8260
Housing Corporation of America	31423 Coast Hwy, Ste. 7100	Laguna Beach	92677	(323) 725-9672
Mission Housing Development Corp	474 Valencia St, Ste. 280	San Francisco	94103	(415) 864-6432
Northern California Land Trust, Inc.	3126 Shattuck	Berkeley	94501	(510) 548-7878
San Francisco Redevelopment Agency	One S. Van Ness, Fifth Floor	San Francisco	94103	(415) 749-2400
Satellite Housing, Inc.	2526 Martin Luther King, Jr Way	Berkeley	94704	(510) 647-0700
Tenderloin Neighborhood Development Corp.	201 Eddy St	San Francisco	94102	(415) 776-2151
West Bay Housing Corporation	120 Howard St. #120	San Francisco	94105	(415) 618-0012

Table I-46
Expiration and Opt-Outs of Project Based Section 8 Contracts, San Francisco, 2008

Project	Owner ¹	First Expire ²	Units ³	Flex ⁴	LHPRHA ⁵	Rent Control
DIAMOND HEIGHTS						
Casa De Vida	PM	12/14/2001	21	No	No	No
Hayes Valley						
Fair Oaks Apartments	LD	07/20/2021	20	No	Yes	Yes
INGLESIDE						
Page / Holloway Apartments	PM or LD	12/15/2020	15	No	No	No
MISSION						
Mission Bart Apartments	PM	10/20/2013	13	No	No	No
Mission Plaza Apartments	PM	07/14/2000	132	No	No	No
NORTH BEACH						
Wharf Plaza I	PM	04/05/2002	116	No	No	No
Wharf Plaza II	PM	06/15/2002	114	No	No	No
TENDERLOIN						
Crescent Manor	LD	10/31/1996	92	Yes	No	Yes
WESTERN ADDITION						
Emeric-Goodman Building	LD	12/19/2004	30	No	No	No
Univista Apartments	LD	08/31/1997	24	Yes	No	Yes
Total	-	-	577	-	-	-

NOTES

¹ LD = Limited Dividend, PM = Profit Motivated

² First expiration of Section 8 Contract, typically 20 years after origination. Contract is renewed annually each year thereafter.

³ Units receiving project based Section 8 subsidy.

⁴ Flexible Subsidy Use Agreement: HUD rehabilitation loan program that provided funds to owners in exchange for a no-prepayment provision, and increased Section 8 contract rent levels to cover new debt.

⁵ Low Income Housing Preservation and Resident Homeownership Act: Provided federal funds to purchase at-risk properties and extend affordability requirements for an additional 30 years.

SOURCE: SF Redevelopment Agency

B. HOUSING NEEDS OF SPECIAL POPULATION GROUPS

All San Francisco households require specific unit sizes and levels of affordability; various population groups have more specific housing requirements. Special housing needs are those associated with specific demographic or occupational groups which call for specific program responses, such as preservation of single-room occupancy hotels or the development of units with more bedrooms. Housing element law specifically requires analysis of the special housing needs of the elderly, the disabled, female-headed households, large families, and homeless persons and families, as well as the needs of any other group deemed appropriate by the City. These other groups include: the mentally ill; persons with HIV/AIDS; immigrants, refugees and undocumented workers; artists; and students. Most of special needs groups require some degree of affordable housing.

The permanent housing needs of specific population groups are summarized below with state required categories discussed first and locally determined groups following (Table I-47). It is important to note that these population groups are not mutually exclusive and needs may overlap. For example, a person can be both elderly and homeless. Roughly 39% of the homeless suffer from mental illness and as many as 23% of the elderly have mobility or self-care limitations. Between 60 to 80% of all homeless individuals may suffer from one or more physical disability, mental illness, or substance addiction.

Population Group	Type of Housing Units Needed
Homeless	Shelters, Transitional Housing, SROs, Small and Large Family Units
Physically Disabled	Accessible Units of all Types
Mentally Ill	Board and Care, Institutional Facilities
Developmentally Disabled	Accessible Units of all Types, Large Family Units, Board and Care, Institutional Facilities, Modified Units for Medically Fragile, Affordable Rentals or Homeownership Units
Elderly	Senior Housing Projects, Studios, 1 Bedroom
Families with Children	2 or more Bedroom Family Housing
Female-Headed Households	2 or more Bedroom Family Housing
New Immigrants, Refugees and Undocumented Workers	Small and Large Families, various
Students	Dorms or Studios
Artists	Affordable Live/Work Space

Table I-47
Permanent Housing Needs
of Special Population
Groups, San Francisco,
2008

SOURCE: SF Mayor's Office of Community Development, Developmental Disabilities Board Area 5

1. Homeless

The San Francisco Human Services Agency counted almost 6,380 persons on the streets and in homeless shelters in 2007 (Table I-48). Of these persons, about 44% were counted on the streets and some 43% were in shelters or transitional housing. Ninety-one percent of the homeless were single adults, while the remaining nine percent counted in this survey were in families.

Table I-48
Estimated Homeless
Population, San Francisco,
2007

Location	Single Adults	Persons in Families	Family Status Unknown	Total
Street	1,935	66	770	2,771
Shelter	1,175	322	0	1,497
Transitional Housing & Treatment Centers	1,076	190	0	1,266
Resource Centers & Stabilization	321	0	0	321
Jail	400	0	0	400
Hospitals	122	0	0	122
TOTAL	5,029	578	770	6,377

SOURCE: SF Human Services Agency, San Francisco Homeless Count 2007

Homeless households require affordable housing that is appropriately sized, with appropriate services. As reported in the ten year plan to end homelessness, appropriate housing for this population is permanent and includes 24 hour access to appropriate services.

2. Persons with Disabilities

San Francisco's housing stock and housing market present challenges to persons living with disabilities. This segment of the population, which includes individuals with mental, physical, and developmental disabilities, require a variety of living arrangements depending on the severity of their disability. Some can live at home in an independent environment with the help of other family members; others live independently with some assistance that includes special housing design features. Those who cannot work may require income support; and those with medical conditions would need in-home supportive services. Accessible housing can also be provided via senior housing developments.

The majority of persons with disabilities live on an income that is significantly lower than the non-disabled population. Many disabled individuals live on a small fixed income which severely limits their ability to pay for housing. The Task Force on Family Diversity estimates that at least one-third of all persons with disabilities in the United States live in poverty. Persons with disabilities have the highest rate of unemployment relative to other groups. For most, their only source of income is a small fixed pension afforded by Social Security Disability Insurance (SDI), Social Security Insurance (SSI), or Social Security Old Age and Survivor's Insurance (SSA), which will not adequately cover the cost of rent and living expenses even when shared with a roommate. In addition, persons with disabilities oftentimes experience discrimination in hiring and training. When they find work, it tends to be unstable and at low wages.

a. Physical Disabilities:

The Northern California Council for the Community estimates that 63,032 San Franciscans are physically disabled. The 2000 Census counted 56,216 non-institutionalized adults having a physical disability, which is defined as a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting or carrying. Over half of disabled adults are over 65 and may require appropriate housing. There are over 26,300

people between 16 and 64 with a physical disability. If one in five of disabled non-seniors require affordable housing, this specific population group would have a need for roughly 5,550 subsidized units.

Some physically disabled people require accessible housing with features such as: wheelchair accessible entrances, wide interior spaces for wheelchair circulation, accessible bathing facilities, adjustable heights for counters and cabinets, and other amenities. Since over three-quarters of San Francisco's housing stock built before 1950, much of the existing stock was not built with these accommodations in mind; some, but not most, can easily be converted to accessible standards. Most subsidized units developed by the Housing Authority, Redevelopment Agency, or otherwise supported by other public funds are accessible.

b. Mental Disabilities

According to the 2000 Census, almost 39,120 San Franciscans identify as having a mental illness; about 94% are over the age of 16. Not everyone with a mental illness has special housing needs. However, a substantial number of persons with severe psychiatric disabilities often have extremely low incomes and are consequently forced to live in substandard housing without the supportive services and assistance that would allow them to live independently. De-institutionalization of the state's mental institutions in the late 1970s left the charge and housing of psychiatrically disabled residents to private board and care facilities. In 1977 there were 1,278 board and care beds. By 1995 this number shrank to 465.

In 1999, licensed board and care facilities in San Francisco managed 525 beds for San Francisco's mentally ill. However, the growing costs of patient care may again reduce the modest gain in out-patient service. At current supplemental security subsidy levels, operators are finding the provision of board and care for the mentally ill financially unattractive.

A survey conducted by the San Francisco Mental Health Association indicated an overwhelming desire on the part of mentally disabled persons to live alone or with one to two friends in apartments with support services as needed. The absence of affordable housing linked to supportive services, however, sends many of the City's mentally ill to a cycle of short-term acute care and homelessness. While large scale supportive housing is a cost-effective way of meeting this group's housing needs, advocates working with special needs groups emphasize the need to balance large-scale development with small site development and rehabilitation of units within existing neighborhoods, to enable people to live within their neighborhood of origin wherever possible, and to avoid geographic concentration that often hinders the transition to independent living. The Department of Public Health's Division of Mental Health estimates a need for 2,000 supportive housing units for San Francisco's mentally ill.

c. Developmental Disabilities

Developmental disability is defined by the State of California as a lifelong disability caused by a mental and/or physical impairment manifested prior to the age of 18 and are expected to be lifelong. Conditions included under this definition include: mental retardation, epilepsy, autism, and/or cerebral palsy, and "other conditions needing services similar to a person with mental retardation."

Persons with developmental disability may also suffer multiple disabilities as the Developmental Disabilities Board Area 5 estimates below show:

- **Mental Illness:** a conservative estimate of 10% as the portion of people with a developmental disability who are also living with a mental disability.
- **Mobility Impairment:** Staff and service providers report that approximately 10 % of all people with a developmental disability also have a physical disability; their mobility impairment will call for housing that is ADA accessible, or certainly readily adaptable to their needs.
- **Visual/Hearing Impairment:** It is estimated from prior experience that 2-3% of the developmental disabled population are living with a visual and/or hearing impairment, and require reasonable accommodation to their disability.
- **Medically Fragile:** 2 % of the developmental disabled population require 24/7 medical care, in housing specifically rehabilitated or constructed to include features like those in hospital settings, with space for care-givers and specialized equipment

Many individuals with developmental disabilities are independent and can live in their own apartments or homes with very little support. Other individuals will have more severe disabilities, and may require 24-hour care and assistance in residences that are modified specifically to accommodate their individual needs.

The Developmental Disabilities Board Area 5 estimated that there are some 11,472 San Franciscans have a developmental disability. Its report also noted that seven out of 10 people with developmental disabilities are unable to earn substantial gainful income and must rely on Supplemental Security Income (SSI) to support themselves. With SSI capped at under \$900, people with developmental disabilities are finding it increasingly difficult to find affordable, accessible, and appropriate housing that is inclusive in the local community. In the past, many people with developmental disabilities were institutionalized in large hospital-like settings, often for life. Current practice, made possible by the Lanterman Act and the Olmstead Decision, now calls for the "maximum possible integration into the general community." This is realized through the creation of housing, with affordable rents and appropriate supportive services, dedicated to the long-term needs and empowerment of this population.

Based on a survey of 2,642 developmentally disabled clients, the Developmental Disabilities Board Area 5 estimated a housing need of 853 units for the 2009-2014 period. According to the Board Area 5, types of housing opportunities appropriate for people living with a developmental disability include:

- Rent-subsidized affordable housing, with services, accessible, close to transit and community
- Licensed and unlicensed Single Family homes, modified, of 3-4 bedrooms
- Inclusionary within larger housing developments serving the general population
- SECTION 8 Apartment Housing Choice Voucher
- Home purchase through special programs (first time home buyers, Fannie Mae)

- HUD Section 811/ MHP-SHP developments for disabled populations
- Housing specially modified for the Medically Fragile (SB 962 Homes)

3. Elderly

The 2000 Census counted 136,369 or 18% of San Francisco's population as 60 years or older. San Francisco's elderly population is expected to grow to 173,200 by 2010 and to 279,800 by 2030; this growth is consistent with national trends. The recent Census also estimated that 24% of all San Francisco households have one or more persons over 65 years old. About 32,300 elderly householders, representing about 10% of all households in 2000, lived alone.

Senior citizens have different housing needs especially as they develop health problems or experience decreased mobility. The 2000 Census estimated that 23% of persons 65 and over have mobility or self-care limitations. The City's Long-Term Care Pilot Project Task Force estimates that the City must develop a minimum of 1,500 units of affordable supportive housing. Older and disabled adults who require long-term care have a need for a broad range of on-site and off-site services including central dining, transportation services, limited or complete medical care, recreational and other services. For seniors living independently, there is a need for safe and easily maintained dwelling units. Table I-49 below shows that 33% of all elderly and 1-2 person households overpay; generally a larger proportion of lower income households have heavier housing burdens.

Household Type by Income	Renting Households		Homeowning Households		All Households
	Elderly, 1 & 2 member Household	Total Renting Households	Elderly, 1 & 2 member Household	Total Homeowning Households	
Extremely Low (< 30% of AMI)	18,149	49,334	6,167	10,229	59,563
% Overpaying	60.8%	67.6%	63.8%	66.8%	67.5%
Very Low (<50% of AMI)	5,610	26,510	4,620	9,472	35,982
% Overpaying	53.1%	60.4%	32.7%	49.9%	57.7%
Low (up to 80% of AMI)	4,774	40,139	6,430	17,920	58,059
% Overpaying	32.8%	37.1%	23.0%	45.2%	39.6%
Total Households	34,022	214,272	31,825	115,299	329,571
% Overpaying	48.0%	33.9%	27.9%	30.9%	32.9%

Table I-49
Elderly Households
and Housing Burden,
San Francisco, 2000

SOURCE: State of the Cities Data Systems CHAS Data 2000

4. Families with Children and Large Family Households

Approximately 54,700 or 38% of family households include children. Some 63,900 households, or almost one in five San Francisco households, include a person under 18 years of age. Many of these children are in low-income households in ethnic communities that tend to be larger and poorer (Tables 7 and 18 on pages 9 and 16, respectively). The high cost of housing and limited supply of larger units can result in overcrowding. These communities require

that the existing affordable housing stock be adequately maintained and rehabilitated where necessary, and that new larger affordable units are constructed.

Virtually all large households, or those containing five or more persons, are family households. Family households as defined by the U.S. Census Bureau include only those households with persons related to the householder by birth, marriage or adoption, residing together. About 20% of all family households, roughly 29,000, have five persons or more. Table I-50 below shows the number of suitable accommodations available for larger families and/or households. This mismatch is exacerbated as only a small portion of new construction consist of two bedrooms or more.

Based on the current waiting list managed by the San Francisco Housing Authority, there is an estimated unfilled need for over 17,000 affordable housing units for low-income families. Two-thirds of these families require a two or three-bedroom unit due to their larger family sizes.

Families with children generally earn less per capita than the average San Francisco household, yet require larger housing units. Table I-51 shows that larger family households tend to overpay more than typical households. Like most groups, families also require public transit and neighborhood serving retail in close proximity. But they have specialized needs as well: accessible routes or transit connections to schools, nearby childcare (if it cannot be provided on-site), laundry and storage facilities on-site, recreational opportunities that are directly accessible from each unit on-site.

Even more important for families is their ability to access housing. Because many families are two-worker households, they have very little time to pursue affordable housing opportunities which can be listed in multiple locations under various agencies. They require a simple, easily accessible "one-stop" system to help them find housing opportunities, as well as significant support such as counseling agencies to move towards homeownership opportunities.

Table I-50
Household Size and Housing
Unit Sizes, San Francisco,
2000

Household Size	No. of Households	% of Total	Unit Size	No. of Units	% of Total
1-person household	127,380	38.6%	Studio	62,278	18.0%
2-person household	101,781	30.9%	1-bedroom	96,929	28.0%
3-person household	41,831	12.7%	2-bedrooms	103,199	29.8%
4-person household	28,563	8.7%	3-bedrooms	59,793	17.3%
5-person household	14,293	4.3%	4-bedrooms	18,331	5.3%
6-person or more household	16,002	4.9%	5-bedrooms or more	5,997	1.7%
TOTALS	329,851	100.0%	TOTALS	346,527	100.0%

SOURCE: Census Bureau

Household Type by Income	Renting Households			Homeowning Households			All Households
	Small Related (2-4 people)	Large Related (5 or more)	Total Renting Households	Small Related (2-4 people)	Large Related (5 or more)	Total Home- owning Households	
Extremely Low (< 30% of AMI)	8,665	2,675	49,334	1,774	569	10,229	59,563
% Overpaying	69.9%	72.7%	67.6%	73.5%	68.4%	66.8%	67.5%
Very Low (up to 50% of AMI)	7,035	2,400	26,510	2,310	1,274	9,472	35,982
% Overpaying	51.7%	35.0%	60.4%	61.5%	70.2%	49.9%	57.7%
Low (up to 80% of AMI)	9,755	3,580	40,139	5,610	3,070	17,920	58,059
% Overpaying	28.5%	17.3%	37.1%	56.0%	46.1%	45.2%	54.3%
Total Households	50,225	12,655	214,272	43,074	15,448	115,299	329,571
% Overpaying	28.0%	27.8%	33.9%	29.2%	27.5%	30.9%	32.9%

SOURCE: State of the Cities Data Systems CHAS Data 2000

Table I-51
Large Households and
Housing Burden,
San Francisco, 2000

5. Female-Headed Households

Many families with a single parent are in households headed by women. Female-headed households in 2000 comprised 8% of all households. Women still suffer from income disparities in the job market, forcing them to survive with less income than their male counterparts. At the time of the last Census, about 17% of female headed households were under poverty level, compared to 8% of all families under poverty level (Table I-52). Seven years later, the American Community Survey estimated that 18% of families were under the poverty level while 22% of female-headed households were under the poverty level. This increase in poverty exacerbates the need for affordable housing in order to avoid an increase in homeless families, especially female-headed households.

Household Type	2000 Census		2007 ACS %
	No.	%	
Total Households	329,700	100.0%	18.0%
Total Female Headed Householders	28,380	8.6%	8.0%
Female Heads with Children under 18	10,820	38.1%	40.6%
Total Family Households	17,560	44.6%	44.1%
Total Families Under the Poverty Level	11,515	7.8%	18.0%
Female Headed Households Under the Poverty Level	4,718	16.6%	22.1%

SOURCE: Census Bureau

Table I-52
Characteristics of Female-
Headed Households, San
Francisco, 2000

6. Persons with HIV/AIDS and Terminally Ill Patients

San Francisco has the third highest number of total AIDS cases in the United States, comprising almost one in five of California AIDS cases and about 3% of AIDS cases nationwide. As of December 2006, San Francisco ranked third in the cumulative number of AIDS cases among

metropolitan areas nationwide. The number of deaths from AIDS has decreased significantly from a high of over 1,820 in 1992 to fewer than 250 in 2007, in part because most deaths are listed under other causes given AIDS patients' compromised immune system. The number of people living with HIV/AIDS continues to increase steadily, from about 13,650 in 2002 up to, according to the AIDS Housing Alliance, over 7,000 in 2007.

Approximately 10% of people living with AIDS are homeless. The San Francisco Department of Public Health's Annual HIV/AIDS Epidemiology Report for 2007 noted that "Homeless persons suffer from high rates of substance abuse, mental illness, tuberculosis, infectious hepatitis, and insufficient health care. Among HIV-infected persons, unstable housing has been associated with poor utilization of health care services including greater reliance on emergency departments, more frequent hospitalizations, and fewer ambulatory care visits. Use of anti-retroviral therapy and prophylaxis against opportunistic illnesses is less frequent among the homeless. Among homeless persons, prescribed antiretroviral therapy and adherence to these medications is suboptimal." The report continues on to note that "After taking into account those factors that are known to affect AIDS survival (such as age and use of antiretroviral therapy), homelessness increased the risk of death by more than 20%."

The Housing Waiting List (HWL), created in 1995, is a centralized wait list that makes referrals to most housing programs designated for people living with HIV/AIDS except for hospices and emergency shelters. Most HOPWA funded (Housing Opportunities for Persons with AIDS) projects use this wait list. Approximately 7,000 people are currently active on the list. This list has been closed to new applicants since November 2001. According to the AIDS Housing Alliance, some 13,000 or 72% of people with HIV/AIDS have an unmet housing need. The Alliance also says that only 60% of people with HIV/AIDS in the City's REGGIE database have stable housing.

Compounding the barriers facing people living with HIV/AIDS in San Francisco is the highly competitive local housing market. People living with HIV/AIDS with very low incomes compete with high-income prospective tenants in a private, consumer driven rental market. For this reason, a tenant-based rental subsidy program is one of the largest HOPWA-funded programs in San Francisco. Unfortunately, due to increasing housing costs, and despite extensive cost-containment measures, this program is able to subsidize fewer people over time. The current referrals from the HWL to the tenant-based subsidy program enrolled on the list in 1997 – or over 12 years ago.

The San Francisco HIV Health Services Planning Council is a community planning group that oversees the prioritization and allocation of Ryan White CARE Act Title I and II funds for the Eligible Metropolitan Area of San Francisco, San Mateo and Marin Counties. The federal Health Resources and Services Administration (HRSA) administers these funds. The Planning Council conducted the 2005 Comprehensive Needs Assessment, which focused on underserved and populations in the most severe need of HIV/AIDS-related health and social services. Housing was consistently rated as one of the top three most needed and most requested among these populations. Changes to CARE Act funds further limit the amount of CARE Act funds that can be spent on housing, which creates additional barriers to providing appropriate affordable housing for people living with HIV/AIDS in San Francisco.

In 2006, the Board of Supervisors requested that a new citywide HIV/AIDS Housing Plan be done. The Department of Public Health's Housing and Urban Health section led this process, which included assembling an HIV/AIDS Housing Work Group. The result of this process is the Comprehensive HIV/AIDS Housing Plan. This Plan estimates that between 7,520 and 14,470 people living with HIV/AIDS in San Francisco have an unmet need for housing. Among these, between 1,410 and 2,560 are estimated to be currently homeless.

7. Immigrants, Refugees and Undocumented Workers

San Francisco has long been a "port of entry" to the United States for immigrants and refugees. San Francisco also shelters a number of undocumented persons who are in the United States without legal status. Although data on the number of total number of immigrants, refugees, and undocumented workers is not available, the 2000 Census found that more than 13% of all households, or 43,710, are linguistically isolated. Many of these new arrivals need low cost housing and support services; a limited number of housing and immigrant agencies in San Francisco provide multicultural and multilingual assistance.

Shelter providers for the homeless also assist homeless persons who are undocumented. These persons have an urgent need for shelter because they are ineligible for public assistance programs such as General Assistance. Most immigrants and refugees, regardless of immigration status, also need housing services that are provided in a multicultural and multilingual context.

8. Artists/Artisans

Artists have special housing needs for affordable accommodations that provide large wall space, high ceilings, lofts, lighting, and the ability to work at all hours of the day or night. There is high demand for such flexible space in the city. Past efforts to secure housing for artist in San Francisco through the live/work program failed to meet the target housing market. While there are not official counts of artists, the cultural and economic value of artist to San Francisco is undisputable.

9. Students

Institutions of higher learning have not provided sufficient housing for their student populations. For example, the University of California Medical Center has a student enrollment of 3,780 but only accommodates 178 single students and 130 students in family housing. San Francisco State University had a student enrollment of 26,800 in 2000 but only provided 1,500 student housing units. San Francisco City College's Phelan Campus totaled 25,000 students in 2000 with an estimated need for approximately 1,000 units. Students generally require smaller housing units near their school and job centers. Without dedicated housing, students often end up in overcrowded and/or costly accommodations.

C. HOUSING PRESERVATION NEEDS

San Francisco has an older housing stock, with 75% of all units over 50 years old. This is the largest concentration of older housing stock in the state. Seismic retrofitting requirements also create the greatest housing preservation need for San Francisco.

1. Private Housing Rehabilitation

Housing restoration, remodeling and maintenance is an on-going activity throughout the City. Renovation projects completed between 2000 and 2007 totaled \$486.7 million, affecting some 18,900 units. Over 92% of these permits were for residential improvements in one and two unit buildings. Almost 73% of the total rehabilitation costs were for projects in single-family units where the average cost of improvements was just over \$53,000 per unit.

2. Public Housing Rehabilitation

There are 6,156 public housing units in 50 developments located throughout the City. Recent programs have rehabilitated 1,149 units of new and affordable housing with 2,607 bedrooms. The 2007 Comprehensive Physical Needs Assessment performed by the San Francisco Housing Authority (SFHA) indicated that there is a backlog of immediate physical rehabilitation needs that will cost \$269 million. An additional \$26 million a year is needed to forestall physical deterioration in SFHA housing. The SFHA has identified projects totaling \$2.54 billion to comprehensively address all of the physical problems that currently exist.²

3. Seismic Retrofitting

In the early 1990s, there were approximately 11,850 units in 399 unreinforced masonry residential hotels and apartment buildings (UMB), most of which are occupied by low-income households. As of August 2008, five apartment buildings with 84 units and one residential hotel with 18 units have yet to comply with the City's retrofit requirements.³ The San Francisco Department of Building Inspection and the City Attorney are working together to bring these remaining buildings into compliance. It is estimated that on average, it takes as much as \$45,000 per unit in public subsidies to rehabilitate and seismically upgrade these buildings and still maintain their low-income rent structure. Rehabilitation and seismic upgrade costs vary depending on the type of building, the level of retrofit, and the availability of construction expertise.

In addition to unreinforced masonry buildings, much of San Francisco's older housing stock is in need of some type of seismic upgrading such as foundation bolting and structural reinforcement. Soft-story, wood frame, multifamily housing -- typically wood-frame buildings with open fronts, usually large openings on the ground floor such as multiple garage doors

² PHA Plans -- Annual Plan for Fiscal Year 2008-09, San Francisco Housing Authority, August 2008

³ Information provided by Jerry Sullivan of the San Francisco Department of Building Inspection, August 13, 2008.

or large storefront windows — is particularly at risk. The City's *Community Action Plan for Seismic Safety* (CAPSS) is looking at potential methods of instigating their retrofit, as well as other action steps to improve the City's earthquake resilience by addressing the performance of existing buildings during an earthquake and facilitating the repair of damaged buildings after an earthquake.

D. REPLACEMENT OF LOST UNITS

Demolitions, abatement enforcement, mergers and conversions, and fires all diminish the City's housing stock, and lost units need to be replaced. Table I-53 below anticipates losses based on historic trends.

Reason for Replacement	Units
Demolition and Replacement	1,125
Unit Mergers	225
Loss of Secondary Units	400
Conversion to Commercial Use	60
Owner Move-In	5,530
Ellis Act Evictions	2,100
TOTAL	9,440

Table I-53
Estimated Replacement Housing Needs,
San Francisco, 2007-June 2014

SOURCE: Planning Department

1. Loss of Units through Building Demolition

Since 2000, building demolition has accounted for the loss of almost 1,200 units (Table I-27 on page 30), a rate 10% lower than the annual demolition average of 148 units between 1990 and 1999. The City has a one-to-one unit replacement policy and units lost through demolition are subsequently replaced with the same number of units or even more. Housing demolitions in this period included the demolition of North Beach Place and Valencia Gardens, two large, older public housing structures that have since been replaced by new affordable housing developments. Similar public housing renewal projects are foreseen in the near future.

2. Loss of Units through Mergers

Dwelling unit mergers result in fewer but larger units. Smaller units are generally considered more affordable. However larger units enable families to grow without leaving their communities. The City established legislation that aims to limit dwelling unit mergers that result in larger and more expensive units. A slight decline in dwelling unit mergers followed this legislation. Between 1995 and 1999, dwelling unit mergers resulted in the loss of some 233 units, an average of 47 a year. Trends slowed down even further, between 2000 through 2008, only 287 units were merged to make larger dwelling units, a loss of about 32 units a year.

3. Loss of Illegal Secondary Units through Code Enforcement

A secondary unit is generally a smaller unit that does not have the same amenities as the primary unit or units on a lot. Often these units are built in basements, garages, attics, or in rear yard structures. While many illegal secondary units may not meet existing code requirements, they still constitute a major supply of affordable housing. Some illegal units create life safety hazards; other units require alternative standards for open space, parking, rear yard requirements, or density requirements to be legalized.

Between 2000 and 2008, 204 illegal secondary units were removed; 80 units were legalized (Table I-54). The volume of complaints has been increasing; with a strengthened code enforcement team, it is estimated that in the future, 50 to 100 illegal units per year will be removed. Based on a projected average loss of 75 units per year, it is estimated that about 400 units will be needed between January 2007 and June 2014 to replace these typically affordable units.

Table I-54
Legalization of Secondary
Units, San Francisco,
2000-2008

Year	Units Legalized	Illegal Units Removed
2000	-	12
2001	8	22
2002	9	36
2003	11	33
2004	8	22
2005	16	38
2006	9	12
2007	11	10
2008	8	19
TOTALS	80	204

Source: Planning Department

4. Loss of Units from Conversions to Commercial Use

Forty-nine housing units were legally converted to commercial uses between 2000 and 2008 (Table I-28). This is comparable with the annual average of about five units removed between 1990 and 1999. While the conversion of residential use to commercial uses has declined significantly from the high rates experienced in the late 1970s, illegal conversions are still a concern in a number of areas. Unfortunately, no reliable data can detail the extent of illegal conversions, but based on trends in the previous decade, at least 30 new housing units will be needed to replace housing lost to legal conversion to commercial use expected during the period covering January 2007 and June 2014.

5: Loss of Units from Owner Move-In and Ellis Act Evictions

Changes in tenure status through Ellis Act evictions or owners move-in is seen to result in a loss of affordable units. These units are affordable through rent control, rental status or smaller unit size. Units held off the market through the Ellis Act increased significantly in recent years (Table I-55). From the passage of the Act in 1986 until 1998 there were a total of 44 eviction notices given through the Ellis Act. In 1998 that number increased to 206 notices and in 1999 it peaked at 440 eviction notices. During the second half of the 1990s, however, owner move-in evictions increased dramatically; more than 1,000 eviction notices were given out annually through this process.

Year	Owner Move-In	Ellis Act or Other Removal from Market
FY 1997-1998	1,400	12
CY 1998	1,545	157
CY 1999	872	473
CY 2000	1013	345
CY 2001	802	292
CY 2002	548	251
CY 2003	357	238
CY 2004	345	368
CY 2005	267	359
CY 2006	227	304

Table I-55
Evictions from Ellis Act and
Owner Move-Ins,
San Francisco, 1997-2006

SOURCE: SF Rent Board

IV.

Meeting Housing Needs

This section provides an analysis of the overall capacity for meeting the City's projected housing needs. The first part presents an inventory of the land use capacity for new housing based on the existing zoning, including an analysis of their suitability to a variety of affordable housing types. The second part discusses constraints to housing development in the City that could forestall the City's ability to meet San Francisco's RHNA allocation. The third part presents information on potential future projects and recent community plans. An estimate of housing development over the next five to ten years is also provided. This section shows that while San Francisco may have the land capacity to meet overall housing needs for the next planning period, the City must make programmatic and policy changes in order to meet targeted levels of affordability and achieve local and regional sustainability objectives.

San Francisco is already highly developed. It is also bounded on three sides by water, limiting its ability to expand outwards to meet the need for more housing. As San Francisco has relatively few large undeveloped sites and the following analysis is based on a cumulative examination of vacant and underdeveloped sites' potential development at less than the theoretical maximum capacity allowed under current zoning in acknowledgement of existing neighborhood characteristics. Nevertheless, some 62,600 new housing units could potentially be built on numerous in-fill development opportunity sites under current zoning allowances. In addition, some 11,100 can be accommodated in vacant or nearly vacant lands currently or previously zoned "Public" such as Mission Bay, Treasure Island and Hunter's Point Naval Shipyard.

A. NEW HOUSING DEVELOPMENT POTENTIAL UNDER EXISTING ZONING

Residential development is allowed as-of-right in most of the City's zoning districts. All residential and residential-commercial (RH, RC and RM) districts permit dwelling units as of right. Housing is also permitted in most of the South of Market's mixed-use districts and all of the mixed-use districts in Chinatown; similarly, residential developments are allowed in downtown and commercial zoned districts. In the neighborhood commercial districts, housing is permitted but generally encouraged above the commercial ground floor in new construction projects. Housing development is a conditional use in industrial districts and the South of Market's Service and Secondary Office (SSO) district. The only zoning district wherein housing projects are not permitted unless it is affordable to low-income households is in the South of Market's Service-Light Industrial (SLI) district. New residential development is not allowed in the new Production, Distribution and Repair (PDR) districts.

Residential uses in San Francisco include single and multi-unit housing, residential care facilities, and group housing. Group housing in San Francisco include homeless shelters and transitional supportive housing. Group housing is not permitted in low density, single-family residential districts (RH-1, RH-2 and RH-3) and in the South of Market's residential enclave districts (RED). They are accommodated in the moderate density residential, downtown, commercial, and neighborhood commercial districts where other supportive amenities are more accessible. Group housing are also allowed on a conditional basis in low- to medium-density residential districts, the industrial districts and most South of Market districts. Emergency shelters, considered hotel use because these offer only short-term residency, are not permitted in low density, single-family residential districts but are allowed as conditional use in the moderate density residential districts, downtown commercial and neighborhood commercial districts. (*Attachment D-2 in Appendix D lists residential development types and standards for all zoning districts.*)

1. Land Inventory

Housing Element law requires local governments to prepare an inventory of land suitable for residential development to help identify sites that can be developed for housing within the housing element planning period. It is a general estimate of the City's total housing capacity and is determined without specifying which sites may or may not be developed within the next five to seven years. This land inventory does not include sites that are under construction or are already slated for development in the next five to seven years, i.e. parcels with building permits already obtained and ready to start construction, or parcels that have received Planning Department entitlements and have applications for building permits filed.

The housing potential estimates shown in Tables I-56 and I-57 were derived using a computer model based on current zoning standards and an inventory of existing uses citywide. (*See Appendix D for additional details on methodology, terms used.*) The largely undeveloped Treasure Island and Hunter's Point Naval Shipyard are currently zoned "Public" and thus considered separately in this exercise. The number of units listed are currently proposed for these redevelopment areas. Similarly, parcels in Mission Bay are treated as distinct from the rest of the City's housing opportunity sites. Some 2,500 units out of the 6,000 proposed units have already been built in the Mission Bay redevelopment area. Construction has also begun for Phase I of

the Hunter's Point Naval Shipyard. Approximately 30% of units in these redevelopment areas are programmed to be affordable.

A database listing all parcels in the City, along with current land uses, zoning designation, and development or lot improvements forms the basis of this evaluation. Land use information collected included type of use, building square footage, number of stories, building height, lot area, floor area ratio, and other pertinent data.

Table I-56 categorizes the housing opportunity sites by zoning districts and lists the build-out capacities of potential housing sites according to permitted residential densities. Over half (58%) of the new housing can be accommodated in neighborhood commercial and mixed use districts; only 18% can be expected to be built in traditional residential districts.

General Zoning Districts	Vacant or Near-Vacant Sites			Underdeveloped Sites			No. of Parcels	Net Units	Total Acres
	No. of Parcels	Net Units	Acres	No. of Parcels	Net Units	Acres			
Residential	919	2,775	101.9	1,155	8,013	151.7	2,074	10,788	253.6
Neighborhood Commercial	282	7,044	86.2	1,846	14,851	232.9	2,128	21,895	319.1
Mixed Use Districts	191	2,942	32.8	481	7,848	92.8	672	10,790	125.6
Downtown Commercial	64	658	33.9	193	1,176	44.6	257	1,834	78.5
Downtown Residential	21	2,515	4.4	25	2,299	5.9	46	4,814	10.3
Industrial	173	6,263	107.3	421	6,254	110.2	594	12,507	217.5
Sub-Total	1,676	22,814	377.6	4,207	45,663	713.1	5,883	62,628	1,090.6
Programmed/Redevelopment Areas									
Mission Bay								3,500*	
Treasure Island								6,000	
Hunter's Point Shipyard (Phase I)								1,600	
Sub-Total								11,100	
TOTALS								73,728	

Table I-56
Estimated New Housing
Construction Potential
in Undeveloped and
Underdeveloped Sites
by Generalized Zoning
Districts, San Francisco,
2008

* Remaining units to be built

SOURCE: SF Planning Department

Tables I-56 and I-57 disaggregate this new housing potential according to the parcels' existing state of underutilization or lack of development. There are 1,650 parcels totaling 366 acres that are classified as undeveloped where almost 22,200 new housing units could potentially be constructed. Another 4,120 lots are also seen as developable for residential uses, possibly yielding over 40,440 new units. As detailed in *Appendix D*, only parcels developed up to 30% of parcel potential are considered in this inventory. Due to high demand for housing, new construction have occurred in developed parcels, not just vacant or underdeveloped parcels. Hence, parcels with more than 50% of zoned capacity have been and are being redeveloped; live/work and loft developments as well as rehabilitation and conversion of existing buildings are examples. About 58% of all live/work and loft-style developments have been built in developed industrial-zoned parcels; some 77 buildings were demolished to accommodate about 1,460 units while 79 buildings were converted and rehabilitated, resulting in 1,190 units. Only

PART 1: DATA NEEDS & ANALYSIS

Table I-57
Estimated New Housing Construction Potential in Undeveloped and Underdeveloped Sites
by Zoning District, San Francisco, 2008

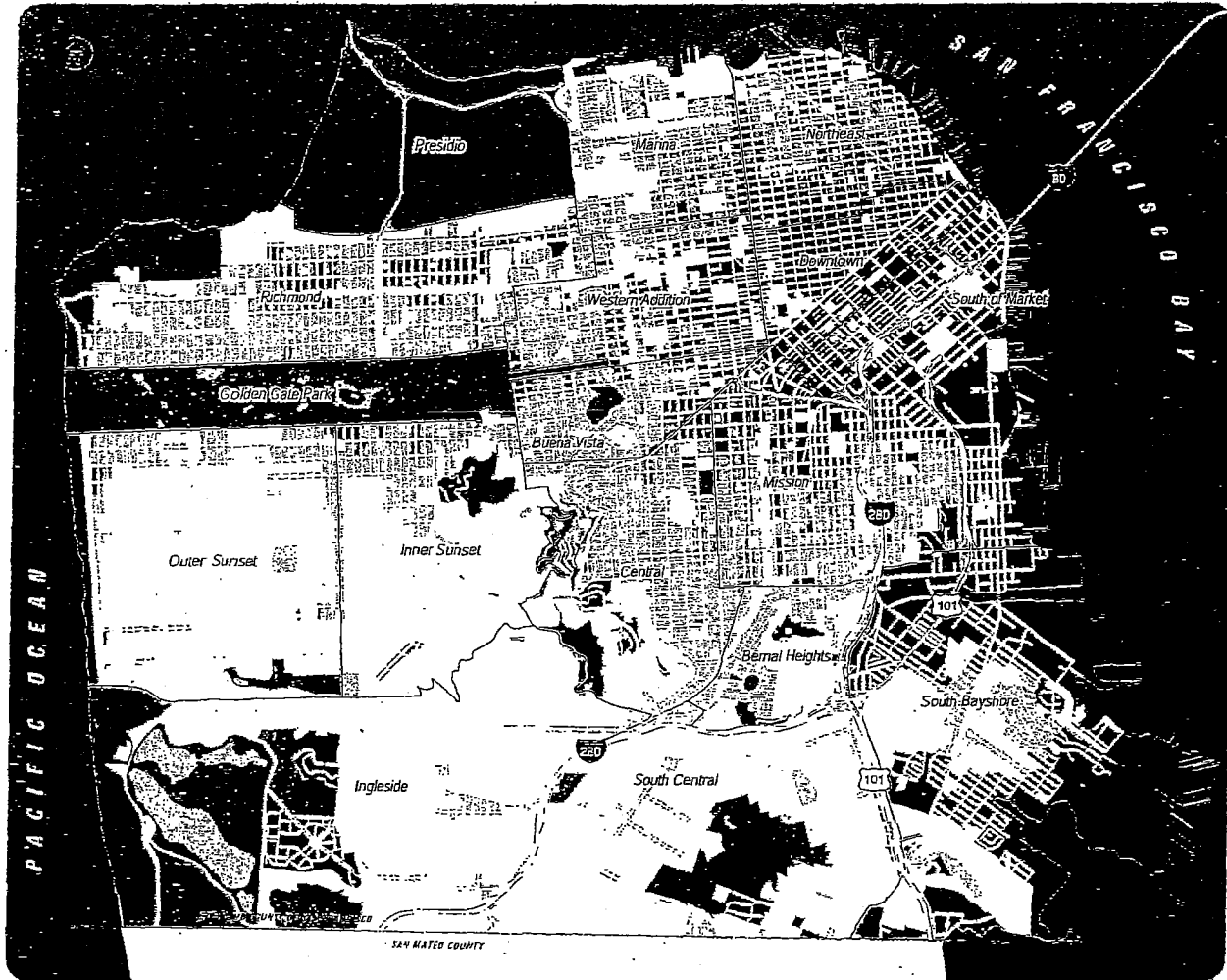
Zoning Group	Zoning District	Current Utilization						Total Parcels	Total Sum of Net Units	Total Sum of Acres	Zoned Units/ Acre
		Vacant or Near Vacant Sites (Less than 5% of zoned capacity)			Underdeveloped or "Soft Sites" (From 5% - 30% of zoned capacity)						
		Parcels	Net Units	Acres	Parcels	Net Units	Acres				
Residential		919	2,775	101.9	1,155	8,013	151.7	2,074	10,788	253.6	
	RH-1	457	676	44.1	54	241	18.0	511	917	62.1	15
	RH-1(D)	135	135	21.9	2	2	0.1	137	137	22.0	11
	RH-1(S)	6	6	0.4	0	0	0.0	6	6	0.4	15
	RH-2	169	564	18.1	337	736	31.9	506	1,300	50.0	29
	RH-3	55	207	4.8	244	589	16.8	299	796	21.5	44
	RM-1	43	238	4.8	161	1,793	36.7	204	2,031	41.5	54
	RM-2	9	107	1.5	34	609	9.2	43	716	10.8	73
	RM-3	14	230	2.2	69	1,115	12.1	83	1,345	14.2	109
	RM-4	13	423	2.1	25	1,494	8.1	38	1,917	10.2	218
	RTO	18	189	2.1	229	1,434	18.7	247	1,623	20.8	See note 1
Neighborhood Commercial / Neighborhood Commercial Transit		282	7,044	86.2	1,846	14,851	232.9	2,128	21,895	318.1	
	NCD	31	410	5.4	352	2,505	37.0	383	2,915	42.5	See note 1
	NC-1	24	139	2.8	250	931	21.4	274	1,070	23.2	54
	NC-2	70	1,016	19.5	579	2,443	54.5	649	3,459	74.0	54
	NC-3	88	1,021	15.0	474	4,353	65.0	562	5,374	80.2	73
	NC-S	11	58	1.2	34	1,537	28.7	45	1,595	29.8	54
	NCTD	22	3,265	34.9	66	754	7.9	88	4,019	42.7	See note 1
	NCT2	3	174	1.9	10	134	1.4	13	308	3.3	See note 1
	NCT3	32	958	6.3	71	2,133	14.9	103	3,091	22.1	73
	SoMa NCT	1	3	0.0	10	61	1.1	11	64	1.2	See note 1
Commercial / Downtown Commercial		64	658	33.9	193	1,176	44.6	257	1,834	78.5	
	C-2	16	384	26.3	26	282	19.6	42	666	45.9	54
	C-3-G	20	145	4.2	57	316	9.7	77	461	14.0	348
	C-3-O	7	71	1.3	30	278	4.8	37	349	6.1	348
	C-3-O(SD)	5	16	0.5	22	66	1.6	27	82	2.1	348
	C-3-R	1	6	0.2	13	41	1.	14	47	1.6	348
	C-3-S	13	30	1.1	31	143	4.7	44	170	5.8	348
	C-M	2	6	0.3	14	52	2.8	16	59	3.1	218

Zoning Group	Zoning District	Current Utilization						Total Parcels	Total Sum of Net Units	Total Sum of Acres	Zoned Units/ Acre
		Vacant or Near Vacant Sites (Less than 5% of zoned capacity)			Underdeveloped or "Soft Sites" (From 5% - 30% of zoned capacity)						
		Parcels	Net Units	Acres	Parcels	Net Units	Acres				
SUD / Downtown Residential		21	2,515	4.5	25	2,299	5.9	46	4,814	10.3	
	SB-DTR	1	100	0.6	0	0	0.0	1	100	0.6	See note 1
	VNMDRSUD	13	687	2.0	18	1,728	4.9	31	2,415	6.9	See note 1
	RH DTR	7	1,728	1.8	7	571	1.0	14	2,299	2.8	See note 1
Mixed Use		191	2,942	32.8	451	7,848	92.8	672	10,790	125.6	
	CCB	1	10	0.0	5	86	0.4	6	96	0.4	218
	CRNC	3	60	0.3	10	167	0.8	13	227	1.1	218
	CVR	0	0	0.0	1	13	0.1	1	13	0.1	218
	MUG	1	3	0.1	17	184	3.0	18	187	3.0	See note 1
	MUD	16	270	2.8	19	351	4.2	35	621	7.0	See note 1
	MUR	20	451	2.8	58	1,050	7.1	78	1,501	9.9	See note 1
	RC-3	2	52	0.5	20	209	2.0	22	261	2.9	109
	RC-4	30	942	4.4	99	3,033	13.5	129	3,975	18.9	218
	RED	3	31	0.3	15	70	0.9	18	101	1.2	109
	RSD	5	153	0.7	7	246	1.1	12	399	1.8	218
	SLI	40	77	4.4	53	301	17.6	93	378	22.0	218
	SPD	0	0	0.0	2	3	0.1	2	3	0.1	73
	UMU	39	756	13.5	138	1,969	38.2	177	2,725	51.7	See note 1
	SLR	31	137	3.1	37	166	4.3	68	303	7.4	218
Industrial / PDR		173	6,253	107.3	421	6,254	110.2	594	12,507	217.5	
	M-1	148	4,717	78.6	409	5,346	94.2	589	10,729	185.9	54
	M-2	25	1,536	28.6	12	908	16.0	64	7,624	119.6	54
Sub-Totals		1,650	22,187	365.6	4,121	40,441	639.1	5,771	62,628	1,005.0	
Programmed / Redevelopment Areas									11,100		
Mission Bay									3,500		
Treasure Island									6,000		
Hunter's Point Shipyard (Phase I)									1,600		
TOTALS									73,728		

SOURCE: SF Planning Department

Notes:

1. These districts do not nominally restrict residential density, but regulate it based on factors such as lot cover, exposure, and unit mix requirements.



**Generalized Permitted Housing Densities
by Zoning Districts,
San Francisco, 2008**

0 1 Miles
MAP 06

Density (Average Units per Acre)

	Low (14)
	Moderately Low (36)
	Medium (54)
	Moderately High (91)
	High (283)

40% of live/work units were built in vacant or nearly vacant parcels. Other examples include the full conversion of a 140,690 sq ft office building into a 104-unit residential building, and the demolition of a tourist hotel to construct a new 495-unit rental housing. Given San Francisco is largely built-up, parcels such as these would not have been considered in estimating the remaining zoned land capacity but were nevertheless redeveloped; the estimates in this section are thus conservative for considering only vacant and up to 30% developed parcels.

In addition, redevelopment of Mission Bay, Treasure Island and Hunter's Point Naval Shipyard will bring an additional 11,100 units. Undeveloped or underdeveloped parcels with proposed residential developments in the pipeline are not included in this assessment. About 230 of 800 acres of soft sites fall in areas with recently adopted area plans (Eastern Neighborhoods, Market & Octavia, Balboa Park, Rincon Hill, Visitacion Valley). The residential development pipeline, which accounts for some 50,200 units at the time of this report's writing, will be discussed at a later section of this report.

2. Suitability of In-Fill Housing Development Under Existing Zoning

Approximately one-half of San Francisco's developable land is devoted to residential use. Of the residentially zoned acreage, a majority of the area (76%) is zoned for single family and two unit housing, at a housing density of approximately 10 to 29 units per acre. Other residential areas with higher housing densities, such as the Van Ness corridor and neighborhoods north of Market Street, bring average housing density citywide to 15 net dwelling units per acre.¹ Table I-57 lists the City's zoning categories that permit residential development, grouping these by generalized housing density levels. Map I-6 provides a generalized illustration of housing densities citywide.

The location of San Francisco's housing stock is detailed in Table I-22 (page 24) and the geographic boundary used for this data is the Planning District (shown on Map I-3, page 25). The Northeast and Richmond districts have the most units. One-third (34%) of the city's units are located in buildings with ten or more units, while single family homes account for almost another third (31%).

All parcels considered in this estimate meet the minimum lot requirement for development. Seventy-four of these parcels are vacant or undeveloped, and cover half an acre or more. Most non-profit developers of affordable housing consider 0.5 acre as the minimum lot size necessary to meet economies of scale. Altogether, these parcels – about half of which are one acre or larger – can accommodate over 5,550 new housing units.

¹ Not including right of way and streets.

Density Standards	Zoning District	Average Units per Acre	Estimated Population Density per Acre	General Characteristics and Locations
Low Density	RH-1	14	32	Mostly single-family housing located primarily in the southern and western parts of the City
	RH-1(D)			
Moderately Low Density	RH-2	36	83	Smaller multi-family housing such as duplexes, triplexes, and flats located around the City's central hills areas of Diamond Heights, Twin Peaks, and Potrero Hill; also around Golden Gate Park in the Richmond, and the northern part of the Sunset districts, the Marina and edges of Mission Bay bordering open space areas
	RH-3			
Medium Density	RM-1, RTO	54	124	Non-residential commercial and industrial districts; certain areas adjacent to commercial zones; also in the central areas of Mission Bay
	C-2			
	M-1, M-2			
	Eastern N'hoods Mixed-Use			
	NCs			
Moderately High Density	RM-2, RM-3	91	209	More intensively developed northeastern part of the City; along major transit corridors such as Van Ness Avenue, Upper Market Street and Columbus Avenue; in major redevelopment areas such as the Western Addition, Golden Gateway; in Nob Hill, Chinatown, North Beach, edges of Mission Bay bordering commercial and industrial areas
	RC-3			
	Chinatown, NCTs, RED			
High Density	RM-4	283	651	Downtown districts, Rincon Hill, Cathedral Hill, parts of the Western Addition; parts of Diamond Heights, parts of Parkmerced, Nob Hill, parts of the northeastern section of the City; heavy commercial districts.
	RC-4			
	DTR			
	C-3			
	C-M			

Table I-58
Generalized Housing
Densities Allowed by Zoning
Districts, San Francisco,
2008

3. Locating New Housing Development in Existing Neighborhoods and Planned Areas

As Table I-57 on page 64 shows, residential districts contain a substantial number of undeveloped lots. Locating new housing development in these districts makes sense, as housing should go where other housing already exists. These in-fill sites are scattered throughout all residential neighborhoods and construction of additional units will have very minimal cumulative effect on infrastructure needs. The build-out assumption for these districts also takes into account typical housing types (single-family homes in RH-1, for example); and there would be little impact on the neighborhoods' residential character.

Neighborhood commercial districts are also ideal for additional housing because of these neighborhoods' proximity to transit and services. Typically, the calculation assumes upper storey residential development over ground floor commercial uses, although height limits in some neighborhood commercial districts may have a dampening effect on residential development.

Downtown districts are similarly ideal for residential development given proximity to jobs and transit. The higher densities allowed under current zoning in these districts could bring almost 2,200 new units. Some industrial lands may be more suitable than other industrial sites for

residential development based on its proximity to existing residential districts and transit. At least 18,350 units can be accommodated in these industrial lands.

The City's mixed-use districts in Chinatown and South of Market are generally built up and yielded smaller numbers of developable sites. However, with higher densities allowed in these areas, in-fill development could accommodate at least an additional 5,980 units.

The Mission Bay Plan, adopted and being carried out by the San Francisco Redevelopment Agency, envisions a new neighborhood arising from one of the City's few vast and underused vacant industrial tracts. Projected land uses include a mix of housing and job opportunities. Mission Bay North will accommodate 3,000 units of housing while Mission Bay South will have 3,090 units. Over 2,120 units have already been built and the remaining 3,900 are expected to be completed by 2020.

Hunters Point Naval Shipyard, another redevelopment project, will involve re-use of the 500-acre former military base. The HPNS Redevelopment Plan sees the decommissioned shipyard transformed into a mini-city with housing, job opportunities and recreational uses. The residential component of Phase I in the 25-year, three-phase Redevelopment Plan will bring about some 1,600 new housing units in the proposed Hills Neighborhood. Construction has begun and the first residents of the redeveloped sites are expected to move in by 2010 at the earliest.

Redevelopment of Treasure Island, while not expected to commence during the 2007-2014 RHNA reporting period, has been included in the land inventory because of its long-term potential for housing. The current proposal includes some 6,000 to 7,000 units.

a. Housing in Residential Areas

Housing development on remaining vacant, residentially zoned sites will occur as market pressure intensifies to build on available residential sites throughout the City. These sites generally have low or moderately low density residential-house zoning designations (RH-1, RH-2 or RH-3), which permit only one, two or three units per lot in most cases. Most housing – especially family housing – is already located in these residential districts. It is estimated that there is an in-fill housing potential of approximately 1,825 units on vacant and underutilized RH-1 and RH-2 parcels, which allow for single-family and duplexes, respectively. Typical densities range from a maximum of 14 units per acre for RH-1 districts and 39 units per acre for RH-2. An additional 460 units can also be accommodated in RH-3 parcels that allow for development of triplexes at about 43 units per acre density.

Residential mixed districts (RM) and residential commercial combined districts (RC) permit non-residential uses but remain predominantly residential in character. These areas are generally adjacent to commercial zones and can have intense, compact development. Medium density residential districts typically contain a mixture of dwelling types found in RH districts but have a significant number of apartment buildings. Over 2,115 new units can be developed in low-density residential mixed districts (RM-1). This zoning category allows for a maximum of 54 units per acre. About 530 and 1,030 additional new units can be in the RM-2 and RM-3 districts respectively. Almost 2,730 new units can be in-fill development in the downtown residential districts ringing the City's downtown core, where higher densities are permitted.

All told, there is the potential for almost 8,300 new units on vacant or underutilized parcels in these medium- and high-density residential zones.

b. Housing in Neighborhood Commercial Districts

Both Planning Code regulations and General Plan policies encourage housing over commercial spaces in districts throughout the City. More recently, regional and national interest in transit-oriented development has grown considerably. The close proximity of neighborhood commercial districts to transit preferential streets makes in-fill sites in these districts particularly suitable for development. There is also a proven strong market for mixed-use development. Mixed-use projects, with commercial and residential components, accounted for a significant amount of the new building construction in the last decade. Opportunity sites in neighborhood commercial districts cover over 330 acres of land in the City. This represents the potential for roughly 22,350 new housing units over ground floor commercial spaces.

c. Better Neighborhoods Program

The Better Neighborhoods Program was initiated by the Planning Department to address the City's related housing and transportation challenges. It seeks to do so by strengthening the linkages between land use and transportation planning, so that each one effectively supports the other. Market and Octavia, Balboa Park, and the Central Waterfront were chosen as three pilot neighborhoods and selected to serve as a model for other areas in the City. Glen Park and Japantown were later added as compact versions of the Better Neighborhood planning process. These neighborhoods' proximity to transit and essential services are ideal for additional housing, including units in upper stories above commercial uses. The Market Octavia Plan, promising an additional 5,900 units, was adopted in mid-2008. The Central Waterfront Plan was adopted, along with three other Eastern Neighborhoods, at the end of 2008. Balboa Park was also adopted in December 2008. The Central Waterfront Neighborhood Plan allows for the potential development of about 1,100 to 1,500 new units while Balboa Park could mean some 800 to 3,150 additional units.

Development opportunities in the Better Neighborhood areas vary. About 2,100 units can be built in vacant or near parcels in the Market and Octavia area while underdeveloped parcels can accommodate about 4,570 units. The demolition of the Central Freeway and its replacement with Octavia Blvd. in the Market and Octavia Plan Area freed up about seven acres for redevelopment. All told, these publicly owned parcels have the zoned capacity to accommodate over 1,000 units and have been included in the overall estimate for the area. In Central Waterfront, vacant or near vacant parcels have the zoned capacity to accommodate 865 units. Underdeveloped sites, mostly industrial uses such as warehouses, can be redeveloped and yield over 1,000 units. Balboa Park, on the other hand, can see over 3,100 units in vacant or near vacant properties. Another 600 units can be built in underdeveloped parcels that have existing uses such as single-storey commercial buildings or gasoline stations.

d. Housing in Industrial Areas and the Eastern Neighborhoods

A significant portion of new housing construction (over 40%) in the last decade occurred in the areas south of Market Street. These industrially zoned parts of the City provided a ready

supply of flexible and inexpensive industrial space well suited for conversion to office space required by dot-com start-ups. At the same time, these same areas became highly desirable residential locations, especially for live/work or loft-style housing. Many traditional occupants of industrial space — notably production, distribution and repair businesses (PDR) — were displaced by rising rents brought on by new office and residential uses. Conflicts between new residents and remaining businesses, especially over noise and smells associated with many PDR activities made it difficult for businesses to operate. Some businesses found space elsewhere in San Francisco; many others left the City altogether, and a number went out of business.

Interim zoning controls and Planning Commission policies underscored the importance of retaining PDR activities and encouraging these uses on certain industrially zoned parcels while permitting housing and mixed-use activities on other industrially zoned parcels. Recently approved community planning in the Eastern Neighborhoods, where most industrially zoned lands are located, proposed new zoning controls that define uses permitted on these parcels. An additional potential of 7,400 new housing units in industrial lands came about with the passage of new zoning standards.

The mostly industrial Bayview neighborhood can see an additional 3,100 new units with the development of vacant or mostly vacant parcels. Redevelopment of underdeveloped sites in the area could mean an additional 6,600 units. Vacant or near vacant parcels in SoMa have the zoned capacity to accommodate about 1,120 units. Underdeveloped parcels in East SoMa are largely mostly low industrial buildings and can potentially be redeveloped to 1,500 units. Development of vacant or near vacant parcels in the Mission can add 470 to the area's housing stock. Underdeveloped sites in the Mission — largely commercial and some industrial buildings — have the potential to be redeveloped into some 2,600 units. In Showplace Square/Potrero Hill, about 380 units can be built in vacant parcels and another 1,200 units in underdeveloped sites. With rezoning of the largely residential Visitacion Valley, development of vacant or near vacant sites can result in 820 units and 400 units in underdeveloped sites. Vacant or near vacant sites in West SoMa have the potential to be developed into 270 units while underdeveloped sites can accommodate almost 980 units.

4. Suitability of Potential Affordable Housing Sites

Affordable housing in San Francisco includes subsidized multi-family units, single room occupancy units (SRO), emergency shelters, transitional housing, and other types of group housing. As noted earlier, such housing types are generally permitted in as of right or as conditional use in all zoning districts in San Francisco except in the low-density, single-family residential districts, the South of Market's residential enclave districts, and the industrial/PDR districts. In other municipalities, affordable housing includes housing for agricultural workers and low cost manufactured housing. San Francisco is highly urbanized and generally a distance from agricultural employment. Some manufactured single-family housing have been erected in San Francisco but prefabricated units may not be appropriate for high density, affordable housing in San Francisco, especially given seismic safety concerns.

Affordable housing projects with on-site services require a minimum of 90 units per site to gain economies of scale for construction and operations. Of all potential in-fill sites, some 108 parcels — with a total capacity of 22,993 units — would permit this type of development.

Construction of affordable multi-family units generally require a minimum lot size of 0.3 acre or roughly 40 units per project to meet economies of scale. There are around 220 such potential sites that are vacant or undeveloped. Altogether, these larger parcels, which average 1.6 acres each, could accommodate some 29,066 new housing units.

5. Accommodating Housing Suitable for Persons With Disabilities

San Francisco building code ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations) and federal requirements for accessibility. The San Francisco building code incorporates the 2000 International Building Code. It provides reasonable accommodation for persons with disabilities in the enforcement of building codes and the issuance of building permits through its flexible approaches to retrofitting or converting existing buildings and construction of new buildings that meet the shelter needs of persons with disabilities.

a. Procedures for Ensuring Reasonable Accommodations

While single-family and duplex or 2-family dwellings are generally not required to be accessible except when they are part of a condominium or planned-use development, multi-family building accessibility requirements are contained in the California Building Code Chapter 11A, Chapter 10, Chapter 30, and section 101.17.9.1. Commercial building access requirements are contained in the California Building Code Chapter 11B, Chapter 10, Chapter 30, and section 101.17.11. The Planning Code additionally requires parking spaces be specifically designated for persons with physical or mental disabilities.

b. Information Regarding Accommodation for Zoning, Permit Processing, and Building Codes

The City provides information to all interested parties regarding accommodations in zoning, permit processes, and application of building codes for housing for persons with disabilities.

c. Zoning and Other Land Use Regulations

There are no zoning or other land-use regulatory practices in San Francisco that could discriminate against persons with disabilities and impede the availability of such housing for these individuals. The City permits group homes of all sizes in most residential districts; as noted above, group housing is allowed on a conditional basis in low density, single-family residential districts (RH-1, RH-2 and RH-3), as well as the industrial districts and most South of Market districts. All of the City's commercial zones also allow group homes: they are permitted as of right in the moderate density residential, downtown, commercial, and neighborhood commercial districts where other supportive amenities are more accessible. In addition, San Francisco does not restrict occupancy of unrelated individuals in group homes and does not define family or enforce a definition in its zoning ordinance. The City grants variances for "reasonable accommodations," i.e. necessary structures or appurtenances to assist with access and is developing legislative ordinance to bypass this variance procedure to provide a streamlined procedure for exceptions needed by persons with disabilities.

d. Efforts to Remove Regulatory Constraints for Persons with Disabilities

The State has removed any City discretion for review of small group homes for persons with disabilities (six or fewer residents). The City does not impose additional zoning, building code, or permitting procedures other than those allowed by State law. The City has also made zoning accommodations to encourage housing for persons with physical and mental handicaps. Planning Code Section 207.4 and 209.1 set the dwelling unit density for dwellings specifically designed for and occupied by senior citizens or physically or mentally handicapped persons at twice the density ratio established by any residential or neighborhood commercial district. Planning Code Section 135 reduces the minimum amount of usable open space to be provided for use by each dwelling unit to increase development feasibility.

e. Permits and Processing

The City does not impose special permit procedures or requirements that could impede the retrofitting of homes for accessibility. The City's requirements for building permits and inspections are the same as for other residential projects and are straightforward and not burdensome. City officials are not aware of any instances in which an applicant experienced delays or rejection of a retrofitting proposal for accessibility to persons with disabilities.

B. CONSTRAINTS TO HOUSING ACCESS, PRODUCTION AND CONSERVATION

Housing development in California is a complex and lengthy process. San Francisco in particular is one of the more challenging environments to build housing. Factors including high land and construction costs, protracted entitlement and permitting processes, and organized opposition pose real obstacles to developing housing in San Francisco.

One result of this difficult landscape has been the development of new housing in areas not fully appropriate for residential development, such as in predominantly industrial areas without the sufficient services and social infrastructure to support a pleasant and vital neighborhood. In meeting the City's housing goals, it is important to focus on areas that can absorb new development in the context of creating viable neighborhoods. The first part of Section IV, "Meeting Housing Needs," discussed suitable locations for potential new housing. This second part will discuss the challenges to new housing production and conservation.

1. Equal Housing Opportunity

All residents have the right to housing that is available without discrimination – that is, without limitations based on race, color, religion, sex, handicap, familial status, or national origin. The federal Fair Housing Act of 1968, and California's Fair Employment and Housing Act, as well

as other non-discrimination acts, were enacted to prohibit discrimination; and San Francisco has adopted a number of local anti-discrimination ordinances addressing housing and public accommodations (Administrative Code Sections 12 A & 12 B, Police Code Sections 33, 38, and 1.2). These federal, state and local provisions are enforced by the City's Human Rights Commission (HRC), which offers mediation services for filed complaints, technical assistance with referrals to nonprofit organizations and City agencies, and fair housing training for housing providers.

However, with all of these protections, discrimination still occurs. Some of the major impediments to fair housing include discrimination in access to housing, condition, evictions and even lending practices.

- **Discrimination:** The most common forms of housing discrimination in San Francisco occur in rental housing, when tenants – who may be facing racial discrimination, poverty, mental and physical handicaps, or have alternative sexual orientation or gender identity – are denied housing, discriminated against in the terms or conditions otherwise available to other tenants, or harassed by a landlord or fellow tenant. Section 8 tenants in particular have difficulty accessing market rentals, as many landlords choose to not rent to Section 8 tenants.
- **Poor conditions:** Many available housing units are maintained in poor condition, at the expense of the quality of life for their tenants. The need to make physical improvements is critical to improve living conditions in low-income housing. Also, given the City's high percentage of renters with disability, it is particularly critical for persons with special needs, to provide improved accessibility to existing housing units.
- **Formal and informal evictions:** Even with state and local regulations against formal evictions, abuses occur as many residents are unaware of their protections. "Buyouts" (where the landlord pays the tenant an agreed upon dollar amount to vacate the property and therefore avoid any eviction processes) are also prevalent throughout the City.
- **Lending practices:** Predatory lending, often directed towards low-income and minority communities, has arisen as a facet of housing discrimination. The current foreclosure crisis is affecting those communities disproportionately, and is also affecting renters of those foreclosed units, who are without traditional eviction rights

Connecting all of these issues is a lack of education about fair housing issues and a lack of information connecting people to resources. Often, fair housing issues pit landlords with access to capital, legal advice and time, against renters who may not be aware of their rights and who may face other impediments in the system such as a language barrier. While San Francisco is fortunate to have a number of nonprofit organizations in addition to the City's Human Rights Commission (HRC) that provide public education, access to legal services and counseling, and even funding, they often lack resources to reach the majority of the population in need.

2. Non-Governmental Constraints

Government Code Section 65583(a)(5) requires that the Housing Element update include an assessment of non-governmental constraints to housing development. Such constraints include the price of land, the cost of construction, and availability of financing.

a. Land Availability and Costs

Much of San Francisco exhibits an established, relatively dense development pattern and is considered by many to be substantially built-out. While there are parcels of land still potentially available for development (see Tables I-56 and I-57 on pages 63-65), San Francisco's tight land market increases pressures on land values. Both market-rate and affordable housing developers report that acquiring land for housing in the City is a challenge. The heightened values of land make some of the land identified as a potential housing site infeasible for actual housing development, especially housing affordable to lower income households.

The City's finite supply of land, coupled with strong development pressure, means that landowners can expect high prices for parcels they own, if they choose to sell for housing development at all. Sites identified as potential housing sites may not be sold to residential developers, as some property owners are satisfied with the state of their properties' development. Institutions, for example, may keep surface parking uses to support other adjacent properties' more intense uses. Similarly, building owners may keep smaller but profitable commercial buildings instead of fully developing their properties. Furthermore, except in purely residential zoning districts, housing developers must compete with other potential users. If it is more profitable for a landowner to hold or sell land for a commercial project, the land will not be available for housing. Private vacant or underdeveloped lands identified as housing opportunity sites will only see development if landowners decide to sell, and the prices they demand from housing developers will allow for profitable development.

Average land values vary greatly by zoning district as development potential varies greatly. Table I-59 below details the average sales price per square foot of vacant lands sold between 2000 and 2007. It shows that vacant lands in the industrial zoning districts were the least expensive and sold, on average, at just over \$48 per square foot. These areas' lower priced lands made for the mid- to late 1990s' rapid and often detrimental incursions of housing into still viable industrial districts.

Table I-59
**Average Price per Square
Foot of Vacant Lands Sold,
San Francisco, 2000-2007**

Zoning Districts	No. of Transactions	Average Price per Sq. Ft.
Residential Districts	169	\$83
Residential Mixed Districts	11	\$176
Neighborhood Commercial Districts	32	\$92
Downtown Commercial Districts	5	\$951
Industrial Districts	39	\$48
South of Market Mixed Use Districts	12	\$326

SOURCE: SF Assessor-Recorder's Office; SF Planning Department

Single-family zoned districts, where typically one unit is permitted per lot, cost on average just \$57 a square foot. Vacant parcels in moderately low density residential zones (where duplexes and triplexes are permitted) and the neighborhood commercial districts, averaged \$97 and \$92 per square foot respectively. Vacant land in the downtown and high density residential zoning districts was considerably higher, averaging above \$183 per square foot. The costliest vacant

lots sold recently were in the downtown commercial zones – which allow land uses more profitable than residential uses – averaging \$951 per square foot. Vacant lots in the densely built South of Market Mixed Use districts bordering downtown had sold, on average, just over \$326 per square foot.

Though specific land costs varied greatly depending on an area's location and underlying zoning, the price of land is a major component of a developer's overall cost of producing housing. (See Table I-60 on the following page) A recent Planning Department study that explored options for expanding the City's inclusionary housing requirements compiled cost information from a variety of data sources. It showed that land for housing development in San Francisco often cost around \$110,000 per unit.

b. Housing Development Costs

In addition to high land costs, other direct costs of building new housing – the cost of labor, of construction materials and contractor fees – continued to escalate. Steep construction costs are generally seen as a major constraint on housing development and especially impacts affordability. In 2007, total development cost for an average two-bedroom condominium totaling 925 sq. ft. was about \$508,265 a unit or \$549 per square foot. Table I-60 below breaks down these costs to direct (or hard) costs such as building construction and indirect (or soft) costs such as entitlement fees, financing, and insurance charges.

In this estimate, planning, entitlement and other permitting fees – discussed in the section above – totaled less than 2% of development costs. Specific site conditions may also add to the cost of new housing construction. For example, building demolition may be required with the re-use of a site; toxic waste clean-up needed to mitigate chemical contamination in some former industrial sites; or increased foundation costs in potentially seismically unstable soils.

Cost Categories	Costs	% of Total Costs
DIRECT CONSTRUCTION COSTS		
Land Cost	\$110,000	21.6%
Building Construction	\$247,900	48.8%
Parking Space Construction	\$20,000	3.9%
Total Direct Costs	\$377,900	74.4%
INDIRECT CONSTRUCTION COSTS		
Planning and Building Entitlement Fees	\$9,893	1.9%
School Impact Fees	\$2,072	0.4%
Developer Project Management, Architecture, Engineering and Other "Soft" Costs	\$92,500	18.2%
Construction Financing	\$25,900	5.1%
Total Indirect Costs	\$130,365	25.6%
TOTAL DEVELOPMENT COST	\$508,265	100.0%
Total Cost per Square Foot (Average Net Unit Size: 925 sq ft)	\$549	

Table I-60
**Estimated Multi-Family
Housing Development Costs
Per Unit, San Francisco,
2007**

SOURCE: SF Planning Department

c. Availability of Open Space

Most of the potential housing sites identified — some 5,260 parcels — are within walking distance (1/4 mile) of open space amenities. Many of the remaining sites are located in new plan areas that include plans for more open space. For example, the Mission Bay project includes new public open spaces to serve the residents of its 6,000 new units and those of surrounding areas. The Rincon Point-South Beach Redevelopment area includes two new shoreline parks while Guy Place Park is currently being implemented per the Rincon Hill plan, due to open early 2010. The draft *Recreation and Open Space Element* update prioritizes new open space in underserved areas. As new areas are planned for housing, additional open space will need to be provided and should be included as part of future redevelopment plans, area plans, rezoning provisions, and subdivision projects.

d. Access to Commercial and Other Services

Many of the areas where new housing is likely to occur offer a rich mixture of uses that can readily serve new residents. About 85% of potential housing development sites are within walking distance (1/4 mile) from a neighborhood commercial district. Additionally, much of the future housing development will be in mixed use projects that will likely include local serving commercial activities. If these new, larger scale developments are well planned and designed, the additional residents and businesses will enrich existing neighborhoods nearby. Major new housing developments that are isolated from requisite services do not create livable neighborhoods, and can contribute to citywide transportation problems. Plans for new neighborhoods, and specific plans for improving existing areas, must respond to the commercial and service needs of new residents.

e. Transportation

San Francisco's transportation system has been strained by the availability of free and relatively inexpensive parking in many parts of the City, which promotes driving. Coupled with job and population growth, this has increased congestion while decreasing the efficiency of public transit services. Recent planning efforts seek to address this issue and continue to closely examine the interaction of land use and transportation to assure that current and future residents are able to travel conveniently and efficiently to jobs, services, and recreational opportunities. Also, planners at the San Francisco County Transportation Authority (SFCTA) are currently preparing the Countywide Transportation Plan that will prioritize numerous improvements to the City's transportation system.

f. Infrastructure Standards

The City imposes fees on sponsors of new development for various on- and off-site infrastructure improvements when necessary. Various standards for street widths, curb requirements, and circulation improvements have been developed over time and are not believed to be excessive or to impose undue burdens on development. They apply citywide and conform to the developed pattern of the City. More specific infrastructure improvements, such as particular streetscape design treatments, may be required of major new developments in the City's project areas. Given the densities at which residential land is developed in San Francisco,

these infrastructure costs, even when borne partially by the developer, represent a relatively small cost per unit.

San Francisco's current housing stock is approximately 364,000 units. The housing production goal set by HCD/ABAG for San Francisco is 31,200 units by 2014. This represents an increase of almost 8.7%. The capacity of the City's infrastructure including water, sewage treatment, and utility services is generally not a constraint to meeting San Francisco's housing goals. Many potential development sites are in areas that are well-served by the existing infrastructure. Some proposed area or neighborhood plans and very large development projects may require additional local infrastructure improvements.

The San Francisco Public Utilities Commission's (SFPUC) *Urban Water Management Plan (UWMP) for the City and County of San Francisco* (SFPUC, December 2005) projects water demand from residential and commercial customers. While the SFPUC does project an increase in total demand, it also expects residential water use to decline, even as population increases, because of increased conservation measures and efficiency. The 2005 Plan also relies on greater use of groundwater supplies and recycled water. The UWMP projects sufficient water supply in normal years, though during drought years demand will exceed supply. During drought years, plans are in place to institute varying degrees of water rationing depending on the severity of the drought. The SFPUC has begun the implementation of a 13-year Water Supply Improvement Program (WSIP) approved by the voters of San Francisco in the November 2002 General Election as Proposition A. The \$4.3 billion WSIP will ensure that safe and reliable drinking water service will be provided to meet projected San Francisco retail customer demand anticipated in the UWMP through 2018.

The WSIP will maintain compliance with state and federal drinking water standards while ensuring that the system will be functional in the event of a natural disaster, and will attempt to provide adequate water supplies during drought conditions. The SFPUC also has an on-going program to repair and replace outmoded and aging components of the City's water delivery and distribution infrastructure.

The SFPUC has committed to a number of programs to reduce water demand, which are described in greater detail in the UWMP. The SFPUC is also implementing a Recycled Water Program to produce recycled water for non-potable irrigation purposes.

In 1997, the City completed a 20-year program to upgrade its wastewater treatment system to bring it into full compliance with federal and state clean water regulations. Because San Francisco has a combined sanitary and stormwater system, the largest volume of wastewater occurs during wet weather.

In 2005, the SFPUC launched a citywide \$150 million, Five-Year Wastewater Capital Improvement Program (WWCIP) to improve the reliability and efficiency of San Francisco's combined wastewater and storm water system. Over the next few years, this program will help address the most critical needs of the aging wastewater system, improve the capacity of sewer mains, and upgrade treatment facilities.

The Water Pollution Control Division of the SFPUC reports that treatment capacity is available to serve expected growth. However, there are areas where local sewers, which transport waste to the treatment system, might be undersized and will need to be examined on a case by case basis. In 2012, the SFPUC will begin a public process to update the completed Clean Water Master Plan to identify the future course of the City's wastewater and storm water collection and treatment system, including repair or replacement of structurally-inadequate sewers to address localized flooding problems. Some proposed area plans or very large development projects may need local infrastructure improvements to connect to the City's system.¹

In 2006, pursuant to SB 1087 and Government Code Section 65589.7, the SFPUC approved Resolution 06-0185 adopting a written policy to provide water and sewer service to new developments on an income-neutral basis. The SFPUC will also give priority to applicants for developments that include the sale or rental of housing that is affordable to lower-income households during any period when supply, treatment, or distribution capacity is limited.

San Francisco's solid waste is transferred to the Altamont Landfill, in Alameda County. In 1988, the City signed a long-term disposal agreement that provides for the disposition of up to 15 million tons of solid waste at Altamont. As of January 1, 2008, approximately 11.875 million tons of this capacity had been used, leaving a balance of 3.125 million tons. The Solid Waste Program is actively working to increase recycling, resulting in less disposal at the landfill. Current City incentives to Norcal Waste Systems to decrease waste disposal even further would allow landfill capacity at Altamont to extend to 2015. The City is exploring long-term options for solid waste disposal for when Altamont capacity has been reached.²

Despite recent supply problems, future gas and electricity supply should meet projected needs. Pacific Gas and Electric Company (PG&E) has filed a "Load Forecast" for San Francisco through 2014 with the California Energy Commission. This forecast is the basis for capital and operating plans, and covers both residential and commercial demand. PG&E is planning for a 20% increase in demand between 2006 and 2014. In addition, the City and County of San Francisco in 2004 commenced the San Francisco Electric Reliability Project that calls for a new City-owned power plant to operate during periods of peak demand.

g. Environmental Features

San Francisco is a built-up city. The sites inventory in the previous section identified parcels that are suitable for infill development. Unlike other jurisdictions, development in San Francisco is not constrained by environmental features such as protected wetlands or oak tree preserves. However, major programmed redevelopment efforts are proposed in areas that have been identified in the 2008 Floodplain Management Ordinance as potentially flood-prone. This list includes Mission Bay, Treasure Island, Candlestick Point, Bayview Hunters Point Area C, and the Hunters Point Shipyard. Floodplain management requirements are incorporated into redevelopment plans in these areas to ensure that any land at risk of flooding will be raised above the floodplain prior to redevelopment.

¹ Greg Braswell, San Francisco Department of Public Works, Bureau of Engineering. E-mail communication, August 22, 2008.

² This information is on the Solid Waste Program's website: www.sfcenvironment.org.

San Francisco has several brownfield designations that have been identified under the California Environmental Quality Act (CEQA). San Francisco has initiated planning efforts in each of these areas to facilitate the clean-up process. Full clean up of the sites to residential standards has been required under the EIR's for each plan area:

- **Mission Bay:** The Mission Bay redevelopment area has been the subject of extensive clean-up since the mid 1980's, when the Santa Fe Pacific Realty Corporation began to remediate and redevelop the former railyard at Mission Bay in California. The redevelopment plan is now more than 60% complete.
- **Hunter's Point Shipyard:** The Hunters Point U.S. naval shipyard, a federally designated Superfund site contaminated by toxic waste, has been the subject of redevelopment plans for 20 years. In July 2010, the Environmental Impact Report for a redevelopment plan which would clean up the site and add 10,500 homes (32% affordable), as well as 320 acres of parkland and open space was certified. Clean up on the site was initiated this year.
- **Eastern Neighborhoods:** The industrial character of many sites in these neighborhoods meant that individual clean up efforts may be necessary. Recently, several sites have been fully cleaned and converted to residential activities, most recently the Deres Lofts, where a former paint manufacturing plant converted into 500 units.
- **Schlage Lock Site:** The former Schlage Lock factory operations polluted the groundwater at their site and on adjacent parcels. Ingersoll-Rand, the longtime owner of the Schlage Lock Co. factory that existed on the site, transferred the property to a developer, UPC, who has agreed to sponsor site clean-up. In 2009, the Board of Supervisors adopted the Visitacion Valley/Schlage Lock Redevelopment Plan, which will provide support for clean-up activities. Demolition and remediation activities began immediately after adoption.

San Francisco's Maher Ordinance (San Francisco Public Works Municipal Code, article 20) also mandates soil analysis for hazardous waste by the Department of Public Health. This regulation requires site history and soil analysis reports for all building permit applicants in areas where dumping may have occurred in the past. Affected areas have been mapped by staff, and cover the majority of the City's Downtown area and its eastern shoreline. The Hazardous Waste Program staff continue to review and process the reports required in the Analyzing the Soil for Hazardous Waste Ordinance (Maher) and oversee activities in the City.

Like most coastal cities, San Francisco is vulnerable to sea level rise. However, recent plans for shoreline development include measures to protect development from rising sea levels. The Treasure Island Master Plan concentrate development at the island's center, elevates the building pad for the island's proposed developed area, and protects the buildings with a levee and a wide setback. Hunters Point Shipyard also elevates the total building pad for development, and also designed a flexible management strategy including incremental strategies on how to deal with shoreline based on actual rise levels. San Francisco staff continues to collaborate with the San Francisco Bay Conservation and Development Commission (BCDC) on overall adaptation strategies for the City.

Finally, San Francisco has taken seriously the impacts of greenhouse gas emissions. In 2001, the City adopted Resolution No. 010-01, which mandated local efforts to curb global warming, including adoption of a greenhouse gas emissions reductions goals for the City and County of

San Francisco and continued actions towards achieving these goals. A primary component of meeting these goals is directing development towards transit-served areas, to reduce greenhouse gas emissions from transportation. The City's area plans serve to direct development to transit served areas, and numerous policies in Part II of the City's Housing Element also support this aim.

h. Community Acceptance

San Francisco has a strong tradition of public involvement in policy discussions and possesses a very engaged citizenry on development issues. This activism often takes the shape of organized opposition to housing projects across the City, especially affordable housing for low-income residents and even towards well planned and designed developments. Such vocal opposition poses very real impediments to project sponsors and can lead to significant time delays, additional cost, or a reduction in the number of residential units produced. The City is committed to the involvement of citizens in the planning process and to the need to expound on the importance of working towards citywide housing objectives. Two recently approved planning initiatives – the Market/Octavia plan and the Eastern Neighborhoods Community Planning plan and re-zoning – have engaged residents, property owners, workers, and other stakeholders and sought broad public community backing through participatory programs of education, public dialogue and input, and consensus building.

The number of Discretionary Review requests initiated by members of the public ranged from 281 in 2001 to 126 in 2008. The relationship between Discretionary Review requests and building permit applications (as a percentage of total permits filed) has been relatively constant with a recent high of 9% in 2005 and low of 6% in 2007. The current Discretionary Review process does not produce consistent or fair results, makes the development process more lengthy and costly for all involved, and takes time away from the Commission to address larger planning issues.

3. Governmental Constraints

Housing production in San Francisco is affected by a number of governmental regulations, from local policies and codes to state and federal land use regulations and state environmental laws. This section will examine the impacts of local governmental regulations on residential development as these can be addressed by local housing policy. These regulatory controls have been carefully crafted over time to balance citywide needs and address public concerns. These regulations were established to be consistent with the City's General Plan priorities to conserve and protect existing housing and neighborhood character. They also regulate new development to be compatible with and not detrimental to the area with respect to size, shape, traffic and its generated noise, open space and urban design requirements. The time required to administer and approve projects can add to the cost of housing production. But without these standards, an even greater check on new housing construction could result from public opposition to new development.

Addressing these constraints must be balanced against other citywide needs and will also be tempered by public concerns. Most of San Francisco's existing regulations were established to

be consistent with the City's General Plan priorities to conserve and protect existing housing and neighborhood character, regulating development to be compatible with neighborhood character, and not detrimental to the area with respect to size, shape, traffic and its generated noise, open space and urban design requirements. The time required to administer and approve projects can also add to the cost of housing production. But without these standards, an even greater check on new housing construction could result from public opposition to development.

To address these issues, the City has made a number of improvements to remove hurdles in the City's General Plan and Planning Code, including:

- Using community planning processes to adopt streamlined regulations around discretionary process and reducing Conditional Uses;
- Using community planning processes to increase development capacity, including height, density and required lot sizes;
- Reduction of parking and open space requirements.

a. Entitlements

Proposed developments that deviate from or exceed permitted development standards, or that bring up other planning or environmental concerns, are subject to additional assessment and would require conditional use approvals, variances, and discretionary reviews. All these special permits take longer to process as they require greater study and analysis, public notifications and hearings, and approvals from the Planning Commission or the Zoning Administrator. The Commission may impose conditions or mitigation measures.

1) Land Use Regulations and Community Plans. The Planning Code, in particular, can present constraints to housing development. Height and density limits, parking and open space requirements, for example, can constrain housing form and increase production costs; discretionary processes such as Conditional Use authorizations can extend both the timeline for and the cost of housing construction.

The San Francisco Planning Department has prepared a number of community plans intended to shape growth in our urban neighborhoods, by encouraging housing where it makes sense and by using that housing growth to strengthen neighborhoods. The community planning process provides a neighborhood-based forum to grapple with issues such as appropriate height and density. It also provides the opportunity to shape new regulations for development which streamline the housing approval process yet make sure development still is designed according to the appropriate neighborhood character.

In the past five years, the Planning Department has completed several plans for the Downtown area (Rincon Hill and Transbay), a series of "Better Neighborhoods Plans" (Market & Octavia, Balboa Park and the Central Waterfront), and the Eastern Neighborhoods Plans (East SoMa, Showplace Square/Potrero Hill, and Mission). Adoption of these plans into the City's General Plan enabled clearly stated housing development policies. Each new neighborhood plan is

also accompanied by a set of new regulations, including amendments to the General Plan, Planning Code, and other required documents. The goal of these amendments is to establish parameters for new development that give residents and developers a clear sense of what is and is not allowed in these neighborhoods. Amendments reduce discretionary processes such as Conditional Use authorizations as much as possible while still ensuring adequate community review (in the Better Neighborhoods and Eastern Neighborhoods Area Plans, most housing is permitted as-of-right, and conditional use requirements for design aspects such as height have been eliminated). In many cases, the amendments also include a clarified public review and approval process that reduces permitting time and hearings.

Planning Code amendments adopted with each new neighborhood plan also served to expand potential development capacity in each of these areas, using tools such as height increases, removal of maximum densities, and removal of minimum required lot sizes. This increases flexibility for development on all sites in the project areas, and has resulted in an expanded development capacity which is detailed in Appendix D.

2) *Parking Requirements:* Providing parking represents a significant cost to developers and can affect housing prices, adding as much as \$50,000 to the price of a new unit. Surface level parking also takes up valuable real estate that could be devoted to housing or other uses. As such, parking requirements can act as a constraint to housing development.

Parking requirements vary throughout the City's zoning districts, based on factors like density and transit access. For example, in the City's low density districts (one-, two- or three-family housing districts), one parking space is required for each dwelling unit. The City's high-density residential districts, including RC-4, RSD, and other mixed use areas, require one parking space for every four units. In Downtown districts such as the DTR, NCT, RTO or C-3 Districts, no parking is required. Provision of guest parking is not required by the City for any housing development; it is only required for temporary stay uses such as hotel, motel or medical institution. Parking is not required for housing designed for and occupied by senior citizens, for group housing or for single-room occupancy dwellings; parking requirements for 100% affordable housing projects can be modified as a "variance" to reduce the 1:1 parking ratio requirement.

Recent amendments to the Planning Code removed parking requirements altogether in a number of zoning districts; instead, a maximum number of parking spaces serves as a cap. Newly adopted zoning districts such as Downtown Residential (DTR), C-3, Neighborhood Commercial Transit (NCT), and Residential Transit Oriented (RTO) Districts, have been established in several parts of the City do not require parking; provision of parking space is capped at one car for every four dwelling units (or less with a conditional use).

To address the cost parking adds to the development price tag, the "unbundling" of parking spaces has also been institutionalized through the Planning Code. The newly adopted Section 167 of the Planning Code requires that parking costs be separated from housing costs in housing developments of 10 or more units. Off-street parking spaces that are accessory to residential uses can be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units, so potential renters or buyers have the option of renting

or buying a residential unit at a price lower than would be the case if there were a single price for both the residential unit and the parking space.

3) *Open Space Requirements:* The City's Planning Code currently requires that all new multi-family residential development provide outdoor open space, ranging from 36 to 125 square feet per unit, based on density, available public open space, and other factors. This open space may be provided on the ground, or in spaces such as balconies, terraces or rooftops.

To reduce the burden of open space requirements, as well as to gain the benefits that common space provides (collective place for residents to gather; residents get to know their neighbors well; space can foster a sense of community; etc.), the Planning Department has reduced open space requirements for developments which provide usable open space as publicly accessible. The Department is also proposing amendments to its General Plan which would provide this and other reductions to promote the provision of common open space.

4) *Redevelopment Project Areas:* The San Francisco Redevelopment Agency uses the state tool of redevelopment to revitalize local neighborhoods where appropriate. Redevelopment provides several tools that aid with the preservation of, rehabilitation of and production of affordable housing for low-and moderate-income families. San Francisco's local redevelopment ordinance specifically requires that 50% of redevelopment tax increment funds be committed to housing programs.

The unique power of being able to use tax increment revenue allows SFRA to commit significant dollars towards housing development, as well as to other project area improvements which encourage private development to do the same. In addition to the existing redevelopment plans which have removed institutional barriers to housing and spurred the development of significant amounts of new housing (Bayview Hunters Point, Mission Bay, Transbay and Yerba Buena Center), a redevelopment plan was recently adopted in Visitacion Valley; another redevelopment plan is underway for the India Basin/Hunters Point Shoreline (Area C) Survey Area.

5) *California Environmental Quality Act review procedures:* Like all projects in California, proposed residential projects in San Francisco are subject to environmental review under the California Environmental Quality Act (CEQA). CEQA can act as a constraint to housing development because it can increase both the costs and the time associated with development review. Environmental analysis can take upwards of 18-24 months to complete. In San Francisco, environmental review fees are calculated based on a project's calculated construction costs and can easily exceed \$100,000; independent consultants are often involved, also at a substantial cost. Moreover, under state law CEQA determinations may be appealed directly to the Board of Supervisors, an appeal body that is available to very few other types of land use decisions in San Francisco. It is not uncommon for the Planning Department's CEQA documents of any type to undergo lengthy appeals processes, further increasing the time and costs associated with environmental analysis.

The Department is implementing a variety of initiatives to increase the efficiency of the environmental review process and thereby reduce the time and costs associated with this effort. CEQA itself affords a variety of opportunities to streamline environmental review for urban infill and/or affordable housing projects, particularly in locations under an adopted area plan. The Planning Department takes advantage of these opportunities as available; however, when a project could result in significant environmental impacts (such as impacts to historical resources) the ability to streamline environmental review is substantially reduced.

Some common environmental impacts and their mitigations are relatively standard and could be addressed on a legislative level by ordinance and thereby incorporated into the building permit process. The benefit of this approach is that it would make more projects eligible for exemption from environmental review, because the necessary measures to avoid significant environmental impacts would be required for compliance with relevant code provisions. The Board of Supervisors has enacted such legislation such as adoption of the Environment Code, the Green Building Ordinance, and the establishment of the Department of the Environment, and others with regard to several air quality-related concerns; other such ordinances could be pursued in the future to address other areas of environmental impact.

With regard to the time and fees required for environmental review, sponsors of 100% affordable housing projects are granted priority permit processing status and are also eligible for deferred payment of environmental evaluation fees. These measures reduce the amount of time that a project is in the environmental review process and facilitate the initiation of applications for environmental review.

6) Discretionary Review: The Discretionary Review process can result in a significant cost to developers. The costs are typically the result of architectural fees, holding costs associated with extended time delays, and compensation that is sometimes requested by the Discretionary Review requestor in order to mitigate concerns or withdraw the Discretionary Review Application. Due to the ambiguous outcome and undefined timeline associated with the filing of a Discretionary Review Application, many project sponsors forgo projects altogether because of the additional time and financial burdens caused by this process. In 2008, almost 8% of all building permits reviewed by the Planning Department had Discretionary Reviews filed by a member of the public. The additional time and costs caused by Discretionary Review Applications are absorbed into the price of new or renovated dwelling-units, and therefore, the Discretionary Review process acts as a constraint to housing development and increases the overall cost of housing.

The City's Discretionary Review process is the Planning Commission's authority to review Code-complying projects and take action if the Commission finds that the case demonstrates "exceptional and extraordinary" circumstances. Conceptually, Discretionary Review is a second look at building permit applications that have already been determined to comply with the minimum Planning Code standards and applicable design guidelines. The idea is that additional scrutiny might be necessary in some cases to judge whether the design guidelines were applied appropriately or if there are circumstances unique to a case that warrant further modifications to the project. The problem with the Discretionary Review process is that because there are no guidelines for this process and no definition of "exceptional and

extraordinary circumstances", it eliminates a developer's sense of predictability and certainty in the entitlement process. There are no barriers to file a Discretionary Review Application – other than a nominal fee of \$300 – and there are no limitations as to the amount of time the process can take. In 2007, 37% of the Discretionary Review cases were withdrawn, 35% were approved as proposed, 23% were approved with modifications, 5% were approved with revised plans, and no permits were denied.

The Discretionary Review process is most frequently used as a response to development in the City's low density districts, (RH – one-, two-, or three-family housing districts). From 2001 through 2008, the Southwest quadrant of the City received the most Discretionary Reviews, with the Northwest quadrant receiving the second most number of Discretionary Review filings. The costs associated with Discretionary Review in lower density districts have a greater impact to the affordability of housing, as there are fewer dwelling units associated with each project to absorb the additional costs of the process. Furthermore, the minimal filing cost of \$300 for a Discretionary Review Application does not nearly reflect the actual cost of processing the Application, which is about \$3,225. The Department recovers the difference by adding a surcharge fee of \$81 to the cost of every building permit application with a value over \$50,000. This too adds to the overall cost of construction in the City, which increases the cost and acts as a constraint of housing development.

As part of the Department's Action Plan, the Department is seeking to reform the Discretionary Review process. One of the goals of this reform effort is to provide more certainty and predictability in the development process. This will eliminate some of the costs associated with developing housing in the City, and will improve a process that currently constrains housing development.

b. Permit Processing

A typical timeline for a medium-density, multi-family residential project (50 to 100 units) is about one year to 1½ years from the initial conceptual project review with the Planning Department to commencement of construction. This schedule assumes concurrent procedures for review under the California Environmental Quality Act (CEQA) and a conditional use application requiring Planning Commission review and approval. If an environmental impact report is required, it can take nine months to a year for all necessary studies and analyses to be conducted and the EIR heard before the Planning Commission. Applications can be filed at the same time or filed and heard upon completion of the environmental review. Both procedures are subject to public comment and appeals periods. The conditional use permit can be appealed before the Board of Supervisors within 30 days following the Planning Commission's approval. Once planning entitlements are secured, the project sponsor can prepare detailed building plans to be reviewed and approved by the Department of Building Inspection. Depending on the proposed project's complexity, the plan preparations, review and approval process can take from four to six months before building permits are issued. If no building permit appeals are filed against this project after the 15-day period following permit issuance, building construction can begin. But if this typical project has received a conditional use, then the Bureau of Permit Appeals has no jurisdiction.

Minor alterations and new housing projects of up to three single-family dwelling units or up to six units in a single structure may not require substantial environmental review. Projects proposing principally permitted uses (or "as of right") meeting all applicable Planning Code requirements and not triggering staff-initiated discretionary review will involve less permit processing time. Construction of these kinds of projects can typically begin within nine months of initial project review.

As the City's permitting and review agencies, the Planning Department, the Department of Building Inspection, and other related agencies have a significant effect on the efficiency of the housing construction process. To address this, the Planning Department initiated in 2008 an Action Plan containing procedural and operational reforms to improve the professionalism and efficiency of the City's planning process. Improvements to the Planning Code and its effect on permit processing are already underway. Other key features of the two-year program include improved application processing, including priority processing for favorable application types; creation of an integrated, on-line permit tracking system, streamlined California Environmental Quality Act review procedures, and improvements to the discretionary review processes.

1) Planning Code Improvements: The Planning Code itself could be considered a de-facto constraint on housing production, because of its complexities. Many projects, particularly larger projects, might require a Conditional Use authorization for aspects such as dwelling unit density. Variances are required to deviate (even slightly) from dwelling unit exposure requirements and parking minimums, and a Discretionary Review in order to demolish an existing dilapidated building.

Acknowledging this, and as an effort to establish a single and more straightforward entitlement path, the Department has adopted a new 'one-stop' review path in the recently rezoned eastern portions of San Francisco. Housed in Planning Code Section 329, this authorization process is an effort to provide greater certainty and expediency for those development applications which meet the fundamental requirements of the Planning Code, regardless of minor deviations so long as they are in keeping with the intent of the Code and neighborhood character. Section 329 approval is available to projects of moderate scale (small projects have largely been made as-of-right) and requires a single public hearing and entitlement by the Planning Commission based mainly on the physicality of the proposal rather than the land use and density characteristics.

2) Application Processing: Processing time for projects can be a constraint to housing development, especially during economic boom times when multiple applications are submitted simultaneously. Staffing levels, staff workloads and level of review required can all affect the Planning Department's processing time, staffing levels, applications that were filed consecutively may have different processing times. Planning, entitlement and other permitting fees – to be discussed in a separate section below – totaled less than 2% of development costs.

The San Francisco Planning Department adheres to a set of Application Processing Guidelines, to ensure that all project applicants receive equitable treatment as the Planning Department reviews applications in the order received. However, under those guidelines, the Planning

Department has established priority criteria to ensure that housing projects that help meet the City's identified Housing Element or other General Plan goals are prioritized. Affordable Housing Projects, "green" housing construction projects (i.e. those that meet or exceed a Gold Rating using the LEED Building Rating System* or that achieve high sustainability standards under another "green building" rating systems approved by the Director); and other applications which are needed to secure the health or safety of users, promote disabled access, etc, receive prioritized review by staff.

The overwhelming majority of projects which seek to create additional housing are subject to some level of neighborhood notification. Such notice can stem either from a required discretionary entitlement, such as a Conditional Use authorization, or from Planning Code provisions which apply to as-of-right projects and are seek to inform and solicit input from the broader community. Required notification periods generally span 10 to 30-days and include notices mailed to property owners and/or occupants, notices posted at a project site, notices appearing in local newspapers, and all combinations thereof. An effort is currently underway to establish a single "Universal Planning Notice" applicable to all projects which will be more efficient for both the Department and Sponsors and more a effective public communications tool.

3) *Permit Tracking:* The Planning Department is also pursuing the development of an integrated permit tracking system to coordinate and streamline planning and building permitting processes. This system will establish a single intake application system for all Planning and Building cases to provide early and comprehensive information to applicants, and should have a significant effect on processing time.

c. Permit Application and Development Impact Fees

The Planning Department and the Department of Building Inspection require fees for entitlements and building permits based on a project's estimated construction costs. Projects of much smaller scale – such as interior rehabilitation, minor alterations or upgrading – generally require over-the-counter Planning Department approval and a building permit. Projects that are broader in scope, however, may require additional permits, such as conditional use, demolition, and coastal zone permit, or may require other actions such as a variance, a zoning re-classification, a subdivision, or a more in-depth environmental evaluation. Payment of an application fee may be required for these additional permits. The application fee for most of these additional permits is also based on the total estimated cost of construction of the project. Other new housing construction fees include water and sewer hook-up and school fees. Table I-61 on the following page provides an example of various fees imposed on new construction.

New housing development in the City of San Francisco is subject both processing fees, which support staff review of development proposals, and development impact fees which support additional infrastructure needed to support new residents, such as transit, open space, community centers, schools, affordable housing, and water capacity. According to the state Department of Housing and Community Development's 1999 *Pay to Play* survey, residential

Table I-61
Fees for Various
Development Permits
by Construction Costs,
San Francisco, 2008

development fees in San Francisco were lower than Bay Area and California average development fees (including entitlement and permitting fees). According to this report, for example, development fees for an in-fill house in San Francisco totals \$15,476 while the Bay Area average is \$25,859 and California, \$20,327.

Estimated New Construction Cost	Building Permit (DBI) Fee	City Planning Plan Check Fee for Building Permits	Conditional Use Fees	If Required		
				Variance Fees	Coastal Zone Fees	Environmental Evaluation Fee
\$100,000	\$1,953	\$2,010	\$1,818	\$3,495	\$363	\$5,755
\$500,000	\$6,085	\$11,450	\$4,046	\$3,495	\$811	\$12,076
\$1,000,000	\$10,250	\$15,163	\$6,833	\$3,495	\$1,370	\$19,386
\$10,000,000	\$74,570	\$26,894	\$61,176	\$3,495	\$12,252	\$129,816
\$25,000,000	\$179,570	\$27,644	\$90,324	\$3,495	\$18,082	\$186,516
\$50,000,000	\$354,570	\$28,894	\$90,324	\$3,495	\$18,082	\$233,816
\$100,000,000	\$654,570	\$31,395	\$90,324	\$3,495	\$18,082	\$250,616

SOURCE: SF Planning Department; SF Department of Building Inspection

Table I-61 summarizes current processing fees for new development by cost of construction. Larger projects generally require more review from environmental planners, land use planners, and building inspectors; however economies of scale generally result in a lower per unit cost for processing. Projects that are consistent with the planning code and general plan and do not require variances or conditional use authorization, have lower processing costs. The City generally updates fees annually based on inflation. Periodically processing fees are evaluated to insure accurate cost recovery for staff time, materials, and overhead.

Development impact fees fund public infrastructure to support new residents. There are a number of citywide fees to fund affordable housing, water and sewer hook-up and school fees. Recently planned areas of the City (Rincon Hill, South of Market, Visitacion Valley, Market & Octavia, Eastern Neighborhoods and Balboa Park) include additional localized impact fees which have been imposed to fund the infrastructure needed to support growth, including transportation infrastructure, open space, childcare, and other community facilities. These community based planning processes enabled the City to more closely evaluate localized infrastructure needs, especially in areas where zoning was adjusted to accommodate additional growth. New impact fees were determined through a needs assessment, nexus study and a financial feasibility analysis before their adoption to ensure they to not constrain new housing production. To further ensure feasibility, development impact fees may be deferred until the project receives certificate of occupancy.

Average Development Impact Fees for a 1,000 square foot Housing Unit in San Francisco		
	Citywide	Planned Development Areas with Recent Re-Zonings
Affordable Housing	\$ 55,000	\$ 55,000 - \$ 60,000
Transit, Open Space and Community Facilities	\$ 0	\$ 4,500 - \$ 18,000 average: \$ 9,000
Water and Wastewater	\$ 2,162	\$ 2,162
Schools	\$ 2,240	\$ 2,240
Total Average Impact Fee per new 1,000 SF unit	\$ 59,402	\$ 74,402
Average Processing Fees per 1,000 SF unit	\$ 6,000	\$ 6,000

Processing and impact fees are critical to the City's ability to ensure that new housing is safe, sustainable, consistent with current policies and supported by the infrastructure necessary for maintaining the service levels. Table I-60 (page 75) shows entitlement fees are an insubstantial proportion of development costs and are not seen as a significant constraint on housing development. Development projects by non-profit housing organizations are eligible for reduced or deferred City Planning permit fees pursuant to City Planning Code Section 351(a), (e), (g), (h), and (i).

d. Building Code Standards

San Francisco's Building Code is based on the 2007 California Building Code. San Francisco made certain amendments to the California Building Code, which local governments are permitted by the State to do if these amendments are proven and justified by local topography, geology or climate. The Building Code is intended to assure health and safety. Some San Francisco amendments to the State code, while maintaining health and safety standards, ease the production of housing by recognizing the particular local conditions. For example, the San Francisco Building Code permits fire escapes for certain required exits in existing buildings, whereas the State Code does not. Local amendments to the Building Code do not make housing more difficult or expensive than housing elsewhere in California.

Federal and state laws require that commercial and public use buildings, and new housing, be designed and constructed to be accessible to persons with disabilities. Local agencies do not enforce the federal American with Disabilities Act (ADA) prohibiting discrimination against persons with disabilities. The San Francisco Department of Building Inspection, implementing the San Francisco Building Code, requires all new construction and rehabilitation projects to comply with the Code's disability access requirements. (San Francisco does not make any amendments to the California Code's disabled access provisions.) Generally, one and two-family dwellings are not required to be accessible. Existing privately funded multi-family dwellings can generally undergo alterations with little or no accessibility upgrade. All new buildings of three or more units must meet the accessibility standards of the Code. Exceptions may be granted if compliance would result in an unreasonable hardship, in which case any reasonable accessible features will still be required.

In addition, San Francisco's 2007 *Electrical Code* consists of the 2007 *California Electrical Code* with local amendments. Similarly, the 2007 *San Francisco Mechanical Code* and the

2007 San Francisco Plumbing Code consist of the *2007 California Mechanical Code* and the *2007 Plumbing Code*, respectively, with local amendments. The *2007 San Francisco Energy Code* is essentially the same as the *2007 California Energy Code*, as it does not include local amendments.

4. Financing

This section is a discussion of the availability of financing as a non-governmental constraint to housing development as required by Government Code Section 65583(a)(5).

The Planning Department's regulatory capacity can encourage housing – especially affordable housing – development and conservation. But actual housing production or rehabilitation can only be realized with adequate financing. Some of the costs of providing housing occur at one time (capital expenditures such as land acquisition, construction or rehabilitation costs). Conservation of affordable housing, however, requires recurring annual funding for rental subsidies, operating subsidies and supportive services. Assembling the necessary funding to produce and maintain adequate affordable housing for the City's low- and moderate-income residents remains an enormous challenge.

In light of the recent national financial crises, it is difficult to determine the availability of appropriate financing.

a. Private Financing Sources

Private lenders offer construction loans on a conservative loan to appraised value ratios and pay particular attention to a project's costs. This limits the lenders' risk but may also reduce availability of financing for new housing construction. Larger, multi-unit condominium projects can be especially difficult to finance as lenders assume that construction costs tend to be higher as developers provide more amenities and that units may take longer to sell, stretching the period to recover construction costs.

Private financial institutions provide financing to affordable housing projects – often as construction loans – to comply with the Community Reinvestment Act requirements. Private lenders also participate in first-time homeownership programs that enable moderate-income households.

b. Public Financing Sources

Affordable housing development and conservation depends largely on the availability of public funding sources. Table I-62 lists the various federal, state and local funding available for affordable housing production for fiscal year 2008-2009. Clearly, these funds will not cover the tremendous affordable housing need described in previous sections.

Public financing covers capital funding for the acquisition, rehabilitation, construction, and preservation of affordable housing. Other public financial programs also provide for supportive services, rental assistance, and assistance to first-time home buyers, and administrative

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costs to city agencies and non-profit corporations that provide affordable housing and other community development and human services.

Some of the funding programs above – such as CDBG, HOME – are expected to be stable sources of affordable housing funds. However, these are also subject to budgetary constraints. Similarly state funding sources are vulnerable to the budgeting process, although additional state funding became available with voters' approval of new bond issues in November 2002. Most local sources such as the Hotel Tax Fund and the Jobs-Housing Linkage Fund are even more dependent on economic trends. One significant local affordable housing bond (Proposition A) was fully committed in 2003; issuance of additional bonds fell short of receiving two-thirds of San Francisco voters' support.

Funding Program	Funding Sources	Total Allocation	Set-Aside for Pipeline Projects	Available for New Projects
Supportive Housing	CDBG, HOME, HOPWA	\$36,882,336	\$31,782,336	\$5,100,000
Family Rental Housing	Affordable Housing Fund, Affordable Housing Bond funds	\$23,652,027	\$23,652,027	
Senior Rental Housing	Hotel Tax, Mission Bay and Affordable Housing Bond funds	\$30,876,817	\$30,876,817	
Single Family Homeowner Rehabilitation	CDBG, CERF	\$2,182,000		\$2,182,000
Public Housing		\$5,250,000	\$5,250,000	
Existing Affordable Preservation		\$9,678,063	\$9,678,063	
Existing Non-Profit Housing Preservation	CDBG, HOME	\$2,906,293	\$2,906,293	
Homeownership	Tax Increment funds	\$28,615,355	\$21,465,355	\$7,150,000
Housing Opportunities	CDBG, HOME, Tax Increment funds	\$1,651,557		\$1,651,557
TOTALS		\$141,694,448	\$125,610,891	\$16,083,557

Table 1-62
Federal, State and Local
Funding for Housing
Programs, San Francisco,
2008-2009

SOURCE: Draft 2008-2009 Action Plan, Mayor's Office of Community Development, Mayor's Office of Housing, San Francisco Redevelopment Agency
CDBG: Community Development Block Grant
HOPWA: Housing Opportunities for Persons with AIDS
HOME: Home Investment Partnership Program
CERF: Code Enforcement Rehabilitation Fund

Some public funds are restricted to particular housing types and/or population groups; for example the elderly housing program (Section 202, Hotel Tax Fund), the disabled housing program (Section 811, Hotel Tax Fund), and HOPWA (Housing Opportunities for Persons with AIDS). Administrative costs are also not covered by most public funding sources. Federal grants often carry a number of restrictions and regulations that can make the funds difficult to use. For example, some federal programs require matching grants while others are impossible to combine with other funds. Most affordable housing programs require three or more sources of funding to become feasible. Different funding sources may have to be tapped for pre-development, construction, and permanent financing costs – leading to considerable transaction and legal costs and delays in the development process.

C. QUANTIFIED HOUSING GOAL

The state Department of Housing and Community Development, with the Association of Bay Area Governments, determined San Francisco's fair share of the regional housing need for the period covering January 1999 through June 2006 at 20,372 units. Even with very aggressive policies and programs, given that San Francisco is a mature, built-up city with limited large tracts of undeveloped land and the previous decades' housing production record, the "fair share" of affordable housing units was not achieved. Table I-63 below shows that 86% of the state mandated production targets and 47% of the affordable housing production for the period covered by the 2004 *Residence Element* were achieved; this statistic is a result of the overproduction of market rate units. Appendix A provides details of the City's housing production performance in the evaluation of the 2004 *Residence Element*.

Table I-63
Annual Production Targets
and Average Annual
Production, San Francisco,
1999-2006

Household Affordability	Housing Goals 1999-2006	Actual Production 1999-2006	% of Production Target Achieved	Production Deficit (Surplus)
	Total	Total		
Very Low Income (below 50% AMI)	5,244	4,342	82.8%	902
Low Income (50% - 79% AMI)	2,126	1,113	52.4%	1,013
Moderate Income (80% - 120% AMI)	5,639	725	12.9%	4,914
Market Rate (over 120% AMI)	7,363	11,293	153.4%	(3,930)
TOTALS	20,372	17,473	85.8%	

More than the performance in the production of very low- and low-income housing, the deficit of 5,750 units affordable to moderate income households has been seen as critical in turning the City's housing problem into a crisis of affordability. As Table I-64 below shows, housing construction in the last two years, along with projected pipeline completion by 2014, point to an exacerbation of construction deficit in housing affordable to low- and moderate-income households.

Table I-64
Housing Production Targets
and Estimated Annual
Production, San Francisco,
2007-2014

Income Category	RHNA 2007- 2014	Production 2007- 2009	Estimated Immediate Development Pipeline (by 2014) **			Con- structed plus Limited Pipeline Total	Estimated Shortfall (Surplus)	Acquisitions & Rehab (will not count towards RHNA)	
	No. of Units	No. of Units	Under Con- struc- tion	Entitled Projects	Other Pipeline			Acquisitions & Rehab 2007-2009	Estimated Acquisitions & Rehab (2010-2014)
Extremely Low (< 30% AMI)	3,294	396*	555 †	1,405 †	1,548 †	3,904	(510)	240	1,500
Very Low (31-49% AMI)	3,295	395*	556 †	1,406 †	1,548 †	3,905	(510)	239	1,500
Low (50-79% AMI)	5,535	309	149 †	0	27 †	485	5,050	108	500
Moderate (80-120% AMI)	6,754	569	833 ‡	573 ‡	1,193 ‡	3,168	3,586	5	0
Market (over 120% AMI)	12,315	4,349	4,723	3,250	6,759	19,081	(6,766)	0	0
TOTALS	31,193	6,483	6,816	6,634	11,075	31,543		592	3,500

* Units affordable to Extremely Low and Very Low Income Households do not include those units that have been acquired and/or rehabbed as permitted by Housing Element Law.

** This does not include major projects under Planning review including ParkMerced, Treasure Island, or Candlestick Point / Hunters Point Shipyards Phase II which are expected to be completed after the 2014 reporting period. The limited pipeline assumption include projects that are currently under construction, entitled projects (approved by Planning Department and Department of Building Inspection), and projects of 250 units or less currently under Planning Department review that are expected to be completed by 2014; also assumes SF Hope is completed by 2014.

† Based on affordable housing projects sponsored by the Mayor's Office of Housing, the SF Redevelopment Agency and the SF Housing Authority.

‡ Based on estimated inclusionary affordable housing units in projects under construction, entitled and under Planning or DBI review.

SOURCE: ABAG; SF Planning Department

D. REALIZATION OF HOUSING POTENTIAL

1. Projects in the Pipeline

In addition to new housing completed recently, housing in the production pipeline is an important indicator of future development. For the purposes of this report, the Planning Department defines the pipeline as those projects under construction, projects that have been approved by the Building Department within the past three years or filed within the past five years. It should be noted that project applications and permitting activities in the near future could increase the number of new housing production in the next five years.

Housing projects move through a multi-tiered approval process. A development proposal is first reviewed by the Planning Department for compliance with the Planning Code and consistency with the General Plan. The project then goes through review by the Department of Building Inspection (DBI) for approval and issuance of a building permit. Once construction is finished and the project passes inspection by DBI, it is issued a certificate of final completion. Only when a project receives a certificate of final completion can the housing units be officially counted as part of San Francisco's housing stock.

As of December 31, 2008, the Planning Department was reviewing 148 projects, comprising 32,160 residential units (Table I-65). At that time, 101 projects, consisting of 4,040 units, had been approved by the Planning Commission but had yet to apply for building permits. Additionally, the Department of Building Inspection was reviewing 360 applications for 4,350 units. A total of 2,840 units in 182 projects had received Planning Department approval and have been approved or issued building permits. A number of these projects have already started construction, and several are nearly complete, but are yet to receive DBI's certificate of final completion. A total of 199 projects, totaling 6,820 units, were under construction at the end of 2008. It is possible that some of these projects, especially those in the early stages of development such as Planning review, may not go forward due to shifts in economic and legislative conditions. Production trends over the last decade, however, show that as much as 85% to 90% of pipeline projects units are completed within five to seven years.

Type of Pipeline Activity	No. of Projects	No. of Units
Under Construction	199	6,820
Building Permit Approved / Issued	182	2,840
Building Permit Application Filed	360	4,350
Planning Department Approved	101	4,040
Planning Department Filed	148	32,160
Total Pipeline	990	50,200

Table I-65
New Housing Construction
Pipeline, San Francisco,
Q4 2008

2. Housing Potential Under New Zoning Proposals

Through multi-year community planning efforts, the City of San Francisco has recently updated zoning controls for over 1/3 of the city. These planning efforts developed appropriate zoning, heights, bulks, and densities in balance with infrastructure and funding strategies to support new growth. A number of other planning efforts are underway including Balboa Park, the Transbay Terminal District, and Japantown which will result in increased residential development potential.

Table I-66 below details the estimated additional potential capacity with rezoning in planning initiatives currently underway.

Table I-66
Estimated New Housing
Construction Potential with
Proposed Rezoning of
Select Neighborhoods,
San Francisco, 2008

Area	Under Current Zoning			With Proposed Rezoning *	
	Undeveloped	Soft Sites	Total Estimate	Total New Estimate	Additional Potential Units with Rezoning
Executive Park	114	97	211	1,600	1,389
Glen Park	5	6	11	100	89
Japantown	99	514	613	To be determined	
ParkMerced	3	0	3	5,600	5,597
Transbay Terminal	44	78	122	1,200	1,078
Visitation Valley *	885	460	1,345	1,200	0
Western SoMa	466	743	1,209	2,700	1,491
India Basin				1,200	1,200
Hunters Point Shipyard			1,500	4,000	2,500
Candlestick Point				7,500	7,500
Treasure Island				8,000	8,000
TOTALS	1,616	1,898	5,014	33,100	28,844

* Rezoning of the Schlage Lock site.

SOURCE: SF Planning Department

3. Plans for Future Affordable Housing Construction

Stable government support in the last few years covered almost all of the affordable housing production. Public subsidies tend to fund very low and low-income housing, with very limited grants allocated for moderate-income home buyers. The revised and expanded inclusionary affordable housing requirement is expected to improve the provision of new housing for households earning moderate incomes. For example, an annual average of 209 inclusionary affordable units were built in the five years from 2004 to 2008 as a result of this change. In comparison, only 128 inclusionary units were built from 1992 to 2000, or an annual average of 16 units.

Tables I-56 and I-57 indicated that there are more than enough in-fill housing opportunity sites to meet the projected housing needs. Yet historic housing production trends, together with recent public financing flows, could mean only some of these sites would be developed. Capital subsidies needed to bridge this estimated shortfall can be enormous (Table I-67). Funds available for new affordable housing construction, rehabilitation and supportive service provision in 2008 totals just about \$48.1 million. The estimated additional capital subsidies needed to meet the City's regional housing share would require over \$1.6 billion in funding.

Income Category	Estimated Annual Shortfall in Production	Estimated Affordability Gap	Estimated Capital Subsidies Required to Meet Production Goals
Extremely Low Income (below 30% AMI)	0	\$170,000	\$0
Very Low Income (30-49% AMI)	0	\$170,000	\$0
Low Income (50% - 79% AMI)	5,050	\$200,000	\$1,010,000,000
Moderate Income (80% - 120% AMI)	3,586	\$180,000	\$645,480,000
Total	8,636		\$1,655,480,000

Table I-67
Estimated Capital Subsidies Required to Meet Production Goals, San Francisco, 2007-June 2014

* Assumes middle of the range, thus 15% of AMI (ELI), 40% of AMI (VLI), 65% of AMI (LI) and 100% of AMI (Moderate), 2008 Income Guidelines
 ** 30% of annual household income
 SOURCE: SF Planning Department; SF Mayor's Office of Housing

With the availability of future public subsidies impossible to predict at best, an optimistic assumption would anticipate funding that would sustain the last decade's affordable housing production. Achieving the housing production and affordability targets set by HCD-ABAG is clearly very difficult. But setting the goals to be more "realistic" and "achievable" could only weaken efforts at seeking and obtaining resources necessary to meet the City's urgent housing needs.

A practical solution would be to uphold these long-term targets and annually assessing priorities against the reality of available resources. The City, therefore, will take the production targets set by HCD-ABAG for its quantified housing production objectives. Each year, as resources are known to be, or reasonably expected to become available, shortfalls in achieving goals can be assessed, program targets shifted appropriately, and resources allocated efficiently and effectively.

4. Opportunity Sites on Public Land

Most San Francisco city agencies do not own large tracts of land that do not serve as part of their stated mission. There are occasional exceptions; for example, when new technology results in operational changes or when departmental objectives change over time. A few city agencies, notably the SF Municipal Transportation Agency (SFMTA, formerly Muni) and the

San Francisco Unified School District, have found over time that some of their parcels can be disposed of or can be utilized for a mixture of other uses (Table I-68).

- **San Francisco Municipal Transportation Agency:** The SFMTA, in particular, has been exploring new uses for its surplus sites where future housing development might be possible.
- **Phelan Loop and Balboa Park Station area** — Alternative use options are being explored for Muni property near Balboa Park as part of the Better Neighborhoods program. The 1.4-acre Phelan Loop (Ocean and Phelan Avenues) is currently the terminus for the 49-Van Ness-Mission, 9AX-San Bruno Express, 9BX-San Bruno Express, and 9X-San Bruno Express lines. This site has the capacity to accommodate ground floor commercial uses and some 80 dwelling units. In addition, SFMTA and Bay Area Rapid Transit (BART) properties collectively called Upper Yard and BART Station area, with some in-fill development along San Jose Avenue can together have capacity for more than 400 new units.
- **Presidio Trolley Coach Division (at Geary and Masonic)** — Covers 5.4 acres and services about 170 trolley coaches. It is an attractive location for retail, office and housing development. If rezoned from P (Public) to NC-3 (Neighborhood Commercial-Moderate Scale) like the adjacent properties along Geary Boulevard, the site has a capacity of 392 units.
- **Woods Motor Coach Division (adjacent to the 22nd Street Caltrain Station)** — At the end of the Dogpatch's main neighborhood commercial street, this 3.9 acre site is ideal for high-density, mixed use residential development. It lies within the Central Waterfront plan area and is estimated to have a housing potential capacity of about 1,000 new units.
- **Potrero Trolley Coach Division Yard (Mariposa and Bryant)** — Currently housing about 180 trolley coaches on 4.4 acres. SFMTA is looking at a multi-story parking garage above the yard, or market-rate and affordable housing. If developed as a Planned Unit Development (PUD), this site could accommodate 318 units.
- **18th & Castro Streets** — The SFMTA is also in conversation with the AIDS Housing Alliance to develop the two parking lots in the Castro for some 100 housing units specifically for people with HIV/AIDS.
- **San Francisco Unified School District (SFUSD):** The SFUSD is currently preparing a Facilities Master Plan that will identify possible surplus land that could become available for housing development. The SFUSD's Seven/Eleven Committee for Long-Term Leasing and Property Sales has determined that approximately 20% of the District's current square footage is considered surplus. They have engaged Bay Area Economics to study the potential and viability of housing for some of these areas. SFUSD expects the study and its recommendations to be completed by January 2009.¹
- **San Francisco Community College District (SFCCD)/ San Francisco Public Utilities Commission (SFPUC):** Both the SFCCD and the SFPUC's Water Department share ownership of the 25-acre Balboa reservoir site. The reservoir is also within the Planning Department's Better Neighborhoods Balboa Park Station study area. Plan-

¹ Conversation with Phillip Smith, Director of the San Francisco Unified School District's Real Estate and Asset Management section, August 21, 2008

ning estimates between 575 to 1,000 new housing units could be built on this site.

- **Central Freeway Parcels:** Demolition of the Central Freeway freed up some seven acres of public lands for residential development. The freeway parcels have an estimated housing development potential capacity of 900 units. About half of these public lands will be dedicated to affordable housing.

Site	Acreage	No. of Potential Units
MTA Phelan Loop Turnaround	1.4	80
MTA Green LRV Division Upper Yard	1.8	200
MTA Balboa Park Station Infill Housing on San Jose Avenue	7.7	222
MTA Presidio Trolley Division Yard	5.4	392
MTA Woods Motor Coach Division Yard	3.9	1,000
MTA Potrero Trolley Coach Division Yard	4.4	318
SFCCD Balboa Reservoir	10.0	575
PUC Balboa Reservoir	15.0	425
Central Freeway Parcels	7.0	900
TOTAL	56.6	4,112

Table I-68
Summary of
Housing Potential in
City-Owned Lands



HOUSING ELEMENT



PART II: OBJECTIVES & POLICIES

AN ELEMENT OF THE GENERAL PLAN
OF THE CITY AND COUNTY OF SAN FRANCISCO

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I. SUMMARY OF OBJECTIVES & POLICIES

ISSUE 1: ADEQUATE SITES

OBJECTIVE 1

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

POLICY 1.1

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

POLICY 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

POLICY 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

POLICY 1.4

Ensure community based planning processes are used to generate changes to land use controls.

POLICY 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

POLICY 1.6

Consider greater flexibility in number and size of units within established building envelopes in community based planning processes, especially if it can increase the number of affordable units in multi-family structures.

POLICY 1.7

Consider public health objectives when designating and promoting housing development sites.

POLICY 1.8

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

POLICY 1.9

Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

POLICY 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

ISSUE 2: CONSERVE AND IMPROVE EXISTING STOCK

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

POLICY 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

POLICY 2.3

Prevent the removal or reduction of housing for parking.

POLICY 2.4

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

POLICY 2.5

Encourage and support the seismic retrofitting of the existing housing stock.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

POLICY 3.2

Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

POLICY 3.3

Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

POLICY 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

POLICY 3.5

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

ISSUE 3: EQUAL HOUSING OPPORTUNITIES

OBJECTIVE 4

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

POLICY 4.1

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

POLICY 4.2

Provide a range of housing options for residents with special needs for housing support and services.

POLICY 4.3

Create housing for people with disabilities and aging adults by including universal design principles in new and rehabilitated housing units.

POLICY 4.4

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

POLICY 4.5

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

POLICY 4.6

Encourage an equitable distribution of growth according to infrastructure and site capacity.

POLICY 4.7

Consider environmental justice issues when planning for new housing, especially affordable housing.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

POLICY 5.1

Ensure all residents of San Francisco have equal access to subsidized housing units.

POLICY 5.2

Increase access to housing, particularly for households who might not be aware of their housing choices.

POLICY 5.3

Prevent housing discrimination, particularly against immigrants and households with children.

POLICY 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

OBJECTIVE 6

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

POLICY 6.1

Prioritize permanent housing solutions while pursuing both short- and long-term strategies to eliminate homelessness.

POLICY 6.2

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

ISSUE 4:

FACILITATE PERMANENTLY AFFORDABLE HOUSING

OBJECTIVE 7

SECURE FUNDING AND RE-SOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

POLICY 7.1

Expand the financial resources available for permanently affordable housing, especially permanent sources.

POLICY 7.2

Strengthen San Francisco's affordable housing efforts by planning and advocating at regional, state and federal levels.

POLICY 7.3

Recognize the importance of funds for operations, maintenance and services to the success of affordable housing programs.

POLICY 7.4

Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

POLICY 7.6

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

POLICY 7.7

Support housing for middle income households, especially through programs that do not require a direct public subsidy.

POLICY 7.8

Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives.

OBJECTIVE 8

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

POLICY 8.1

Support the production and management of permanently affordable housing.

POLICY 8.2

Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

POLICY 8.3

Generate greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

OBJECTIVE 9

PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.

POLICY 9.1

Protect the affordability of units at risk of losing subsidies or being converted to market rate housing.

POLICY 9.2

Continue prioritization of preservation of existing affordable housing as the most effective means of providing affordable housing.

POLICY 9.3

Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

I. SUMMARY OF OBJECTIVES & POLICIES

**ISSUE 5:
REMOVE CONSTRAINTS TO
THE CONSTRUCTION AND
REHABILITATION OF HOUSING**

**OBJECTIVE 10
ENSURE A STREAMLINED, YET
THOROUGH, AND TRANSPARENT
DECISION-MAKING PROCESS**

POLICY 10.1

Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.

POLICY 10.2.

Implement planning process improvements to both reduce undue project delays and provide clear information to support community review.

POLICY 10.3

Use best practices to reduce excessive time or redundancy in local application of CEQA.

POLICY 10.4

Support state legislation and programs that promote environmentally favorable projects.

**ISSUE 6:
MAINTAIN THE UNIQUE
AND DIVERSE CHARACTER
OF SAN FRANCISCO'S
NEIGHBORHOODS**

**OBJECTIVE 11
SUPPORT AND RESPECT THE DI-
VERSE AND DISTINCT CHARACTER
OF SAN FRANCISCO'S NEIGHBOR-
HOODS.**

POLICY 11.1

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

POLICY 11.2

Ensure implementation of accepted design standards in project approvals.

POLICY 11.3

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

POLICY 11.4

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

POLICY 11.5

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

POLICY 11.6

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

POLICY 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

POLICY 11.8

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

POLICY 11.9

Foster development that strengthens local culture sense of place, and history.

**ISSUE 7:
BALANCE HOUSING
CONSTRUCTION AND
COMMUNITY INFRASTRUCTURE**

OBJECTIVE 12

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

POLICY 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

POLICY 12.2

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

POLICY 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

**ISSUE 8:
PRIORITIZING SUSTAINABLE
DEVELOPMENT**

**OBJECTIVE 13
PRIORITIZE SUSTAINABLE DEVEL-
OPMENT IN PLANNING FOR AND
CONSTRUCTING NEW HOUSING.**

POLICY 13.1

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

POLICY 13.2

Work with localities across the region to coordinate the production of affordable housing region wide according to sustainability principles.

POLICY 13.3

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

POLICY 13.4

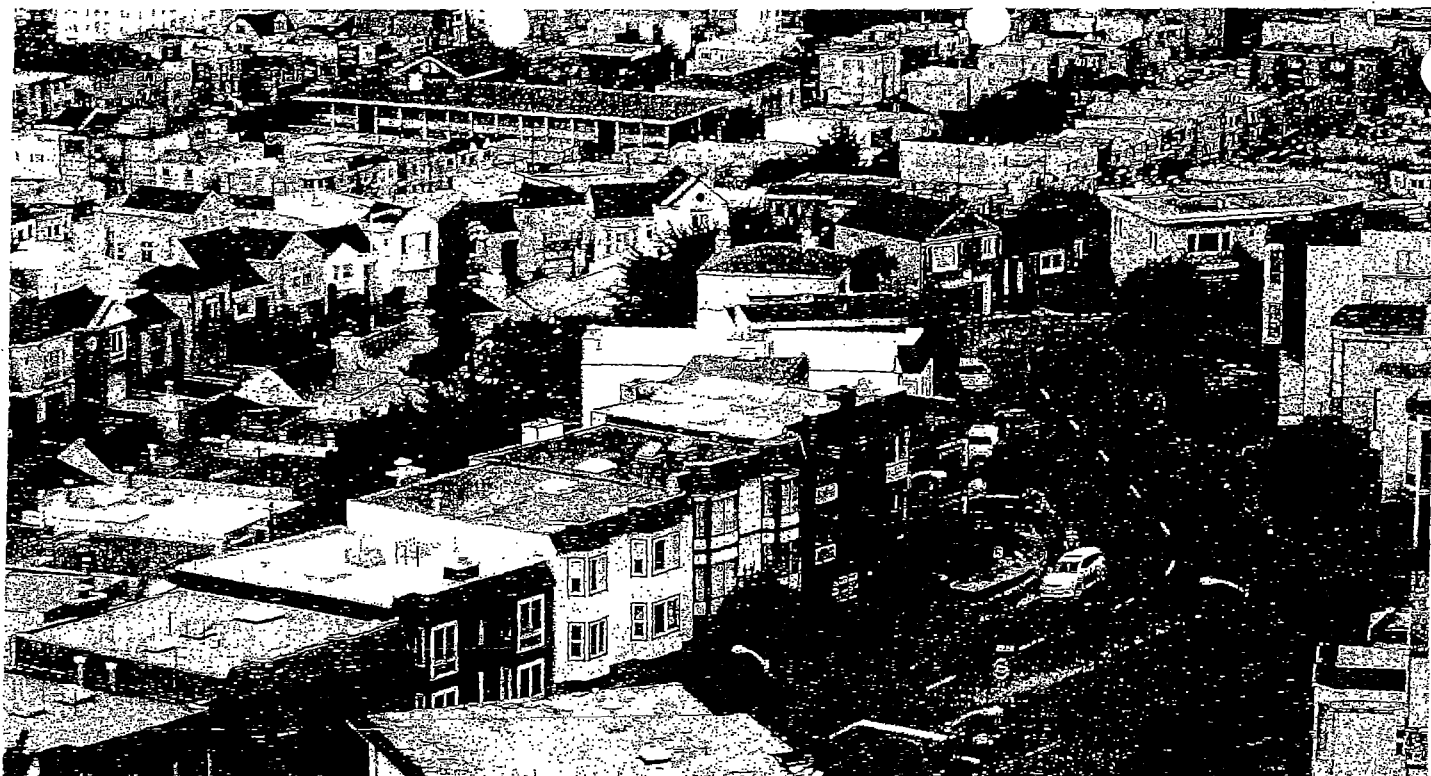
Promote the highest feasible level of "green" development in both private and municipally-supported housing.



PART II

OBJECTIVES & POLICIES

Please note that this text contains *Part 2: Objectives and Policies* of the Housing Element. *Part 1: Data and Needs Analysis* and *Appendix C: Implementation Measures* are available separately.



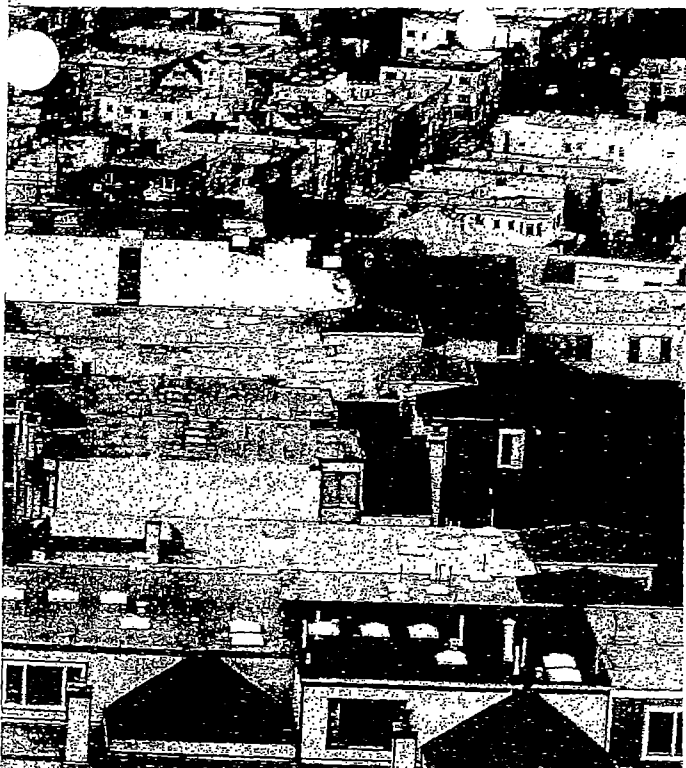
INTRODUCTION

Housing element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The City of San Francisco has embraced this requirement as an opportunity for a community based vision for San Francisco's future. Part 2 of the *Housing Element* sets forth objectives, policies, and programs to address the housing needs identified in Part one. The Housing Element is intended to provide the policy background for housing programs and decisions; and to provide broad direction towards meeting the City's housing goals. As with other elements of the General Plan, it provides the policy framework for future planning decisions, and indicates the next steps the City plans to take to implement the Housing Element's objectives and policies. Adoption of the Housing Element does not modify land use, specify areas for increased height or density, suggest specific controls for individual neighborhoods, implement changes to the Zoning Map or Planning Code, or direct funding for housing development. Any such changes would require significant community and related legislative processes, as well as review and public hearings before the Planning Commission and Board of Supervisors.

Why is Housing an Issue?

San Francisco's population continues to grow, now surpassing the 1950s population peak, with over 800,000 residents. As a hub for the region, San Francisco hosts a significant proportion of the City's jobs, as well as the core of local transportation infrastructure. Despite the recent economic impacts of the national recession, industries in San Francisco are -- slowly -- growing, particularly in the categories of financial and professional services, and knowledge industries such as biotechnology, digital media, and clean technology. With new employment opportunities comes the increased demand for a variety of housing types.

Affordable housing is the most salient housing issue in San Francisco and the Bay Area. ABAG projects that at least 39% of new housing demands will be from low and very low income households (households earning under 80% of area median income), and another 22% affordable from households of moderate means (earning between 80 and 120% of area median income). The policies and programs offer strategies to address these specific housing demands.



Based on the growing population, and smart growth goals of providing housing in central areas like San Francisco, near jobs and transit, the State Department of Housing and Community Development (HCD), with the Association of Bay Area Governments (ABAG), estimates that San Francisco must plan for the capacity for roughly 31,000 new units, 60% of which should be suitable for housing for the extremely low, very low, low and moderate income households, in the next Housing Element period to meet its share of the region's projected housing demand. Because San Francisco also shares these state and regional objectives to increase the supply of housing, improve the regional jobs-housing balance, protect the environment, and promote a more efficient development pattern, this Housing Element works to meet those targets.

The City's Housing Values

In developing the 2009 Housing Element Update, the City worked closely across agencies and broadly with San Francisco neighborhoods, community organizations, housing

advocates, and residents. Through a broad outreach process that included a Community Advisory Body, stakeholder sessions, over 30 community workshops, monthly office hours, and interactive web outreach including an online survey, four housing values were developed to guide the 2009 Housing Element:

1. ***Prioritize permanently affordable housing.*** Across the City, participants acknowledged that the cost of housing in San Francisco was an issue affecting everyone, from working families to the very poor. Thus the Housing Element focuses on creating the right type of housing, to meet the financial, physical and spatial needs of all of our residents who cannot afford market-rate housing. This requires not only creating new housing, but addressing the numerous housing types needed for San Francisco's diverse population, and preserving and maintaining the existing housing stock, which provides some of the City's most affordable units.
2. ***Recognize and preserve neighborhood character.*** Residents of San Francisco, from its wealthiest neighborhoods to its lower income areas, prioritized their own neighborhoods' physical and cultural character. Therefore the Housing Element recognizes that any plans for housing, from individual projects to community plans, need to acknowledge the unique needs of individual neighborhood which they are located. No individual strategies proposed in this Housing Element are appropriate universally; each needs to be considered within the neighborhood context. By using community planning processes that are driven by the input of the community itself, the City can ensure that the best qualities of neighborhoods are not only maintained, but strengthened.
3. ***Integrate planning of housing, jobs, transportation and infrastructure.*** Participants stressed that housing does not occur in a vacuum- that successful housing must be considered as a part of a whole neighborhood, one that includes public infrastructure such as transit, open space and community facilities, and privately provided infrastructure such as retail and neighborhood services. As one considers the needs of various household types, steps must be taken to encourage amenities required by families, such as child care, schools, libraries, parks and other services.

4. *Cultivate the City as a sustainable model of development.* The City's residents recognized the City's social, practical and legislative responsibility to address housing needs from both the local and the regional perspective, given San Francisco's role as a job center and a transit nexus. Thus, the Housing Element prioritizes increasing transit availability and accessibility, and prioritizing housing development where transit and other mode options are improved, to reduce the impacts of greenhouse gas emissions. It promotes "green" development in both new and reconstruction. It does not, however, promote growth at all costs: the Housing Element recognizes that a truly sustainable San Francisco balances housing production with other major values discussed above, in the context of affordability needs, infrastructure provision, and neighborhood culture and character.

Challenges Ahead: Balancing Goals with Resources and Realities

In an effort to plan for and respond to growing housing demands, the Planning Department has engaged several neighborhoods in specific community planning efforts. Ten community plans – the Candlestick and Hunters Point Shipyard Plans, Rincon Hill, Market & Octavia, Central Waterfront, East SoMa, Mission, Showplace Square/Potrero Hill and Balboa Park Area Plans, and the Visitacion Valley Master & Redevelopment Plan – have been adopted since the 2004 Housing Element update. Together these recently adopted Plan Areas are projected to add growth of almost 40,000 new units, which, in combination with citywide infill potential provides sites which can accommodate over 6,000 new units, as cited in Part 1 of the Housing Element. Ongoing community planning efforts, including major redevelopment plans at Mission Bay, Treasure Island and Hunter's Point Naval Shipyard, will add even more capacity over the next 20 years.

Implementation of these plans, both on the housing and infrastructure side still requires significant planning and support. The City has made strides in developing new housing to serve that growing population – about 18,960 new housing units were added to the City's housing stock since 2000 – housing affordability continues to be a major policy issue. Even with very successful policies and programs, and an all-time high average production rate of over

2000 units per year, San Francisco achieved only 67% of its housing goals for very low and low production, and a total of 47% of all affordable housing production.¹ Because of the high cost of housing subsidies required to provide a unit to low and very low income households ranges from \$170,000 to \$200,000 per unit. Total costs to meet the total need projected by the RHNA's exceed \$2 billion dollars, significantly more than funding has allowed in previous years. Given current economic conditions this level of funding is far more than can be realistically expected in the short term.

This Housing Element addresses residential development during a period of national recession, against a backdrop of reductions in sale and rental values, backlogs of unsold units, and a dearth of funding for new housing development. Working within this context, the Housing Element stresses stabilization strategies that respond to the economic downturn. Creative new context specific strategies include:

- Small-site acquisition and rehabilitation, where the City takes an active role in securing and stabilizing existing units as permanently affordable housing.
- Owner-initiated rehabilitation, where the City supports financially or otherwise – owner or landlord initiated improvements to existing housing, particularly at-risk rental units.
- Project partnerships, fostering relationships between affordable and market rate developers on new sites, or on projects which may have stalled, to expand affordable housing opportunities.
- Providing assistance in foreclosures, including assistance to existing homeowners and working to secure foreclosed units as affordable opportunities.

However, even with these strategies the City will not likely see the development 31,000 new units, particularly its affordability goals of creating over 12,000 units affordable to low and very low income levels projected by the RHNA. There are adequate sites to meet projected housing needs, and the policies of this Housing Element support further housing development. However, realizing the City's housing targets requires tremendous public and private financing – given the state and local economy and private finance conditions is not likely to be available during the period of this Housing Element.

¹ Note: Other major cities, such as Oakland and Los Angeles, faced the same challenges, meeting on average only 30% of their affordability targets.

For the City to be truly successful in achieving the type and amount of housing targeted by the RHINAs and mandated by local and regional sustainability goals, a full partnership with the state and the region is required. Funding at the state and regional levels need to continue to consider – and prioritize – San Francisco's share of the statewide housing, particularly its affordability challenges, when allocating funding for affordable housing and for public infrastructure. Only through this partnership, and if infrastructure and housing funding priorities are coordinated with regional growth objectives, can the City truly move towards these housing production targets.

Acknowledging Tradeoffs

The Housing Element is intended to be an integrated, internally consistent and compatible statement of policies for housing in San Francisco, based upon the goals of the citizens of the City. However, many of these goals have a natural tension between them. For example, the relationship of market rate to affordable housing can often seem competitive, and even oppositional. Yet increased levels of affordable housing cannot be achieved without the private development sector, which brings significant funding towards affordable housing and its needed services through tax revenues, inclusionary requirements and other fees. In balancing this relationship, the City needs to consider how all types of housing contribute to overall goals.

Another tension exists between the demand for more housing in San Francisco and the impact – real or perceived – that new development can have on neighborhoods. To meet local and regional sustainability goals, more housing and greater density is required, but growth needs to be shaped so that it does not occur at the expense of valued San Francisco neighborhood qualities. Community plans balance these factors to increase housing equitably while still preserving what people love about their neighborhoods.

Another major issue to balance is the relationship between housing and infrastructure. The City's goal is to locate housing in areas that already have access to infrastructure and services, many sites large enough for affordable housing are often found in transitioning areas that require additional infrastructure. The City needs to seek equilibrium for housing opportunities by prioritizing increased infrastructure or services to these transitioning areas.

The purpose of this Housing Element is not to resolve all of those tensions, but to provide a framework the City can use to highlight concerns that should be balanced by decision makers, to achieve the City's stated housing goals.

The Document

The *objectives* and *policies* that follow are intended to address the State's objectives and the City's most pressing housing issues: identifying adequate housing sites, conserving and improving existing housing, providing equal housing opportunities, facilitating permanently affordable housing, removing government constraints to the construction and rehabilitation of housing, maintaining the unique and diverse character of San Francisco's neighborhoods, balancing housing construction with community infrastructure, and sustainability. Each set of objectives and related policies is accompanied by *implementing programs* – a detailed schedule of actions that will implement the housing element including timelines, steps, projected outcomes and entities responsible for each action. Also, each set of objectives and policies is followed by a series of *strategies for further review* – ideas which were raised over the course of the Housing Element development and outreach, which require further examination, and potentially long-term study, before they can be directly implemented. These strategies will be examined in more detail with the appropriate agencies over the course of the draft Housing Element's review, to determine if such strategies are possible and can be pursued as implementation programs.

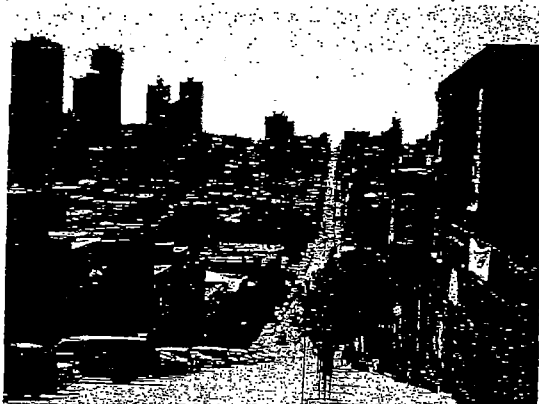
Issue 1: Adequate Sites

OBJECTIVE 1

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

Even during declining economies, housing demand in San Francisco continues. Families continue to grow, life expectancy has increased, and more people seek to live closer to where they work. The need for housing comes from households of all income levels.

In an effort to manage the regional growth and accommodate projected housing needs throughout the Bay Area, the Association of Bay Area Governments (ABAG) allocates a number of housing units at various income levels to each community in the region based on projected job growth. ABAG has allocated more than 31,000 new housing units in City and County of San Francisco through the year 2014, with over 60% of those units required to be affordable to households of moderate income (defined as 120% of Area Median Income) or below.



Reaching these ABAG goals will require the implementation of a number of strategies, including planning and constructing new permanently affordable housing, for which land must be identified. Housing sites must be considered carefully in order to make the most of a limited land supply while ensuring that new housing is in keeping with existing neighborhood character. Specific criteria should be considered when planning for, and securing, sites for housing. To enable easy access and movement throughout the City, housing should be located close to transit, and to other necessary public infrastructure such as schools, parks and open space, as well as quasi-public or privately provided services such as child care and health facilities. To enable access to retail and services, new housing should be located throughout the City in a mixed-use fashion. To ensure the health of residents, housing should be located away from concentrations of health-impacting land uses. New housing is not the only answer to addressing housing needs in San Francisco. Other strategies, such as retention of existing units, and making existing units permanently affordable, as discussed in Objectives 2 and 3, enable the City to meet many of its housing affordability goals.

POLICY 1.1

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

San Franciscans are a diverse population, with a diverse set of housing needs. Future housing policy and planning efforts must take into account the diverse needs for housing. The RHNA projections indicate housing goals for various income levels, these provide basic planning goals for housing affordability. San Francisco's housing policies and programs should provide strategies that promote housing at each income level, and furthermore identify sub-groups,

such as middle income and extremely low income households that require specific housing policy. In addition to planning for affordability, the City should plan for housing that serves a variety of household types and sizes.

POLICY 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

In order to increase the supply and affordability of housing, the City has engaged in significant planning for housing through Area Plans (portions of the General Plan which focus on a particular part of the City), Redevelopment Plans (community revitalization plans authorized and organized under the provisions of the California Community Redevelopment Law), and major development projects created in partnership with private sponsors. Adopted community plans include Balboa Park, Market and Octavia and the Central Waterfront neighborhoods; the Eastern Neighborhoods program including the Mission, South of Market, Showplace Square and Potrero Hill; Candlestick, and Hunters Point Shipyard; and several Redevelopment Area Plans, most recently Visitacion Valley/Schlage Lock.

Plans underway include Glen Park, Western SoMa and Executive Park. Other major projects in development with the City include Treasure Island, Park Merced and the Transbay Transit Center. These ongoing community planning efforts should continue. These projects could result in a community accepted housing vision for the neighborhood, related zoning changes and neighborhood specific design guidelines that will encourage housing development in appropriate locations.

Together, these planning efforts could provide capacity for significantly more than the 31,000 units allocated for this planning period (2007-2014). However these plans will require significant investment in infrastructure and supporting services in order to support this growth. Each adopted plan contains related programs for affordable housing (directing the mix of housing types, tenures and affordability needs), infrastructure and community services, they also contain design guidelines and community review procedures. The City should prioritize public investment in these plan areas, according to each plans' infrastructure and community improvement program. These plans will also require diligence in their application: each plan contains numerous policies and principles intended to ensure neighborhood consistency and compatibility, and it is up to Planning Department staff and the Planning Commission to uphold those principles in project review and approvals.









Plan Areas

0 Miles 1

MAP 01

-  Adopted Area Plan
-  Pending Adoption
-  Plan Areas Under Development
-  Plan Areas In Coordination With Redevelopment Authority or Other Groups

Plan Area / Major Project	Estimated New Housing Construction Potential*
Balboa Park Area Plan	1,800
Market/Octavia Area Plan	6,000
Central Waterfront Area Plan	2,000
Mission Area Plan	1,700
East SOMA Area Plan	2,900
Showplace Square/Potrero Hill Area Plan	3,200
Rincon Hill Area Plan	4,100
Visitation Valley Redevelopment Plan	1,500
Transbay Redevelopment Plan	3,400
Mission Bay Redevelopment Plan	3,000
Hunters Point Shipyard/ Candlestick Point	10,000
Total Adopted Plans & Projects:	99,600
Executive Park	1,600
Glen Park	100
Park Merced	5,600
Transit Center District	1,200
West SOMA	2,700
Treasure Island	7,000
Total Plans & Projects Underway	18,200
TOTAL	57,800

* From individual NOP and EIR, rounded

POLICY 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

While in previous years land prices have dramatically increased, current land prices seem to have stabilized. This may provide opportunity for sites for permanently affordable housing development that should be aggressively pursued.

Publicly-owned land offers unique opportunity for development of affordable housing. The City should regularly review its inventory of surplus, vacant or underused public property, through an annual reporting process that provides such information to the Mayors Office of Housing. Public property no longer needed for current or foreseeable

future public operations, such as public offices, schools or utilities should be considered for sale or lease for development of permanently affordable housing. The City should ensure that future land needs for transit, schools and other services will be considered before public land is repurposed to support affordable housing. Where sites are not appropriate for affordable housing, revenue generated from sale of surplus lands should continue to be channeled into the City's Affordable Housing Fund under the San Francisco Administrative Code Sections 23A.9 - 11.

The City's land-holding agencies should also look for creative opportunities to partner with affordable housing developers. This may include identifying buildings where air rights may be made available for housing without interfering with their current public use; sites where housing could be located over public parking, transit facilities or water storage facilities; or reconstruction opportunities where public uses could be rebuilt as part of a joint-use affordable housing project. Agencies should also look for opportunities where public facilities could be relocated to other, more appropriate sites, thereby making such sites available for housing development. For example, certain Muni fleet storage sites located in dense mixed-use or residential areas could be relocated, thereby allowing in-fill mixed use or residential development. The City should proactively seek sites for affordable housing development by buying developments that are no longer moving towards completion. This may include properties that have received some or all City land use entitlements, properties that have begun construction but cannot continue, or properties that have completed construction, but whose owners must sell.

POLICY 1.4

Ensure community based planning processes are used to generate changes to land use controls.

Community plans are an opportunity for neighborhoods to work with the City to develop a strategic plan for their future, including housing, services and amenities. Such plans can be used to target growth strategically to increase infill development in locations close to transit and other needed services, as appropriate. Community plans also develop or update neighborhood specific design guidelines, infrastructure plans, and historic resources surveys, as appropriate. As noted above, in recent years the City has

undertaken significant community based planning efforts to accommodate projected growth. Zoning changes that involve several parcels or blocks should always involve significant community outreach. Additionally zoning changes that involve several blocks should always be made as part of a community based planning process.

Any new community based planning processes should be initiated in partnership with the neighborhood, and involve the full range of City stakeholders. The process should be initiated by the Board of Supervisors, with the support of the District Supervisor, through their adoption of the Planning Department's or other overseeing agency's work program; and the scope of the process should be approved by the Planning Commission. To assure that the Planning Department, and other agencies involved in land use approvals conduct adequate community outreach, any changes to land use policies and controls that result from the community planning process may be proposed only after an open and publicly noticed process, after review of a draft plan and environmental review, and with comprehensive opportunity for community input. Proposed changes must be approved by the Planning Commission and Board of Supervisors at a duly noticed public hearing. Additionally, the Department's Work Program allows citizens to know what areas are proposed for community planning. The Planning Department should use the Work Program as a vehicle to inform the public about all of its activities, and should publish and post the Work Program to its webpage, and make it available for review at the Department.

POLICY 1.5

Consider secondary units in community plans where there is neighborhood support and when other neighborhood goals can be achieved, especially if that housing is made permanently affordable to lower-income households.

Secondary units (in-law or "granny units") are smaller dwelling units within a structure containing another much larger unit, frequently in basements, using space that is surplus to the primary dwelling. Secondary units represent a simple and cost-effective method of expanding the housing supply. Such units could be developed to meet the needs of seniors, people with disabilities and others who, because of modest incomes or lifestyles, prefer or need small units at relatively low rents.

Within a community planning process, the City may explore where secondary units can occur without adversely affecting the exterior appearance of the building, or in the case of new construction, where they can be accommodated within the permitted building envelope. The process may also examine where existing secondary units can be legalized, for example through an amnesty program that requires building owners to increase their safety and habitability. Secondary units should be limited in size to control their impact.

POLICY 1.6

Consider greater flexibility in number and size of units within established building envelopes in community based planning processes, especially if it can increase the number of affordable units in multi-family structures.

In San Francisco, housing density standards have traditionally been set in terms of numbers of dwelling units in proportion to the size of the building lot. For example, in an RM-1 district, one dwelling unit is permitted for each 800 square feet of lot area. This limitation generally applies regardless of the size of the unit and the number of people likely to occupy it. Thus a small studio and a large four-bedroom apartment both count as a single unit. Setting density standards encourages larger units and is particularly tailored for lower density neighborhoods consisting primarily of one- or two-family dwellings. However, in some areas which consist mostly of taller apartments and which are well served by transit, the volume of the building rather than number of units might more appropriately control the density.

Within a community based planning process, the City may consider using the building envelope, as established by height, bulk, set back, parking and other Code requirements, to regulate the maximum residential square footage, rather than density controls that are not consistent with existing patterns. In setting allowable residential densities in established neighborhoods, consideration should be given to the prevailing building type in the surrounding area so that new development does not detract from existing character. In some areas, such as RH-1 and RH-2, existing height and bulk patterns should be maintained to protect neighborhood character.

POLICY 1.7

Consider public health objectives when designating and promoting housing development sites.

A healthy neighborhood has a balance of housing and the amenities needed by residents at a neighborhood level, such as neighborhood serving retail, particularly stores offering fresh produce, childcare and medical services. Community planning efforts should include requirements, incentives or bonuses to encourage necessary amenities as appropriate.

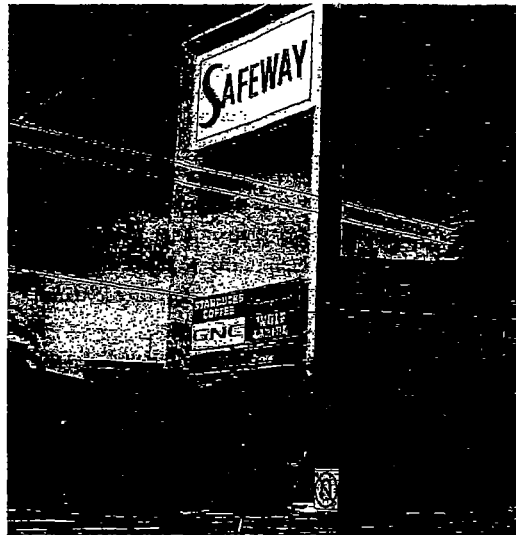
Land use and transportation planning decisions are directly related to environmental health and justice issues in San Francisco. For example, SFDPH environmental health inspectors frequently observe that families live in buildings that cause a variety of health outcomes such as asthma and lead poisoning. Understanding the impacts of past uses on the soil, the proximity to currently operating heavy industrial uses, and the surrounding air quality are critical when developing housing.

In 2007 the San Francisco Department of Public Health completed the Healthy Development Measure Tool (HDMT), a system to evaluate health impacts of new development. The HDMT proposes a checklist for evaluating a range of project types from smaller housing developments to neighborhood wide community plans. The HDMT covers six topics: environmental stewardship, sustainable and safe transportation, public infrastructure (access to goods and services), social cohesion, adequate and healthy housing, and a healthy economy, with over 100 benchmarks in total. The level of analysis the tool provides can be very useful in developing housing policy and programs for a large area, as it can aid in identifying gaps in services and amenities to be addressed at a policy level. Because of HDMT tool's breadth, it is important that it be used in the appropriate context. Therefore the HDMT should be used to provide a general review of overall context, particularly in the development of community plans.

POLICY 1.8

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

San Francisco has a strong tradition of mixed-use neighborhoods, allowing residents to take advantage of the City's rich mix of services and amenities on foot and by transit. Mixed-use buildings in San Francisco allow residents to live above street-front commercial space, services or institutional uses. Housing should continue to be considered as a joint use with all compatible non-residential uses. While separation of some uses will always be required to protect public health, the majority of the City's non-residential uses, such as retail, services and workplaces, are compatible with, and can be improved by, the inclusion of housing.

**POLICY 1.9**

Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

New commercial or other non-residential development projects increase the City's employment base, thereby increasing the demand for housing. Similarly, institutions of higher education provide needed services and contribute to the intellectual and cultural life of the City, while at the same time create a demand for housing by students, which can pressure on existing housing stock.

The City's Jobs-Housing Linkage Program, which collects fees for affordable housing production from commercial developments, should continue to be enforced and monitored. Higher educational institutions should assist in the provision of additional housing, including affordable housing, as well. The City should use the institutional master plan (IMP) process required by the City's Planning Code to encourage institutions to provide housing, should support new construction of student housing that could reduce pressure on the existing housing stock, and should consider incentives for student housing development.

POLICY 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

San Francisco enjoys an extensive network of transit lines, including a number of major transit lines that provide nearby residents with the opportunity to move about the City without need of a car. Because of proximity to transit and bicycle networks, neighborhood serving businesses and job centers, some 29% of the City's households do not own cars and 33% of San Franciscans take public transit to work, with higher rates for households in transit-rich areas. Infill housing in transit-rich areas can provide lower income households, affordable, unsubsidized housing opportunities. Housing with easy access to transit facilitates the City's efforts to implement the City's Transit First policy. Additionally housing near transit can provide site-efficient and cost effective housing.

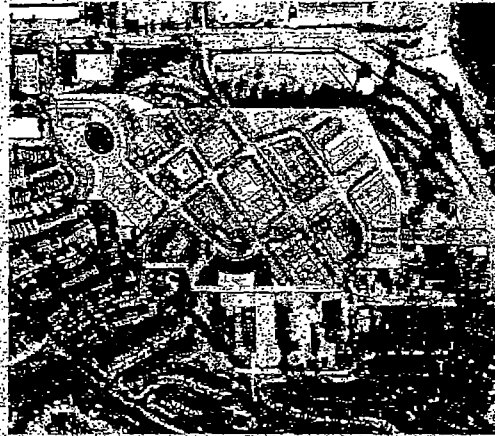
In reviewing reliance on public transportation, it is important to distinguish areas that are "transit-rich," and located along major transit lines, from those that are simply served by transit. For the purposes of this Housing Element, "major transit lines" are defined as those that have significant ridership and comprehensive service — meaning almost 24-hour service with minimal headways. This network of major transit lines includes BART's heavy rail lines, MUNI Metro's light rail system including the F, J, K, L, M and N lines, and Muni's major arterial, high-ridership, frequent service local network lines. These lines are defined and

prioritized in Muni's Transit Effectiveness Project (TEP) as the "Rapid Network," pending environmental review. The Department should support housing projects along these major transit lines provided they are consistent with current zoning and design guidelines.



A Model of Efficient Site Development HOPE SF

HOPE SF is a local initiative, jointly managed by the San Francisco Housing Authority and the Mayor's Office of Housing, to rebuild many of San Francisco's public housing communities. HOPE SF grew out of the federal initiative called HOPE VI (Housing Opportunities for People Everywhere), with the goal of transforming public housing developments from large, disconnected developments into mixed income, mixed use neighborhoods. These neighborhoods will provide a range of housing options that will allow residents throughout various phases in their life to move up the housing ladder, and include community building components that will assist in moving households from crisis to stability and economic advancement.



There are currently 4 HOPE SF projects currently underway, with an additional 3 sites anticipated over the next decade. The land that once held nearly 2,500 public housing units will be developed with 6,000 housing units (at one-for-one replacement of public housing), parks, and other necessary amenities to make a neighborhood whole. These projects exemplify context appropriate redevelopment that increases the number of housing units while increasing neighborhood amenities.

Issue 2: Conserve and Improve Existing Stock

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

The majority of San Francisco's housing stock is over 60 years old — it is an important cultural and housing asset that the City must protect for future generations. Nearly all of San Francisco households will make their home in existing housing — RHNA goals for new housing represent less than one percent of the existing housing stock. Therefore, conserving and improving the existing stock is critical to San Francisco's long term housing strategy. Retaining existing housing reduces the needs for resources to build new housing. Policies and programs under this objective facilitate conservation and improvement of the variety of unit types physical conditions.

Housing maintenance includes routine maintenance, major repair projects, and preventive care — especially seismic work. The health of the existing housing stock requires that all types of maintenance be pursued to the extent possible, while not overburdening low-income groups. The seismic sustainability of the existing stock is of particular local concern.

POLICY 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

Demolition of existing housing often results in the loss of lower-cost rental housing units. Even if the existing housing is replaced, the new units are generally more costly. Demolition can result in displacement of residents, causing

personal hardship and need to relocate. Older housing stock should only be considered for demolition and replacement when the resulting project results in a significant increase in unit affordability.

There are environmental and natural resources considerations when demolishing housing stock that is physically sound. Therefore, a determination of 'sound housing' should be based on physical condition, not economic value. San Francisco's Planning Code and Planning Commission guidelines require public hearing and deliberation for demolition of units, discourage the demolition of sound housing stock, especially historically significant structures, and require that replacement projects be entitled before demolition permits are issued. The City should continue these policies.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

San Francisco is vulnerable to both subdivisions and unit mergers in response to short term market trends. The City must protect the existing units and their relative affordability while recognizing the need for some flexibility to support family housing. Merging of two units, especially small units, can allow a family to grow without leaving their community. Yet mergers also result in a net loss of housing units in the City, where the resulting unit is often less affordable, thus amplifying both problems of housing supply and affordability. All proposals to merge units should be carefully considered within the local context and housing trends to assure that the resulting unit responds to identified housing needs, rather than creating fewer, larger and more expensive units.

POLICY 2.3**Prevent the removal or reduction of housing for parking.**

Maintaining existing space in buildings that is dedicated to housing reduces the need for the production of new housing to support existing and future households. The more habitable space in a structure, the greater the ability of the structure to adapt to a variety of lifecycles, and the more flexibility provided for the growth of families. Space currently dedicated to housing people should not be converted into parking. Furthermore, the City should encourage the conversion of ground floor space to housing, provided such a conversion does not impact the long term seismic sustainability of the existing structure.

POLICY 2.4**Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.**

As the City's housing stock ages, maintenance becomes increasingly important. The majority of San Francisco housing is more than 60 years old. Property owners should be encouraged and supported in efforts to maintain and improve the physical condition of housing units.

Maintenance is generally the responsibility of property owners, with the City enforcing appropriate seismic and safety standards. But in some circumstances such as low income homeowners, senior homeowners, or neglected or abandoned property, the City should take a more active role through funding and programs in order to facilitate maintenance and improvements and ensure the long term habitability of the housing stock.

Although code enforcement should be actively pursued, flexibility should be granted to low-income households where Code violations do not create a public safety hazard or a serious household safety condition. Legalization of existing secondary units should be considered, where Code violations do not create a public safety hazard, in exchange for designating the unit permanently for senior or affordable housing.

POLICY 2.5**Encourage and support the seismic retrofitting of the existing housing stock.**

A major earthquake could jeopardize 8,600 to 100,000 housing units. Seismic retrofitting of the existing housing stock increases the possibility of sound housing after a seismic event.

Neighborhood Preservation: Chicago's Upkeep and Repair Services Program

As residents age it often becomes harder to upkeep a home. The City of Chicago in partnership with local non-profit HOME (Housing Opportunities and Maintenance for the Elderly) has established a program for elderly residents to receive assistance with regular home maintenance. Types of repairs include light plumbing, replacing faulty light fixtures or switches, repairing or maintaining weather stripping and caulking. They also support universal design retrofits, such as installing handicap access grab bars and railings and other similar repairs. In 2009, \$300,000 in funding (from both the City of Chicago and private foundations) made 720 repairs possible in the homes of 407 low-income elderly homeowners.



The City should prioritize public resources to address the most imminent risks: 1) structures at high risk of collapse and therefore pose the highest public safety risk, such as soft-story buildings; 2) structures that house low income or vulnerable populations; and 3) structures that are vulnerable due to construction type. DBI should focus seismic upgrade programs towards vulnerable geographies and soils types (as identified by CAPPS), populations (areas with low median incomes or high population of seniors) and building types (older, rent-controlled and soft story).

The City should also continue to educate and assist property owners in their efforts to make seismic safety improvements. Currently property owners can find information on DBI's earthquake preparedness website, attend lunchtime talks, or reference the Seismic Safety FAQ for building owners sheet.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

San Francisco is a city of renters – which enables incredible diversity of age, income, and household type. Students, young professionals, artists, new families, low income households, and many others rely on the availability of rental housing to live in San Francisco. The City's market-rate rental units generally provide moderately priced housing options, while rent controlled units and permanently affordable rental units meet needs at lower income levels. Thus the availability of sound and affordable rental housing is of major importance to meet the City's housing needs.

Regulations protecting the affordability of the existing housing stock have traditionally focused on rental housing, such as rent control and its associated tenants rights laws, and condominium conversion limits. Both rent control and condominium conversion limits evoke an impassioned public discussion around housing rights, private property rights, and quality of life in San Francisco, and property owners continue to emphasize the negative effects of rent control policies on the supply of housing. This discussion warrants continued public engagement in the ongoing effort to provide a balance of housing opportunities to support San Francisco's diverse population.

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

Sixty-two percent of San Francisco's residents are renters. In the interest of the long term health and diversity of the housing stock the City should work to preserve this approximate ratio of rental units. The City should pay particular attention to rent control units which contribute to the long term existence and affordability of the City's rental housing stock without requiring public subsidy, by continuing their protection and supporting tenant's rights laws. Efforts to preserve rental units from physical deterioration include programs that support landlord's efforts to maintain rental housing such as: maintenance assistance programs, programs to support and enhance property management capacity, especially for larger companies, and programs to provide financial advice to landlords.

POLICY 3.2

Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

As the majority of San Francisco's housing units are over 60 years old, maintenance issues, particularly in rental properties, often impact the overall livability of some housing. The level of investment required for significant maintenance can jeopardize the affordability of the unit, putting low income tenants at risk. To balance the need for affordable, yet safe, housing, affordable housing funds should be invested into rehabilitation of existing stock. As a cost effective way for the City to secure permanently affordable housing, this strategy must occur with full participation of the property owner, and must not result in displacement of existing tenants.

POLICY 3.3

Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

The intent of maintaining a balance of housing opportunities is to maintain housing for a diversity of household types and income categories.

Units in limited equity cooperatives remain affordable because they are deed-restricted to an affordability level, so that the owner can sell his/her unit for a price up to that maximum affordability level. Opportunities to create affordable homeownership opportunities through programs such as limited equity cooperatives should be supported.

Limited conversions of rental stock to condominiums also help achieve affordable homeownership, providing a category of housing stock for moderate income housing needs. Thus, while the City needs to consider the impact of conversion of rental units to ownership status, as it will impact preservation of rental units, this issue should be balanced with the need for a diversity of housing choices. Conversion of rental housing to time share or corporate suite use should be prohibited.

POLICY 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

A review of current sales prices reveals that new homes are priced considerably higher than existing, older housing stock. This is particularly true of smaller units, such as the mid-century construction in certain lower density residential neighborhoods. These housing units provide a unique homeownership opportunity for new and smaller households. While higher density housing generally results in more shared costs among each unit, the pre-existing investment in lower density housing generally outweighs the benefits of higher density in terms of housing affordability. To the extent that lower density older housing units respond to this specific housing need, without requiring public subsidy, they should be preserved. Strategies detailed under Objective 2, to retain existing housing units, and promote their life-long stability, should be used to support this housing stock.

POLICY 3.5

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

Residential or single-room occupancy hotels (SROs) offer a unique housing opportunity for lower income elderly, disabled, and single-person households. The proximity of most SROs to the downtown area has fueled pressure to

convert SRO's to tourist hotels. In response to this, the City adopted its Residential Hotel Ordinance, which regulates and protects the existing stock of residential hotels. This ordinance requires permits for conversion of residential hotel rooms, requires replacement on a 1 to 1 level, and requires 80% of the cost of replacement to be provided to the City in the case of conversion or demolition.

Residential hotels located in predominantly residential areas should be protected by zoning that does not permit commercial or tourist use; in non-residential areas, conversion of units to other uses should not be permitted or should be permitted only where a residential unit will be, or has been, replaced with a comparable unit elsewhere. For those hotels that are operated as mixed tourist/permanent resident hotels, strict enforcement is needed to ensure that the availability of the hotel for permanent residential occupancy is not diminished. City programs should support the retention of residential hotels, restrict conversions and demolitions, and require mitigations to any impacts on the affordable housing stock.

Issue 3: Equal Housing Opportunities

OBJECTIVE 4

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

Population diversity is one of San Francisco's most important assets; San Francisco's residents span ethnicities, income levels, household types and sizes. Supporting household diversity requires the City support a variety of housing opportunities, so that everyone has the opportunity to live in a suitable home that they can afford.

A diverse housing stock provides housing for people throughout their lifecycle, as they move from being a single household, to families with children, to aging and elderly. It accommodates different types of households, from traditional married couples to cooperative living households,

from female-headed households to multigenerational families with adult children who live at home. It provides a range of housing options for people's varying needs, which might span illness, disability, or unique supportive service needs. Designing housing that can accommodate all physical abilities is critical to maintaining housing diversity.

A diverse housing stock provides unit types that span financial abilities as well as personal choice, in diverse, economically integrated neighborhoods that offer a positive quality of life. Households should be able to choose the form of tenure most suited to their needs, from either a rental or an ownership housing stock. And they should be able to find suitable, affordable places to live in healthy neighborhoods, free from concentrations of pollutants such as aging industrial uses, power plants, and sewage treatment facilities.



POLICY 4.1

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

Families with children are very much part of the City's vitality and diversity. While currently families with children constitute a small portion of San Francisco households, with only 12% of the City's total population being 14 years old and younger, the changing demographics of the City illustrate that the need for family housing is growing, as larger, extended families increase and as more and more households desire to stay in the City as they have children.

Much of the new housing constructed in the last decade was smaller studios and one-bedroom units. New multi-bedroom units are often too expensive for the average San Francisco family. Many large families, especially those newly immigrated to the United States, are crowded into units designed for much smaller households. As a result, San Francisco's families with children are leaving or are experiencing overcrowded conditions.

While all agencies in the City acknowledge the need for housing for families with children, particularly low and very low family needs, there still is no accepted definition of family housing. The Department of Children Youth and Families has developed a number of recommendations for action towards family housing, including a proposed definition of family-friendly housing. This work should be codified into a formal city definition that can be used to shape housing requirements, and inform housing construction approvals.

Recent community planning efforts promote the construction of new housing for families by requiring that a minimum 40% of new units constructed have two-bedrooms or more. This practice should be continued where appropriate. Existing units can also offer opportunities for "family-sized" housing through expansion and in some cases unit mergers. A number of existing units are already sized for family households, especially single family homes. The City should offer support for elderly people who seek to downsize their homes, and encourage people who may be better served by alternatives, particularly in term of size, upkeep and budget, to downsize.

For family sized units to work for families the City needs to look beyond the provision of housing to ensure that the other amenities critical to families are provided. Proximity to schools, to open space, and to affordable child care are critical for the well-being of families.

POLICY 4.2

Provide a range of housing options for residents with special needs for housing support and services.

There are a number of groups in the City in need of special housing consideration. Populations in need of support include the physically and mentally disabled; those suffering from mental illness, cognitive impairment; or dementia; or those suffering from severe illness such as AIDs. They also include people undergoing transitions, such as those trying to exit homelessness, aging out of foster care, leaving a hospital or institutional care; or populations in need of special security, such as transgender individuals. Many of these groups need housing with supportive services provided either on-site or nearby; many face bias in their existing housing situations, and many are at risk of losing housing due to disruptive behavior, deteriorating medical conditions, or an inability to afford rent.

Another category of at-risk individuals includes the City's recent immigrants, particularly refugees and undocumented workers, including day laborers and domestic workers. Many of these new arrivals need low cost housing and support services including multicultural and multilingual assistance. Many have families whom they support, and are stressed from overcrowding and substandard living conditions; many are homeless.

The City should take an active role to encourage the construction of new facilities, and the expansion of the available housing units, in appropriate locations suited to needs of these groups. The City should also support efforts by potential sponsors to identify and develop sites for special users and work cooperatively with social service agencies and housing providers. The City should also seek to reduce institutional barriers to development of innovative forms of housing that would better serve these individuals, from group housing to supportive housing to residential treatment facilities. One category of need that is expected to

increase dramatically in coming years, due to a reduction in custodial care for older adults at hospitals and in nursing facilities, is dementia care. Also, there will be a growing population of people with cognitive impairment and dementia in San Francisco between 2010 to 2030. A broad range of residential care facilities will be needed to provide step-down 24-hour care. A range of care settings, from Residential Care Facilities for the Elderly or Residential Care Facilities for the Chronically Ill to new, more flexible models, such as the GreenHouse model, a group-home facility for seniors, should be explored.

Of particular importance are the ancillary social and medical service facilities, employment or advocacy services that enable positive living for members of in-need populations. The link to services is critical: in some cases, intensive case management and availability of services can make the difference between someone becoming institutionalized or homeless, or remaining in their own home. Therefore, support facilities need to be located on-site, or integrated into neighborhoods within close pedestrian or transit access from residences. In particular, board and care facilities, group homes, and services that allow at-risk or disabled persons to live at home while still receiving daily support, should be permitted to locate close to their clients. Where new residential care facilities are constructed, they should be located close to existing services, and in underserved neighborhoods to allow clients to remain meaningfully engaged in their community.

POLICY 4.3

Create housing for people with disabilities and aging adults by including universal design principles in new and rehabilitated housing units.

Despite the cost of housing, San Francisco remains attractive to seniors and people with disabilities because of the City's transportation, health services, and other resources. While some of the disabled and elderly will require housing that provides supportive, long-term care arrangements as discussed above, many will remain largely independent for longer periods of time, needing only physical accommodations to enable active living. Yet people with disabilities and aging San Franciscans often have difficulty finding housing constructed to meet their physical accessibility needs. While the current San Francisco Building Code requires all new construction except one and two-family dwellings

to comply with the Code's disability access requirements, much of the City's existing stock is inaccessible, and existing privately funded multi-family dwellings are not required to include accessibility upgrades when completing alterations. Those with physical disability issues are further at risk in obtaining housing because they often have lower than average incomes.

The City's community planning processes should foster private and publicly supported housing designed according to universal design principles, meaning that it is accessible, or can be made adaptable, to the disabled or elderly. "Accessible" means that the housing presents no physical barriers to handicapped or elderly people. "Adaptable" means housing whose entry and circulation are designed and constructed so that relatively minor adjustments and additions can make the unit fully accessible. Existing housing may be more difficult to retrofit, and more costly, when it is being rehabilitated as permanently affordable housing, so accessibility and adaptability design requirements should be made flexible for reconstruction projects.

Similar to the discussion above regarding housing for people with supportive needs, of particular importance are the everyday services and activities that sustain healthy, independent living for those with cognitive impairments, physical constraints and low mobility. Community planning processes should also foster direct, walkable access to recreational facilities and open space, to commercial areas and shopping, and to community services. They should go beyond physical access to ensure that people with cognitive impairment, dementia, other disabilities and aging adults feel comfortable and safe. Inclusion of public realm features that promote security, such as clearly visible signage, bright lighting and surveillance features that improve public safety, can go a long way towards creating age and disability friendly communities.

POLICY 4.4

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

In recent years the production of new housing has yielded primarily ownership units. However, this trend may be shifting, as low vacancy rates and high rents indicate a strong demand for rental housing, and as lending practices

shift in favor of projects with a long-term source of income (rents). The City should make a concerted effort to do what is within its control to encourage the continued development of rental housing throughout the City, including market-rate rentals that can address moderate and middle income needs.

Recent community planning efforts have explored incentives such as fee waivers, or reductions in inclusionary housing requirements, in return for the development of deed-restricted, long-term rental housing. The City should also seek new ways to promote new, permanently affordable rental housing, such as by looking to existing sites or buildings for acquisition by the City as permanently affordable units; this would require a local fund that is structured to act quickly to enable such purchases as they become available.

POLICY 4.5

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

Economically-integrated, diverse neighborhoods provide residents with a number of benefits. Crime levels, school attendance and graduation rates, employment opportunity and health status of residents tend to be markedly improved in integrated neighborhoods, as compared to exclusively lower-income areas.

While San Francisco's neighborhoods are more economically integrated than its suburban counterparts, concentrations of low-income households still exist. Special efforts should be made to expand housing opportunities for households of lower-income levels in other areas of the city, and community planning efforts should include policies and programs that foster a diverse, integrated housing stock. These planning efforts should also include protections against the displacement of existing low- and moderate-income households by higher income groups.

The City's Inclusionary Housing Program, which requires that affordable housing units be provided on-site, provides one method for on-site integration (Map II-2: Below Market Rate Housing Projects). Construction of new af-

fordable housing projects should likewise be distributed throughout the City, to ensure equitable neighborhoods as well as equal access to residents living in different parts of San Francisco (Map II-3: Affordable Housing Projects). For example, the homeless population lives in many neighborhoods throughout the City and would benefit from having housing resources in the neighborhood in which they work and live. All neighborhoods of the city should be expected to accept their fair share of affordable housing, whether it is through the City's inclusionary affordable housing policies, construction of new 100% affordable projects, or rehabilitation projects.

POLICY 4.6

Encourage an equitable distribution of growth according to infrastructure and site capacity.

Equitable growth brings economic opportunity to all residents, provides for intelligent infrastructure investment and offers a range of housing choices. Distributing growth equitably means that each part of the City has a role in planning for growth, and receives an equitable distribution of growth's benefits. It is as much about revitalizing and redeveloping transitioning parts of the City such as the Eastern Neighborhoods, as it is about guiding new communities in areas such as Treasure Island.

Whether in existing or new neighborhoods, all of the City's residents should have access to public infrastructure, services and amenities. In ideal circumstances, infrastructure will be available before or in concert with new housing. Therefore growth should be directed through community planning to areas where public infrastructure exists and is underutilized; or where there is significant site capacity and new infrastructure is planned in cooperation with new development.

POLICY 4.7

Consider environmental justice issues when planning for new housing, especially affordable housing.

The term "environmental justice" was born out of a concern that minority and low-income populations bear a disproportionate share of adverse health and environmental impacts because of where they live. Proximity to undesirable



Below Market Rate Housing Projects

0 Miles 1
MAP 02

- UNITS
- < 10
 - 11 - 50
 - 51 - 200
 - > 201

land uses, substandard housing, housing discrimination, personal safety in housing, and community displacement are environmental justice issues that need to be addressed in many of the City's neighborhoods.

Housing is an important component of addressing environmental justice. The City should promote new, and rehabilitated, low-income housing on sites that do not have negative health impacts, near services and supplies so that residents have access to transit and healthy fresh food, jobs, child care and youth programs. The City needs to also ensure that the costs of housing do not lead to other environmental justice impacts, such as sacrificing nutrition, healthcare, and the needs of their children.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Previous policies have discussed the need to maintain and add new housing to meet San Francisco's identified needs; the policies that follow under this Objective are intended to make sure that all residents have access to those units. Governmental 'red tape', including byzantine application systems and disparate housing application processes, can make accessing the supportive housing system extremely difficult, particularly for people already burdened by language or other social barriers. Social and economic factors can discriminate against certain population groups and limit their access to housing opportunities, leading to patterns of economic and racial segregation. And even when people have successfully entered the supportive housing system, options seldom provide an exit strategy towards independence.

POLICY 5.1

Ensure all residents of San Francisco have equal access to subsidized housing units.

Federal fair housing laws prohibit discrimination against protected classes of people as described below in Policy 6.4; they also prohibit most types of preference so as to avoid discrimination. Many communities, including San Francisco, have adopted some form of local preference,

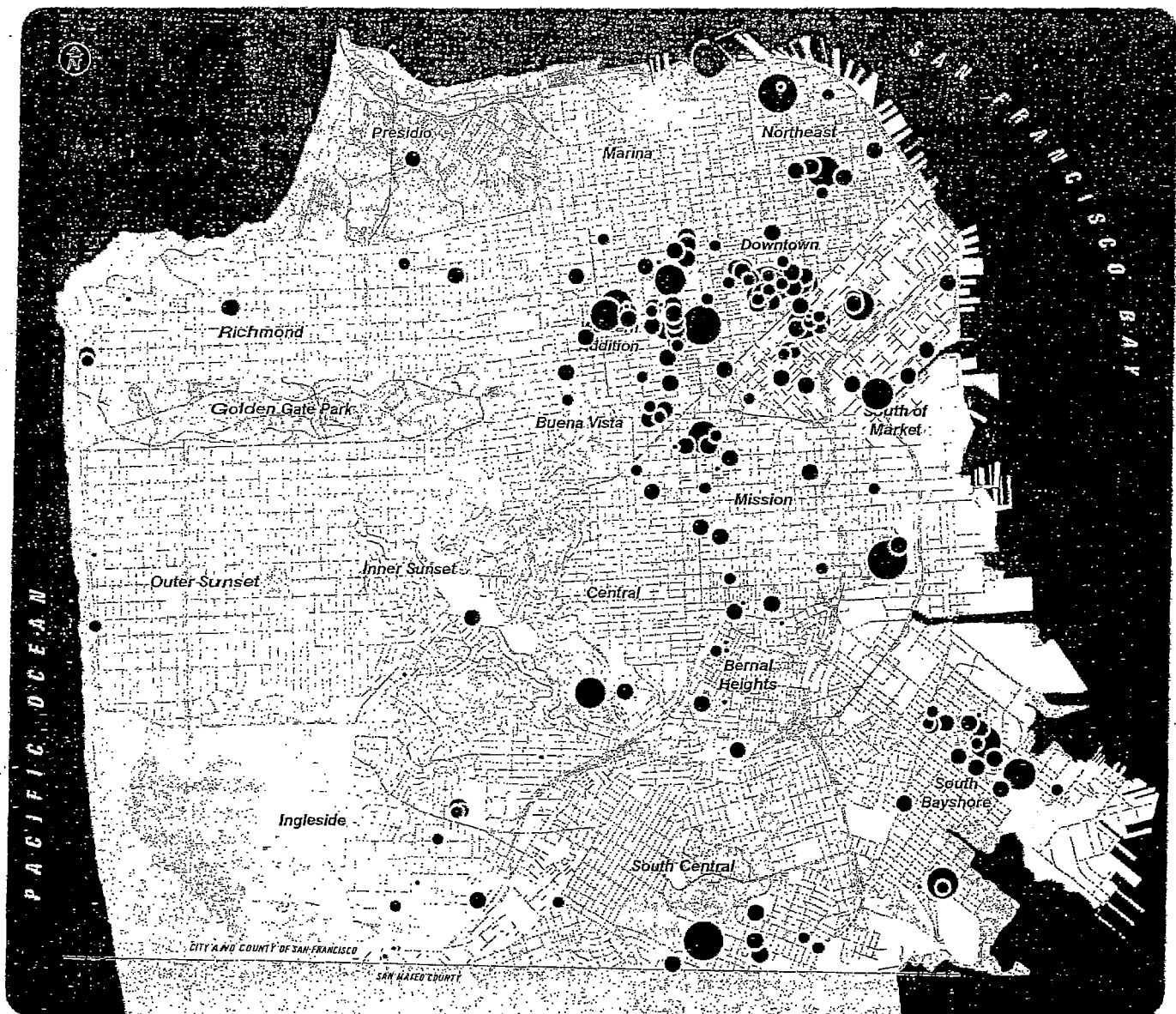
providing priority for people who live and/or work in the municipality to affordable and/or workforce housing sponsored and/or supported by the City. However, smaller geographic preference areas, or any specific racial or other preference, put local governments at risk of violating fair housing laws and constitutional law. To ensure all residents have access to housing, public agencies should make special efforts to attract cultural, racial or ethnic groups who might not normally be aware of their housing choices, particularly those who have suffered discrimination in the past. Marketing and outreach efforts should encourage application by households who are least likely to apply because of characteristics protected by fair housing law.

POLICY 5.2

Increase access to housing, particularly for households who might not be aware of their housing choices.

Currently, subsidized housing is offered through a number of City agencies, including the San Francisco Housing Authority, the San Francisco Redevelopment Agency, the Mayor's Office of Housing, and the Department of Health and Human Services; by nonprofit entities managing their own housing developments; and even by market-rate developers in the case of the City's Inclusionary Housing Program. The result of so many programs, with different administering entities, creates difficulty in navigating the City's affordable housing placement system, and places a high burden on housing advocates and service providers. A comprehensive, single-stop source of all available housing is needed to link residents to prospective homes in a timely matter.

Efforts to improve access should focus particularly on groups who might not be aware of their housing choices, including those with lower incomes, language and comprehension barriers, and those who have suffered discrimination in the past. The City should therefore partner with community providers already serving those groups. Available housing should be advertised broadly, with targeted outreach to at-risk populations and communities, in multi-lingual media to ensure fair marketing practice. And information about housing rights, such as safeguards against excessive rent increases, should be given the same marketing and outreach.



Affordable Housing Projects

0 1 Miles
MAP 03

- UNITS
- < 10
 - 11 - 50
 - 51 - 200
 - 201 - 300
 - > 301

Moving up the Housing Ladder Galvin Apartments

The Galvin Apartments located in San Francisco's SOMA district provide low income households permanently affordable studio apartments. The 56 units were constructed in 2006 as an off-site requirement of the City's Inclusionary Zoning ordinance. As opposed to an SRO unit, the studios at the Galvin have full private baths and kitchenettes with a stove and a microwave. This type of development fills a niche in the housing market that allows SRO tenants move up the housing ladder into a more permanent housing type.

Rental units constructed under the Inclusionary Zoning requirement are required to be affordable to a resident earning 60% of the area median income. However, the developer of the Galvin Apartments partnered with Tenderloin Housing Clinic to construct units that could be rented at 35% of area median income.



POLICY 5.3

Prevent housing discrimination, particularly against immigrants and households with children.

Housing discrimination is defined as the denial of rights to a group of persons by direct providers of housing whose practices making housing unavailable to certain groups of people. Discrimination can be based on race, color, or national origin; religion; sex or gender; familial status; and disability; and furthermore on factors such as HIV/AIDS status, weight or height, source of income, and economic discrimination. Discrimination in housing is governed primarily by the federal Fair Housing Act. To ensure housing opportunities for all people, the City should assist in the implementation of fair housing and anti-discrimination laws. The Human Rights Commission enforces the City's Fair Housing Law and handles complaints of housing discrimination.

Households with children are one group that is often cited as having difficulty finding suitable housing because some landlords discriminate against children as tenants. The City should continue enforcement of the 1987 ordinance prohibiting residential apartment owners from discriminating against families based on household size unless the

Building Code does not permit occupancy of the dwelling by a family of that size. In publicly subsidized housing, households with dependent children should have multiple bedroom units.

The State and City have developed numerous tenants' rights laws and fair housing statutes. Education of residents and tenants is critical to ensure implementation of these laws, and the City should work not only to uphold such laws, but to broaden their affect by partnering with community service providers and housing rights advocates to expand both knowledge and protections.

POLICY 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

Changes in life stage or household type, such as a personal need, illness or disability; the birth of a child; or a change in economic situation or job opportunity, can affect the type of unit a household requires. Once residents do achieve housing, they are also challenged in moving beyond that unit to another housing unit that may be more appropriate

Centralized Information: Washington DC Housing Search Website

In late 2008, Washington DC introduced a website that aggregates the City's affordable rental and for sale property listings: <http://www.dchousingsearch.org>. All of the affordable housing development projects funded by the DC Department of Housing and Community Development are required to list available units on DCHousingSearch. DC Housing Authority developments, Section 8 rental and for sale properties, and other managed developments are also included. Both publicly subsidized units as well as privately owned units are searchable on the website.

The online housing locator service is free to both prospective tenants and landlords. Listings for apartments include the number of bedrooms and baths, rent and deposit costs, a map of location, and if the unit is handicapped accessible. In addition to the housing listings, the website also provides housing information and resources such as an affordability calculator, links to tools and services for renters and low-income households, and renter rights and responsibilities information.

for their current life stage. To meet the diversity of need demanded by the residents of San Francisco, a range of housing types must be provided, and the ability to move between these types – often referred to as “moving up the housing ladder” must be available.

Supportive housing, or housing for the formerly homeless, is often the first step on the ladder for many individuals. However, much of the housing aimed at meeting this need is temporary, renting by the week or month, and intended only to provide short-term housing until another option can be found. Other options, and support service that help move people between these options, is required. To make such movement possible, the City needs to make a concerted effort to link its various programs, and provide counseling for residents in aspects of those programs so they have the ability to move between them. The City also needs to provide financial support needed to start at the next level, whether that is a rental deposit for an apartment or a down payment for a first home. The City should also look to helping people on the other side of the housing ladder, such as those who might be downsizing, particularly from single family homes into either smaller units/condos or rental units.

OBJECTIVE 6

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

Over the last Housing Element period, San Francisco has made strides in addressing homelessness, with documented decreases in population living on the street. The policies of the 1980s that regarded temporary shelter as an acceptable housing plan for homeless households has been superseded by an increased focus on permanent supportive housing programs, as well as programs such as Project Homeless Connect (where volunteers connect homeless individuals to services), Care Not Cash (which redistributes general relief support in the form of housing & other services), and eviction prevention services that attempt to stem the onset of homelessness before it starts.

However, homelessness continues, and recent figures show that homelessness figures have increased as unemployment has risen. Statistics show that the category at most risk for homelessness is middle-aged individuals, particularly males, of all races; immigrants and families. Special categories of risk include veterans, those with substance abuse problems, and transgendered individuals.

POLICY 6.1

Prioritize permanent housing solutions while pursuing both short- and long-term strategies to eliminate homelessness.

While shelters can provide an alternative to sleeping on the streets, they do little to address the underlying causes. A permanent solution to homelessness requires permanent affordable housing. San Francisco has focused homeless housing efforts on providing very low-income homeless singles and families a range of supportive options that are intended to stabilize their housing situation for the long term. Programs sponsored by the Human Services Agency include Permanent SRO Housing for Single Adults through the Master Lease Program, Rental Housing Subsidies for Single Adults and Families with Disabilities including mental health, substance abuse and/or HIV/AIDS, and Permanent Supportive Housing for Families.

In addition to permanent housing, temporary shelters and services are still needed; particularly services that provided in an unbiased, multi-lingual and multicultural context. Immediate housing will be needed to serve socio-economic groups that will be particularly impacted by the recent economic trends. In particular, more home-improvement workers and day laborers, facing more competition and a dwindling number of construction jobs, are becoming homeless. Yet few flexible options for housing - meaning, housing that is not already reserved for a specific program - exist in the neighborhoods they call home, resulting in people shuttling from neighborhood to neighborhood to find an open bed.

The City's "Continuum of Care: Five-Year Strategic Plan," created by the San Francisco Local Homeless Coordinating Board (the primary City policy board responsible for planning and coordinating homeless programs in the city), is intended to provide a comprehensive roadmap for policy and services directed towards people who are homeless and at risk for homelessness. Its "priority" sectors of action include permanent, subsidized housing; transition from incarceration, foster care and hospitals as well as avoiding evictions; interim housing in shelters as a stopgap until permanent housing is available; improvement of access to housing and support services; increased economic stability

through employment services and education; and respectful, coordinated Citywide action dedicated to individual's rights. The City's "10 Year Plan to End Chronic Homelessness" focuses more deeply upon permanent supportive housing for the chronically homeless including families, which make up an estimated 20% of San Francisco's homeless population. Both plans should continue to be executed and implemented, and creation of the housing types they promote - both permanently affordable and necessary additional shelters - should be located equitably across the City according to need.

POLICY 6.2

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

Between 60 to 80% of all homeless individuals in San Francisco may suffer from physical disability, mental illness, or substance addiction. The City's "Continuum of Care" plan prioritizes stable, permanent housing for this group.

Families, while not the highest incidences of homelessness (last year's count by the Human Services Agency found that 91% of the homeless were single adults, and 9% were in families) are an important category of need. Homeless family housing is extremely limited; focusing on the City's chronically homeless often leaves out families, who tend to become homeless situationally, based on current job or economic conditions.

Refugees and immigrants also face housing hardship. Language barriers and, frequently, the additional hurdle of illegality can create unique barriers to housing access. Homeless people who are undocumented can face prejudice in trying to secure beds or units, inability to communicate, and frequently have difficulty accessing beds on a regular basis, or the more stable, long-term forms of housing that might enable them to move up the housing ladder. Both families and immigrants should be given particular consideration in the City's homeless policies and housing creation.

Issue 4: Facilitate Permanently Affordable Housing

OBJECTIVE 7

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

Responding to the needs for affordable housing is the most critical housing objective in San Francisco. San Francisco's projected affordable housing needs far outpace the capacity for the City to secure subsidies for new affordable units. A successful funding strategy will require a range of resources including federal, state, and regional partners, and the City.

First, the City must continue to proactively pursue additional federal, State and regional affordable housing and infrastructure dollars to support projected housing needs. Second, the City must continue to aggressively develop local programs to fund affordable housing, including strategies that more efficiently use existing subsidies to work towards the desired mix of affordable housing options. Third, the City needs to look beyond dollars for creative ways to facilitate affordable housing development that make sense in the current economic climate, such as land subsidy programs, process and zoning accommodations, and acquisition and rehabilitation programs.

POLICY 7.1

Expand the financial resources available for permanently affordable housing, especially permanent sources.

San Francisco should continue to be a leader in identifying, securing and mandating funding for permanently affordable housing. Building on a good track record for securing federal and state funds, the City shall continue to lobby for

necessary funding in coordination with regional entities. Local programs such as HOPE-SF, inclusionary housing and 50% set asides of Redevelopment Areas' Tax Increment Financing dollars demonstrate a strong dedication to providing local funding to affordable housing. These programs should be continued and expanded as feasible.

The State should also consider methods of increasing funding for affordable housing. Ballot measures do not promote long-term security for affordable housing, and given recent ballot trends, asking voters to go further into debt every four years is a risky proposition. The City should support state efforts to identify a permanent state fund that would finance housing for low- and middle-income households.

A dedicated, permanent source of local funding for housing programs will also help address the need for affordability over the long-term. Currently, local funding for affordable housing is dependent on annual budgeting, which makes long-term planning difficult. It also creates a situation where affordable housing funding is dramatically effected by downturns in the economy, which further exacerbates issues already faced by low-income families. Ultimately San Francisco's affordable housing programs should have a permanent funding source.

POLICY 7.2

Strengthen San Francisco's affordable housing efforts by planning and advocating at regional, state and federal levels.

Housing affordability in San Francisco is not an issue that may be addressed in isolation from other municipalities in the region. Because the region's growth forecast is based on increased housing development that supports alternative transportation modes, the State and region's policies project that a large proportion of the region's growth will



continue in San Francisco. Thus, the City needs to advocate strongly for a coordinated regional strategy that takes into account the planning and capital required to accommodate the household growth in a sustainable way.

Also, because the RHNA's originate from state allocations, state funding sources need to program funding for affordable housing and infrastructure according to growth forecasts. Senate Bill 375, California's landmark smart growth bill adopted in 2008, legislates the reduction of greenhouse gases through regional and local planning efforts, and requires that any transportation projects and programs that receive state funding must be consistent with these greenhouse gas reduction plans. However, the State should seek to go further in tying funding to smart growth allocations, by directing housing and infrastructure funds towards jurisdictions accommodating that smart growth; and federal stimulus fund efforts should follow this same model. The City needs to use its planning and redevelopment efforts, which outline a land use and infrastructure framework for growth, to more strongly advocate at the state and federal funding world.

POLICY 7.3

Recognize the importance of funds for operations, maintenance and services to the success of affordable housing programs.

A holistic approach to affordable housing includes careful consideration of the operation, services and maintenance programs necessary to maintain the housing once it is built. As the income level of households decreases, the income subsidy needed to cover the gap between eligible operating costs and project income becomes deeper.

Operations and maintenance costs should be considered as a necessary aspect of publicly subsidized affordable housing projects. One potential strategy is the development of a fund earmarked for operations and maintenance costs affordable to very low-income persons, based on the supplement to rent revenue required to cover ongoing operating expenses. Services plans should include resident placement and supportive services, including job placement, as needed.

POLICY 7.4

Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

Land costs are a considerable portion of affordable housing development costs. Land trusts and land dedication programs can reduce those costs – thus reducing the overall subsidies required to build new affordable housing units. The City shall support and encourage land based subsidies, especially when land is well suited for affordable housing development.

Land trusts rely on individuals or groups to purchase the land and later devote that land to affordable development entities; this model is appropriate for public agencies or larger employers as a way of supporting affordable housing development. The San Francisco Community Land Trust is one example of how a nonprofit can purchase land and maintain permanent affordability by creating long terms ground leases that include re-sale restrictions.

Land dedication allows property owners to designate their land for an affordable housing project; this model could most likely be used by private citizens or private developers wishing to provide community benefits. The Trust for Public Land has a program which promotes dedication for open space purposes by providing major tax deductions; a similar program could be developed for charitable contribution of land for housing purposes.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

Public processing time, staffing, and fees related to City approval make up a considerable portion of affordable housing development costs. The City should expedite the review process and procedures as appropriate; to reduce overall development costs and increase the performance of public investment in affordable housing.

Local planning, zoning, and building codes should be applied to all new development, however when quality of life and life safety standards can be maintained zoning accommodations should be made for permanently affordable housing. For example exceptions to specific requirements including open space requirements, exposure requirements, or density limits, where they do not affect neighborhood quality and meet with applicable design standards, including neighborhood specific design guideline, can facilitate the development of affordable housing. Current City policy allows affordable housing developers to pursue these zoning accommodations through rezoning and application of a Special Use District (SUD).

City review and approval of affordable housing projects should be improved to reduce costly delays. Affordable housing projects already receive Priority Application Pro-

cessing through coordination with the Planning Department, Department of Building Inspection, and Department of Public Works. This process could be further enhanced by designating a planner(s) to coordinate governmental activities related to affordable housing.

POLICY 7.6

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

The City's existing housing stock provides a resource which can be used to fulfill a number of affordable housing needs. The City should pursue and facilitate programs that enable households to better access existing housing stock. By acquiring and rehabilitating such units, the City can use affordable housing funds in a cost-effective way that provides stability in existing low-income neighborhoods, where units may be at risk of poor safety or conversion. Such housing acquisition and rehabilitation should happen only on a voluntary basis, and must not displace occupants.

San Francisco should also explore opportunities to take advantage of projects that are delayed, abandoned or are on the market. Having a readily accessible pool of funding available for purchase of such projects would enable affordable housing developers to take over the land and entitlements of such projects. The City should explore a number of options to assist in securing these opportunities for permanently affordable housing, co-ops or land-trust housing, including subsidies, affordable housing programs, new tax incentives or government intervention.

POLICY 7.7

Support housing for middle income households, especially through programs that do not require a direct public subsidy.

Market rate housing in the City of San Francisco is generally available to households making at or above 180% of median income. Affordable housing programs, including City subsidized affordable housing and inclusionary housing, are provided to households at or below 120% of median income. This leaves a gap of options for households in between those two categories, referred to as "middle income" households and defined for the purposes of this Housing Element as housing affordable to households

making between 120 and 150% of median income. Unfulfilled demand for middle income housing impacts the supply and pressure on housing stock for lower income households.

San Francisco prioritizes federal, state, and local subsidies for lower income households; therefore the City should support innovative market-based programs and practices that enable middle income housing opportunities. Creating smaller and less expensive unit types that are "affordable by design" can assist in providing units to households falling in this gap. Development strategies that reduce construction costs, such as pre-fabricated housing and other low cost construction types can decrease overall housing costs, making it affordable to middle income households without subsidy. Industrialized wood construction techniques used in lower density housing and light-weight prefabricated, pre-stressed concrete construction in moderate and high density housing also have the potential of producing great savings in construction time and cost.

POLICY 7.8

Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives.

Affordable homeownership opportunities are part of providing a diversity of housing opportunities in the City.

San Francisco should continue homeownership assistance programs including counseling, down payment assistance, silent second mortgages and programs that support teachers. Other programs that reduce the burden of homeownership such as limited equity cooperatives, which can be created through community land trusts and are discussed in Policy 3.2, should be supported by the City.

Recent homeownership and foreclosure trends have resulted in potential opportunities for affordable homeownership programs. To the extent that San Francisco experiences foreclosures, San Francisco should provide assistance to existing homeowners and work to secure foreclosed units as affordable ownership opportunities. Where larger, multi-unit buildings become available via foreclosures, the City should look to acquire them as permanently affordable

units; this would require the ability to reformulate related programs to access funding, or a designated local fund that is structured to act quickly to enable such purchases as they become available.

OBJECTIVE 8

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

The development of affordable housing is critical to the long term health, sustainability and diversity of San Francisco. In order to successfully deliver affordable housing the City and private sector must have the tools they need to develop and rehabilitate affordable housing. It is in the interest of the City to ensure that both public and private entities that participate in the delivery and maintenance of affordable housing have resources and materials, in addition to funding that are necessary to deliver affordable housing. Key functions include technical support and services, and political support and development of public awareness.

POLICY 8.1

Support the production and management of permanently affordable housing.

Non-profit housing development corporations develop most of San Francisco's subsidized affordable housing. The City should continue to provide technical and financial assistance to support continued operations and enhanced capacity of these entities. One strategy is to facilitate partnerships, such as linking nonprofits with private developers for joint development opportunities, or with lenders to expand funding options. Another is providing information and advice, such as training on design, green building and energy efficient remodeling, and information about construction products.

Additionally the City should invite partnerships towards affordable housing development with market rate developers, major employers, religious organizations, other philanthropic organizations and trade unions. These organizations may offer development or organizational capacity, funding or land resources.

POLICY 8.2

Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

Local employers, particularly larger employers, have a vested interest in securing housing necessary to support their work force. The City should foster stronger housing advocacy among employers, who could advocate for housing projects and types. The City should also connect major employers to both market-rate and affordable developers, especially those with a vested interest in workforce housing; such partnerships could provide developers with a funding resource, or a pool of committed residents, which could reduce the risk of developing a project, while securing housing for employees.

POLICY 8.3

Generate greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

Affordable housing projects are sometimes delayed or withdrawn because of community opposition. Greater public awareness of affordable housing challenges and potential solutions would generate broader long-term support for housing. San Franciscans, faced with one of the most expensive housing markets in the City, generally support the notion of providing more affordable housing options and understand the range and severity of affordable housing needs in the City. However when individual projects are presented the macro understanding of the affordable housing crisis gets lost in fears about changes to an individual neighborhood or block. The City, in coordination with affordable housing providers, should work to showcase successful affordable housing projects that improve neighborhoods, help households, and provide much needed workers for our City.

OBJECTIVE 9

PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.

In 1997, in response to a change in federal guidelines that allowed the affordability provisions on subsidized housing to expire, San Francisco created a program to preserve affordable housing. Through this program the Mayor's Office of Housing and the San Francisco Redevelopment Agency has acquired and transferred a number of at-risk developments to non-profit entities for permanent affordability.

Continuing to maintain the existing stock of subsidized units is a critical component of San Francisco's affordable housing strategy. As units provided by the Redevelopment Agency and MOH, which currently apply life-long affordability restrictions to their projects, are not particularly at risk, efforts need to focus on properties not financed by these entities. Additionally, the City should continue to provide long term funding strategies to new subsidized units, to protect the public's investment in affordable housing and maintain housing stability.

POLICY 9.1

Protect the affordability of units at risk of losing subsidies or being converted to market rate housing.

Existing affordable housing units should be maintained and preserved at their current levels of affordability. Through the Housing Preservation Program (HPP), the City's housing agencies work to restructure funding terms of Community Development Block Grant funds and housing office bonds to extend affordability terms of subsidized developments. In most cases, the land is purchased by the Redevelopment Agency, with long-term affordability contracts required for the units. The City should continue these efforts to ensure that subsidized units remain affordable when a specific subsidy expires. To protect affordability, preservation program efforts need to begin early, prior to the contract's expiration date, so careful tracking of existing subsidized housing and coordinated planning among various agencies should be continued.

The City also has additional ordinances that limit profit from market-rate conversions of restricted units, thereby motivating HUD contract renewals. These include the Rent Control Ordinance (Administrative Code, Chapter 37), the Assisted Housing Preservation Ordinance (Administrative Code, Chapter 60), the Source of Income Ordinance (City Police Code, Article 33, Section 3304), and the Just Cause Eviction Ordinance (Residential Rent Stabilization and Arbitration Ordinance, Chapter 37.9). The implementation of these ordinances should be continued.

POLICY 9.2

Continue prioritization of preservation of existing affordable housing as the most effective means of providing affordable housing.

Financial support is required to continue to support the preservation of existing affordable housing. The HPP program has used tax-exempt bond financing, low income tax credits and federal funds to finance acquisition and rehabilitation costs. In addition, the Agency has engaged tenants and built organizing capacity to support acquisition negotiations with owners of such developments. The City should continue these mechanisms to complete acquisitions of existing, at-risk subsidized units.

Additionally, other agencies in the City should look to retain existing affordable housing stock with supportive programs and policies. Privately owned and operated rental housing is under continuing pressure to convert to market rate housing, and programs such as the acquisition and rehabilitation model discussed previously can aid in their retention.

POLICY 9.3

Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

The San Francisco Housing Authority is the largest landlord in San Francisco with over 6,200 units, and is one of the most important sources of permanently affordable housing for low-income households. The devolution of responsibility for public housing from a federal to local level requires increased local responsibility for public housing developments. The City should continue to pursue innovative local financing techniques, energy efficiency measures, and creative property management and customer service. Innovative programs such as HOPE SF, which distinguish San Francisco as a leader in public housing redevelopment should be continued with City investment and support.

Small Site Acquisition and Rehabilitation Curtis Johnson Apartments

Beyond Shelter Housing Development Corporation (BSHDC) is a non-profit in Los Angeles that is dedicated to both providing housing to people and families that are either homeless or at risk of becoming homeless. In their recent development, the Curtis Johnson Apartments located in South Los Angeles, BSHDC partnered with the California Community Reinvestment Corporation Affordable Housing Partners (CCRC) to transform 48 at-risk, multifamily housing projects into a model of scattered-site, service-enriched housing available for very low-income families. The existing housing units were acquired and rehabilitated to provide a combination of studios, one and two bedroom units, with new kitchens, bathrooms, as well as on-site laundry facilities. Residents have access to a BSHDC services coordinator and may also access services through the Family Services Center at nearby BSHDC development. These units were individual properties scattered across several sites within close proximity to one another, which allowed for easier rehabilitation management, with a services coordinator, access to a nearby family services center, and ongoing property management.



Issue 5: Remove Constraints to the Construction and Rehabilitation of Housing

OBJECTIVE 10

ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION-MAKING PROCESS.

Many factors can constrain the development, maintenance, and improvement of the housing stock. Market conditions, such as the cost of land, the availability of materials, and the rate of labor, are difficult to affect through government actions. Local requirements, such as noticing procedures, review periods and public comment periods, are necessary to ensure opportunities for neighborhood participation. However, providing clarity of planning and permitting requirements, processing time, application and review procedures, and environmental review requirements, can reduce unnecessary delays.

POLICY 10.1

Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.

There is a clear public benefit to creating, and applying, a strict approach to regulatory land use controls. Certainty in the development regulations simplifies the process for applicants, and allows neighbors to understand and anticipate the likely outcomes of changes in their neighborhood. It also reduces misunderstandings between developers and communities before proposals have been designed to a level of detail where change can be very costly or time-consuming. The ultimate goal of a "certain" development entitlement process is to create greater transparency and accountability in the process for all parties, empowering both the public and developers.

A goal of recent Planning Department community planning processes is to use the intensive neighborhood-based planning process to coordinate citywide goals with the needs of individual neighborhoods. The resulting adopted area plans have directed both land use and urban form to create development that is of a character and quality specified by the community, through clear Planning Code provisions as well as neighborhood specific Design Guidelines.

It is critical that the spirit and letter of these adopted area plans are implemented. Full implementation of the Community's vision requires consistent application of plan policies and project review. Once such controls are in place, it is the responsibility of planning and permitting staff to adhere to consistent and clear application of Planning Code, Design Guidelines, and other adopted requirements. Monitoring reports adopted as a part of each area plan should be used to improve consistency and results of the regulatory process.

Affordable housing projects are often granted exceptions to general requirements to further the City's ability to meet affordable housing objectives. Often simple exceptions raise confusion and concern among community members. Where additional support may be required for projects which meet the City's targeted housing needs, such as permanently affordable housing for very-low and low-income households, the City should explore methods such as designating Planning staff, or taking an active role in mediating disputes with neighbors. Such a function could either be provided within the City or contracted with an outside non-profit entity to provide free mediation services.

POLICY 10.2

Implement planning process improvements to both reduce undue project delays and provide clear information to support community review.

As part of the Action Plan, the Planning Department is exploring a number of procedural and operational reforms intended to reduce project delays and increase community review.

To provide a more efficient review process that also provides the potential for earlier community review, the Planning Department is implementing a "Revised Development Review Process," based on the concept that earlier input and coordination by all divisions of the Planning Department on larger, more complex projects results in a more efficient review overall. The efficiency is gained by identifying and addressing significant project issues, and providing developers more comprehensive procedural information

early in the review process. This approach also improves the likelihood that communities surrounding potential development projects will be more aware early in the review process. Together, these features reduce the overall review time for a project, allow for earlier community awareness, and—perhaps most importantly—ultimately result in better projects being approved and built.

To initiate neighbor communication early on in the development process, and provide the project sponsor the opportunity to address neighbor concerns about the potential impacts of the project prior to submitting an application, the Department has also implemented a required Pre-Application Process that requires eligible project sponsors to conduct community meetings prior to filing any entitlement, inviting all relevant Neighborhood Associations, abutting property owners and occupants. This process allows the community access to planned projects, and allows the project sponsor to identify, and address, issues and concerns early on.



POLICY 10.3

Use best practices to reduce excessive time or redundancy in local application of CEQA.

The California Environmental Quality Act was initiated to open development decisions so that action could be taken to offset negative environmental effects, and as a mechanism for community review of projects. At its basis, CEQA offers a tool to balance environmental values with concrete development decisions, and as such, was one of the early tools citizens and agencies had to promote environmentally favorable projects, and reject, or reduce the impact of, negative ones. However, its provisions have created numerous concerns about delay and misuse of CEQA; policymakers have recently started discussing reform of CEQA to help address concerns about misuse and delays to good housing projects. Reform should be pursued in a way that does not unduly limit neighborhood participation in review of development proposals.

Using best practices, Community Plan exemptions and tiered environmental reviews can help enable CEQA to be more closely tuned to its initial intent, and to become a strong mechanism for smart growth planning and development. In particular, the City should explore mechanisms that will maintain the strength of CEQA and its use as a tool for environmental protection while eliminating aspects of its implementation that are not appropriate to the City's context. One such improvement underway is the recent Board of Supervisors direction to study the updating of automobile "Level of Service" (LOS) with Auto Trip Generation (ATG) as a more meaningful measure of traffic impacts in an urban context. The City should ensure best practices do not impact any community's ability to understand, and provide input towards, impacts of proposed projects. Residents should continue to have due process available to them to participate in future of their neighborhoods.

POLICY 10.4

Support state legislation and programs that promote environmentally favorable projects.

Senate Bill 375 legislates the reduction of greenhouse gases through regional and local planning efforts, to achieve state-wide sustainable development goals. SB 375 provides some regulatory relief for "sustainable projects" to reduce project costs, processing time and legal risks, including reducing some CEQA provisions. It also hints at linking future State infrastructure funding, specifically transportation funds, to achievement of smart growth goals, including lower vehicle miles traveled. Allocation of affordable housing resources, particularly for new production, should be consistent with smart growth principles.

SB375, and future regional and state efforts, should be accompanied by the kind of funding that will enable growth to truly be "smart". Linking funding directly to efficient land use, rather than to population or regions, would encourage smart land use patterns. The implementation of SB375 should be monitored, and addressed with amendments if necessary, to ensure it successfully provides the tools necessary to meet its smart growth goals in San Francisco.

Issue 6: Maintain the Unique and Diverse Character of San Francisco's Neighborhoods

OBJECTIVE 11

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

San Francisco is a City of neighborhoods, each with a distinct character and quality. While the Housing Element provides a citywide housing strategy, no policy should be applied without first examining its applicability to each specific neighborhood's unique context. Its implementation should be applied and expressed differently in each neighborhood. The existing character, design context (including neighborhood specific design guidelines), historic and cultural context, and land use patterns of each neighborhood shall inform and define the specific application of Housing Element policies and programs. As each neighborhood progresses over time the distinct characters will form the foundation to all planning and preservation-work in the area. Just as the City seeks a variety of housing types to meet the diversity of needs, the City also values a variety of neighborhood types to support the varying preferences and lifestyles of existing and future households. Changes planned for an area should build on the assets of the specific neighborhood while allowing for change.

POLICY 11.1

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

San Francisco has a long standing history of beautiful and innovative architecture that builds on appreciation for beauty and innovative design. Residents of San Francisco should be able to live in well-designed housing suited to their specific needs. The City should ensure that housing provides quality living environments and complements the character of the surrounding neighborhood, while striving

to achieve beautiful and innovative design that provides a flexible living environment for the variety of San Francisco's household needs.

The City should continue to improve design review to ensure that the review process results in good design that complements existing character. The City should also seek out creative ways to promote design excellence. Possibilities include design competitions that foster innovative thinking, and encouraging designers to meet with other local architects to provide peer review. New York City recently implemented a similar initiative that awards public projects, including affordable housing, based on talent and experience rather than to the lowest bidder, which has resulted in several buildings with lauded design.

POLICY 11.2

Ensure implementation of accepted design standards in project approvals.

As the City's Residential Design Guidelines state, San Francisco is known for its neighborhoods and the visual quality of its buildings. Its architecture is diverse, yet many neighborhoods are made up of buildings with common rhythms and cohesive elements of architectural expression. For all new buildings and major additions, the fundamentals of good urban design should be followed, respecting the existing neighborhood character, while allowing for freedom of architectural expression. A variety of architectural styles (e.g. Victorian, Edwardian, Modern) can perform equally well. Proposed buildings should relate well to the street and to other buildings, regardless of style. New and substantially altered buildings should be designed in a manner that conserves and respects neighborhood character. High quality materials, and a strong attention to details, should be carried across all styles. And buildings should represent their era, yet be timeless.

Planning Department review of projects and development of guidelines should build on adopted local controls, including recently adopted Area Plans, neighborhood specific design guidelines, and historic preservation district documents. Planning staff should be aware of, and be a resource for, on-going individual community efforts that support good planning principles, such as neighborhood-specific Covenants, Conditions, and Restrictions (CC&R's) and design guidelines. New development and alterations or additions to existing structures in these neighborhoods should refer to these controls in concert with the citywide Residential Design Guidelines, although only those guiding documents approved by the Planning Commission may be legally enforced by Planning staff. Also projects in historic preservation districts should refer to related design documents.

POLICY 11.3

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

Accommodation of growth should be achieved without damaging existing residential neighborhood character. In community plan areas, this means development projects should adhere to adopted policies, design guidelines and community review procedures. In existing residential neighborhoods, this means development projects should defer to the prevailing height and bulk of the area.

To ensure character is not impacted, the City should continue to use community planning processes to direct growth and change according to a community-based vision. The Planning Department should utilize residential design guidelines, neighborhood specific design guidelines, and other documents describing a specific neighborhoods character as guideposts to determine compatibility of proposed projects with existing neighborhood character.

The Department should support the adoption of neighborhood-specific design standards in order to enhance or conserve neighborhood character, provided those guidelines are consistent with overall good-planning principles and help foster a more predictable, more timely, and less costly pre-development process. To this end, the Depart-

ment should develop official procedures for submittal of neighborhood-initiated design guidelines, for review by Department staff, and for adoption or endorsement.

POLICY 11.4

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

Current zoning districts result in land use and density patterns shown on the accompanying Generalized Permitted Housing Densities by Zoning District, Map 6; and the accompanying table illustrating those densities, Table I-64, in Part 1 of the Housing Element. The parameters contained in the Planning Code under each zoning districts can help ensure that new housing does not overcrowd or adversely affect the prevailing character of existing neighborhoods. The City's current zoning districts conform to this map and provide clarity on land use and density throughout the City. When proposed zoning map amendments are considered as part of the Department's community planning efforts, they should conform generally to these this map, although minor variations consistent with the general land use and density policies may be appropriate. They should also conform to the other objectives and policies of the General Plan.

POLICY 11.5

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

Residential density controls should reflect prevailing building types in established residential neighborhoods. Particularly in RH-1 and RH-2 areas, prevailing height and bulk patterns should be maintained to protect neighborhood character. Other strategies to maintain and protect neighborhood character should also be explored, including "neighborhood livability initiatives" that could examine guidelines and principles to preserve what is beloved about the area. Such an initiative could result in strategies to improve the appearance and accessibility of neighborhood commercial districts, or neighborhood specific design guidelines for specific RH-1 and RH-2 neighborhoods.

POLICY 11.6

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

Buildings define the public realm. Building height, set-back, and spacing define the streets, sidewalks, plazas, and open space that provide the setting for people to meet and interact informally and shape the neighborhood's range of social experiences and offerings. Buildings shape views and affect the amount of sunlight that reaches the street. And the frontage of buildings can encourage interaction, while providing safety and increasing surveillance of the street. Thus, buildings should be designed with a human scale, consistent with each individual area's traditional pattern of development. Design features such as regular entrances and windows along the street, seating ledges, outdoor seating, outdoor displays of wares, and attractive signage, the use of stoops and porticos, and limiting blank walls all assist in ensuring an inviting community environment.

The uses of buildings and their relationships to one another can also affect the variety, activity, and liveliness of a place. Zoning for a mix of use, open spaces and community facilities in appropriate locations, such as neighborhood commercial centers, can increase opportunities for social

interaction. Mixing compatible uses within buildings, such as housing with retail, services or small-scale workplaces, can build activity for friendly streets and public spaces. In the best cases, the defining qualities of buildings along the street create a kind of "urban room" where the public life of the neighborhood can thrive.

POLICY 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

Landmarks and historic buildings are important to the character and quality of the City's neighborhoods and are also important housing resources. A number of these structures contain housing units particularly suitable for larger households and families with children.

New buildings adjacent to or with the potential to visually impact historic contexts or structures should be designed to complement the character and scale of their environs. The new and old can stand next to one another with pleasing effects, but only if there is a successful transition in scale, building form and proportion, detail, and materials.



POLICY 11.8

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

The scale and design of permitted commercial and institutional buildings should acknowledge and respond to the surrounding neighborhood context, incorporating neighborhood specific design guidelines whenever possible. To ensure a successful integration of these uses, especially large institutions, the City should pay close attention to plans for expansion through master planning efforts. Analysis should include needs generated for housing, transportation, pedestrian amenities, and other services.

POLICY 11.9

Foster development that strengthens local culture sense of place and history.

In addition to the factors discussed above, including physical design, land use, scale, and landmark elements, neighborhood character is also defined by long-standing heritage, community assets, institutional and social characteristics. Maintaining the linkages that such elements bring, by connecting residents to their past, can contribute to the distinctiveness of community character and unique sense of place; as well as foster community pride and participation.

Elements of community heritage can include the public realm, including open space and streets; and the built environment, institutions, markets, businesses that serve local needs, and special sites. Other, non-physical aspects can include ethnicity, language, and local traditions. Development of new housing should consider all of these factors, and how they can aide in connecting to them. Housing types that relate to the community served, particularly the income, household and tenure type of the community, can help to address negative changes in socioeconomic conditions, and reduce displacement. Constructing housing that includes community components that build upon this sense of place, such as public plazas, libraries, community facilities, public art, and open spaces, can build a stronger sense of community heritage. And the development of neighborhood-specific design guidelines, as discussed above, should review local neighborhood characteristics that contribute to and define its character beyond the physical.

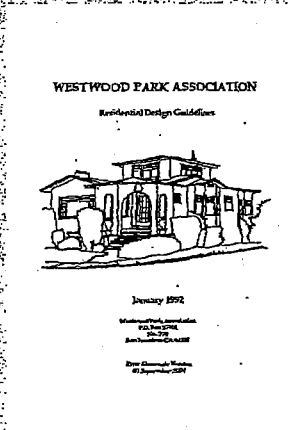
Historically, neighborhoods in San Francisco have become identified with certain cultural groups, including ethnic communities that have settled within corridors or areas of larger neighborhoods. It is important to recognize, however, that local culture is not static. San Francisco's cultural character and composition have shifted as social, ethnic, and political groups have moved across the City's landscape. Plans and programs, including housing developments, need to recognize the duality of changing environments when they occur, and work to both preserve the old while embracing the new.

Community Design Guidelines Westwood Park and Upper Market

Several of San Francisco's neighborhoods have developed design guidelines specific to their neighborhood. These adopted guidelines are used by the neighborhood, city staff and commissions to evaluate proposed projects within the two neighborhoods. This case study looks at two neighborhoods, Westwood Park and Upper Market, which used different methods for the development of the guidelines, either of which might be appropriate for other neighborhoods throughout the city.

In 1992, the Westwood Park Neighborhood Association initiated and completed a set of design guidelines for their neighborhood. The Westwood Park Residential Design Guidelines recognize the cohesiveness of style in a neighborhood built over 2 decades, and provide a general context for neighborhood character. The guidelines specifically cover both physical criteria for residential lots as well as design aesthetics for residential buildings. Topics included in the guidelines range from front and rear yard setbacks to appropriate materials for windows and garage doors. The guidelines were incorporated into the City's Planning Code as a part of the Westwood Park Residential Character District.

In 2008, in the face of increasing development opportunities, District 8 Supervisor Duffy initiated a planning process to give residents, developers, merchants, and community members the opportunity to develop design parameters for the Upper Market corridor. The San Francisco Planning Department, in conjunction with Supervisor Duffy, hired an urban planning and design consultant team to lead the public series of community workshops held throughout the fall of 2007. The outcome of the community process was a set of guidelines that cover topics such as designing an inviting ground floor design, active upper story design, natural systems in building design, and context-sensitive architecture. The Planning Commission adopted the Upper Market Development Design Guidelines as a policy of the Planning Commission, requiring adherence to the Guidelines as a driving criteria for project review and approval.



Upper Market Community Design Framework Overview

Issue 7: Balance Housing Construction and Community Infrastructure

OBJECTIVE 12

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

San Francisco's planning should take into account all elements of a whole neighborhood in coordination with new housing. Citywide and neighborhood specific planning should consider neighborhood infrastructure such as parks, recreational facilities and schools, and neighborhood services such as grocery stores, drug stores and other commercial services.

The City must continue to plan for the necessary infrastructure, especially transportation and water services, to support existing and new households. These fundamental services should be planned at a system level by each relevant agency and coordinated with new growth. Additionally, standard development project review procedures should continue to consider the relationship between new development and necessary infrastructure.

Other important neighborhood elements maintain the health, well-being, and social standards of our City, including publicly provided functions such as schools, parks, libraries; as well as privately developed ones such as grocery stores and neighborhood retail, child care, art and cultural facilities. These elements are critical to maintaining and enhancing the quality of life in San Francisco and should be encouraged and supported.

POLICY 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

New residents require access to neighborhood serving businesses, employment centers, recreation facilities, and regional centers. To the extent possible these trips should be easily accommodated on the existing transportation network with increased services. To that end the city should



promote housing development in areas that are well served with transportation infrastructure including Bart trains, and Muni light rail trains. However, changes to the Planning Code to further accommodate housing near transit will occur through a community based planning process. Encouragement of the use of public transit and car-sharing must be accompanied by improving the reliability and usability of public transportation and broadening access to and location of car share options, as ways to make these alternatives more attractive. Additionally, bicycle amenities can and should be an integral component to housing and supporting the City's Transit First policy. The City must maintain and improve the transportation network in coordination with new development. Long range transportation planning should consider actual and projected growth patterns. Tools such as impact fees should facilitate the coordination of new growth with improved transportation infrastructure. As the City has been directing planning efforts to shape housing construction in transit-rich locations through its Redevelopment, Better Neighborhoods and other community planning processes, its funding efforts should prioritize these parts of the City. To ensure that new neighborhood infrastructure, particularly transit, is provided concurrently with new growth, agencies within the City should prioritize funding or planning efforts within these planned areas, especially for discretionary funding application processes such as the state's Proposition 1C.

POLICY 12.2

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

San Francisco's neighborhoods support a variety of life choices through the quality of life elements they provide. Such elements include open space, child care facilities and

other neighborhood services such as libraries, neighborhood-serving retail (including grocery stores), community centers, medical offices, personal services, locally owned businesses, and a pedestrian and bike-friendly environment. These elements enable residents to continue to live in their neighborhood as their needs change, and encourage neighborhood relationships. Access to these amenities and services at a neighborhood level enables residents to make many trips on foot or public transportation.

Some of these amenities are maintained by the City, such as open space and some child care facilities. The City should consider projected growth patterns in plans for the growth and maintenance of these quality of life amenities. Other neighborhood services such as grocery stores, drug stores, and restaurants are provided by private parties – the City should support and encourage the adequate provision of these services whenever possible.

POLICY 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

Projected growth will affect our local public infrastructure systems, especially transportation infrastructure and systems such as water, sewer and power. Realizing this, the City and County of San Francisco has taken a proactive effort in working towards interagency solutions. However, because provision of major infrastructure transcends City boundaries, long-term strategic planning also requires coordination with, and support from, State and regional agencies. It is critical that State and regional infrastructure funding be directly linked to the Regional Housing Needs Allocations (RHNA), and award plans for infill growth, rather than awarding vehicular capacity throughout the region.

With regards to transportation, the City's long-range Countywide Transportation Plan guides future investment decisions. Managed by the San Francisco County Transportation Authority, the Plan looks at projected growth in jobs and housing in San Francisco, regional trends and changing needs, to provide the city's blueprint for transportation system development and investment over the next 30 years.

With regards to water supply, the San Francisco Public Utilities Commission (SFPUC) plans for growth via the Urban Water Management Plan, which is updated every five years, and is pursuing strategies to addressing increased growth by means such as innovative conservation practices, use of recycled water, and increased use of groundwater. In

conjunction with these plans, the PUC has established new connection fees to ensure that new development pays for the impact it places upon the supply network. The PUC has also recently adopted rate increases to fund voter-approved seismic improvements to the pipe network and the combined sewer/stormwater system.

The City's power networks need to be given the same co-operative consideration. While the City is currently well supplied with power, and is supplementing that system regularly with new technologies such as wind and solar, aging infrastructure, funding constraints and deferred maintenance highlight the need for continued master planning if the emerging vision for a more sustainable system is to be achieved.

Housing and Community Infrastructure Broderick Place

Faletti's Plaza, constructed in 2005 at the corner of Fell and Broderick Streets, is a model development that successfully integrated needed community infrastructure with the construction of new housing. The development involved relocating an existing branch bank and parking lot to create 119 housing units in a mixed use project with a neighborhood market, additional retail uses and a new bank building. Faletti's, a neighborhood grocer that closed in 1999, leaving the community without everyday food access, was brought back to the neighborhood with the development, enabling residents access to a full service grocery store. The retail uses physically wrap the development's parking garage so that it is virtually unseen from the sidewalk. The parking garage provides spaces for the residential and retail uses, as well as bicycle parking and car share parking spots.



Issue 8: Prioritizing Sustainable Development

OBJECTIVE 13

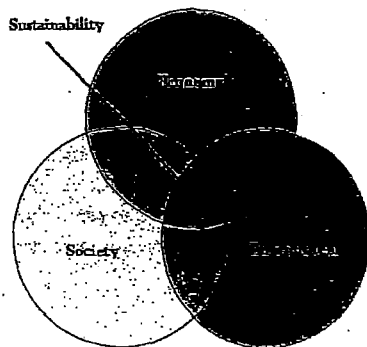
PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

The United Nations' definition of sustainability, also used by the San Francisco Sustainability Plan, states that "A sustainable society meets the needs of the present without sacrificing the ability of future generations to meet their own needs." Accordingly, sustainable development in San Francisco aims to meet all human needs – environmental, economic and social – across time.

San Francisco is often seen as a leader in urban sustainable development, because of its early adoption of a Sustainability Plan (1997), and subsequent policies, from prohibitions on plastic bags and bottled water to the recently adopted Green Building Ordinance. However, sustainable development does not focus solely on environmental issues. It should encompass the way we promote economic growth, so that the most vulnerable, disadvantaged residents get an

equal share of the benefits of growth. Also critical is the concept of social equity, which embraces a diversity of values that are not perhaps as easily quantified as greenhouse gas emissions or marketplace dollars, such as housing & working conditions, health, educational services and recreational opportunities, and general quality of life.

While San Francisco's transit accessibility and role as a regional job center does promote its role as a nexus for new housing development, sustainability does not mean growth at all costs. A truly sustainable San Francisco balances housing production with affordability needs, infrastructure provision, and neighborhood culture and character. Thus, as the City prioritizes sustainability in housing development, all actions need to keep in mind its broad range of environmental, economic and social components, by ensuring that housing development does not degrade environmental quality, or contribute emissions that further impact our resources; by promoting economic vitality so that all citizens have access to housing that is within their means and close to their workplace; and by protecting the rights of all citizens, including preventing their displacement.



POLICY 13.1

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

In San Francisco, and in many of the other job centers in the Bay Area, workers struggle to find housing they can afford. At the same time, employers have difficulty recruiting employees, because of the lack of affordable options near their locations. These trends exacerbate long-distance commuting, one of the primary sources of greenhouse gas emissions; they also negatively impact the working families struggling with such commutes by demanding more travel time and higher travel costs.

The City should support efforts to construct more housing near jobs, and near transit. Yet, sustainable development requires consideration of the impacts of new housing. Plans for smart growth must work to prevent the unintended consequences on low-income residents, such as gentrification and displacement, and to maintain the character and composition of neighborhoods for the long-term.

This answer of new housing near jobs does not apply to San Francisco alone. As part of the larger regional economy of the Bay Area, decisions made by one community - to limit commercial or residential growth - affect other communities in the region. SB 375 attempts to address this at a state level, but continued efforts are required to ensure new residential development is planned region wide to take advantage of the availability of employment opportunities, efficient transportation systems, and community services. It is imperative that governing entities such as the Association of Bay Area Governments and the State structure funding and other incentives to direct local government policies to house their fair, "smart" share of the labor pool, particularly those locations close to transit. San Francisco should take an active role in promoting such policies, and discouraging funding that would enable housing development that is not attached to the use of public transit. The City should also play a greater role in ensuring local and regional growth management strategies are coordinated and complementary.

POLICY 13.2

Work with localities across the region to coordinate the production of affordable housing region wide according to sustainability principles.

Because the need for housing relates to jobs which are provided across the region, planning for housing requires a regional strategy. In a true jobs-housing balance, the workers are the residents of nearby housing, and housing costs are affordable to the local workforce. Provided the type and cost of housing constructed are taken into account, smart growth strategies can address the housing needs of low-income residents, while contributing to diverse communities.

Construction of housing affordable to a mix of incomes must be provided not only in San Francisco, but throughout the region, to allow low-income residents to reach jobs as well as needed services like grocery stores and child-care. At the present time, most of the region's subsidized housing for low- and moderate-income households is concentrated in the central cities, including San Francisco. Communities throughout the Bay Area, particularly those who provide working opportunities for this same population, should accept responsibility for housing low- and moderate-income households as well. One way of addressing affordability needs across municipal boundaries is to explore the creation of a regional affordable housing fund, which could accept funds from both public and private sources. Another is a permanent state fund that would finance housing for low- and middle-income households, which would ease some of the funding uncertainty that occurs during difficult budget years.

POLICY 13.3

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

Sustainable land use patterns include those located close to jobs and transit, as noted above. But they also include easy access to, and multiple travel modes between, other services, shopping and daily needs. This could mean all services needed are located within an easy walk of the nearby housing; it could also mean that such services are available by bike or transit, or in the best cases, by all modes. The common factor in sustainable land use patterns is that the need for a private car is limited.

To encourage walking, cycling and transit use, comprehensive systems must be in place. A Citywide network of walkable streets, bike lanes that are safe for children as well as the elderly, and reliable, convenient, transit must be in place. The City should continue efforts to improve such networks, to make them more attractive to users. The City should also continue requirements and programs that link developers of housing to contribute towards such systems.

Sustainable design that includes improved streets and transit stops adjacent to developed property, as well as the inclusion of mid-block crossings, alleys and bike lanes at larger, multi-block developments, can further incentivize non-automotive movement.

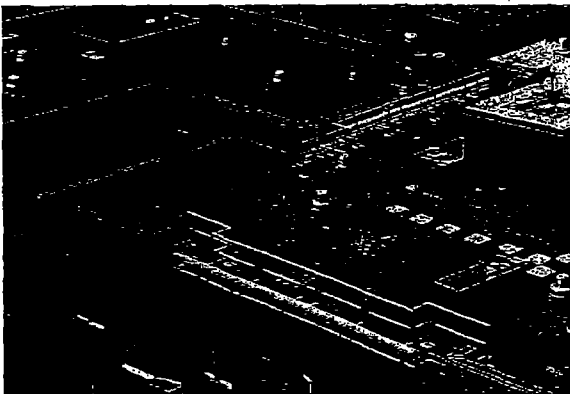
POLICY 13.4

Promote the highest feasible level of "green" development in both private and municipally-supported housing.

Green development specifically relates to the environmental implications of development. Green building integrates the built environment with natural systems, using site orientation, local sources, sustainable material selection and window placement to reduce energy demand and greenhouse gas emissions.

San Francisco has for several years had a municipal green building ordinance, and in [give year] adopted strict green building standards for private construction as well. The City also promotes several incentive programs to encourage development to go beyond the requirements of the ordinances, including Priority permitting for LEED Gold certified projects, solar rebates at the local, state and federal level, and rebates for energy and water efficiency.

Preservation and rehabilitation of existing buildings is in and of itself a "green" strategy, normally consuming far less energy than demolition and new construction. But truly addressing climate change must include upgrades to these buildings as well. Often, features that add to the initial cost of a structure are highly cost-effective in terms of the life cycle or operating costs. For example, weatherization of existing housing can usually pay for itself in a short time, resulting in lower utility bills and housing costs. Energy costs, particularly, can be a burden on low-income families; reducing energy costs, can leave more money for housing. Where the City coordinates on implementation of sustainability programs, priority should be given to programs based on their effectiveness and feasibility.



Portland's Clean Energy Fund

A partnership between municipal governments and power companies in the Portland, Oregon area are currently piloting a Clean Energy Fund that provides a financial mechanism for making green retrofits in residential buildings possible without upfront prohibitive costs. The goal of the program is to provide homeowners a loan that covers the cost of materials and installation for energy improvements. The loan for such improvements is paid back over time through the savings they reap from the improvements on their utility bills. The partnership is using 2009 Federal Stimulus dollars as the seed money for this program.

Homeowners are provided with a home energy assessment that is conducted by both a professional Building Performance Institute contractor and an "Energy Advocate" that helps explain potential improvements. This team assists the team from the beginning with financing options all the way through the installation process. The Portland area pilot is focusing on energy improvements that include: basic weatherization (insulation, air sealing, duct sealing), space heating (furnace or heat pump), hot water (gas, electric, tankless gas), solar hot water, solar photovoltaic, and windows.



ABBREVIATIONS

ABAG	Association of Bay Area Governments
ADA	Americans with Disabilities Act
AGI	Adjusted Gross Income
AMI	Area Median Income
BART	Bay Area Rapid Transit
BIC	Building Improvement Committee
CAPSS	Community Action Plan for Seismic Safety
CEQA	California Environmental Quality Act
CERF	Code Enforcement Rehabilitation Fund
CHRP	San Francisco Community Housing Rehabilitation Program
CPC	Capital Planning Committee
DAAS	Department of Aging and Adult Services
DAH	Direct Access to Housing Program
DALP	Down Payment Assistance Loan Program
DBI	Department of Building Inspection
DPH	Department of Public Health
DCYF	Department of Children Youth and Families
DHS	Department of Human Services
DOE	Department of the Environment
DPW	Department of Public Works
DR	Discretionary Review
HSA	Human Services Agency
HDMT	Healthy Development Measurement Tool
HOPE VI	Housing Opportunities for People Everywhere
HOPE SF	Housing Opportunities for People Everywhere San Francisco
HPP	Housing Preservation Program
HRC	Human Rights Commission
LEED	Leadership in Energy and Environmental Design
MOH	Mayor's Office of Housing
MONS	Mayor's Office of Neighborhood Services
MTC	Metropolitan Transportation Commission
MUNI	San Francisco Municipal Railway
NC	Neighborhood Commercial
OEWD	Office of Economic and Workforce Development
Prop 1C	State of California Proposition 1C Grant Program
RHNA	Regional Housing Needs Assessment
RPD	City and County of San Francisco Recreation and Park Department
SB 375	State of California Senate Bill #375
SFHA	San Francisco Housing Authority
SFMTA	San Francisco Municipal Transportation Agency
SFPUC	San Francisco Public Utilities Commission
SFRA	San Francisco Redevelopment Agency
SFUSD	San Francisco Unified School District
SOMA	South of Market
SRO	Single-Room Occupancy Units
SUD	Special Use District
TDM	Transportation Demand Management
TEP	Transit Effectiveness Project
TIDF	Transportation Impact Development Fee
VMT	Vehicle Miles Traveled

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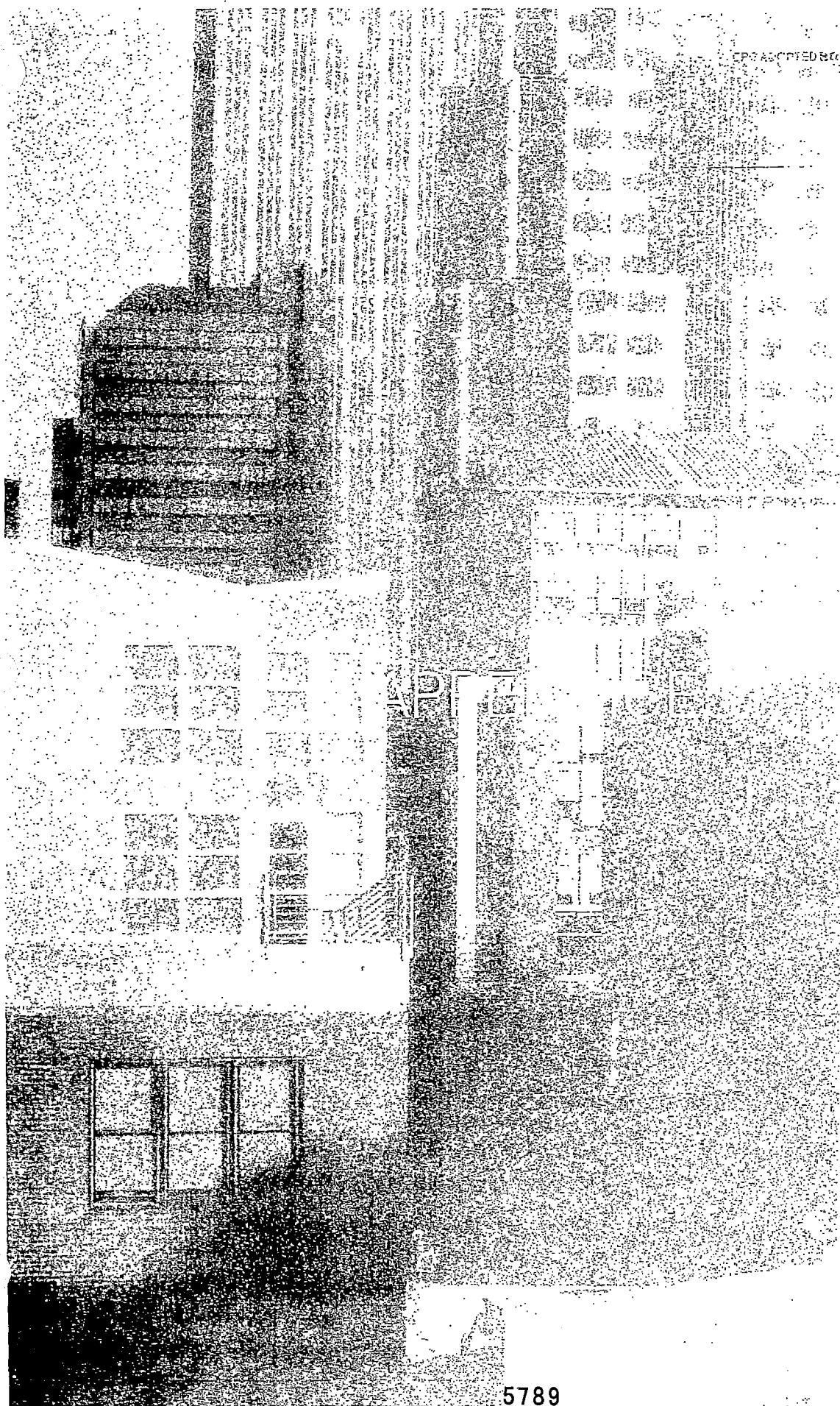
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APPENDICES

Appendix A:
Evaluation of the 2004 Housing Element

Appendix B:
Public Participation

Appendix C
Implementing Programs

Appendix D:
Estimating Potential Development Capacity

Evaluation of the 2004 Housing Element

As part of the Housing Element update process, California Government Code Sections 65588(a) and (b) require an evaluation of San Francisco's existing *Housing Element*. This review consists of three parts: 1) a summary of San Francisco's housing production during the 1999-2006 reporting period; 2) a review of the programs and analysis of the appropriateness of the 2004 *Housing Element* goals, objectives and policies and the effectiveness of the housing element in achieving those goals and objectives; and, 3) an evaluation of the progress in implementation of the housing element.

A review and evaluation of the 2004 *Housing Element* objectives and policies is essential to an effective housing element update. Reviewing housing targets and production measures, examining the appropriateness and effectiveness of objectives and policies as stated in the existing element, and evaluating implementation programs initiated during the reporting period will all serve to strengthen the revised *Housing Element* and help address the City's ongoing housing challenges. An evaluation of the implementation programs is presented in a matrix at the end of this appendix.

Housing Targets and Production

The State Department of Housing and Community Development (HCD) and the Association of Bay Area Governments (ABAG) set San Francisco's fair share of the regional housing need for the 1999-2006 reporting period at 20,372 units. This Regional Housing Needs Allocation (RHNA) process also established that 64% of these units (13,009 units) be affordable to lower income households and the remaining 36% (7,363 units) could be met by market rate housing production. The 2004 *Housing Element* suggested that the total number of housing units allocated to San Francisco by the RHNA process was not realistic given the constraints and impediments to housing production, but still accepted the allocation as its quantified housing production goal.

Although San Francisco fell short of meeting the state mandated fair share housing targets, over 17,470 new housing units were built from 1999-2006, or almost 86% of its housing production targets (Table A-1). The City met almost 83% of the target for very-low income housing, but only 52% of the low-income housing production target was produced. The City also exceeded the market-rate housing target by over 53%. The greatest deficiency for the reporting period was in the production of moderate-income housing, where the City produced just 13% of its target. These numbers, however, represent an improvement over the previous Housing Element update reporting period (1989-1998), where San Francisco met only 61% of its total housing production targets, producing only 40% of both its very-low and low-income housing targets, and 12% of its moderate-income housing target.

Income Category	ABAG/HCD Regional Housing Needs Determination (RHNA) Production Goals 1999-June 2006		Actual New Housing Production and Acquisition/Rehabilitation 1999 - 2006*		
	No. of Units	% of Total	No. of Units	% of Actual Production	% of RHNA Goal
Very Low (< 50% AMI)	5,244	25.7%	4,342	24.8%	82.8%
Low (50-79% AMI)	2,126	10.4%	1,113	6.4%	52.4%
Moderate (80-120% AMI)	5,639	27.7%	725	4.1%	12.9%
Market (over 120% AMI)	7,363	36.1%	11,293	64.6%	153.4%
TOTALS	20,372	100.0%	17,473	100.0%	85.8%

SOURCE: Housing Inventory, Mayor's Office of Housing, SF Redevelopment Agency

*Acquisition/Rehabilitation units included to the extent allowed by Housing Element law. Acquisition/Rehabilitation project numbers provided by Mayor's Office of Housing and the SF Redevelopment Agency.

Table A-1
Housing Production
Targets and Actual Housing
Production by Income
Category, 1999 - 2006

While San Francisco did improve the production of housing affordable to low and very-low income households earning less than 80% AMI, it did not substantially improve the production of moderate-income housing for households earning between 80% and 120% AMI. The primary obstacle to the production of moderate-income housing in high land cost markets such as San Francisco is profitability. Moreover, unlike low and very low income housing, few subsidies exist for building housing for moderate income households. ABAG's 2007 study, *A Place Called Home*, shows that other communities in the Bay Area with high land values have also failed to produce sufficient moderate-income housing. Almost all of the moderate-income housing produced during the reporting period came from the inclusionary housing programs and, with increasing land and production costs, there is little reason to think this trend will change.

Production of market-rate housing during the reporting period continued to exceed RHNA targets, with over 150% of the target for this income category produced during the reporting period.

Housing Programs and Initiatives

The 2004 *Housing Element* retained most of the policies in the 1990 *Residence Element*, but consolidated and reorganized the City's 12 housing objectives. The 2004 *Housing Element* places greater emphasis on identifying appropriate locations for new housing citywide, especially increased density near downtown; on implementing area plans to build new neighborhoods in appropriate locations; on improving the livability of existing neighborhoods through good design, mixed-use development, increased density near transit, improved infrastructure and public amenities, and reduced parking requirements; on protecting the affordability of existing housing and building more new affordable housing; on streamlining the housing production process through program EIRs and Area Plan EIRs; on creating mixed-income communities; on providing more family housing; and on managing homelessness through supportive housing.

The objectives and policies of the 2004 *Housing Element* underscored four main housing themes: 1) increasing housing production, especially affordable housing; 2) preserving and maintaining the City's housing supply; 3) increasing housing densities in areas well served by transit in order to create a more livable City, meet the City's goals for housing production, revitalize neighborhoods; and 4) building supportive housing opportunities for the homeless and those at-risk of homelessness.

New Area Plans

A variety of new area plans were initiated during the 1999-2006 reporting period. These plans seek to capitalize on each area's unique assets for current and future residents, and strengthen neighborhoods by encouraging new housing in transit-rich areas where neighborhood shops and services are concentrated.

- The Better Neighborhoods Program was started in 2000 and used intensive community-based planning to incorporate recognition of citywide needs, including housing goals, into the planning process for each neighborhood. Three neighborhoods – Balboa Park, Central Waterfront, and Market and Octavia – were initially selected to serve as models for similar future programs in other parts of the City. The Market Octavia Plan was adopted and approved in 2008 and Balboa Park in April 2009. The Central Waterfront Plan was included in the Eastern Neighborhoods environmental review and plan adoption process in December of 2008.
- The Eastern Neighborhoods (EN) planning process is a large-scale community planning effort in several neighborhoods in the eastern portion of San Francisco originally including the South of Market, Mission, Potrero Hill/Showplace Square, Bayview, and Visitacion Valley neighborhoods. Eventually the Bayview, (adopted by the San Francisco Redevelopment Agency in June 2006), and Visitacion Valley (adopted in December 2008) neighborhoods underwent separate planning and plan adoption processes. The Central Waterfront was incorporated into the EN environmental review and plan adoption process. These EN plans were adopted in December 2008.

- In the Downtown area, the Rincon Hill plan was approved in 2005, allowing for 2,200 units; some 1,460 of these units have since been entitled. The Transbay Redevelopment Area was adopted in 2005 and will add approximately 2,600 new units. Successful completion and implementation of these plans will create vibrant new communities adjacent to employment centers and regional transit hubs, consistent with the policies and programs contained in the housing element.
- Area plans for India Basin and Japantown were initiated in 2007.

Program Environmental Impact Reports

A major new policy in the 2004 *Housing Element* encourages the preparation of detailed Program Environmental Impact Reports (EIR) and the use of subsequent community plan exemptions, where appropriate, for new planning areas in order to streamline environmental review by reducing duplication in the EIR process. Area Plans in these program areas would also seek to reduce the number of discretionary approvals required for specific affordable housing projects. The pilot project for this type of program EIR was the Market/Octavia Area Plan, which analyzed the area plan at a programmatic level while also providing project-level environmental review of former freeway parcels where the plan foresees specific residential growth. The Market/Octavia program EIR was completed in the summer of 2008; subsequently the Planning Department has established a community plan exemption processes, which enables new construction to benefit from the analysis completed in the Market and Octavia EIR. Other area plans adopted in 2008 also approved programmatic EIRs. The program EIR and community exemption model will streamline the entitlement process new infill housing units.

Affordable Housing

San Francisco faces a continuing shortage of affordable housing for very low and low-income residents. In response to the high projections of housing needs for San Francisco set forth in the 2004 and previous Housing Elements, San Francisco has instituted several strategies for producing new affordable housing units. These strategies seek to support affordable housing production by increasing site availability and capacity for permanently affordable housing, and to encourage the distribution of affordable housing throughout all neighborhoods, thereby offering diverse housing choices and promoting economic and social integration.

- *Planning Department - Inclusionary Housing Program.* In 2001, San Francisco greatly increased the capacity for affordable housing production through expansion of its Inclusionary Housing Program and increased fees to the Affordable Housing Fund. During the 1999-2006 reporting period, the inclusionary program produced 869 units, mostly in the South of Market. This is a twelvefold increase from the 73 units produced from 1992 (when the program first began) to 1998. The inclusionary program also contributed \$23 million to the Affordable Housing Fund in in-lieu fees.

In 2006, the program was further modified as follows: expanded coverage with a lower threshold to include projects with five or more new units; increased the percentage of affordable units required to 15% on-site and 20% off-site; increased the amount of

in-lieu fees in order to cover the increasing costs of constructing affordable units; and required off-site affordable units to be rental affordable to households making up to 60% of the San Francisco Area Median Income (SFAMI) - or if for ownership, units affordable to those making 80% to 120% of SFAMI - and be located within a mile of the subject development. Because median income for the City of San Francisco is lower than area median income, program affordability levels are tied to the metropolitan median income or SFAMI. This better reflects local conditions and further enhances program affordability.

In late 2009, the Second District Court of Appeal issued *Palmer/Sixth Street Properties vs. City of Los Angeles*, which held that the California Costa-Hawkins Rental Housing Act pre-empts local municipalities from mandating that newly constructed dwelling units be rented at low-income rents. As this case impacts future rental units provided through San Francisco's Inclusionary Program, the City is proceeding with amendments to this legislation which would clarify the Program as fee-based, and retain the option of building the units on-site or off-site to for-sale projects only, yet offering rental projects the ability to take advantage of on-site or off-site options should they wish to waive their Costa-Hawkins rights.

- *Redevelopment Agency - Housing Participation Policy.* Changes to the Redevelopment Agency's Housing Participation Policy also occurred in 2002, with required unit percentages and affordability requirements similar to the City's Inclusionary Affordable Housing Program. The Redevelopment Agency's program produced 480 affordable units during the 1999-2006 reporting period, and should produce substantially more units in the next period if the Agency's recommendation to adopt new inclusionary requirements similar to those adopted by the City in 2006 is approved.
- *Jobs Housing Linkage Program.* In February 2001, the Office-Affordable Housing Production Program (OAHPP) was revised and expanded; it was also renamed the Jobs-Housing Linkage Program (JHLP). The original OAHPP required office development project sponsors to directly provide housing or to contribute land or in-lieu fees to a housing developer as a condition of approval for large-scale office development. The JHLP was expanded in scope and application to include all types of commercial development (e.g., hotels, entertainment, R&D, large retail etc.); monitoring and collection of fees paid was also enhanced.

From 1999-2006, JHLP contributions to the Affordable Housing Fund increased to almost \$42 million, compared with less than \$9 million collected between the 1990 *Housing Element* reporting period of 1989-1998. Also, in response to increasing development costs, fees were increased substantially in 2008. JHLP funds raised in fiscal 2007-2008 were over \$21 million, and are expected to increase during the next reporting period, as several more large developments are in the pipeline.

HOPE SF Program

The City developed the 2006 HOPE SF program to increase affordable housing production. Modeled after the federal HOPE VI program, HOPE SF provides funding to replace existing public housing and add mixed-income units. The HOPE SF also plans for needed transit improvements, community facilities, and public amenities. The HOPE SF Task Force identified 2,500 existing units in need of replacement on eight underutilized sites. They found that, in addition to replacing the existing affordable units, that these sites could accommodate an additional 3,500 homes. The pilot project for HOPE SF, Hunter's View in the Bayview District, is scheduled to break ground in 2009.

Supportive Housing

In 2006, San Francisco's Continuum of Care approach to homelessness was modified to focus on providing supportive housing opportunities for families and single persons under a Housing First model. The plan established a 10-year goal of producing 3,000 units of supportive housing, and over 1,500 units have been produced through 2007.

At-Risk Affordable Housing

The number of affordable housing units at risk of converting to market rate, including Single Resident Occupancy (SRO) units, has been substantially reduced by the Mayor's Office of Housing (MOH) and the Redevelopment Agency (SFRA). At risk units were transferred to non profits and provided operating subsidies, ensuring their long term affordability. As called for in the 2004 *Housing Element* capital improvement projects were implemented for distressed public housing, and several public housing projects, such as Hayes Valley and Valencia Gardens, were rebuilt during the reporting period using federal HOPE VI funds.

The Residential Conversion and Demolition Guidelines, the Condominium Conversion Ordinance (which limits the annual number of apartments that can convert to condominiums), and the City's Rent Control policies all continue to limit the demolition or conversion of existing affordable housing.

OBJECTIVES AND POLICIES - IMPLEMENTATION PROGRAMS EVALUATION

The following review of past and current implementation programs is organized by the three primary themes of the 2004 *Housing Element*: 1) Construction and Conservation of Housing; 2) Affordability; and 3) Citywide and Regional Concerns.

1. CONSTRUCTION AND CONSERVATION OF HOUSING

Objectives 1, 2, and 3 detail San Francisco's strategy for increasing the overall net supply of housing. Production of new housing and increasing density of development was the primary strategy. Retaining the existing supply of housing, particularly rental housing, affordable units and residential units located in commercial and industrial areas, and maintaining existing housing in decent condition, were also important strategies for increasing the supply of housing in San Francisco. Several programs were successful in helping achieve these objectives, which continued several of the policies from the 1990 *Residence Element* related to retaining the existing housing stock, and combined two objectives from the 1990 *Residence Element* related to maintaining condition of housing and seismic safety.

OBJECTIVE 1

TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

New Housing Production

From 1999-2006, San Francisco's housing stock added a net increase of 17,473 units. As stated previously, although San Francisco fell short of its RHNA targets, this still represents 86% of its overall housing production targets. This unit gain reflects the cumulative efforts of a range of public agency programs and private investment throughout the City. This total is the net balance of new construction, demolished units, alterations, and allowable acquisition/rehab.

Major Plans and Developments

A number of area and community planning efforts were also initiated between 1999 and 2006/ The resulting plans and rezoning in these areas increase potential housing capacity. As shown in Table A-2 below, these programs created capacity for growth estimated to be over 40,600 units.

Table A-2
**Planned Capacity &
Programs, Estimated
Growth**

Program	Sub-Area	Program	Estimated Plan Growth
Eastern Neighborhoods	Mission	Area Plan	1,700
	East SoMa	Area Plan	2,900
	Central Waterfront	Area Plan	2,000
	Showplace Square & Potrero Hill	Area Plan	3,200
	Western SoMa	Area Plan	2,700
Better Neighborhoods	Market & Octavia	Area Plan	6,000
	Balboa Park	Area Plan	1,800
Downtown Neighborhoods	Rincon Hill	Area Plan	4,100
	Transbay	Area Plan	3,400
Bayshore	India Basin	Project/Plan	1,300
	Candlestick	Project/Plan	7,500
	Hunters Point	Project/Plan	2,500
	Schlage/Visitation Valley	Project/Plan	1,500
Total			40,600

In addition, there were several other initiatives pursued by the City from 1999-2006 to create more housing units. These include:

- **Secondary Units.** Allowing an additional on-site unit in existing residential structures is an effective and inexpensive way to realize greater housing potential. Several measures have been introduced in the last 20 years that sought to create additional housing

opportunities through such a mechanism, but were deemed politically infeasible due to neighborhood opposition. The initiatives proved quite controversial in some neighborhoods, as they failed to convince residents that reduced parking requirements for secondary units would not have adverse neighborhood effects, even for those located near transit and services. Thus, the City's housing interests might be better served by exploring support for second units in Area Plans or other neighborhood focused planning efforts. Although 72 secondary units were legalized from 2000-2007, 185 were removed during the same period.

- **Institutional Master Plans.** The City requires that large institutions create Institutional Master Plans (IMPs) whose purpose are to provide the public with information regarding institutional operations including future expansion, construction, and property acquisition.

Although IMPs are informational only and do not explicitly require that institutions provide housing for its students or workers, the process has directly contributed to increasing the amount of housing large institutions must plan to accommodate demand. For example, through the IMP process, San Francisco State University increased the amount of student housing it planned to provide from 845 to 1,200 units.

During the 1999-2006 reporting period, a total of nine IMPs were completed including:

1. 50-70 Oak Street, Conservatory of Music
2. 380 Ellis Street, Glide Foundation
3. 100 Phelan Avenue, San Francisco City College
4. 800 Chestnut, San Francisco Art Institute
5. 200 McAllister, U.C. Hastings College
6. 1 Beach, CA School of Psychology
7. 1692 Haight, Haight Street Free Clinic

- **HOME 15/5.** The Mayor announced the HOME 15/5 initiative on August 3, 2005. This initiative established a goal of 15,000 new homes to be built by 2010, including 5,400 new homes affordable to low- and moderate-income families. Table A-3 below shows the progress in meeting HOME 15/5 goals. In FY2007-08, the budget for affordable housing is \$226.2 million, an increase over the \$211.9 million in the FY2006-07 budget and the \$135.2 million in the FY2005-06 budget.

	2005	2006	2007	2008	TOTALS
Units Entitled by Planning	4,665	5,701	2,612	2,418	15,396
Units Issued Building Permits	5,571	2,332	3,281	2,346	13,530
Units Completed	2,112	1,995	2,679	3,340	10,126

Table A-3
Progress Towards
Meeting Home 15/5
Goals

- **Family Housing.** The construction of new family housing, especially affordable family housing, was a major goal of the 2004 *Housing Element*. A total of 2,214 units of designated affordable family housing, consisting of three or more bedrooms, was produced during the 1999-2006 reporting period. This represents 56% of all affordable housing constructed in the City or 15% of total housing production during that time. In addition, 626 single-family homes were completed during the reporting period, representing 4.2% of all new construction.

OBJECTIVE 2

RETAIN THE EXISTING SUPPLY OF HOUSING.

- The City has codified controls on applications that propose the loss of dwellings and live-work units by merger, conversion or demolition. Except in the case of unsound or unsafe housing, or the most expensive single family homes, dwelling removal requires a hearing before the Planning Commission, and applicants must meet a majority of the criteria for dwelling loss to be approved, in order to retain the City's existing sound housing stock. Over 1,000 units were demolished during the reporting period, representing about 0.3% of the City's housing stock. However, given the City's one-to-one replacement policy, almost all of the demolished units were part of replacement projects. Compared with the 1,600 units demolished during the 1989-1998 period, the annual rate of demolitions has been decreased.
- The City's dwelling unit merger policy was codified in 2008 to require Planning Commission review of any proposal to merge dwelling units. Planning Code Section 317 establishes criteria to evaluate such proposals, and emphasizes the importance of existing units to the city's housing stock. From 1990-1998, 326 dwelling units were lost due to a merger with another unit, while from 1999-2006, 315 dwelling units were lost due to mergers. This represents a 25% increase in the annual average number of units lost due mergers.
- San Francisco's Condo Conversion Ordinance is now almost 25 years old. The ordinance restricts the number of rental units that can be converted to ownership properties to 200 per year. These controls remain an important feature of the City's ability to retain its rental housing stock. Programs proposed in the 2004 *Housing Element* suggested implementing sales price limitations on conversions of existing low- and moderate-income units, requiring a portion of any condo subdivision to remain permanently affordable, and construction of an equivalent number of similar units off-site or payment of an in-lieu fee. These programs did not receive support and the existing rent controlled apartment stock continues to decrease, particularly in two-unit buildings.
- The Residential Hotel Conversion Ordinance preserves the City's valuable supply of single room occupancy (SRO) residential units and restricts their conversion to commercial uses. Originally adopted in 1980 and strengthened in 1990, this program is still in effect and the loss of SRO units has been minimized. The total number of residential rooms decreased during the 1999-2006 reporting period from 19,618 to 19,164. However, rooms owned and operated by non-profit organizations increased

from 15% in 1999 to 25% in 2006, thereby permanently protecting their affordability. The SRO Hotel Safety and Stabilization Task Force continues to monitor SRO units in the City.

Several measures have been implemented to slow the loss of single-room occupancy (SRO) residential hotel units in San Francisco, such as increased safety regulations, transfer of residential hotel buildings to non-profit organizations, ensuring the long-term affordability of these units, and the reauthorization of the Single Room Occupancy Hotel Safety and Stabilization Task Force that was set to expire in 2003. Many SROs in the City have now been transferred to non-profit ownership or management, helping ensure the continued viability that these important affordable housing resources provide, but operating and rehabilitation subsidies are needed for many of the properties acquired 10-15 years ago. New affordable SROs are being built with supportive services for this population.

A number of new for-sale SRO units have been completed in the South of Market as well. These units have been controversial because they are relatively expensive on a per square foot basis and take advantage of zoning controls originally intended to accommodate affordable, rental SROs.

- Several attempts were made over the past 20 years to legalize some of the estimated 20,000 illegal secondary units scattered throughout the City as a way to retain this supply of housing that is generally more affordable. This policy met with substantial opposition from residents concerned with the lack of parking for these units, and was never adopted. Significant issues with meeting State-mandated building codes were also problematic.

OBJECTIVE 3

ENHANCE THE PHYSICAL CONDITION AND SAFETY OF HOUSING WITHOUT JEOPARDIZING USE OR AFFORDABILITY.

- *Publicly Funded Rehabilitation.* The City sponsored the rehabilitation of 2,051 units during the last reporting period. Funding from these programs, administered by the Mayor's Office of Housing and the San Francisco Redevelopment Agency, enabled the units to be revitalized while retaining affordability.
- *Historic Resources.* Several buildings were designated landmarks during the 1999-2006 reporting period including the Glazer Keating House at 1110 Taylor Street, 557 Ashbury Street, and the Shipwright's Cottage at 900 Innes. Historic Surveys were also initiated for all the Better Neighborhoods and Eastern Neighborhoods plan areas as well Japantown, and all of these surveys have either been completed or will be complete by 2009. As new plan areas are established, an evaluation of historic resources will be performed where appropriate. The Planning Department will also be revising the historic context statement for the City, which provides a framework for the evaluation of the significance of potential historic resources. This work is also expected to be completed in 2009.

- *Federal Hope VI Program.* The federally established HOPE VI Program assists local Public Housing Authorities with the rehabilitation of distressed residential units and buildings. The San Francisco Housing Authority has received \$118.5 million to support the rehabilitation of five public housing developments, leveraging these grants into an additional \$166.8 million in private and public funding. The Housing Authority rehabilitated 650 units from 1998-2002 with these funds, and another 700 units are currently under construction.
- *HOPE-SF Program.* As previously discussed, the City launched the HOPE-SF initiative in 2006 which called for using City funds to rebuild 2,500 units of public housing in several distressed sites across the City. These developments would be rebuilt at higher density and as mixed-income communities with neighborhood services. An important part of the HOPE-SF program is the one-to-one replacement of subsidized housing units and the programs established to ensure right of return for existing residents.
- *Unreinforced Masonry Buildings.* There are currently 102 units in six unreinforced masonry buildings that require seismic upgrading. The Department of Building Inspection is currently pursuing abatement actions for these structures. This number is down from 11,850 units and 399 buildings in 2002. Most of these rehabilitated units are in residential hotels (SROs) and apartment buildings occupied by lower income households.
- *Property Maintenance Assistance.* The CERF/CHRP programs continue to assist low-income property owners in repairing code violations that might otherwise lead to abatement of housing units. New CERF loans average four to five per year, and new CHRP loans average 10-15 per year.

2. AFFORDABILITY

Both the 1990 *Residence Element* and the 2004 *Housing Element* called for increasing production of affordable housing, preserving affordable housing, encouraging economic integration in housing development, and the expansion of financial resources for permanently affordable housing. Several objectives and policies from the 2004 *Housing Element* made significant contributions to San Francisco's efforts to provide, retain, and fund affordable housing citywide.

OBJECTIVE 4

SUPPORT AFFORDABLE HOUSING PRODUCTION BY INCREASING SITE AVAILABILITY AND CAPACITY.

- *Inclusionary Housing Program.* The Planning Commission and Board of Supervisors adopted new code language in 2002 that placed a 10% affordable requirement on all housing projects over 10 units and a 12% affordable requirement on developments over 10 units that seek conditional use approval. Prior to this adoption, inclusionary housing was only encouraged, not required. A total of 869 units were produced by the City's inclusionary policy during the 1999-2006 reporting period, with the majority of the units produced in the last two years.

The City modified and expanded the requirements again in 2006, resulting in 546 inclusionary affordable units produced between 2007 and 2008. The program was expanded by eliminating the distinction for conditional use applications, and now requires 15% on-site inclusionary and 20% off-site. The program was also expanded to include projects containing five to nine units. A proposal to require condominium conversions to be subject to the inclusionary ordinance was suggested by the 2004 *Housing Element*, but was not incorporated in the 2006 changes.

San Francisco has structured this Program to balance this burden for affordable housing with its private development partners in a way that will not constrain new housing production. In July 2006, the City's consultant performed an Inclusionary Housing Program Sensitivity Analysis, undertaken to examine the economic impacts of adjusted inclusionary requirements on market-rate housing projects ("Sensitivity Analysis"). The study was guided by the Planning Department and MOH and informed by a Technical Advisory Committee comprised of a variety of experts including San Francisco housing developers. Based on the findings of that report, the Land Use and Economic Development Committee of the Board of Supervisors made several amendments to the legislation to ensure that its application would not constrain housing development, including: the percentage requirements of the ordinance; the application dates of the ordinance to grandfather more existing projects; and to require further study on some issues by the Planning Department and MOH. Additional, subsequent amendments to the program have focused on reducing the burden further for particularly difficult projects and have exempted student housing, provided a reduction in inclusionary housing requirements for rental housing, and provided incentives for small infill housing projects. Based on the results of the study, the Committee found that, provided project applicants take these requirements into consideration when negotiating to purchase land for a housing project, the requirements of the Inclusionary Housing Program are generally financially feasible for project applicants to meet. Additionally, Section 406 of the City's Planning Code provides a means by which a project applicant may seek a reduction or waiver of the requirements of these mitigation fees if the project applicant can show that imposition of these requirements would create an unlawful financial burden.

- *Redevelopment Agency Housing Participation Policy.* Changes to the San Francisco Redevelopment Agency's Housing Participation Policy also occurred in 2002, with required unit percentages and affordability requirements similar to the City's Inclusionary Affordable Housing Program in effect at that time. The Agency's program produced 480 affordable units during the 1999-2006 reporting period. In September 2008, the Agency recommended adoption of new requirements similar to those adopted by the City in 2006.
- *Density Bonuses and FAR limits.* The City has continued the policy of establishing special use districts (SUDs) and height exceptions intended to support the development of affordable housing by allowing density bonuses for higher percentages of affordable or special needs housing. Almost all new Area Plans initiated during the 1999-2006 reporting period also include these policies, as well as additional affordable housing impact fees. Floor area ratio (FAR) limitations have been removed in the downtown areas to encourage housing development.
- *Housing Development on Public Land.* Over the past ten years, the City has engaged in several major planning efforts which include the identification of housing opportunities on public lands. In particular, the City seeks to take advantage of new and rehabilitated housing on former military properties in San Francisco – the Hunter's Point Naval Shipyard and Treasure Island. Through the Planning Department's Better Neighborhoods Program, the City is pursuing the development of affordable housing

Table A-4
Surplus Properties
Transferred to MOH

150 Otis
155 & 165 Grove
201 Broadway
301 Wilde
341 Corbett
395 Justin
949 Vermont
Junipero Serra @ Shields
Lawton & 20th Avenue
San Jose @ Clavier
San Jose @ Milton
Aleman & Ocean
195 Portola

on several significant public sites. The Market-Octavia Plan calls for the development of up to 900 units of housing on the former Central Freeway parcels, one-half of which could be affordable and/or senior units. The Balboa Park Plan recommends the construction of affordable housing on portions of the Phelan Loop owned by the San Francisco Community College District, on existing bus yards owned by the Municipal Railway, and on portions of the unused Balboa Reservoir owned by the Public Utilities Commission.

- *Surplus Public Lands.* In 2004, the City adopted the Surplus City Property Ordinance. This ordinance requires that surplus public land be identified and evaluated for potential use as homeless housing. It also established a Citizens Advisory Committee to explore affordable housing development at sites determined to be surplus, or, if identified as such, if this land should be sold to raise money for affordable housing development. The removal of the Central Freeway created a variety of surplus parcels in the Market-Octavia plan area that will be developed as housing, and several publicly owned sites in the Eastern Neighborhoods are also being considered for affordable housing development. Table A-4 lists other sites that have been transferred to MOH for consideration as affordable housing.

OBJECTIVE 5

INCREASE THE EFFECTIVENESS AND EFFICIENCY OF THE CITY'S AFFORDABLE HOUSING PRODUCTION SYSTEM.

- *Program EIRs.* The Market & Octavia Area Plan was developed with a program EIR designed to include sufficient detail to avoid the need for additional project EIRs, and thus streamline the housing production process. As the program EIR was recently approved, it remains to be seen whether it will have the intended effect of reducing the amount of environmental review necessary for subsequent projects within the plan area. The City also continues to advocate for changes to CEQA that facilitate transit-oriented development.
- *Entitlement Process Improvements.* The City initiated several efforts to identify obstacles to housing production and speed the entitlement process, and a joint process improvement team between the Planning Department and the Department of Building Inspection (DBI) is actively working on these issues. Additional staff at both agencies was hired during the reporting period to expedite entitlements and permitting, representing a 23% increase in staffing at the Planning Department and 12% increase at DBI since 2005.

The City also invested \$600,000 in new technology to streamline permitting activities among various agencies, including Planning, DBI, Fire, and the Department of Public Works. The Business Process Review was initiated by DBI during the reporting period to further streamline the issuance of building permits. A policy was implemented early in 2007 that requires immediate assignment of affordable housing projects, eliminating a four to six month delay.

- *Consolidated Plan.* The Mayor's Office of Community Development (MOCD) *Consolidated Plan* in 2000 and 2005 identified the specific housing needs of San Francisco's low-income residents, based on demographic and other information. The 2005 *Consolidated Plan*, which covers the 2005-2009 period, contains the following priorities which are used to allocate affordable housing funds: 1) create housing opportunities for the homeless; 2) create affordable rental housing opportunities for individuals and

families with incomes up to 60% of the area median income (AMI), and; 3) create homeownership opportunities for individuals and families with incomes up to 120% AMI.

The Mayor's Office of Housing (MOH) and San Francisco Redevelopment Agency (SFRA) continue to collaborate with the Department of Public Health and Human Services to develop supportive housing opportunities that directly and effectively address the needs of homeless persons. Additionally, MOH and SFRA have continued to develop high quality affordable rental housing opportunities for households at or below 50% AMI, along with administering new homeownership opportunities (most arising from San Francisco's inclusionary housing policy) for households generally ranging from 80% to 120% AMI.

- *Non-Profit Support.* The Mayor's Office of Housing continues to administer Housing Program Grants from the federal Community Development Block Grant program (CDBG), which amounted to \$16.3 million between 1999 and 2006 (Table A-5). These funds are granted to local non-profit housing agencies to build local capacity and support housing activities consistent with the consolidated plan.

Year	Amount
1999	1,789,834
2000	1,607,847
2001	2,051,954
2002	1,978,216
2003	1,835,277
2004	2,601,326
2005	2,268,614
2006	2,172,360
Total	\$16,305,428

Table A-5.
CDBG 1999-2006

OBJECTIVE 6

PROTECT THE AFFORDABILITY OF EXISTING HOUSING.

- *Rent Control.* The San Francisco Rent Ordinance was enacted effective June 13, 1979 by the Board of Supervisors and signed by the Mayor to alleviate the City's affordable housing crisis. The Ordinance applies to most rental units built before June 1979, and places limits on the amount of rent increases which can be charged and on the reasons for evicting a tenant. Although the number of rent controlled units continues to decline, particularly in smaller two-unit buildings that are not subject to condominium conversion controls, approximately 170,000 rental units are protected by rent control. Tenants in these units are safeguarded from excessive rent increases.
- *First-time Homeowner Assistance Programs.* The Mayor's Office of Housing offers several funding programs to assist moderate and low-income households in purchasing their first property. These funds include the Downpayment Assistance Loan Program (DALP), City Second Loan Program, and Mortgage Credit Certificate Program (MCC) that assist with the funding of a down payment and increase a household's ability to qualify for a mortgage. The lack of funding and increasing cost of property during the reporting period has limited the number of households these programs have been able to assist. During the 1999-2006 reporting period, DALP and City Second loans assisted 428 households and the MCC program assisted 406 households.
- *Permanent Affordability.* Long-term or permanent affordability remains a priority for the programs of the Mayor's Office of Housing (MOH) and San Francisco Redevelopment Agency (SFRA). For almost all programs, affordability terms of 50 to 75 years are now standard. The term of affordability is greater than the anticipated life of the developments funded by public funds. Where project sponsors have sought additional money from the City to extend the useful life of the building, MOH and SFRA require

an extension of the term of affordability. In addition, the lead role played by non-profit entities in sponsoring affordable housing has meant that, in practice, housing developments will remain affordable even after the expiration of the 50 to 75 year term, since such assets must continue to be used for purposes consistent with the corporate purpose of the organization.

- *Community Land Trusts.* The City established a Community Land Trust Task Force in 2001 to explore the feasibility of using land trust structures to enhance affordable housing opportunities in San Francisco. Land trusts and other limited equity ownership models may be an effective way of retaining affordability in tight housing markets.

A pilot project sponsored by the San Francisco Community Land Trust (SFCLT) was approved in 2006 at 53 Columbus Avenue and is nearing completion. The building contains 21 apartments housing 80-plus tenants, primarily elderly Chinese immigrant families. SFCLT will retain ownership of the land, but will sell the apartments to existing tenants as a cooperative. Resident-owners will own a limited equity stake allowing them to sell their units in the future, but the resale price will be controlled to ensure permanent affordability. SFCLT secured a \$2 million loan from the city to pay for seismic upgrades, as well as support from the City's Lead Program; and from the Mayor's Office of Housing. In addition, tenants have agreed to a five percent rent increase and a \$5,000 down payment. The outcome of this project will help determine the viability of this method of ensuring permanent affordability.

- *Affordable Housing Monitoring Programs.* The Mayor's Office of Housing manages a number of programs to set and implement monitoring standards and procedures for projects receiving housing subsidies. Monitored subsidies include loans for owner-occupied single-family homes, multi-family rental units, and the refinancing of affordable housing projects. Through an annual recertification process, MOH staff review management practices, income and rent levels, and occupancy status at subject properties to ensure compliance with affordability requirements. MOH significantly improved its Asset Management and BMR and Inclusionary monitoring programs near the end of the reporting period through investments in technology and process improvements. In 2007, MOH and the Planning Department also updated the Inclusionary Procedures Manual that contains procedures for monitoring and enforcing the policies that implement the program.
- *Acquisition of At-Risk Affordable Housing.* The acquisition of affordable housing units at-risk of converting to market rate due to expiring HUD mortgages or other subsidies has been an important part of the City's efforts to increase the stock of affordable housing. Concerted efforts by MOH and SFRA have resulted in securing financing for most of these properties to come under non-profit ownership to ensure permanent affordability. From 1999 to 2006, a total of 1,661 affordable units were preserved through these efforts. Assisted housing developments include multifamily rental housing complexes that receive government assistance from federal, State, and/or local programs (or any combination of rental assistance, mortgage insurance, interest reductions, and/or direct loan programs) which are eligible to change to market-rate housing due to termination of a rent subsidy contract (e.g., Housing Choice Vouchers, Section 8) mortgage prepayment (e.g., FHA), or other state or local programs with expiring use restrictions. While most traditionally at-risk conversions have been averted, a new need has emerged to preserve affordability and community stability of rental housing stock restricted by the City's rent stabilization ordinance. Because many such sites are too small for traditional local financing models (less than 20 units) MOH is currently working on a "small site" program that could allow the acquisition and rehabilitation of smaller sites, requiring a creative model addressing the specifics of these properties.

- *Single Resident Occupancy (SRO).* Residential hotels in San Francisco are regulated by Administrative code Chapter 41 – the Residential Hotel conversion and Demolition Ordinance, enacted in 1981. This ordinance preserves the stock of residential hotels and regulates the conversion and demolition of residential hotel units.

At the end of the 1999-2006 reporting period, 19,164 residential hotel rooms existed in San Francisco; 75% were in for-profit residential hotels and 25% were in non-profit hotels. Moreover, residential rooms in non-profit residential hotels have been increasing in each of the past five years: 40% from 2003 to 2007.

- *Other Programs.* The Condominium Conversion Ordinance puts the cap on the number of rental units converted to ownership units at 200 per year in order to limit the loss of rental units that are generally more affordable housing opportunities. The Rent Control Board also continues to implement rent control as a measure to retain affordability in rental housing. However during the 1999-2006 reporting period, 1,774 units were converted to condominiums in two-unit buildings. Two-unit buildings continue to be exempted from the condominium conversion ordinance and in 2007 an additional 522 units were converted to condominiums in these buildings. From 1999-2007, a total of 2,296 rental units were lost due to two-unit building condominium conversions.

OBJECTIVE 7

EXPAND THE FINANCIAL RESOURCES AVAILABLE FOR PERMANENTLY AFFORDABLE HOUSING.

- *Jobs-Housing Linkage Program.* The economic boom of the late 1990s and the housing bubble of 2003-2006 provided substantial additional funds for affordable housing from the Jobs-Housing Linkage Program (JHLP). For example, JHLP fees totaled almost \$42 million during fiscal 1999-2006, compared with less than \$9 million during the fiscal year 1986 (when the program was established) to 1998 period. Ten development projects, totaling 743 housing units, received funds from the JHLP between 1999 and 2006. These fees were increased substantially during the reporting period in order to more equitably share the burden of housing provision in San Francisco, and JHLP funds raised in fiscal 2007-2008 were over \$21 million. Funds are expected to increase during the next reporting period due to planned pipeline development.
- *Inclusionary In-lieu Fees.* The City's revised and expanded inclusionary program, and increased in-lieu fees, resulted in payments of \$23 million to the Affordable Housing Fund during the 1999-2006 reporting period. Like the expected increase in JHLP revenue, dramatic increases in the payments to the AHF are also expected from the inclusionary program, as in-lieu fee payments under the revised program were almost \$51 million in fiscal 2007-2008 alone.

Fiscal Year	Amount Collected
1999-2000	\$0
2000-2001	\$0
2001-2002	\$0
2002-2003	\$0
2003-2004	\$959,411
2004-2005	\$134,875
2005-2006	\$2,623,279
2006-2007	\$19,225,864
2007-2008	\$7,514,243
2008-2009	\$43,330,087

Table A-6
Inclusionary Housing
Fees, 1999-2008

- *Affordable Housing Bonds.* In 1996, San Francisco voters approved Proposition A, the Affordable Housing and Home Ownership Bond Program, which allocated \$100 million in bond money to affordable housing programs administered by the Mayor's Office of Housing. The program dedicated 85% of these funds to the development of affordable rental housing, and 15% to down payment assistance for first time homebuyers. The Mayor's Office of Housing began dispersing funds from this program to specific projects in 1998, supported by Proposition A bond money during the reporting period. A similar affordable housing bond appeared on the San Francisco ballot in 2002 but failed to receive the required two-thirds vote. Although not a bond and therefore passable with a majority vote, Measure B on the 2008 ballot promised to establish an affordable housing fund financed by a small property tax assessments over a 15 year period; nevertheless, Measure B also failed to garner sufficient voter support.

3. CITYWIDE AND REGIONAL CONCERNS

The 2004 *Housing Element* continued several 1990 Residence Element objectives that encompass citywide and regional concerns and priorities related to the production and allocation of housing, including improving access to housing opportunities, adjusting affordability standards, preventing discrimination, minimizing or mitigating displacement, increasing production of family-sized units, creating mixed-income neighborhoods, reducing homelessness and the risk of homelessness, revitalizing neighborhoods to improve quality of life, increasing density near transit, providing neighborhoods with adequate transit and amenities, increasing available funding for transit-oriented development, expanding regional transit systems to discourage commuting by car, and promoting increased affordable housing production across the region.

OBJECTIVE 8

ENSURE EQUAL ACCESS TO HOUSING OPPORTUNITIES.

- *Preventing Discrimination.* The Fair Housing Unit of San Francisco's Human Rights Commission (HRC) investigates and mediates complaints of discrimination in housing based on race, religion, sexual orientation, and numerous other characteristics and qualities discrimination against families with children. Protection from such discrimination stems from several local ordinances, including five sections of the Municipal Police Code that prohibit specific kinds of housing discrimination. HRC staff also provides counseling on fair housing and general housing rights, offers referrals to other agencies, conducts research on fair housing practices, and hosts training and educational sessions.
- *Fair Housing.* The product of a multi-agency effort coordinated by the Mayor's Office of Housing, the City released an updated Analysis of Impediments to Fair Housing report in 2004. The report discusses the challenges of affordability, accessible housing, and alleged discrimination in the City's housing market. The paper also offers recommendations on increasing community acceptance of affordable housing and the promotion of fair housing practices in public housing. These action items are incorporated into the City's 2005-2010 Consolidated Plan and its associated Action Plan.

- *Density Bonus.* The City has continued the policy of establishing Special Use Districts (SUDs) to allow density bonuses in certain circumstances, such as affordable or special needs housing. The following SUDs were adopted during the 1999-2006 reporting period:

- Alabama and 18th Affordable Housing
- Third and Oakdale Affordable Housing
- Van Ness and Market
- Trinity Plaza
- 901 Bush
- Folsom and Main
- Scott Street Senior Housing
- Fourth and Freelon
- Haight Street Senior Housing
- Downtown Housing Demonstration

- *Economic Integration.* The city revised and expanded its inclusionary affordable housing policy in 2002 and again in 2006, as discussed in greater detail under Objective 7 above. The policy requires the provision of affordable units in development projects with five or more units and discourages the provision of off-site units to meet this requirement; moreover if the required affordable units are built off site, they must be located within one mile. Over time, this will lead to greater economic integration of units within housing developments.

The HOPE-SF program launched in 2006 will rebuild existing public housing projects as mixed-income developments, at increased density and with additional public amenities. The pilot project at Hunter's View is scheduled to break ground in 2009, and the success of this project will serve as a model for increased economic integration.

- *Affordability Targets.* Since adoption of the 1990 *Residence Element*, the Mayor's Office of Housing (MOH) and the San Francisco Redevelopment Agency (SFRA) have targeted their affordable housing programs to serve low and very low-income households to the maximum extent feasible. For most rental housing units, household income may not exceed 60% of area median income (AMI). Most ownership units can range from 80% to 120% AMI, but must average 100% AMI.

Changes to the City's inclusionary program in 2006 require any off-site BMR units to be either rental units, or ownership units affordable to 80% AMI. These agencies have also dedicated increasing resources to assisting households at income levels below the maximum income levels for each program. For example, notices of funding availability for family rental housing currently require that units targeted toward households with extremely low incomes (i.e., at or below 20% of area median income) be included in the development.

OBJECTIVE 9

AVOID OR MITIGATE HARDSHIPS IMPOSED BY DISPLACEMENT.

- *Rent Control and Tenants' Rights.* The San Francisco Human Rights Commission administers numerous programs to investigate and mediate conflicts around alleged housing discrimination. The City's Rent Stabilization Board Commission - comprised of tenant, landlord, and neutral representatives - oversees the Rent Stabilization Board,

the City agency charged with monitoring and enforcing the city's rent control ordinance. The Rent Board offers counseling and referral services to tenants faced with property management problems or the threat of eviction. The City's Rent Control ordinance requires property owners to compensate tenants that are evicted due to a major capital improvement project or an owner move-in. The number of total evictions represented by Ellis Act and owner move-in evictions declined to 531 over the 1999-2006 reporting period; this is a substantial decrease from the 1,345 reported for 1989 through 1998. This was largely due to declining owner move-in evictions.

- *HOPE-SF* The HOPE-SF program to rebuild public housing includes provisions for one-to-one replacement of all housing units and right of return for existing tenants. Tenant assistance to enable return is also provided.

OBJECTIVE 10

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS IN COORDINATION WITH RELEVANT AGENCIES AND SERVICE PROVIDERS

- *Master Lease Program.* The City created a Master Lease Program in 1999 that provides housing with supportive services for persons leaving homeless shelters. This program was expanded significantly from 2003 to 2007 to focus on providing supportive housing. In July 2000, the City completed the renovation of 100 units at the Presidio as supportive housing geared towards homeless veterans.
- *10-Year Plan to End Chronic Homelessness.* Recognizing the need for an integrated service system, the City adopted the Continuum of Care Plan in 1995 in an effort to better coordinate housing, health, and human services for homeless individuals and families. This plan was updated in 2001.

The City dropped the Continuum of Care approach to providing services in 2004, with Mayor Gavin Newsom's 10-Year Plan to End Chronic Homelessness that emphasized building supportive housing for the chronically homeless under a "housing first" approach. Under this plan, the City proposes a total of 3,000 units in supportive housing by 2014. As of 2008, approximately 1,500 units have been created, mostly from the acquisition and rehabilitation of existing units as well as formal agreements with existing SROs. An April 2007 commitment to double the production of family supportive housing was made in response to the concern that the City's supportive housing programs over the last few years served primarily single people.

OBJECTIVE 11

IN INCREASING THE SUPPLY OF HOUSING, PURSUE PLACE MAKING AND NEIGHBORHOOD BUILDING PRINCIPLES AND PRACTICES TO MAINTAIN SAN FRANCISCO'S DESIRABLE URBAN FABRIC AND ENHANCE LIVABILITY IN ALL NEIGHBORHOODS.

- *Residential Design Guidelines.* In 1989, the Planning Department proposed a set of design guidelines to help ensure that new residential development respects the unique character of many of San Francisco's neighborhoods. These guidelines were refined and adopted as part of the 1990 *Residence Element* update, and were updated again in 2003 as part of the 2004 *Housing Element* program.

- *New Area Plans.* Through the Better Neighborhoods and other area plan programs, the Planning Department continues to explore ways to develop and enhance the quality and livability of existing residential neighborhoods. The Eastern Neighborhoods new area plans initiated during the 1999-2006 reporting period and recently adopted in 2008, identify core elements that help create vibrant neighborhoods, such as walkability, availability of services, transit access, housing choices, and unique character. These new area plans incorporate these ideas into the development of community goals and neighborhood improvements.
- *Housing Development in Residential Neighborhoods.* Almost 4,550 units of housing were developed in San Francisco's existing residential neighborhoods from 1999-2006, representing 30% of all housing production in the City during that time period. This figure includes all new units constructed in the city's traditionally residential RH and RM districts (Residential House and Residential Mixed). The City has been able to locate this substantial amount of new housing in existing residential areas without significant adverse impacts to prevailing neighborhood character. The Better Neighborhoods and Eastern Neighborhoods programs provide for an increase in the number of housing units built in these districts near transit and other services.
- *Parking Requirements.* Neighborhood planning policies seek to reduce parking requirements below one space per unit in areas near transit in order to increase density, discourage automobile use, and create more walkable neighborhoods.
- *Green Building – Quality of Life Improvements.* The City has made a substantial effort to incorporate green building principles and green design into development projects during the last several years. In 2006, the Planning Department and other permitting agencies began to expedite permits for Leadership in Energy and Environmental Design (LEED) certified gold buildings. Moreover, in 2008 the City adopted a Green Building Ordinance that requires new construction to meet green building standards.

OBJECTIVE 12

STRENGTHEN CITYWIDE AFFORDABLE HOUSING PROGRAMS THROUGH COORDINATED REGIONAL AND STATE EFFORTS.

- *Regional Grants.* San Francisco was successful in advocating for language in the 2007-2014 Regional Housing Needs Assessment (RHNA) process to direct more transportation money to jurisdictions that agree to take on greater housing growth. Recently, the Association of Bay Area Governments FOCUS program, which seeks to encourage growth near transit in the Bay Area, designated several neighborhoods in San Francisco as Priority Development Areas (PDAs). PDAs are regionally-designated areas prioritized for housing development, and therefore eligible for grant funding. Planned PDAs would be eligible for capital infrastructure funds, planning grants, and technical assistance while Potential PDAs would be eligible for planning grants and technical assistance, but not capital infrastructure funds. Currently, a number of neighborhoods have been identified as PDAs. These areas represent approximately 40% of the city's land area.

Table A-1 is a review of all the implementation programs of the 2004 Housing Element.

Table A-7

Review of Implementation Programs from 2004 Housing Element

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
HOUSING SUPPLY			
OBJECTIVE 1 To provide new housing, especially permanently affordable housing, in appropriate locations which meets identified housing needs and takes into account the demand for affordable housing created by employment demand.		Somewhat successful.	Continue/ Modify
Policy 1.1 Encourage higher residential density in areas adjacent to downtown, in underutilized commercial and industrial areas proposed for conversion to housing, and in neighborhood commercial districts where higher density will not have harmful effects, especially if the higher density provides a significant number of units that are affordable to lower income households. Set allowable densities in established residential areas at levels that will promote compatibility with prevailing neighborhood scale and character where there is neighborhood support.	The City added a total of 17,473 net units, 35% of which are affordable. Of these affordable units, 2,214 are family housing, representing 56% of all affordable housing constructed or 15% of total housing production.	Somewhat successful, although RHNA targets not met. Given market conditions, the proportion of affordable housing has increased.	
Policy 1.2 Encourage housing development, particularly affordable housing, in neighborhood commercial areas without displacing existing jobs, particularly blue-collar jobs or discouraging new employment opportunities.	New area plans, including Market-Octavia, Eastern Neighborhoods, Flincon Hill and others, potentially increase housing capacity by over 55,000 and capitalize on existing neighborhood commercial and transit infrastructure where present. These plans also require a percent of larger family sized units.	Plans that will facilitate and guide growth in appropriate areas were successfully adopted.	
Policy 1.3 Identify opportunities for housing and mixed-use districts near downtown and former industrial portions of the City.	The Planning Department successfully adopted the Eastern Neighborhoods plan that encourages housing in former industrial areas where residential neighborhoods are established and urban amenities are in place or are feasible.	Successful	
Policy 1.4 Locate in-fill housing on appropriate sites in established residential neighborhoods.	The Planning Department continues to encourage housing development on brownfield sites such as the former Schlage Lock factory, where clean-up costs are not prohibitive and residential neighborhoods can be established.	Successful	
Policy 1.5 Support development of affordable housing on surplus public lands.	The City continues to evaluate surplus federal or state lands as an affordable housing resource.	On-going	
Policy 1.6 Create incentives for the inclusion of housing, particularly permanently affordable housing, in new commercial development projects.	The Redevelopment Agency continues to prioritize affordable housing on lands it controls.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 1.7 Encourage and support the construction of quality, new family housing.	The Planning Department increased height limits, eliminated density requirements, modified off-street parking requirements, and generated additional funds for affordable housing through new impact fees in the Rincon Hill Plan Area. Similar changes are proposed for the Transbay Plan Area.		
Policy 1.8 Allow new secondary units in areas where their effects can be dealt with and there is neighborhood support, especially if that housing is made permanently affordable to lower-income households.	The Planning Department continues to implement the Van Ness Avenue Plan, which requires residential units over commercial uses. There are currently 929 units in the development pipeline for this area.	On-going	
Policy 1.9 Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.	The Planning Department adopted new zoning that requires a minimum percentage of larger family units, ranging from two to four bedrooms, in new major residential projects.	To be determined in the next reporting period.	
	The Mayor's Office of Housing and the San Francisco Redevelopment Agency continues to administer programs for development of affordable family rental housing with priority given to projects that include affordable family units for the homeless and those at-risk of homelessness, and include supportive services for residents.	On-going	
	Student housing was increased due in part to nine institutional Master Plans adopted during the 1999-2006 reporting period.	To be determined in the next reporting period.	
	New residential design guidelines were adopted easing infill development in existing neighborhoods.	On-going	
	RTO zoning adopted that encourages the creation of secondary units.	To be determined in the next reporting period.	
	The Planning Department will continue to support the Jobs Housing Linkage Program, which requires that commercial development provide housing or pay an in-lieu fee. Nearly \$42 million was collected during the 1999-2006 reporting period.	Successful. Revise fees as needed	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
HOUSING RETENTION			
OBJECTIVE 2 Retain the existing supply of housing.		Successful	Continue
Policy 2.1 Discourage the demolition of sound existing housing.	The City continues to apply the Residential Conversion and Demolition Guidelines while discouraging the merger of units.	On-going	
Policy 2.2 Control the merger of residential units to retain existing housing.	The Condo Conversion Ordinance continues to control the conversion of smaller apartment buildings into condominiums and restrict larger apartment buildings over 6 units from converting.	On-going	
Policy 2.3 Restrict the conversion of rental housing to other forms of tenure or occupancy.	The Residential Hotel Conversion Ordinance continues to preserve the City's supply of SRO units.	On-going	
Policy 2.4 Retain sound existing housing in commercial and industrial areas.	The Department of Building Inspection and the San Francisco Fire Department continue to regulate the safety of buildings through annual inspections.	On-going	
Policy 2.5 Preserve the existing stock of residential hotels.	The City continues to facilitate the transfer of residential hotels to non-profit housing organizations to ensure permanent affordability, livability, and maintenance.	On-going	
Policy 2.6 Consider legalization of existing illegal secondary units where there is neighborhood support, the units can conform to minimum Code standards of safety and livability, and the permanent affordability of the units is assured.			
HOUSING CONDITION			
OBJECTIVE 3 Enhance the physical condition and safety of housing without jeopardizing use or affordability.		Successful	Continue
Policy 3.1 Ensure that existing housing is maintained in a decent, safe, and sanitary condition, without increasing rents or displacing low-income households.	2,051 units were rehabilitated during the reporting period.	Successful	
Policy 3.2 Preserve at risk, privately owned assisted housing.	Several buildings were landmarked and Historic Surveys were initiated for most area plans underway.	Successful	
Policy 3.3 Maintain and improve the condition of the existing supply of public housing.	The Housing Authority received \$118.5 million from the Federal HOPE VI Program to rehabilitate five public housing developments; this was used to leverage an additional \$166.8 million. Some 660 units were rehabilitated, with another 700 units under construction.	To be determined upon completion.	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 3.4 Monitor the correction of serious continuing code violations to prevent the loss of housing.	The HOPE SF program was initiated and will use City funds to rebuild 2,500 units of public housing.	To be determined upon completion.	
Policy 3.5 Improve the seismic stability of existing housing without reducing the supply of affordable housing.	Seismic retrofits of UMBs have been completed on most of the 11,850 units identified following the 1989 earthquake. Retrofits are pending for the remaining 102 units.		
Policy 3.6 Preserve landmark and historic residential buildings.	The CERF/CHRP programs continue to assist low-income property owners in repairing code violations;	On-going	
	The Department of Building Inspection continues to ensure that residential units meet building code standards by responding to complaints and through periodic inspection of apartments and hotels, as well as mandating the seismic retrofit of unreinforced masonry buildings.	On-going	
	The City continues to implement the Proposition M policy that landmarks and historic buildings be preserved.	On-going	

HOUSING AFFORDABILITY

OBJECTIVE 4 Support affordable housing production by increasing site availability and capacity.		Successful	Continue
Policy 4.1 Actively identify and pursue opportunity sites for permanently affordable housing.	The City's Affordable Housing Fund, derived from payment of fees by office, entertainment, hotel, and retail developers, as well as market rate housing developers, continues to be used to develop affordable housing. A total of \$66 million was collected during the 1999-2006 reporting period.	On-going	
Policy 4.2 Include affordable units in larger housing projects.	The City's Inclusionary Housing program, which requires new development to provide a percentage of affordable units, produced 826 units during the 1999-2006 reporting period. The City expanded the program in 2001 and 2006. An additional 546 units were produced in 2007-2008.	On-going	
Policy 4.3 Encourage the construction of affordable units for single households in residential hotels and "efficiency" units.	The Redevelopment Agency increased affordability requirements in redevelopment areas, resulting in 480 affordable units during the 1999-2006 reporting period.	On-going	
Policy 4.4 Consider granting density bonuses and parking requirement exemptions for the construction of affordable housing or senior housing.	Affordable housing special use districts (SUDs) that increase densities for more affordable units continue to be established. Almost all new area plans also include these policies as well as requiring additional affordable housing impact fees.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 4.5 Allow greater flexibility in the number and size of units within established building envelopes, potentially increasing the number of affordable units in multi-family structures.	Developing housing on appropriate public land continues to be city policy. The Market Octavia Plan calls for the development of up to 900 units on former Central Freeway parcels. The development of additional affordable housing continues to be investigated for various other plan areas.	On-going	
Policy 4.6 Support a greater range of housing types and building techniques to promote more economical housing construction and potentially achieve greater affordable housing production.			
OBJECTIVE 5 Increase the effectiveness and efficiency of the city's affordable housing production system.		Mostly successful.	Continue.
Policy 5.1 Prioritize affordable housing projects in the planning review and approval processes, and work with the development community to devise methods of streamlining housing projects.	Additional staff at Planning and DBI were hired to expedite the permitting process and the City invested \$600,000 in new technology to streamline permitting activities among various agencies. In 2007, a policy was implemented that requires immediate assignment of affordable housing projects eliminating a 4-6 month delay.	On-going	
Policy 5.2 Support efforts of for-profit and non-profit organizations and other community-based groups and expand their capacity to produce and manage permanently affordable housing.	The Mayor's Office of Housing (MOH) and the Redevelopment Agency continue to collaborate with the Department of Public Health and the Human Services Agency to develop supportive housing for homeless persons and families, as well as develop rental housing at or below 50% AMI.	On-going	
Policy 5.3 Create greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.	MOH continues to administer the Community Development Block grant program to fund the activities of local nonprofit housing agencies with \$16.3 million distributed between 1999 and 2006. In 2008, \$2.2 million was distributed.	On-going	
Policy 5.4 Coordinate governmental activities related to affordable housing.			
OBJECTIVE 6 Protect the affordability of existing housing		Mostly successful. Some affordable rental units were lost in 2-unit buildings. Upon vacation rent control price resets to market price.	Continue/ Modify
Policy 6.1 Protect the affordability of units in existing buildings at risk of losing their subsidies or being converted to market rate housing.	The rent control ordinance continues to limit rent increases for approximately 170,000 rental units in the City.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 6.2 Ensure that housing developed to be affordable is kept affordable.	The Downpayment Assistance Loan Program (DALP) and Mortgage Credit Certificate (MCC) program continues to assist with the funding of a down payment and increase a household's ability to qualify for a mortgage. During the 1999-2006 reporting period, 428 households received DALP or city second loan assistance and the MCC program assisted 406 households.	On-going	
Policy 6.3 Safeguard tenants from excessive rent increases..	Permanent affordability remains a priority for all City housing programs with most now having affordability terms of 50 to 75 years; as most affordable housing is owned and operated by nonprofit agencies, affordability beyond this term is also ensured.	On-going	
Policy 6.4 Achieve permanent affordability through community land trusts and limited equity housing ownership and management.	The city continues to explore community land trusts with a pilot project at 53 Columbus approved and nearing completion. The outcome of this project will help determine the viability of this method of ensuring permanent affordability.	Community land trust pilot project under construction.	
Policy 6.5 Monitor and enforce the affordability of units provided as a condition of approval of housing projects.	MOH continues to improve its monitoring of affordable housing programs with significant technology and process improvements to Asset Management and the Below Market Rate and Inclusionary monitoring programs.	On-going	
	MOH and the San Francisco Redevelopment Agency (SFRA) acquired financing for the acquisition of most at-risk affordable housing (due to expiring HUD mortgages or other subsidies). MOH is currently working on a "small site" program that could allow the acquisition and rehabilitation of smaller sites that are typically too small for traditional financing models.	On-going	
	The Condominium Conversion Ordinance continues to limit to 200 per year the number of rental units converted to ownership units.	On-going	
OBJECTIVE 7 Expand the financial resources available for permanently affordable housing.		Successful	Continue
Policy 7.1 Enhance existing revenue sources for permanently affordable housing.	The Jobs-Housing Linkage Program (JHLP) continues to provide substantial funds for affordable housing. During the reporting period \$42 million was collected, assisting 10 development projects totalling 743 units.	On-going	
Policy 7.2 Create new sources of revenue for permanently affordable housing including dedicated long-term financing for housing programs.	Inclusionary in-lieu fees were increased during the reporting period, resulting in \$23 million in payments to the Affordable Housing Fund.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 7.3 Develop greater investments in and support for affordable housing programs by corporations, churches, unions, foundations, and financial institutions.	The Human Services Agency and the Department of Public Health continue to offer operating subsidies for special needs housing through their supportive housing programs.	On-going	
	The Redevelopment Agency continues to administer the Tax Increment Housing Program and the Housing Opportunities for People with AIDS Program (HOPWA) to develop affordable housing.	On-going	
	The City continues to work with local financial institutions and non-profits to provide credit opportunities to low- and moderate-income individuals and households.	On-going	
HOUSING CHOICE			
OBJECTIVE 8 Ensure equal access to housing opportunities.		Successful, given that discrimination can never be completely eliminated.	Continue
Policy 8.1 Encourage sufficient and suitable rental housing opportunities and emphasize permanently affordable rental units wherever possible.	The Human Rights Commission continues to investigate and mediate complaints of discrimination in housing.	On-going	
Policy 8.2 Employ uniform definitions of affordability that accurately reflect the demographics and housing needs of San Franciscans.	Inclusionary requirements were amended in 2006 to reflect San Francisco median income instead of the SF-Marin-San Mateo area median income.	On-going	
Policy 8.3 Ensure affirmative marketing of affordable housing.	The City has continued the policy of establishing special use districts to allow density bonuses for affordable or special needs housing.	On-going	
Policy 8.4 Encourage greater economic integration within housing projects and throughout San Francisco.	Economic integration in housing has been fostered by the City's revised and expanded Inclusionary Housing Ordinance that requires below market rate units (BMRs) to be built as part of new development. The HOPE-SF program will also rebuild existing public housing projects as mixed-income developments at increased densities and with additional public amenities.	On-going	
Policy 8.5 Prevent housing discrimination	MOH and the SFRA have targeted their affordable housing programs to serve low and very low income households to the maximum extent possible.	On-going	
Policy 8.6 Increase the availability of units suitable for users with supportive housing needs.	The San Francisco Redevelopment Agency and the Mayor's Office of Housing continue to monitor leasing and sales of assisted housing developments to ensure compliance with affirmative marketing goals and income and rent restrictions.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 8.7 Eliminate discrimination against households with children	The City's affirmative marketing programs for affordable housing continue to require outreach to minority communities, including advertising in multi-lingual media.	On-going	
Policy 8.8 Promote the adaptability and maximum accessibility of residential dwellings for disabled and elderly occupants.			
Policy 8.9 Encourage the provision of new home ownership opportunities through new construction so that increased owner occupancy does not diminish the supply of rental housing			
Policy 8.10 Ensure an equitable distribution of quality board and care centers, and adult day care facilities throughout the City.			
OBJECTIVE 9 Avoid or mitigate hardships imposed by displacement.		Successful	Continue
Policy 9.1 Minimize the hardships of displacement by providing essential relocation services.	The Human Rights Commission continues to investigate and mediate charges of housing discrimination.	On-going	
Policy 9.2 Offer displaced households the right of first refusal to occupy replacement housing units that are comparable in size, location, cost, and rent control protection.	The Rent Stabilization Board continues to enforce the city's rent control ordinance which requires property owners to compensate tenants that are evicted as well as offering counseling and services to tenants faced with property management problems or eviction threats; the number of total evictions represented by Ellis Act and owner move-in evictions declined during the 1999-2008 reporting period to 531, compared to 1,345 reported for 1989-1998.	On-going	
	The City continues to work for a minimum of one-to-one replacement of all housing lost.	On-going	
	The HOPE-SF program to rebuild public housing includes provisions for one-to-one replacement of all housing units and right of return for existing tenants; tenant assistance to enable return is also provided.	On-going	
HOMELESSNESS			
OBJECTIVE 10 Reduce homelessness and the risk of homelessness in coordination with relevant agencies and service providers		Somewhat successful; although the City continues its' efforts, homelessness continues to be a major problem.	Modify
Policy 10.1 Focus efforts on the provision of permanent affordable and service-enriched housing to reduce the need for temporary homeless shelters.	The Master Lease Program, established in 1999 to provide housing with services for homeless persons, was expanded significantly during the reporting period. The City completed the renovation of 100 units of supportive housing at the Presidio.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 10.2 Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.	The Treasure Island Homeless Development Initiative (TIHDI) rehabilitated 250 units of housing as part of the homeless component of the civilian reuse plan for Treasure Island.	On-going	
Policy 10.3 Improve coordination among emergency assistance efforts, existing shelter programs, and health care outreach services.	In 2004, the City adopted a 10-year plan to end chronic homelessness by constructing 3,000 units of supportive housing by 2014.	On-going	
Policy 10.4 Facilitate childcare and educational opportunities for homeless families and children	The Residential Hotel Unit Conversion and Demolition Ordinance continues to minimize the loss of residential hotel units through conversion and demolition.	On-going	
	The Department of Human Services (DHS) continues to fund non-profit agencies to provide on-site supportive services for formerly homeless individuals and families living in supportive housing. DHS coordinates development of these programs with the Mayor's Office of Housing and the Redevelopment Agency, which provide funding for construction and rehabilitation of affordable housing, including supportive housing.	On-going	
	MOH, the San Francisco Housing Authority and the Redevelopment Agency continue to integrate job training and other programs that support low- and moderate-income families, into its affordable housing development.	On-going	
	The DHS Eviction Prevention and Rental Assistance program continues to work with non-profits to help low and very-low income individuals and families at risk of homelessness to maintain their housing by paying past due rent to avoid eviction, and offering legal services, counseling, and other supportive services.	On-going	
	DHS continues to fund non-profit contractors to provide after-care services for homeless families once they are housed to help them maintain housing, become stable and prevent recurring episodes of homelessness.	On-going	
	The City continues to operate its Homeless Services Team, which conducts outreach to homeless persons living on the street with the goal of assisting the most difficult-to-reach homeless persons to access available appropriate services, benefits, health care and housing.	On-going	
	The Department of Human Services continues to implement the California Work Opportunity and Responsibility to Kids (CaWORKs) program to serve adults with dependent children where participants receive financial support and a full array of services for 18-24 months as they work with an Employment Specialist to follow an individualized Employment Plan.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
HOUSING DENSITY, DESIGN, AND QUALITY OF LIFE			
OBJECTIVE 11 In increasing the supply of housing, pursue place making and neighborhood building principles and practices to maintain San Francisco's desirable urban fabric and enhance livability in all neighborhoods.		Successful	Continue
Policy 11.1 Use new housing development as a means to enhance neighborhood vitality and diversity.	The Planning Department's <i>Residential Design Guidelines</i> was updated in 2003 to help ensure that new residential development is compatible with existing residential development.	On-going	
Policy 11.2 Ensure housing is provided with adequate public improvements, services, and amenities.	All new area plans initiated during the reporting period include enhancements to the quality and livability of neighborhoods; walkability, availability of services, transit access, and housing choices are all incorporated into the development of community goals and neighborhood improvements.	On-going	
Policy 11.3 Encourage appropriate neighborhood-serving commercial activities in residential areas, without causing affordable housing displacement.	The Planning Department continues to encourage historic preservation and adaptive reuse of older buildings to enhance neighborhood vibrancy.	On-going	
Policy 11.4 Avoid or minimize disruption caused by expansion of institutions, large-scale uses and auto-oriented development into residential areas.	Almost 4,550 units of housing, or 30% of all housing production from 1999-2006, were developed in San Francisco's existing neighborhoods without significant adverse impacts to prevailing neighborhood character. The remaining new units were built on industrial land.	On-going	
Policy 11.5 Promote the construction of well-designed housing that enhances existing neighborhood character.	Planning policies encourage the reduction of parking below one space per unit in areas near transit to increase density, discourage automobile use, and create more walkable neighborhoods.	On-going	
Policy 11.6 Employ flexible land use controls in residential areas that can regulate inappropriately sized development in new neighborhoods, in downtown areas and in other areas through a Better Neighborhoods type planning process while maximizing the opportunity for housing near transit.	Beginning in 2006, City permitting agencies expedited permits for LEED certified Gold buildings. In 2008, the City adopted a Green Building Ordinance that requires new construction to meet green building standards.	On-going	
Policy 11.7 Where there is neighborhood support, reduce or remove minimum parking requirements for housing, increasing the amount of lot area available for housing units.	The Department of Building Inspection, Pacific Gas and Electric Company (PG&E), and the Building Science industry continue environmental education programs for the general public, project sponsors, and builders.	On-going	
Policy 11.8 Strongly encourage housing project sponsors to take full advantage of allowable building densities in their housing developments while remaining consistent with neighborhood character.	The Mayor's Office of Housing continues to provide funding for the physical and financial preservation of non-profit owned affordable rental housing that requires energy efficiency improvements in order to protect its affordability.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue / Modify / Delete
Policy 11.9 Set allowable densities and parking standards in residential areas at levels that promote the City's overall housing objectives while respecting neighborhood scale and character.	The Department of Building Inspection continues to enforce Title 24 energy code requirements, as well as the Residential Energy Conservation Ordinance (RECO) that affects all residences at time of sale or at time of meter conversion, major improvement or condominium conversion.	On-going	
Policy 11.10 Include energy efficient features in new residential development and encourage weatherization in existing housing to reduce overall housing costs and the long-range cost of maintenance.			

REGIONAL AND STATE HOUSING NEEDS

OBJECTIVE 12 Strengthen citywide affordable housing programs through coordinated regional and state efforts.		Successful. The City continues to engage on a regional level, and strives to carry its fair share of regional growth.	Modify
Policy 12.1 Work with localities across the region to establish a better relationship between economic growth and increased housing needs.	The City continues to work with the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) to shape plans that meet regional housing, transportation, and job needs.	On-going	
Policy 12.2 Support the production of well-planned housing regionwide that address regional housing needs and improve the overall quality of life in the Bay Area.	The San Francisco Redevelopment Agency (SFRA) continues to serve as the lead agency and administrator of the HOPWA Program on behalf of the San Francisco Eligible Metropolitan Statistical Area (EMSA), which includes San Francisco, San Mateo and Marin counties.	On-going	
Policy 12.3 Encourage jurisdictions throughout the Bay Area to recognize their share in the responsibility to confront the regional affordable housing crisis.	At the state level, the City was successful in advocating for changes that direct more transportation money to jurisdictions, like San Francisco, that take on greater housing growth as part of the 2007-2014 Regional Housing Needs Allocation process.	On-going	
Policy 12.4 Foster educational programs across the region that increase public understanding of the need for affordable housing and generate support for quality housing projects.	At the regional level, the City successfully coordinated with the Association of Bay Area Governments (ABAG) to designate several neighborhoods in San Francisco as Priority Development Areas that, as regionally-designated areas prioritized for housing development, are eligible for various funds to assist with capital infrastructure, planning, and technical assistance expenses.	On-going	
Policy 12.5 Support the State of California in developing and implementing state affordable housing plans and programs.			

Public Participation

The 2009 Housing Element Update is the product of a comprehensive community-based planning effort. The Planning Department worked closely with community leaders, stakeholders, city agencies, and community members to gather input. The Planning Department maintained a Housing Element website to keep community members informed about key meetings, events, and working documents. Additionally the Department circulated postcards about the project to all community organizations, elected officials, and special interest groups; the postcards provided people with a connection to the project and website. Additionally staff presented periodic updates at Planning Commission hearings on the progress of the data and needs assessment and policy work.

The outreach strategy included a range of forums. The Community Advisory Body (CAB) acted as a focus group developing the first draft of the update. The Stakeholder Sessions provided learning forums for staff and CAB members to learn about specific policy and program issues. The Citywide Outreach component provided a forum for broader public input at neighborhood organizations across the City. Office Hours and Director's Forums provided additional opportunities to hear from the public. Finally, the Planning Commission held several informational hearings to ensure the public was up-to-date throughout the Housing Element update process.

Throughout the outreach process, staff created a summary of public comments received, as well as a detailed matrix of individual comments. This 2009 Housing Element Comments and Response Document continues to be available online at <http://housingelement2009.sfplanning.org/> for those interested in specific comments received during the course of the outreach process.

0. Citywide Preparation: Summer 2008

- ☒ Meetings/discussions with all supervisors, July 2008
- ☒ Citywide Roundtable with all related City agencies, August 12, 2008

I. Community Advisory Body: September 2008 – January 2009

In the fall of 2008, the Planning Department appointed 15 individuals to the Community Advisory Body (CAB). The CAB included individuals from each Supervisorial District, as well as several housing experts in the City. Over the course of six months, the CAB worked with staff on the development and refinement of a draft version of objectives, policies and implementation programs. Work products and notes from CAB meetings are available online at <http://housingelement2009.sfplanning.org/>.

- ☒ September 3rd - Introduction of the Housing Element & Review the draft Part 1
- ☒ October 1st - Policy Working Session: Part 1 (Adequate Sites, Facilitate the Development of Affordable Housing)
- ☒ November 5th - Policy Working Session: Part 2 (Maintain Existing Housing Stock)
- ☒ November 19th - Policy Working Session: Part 3 (Protect At Risk Housing Stock, Equal Housing Opportunities, Remove Constraints: Governmental and Non-Governmental)
- ☒ December 3rd - Policy Working Session: Part 4 (Balance Housing Growth with Infrastructure, San Francisco Character, Environmental Sustainability, Other Objectives)
- ☒ January 7th - Review draft set of objectives and policies
- ☒ January 28th - Identify implementation actions
- ☒ January 27th, 2010 – Review Draft 1
- ☒ Throughout 2010-2011- Correspondence via email

II. Stakeholder Sessions: October – December 2008

The Planning Department hosted fourteen stakeholder sessions in the fall of 2008. These sessions aimed to gain an understanding of the needs and policy interests of special interest housing groups and organizations. The sessions encouraged focused discussion of specific issues such as seniors, families, or affordable housing in relation to the Housing Element. Key topics for stakeholder sessions were identified by staff, CAB members, and advocacy groups. Groups related to the topic at hand were invited to each session, and sessions were open to all.

Date	Stakeholder Sessions
10/8/2008	Market Rate Housing Developers
10/10/2008	Affordable Housing Developers
10/23/2008	Special Needs Housing
10/24 and 11/4/2008	Housing Action Coalition
10/29/2008	Council of Community Housing Organizations
11/14/2008	Renters and Advocates
11/17/2008	Neighborhood Organizations
11/18/2008	Neighborhood Organizations
11/19/2008	Neighborhood Organizations
11/21/2008	Senior Housing
11/21/2008	Transgender Housing Needs
12/11/2008	Family Housing
12/16/2008	Homelessness
1/26/2009	SPUR Housing Committee

III. Citywide Outreach – January through May 2009

Broad citywide outreach provided numerous forums for general public comment about housing priorities and needs, and input on the overarching values and topics. Over the course of five months Planning Department staff attended nearly 30 community meetings, coordinating with existing neighborhood groups, Supervisors, and other community organizations to ensure that several were held in each district of the City. Community members were also invited to provide input at monthly office hours, through an online and written survey, or through written comments.

Date	Citywide Meeting
1/6/2009	Cow Hollow Neighborhood Association
3/4/2009	Bernal Heights Neighborhood Center
3/10/2009	Visitation Valley CAC
3/24/2009	Upper Market
3/25/2009	Western SOMA Citizen Planning Task Force
3/26/2009	District 2
3/31/2009	District 5
4/2/2009	Mission Neighborhood
4/6/2009	Duboce Triangle Neighborhood Association Land Use Committee
4/7/2009	Chinatown
4/8/2009	Glen Park Association
4/11/2009	District 11 Council
4/14/2009	Dogpatch Neighborhood Association
4/14/2009	St. Francis Wood Community Board
4/15/2009	San Francisco Day Labor Program/Woman's Collective
4/15/2009	Planning Association for the Richmond
4/15/2009	Tenderloin Neighborhood and Homelessness Issues
4/16/2009	Senior Action Network
4/20/2009	Middle Polk Neighborhood Association
4/21/2009	Russian Hill/North Beach/Telegraph Hill
4/23/2009	Upper Noe Neighbors
4/28/2009	Potrero Hill Boosters
4/29/2009	Family Housing/Housing Justice Coalition
5/2/2009	India Basin Neighborhood Association
5/5/2009	Bayview Police Station Community Meeting
5/6/2009	West of Twin Peaks
5/14/2009	Sunset District Neighborhood Coalition
5/19/2009	Mission Neighborhood
5/21/2009	Bayview Project Area Committee (PAC)

IV. Planning Department Office Hours: March – June 2009

Staff held regular drop-in sessions to receive public comment, answer questions, and be available to the public for all Housing Element related items. All sessions were held at Planning Department offices.

- ☒ March 9th
- ☒ April 13th
- ☒ May 11th
- ☒ June 8th

V. Director's Forums: December 2010- February 2011

Two sessions were scheduled as informal "sit-downs" with the Planning Director. These sessions were intended to provide interested participants an opportunity to discuss their thoughts about the Housing Element directly with the Director. Both sessions were advertised, held in the evenings to maximize participation, and open to the public.

VI. Planning Commission Hearings: June 2009 – February 2011

Throughout the Housing Element update process, staff has held a series of Informational Hearings intended to convey information to the public and decisionmakers, in preparation for adoption hearings, slated to begin in March 2011.

Implementing Programs

ADEQUATE SITES

OBJECTIVE 1:
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

1. Planning staff shall provide data to the Planning Commission on the expected unit type and income level of any proposed projects or area plans under review, including how such units would address the City's fair share of the Regional Housing Needs.

Lead Agency: Planning Department

Funding Source: Annual Work Program

Schedule: Adoption as policy by the end of 2010.

2. Planning shall continue to make data on housing production available to the public through the annual *Housing Inventory*, and increase its notification and distribution to neighborhood organizations.

Lead Agency: Planning Department

Funding Source: Maintain in annual Work Program

Schedule: Continue existing efforts

3. All agencies subject to the Surplus Property shall annually report surplus property to the DRE/Assessor's Office, for use by MOH in land evaluation. MOH shall continue evaluating surplus publicly-owned land for affordable housing development potential. To the extent that land is not suitable for development, MOH shall sell surplus property and use the proceeds for affordable housing development for homeless people consistent with the Surplus Property Ordinance (this should all be together and mirror the ordinance).

Lead Agency: Mayor's Office of Housing

Supporting Agencies: All City Agencies

Funding Source: Maintain in annual Work Program

Schedule: Continue existing efforts

4. MOH shall continue to actively pursue surplus or underused publicly-owned land for housing potential, working with agencies not subject to the Surplus Property Ordinance such as the SFPUC, SFUSD and MTA to identify site opportunities early and quickly. City agencies shall continue to survey their properties for affordable housing opportunities or joint use potential.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Public Utilities Commission, San Francisco Unified School District, Municipal Transportation Agency
Funding Source: Maintain in annual Work Program
Schedule: Continue existing efforts

5. Consistent with the SFMTA's Climate Action Plan, MTA shall continue Transit-Oriented Development efforts, including identifying large MTA sites (rail, storage and maintenance yards) that can serve as potential housing sites and working with MOH and the private sector towards their development.

Lead Agency: Municipal Transportation Authority
Supporting Agencies: Mayor's Office of Housing
Funding Source: Annual Work Program
Schedule: Phelan Loop (first housing project on SFMTA/TOD site) to begin construction Spring 2011; completed Fall 2012.

6. To further smaller scale TOD opportunities, Planning and MTA shall evaluate smaller surplus MTA-owned sites (typically surface parking lots) and identify barriers towards their redevelopment, such as Planning Code issues, neighborhood parking needs and community sentiment.

Lead Agencies: Municipal Transportation Authority, Planning Department
Supporting Agencies: Mayor's Office of Housing
Funding Source: Annual Work Program
Schedule: Initiate in Fall 2010

7. The Redevelopment Agency shall continue to set-aside sites in redevelopment areas for affordable housing development.

Lead Agency: San Francisco Redevelopment Agency
Funding Source: Maintain in annual Work Program
Schedule: Continue existing efforts

8. Planning, Redevelopment and MOEWD shall complete long range planning processes already underway: Japantown, Glen Park, the Northeast Embarcadero Study, Candlestick / Hunters Point, India Basin Shoreline Community Planning Process, and Treasure Island.

Lead Agency: Planning Department
Supporting Agencies: San Francisco Redevelopment Agency, Office of Economic and Workforce Development, San Francisco Housing Authority
Funding Source: Maintain in annual Work Program

Schedule: Projected approval dates:
 Candlestick/Hunters Point Shipyard -- adopted Summer 2010
 Japantown -- expected Winter 2010
 Glen Park -- expected Winter 2010
 Park Merced - expected Winter 2010
 Transbay -- expected Summer 2011

9. Planning shall publish its work program annually, citing all community planning processes that are to be initiated or are underway. This annual work program shall be located on the Department's website after it is adopted by the Board of Supervisors.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Publish final work program in Summer 2010 and annually thereafter, subsequent to Board of Supervisors approval

10. At the initiation of any community planning process, the Planning Department shall notify all neighborhood organizations who have registered with the Planning Department on its Neighborhood Organization List and make continued outreach efforts with all established neighborhood and interest groups in that area of the City.

Lead Agency: Planning Department
Funding Source: Annual Work Program (part of outreach for community planning process budget)
Schedule: Implement at the beginning of every community planning process.

11. At the conclusion of any community planning process, the Planning Commission shall ensure that the community project's planning process has entailed substantial public involvement before approving any changes to land use policies and controls.

Lead Agency: Planning Commission
Funding Source: Annual Work Program (part of outreach for community planning process budget)
Schedule: Implement at the beginning of every community planning process.

12. Planning shall continue to require integration of new technologies that reduce space required for non-housing functions, such as parking lifts, tandem or valet parking, into new zoning districts, and shall also incorporate these standards as appropriate when revising existing zoning districts.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing

PART 1: DATA NEEDS & ANALYSIS

13. When considering legalization of secondary units within a community planning processes, Planning should develop design controls that illustrates how secondary units can be developed to be sensitive to the surrounding neighborhood, to ensure neighborhood character is maintained.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing

14. Planning shall continue to impose requirements under the Jobs Housing Linkage Program, and shall work with new or expanding commercial and institutional uses to plan for the related housing need they generate. The fee structure should also be reviewed regularly to ensure that developers continue to contribute adequately to the costs created by the demand for housing caused by their projects, while not damaging project feasibility.

Lead Agency: Planning Department
Supporting Agencies: Mayors Office of Housing
Funding Source: Annual Work Program
Schedule: Ongoing

15. Planning should work with DPH to tailor the use of the Healthy Development Measurement Tool (HDMT) in development of neighborhood or citywide plans to be effective given the tradeoffs inherent in achieving affordable housing, and utilize the information received in the development of policy and programs.

Lead Agency: Planning Department
Supporting Agencies: Department of Public Health
Funding Source: Annual Work Program
Schedule: Ongoing

16. Planning shall continue to implement City requirements for Institutional Master plans (Section 304.5 of the Planning Code) to ensure that institutions address housing and other needs, with full participation by the Planning Commission, community and neighborhood organizations, other public and private agencies and the general public.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

17. The Planning Department shall require the preparation of an analysis that includes a site survey to identify potential noise-generating uses within two blocks of the project site prior to completion of the environmental review for all residential projects located in areas exceeding 75 Ldn. The analysis shall include at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes). The analysis shall demonstrate with reasonable

certainty that Title 24 standards, where applicable, can be met. If there are particular circumstances about the proposed project site that appear to warrant heightened concern about noise levels in the vicinity, the Department may require the completion of a detailed noise assessment prior to the first project approval action, in order to demonstrate that acceptable interior noise levels consistent with those in the Title 24 standards can be attained;

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

18. To minimize effects on development in noisy areas, for new residential uses located in areas exceeding 75 Ldn, the Planning Department shall, through its building permit review process, in conjunction with noise analysis, require that open space required under the Planning Code for such uses be protected, to the maximum feasible extent, from existing ambient noise levels that could prove annoying or disruptive to users of the open space. Implementation of this measure could involve, among other things, site design that uses the building itself to shield on-site open space from the greatest noise sources, construction of noise barriers between noise sources and open space, and appropriate use of both common and private open space in multi-family dwellings, and implementation would also be undertaken consistent with other principles of urban design.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

Strategies for Further Review

- MOH should explore programs that promote donation of land for affordable housing development to the City, including community land trust programs. One possibility may be the review of programs that could allow the donation of real estate as a charitable contribution, similar to the Conservation Tax Incentive promoted by the Trust for Public Land for open space purposes, where taxpayers can deduct up to 50% of adjusted gross income (AGI) for donations or bargain sales of qualified conservation easements.
- Planning should continue to explore area-specific strategies to maximize opportunities for affordable housing, such as identifying affordable housing site opportunities, or developing additional inclusionary measures that are tailored to particular neighborhoods, within community planning processes,
- Planning should explore methods for promoting increased mixed uses, including the consideration of requiring conditional use authorization for single-use development projects in mixed use zoning districts, (such as Neighborhood Commercial zoning districts).
- Planning and MOH should explore incentives for student housing. Student housing is already exempt from the City's Inclusionary Housing Ordinance, but additional modifications may assist in increasing the feasibility and supply of student housing.

CONSERVE AND IMPROVE EXISTING STOCK

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

19. Planning shall continue to implement the recently adopted Planning Code Section 317, which codifies review criteria for allowing housing demolition, conversion and mergers, amend it when necessary, and shall continue to apply Section 311 of the Planning Code to deny residential demolition permits until approval of a new construction permit is obtained. Planning shall also continue to require that all publicly subsidized housing units be replaced one for one.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

20. Planning shall continue to require Discretionary Review (DR) for all dwelling unit merger applications.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing – existing process

21. The Department of Building Inspection (DBI) shall continue its earthquake preparedness programs, such as the UMB Loan Program, the Building Occupancy Resumption Program, which allows San Francisco building owners to pre-certify private post-earthquake inspection of their buildings, and the Community Action Plan for Seismic Safety, under which DBI is developing a program which mandates seismic upgrades for “soft-story” buildings.

Lead Agency: Department of Building Inspection
Supporting Agencies: Planning Department
Programs: Unreinforced Masonry Building (UMB) Loan Program
 Building Occupancy Resumption Program (BORP)
 Community Action Plan for Seismic Safety (CAPSS)
 City Policy Concerning Seismic Retrofit Upgrades for Soft-Story, Wood-Frame Construction
Funding Source: Bond Reallocation
Schedule: 2010

22. The Mayor's Office, in cooperation with the Department of Building Inspection (DBI), shall pursue programs, both voluntary and mandatory, to promote seismic upgrades for “soft-story” buildings.

Lead Agency: Mayor's Office
Supporting Agencies: Department of Building Inspection
Funding Source: Not Required
Schedule: Voluntary seismic strengthening legislation adopted in Spring 2010; pursue mandatory legislation in Fall 2010.

23. The Department of Building Inspection (DBI) shall continue to provide educational programs to assist property owners with non-structural improvements that assist in long-term safety, such as securing water heaters and developing household emergency plans.

Lead Agencies: Department of Building Inspection, Mayor's Office of Housing
Programs: "What You Should Know" Publication Series
 Brownbag Lunch Seminars and Video-On-Demand
 MOH's Homeowner's Resource Information website
Funding Source: Annual Work Program
Schedule: Ongoing (existing program)

24. DBI shall continue to provide and improve public information materials for residents and property owners about best practices and programs to maintain and enhance their home(s), including advertising of funding sources. DBI shall provide language translation of all materials, and shall explore methods of working through neighborhood organizations to expand knowledge about programs.

Lead Agency: Department of Building Inspection
Programs: Code Enforcement Outreach Program
 "Meet the DBI Pros" Summit
 Participation in the "Big Rumble" Resource Fairs and other community events. Recent events include Chinatown Community Street Fair, Cinco de Mayo, Excelsior Festival, Fiesta on the Hill, Bernal Heights Street Fair, Sunset Community Festival and West Coast Green Conference & Expo
Funding Source: Annual Work Program
Schedule: Ongoing (existing program)

25. The Mayor's Office of Neighborhood Services shall expand the capacity of the Neighborhood Empowerment Network (NEN), a partnership of City Agencies, local non profits and committed community leaders, to share information to prepare homeowners and residents for natural disasters.

Lead Agency: Mayor's Office of Neighborhood Services
Programs: NEN Empowerment Summit
 NEN Clean and Green Summit Community Challenge Grants
Supporting Agencies: Member organizations of the Neighborhood Empowerment Network
Funding Source: Annual Work Program
Schedule: Ongoing

26. DBI shall continue to ensure that residential units meet building code standards by responding to complaints and through periodic inspection.

Lead Agency: Department of Building Inspection, Building Inspection Division
Funding Source: Annual Work Program
Schedule: Ongoing

PART 1: DATA NEEDS & ANALYSIS

27. The City shall continue to seek outside funding to help low and moderate income homeowners to address building code issues related to accessibility, health and safety as well as funding for energy efficiency and green energy.

Lead Agency: Mayor's Office of Housing
Programs: CalHome Loan Program (major rehabilitation)
Code Enforcement Rehabilitation (CERF) Loan Program (minor rehabilitation)
LEAD-Based Paint Hazards Control Grant Program
Underground Utility Grant Program - UUP
CalHome Grant Program
Code Enforcement Rehabilitation Fund (CERF) Grant Program
Funding Source: Federal grants, including HUD's Healthy Homes and Lead Hazard Control;
and local sources such as CERF and CHIRP
Schedule: Ongoing

Strategies For Further Review

- DBI should consider additional programs that support voluntary home maintenance and seismic retrofitting, including expedited plan review and fee rebates.
- MOH and DBI should explore methods to, and seek funding for, programs that can increase maintenance and safety standards while not unduly increasing rents or displacing low-income households, such as a City-funded loan program aimed at meeting the needs of lower-income owners, similar to Chicago's H.O.M.E.'s Upkeep and Repair Services Program.
- The BIC should evaluate the current uses of the Code Enforcement Rehabilitation Fund (CERF) and determine whether the program could be improved or expanded.
- As a part of the CAPPS Program, DBI should evaluate the need for revisions to the San Francisco Building Code; the need for the retrofit of designated shelters or the determination of alternate seismically safe locations; and the need for mitigation programs for critical non-ductile concrete buildings.
- DBI should evaluate alternative uses of the Seismic Safety Loan Program, and consider making it available for use in rehabilitating properties for conversion to limited-equity housing cooperatives.

**OBJECTIVE 3:
PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK,
ESPECIALLY RENTAL UNITS.**

28. DBI and DPW shall continue to monitor the conversion of tenancies in common to condominiums.

Lead Agency: Department of Building Inspection
Supporting Agencies: Department of Public Works
Funding Source: Annual Work Program
Schedule: Ongoing

29. Planning shall continue to enforce the Residential Hotel Unit Conversion and Demolition Ordinance.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

30. The Department of Health and Human Services (HSA) shall continue to facilitate the transfer of residential hotels to effective non-profit housing organizations; and HSA, DPH, and MOH should develop programs that further encourage non-profit operation of SROs.

Lead Agency: Health and Human Services
Supporting Agencies: Department of Public Health, Mayor's Office of Housing
Funding Source: San Francisco General Fund
Schedule: Ongoing

31. MOH shall implement the Small Site Acquisition and Rehabilitation Program using inclusionary in-lieu fees to enable non-profits to acquire existing rental properties under 25 units for long-term affordability; and shall explore other methods of support, such as low-interest rate financing and technical assistance for small site affordable development.

Lead Agency: Mayor's Office of Housing
Funding Source: Inclusionary Housing Program
Schedule: Ongoing

32. MOH / SFRA shall continue funding the acquisition and rehabilitation of landmark and historic buildings for use as affordable housing.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Redevelopment Agency
Funding Source: State grants, Historic Preservation Tax Credit programs and in lieu funds from the Inclusionary Housing Program
Schedule: Ongoing

33. MOH shall continue to monitor the sale, re-sale, rental and re-rental of all privately developed below-market-rate housing units originating from the City's Inclusionary Housing Program to insure that they are sold or rented at restricted prices.

Lead Agency: Mayor's Office of Housing
Funding Source: Inclusionary Housing Program
Schedule: Ongoing

Strategies For Further Review

- The City should evaluate the role of rent-controlled units in meeting affordable housing needs, in order to develop policies that effectively continue their protection, and possibly implement requirements for their replacement. As part of this work, the City should consider pursuit of state legislative efforts that eliminate housing displacement pressures.

- The Rent Board should explore requiring proof of full-time residency for rent controlled units, to ensure they are fully occupied and not used as a second home, pied-à-terre or executive housing.
- The City should continue to monitor the effectiveness of current condominium conversion restrictions intended to moderate conversion and maintain supply of affordable rental housing in the City.
- MOH, SFRA HHS and DPH should explore how to expand the creation of permanently affordable units for single person households, particularly outside of well-served locations such as the Tenderloin and SOMA.
- MOH, SFRA and DBI should work cooperatively with affordable housing groups to identify and develop tools that would facilitate rehabilitation of at-risk rental units on an ongoing basis.

EQUAL HOUSING OPPORTUNITIES

OBJECTIVE 4: FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

34. The Mayor's Office of Housing shall develop, and City agencies shall utilize, a common definition for family housing (2 or more bedrooms), to guide the provision of family units in both private and public construction.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: Planning Department, Department of Building Inspection
Funding Source: Annual Work Program
Schedule: 2010

35. Planning should evaluate the impact of requiring minimum percentages of family units in new recently adopted community plans, by tracking the number of these units proposed and produced within required monitoring reports. Planning shall continue the practice if this evaluation demonstrates that the requirement promotes family housing accessible to residents.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Record data annually and evaluate as part of the required periodic monitoring of the area plans every five years.

36. The Mayor and the Board of Supervisors shall continue efforts to meet the goal of the Next Generation SF agenda, including planning for and/or acquiring sites for 3,000 family units by 2011. Units will be completed based on funding availability.

Lead Agency: Mayor's Office
Supporting Agencies: Mayor's Office of Housing, Planning Department

Programs: Inclusionary Housing Program
 Lead Remediated Rental Unit Funding Program
 Community Development Block Grant Recovery
 HOME Investment Partnership
 SFRA Housing Program
Funding Source: Federal and local sources as per above.
Schedule: Construct or acquire 3,000 family units by 2011.

37. The Department of Aging and Adult Services (DAAS), through the Community Living Fund, will continue to support home and community-based services that help individuals remain housed- either in their home in appropriate locations.

Lead Agency: Department of Aging and Adult Services
Supporting Agencies: Community Living Fund Linkages Program
Funding Source: San Francisco General Fund
Schedule: Ongoing

38. Planning shall continue to implement Planning Code Section 209, which allows a density bonus of twice the number of dwelling units otherwise permitted as a principal use in the district, when the housing is specifically designed for and occupied by senior citizens, physically or mentally disabled persons.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

39. Planning will develop a legislative ordinance that will enable persons with disabilities who require reasonable accommodation" as exceptions to the City's Planning Code to bypass the currently required variance process, and to access a streamlined procedure permitting special structures or appurtenances such as access ramps of lifts and other non-physical accommodations.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Fall 2011

40. Planning will amend the San Francisco Planning Code to identify the appropriate districts, development standards, and management practices for as of right emergency shelters, per Government code section 65583(a), which requires the City to identify at least one zoning district where emergency shelters are allowed as of right. Emergency shelters will only be subject to the same development and management standards that apply to other uses within the identified zone. The City will amend and aim to locate zoning for by-right shelters close to neighborhood amenities & support services, which are generally found in the City's Commercial (C) and Neighborhood Commercial (NC) districts, and which, per Appendix D-3, include a significant amount of housing opportunity sites.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Within one year of adoption of the Housing Element.

PART 1: DATA NEEDS & ANALYSIS

41. Through its core staff of Historic Preservation Technical Specialists, Planning staff will continue to provide information about preservation incentives to repair, restore, or rehabilitate historic resources towards rental housing in lieu of demolition, including local incentives, those offered through California Office of Historic Preservation, Historic Rehabilitation Tax Credits that can help subsidize rental projects, and creative solutions provided for within the California Historic Building Code (CHBC).

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing

42. MOH and SFRA shall encourage economic integration by locating new affordable and assisted housing opportunities outside concentrated low-income areas wherever possible, and by encouraging mixed-income development such as for-profit/non-profit partnerships. MOH and SFRA shall and regularly provide maps and statistics to the Planning Commission on the distribution of projects. This information shall be included in the annual Housing Inventory.

Lead Agencies: Mayor's Office of Housing, San Francisco Redevelopment Agency
Programs: Mayor's Office of Housing Annual Report, online database
San Francisco Redevelopment Agency Database of restricted housing units
(updated annually)
Funding Source: Not required.
Schedule: Present to Planning Commission on an annual basis.

43. Planning and MOH shall continue to implement and update the Citywide Inclusionary Housing Program, which promotes the inclusion of permanently affordable units in housing developments of 5 or more units.

Lead Agencies: Planning Department, Mayor's Office of Housing
Programs: Citywide Inclusionary Housing Program
Funding Source: Not required.
Schedule: Ongoing

Strategies For Further Review

- The Tax Assessors Office should evaluate the primary inhibitors to downsizing, and examine the incentives offered by Prop 60, which allows senior owners to move into "equal" or "lesser" value units while retaining their previously established Prop. 13 taxable values.
- Planning staff should review the Planning Code's incentives for senior housing development.
- MOH, SFRA and other housing entities should explore methods of collaborating with special needs advocacy groups to increase outreach to historically socio-economically disadvantaged populations.
- Supportive housing providers should explore ways to increase design and program elements in supportive housing which increase safety and inclusion, and provide trainings for housing staff to increase understanding of residents and reduce bias.
- DAAS should explore the potential for partnerships with HSA, MOH and nonprofit

developers interested in developing adult residential care facilities to increase supportive housing options for the elderly, particularly people with dementia.

- DBI should study ways to encourage inclusion of "Universal Design" elements into new projects, especially small-scale, cost-effective measures such as installation of appliances and countertops at accessible heights, flat light switches, and levers and grab bars; resulting programs should balance the benefits of physical accessibility with the benefits of housing affordability.
- DAAS should work with MOH and SFRA to explore ways to implement the GreenHouse model, a small-scale living environment of 6 to 10 seniors with nursing care needs that can be integrated into existing neighborhoods as infill development.
- DAAS, HSA, and/or MOH should actively work towards the development of sites for residential care facilities that are close to existing services – one promising option is to develop affordable residential care settings directly on the Laguna Honda Hospital campus. They should also work towards acquisition of housing that could be rehabilitated towards the Green House model in the Bayview district, which is particularly underserved.
- During community planning processes, Planning should explore partnerships with agencies such as RPD, OEWD, MOH and DCYF for cross-discipline efforts that may improve conditions in disadvantaged neighborhoods and increase access to housing, jobs, and public services.
- Planning should examine incentives such as density bonuses, or other zoning related mechanisms that encourage long-term (i.e. deed-restricted) permanently affordable rental housing.

OBJECTIVE 5:

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

44. All housing agencies shall require associated project sponsors to provide the agency with an outreach program that includes special measures designed to attract those groups identified as least likely to apply.

Lead Agencies: Mayor's Office of Housing, San Francisco Redevelopment Agency,
San Francisco Housing Authority,

Funding Source: Not required.

Schedule: Ongoing (part of project review)

45. The Mayor's Office on Housing (MOH) shall work with the SFRA, SFHA, HSA, DPH, and nonprofit and private housing providers to develop a "one-stop" center providing information on all affordable housing opportunities within the City, including BMRs, providing specific information about the availability of units and related registration processes, and applications.

Lead Agency: Mayor's Office of Housing

Supporting Agencies: San Francisco Redevelopment Agency, San Francisco Housing Authority,
Human Services Agency, Department of Public Health

Funding Source: Program funding

Schedule: Online by the end of 2010. Pursue a physical location following the completion of the online version is up and running.

PART 1: DATA-NEEDS & ANALYSIS

46. The City's Human Rights Commission (HRC) will continue to support and monitor the Fair Housing Access laws and advise the Mayor's Office of Housing and the Mayor's Office on Disability on issues of accessibility and impediments to Fair Housing. The HRC will investigate and mediate discrimination complaints. When appropriate, the HRC will provide referrals to other government agencies.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: Mayor's Office Disability, Human Rights Commission
Funding Source: Annual Work Program
Schedule: Ongoing – existing program

47. The HRC will continue to assist in resolving landlord-tenant problems in rental housing, including single room occupancy hotels.

Lead Agency: Human Rights Commission
Supporting Agencies: Mayor's Office of Housing
Funding Source: Annual Work Program
Schedule: Ongoing – existing program

48. The Board of Supervisors shall continue to uphold local measures prohibiting tenant harassment. Section Sec. 37.10B of the City's Administrative Code prevents landlords or their agents from doing specified acts, such as abusing the right of entry to the unit, threatening or attempting to coerce a tenant to move, or interfering with the tenant's right of privacy.

Lead Agency: Board of Supervisors
Supporting Agencies: Human Rights Commission, Rent Board
Funding Source: Annual Work Program
Schedule: Ongoing

49. DBI shall enforce housing codes where such infractions adversely affect protected resident categories, and shall monitor the correction of such continuing code violations to prevent the loss of housing.

Lead Agency: Department of Building Inspection
Funding Source: Annual Work Program
Schedule: Ongoing

50. The City and all of its partners shall continue to provide translation of all marketing materials, registration processes, applications, etc. Such materials should be marketed broadly and specifically target underserved populations.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Redevelopment Agency, San Francisco Housing Authority, Human Services Agency
Funding Source: Annual Work Program
Schedule: Ongoing

51. The Police Department will continue to implement San Francisco's Municipal Police Code under Article 1.2, which prohibits housing discrimination against families with minor children. This law prohibits the most common forms of discrimination, such as restrictive occupancy standards, rent surcharges and restrictive rules.

Lead Agency: Police Department
Supporting Agencies: Rent Board
Funding Source: Annual Work Program
Schedule: Ongoing

52. The City will continue to promote access to housing by families by enforcing Section 503(d) of the City's Housing Code, and supporting amendments that increase equity.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Redevelopment Agency, San Francisco Housing Authority, Human Services Agency, Rent Board
Funding Source: Annual Work Program
Schedule: Ongoing – existing program

Strategies For Further Review

- MOH should explore methods of partnering with community service providers and housing rights advocates to expand community knowledge of, and access to, the "one-stop" center above.
- All housing agencies should work together to explore how to expand assistance for residents transitioning from supportive services to rental housing, by providing credit help, clean slate programs, and security deposit assistance.
- The Board of Supervisors shall explore ways in which the City can support housing rights advocates, to assist in disseminating information to the widest possible audience.

OBJECTIVE 6:

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS

53. The Department of Public Health, the Human Services Agency, the Mayor's Office of Community Development, the Department on the Status of Women, the Department of Children, Youth and Their Families, the Mayor's Office of Housing, and the San Francisco Redevelopment Agency shall continue to implement the City's "10 Year Plan to End Chronic Homelessness" and the "Continuum of Care: Five-Year Strategic Plan of San Francisco."

Lead Agency: Human Services Agency
Supporting Agencies: San Francisco Local Homeless Coordinating Board, San Francisco 10 Year Plan Implementation Council, Department of Public Health, Mayor's Office of Community Development, Department on the Status of Women, Department of Children, Youth and Their Families, Mayor's Office of Housing, San Francisco Redevelopment Agency
Funding Source: San Francisco General Fund; private donations, government grants, CDBG and HOME funds
Schedule: Ongoing

PART 1: DATA NEEDS & ANALYSIS

54. The San Francisco Local Homeless Coordinating Board (LHCB) will continue to work with the Mayor's Office of Housing, the Human Service Agency and the Department of Public Health to phase out ineffective shelter-based programs and to create 3,000 new units according to a "housing first" model.

Lead Agency: San Francisco Local Homeless Coordinating Board
Programs: Local Operating Subsidy Program
Care Not Cash
Project Homeless Connect Local Outreach Team
Funding Source: San Francisco General Fund; private donations,
government grants,
CDBG and HOME funds
Schedule: Completion of 3,000 new permanent supportive housing units by 2014

55. HSA will continue to facilitate permanent SRO housing through its Master Lease Program, which renovates hotels to be managed by nonprofit agencies providing case management and supportive services on-site, and to fund non-profit agencies to provide on-site supportive services, as well as through programs such as its transitional housing partnership with affordable housing developers.

Lead Agency: Human Services Agency
Programs: Master Lease Program (SRO units)
Permanent Supportive Housing for Families (nonprofit partnership)
Funding Source: Program funding
Schedule: Ongoing

56. DPH shall continue to offer permanent supportive housing and shelter programs; as well as services and clinics which deliver a variety of health services to homeless persons; and to provide on-site case managers who can help residents avoid eviction.

Lead Agency: Department of Public Health
Supporting Agencies: Human Services Agency
Programs: Direct Access to Housing (DAH) Program (permanent supportive housing)
Homeless Death Prevention (shelter)
Winter Shelter Program (shelter)
Community Housing Partnership (shelter)
Funding Source: San Francisco General Fund, State dollars targeted toward mentally ill adults who are homeless / at-risk of homelessness; Federal grants; Reimbursement through the Federally Qualified Health Center system, and revenue from tenant rent.
Schedule: Ongoing

Strategies For Further Review

- HSA should explore new ways to provide permanently affordable and service-enriched housing to reduce the need for temporary homeless shelters, and to place homeless people in housing directly off the streets, without first going through a "readiness process," shelter, or transitional housing program.

- HSA should explore the potential to create or set aside publicly constructed housing for homeless families with children, with supportive services for residents.
- HSA should continue to work with Redevelopment and MOH, and nonprofit partners such as the Coalition on Homelessness to expand ways to move homeless people currently within the shelter system toward permanently affordable housing.

FACILITATE PERMANENTLY AFFORDABLE HOUSING

OBJECTIVE 7:

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

57. The City shall continue to require that new development contributes towards the related affordable housing need they generate, either through financial contributions or through development of affordable housing units. The City shall continue to monitor the inclusionary housing program, including annually updating the nexus and feasibility analysis as appropriate.

Lead Agency: Planning Department
Programs: Inclusionary Housing Program (applied to residential development)
 Jobs Housing Linkage Program (applied to nonresidential development)
Funding Source: Self-funded (above programs)
Schedule: Ongoing

58. The San Francisco Redevelopment Agency will continue to maximize its contribution towards permanent affordable housing construction by exceeding the statutory 20% of tax increment financing for affordable housing, and aiming to devote 50% of tax increment funds towards housing. It shall continue its practice of reauthorizing Tax Increment Financing in expiring redevelopment areas wherever possible to continue revenue for affordable housing purposes.

Lead Agency: San Francisco Redevelopment Agency
Programs: SFRA Citywide Tax Increment Housing Program
 Housing Opportunities for Persons With AIDS Program
 Limited Equity Homeownership Program
Funding Source: Tax increment funding
Schedule: Ongoing

59. HSA and DPH will continue to administer operating subsidies for special needs housing through their supportive housing programs.

Lead Agency: Human Services Agency
Programs: The Season of Sharing Fund (rental subsidy); The Homeless Prenatal Program (rental subsidy); Housing for Single Adults and Families with Disabilities (rental subsidy for designated sites)
Supporting Agencies: Department of Public Health
Funding Source: San Francisco General Fund; state and federal grants.
Schedule: Ongoing

60. MOH, SFRA, and SFHA will continue efforts to provide financial support to nonprofit and other developers of affordable housing, through CDBG and other funding sources.

Lead Agency: Human Services Agency
Supporting Agencies: San Francisco Redevelopment Agency, San Francisco Housing Authority
Funding Source: Annual Work Program, Community Development Block Grants, others?
Schedule: Ongoing

61. Under the oversight of the Capital Planning Committee, the City shall formalize an inter-agency grant committee tasked with creating a coordinated grant strategy for pursuing stimulus funds for housing and supporting infrastructure.

Lead Agency: Capital Planning Committee
Supporting Agencies: Mayor's Office of Housing, Department of Public Works, Human Services Agency, San Francisco Redevelopment Agency, San Francisco Housing Authority
Funding Source: Annual Work Program(s)
Schedule: June 2011

62. The City's housing agencies shall keep apprised of federal and state affordable housing funds and other grant opportunities to fund affordable housing for the City of San Francisco, and shall work with federal Representatives to keep the abreast of the specifics of the housing crisis in San Francisco. MOH, SFRA and other agencies shall continue to use such funds for housing at all AMI levels below market.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Redevelopment Agency, San Francisco Housing Authority
Funding Source: Local, state and federal grant programs.
Schedule: Ongoing

63. Planning shall monitor the construction of middle income housing under new provisions included within the inclusionary requirements of the Eastern Neighborhoods Area Plans, and consider expanding those provisions Citywide if they meet Housing Element goals.

Lead Agency: Planning Department
Supporting Agencies: Mayor's Office of Housing
Funding Source: Annual work program (part of existing reporting requirements)
Schedule: Ongoing

64. MOH shall continue to administer first time home buyer programs.

Lead Agency: Mayor's Office of Housing
Programs: City's Down Payment Assistance Loan Program, City Second Loans, Teacher Next Door Program (TND), Police in the Community Loan Program Inclusionary, Affordable Housing Program.
Funding Source: CalFHA, participating lenders.
Schedule: Ongoing

65. Planning shall continue implementing the City's requirement set forth in Planning Code Section 167 that units be sold and rented separately from parking so as to enable the resident the choice of owning a car.

Lead Agency: Planning Department
Funding Source: Not required
Schedule: Ongoing

66. The City shall pursue federal and state opportunities to increase programs for limited equity homeownership, homeowner assistance programs and down payment assistance. Programs specific to the recent foreclosure trends should be pursued as appropriate. Upon implementation, all programs have a significant prepurchase counseling program, and that consumers are supported by a post-purchase services network to assure access to information and services to prevent foreclosure.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Redevelopment Agency?
Programs: MOH's Homebuyer Education Counseling Program
 "Don't Borrow Trouble" Campaign
Funding Source: Annual Work Program
Schedule: Ongoing

Strategies for Further Review

- MOH should explore federal and state stimulus opportunities to increase programs for limited equity homeownership, homeowner assistance programs and down payment assistance; ensuring all programs have a significant prepurchase counseling program, and that consumers are supported by a post-purchase services network to assure access to information and services to prevent foreclosures.
- The Board of Supervisors should explore the creation of a permanent local source of affordable housing funding for the City, such as a housing trust fund. The City should also support efforts at the state level to establish a similar permanent state source of funding for affordable housing.
- Planning, in cooperation with other agencies, should explore the use of Tax Increment Financing outside redevelopment areas to further the development of affordable housing and supportive infrastructure.
- MOH and Planning should continue to consider, within the context of a community planning process, zoning categories which require a higher proportion of affordable housing where increased density or other benefits are granted. Options include Affordable Housing Only Zones (SLI); Affordable Housing Priority Zones (UMU) or Special Use Districts on opportunity sites.
- DBI should review Building Code requirements to examine ways to promote "affordable by design" housing, including pre-built housing, affordable by design, construction types that allow housing at the ground floor of podiums, and other low cost construction types.

**OBJECTIVE 8:
BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE,
PROVIDE AND MAINTAIN AFFORDABLE HOUSING.**

67. MOH shall continue to coordinate local affordable housing efforts and set strategies and priorities to address the housing and community development needs of low-income San Franciscans.

Lead Agency: Mayor's Office of Housing
Programs: Citywide Loan Committee, San Francisco's 2010-2015 Consolidated Plan, 2010-2011 Action Plan
Funding Source: Annual Work Program
Schedule: Ongoing

66. OEWD shall coordinate with institutions and employer organizations such as the Chamber of Commerce, to facilitate their advocacy, sponsorship or even subsidization of affordable housing, including the organization of a collective housing trust fund. As part of this effort, OEWD shall explore targets for construction of employer assisted housing, similar to the City of Chicago's program that created a goal that 10% of all "Plan For Transformation" units be employer-assisted.

Lead Agency: Office of Economic and Workforce Development
Funding Source: Donations from private institutions, organizations and businesses within San Francisco
Schedule: Initiate efforts in Fall 2010, ongoing

69. MOH, SFRA, and other housing agencies shall continue to provide support to nonprofit and faith-based organizations in creating affordable housing, including both formal methods such as land donation, technical assistance and training to subsidized housing cooperative boards, and informal methods such as providing information about programs that reduce operations costs, such as energy efficient design.

Lead Agency: Mayor's Office of Housing
Supporting Agencies: San Francisco Redevelopment Agency, San Francisco Housing Authority, Department of Building Inspection
Funding Source: Annual Work Program
Schedule: Ongoing

70. Planning, MOH, DBI and other agencies shall continue to provide informational sessions at Planning Commission, Department of Building Inspection Commission and other public hearings to educate citizens about affordable housing, including information about its residents, its design, and its amenities.

Lead Agency: Planning Department
Supporting Agencies: Department of Building Inspection, Mayor's Office of Housing, San Francisco Redevelopment Agency, San Francisco Housing Authority
Programs: Planning's "Basics of Good Design" program (presentation by Planning staff and SFAIA); MOH's "In the Field: Best Practices in Construction and Design of Affordable Housing"

Funding Source: Annual Work Program
Schedule: Initiated Fall 2008, ongoing

71. Planning staff shall support affordable housing projects in the development review process, including allowing sponsors of permanently affordable housing to take full advantage of allowable densities provided their projects are consistent with neighborhood character.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing

72. The City shall encourage manufactured home production, per California law (Government Code 65852.3), and explore innovative use of manufactured home construction that works within the urban context of San Francisco.

Lead Agency: Planning Department
Supporting Agencies: Department of Building Inspection, Mayor's Office of Housing
Funding Source: Annual Work Program
Schedule: Ongoing

73. OEWD and Planning shall continue to apply a 3-year time limit to Conditional Use Authorizations, by tying approvals to building permits (which expire in 3 years). Planning shall work with DBI to ensure notification of Planning when building permits are renewed, and review the appropriateness of continuing the Conditional Use Authorization along with building permit renewal.

Lead Agency: Planning Department
Supporting Agencies: Department of Building Inspection
Funding Source: Annual Work Program
Schedule: Ongoing

Strategies for Further Review

- Planning, OEWD and MOH should explore the option of allowing expired entitlements to continue if the site is sold to an affordable housing developer, if project sponsors agree to increased affordability requirements.
- OEWD and MOH should explore partnerships between developers and employers, such as master lease programs that ensures that a given number of units will be rented by the employer or their a sub lessee (the employee); or purchase guarantees to accompany the construction of for-sale housing, where an employer agrees to purchase a given number of units in a development if those units are not otherwise purchased, in exchange for price discounts for employees.
- MOH and Planning should explore expansion of the land donation alternative included in the Eastern Neighborhoods Area Plans as a way to fulfill Inclusionary Zoning requirements, and should work with the Tax Assessors office to explore tax incentives that could facilitate the donation of land from private property owners to the City or non-profits for the development of affordable housing.

**OBJECTIVE 9:
PROTECT THE AFFORDABILITY OF UNITS AT RISK OF LOSING SUBSIDIES OR
BEING CONVERTED TO MARKET RATE HOUSING.**

74. SFRA shall continue monitoring of all "at risk" or potentially at risk subsidized affordable housing units, to protect and preserve federally subsidized housing.

Lead Agency: San Francisco Redevelopment Agency
Program: Assisted Housing Preservation Program (HPP)
Funding Source: Annual Work Program
Schedule: Ongoing

75. SFRA shall continue to ensure relocation of all tenants who are displaced, or who lose Section 8 subsidies, through housing reconstruction and preferential consideration.

Lead Agency: San Francisco Redevelopment Agency
Program: Certificate of Preference Program
Funding Source: Tax increment funding
Schedule: Ongoing

76. MOH shall continue to lead a citywide effort, in partnership with SFRA, SFHA and other City agencies to prioritize and facilitate the preservation and redevelopment of the City's distressed public housing according to the recommendations of the HOPE SF task force.

Lead Agencies: San Francisco Housing Authority, Mayor's Office of Housing Program:
HOPE SF
Funding Source: Local public funding, private capital, HOPE VI and other federal funding
Schedule: Replace all 2,500 distressed units by 2017

Strategies for Further Review

- SFRA, in cooperation with MOH and the SFHA, shall explore the creation of a residents and/or non-profit ownership and management program to acquire existing "at risk" buildings.

REMOVE CONSTRAINTS TO THE CONSTRUCTIVE AND REHABILITATION OF HOUSING

OBJECTIVE 10: ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION- MAKING PROCESS

77. Where conditional use authorization is required, the Planning Code should provide clear conditions for deliberation, providing project sponsors, the community, and the Planning Commission with certainty about expectations.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing as community plans are completed and/or amended

78. Planning shall implement a Preliminary Project Assessment phase to provide project sponsors with early feedback on the proposed project, identify issues that will may overlap among the various departments, and increase the speed at which the project can move through all City review and approval processes.

Lead Agency: Planning Department
Supporting Agencies: Department of Building Inspection, Department of Public Works, Fire Department
Funding Source: Planning Department Application Fees
Schedule: Fall 2011

79. Planning shall continue to utilize, and explore ways to increase the benefits of Community Plan exemptions and tiered environmental reviews. As a part of this process, Planning shall prioritize projects which comply with CEQA requirements for infill exemptions by assigning planners immediately upon receipt of such applications.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Implemented/ongoing

80. The Department of the Environment, Planning and other agencies shall coordinate City efforts to update the Climate Action Plan, create climate protection amendments to the San Francisco General Plan, and develop other plans for addressing greenhouse gases necessary per AB 32 and SB 375.

Lead Agency: Department of the Environment
Supporting Agencies: Planning Department, San Francisco Public Utilities Commission
Funding Source: Annual Work Program, state grants
Schedule: Complete Climate Action Plan by Fall 2011

81. Planning shall implement tools to decrease EIR production time, such as creating an established pool for consultant selection for project applications to streamline environmental review processes for project applicants; screening applications upon intake to identify necessary special studies and the likely level of review required for the project, which will allow project sponsors to initiate any required special studies while the application is waiting to be assigned to a planner; and adding Planning staff to increase in-house resources for transportation environmental review.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Implemented.

Strategies for Further Review

- Planning should continue to examine how zoning regulations can be clarified, and design guidelines developed through community planning processes. Planning staff should adhere to such controls in reviewing and recommending approval of projects.

MAINTAIN THE UNIQUE AND DIVERSE CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS

OBJECTIVE 11: RECOGNIZE THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

82. Planning staff shall coordinate the City's various design guidelines and standards, including those in the General Plan, Planning Code, and Residential Design Guidelines into a comprehensive set of Design Standards. This effort shall include development of Neighborhood Commercial Design Standards as well as updates to existing standards.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Initiate Neighborhood Commercial Standards in Fall 2010, rest ongoing

83. Planning staff shall reform the Planning Department's internal design review process to ensure consistent application of design standards, establish a "Residential Design Team" who shall oversee application of the standards on small projects, and continue the "Urban Design Advisory Team" to oversee design review for larger projects.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Initiated Fall 2009, complete by Spring 2010.

84. Planning staff shall continue to work with the design community to provide informational sessions at the Planning Commission, Department of Building Inspection Commission and in public forums to educate decision makers and citizens about architectural design.

Lead Agency: Planning Department
Programs: Planning's "Basics of Good Design" program (presentation by Planning staff and SEATA); Planning's "Good Design" Brown Bag Lunch Series; MOH's "In the Field: Best Practices in Construction and Design of Affordable Housing"
Funding Source: Annual Work Program
Schedule: Initiate Brown Bag series in Spring 2010; rest ongoing

85. Planning staff shall continue to use community planning processes to develop policies, zoning, and design standards that are tailored to neighborhood character; and shall include design standards for mixed use, residential and commercial buildings in development of new community plans (if not covered by the City's comprehensive Design Standards described above).

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing (community planning processes will be identified in the Department's work program on an annual basis).

86. Planning Department staff shall continue project review and historic preservation survey work, in coordination with the Historic Preservation Commission; and shall continue to integrate cultural and historic surveys into community planning projects.

Lead Agency: Planning Department
Funding Source: Annual Work Program and grants from the Historic Preservation Fund
Schedule: Ongoing (community planning processes will be identified in the Department's work program on an annual basis).

87. Planning Department staff shall develop a process for Neighborhood Design Guideline review and approval. Staff shall ensure any new guidelines facilitate certainty in the pre-development process, and do not add undue burden on planners or developers.

Lead Agency: Planning Department Legislative Division
Funding Source: Annual Work Program
Schedule: Within one year of Housing Element adoption.

88. Planning Department staff shall research mechanisms to help preserve the character of certain distinctive neighborhoods and unique areas which are worthy of recognition and protection, but which may not be appropriate as historical districts. Such mechanisms should recognize the particular qualities of a neighborhood and encourage their protection, maintenance and organic growth, while providing flexibility of approach and style so as not to undermine architectural creativity, existing zoning, or create an undue burden on homeowners.

Lead Agency: Planning Department, Citywide Division
Funding Source: Annual Work Program
Schedule: Fall 2011, and ongoing.

89. Planning shall complete and adopt the Preservation Element of the General Plan.

Lead Agency: Planning Department
Funding Source: Annual Work Program and grant from the Historic Preservation Fund
Schedule: Complete draft by Spring 2011, with goal of full adoption by Fall 2012

Strategies for Further Review

- Planning should explore ways to encourage property owners to use preservation incentives and federal tax credits for rehabilitation of qualified historical resources, Mills Act property tax abatement programs, the State Historic Building Code, and tax deductions for preservation easements.
- Planning should explore ways to assist in federal environmental review and review under Section 106 of the National Historic Preservation Act for historically significant local buildings receiving federal assistance.
- All agencies should explore ways to incorporate design competitions and peer review on major projects.

BALANCE HOUSING CONSTRUCTION AND COMMUNITY INFRASTRUCTURE

**OBJECTIVE 12:
BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT
SERVES THE CITY'S GROWING POPULATION.**

90. Planning shall cooperate with infrastructure agencies such as SFMTA and DPW to plan for adequate transportation to support the needs of new housing, and within each community planning process shall develop clear standards for transit and transportation provision per unit.

Lead Agency: Planning Department
Supporting Agencies: San Francisco Municipal Transportation Authority, Department of Public Works, Bay Area Rapid Transit
Funding Source: Annual Work Program
Schedule: Ongoing (community planning processes will be identified in the Department's work program on an annual basis).

91. Planning shall ensure community plans for growth are accompanied by capital plans and programs to support both the "hard" and "soft" elements of infrastructure needed by new housing.

Lead Agency: Planning Department
Funding Source: Annual Work Program (funded under the Implementation Group)
Schedule: Ongoing (community planning processes will be identified in the Department's work program on an annual basis).

92. Planning shall formalize an "Implementation Group" in the Planning Department, to manage the implementation of planned growth areas after Plan adoption, including programming impact fee revenues and coordinating with other City agencies to ensure that needed infrastructure improvements are built.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Funding included in 2009-2010 Work Program for staffing needs

93. Planning shall update CEQA review procedures to account for trips generated, including all modes, and corresponding transit and infrastructure demands, with the goal of replacing LOS with a new metric measuring total number of new automobile trips generated (ATG).

Lead Agency: Office of Economic and Workforce Development; San Francisco County Transportation Authority (TA), Planning Department
Supporting Agencies: City Attorney, San Francisco Municipal Transportation Authority
Funding Source: Annual Work Program

94. Planning shall update other elements of the City's General Plan, such as the Open Space, Transportation and Community Facilities Element to plan for infrastructure to support projected growth.

Lead Agency: Planning Department
Funding Source: Annual Work Program
Schedule: Complete Open Space draft by Spring 2010, with goal of full adoption by Winter 2010; initiate Transportation Element in Fall 2011, and initiate Community Facilities Element in Fall/Winter 2013.

95. Planning and SFMTA shall coordinate housing development with implementation and next phases of the ongoing Transit Effectiveness Project (TEP), which adjusts transit routes to increase service, improve reliability, and reduce travel delay to better meet current and project travel patterns throughout the City.

Lead Agency: San Francisco Municipal Transportation Authority
Supporting Agencies: Planning Department
Funding Source: San Francisco Proposition K funding; outside grants
Schedule: TEP first phase service changes implemented in 2009; initiation of pilot programs expected in 2010-2011.

96. Planning and other relevant agencies shall maintain consistency of development fees, while updating such fees through regular indexing according to construction cost index to maintain a correct relationship between development and infrastructure costs. Fees to be updated include the Transportation Impact Development Fee, Area Plan specific impact fees, downtown impact fees, and other citywide impact fees.

Lead Agency: Planning Department
Supporting Agencies: San Francisco Municipal Transportation Authority; San Francisco Unified School District; Department of Children Youth & Families; Recreation and Parks Department, etc.
Funding Source: Annual Work Program
Schedule: Ongoing

97. The PUC will continue to ensure charges for system upgrades are equitably established, so that new growth will pay its way for increased demands placed on the system, while all residents pay for general system upgrades and routine and deferred maintenance.

Lead Agency: San Francisco Public Utilities Commission
Funding Source: Not required
Schedule: Ongoing

98. The PUC will continue to implement conservation regulations and incentives such the City's Green Building Ordinance and the Stormwater Design Guidelines.

Lead Agency: San Francisco Public Utilities Commission
Supporting Agencies: Department of the Environment, Planning Department
Funding Source: Annual Work Program
Schedule: Ongoing

Additional Strategies for Further Review

- Planning shall consider incentive programs such as requiring larger new housing developments to provide transit passes to their residents as a part of association dues or monthly rent; or requiring new developments that include car-sharing parking spots to encourage carshare memberships to their residents.
- Planning shall explore the creation of a definition of neighborhood serving uses that reflects use categories which clearly serve the daily needs of adjacent residents, perhaps modeled on North Beach SUD requirements which restrict to "neighborhood-serving retail sales and personal services of a type which supplies commodities or offers personal services to residents," (Planning Code Section 780.3).

PRIORITIZING SUSTAINABLE DEVELOPMENT

OBJECTIVE 13: PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

99. Regional planning entities such as ABAG shall continue to prioritize regional transportation decisions and funding to "smart" local land use policies that link housing, jobs and other land uses, including focusing on VMT reduction. The City shall encourage formalization of state policy that similarly prioritizes transportation and infrastructure dollars transit infrastructure for "smart growth" areas such as San Francisco, rather than geographic allocation.

Lead Agency: Association of Bay Area Governments
Supporting Agencies: Metropolitan Transportation Council
Funding Source: Proposition 84, other grants
Schedule: Ongoing

100. The City shall coordinate with regional entities to complete the necessary planning document for SB 375, including a "Sustainable Communities Strategy" (SCS) which promotes sustainable growth; and corresponding updates to the Housing, Recreation and Open Space, and Land Use Elements of the General Plan.

Lead Agency: Planning Department
Supporting Agencies: Department of the Environment, San Francisco Municipal Transportation Authority, Mayor's Office
Funding Source: Annual Work Program, with Proposition 84 grants
Schedule: Initiate cooperation with ABAG on SCS fall 2010; complete SCS in coordination with RHNA and Regional Transportation Plan Development by fall 2014. Housing Element and Recreation and Open Space Elements to be completed in 2010. Development of a Land Use Element could occur in 2012.

101. The City shall advocate at the federal level for the Federal Transportation Reauthorization Act to include sustainable growth language that links transportation and land use, and create strong links between transportation funding and transit-oriented development, such as mixed-income housing.

Lead Agency: Mayor's Office
Supporting Agencies: Planning Department, San Francisco Municipal Transportation Authority
Funding Source: Not required.
Schedule: Advocacy should occur during the development prior to passage of the bill, which is expected to be completed in 2010.

102. On a local level, the City shall prioritize planned growth areas such as designated Priority Development Areas (PDAs), Area Plans or Redevelopment Areas for regional, state and federal bond and grants, especially for discretionary funding application processes such as the State's Prop 1C.

<i>Lead Agencies:</i>	Mayor's Office, Board of Supervisor's
<i>Supporting Agencies:</i>	Planning Department, San Francisco Municipal Transportation Authority, other agencies as necessary
<i>Funding Source:</i>	Annual Work Programs
<i>Schedule:</i>	Ongoing

103. The San Francisco Transportation Authority shall implement regional traffic solutions that discourage commuting by car, such as congestion pricing, parking pricing by demand, and shall continue to work with the Metropolitan Transportation Commission (MTC) on funding strategies.

<i>Lead Agency:</i>	San Francisco Transportation Authority
<i>Supporting Agencies:</i>	Metropolitan Transportation Commission
<i>Programs:</i>	On-Street Parking Management and Pricing Study Congestion Pricing Program Van Ness Bus Rapid Transit (BRT) Geary Bus Rapid Transit (BRT)
<i>Funding Source:</i>	Proposition K Funding; state and Federal grants
<i>Schedule:</i>	Parking Management Study completed Fall 2009; Congestion Pricing final report and recommendations in Winter 2010; Van Ness BRT to begin construction in Winter 2012, with service to begin in 2013; Geary BRT to begin construction TBD, with service potentially beginning in 2015.

104. The City shall continue to support efforts to use state or regional funds to give housing subsidies or income tax credits to employees who live close to their workplaces, and shall consider offering housing subsidies or income tax credits to employees who live close to their workplaces.

<i>Lead Agency:</i>	Mayor's Office
<i>Funding Source:</i>	Not required
<i>Schedule:</i>	Ongoing

105. The City will continue to support transit-related income tax credits to encourage employees to commute to work via transit. The City shall also require master developers to provide transit passes as a condition of approval in major development projects, such as Visitacion Valley, Executive Park and Bayview; and shall explore local requirements that require new developments to provide residents with a MUNI FastPass as part of condominium association benefits to promote local transit use.

<i>Lead Agency:</i>	Planning Department
<i>Supporting Agencies:</i>	San Francisco Municipal Transportation Authority, San Francisco Transportation Authority
<i>Funding Source:</i>	Annual Work Program
<i>Schedule:</i>	Establish local requirements by Fall 2012

106. OEWD will facilitate employer-supported transit and transportation demand management (TDM) programs, including rideshare matching, transit improvements, bicycle and pedestrian facility improvements, parking management and restriction of free parking, and continue to require that employers offer commuter benefits per Section 421 of the Environment Code to encourage employees to use transit or carpool.

Lead Agency: Office of Economic and Workforce Development
Supporting Agencies: San Francisco Municipal Transportation Authority,
 Department of the Environment
Programs: Commuter Benefits Program (Environment Code Section 421, requires all employers with at least 20 full-time employees to provide transit benefits)
Funding Source: Not required.
Schedule: Ongoing

107. DBI, Planning, and the Department of Environment shall continue to implement the City's Green Building Ordinance, mandating that newly constructed residential buildings must meet a sliding scale of green building requirements based on the project's size in order to increase energy and water efficiency in new buildings and significant alterations to existing buildings.

Lead Agencies: Planning Department, Department of Building Inspection,
 Department of the Environment
Program: Green Building Ordinance (Building Code, Chapter 13)
Funding Source: Annual Work Program
Schedule: Ongoing

108. The City shall continue local and state incentive programs for green upgrades.

Lead Agencies: Department of Building Inspection, Department of the Environment,
 San Francisco Public Utilities Commission
Programs: Green Financing Programs to Fund Energy and Water Conservation Improvements (allows building owners to fund these improvements with the financing attached to the property and paid back through a special line item on the property tax bill over the life of the improvements); GoSolarSF (pays for approximately half the cost of installation of a solar power system, and more to qualified low-income residents)
Funding Source: Annual Work Program
Schedule: Ongoing

Additional Strategies for Further Review

- DBI should work with the Rent Board and other building-owner organizations to explore incentives that can be offered to landlords to promote "green" capital improvements, such as enabling restricted tenant pass-throughs when such improvements will result in a tangible financial benefit to the tenant.

Estimating Potential Development Capacity

INTRODUCTION

The Planning Department faces many policy questions relating to the future development, its location and type, within San Francisco. To inform this discussion, the Department relies on a number of data sources compiled into key databases to analyze existing and future land use trends and potential. The "build out" database is a collection of parcel-based data which quantifies existing land use conditions and, given zoning and height information, estimates for each parcel the potential for additional development. The database is set up with a series of scripts (see Attachment D-1) enabling testing of possible rezoning scenarios with relative ease. The result is a cumulative estimate of vacant and underdeveloped sites' potential development at less than the theoretical maximum capacity allowed under current zoning. This estimate is necessarily conservative as it takes into account neighborhood character wherein existing residential structures typically fall below building densities and heights allowed by zoning.

TERMS

The terms used in the tables and Housing Element Part I: Data and Needs Analysis are explained below:

- **Housing Potential Sites:** These are sites suitable for residential development based on criteria and site analyses of each district in the City. They consist of vacant or "undeveloped" parcels and "soft sites," which are determined appropriate for residential development based chiefly on database analysis including screening based on existing uses and preliminary surveys.
- **Vacant or Near Vacant and Undeveloped Lands:** A parcel is considered "vacant" or "near vacant" and undeveloped if development is 5% or less of the potential development. This criterion thus includes unimproved or undeveloped lots used for open storage, surface parking, or other open air uses. Large lots with very small structures, for example a one-level grocery store with a relatively large parking lot, also fit under this description. These sites theoretically could be readily developed for residential use.
- **Underdeveloped Sites or "Soft Sites":** A second category of housing potential sites includes parcels which exceed 5% but not 30% of potential development square footage but were considered reasonable candidates for redevelopment. These include sites

with building uses that significantly underutilize the site such as. These sites may have structures that could be reused or rebuilt for residential use.

GENERAL APPROACH TO ESTIMATING POTENTIAL CAPACITY

The build out database uses zoning information to estimate the potential development for each of more than 150,000 parcels in San Francisco. Given the number of parcels in the city, it is not feasible to calculate capacity for parcels individually. Accordingly, a batch treatment, and thus larger datasets of information, is needed.

Potential development is counted in residential units and in commercial gross square feet. A parcel may have residential, commercial or residential and commercial development capacity depending on the specific combination of zoning and height district. *Attachment D-2* summarizes permitted land uses and general development standards for the City's zoning districts. These development standards include density and open space requirements relevant to estimating potential capacity of each parcel. Setbacks, where appropriate [largely in residential districts, but mainly in the RH-1 (detached) district], are built in the "buildable envelope" of the parcel.

Once the development potential for residential and commercial space is calculated, information on existing housing units and commercial square footage can be used to calculate the net potential for each parcel. For example, for a parking lot or a one-storey building in an 80-foot height zoning district, most of the potential capacity remains unused or underdeveloped; for two-storey homes in most residential neighborhoods, however, the potential capacity would be considered built out.

The degree to which a parcel is considered built out is measured as its development "softness" and expressed as a percentage of how much of the parcel's potential development capacity is utilized, aggregating residential and non-residential uses. The softness categories in use are 5% and 30%; the categories are mutually exclusive, and a parcel's softness is counted in the category it falls immediately beneath. For example, a parcel that is developed to 20% of its zoned capacity will fall in the 30% softness bracket. The total remaining potential is measured in the field Netsqft, while remaining housing potential is recorded in Netunits. Netsqft is total potential square feet minus total existing square feet. Netunits, similarly, is total potential units minus total existing units. Rather than being mutually exclusive measures, or Netunits being contained in Netsqft, they measure different things.¹

For the purpose of determining remaining development potential capacity, the Planning Department does not consider any parcel developed to more than 30% of its capacity as a "soft site," or a candidate for additional square footage or intensification. However, as net units are tallied separately as the difference between potential and existing units, a parcel is only considered soft if the actual building size is small enough to warrant a softness classification.

¹ Netsqft doesn't distinguish between what uses exist and could exist in a building, but is strictly a measure of how large the building is relative to the estimated potential given the zoning and height combination. Netunits in turn only compares existing and potential residential units. If the existing unit count happens to be small relative to non-residential uses in a building, the space for the additional, or net units could end up consuming more space than the net remaining buildable space. In order for the net residential units to be developed, there would, apart from an expansion of the building, also need to be a conversion of existing commercial uses to residential. This principle, if uncommon in practice, is illustrated in Figure D-1.

In other words, a building could conceivably have a potential for more residential units per existing density controls, but if it is already built to capacity in terms of square footage, it is not considered "soft" as an increase in residential units would need to come at the expense of existing uses in the building (whether as a split of existing units, or conversion of commercial space) and not through building expansion.

SPECIFIC APPROACH BY ZONING DISTRICT TYPE

Different development assumptions were applied to parcels based on general zoning designations. In addition to development standards specific to zoning, these assumptions are based on existing development patterns including commercial and residential mix.

- **Downtown:** In all C-2, C-3 and C-M districts, it is assumed that the primary use will be commercial and this is thus assigned 90% of the square footage with the remaining 10% going to residential use. This is a conservative estimate as recent developments in these districts have far higher residential shares. For example, a 140,640 sq ft office building was converted into a 100% residential building with 104 units. Another example is a low-rise tourist hotel was demolished and redeveloped into a 43-storey, 495-unit rental building with just the ground floor for commercial/retail uses.
- **Industrial and South of Market districts:** It is assumed in these districts that a certain proportion of the lots will be developed as residential and the remaining will be devoted to commercial use. This is also a conservative assumption as industrial buildings have been converted to 100% residential use as is the case in live/work or loft-style developments.
- **FDR Districts:** Envelope is determined as FAR times lot area. FAR varies by height district. No residential uses assigned to preserve remaining viable industrial uses in San Francisco.
- **Downtown Residential Districts:** For these districts, bulk controls play a significant role in determining the amount of developable space, so floor plates was varied for different portions of the building depending on the height district. Residential to commercial uses was assigned in ratios 6:1.
- **Eastern Neighborhoods Residential Districts:** For Mixed-Use-Residential and Downtown Residential-South Beach, residential to commercial uses were assigned in a 3:1 ratio and 6:1 ratio, respectively. Buildable area is stories times 80% of lot area.
- **Multi-Use:** This covers all Residential-Mixed (RM) districts. It assumes one primary use – residential – with no secondary use. Residential density limits determine the number of units, constrained by the height limit and rear yard requirements.
- **Resident:** This assumes housing as the sole use in all residential (RH) districts. This scenario also assumes one unit for each RH-1 lot, two units for RH-2, and three units for RH-3. For larger lots, the conditional use density limits apply.
- **Residential-Transit Oriented:** As no residential density is specified, an average unit size of 1,000 sq ft plus 20% circulation/building inefficiency was used. The buildable envelope was calculated using 55% lot cover for each floor. No commercial uses assumed.

- **Mixed:** All neighborhood commercial districts and the Chinatown Mixed Use districts are assumed to have commercial as the primary use, built-out based on the FAR, with residential as a secondary use, built-out to residential density limits. Residential development, however, is trimmed down based on the height limits.
- **Neighborhood Commercial Mixed, No Density Limits:** A new, more flexible class of neighborhood commercial districts has been introduced not nominally constraining residential density, except for a requirement that 40% of units be two-bedrooms or larger. Height limit, rather than FAR was used to determine the built-out envelope. For these districts we divided evenly capacity between residential and commercial space.
- **Eastern Neighborhoods Mixed Districts:** A number of new zoning districts in the Eastern Neighborhoods emphasize use flexibility and are less prescriptive in terms of allowed density for residential uses. For these districts, FAR determines the buildable area, and FAR in turn varies depending on building height. In these districts, commercial uses are given priority, ranging between 50% to 75% of buildable space.

By taking into account existing development patterns including commercial and residential mix, these assumptions are by design on the conservative side. Recent residential developments in downtown, for example, have far exceeded the 90% commercial and 10% residential mix. Similarly, 100% residential projects have occurred in industrial and South of Market districts.

DATA

The Department relies on a number of sources to provide the key information that forms the basis for the capacity calculations (Table D-1). While each data set is subject to errors in substance and time, we are confident that the method is meaningful in the aggregate assuming that errors are geographically randomly distributed. We have not found evidence that errors exhibit clustering.

Table D-1
Data Inputs and Sources

Data	Source(s)
Housing Units	Assessor's Office, Department of Building Inspection, Mayor's Office of Housing, Planning Department, San Francisco Housing Authority, San Francisco Redevelopment Agency
Zoning Districts and Development Standards	Planning Department
Height Limits	Planning Department
Building Square Footage	Assessor's Office, LIDAR* 3D data set
Commercial Square Footage	Dun & Bradstreet, LIDAR* 3D data set
Historic Survey Rating Status	Planning Department
Public Facilities	Department of Telecommunications and Information Services
Transfer of Development Right status	Planning Department
Development Pipeline	Department of Building Inspection, Planning Department, San Francisco Redevelopment Agency

Notes: * Light Detection and Ranging, a remote sensing system used to collect three-dimensional topographic data, was used to estimate existing building square footage.

CALCULATING CAPACITY

Table D-2 summarizes the algorithm for calculating residential and commercial square footage, respectively, for each district. For practical reasons, districts were grouped in general zoning district classes; for example, the over 20 distinct, named neighborhood commercial districts were grouped with general neighborhood commercial districts. Assumptions also include: the height of one floor or one storey was considered on average 10 feet; square footage of a new dwelling unit was estimated at a gross 1,200 square feet, including circulation space, building inefficiencies, parking etc.

The purpose of the build out has been to determine buildable capacity. Given the variety of land uses allowed in most districts, buildable capacity is categorized at the most basic level: residential or non-residential/commercial use. Accordingly, commercial space is treated as a generic category for the purposes of calculating potential non-residential space.²

Limitations

For reasons of data architecture, Special Use Districts (SUDs) overlaid on zoning districts were generally not included for build out calculation, with the exception of the Van Ness Market Downtown Residential Special Use District, which could readily be mapped and treated as a downtown residential district. All occurrences of this Special Use District/C-3 zoning combination could thus be treated the same way.

Another shortcoming of the build out script is that it does not at this time estimate the possibility of a Planned Unit Development (PUD) option available to parcels larger than ½ acre in single ownership. While PUDs allow slightly greater density, they allow less than the density allowed by a district one class denser in order to not qualify as a rezoning. Capacity, this way, for sites eligible for PUD is estimated on the conservative side.

Finally, inaccuracies crop up where lots are split into multiple zoning and/or height districts. The lot proportions in each district cannot be determined at the database level.³ In most of these cases, the more conservative zoning or height district was picked, and capacity calculated accordingly. For some larger sites, the height to be used by the script was assigned manually to better reflect actual conditions.

It is important to note that the buildout dataset lacks a time dimension and makes no assumptions or claims about economic or political conditions. Construction on sites may or may not happen depending on economic conditions, and would need to go through the normal review channels prior to realization. Moreover, this exercise of estimating the City's remaining potential development capacity should not be taken as an identification of soft sites or parcels that will turn over and be developed. Market pressures can push development in parcels that may have existing land uses that exceed 30% or even 50% of its zoned capacity.

² For some districts the script accounts for different commercial categories separately to better reflect specific district limitations on certain uses.
³ Once we digitize a citywide height layer, this issue can be better addressed within a geographic information system.

Table D-2
Buildout Calculation Algorithm by Zoning District

District	District Class	Algorithm	Constraint
RH-1, RH-1(D), RH-2, RH-3	Residential	The suffix of the district determines number of possible units. A test is performed to see if lot is large enough for Conditional Use additional units. No commercial allowed. No non-residential assumed for these districts.	If average unit size times units is larger than buildable envelope, subtract one unit until units fit in envelope.
RM-1, RM-2, RM-3, RM-4	Residential-Multi	The suffix of the district determines the allowable density. RM-1, for example, allows one unit per 800 square feet of lot area. No non-residential assumed for these districts.	If average unit size times units is larger than buildable envelope, subtract one unit until units fit in envelope.
RTO	Residential	Calculate buildable envelope by taking 55% of lot area times stories. Divide envelope by average unit size. No non-residential uses assumed for these districts.	If average unit size times units is larger than buildable envelope, subtract one unit until units fit in envelope.
RC, CRNC, CVR, CCB	Mixed	Commercial uses given a FAR of 1 by default. Rest of envelope given to residential uses, within the limits of the density cap.	If the number of units at the average unit size plus the 1 FAR commercial yields less than the total potential envelope, add commercial space up to the allowed commercial FAR.
C-3, C-2	Downtown	Envelope is determined by FAR. Assign 90% to commercial, 10% to residential. Divide residential space by average unit size to get unit count.	Lots smaller than 7,500 square feet are assigned only half FAR.
DTR	High Density Residential	Envelope is determined by height, not by FAR. Height less than 24 stories results in floor plate of 7,500 sf, less than 30, 8,500, less than 35, 9,000, 36 and higher, 10,000 sf floor plate. Upper third of tower has a reduced floor plate by 10%. Residential to commercial space is assigned 6:1.	Because floor plate for this zone type is constrained regardless of lot size, a check was included to allow extra towers on very large lots to approximate square footage if lot was split. The constant used was 4, meaning that lots more than four times the floor plate would be candidates for a second tower, thereby ensuring that bulk controls in these districts would not be artificially limited on oversize lots.
MUO, UMU, MUR	Eastern Neighborhood Mixed	Envelope is set to stories times FAR. FAR in turn varies by height district. (Portion of) FAR is used, rest is residential. If four stories, set retail, office=1 FAR each. If five-six stories, set retail =1 FAR, office=2 FAR. If 8 stories or more, set retail =1, office=3 FAR.	
MUR, DTR-S	Eastern Neighborhood Mixed	Envelope is stories times lot area. We assign most space to residential use here, 25% Commercial, 75% residential.	
M-1, M-2	Industry	Assign residential square footage based on half of residential density allowed for district. Commercial use is FAR times commercial share of development.	

District	District Class	Algorithm	Constraint
NC-1, NC-2, NC-3, named NC's, RED, RSD	Mixed	Commercial uses given a FAR of 1 by default. Rest of envelope given to residential uses, within the limits of the density cap.	If the number of units at the average unit size plus the 1 FAR commercial yields less than the total potential envelope, add commercial space up to the allowed commercial FAR.
NCT districts	Mixed, no density limits	Most districts capacity shared evenly between residential and commercial development. As no residential density is specified, an average gross unit size of 1,200 sq.ft. was used.	
PDR-1, PDR-2	PDR	Envelope is FAR times lot area. FAR varies by height district. No residential space.	
SLI, SLR, SPD, SSO	South of Market Mixed Use	Multiply the commercial share of the lot by FAR to arrive at commercial square footage. The FAR varied for SSO lots depending on height limit. Divide the product of the residential share, number of buildable stories (limited by FAR) and .75 lot cover by the average size of a unit; this yields the number of units. Multiply this number by the average unit size to arrive at residential square footage.	

Exceptions

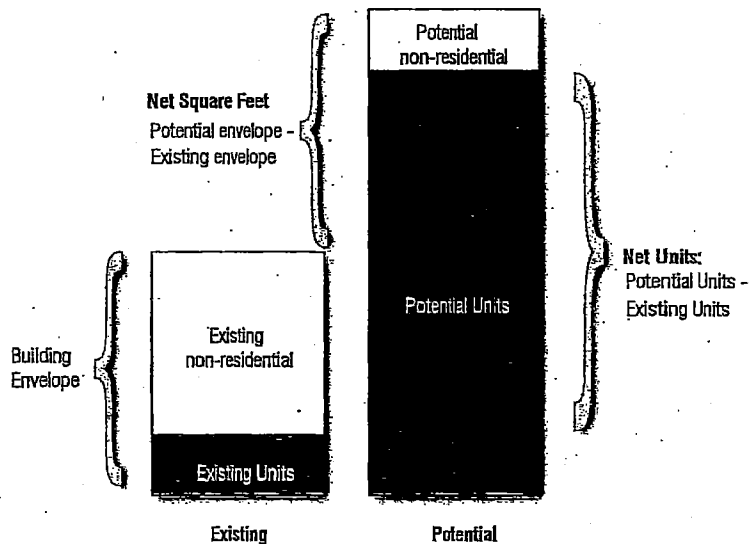
There were sites which would qualify for a softness label on metrics alone, but for a number of reasons were excluded from the overall softness tally. These cases are listed in Table D-3. These exceptions have been taken largely for practical reasons. For example, fire stations, schools and other public community facilities may be in structures that do not fully utilize the parcels' potential capacity based on underlying zoning standards. These buildings, however, serve a public function and may not likely be turning over for additional development. Similarly, freeways and other dedicated rights-of-way, even if these parcels are zoned for residential uses, are not considered as land suitable for development. Also underutilized parcels that may have residential or mixed uses with at least 10 units are not considered soft for this exercise. It is assumed for the purposes of estimating land inventory that such sites will not likely be demolished and rebuilt. These exemptions, as well as the assumptions and limitations cited in previous sections, therefore make this a very conservative estimate of the City's remaining capacity.

PART 1: DATA NEEDS & ANALYSIS

Table D-3
Soft Site Exceptions

Override Type	Description
Lot functions as open space for or otherwise connected to adjacent property	Lot is deeded open space for adjacent development.
Public or other large facility not likely to change	Fire stations, museums, schools etc.
Historic designation or otherwise significant	Exclusion from the softsite tally includes Category I and Category II buildings as well as California Historic Resource Status Codes 1 thru 5, all suffixes.
Incorrect (too low) base data	If existing square footage information is deemed to be on the low side, the net capacity figure can be overstated. For example, the square footage reported represents only one condominium in a multi-unit structure.
TDR Used	If a Certificate of Transfer was issued, lot was marked as not soft as capacity has been transferred under §128.
Residential units	If more than 10 residential units were on site, the site was considered not soft.
Pipeline	A development event is in the pipeline. Site is assumed not soft if construction has already started or if the proposed project has received planning entitlements and/or building permits have been approved or issued.
ROW	Freeway or other dedicated rights-of-way.

Figure D-1
Relationship Between Building Envelopes, Net Square Feet, and Net Units⁴



⁴ As net units is the nominal difference between existing and proposed units, the net unit estimate will in some cases presuppose that, in order to realize the net unit figure, existing non-residential building space will need to be converted into residential use. The figure shows this in the uncommon situation where a building has far more non-residential than residential space, and thus can add a relatively large number of units—more than could typically fit in the net square feet available between the existing building size and what could be built if fully developed.

Attachment D-1

Main Build-Out Functions

Note: These functions were used for the buildout calculations in Microsoft Access's Visual Basic for Applications interface.

```
Option Compare Database
Option Explicit
```

```
'-----
'Class MixedUseCapacity
'-----
```

```
Function MixedGeneral(inStories As Integer, inLotArea As Double, _
    inresdensity As Integer, inFAR As Single, rearYard As Double, flag As
    Byte)
```

```
Dim varunits As Integer
Dim varressqft As Double
Dim varcommsqft As Double
Dim vartotsqft As Double
Dim check, potEnvelope, farOverride As Single
```

```
'If inFar > inStories Then
'tempFAR = inStories
'End If
```

```
farOverride = 1 'set a commercial far at 1 as a default.
varunits = Int(inLotArea / inresdensity)
varressqft = varunits * grossUnitSize(1)
varcommsqft = inLotArea * farOverride
vartotsqft = varressqft + varcommsqft
```

```
'this compares totalsqft to the theoretical envelope given res/com mix. If
larger than 1, subtract units.
```

```
potEnvelope = ((farOverride * inLotArea) + (inStories - farOverride) *
    (inLotArea * (1 - rearYard)))
check = (vartotsqft / potEnvelope)
```

```
Select Case check 'if envelope is not filled, add commercial
    Case Is > 1
```

```
        'varressqft = potEnvelope - inLotArea
        'varunits = varressqft / grossUnitSize(1)
        varcommsqft = potEnvelope - varressqft
```

```
    Case Else
```

```
        Do While potEnvelope > vartotsqft And varcommsqft <
        (inLotArea * inFAR)
```

```
            'varunits = varunits - 1
            'potEnvelope = ((farOverride * inLotArea) +
            (inStories - farOverride) * (inLotArea * (1 - rearYard)))
            varcommsqft = varcommsqft + 1000
            'varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft + varcommsqft
```

```
        Loop
```

```
End Select.
```

```
Select Case flag
```

```
    Case 1
```

```
        MixedGeneral = varunits
```

```
    Case 2
```

```
        MixedGeneral = varcommsqft
```

```
End Select
```

PART 1: DATA NEEDS & ANALYSIS

End Function

Function C3General(ByVal inStories As Integer, ByVal inLotArea As Double, ByVal inFAR As Single, ByVal inZoning As String, flag As Byte)

'returns residential square feet for c3 districts by designating envelope
'as FAR times lotsize (when height limit allows) and distributing 90% to commercial.
'Limits potential for lots smaller than 7500 sqft to half the FAR otherwise used.

Dim varunits As Integer
Dim varressqft As Double
Dim varcommsqft As Double
Dim vartotsqft As Double

vartotsqft = inLotArea * inStories
If inLotArea <= 7500 And (inZoning = "C-3-O" Or inZoning = "C-3-O(SD)")

Then

Select Case inStories < 9

Case True

varcommsqft = inLotArea * inStories * 0.9
varressqft = inLotArea * inStories * 0.1

Case Else 'buildings taller than 10 stories will use

only half the possible FAR

varcommsqft = inLotArea * (0.5 * inFAR) * 0.9
varressqft = inLotArea * (0.5 * inFAR) * 0.1

End Select

Else

If inStories > inFAR Then

varcommsqft = (inLotArea * inFAR * 0.9)
varressqft = (inLotArea * inFAR * 0.1)

Else

varcommsqft = inLotArea * inStories * 0.9
varressqft = inLotArea * inStories * 0.1

End If

End If

Select Case flag

Case 1

C3General = varressqft

Case 2

C3General = varcommsqft

End Select

End Function

Function SOMGeneral(ByVal inZoning As String, ByVal inLotArea As Double, ByVal inStories As Integer, ByVal inFAR As Single, ByVal inShare As Single, ByVal rearYard As Single, flag As Byte) As Long

'works on soma districts; uses average unit size rather than units relative to lot area. Since these districts

'are very permissive density-wise (1 per 200 sf lot area), using average size yields an estimate on the conservative side.

'leave out the rearyard usage for now; go with FAR.

Dim varcommsqft, varressqft As Long
Dim varfar As Single
Dim lotCoverage As Single
lotCoverage = 1 - rearYard

```

varfar = 0

If InStr(1, inZoning, "SSO") > 0 Then
    Select Case inStories
        Case 4, 5
            varfar = 3
        Case 6, 8
            varfar = 4
        Case 13
            varfar = 4.5
        Case Else
            varfar = inFAR
    End Select
End If

If varfar = 0 Then
    varfar = inFAR
End If
varressqft = inLotArea * (1 - inShare) * varfar * (1 - rearYard)

If inStories <= varfar Then
    varressqft = inLotArea * (1 - inShare) * inStories * (1 - rearYard)
    varcommsqft = inLotArea * inShare * inStories
Else
    varcommsqft = inLotArea * inShare * varfar
    varressqft = inLotArea * (1 - inShare) * varfar * (1 - rearYard)
End If

Select Case flag
    Case 1
        SOMGeneral = varressqft
    Case 2
        SOMGeneral = varcommsqft
End Select

End Function
-----

Function ENMixed(ByVal inStories As Integer, ByVal inLotArea As Long, flag
As Byte)
    Dim retail As Long
    Dim office As Long
    Dim resSf As Long
    Dim FAR As Single
    Dim envelope As Long
    Dim totComSf As Long
    '***returns commercial square footage for eastern neighborhood zoning
    districts. Allocates commercial primarily based on
    '***FAR (variable by height district) and leaving the rest to
    residential.
    envelope = inStories * inLotArea

    Select Case inStories
        Case Is <= 4
            FAR = 3
            retail = inLotArea * 1
            office = inLotArea * 1
            totComSf = retail + office
            resSf = FAR * inLotArea - totComSf
        Case Is = 5
            FAR = 4
            retail = inLotArea * 1
            office = inLotArea * 2
            totComSf = retail + office
            resSf = FAR * inLotArea - totComSf
        Case Is = 6
            FAR = 5
            retail = inLotArea * 1

```

PART 1: DATA NEEDS & ANALYSIS

```

        office = inLotArea * 2
        totComSf = retail + office
        resSf = FAR * inLotArea - totComSf
    Case Is = 8
        FAR = 6
        retail = inLotArea * 1
        office = inLotArea * 3
        totComSf = retail + office
        resSf = FAR * inLotArea - totComSf
    Case Is > 8
        FAR = 7.5
        retail = inLotArea * 1
        office = inLotArea * 3
        totComSf = retail + office
        resSf = FAR * inLotArea - totComSf
End Select

Select Case flag
    Case 1
        ENMixed = resSf
    Case 2
        ENMixed = totComSf
End Function
-----

Function NCTGeneral(ByVal inStories As Integer, _
    ByVal inLotArea As Double, ByVal rearYard As Single, ByVal comShare As
    Single, flag As Byte) As Long
    ***Projects number of units on NC lots without density control.
    Dim envelope As Double
    Dim varunits As Integer
    Dim varressqft As Double
    Dim vartotsqft As Double
    Dim varcomsqft

    envelope = inLotArea * (1 - rearYard) * inStories
    varunits = envelope * (1 - comShare) / grossUnitSize(0.5)
    varcomsqft = envelope * comShare
    vartotsqft = varressqft + varcomsqft

    Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
Nz(inStories, 0)
        varunits = varunits - 1
        varressqft = varunits * grossUnitSize(0.5)
        vartotsqft = varressqft
    Loop

    Select Case flag
        Case 1
            NCTGeneral = varunits
        Case 2
            NCTGeneral = varcomsqft
    End Select
End Function
-----

'-----
'Other functions
'-----

Function grossUnitSize(parkingperunit As Single) As Long
    Const parkingSqft As Integer = 300
    Const circulationPercent As Single = 0.15
    Dim circulationSqft As Integer
    Const baseSize As Integer = 713
    Const usableOpenSpace As Integer = 80
    circulationSqft = baseSize * circulationPercent

```

```

        grossUnitSize = baseSize + parkingperunit * parkingSqft +
        circulationSqft + usableOpenSpace

```

```

End Function
-----

```

```

Function C2_resunits(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single) As Integer

```

```

    'returns residential units for C2 districts. Full FAR is given to
    commercial,
    'any remaining square footage given to residential. Residential rear
    yard requirement
    'NOT implemented in this function.

```

```

    Dim varressqft As Long
    Dim varresunits As Long
    Dim envelope As Long
    Dim varcommsqft As Long

```

```

    varcommsqft = inLotArea * inFAR
    envelope = inLotArea * inStories
    varresunits = Int(inLotArea / 800)
    varressqft = varresunits * grossUnitSize(1)

```

```

    If ceil(varcommsqft / inLotArea) > inStories Then
        varcommsqft = inLotArea * inStories

```

```

    End If

```

```

    Do While varcommsqft + varressqft > envelope And varresunits > 0
        varresunits = varresunits - 1
        varressqft = varresunits * grossUnitSize(1)
    Loop

```

```

    C2_resunits = varresunits

```

```

End Function
-----

```

```

Function C2_sqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single)

```

```

    Dim varcommsqft As Double
    varcommsqft = inLotArea * inFAR
    If ceil(varcommsqft / inLotArea) > inStories Then
        varcommsqft = inLotArea * inStories
    End If
    C2_sqft = varcommsqft

```

```

End Function
-----

```

```

Function C3_ressqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single, ByVal inZoning As String)

```

```

    Dim xy As New MixedUseCapacity
    C3_ressqft = xy.C3General(inStories, inLotArea, inFAR, inZoning, 1)
End Function
-----

```

```

Function C3_commsqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single, ByVal inZoning As String)

```

```

    Dim xy As New MixedUseCapacity
    C3_commsqft = xy.C3General(inStories, inLotArea, inFAR, inZoning, 2)
End Function
-----

```

PART 1: DATA NEEDS & ANALYSIS

```

Function DTR_Commsqft(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Double, ByVal rearYard As Single)

    Dim varTowerEnvelope As Long
    varTowerEnvelope = towerEnvelope(inStories, inLotArea, inShare,
rearYard)

    DTR_Commsqft = (varTowerEnvelope * (1 - inShare))
End Function
-----
Function DTR_ressqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inShare As Double, ByVal rearYard As Single)

    Dim varTowerEnvelope As Long
    varTowerEnvelope = towerEnvelope(inStories, inLotArea, inShare,
rearYard)

    DTR_ressqft = (varTowerEnvelope * (inShare))
End Function
-----
Function towerEnvelope(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Double, ByVal rearYard As Single) As Long

    Dim varLowerTowerFloorplateSqft As Double
    Dim varLowerTowerStories As Byte
    Dim varlowertowersqft As Double

    Dim varTowerstories As Byte
    Dim varTowerEnvelope As Double

    Dim varUpperTowerFloorPlateSqft As Double
    Dim varUpperTowerStories As Double
    Dim varUpperTowerSqft As Double

    Dim varPodiumStories As Byte
    Dim varPodiumSqft As Double

    Dim varTowers As Integer
    Dim varNextTower As Double

    Const areaFactor As Byte = 5

    If inStories <= 12 Then
        varPodiumStories = inStories
        varPodiumSqft = varPodiumStories * inLotArea * (1 - rearYard)
    Else
        If inStories <= 24 Then
            varLowerTowerFloorplateSqft = 7500
            varPodiumStories = 8
            varLowerTowerStories = inStories - varPodiumStories
            varUpperTowerStories = 0

        ElseIf inStories <= 30 Then
            varLowerTowerFloorplateSqft = 8500
            varPodiumStories = 8
            varLowerTowerStories = inStories - varPodiumStories
            varUpperTowerStories = 0

        ElseIf inStories <= 35 Then
            varLowerTowerFloorplateSqft = 9000
            varUpperTowerFloorPlateSqft = varLowerTowerFloorplateSqft -
(0.1 * varLowerTowerFloorplateSqft)
            varPodiumStories = 12
            varTowerstories = inStories - varPodiumStories
            varUpperTowerStories = (1 / 3) * varTowerstories
            varLowerTowerStories = (2 / 3) * varTowerstories
        End If
    End If
    varTowerEnvelope = (varLowerTowerFloorplateSqft + varPodiumSqft +
varUpperTowerFloorPlateSqft) / areaFactor
    varTowerstories = varTowerstories + varPodiumStories
    varTowers = varTowers + 1
    varNextTower = varTowers
End Function

```

```

ElseIf inStories > 35 Then
    varLowerTowerFloorplateSqft = 10000
    varUpperTowerFloorPlateSqft = varLowerTowerFloorplateSqft -
(0.1 * varLowerTowerFloorplateSqft)
    varPodiumStories = 12
    varTowerStories = inStories - varPodiumStories
    varUpperTowerStories = (1 / 3) * varTowerStories
    varLowerTowerStories = (2 / 3) * varTowerStories
End If

varNextTower = (varLowerTowerFloorplateSqft * areaFactor)
varTowers = Int(inLotArea / varNextTower)
If varTowers < 1 Then
    varTowers = 1
End If

'***podium envelope
varPodiumSqft = (varPodiumStories * inLotArea) * (1 - rearYard)

'***lower tower envelope
Select Case inLotArea
    Case Is >= varLowerTowerFloorplateSqft
        varlowertowersqft = (varLowerTowerStories *
varLowerTowerFloorplateSqft) * varTowers
    Case Else
        varlowertowersqft = (varLowerTowerStories * inLotArea) *
varTowers
End Select

'***upper tower envelope
Select Case inLotArea
    Case Is >= varUpperTowerFloorPlateSqft
        varUpperTowerSqft = (varUpperTowerStories *
varUpperTowerFloorPlateSqft) * varTowers
    Case Else
        varUpperTowerSqft = (varUpperTowerStories * inLotArea) *
varTowers
End Select
End If

varTowerEnvelope = varPodiumSqft + varlowertowersqft +
varUpperTowerSqft
towerEnvelope = varTowerEnvelope
End Function
-----
Function EN_com(ByVal inStories As Integer, ByVal inLotArea As Long)
Dim xyz As New MixedUseCapacity
EN_com = xyz.ENMixed(inStories, inLotArea, 2)
End Function
-----

Function EN_res(ByVal inStories As Integer, ByVal inLotArea As Long)
Dim xyq As New MixedUseCapacity
EN_com = xyq.ENMixed(inStories, inLotArea, 1)
End Function
-----

Function EN_PDR_com(ByVal inStories As Integer, ByVal inLotArea As Long)
Dim retail As Long
Dim office As Long
Dim resSf As Long
Dim PDR As Long
Dim FAR As Single
Dim totComSf As Long
'***Returns commercial square footage for eastern neighborhoods PDR
districts.

```


PART 1: DATA NEEDS & ANALYSIS

```

If inLotArea < 2500 Then
  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 5
      FAR = 4
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 6
      FAR = 5
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 8
      FAR = 6
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is > 8
      FAR = 7.5
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
  End Select

Elseif inLotArea >= 2500 And inLotArea < 5000 Then
  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 5
      FAR = 4
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 6
      FAR = 5
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 8
      FAR = 6
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is > 8
      FAR = 7.5
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
  End Select

```

```

ElseIf inLotArea >= 5000 Then
  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 5
      FAR = 4
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 6
      FAR = 5
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 8
      FAR = 6
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is > 8
      FAR = 7.5
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
  End Select
End If

EN_PDR_com = retail + office + PDR
End Function
-----

Function SOM_commsqft(ByVal inZoning As String, ByVal inLotArea As Double,
  ByVal inStories As Integer, _
  ByVal inFAR As Single, ByVal inShare As Single, ByVal rearYard As Single)
  As Long
  'works on some districts; uses average unit size rather than units relative
  to lot area. Since these districts
  'are very permissive density-wise (1 per 200 sf lot area), using
  average size yields an estimate on the conservative side.

  Dim xz As New MixedUseCapacity

  SOM_commsqft = xz.SOMGeneral(inZoning, inLotArea, inStories, inFAR,
    inShare, rearYard, 2)
End Function
-----

Function SOM_ressqft(ByVal inZoning As String, ByVal inLotArea As Double,
  ByVal inStories As Integer, _
  ByVal inFAR As Single, ByVal inShare As Single, ByVal rearYard As Single)
  As Long
  Dim pz As New MixedUseCapacity

  SOM_ressqft = pz.SOMGeneral(inZoning, inLotArea, inStories, inFAR,
    inShare, rearYard, 1)
End Function
-----

Function Mixed_Comml(inStories As Integer, inLotArea As Double, _
  inresdensity As Integer, inFAR As Single, rearYard As Double)

```

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```

Dim tempUnits
Dim xx As New MixedUseCapacity

Mixed_Comml = xx.MixedGeneral(inStories, inLotArea, inresdensity, inFAR,
rearYard, 2)
End Function
-----

Function Mixed_Units(inStories As Integer, inLotArea As Double, _
    inresdensity As Integer, inFAR As Single, rearYard As Double)
    '***Projects number of units on mixed-zoned lots. Maximizes residential per
    density limit, assigns rest to commercial up to FAR.
    Dim tempUnits
    Dim xx As New MixedUseCapacity
    Mixed_Units = xx.MixedGeneral(inStories, inLotArea, inresdensity, inFAR,
    rearYard, 1)
End Function
-----

Function MUR_DTR_S_Comsqft(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Single, ByVal rearYard As Single) As Long

    Dim varcomsqft As Double
    Dim vartotsqft As Double

    '***companion function to MUR_Ressqft. Com share set in separate lookup
    table and passed in.

    vartotsqft = inLotArea * inStories * (1 - rearYard)
    varcomsqft = (vartotsqft * (1 - inShare))
    MUR_DTR_S_Comsqft = varcomsqft

End Function
-----

Function MUR_DTR_S_Ressqft(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Single, ByVal rearYard As Single) As Long

    Dim varressqft As Double
    Dim vartotsqft As Double

    '***companion function to MUR_comsqft. Com share set in separate lookup
    table and passed in.
    vartotsqft = inLotArea * inStories * (1 - rearYard)

    varressqft = (vartotsqft * inShare)
    MUR_DTR_S_Ressqft = varressqft

End Function
-----

Function NCT_ComSqft(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single, ByVal comShare As
Single) As Long
    '***Projects number of units on NC lots without density control.
    Dim klm As New MixedUseCapacity
    NCT_ComSqft = klm.NCTGeneral(inStories, inLotArea, rearYard, comShare, 2)

End Function
-----

Function NCT_Units(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single, ByVal comShare As
Single) As Integer
    '***Projects commercial use based on set share
    Dim kl As New MixedUseCapacity
    NCT_Units = kl.NCTGeneral(inStories, inLotArea, rearYard, comShare, 1)

```

End Function

```

Function RH_units(ByVal inZoning As String, ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single)
    ***Projects number of units on RH-zoned lots
    Dim varunits As Single
    Dim varressqft As Double
    Dim vartotsqft As Double
    Const rh1nxt As Integer = 3000
    Const rh2nxt As Integer = 1500
    Const rh3nxt As Integer = 1000
    Dim rhzoning As Integer
    Dim rhnumber As Integer

    rhzoning = InStr(1, inZoning, "RH-")

    If rhzoning = 1 Then
        rhnumber = (CInt(Mid(Nz(inZoning, 0), 4, 1)))
    End If
    'first of three blocks testing whether lot is large enough for CU units

    Select Case inLotArea
        Case Is >= 1500
            If rhnumber = 1 Then
                If inLotArea >= 1 * rh1nxt And InStr(1, inZoning, "RH-1(D)") = 0
Then
                    varunits = Int(inLotArea / (rh1nxt))
                    varressqft = varunits * grossUnitSize(1)
                    vartotsqft = varressqft
                    Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                        varunits = varunits - 1
                        varressqft = varunits * grossUnitSize(1)
                        vartotsqft = varressqft
                        Loop
                        RH_units = varunits
                    Else
                        varunits = rhnumber
                        varressqft = varunits * grossUnitSize(1)
                        vartotsqft = varressqft
                        Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                            varunits = varunits - 1
                            varressqft = varunits * grossUnitSize(1)
                            vartotsqft = varressqft
                            Loop
                            RH_units = varunits
                        End If
                    'second of three blocks testing whether lot is large enough for CU
units
                ElseIf rhnumber = 2 Then
                    If inLotArea >= 2 * rh2nxt Then
                        varunits = Int(inLotArea / rh2nxt)
                        varressqft = varunits * grossUnitSize(1)
                        vartotsqft = varressqft
                        Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                            varunits = varunits - 1
                            varressqft = varunits * grossUnitSize(1)
                            vartotsqft = varressqft
                            Loop
                            RH_units = varunits
                        Else
                            varunits = rhnumber
                            varressqft = varunits * grossUnitSize(1)
                            vartotsqft = varressqft

```

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        Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
            varunits = varunits - 1
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
        Loop
        RH_units = varunits
    End If
    'third of three blocks testing whether lot is large enough for CU
units
    ElseIf rhnumber = 3 Then
        If inLotArea >= 3 * rh3nxt Then
            varunits = Int(inLotArea / (rh3nxt))
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
            Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                varunits = varunits - 1
                varressqft = varunits * grossUnitSize(1)
                vartotsqft = varressqft
            Loop
            RH_units = varunits
        Else
            varunits = rhnumber
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
            Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                varunits = varunits - 1
                varressqft = varunits * grossUnitSize(1)
                vartotsqft = varressqft
            Loop
            RH_units = varunits
        End If
    Else
        RH_units = 0
    End If
Case Else
    RH_units = 0
End Select
End Function

```

```

-----
Function RM_Units(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal inresdensity As Double, ByVal rearYard As
Single) As Long
    '***Projects number of units on RM-zoned lots
    Dim varunits As Integer
    Dim vardensity As Double
    Dim varressqft As Double
    Dim vartotsqft As Double

    vardensity = inLotArea / inresdensity
    varunits = Int(vardensity)
    varressqft = varunits * grossUnitSize(1)
    vartotsqft = varressqft
    Do While (vartotsqft / (inLotArea * (1 - rearYard))) > inStories
        varunits = varunits - 1
        varressqft = varunits * grossUnitSize(1)
        vartotsqft = varressqft
    Loop

    RM_Units = varunits
End Function
-----

```

```

Function RTO_Units(ByVal inZoning As String, ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single)
    ***Projects number of units on R-zoned lots
    Dim envelope As Double
    Dim varunits As Integer
    Dim varressqft As Double
    Dim vartotsqft As Double

    If InStr(1, inZoning, "RTO") Then
        envelope = inLotArea * 0.55 * inStories
        varunits = envelope / grossUnitSize(0.75)
        vartotsqft = varressqft

        Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
Nz(inStories, 0)
            varunits = varunits - 1
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
        Loop
        RTO_Units = varunits
    Else
        RTO_Units = Null
    End If
End Function

```

```

-----
Function RTO_MixUnits(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single)
    ***Projects number of units on RED-Mixed-zoned lots in West Soma
    Dim resenvelope As Double
    Dim varunits As Long
    Dim varressqft As Double
    Dim varcomsqft As Double
    Dim vartotsqft As Double

    If Lotarea >= 1200 Then
        varcomsqft = 1200
    Else
        varcomsqft = inLotArea
    End If

    resenvelope = inLotArea * (1 - rearYard) * inStories - varcomsqft
    varunits = resenvelope / grossUnitSize(1)
    vartotsqft = varressqft

    Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
Nz(inStories, 0)
        varunits = varunits - 1
        varressqft = varunits * grossUnitSize(1)
        vartotsqft = varressqft
    Loop
    RTO_MixUnits = varunits
End Function

```

```

-----
Function height_stories(ByVal in_limit As String)
    ***Returns number of stories allowed given the height limit
    Dim varstring As String
    Dim varheight As Integer

    If (InStr(1, in_limit, "OS/") = 1) _
And (InStr(1, in_limit, "-" > 0) Then
        varstring = Mid(in_limit, 4, InStr(1, in_limit, "-") - 4)
        varheight = CInt(varstring)
    ElseIf InStr(1, in_limit, "-" > 0) Then
        varstring = Left(in_limit, InStr(1, in_limit, "-") - 1)
        varheight = CInt(varstring)
    End If
End Function

```

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ElseIf InStr(1, in_limit, "X") > 0 Then
    varstring = Left(in_limit, InStr(1, in_limit, "X") - 1)
    varheight = CInt(varstring)
Else
    varheight = 0
End If

height_stories = Int(varheight / 10)
End Function
-----

Function ceil(ByVal innumber As Double)
    '***Returns the next integer up; used for calculating number of stories
    '***given the lot area and building square footage
    If Int(innumber) > innumber Then
        ceil = Int(innumber) + 1
    Else
        ceil = Int(innumber)
    End If
End Function
-----

Function old_unit_size()
    '***Used for assumptions about square footage of existing units
    old_unit_size = 765 * 1.2
End Function
-----

Function new_unit_size(ByVal in_option As Boolean)
    '***Use for calculating square footage of new residential units.
    '***Case true for live-work, case false for everything else.
    If in_option Then
        new_unit_size = 1000
    Else
        new_unit_size = 1000 * 1.2
    End If
End Function
-----

Function calc_softness(ByVal intotsqft As Double, ByVal insqft As Double)
    Select Case Nz(insqft, 0)
        Case 0 To (intotsqft * 0.05)
            calc_softness = 5
        Case (intotsqft * 0.05) To (intotsqft * 0.3)
            calc_softness = 30
        Case (intotsqft * 0.3) To (intotsqft * 0.4)
            calc_softness = 40
        Case (intotsqft * 0.4) To (intotsqft * 0.5)
            calc_softness = 50
        Case Else
            calc_softness = Null
    End Select
End Function
-----

```

Attachment D-2

Summary of Residential Development Standards by Zoning District

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
RESIDENTIAL DISTRICTS				
RH-1(D) House, One-Family (Detached Dwellings)	One dwelling unit per lot. (11 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more.	300 sq.ft. per unit if private; 400 sq.ft. per unit if com- mon.
RH-1 House, One-Family	One dwelling unit per lot; up to one unit per 3000 sq.ft. of lot area (maximum of 3 units) with conditional use approval. (17 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more.	300 sq.ft. per unit if private; 400 sq.ft. per unit if com- mon.
RH-1(S) House, One-Family with Minor Second Unit	Same as RH-1; or 2 dwelling units per lot with second unit limited to 600 sq.ft. of net floor area. (35 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more.	300 sq.ft. per unit if private; 400 sq.ft. per unit if com- mon.
RH-2 House, Two-Family	Two dwelling units per lot; up to one unit per 1500 sq.ft. of lot area with conditional use approval. (35 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more; group housing, boarding; group hous- ing, religious orders; group housing, medical and educational institutions.	125 sq.ft. per unit if private; 166 sq.ft. per unit if com- mon.
RH-3 House, Three-Family	Three dwelling units per lot; up to one unit per 1000 sq.ft. of lot area with conditional use approval. (52 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more; group housing, boarding; group hous- ing, religious orders; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if com- mon.
RM-1 Mixed (Apartments and Houses), Low Density	Three dwelling units per lot or one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Residential care facility for 6 or fewer; group housing; boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educa- tional institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if com- mon.
RM-2 Mixed (Apartments and Houses), Moderate Density	Three dwelling units per lot or one dwelling unit per 600 sq.ft. of lot area. (77 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educa- tional institutions.	80 sq.ft. per unit if private; 106 sq.ft. per unit if com- mon.

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Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
RM-3 Mixed (Apartments and Houses), Medium Density	Three dwelling units per lot or one dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	60 sq.ft. per unit if private; 80 sq.ft. per unit if common.
RM-4 Mixed (Apartments and Houses), High Density	Three dwelling units per lot or one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
RC-3 Residential-Commercial Combined, Medium Density	Three dwelling units per lot or one dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	60 sq.ft. per unit if private; 80 sq.ft. per unit if common.
RC-4 Residential-Commercial Combined, High Density	Three dwelling units per lot or one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
RTO Residential Transit Oriented Development	Permitted 1 dwelling unit per 600 square feet of lot area; may exceed this limit for BMR units, affordable housing, or other special uses. With a conditional use permit density may exceed 1 unit per 600 and is then limited by height, bulk and unit mix requirements. (77 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
RTO-M Residential Transit Oriented Development, Mission	Permitted 1 dwelling unit per 400 square feet of lot area; may exceed this limit for BMR units, affordable housing, or other special uses; Density may exceed 1 unit per 400 and is then limited by height, bulk and unit mix requirements. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (109 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
NEIGHBORHOOD COMMERCIAL DISTRICTS (NCD)				
Pacific NCD	One dwelling unit per 1,000 sq.ft. of lot area. (44 du/acre)	Group housing	Residential care facility for 6 or fewer.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
NC-1 NC Cluster District, NC-2 Small-Scale NCD, NC-S NC Shopping Center, Inner Sunset NCD, Sacramento NCD, West Portal NCD	One dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
NC-3 Moderate-Scale NCD, Castro NCD, Inner Clement NCD, Outer Clement NCD, Upper Fillmore NCD, Haight NCD, Union NCD, 24th-Noe Valley NCD	One dwelling unit per 600 sq.ft. of lot area. (77 du/acre)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	80 sq.ft. per unit if private; 100 sq.ft. per unit if common.
Broadway NCD, Upper Market NCD, North Beach NCD, Polk NCD	One dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	60 sq.ft. per unit if private; 80 sq.ft. per unit if common.
NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICTS (NCTD)				
Hayes-Gough NCTD, Upper Market NCTD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	60 sq.ft. per unit if private; 80 sq.ft. per unit if common.
NCT-2 Small-Scale NCTD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
NCT-3 Moderate-Scale NCTD, Mission NCTD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Group housing, residential care facility.	Not applicable.	80 sq.ft. per unit if private; 100 sq.ft. per unit if common.
Valencia NCTD, 24th-Mission NCTD, SOMA NCTD	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	80 sq.ft. per unit if private; 100 sq.ft. per unit if common.
MIXED USE DISTRICTS				
CCB Chinatown Community Business, CVR Chinatown Visitor Retail, CRNC Chinatown Residential Neighborhood Commercial,	One dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Group housing, residential care facility.	Not applicable.	48 sq.ft.
RED Residential Enclave	One dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	SRO units.	Residential care facility.	60 sq.ft. per unit if all private; 80 sq.ft. if common space. 36 sq.ft. per unit for live/work units.
SPD South Park	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	SRO units.	Group housing; residential care facility.	80 sq.ft. per unit; 64 sq.ft. if publicly accessible.
RSD Residential/ Service	One dwelling unit per 200 sq.ft. of lot area for projects below 40 ft; above 40 ft., density determined by conditional use process. (218 du/acre)	SRO units.	Group housing; residential care facility.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
SLR Service/ Light Industrial/ Residential	One dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	SRO units.	Group housing; residential care facility.	60 sq.ft. per unit if private; 80 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
SLI Service/ Light Industrial	By conditional use only if low income; otherwise, not permitted; one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Not applicable.	SRO units, if low income; group housing; residential care facility.	36 sq.ft.
SSO Service/ Secondary Office	By conditional use only; one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	SRO units.	Group housing; residential care facility.	36 sq.ft.
RH-DTR Rincon Hill Downtown Residential, SB DTR South Beach Downtown Residential	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Not applicable.	Residential care facility.	75 sq.ft. per unit; up to 50% may be provided off-site if publicly accessible.
MUG Mixed Use - General, MUR Mixed Use - Residential, MUO Mixed Use - Office	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	SRO units.	Student housing; residential care facility.	80 sq.ft. per unit; 54 sq.ft. if publicly accessible.
UMU Urban Mixed Use	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Not applicable.	Student housing; residential care facility.	80 sq.ft. per unit; 54 sq.ft. if publicly accessible.
TB DTR Transbay Downtown Residential (Redevelopment Project Area)	No density limit. (N/A)	Group housing, residential care facility.	Not applicable.	16 sq.ft. per unit plus common space located in the center of each block
COMMERCIAL DISTRICTS				
C-2 Community Business	Dwelling at a density of the closest R district, but in no case less than one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Group housing; residential care facility.	Not applicable.	Same as the requirement for the nearest R district.
C-M Heavy Commercial	By conditional use only; dwelling at a density of the closest R district, but in no case less than one dwelling unit per 125 sq.ft. of lot area. (348 du/acre)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Require- ments for Dwelling Units
PUBLIC USE DISTRICT				
P Public	Dwelling units or group housing not permitted. (N/A)	Not applicable.	Not applicable.	Not applicable.
SPECIAL USE DISTRICTS (SUD)				
Van Ness SUD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
Folsom and Main Residential/Commercial SUD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
North of Market Residential SUD Subarea No. 1	One dwelling unit per 125 sq.ft. of lot area; double density provisions do not apply. (348 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
North of Market Residential SUD Subarea No. 2	One dwelling unit per 200 sq.ft. of lot area; double density provisions do not apply. (218 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
Van Ness and Market Downtown Residential SUD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common; up to 40% may be provided off-site if within the SUD or within 900 feet of the project site.
Lakeshore Plaza SUD	By conditional use only; one dwelling unit per 3,000 sq.ft. of lot area on first and second stories only; group housing is not permitted. (15 du/acre)	Not applicable.	Residential care facility.	300 sq.ft. per unit if private; 400 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
DOWNTOWN COMMERCIAL DISTRICTS				
C-3-O Downtown - Office, C-3-R Downtown - Retail, C-3-G Downtown - General	Dwelling at a density of the closest R district, but in no case less be less than one dwelling unit per 125 sq.ft. of lot area. Higher density permitted with conditional use. (348 du/acre)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
C-3-S Downtown Support	Dwelling at a density of the closest R district, but in no case less be less than one dwelling unit per 125 sq.ft. of lot area. Higher density permitted with conditional use. (348 du/acre)	Group housing.	Residential care facility.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
INDUSTRIAL AND PDR (PRODUCTION, DISTRIBUTION, AND REPAIR) DISTRICTS				
M-1 Light Industrial	Dwelling at a density of the closest R district, but in no case less be less than one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Residential care facility.	Group housing;	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
M-2 Heavy Industrial	Dwelling at a density of the closest R district, but in no case less be less than one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Not applicable.	Group housing;	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
PDR-1-B PDR - Light Industrial Buffer, PDR-1-D PDR - Design, PDR-1-G PDR - General, PDR-2 Core PDR - Bayview	Dwelling units or group housing not permitted. (N/A)	Not applicable.	Not applicable.	Not applicable.

[General Plan Amendments - 2009 Housing Element Update]

Ordinance amending the San Francisco General Plan by adopting the 2009 Housing Element as the Housing Element of the San Francisco General Plan; making findings, including environmental findings and findings of consistency with the General Plan and the eight priority policies of the Planning Code Section 101.1.

Note: Additions are single-underline italics Times New Roman;
deletions are ~~striketrough italics Times New Roman~~.
Board amendment additions are double underlined.
Board amendment deletions are ~~striketrough normal~~.

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

Section 1. Findings.

A. Section 4.105 of the Charter of the City and County of San Francisco provides that the Planning Commission shall periodically recommend to the Board of Supervisors, for approval or rejection, proposed amendments to the General Plan.

B. On March 31, 2011, the Board of Supervisors received from the Planning Department the proposed General Plan amendment which adopts the 2009 Housing Element ("the Housing Element Update Amendment") as the Housing Element of the San Francisco General Plan.

C. Section 4.105 of the City Charter further provides that if the Board of Supervisors fails to Act within 90 days of receipt of the proposed Housing Element Update Amendment, then the proposed amendment shall be deemed approved.

D. San Francisco Planning Code Section 340 provides that an amendment to the General Plan may be initiated by a resolution of intention by the Planning Commission, which

1 refers to, and incorporates by reference, the proposed General Plan amendment. Section
2 340 further provides that Planning Commission shall adopt the proposed General Plan
3 amendment after a public hearing if it finds from the facts presented that the public necessity,
4 convenience and general welfare require the proposed amendment or any part thereof. If
5 adopted by the Commission in whole or in part, the proposed amendment shall be presented
6 to the Board of Supervisors, which may approve or reject the amendment by a majority vote.

7 E. On February 24, 2011, the Planning Commission initiated the adoption of the
8 Housing Element Update, as an amendment to the General Plan, at a duly noticed public
9 hearing.

10 F. On March 24, 2011, at a duly noticed public meeting, the Planning
11 Commission certified the San Francisco 2004 and 2009 Housing Element Final Environmental
12 Impact Report ("EIR") by Motion No. 18307 finding the Final EIR reflected the
13 independent judgment and analysis of the City and County of San Francisco, is adequate,
14 accurate and objective, contains no significant revisions to the Draft EIR, and the content of
15 the report and the procedures through which the Final EIR was prepared, publicized and
16 reviewed comply with the provisions of the California Environmental Quality Act ("CEQA")
17 (California Public Resources Code Section 21000 et seq.), the CEQA Guidelines (14 Cal.
18 Code Regs. Section 15000 et seq.) and Chapter 31 of the San Francisco Administrative
19 Code. A copy of the Final EIR is on file with the Clerk of the Board in File No. 110397.

20 G. The project evaluated in the Final EIR includes the adoption of the 2009
21 Housing Element Update as the Housing Element of the San Francisco General Plan. The
22 Housing Element Update Amendment is an action proposed by the Planning Department that
23 is within the scope of the Project evaluated in the Final EIR.

24 H. At the same hearing during which the Planning Commission certified the Final
25 EIR, the Planning Commission adopted CEQA Findings with respect to the approval of the

1 proposed Housing Element Update Amendment in Motion No. 18308 and adopted the
2 Housing Element Update Amendment in Resolution No. 18309, finding that the
3 public necessity, convenience and general welfare required the proposed amendment. The
4 letter from the Planning Department transmitting the proposed Housing Element Update
5 Amendment to the Board of Supervisors, the Final EIR, the CEQA Findings adopted by the
6 Planning Commission with respect to the approval of the Housing Element Update
7 Amendment, including a mitigation monitoring and reporting program and a statement of
8 overriding considerations, the Housing Element Update Amendment and the Resolution
9 approving the Housing Element Update Amendment are on file with the Clerk of the Board in
10 File No. 110397. These and any and all other documents referenced in this Ordinance
11 have been made available to, and have been reviewed by, the Board of Supervisors, and may
12 be found in either the files of the City Planning Department, as the custodian of records, at
13 1650 Mission Street in San Francisco, or in Board File No. 110397 with the Clerk of
14 the Board of Supervisors at 1 Dr. Carlton B. Goodlett Place, San Francisco and incorporated
15 herein by reference.

16 I. The Board of Supervisors has reviewed and considered the Final EIR and the
17 environmental documents on file referred to herein. The Board of Supervisors has reviewed
18 and considered the CEQA Findings adopted by the Planning Commission in support of the
19 approval of the Housing Element Update Amendment, including the mitigation monitoring and
20 reporting program and the statement of overriding considerations, and hereby adopts as its
21 own and incorporates the CEQA Findings contained in Planning Commission Motion No.
22 18308 by reference as though such findings were fully set forth in this Ordinance.

23 J. The Board of Supervisors endorses the implementation of the mitigation
24 measures identified in the Planning Commission's CEQA Findings.
25

1 K. The Board of Supervisors finds that no substantial changes have occurred in the
2 Housing Element Update Amendment proposed for approval under this Ordinance that will
3 require revisions in the Final EIR due to the involvement of new significant environmental
4 effects or a substantial increase in the severity of previously identified significant effects, no
5 substantial changes have occurred with respect to the circumstances under which the
6 Housing Element Update Amendment proposed for approval under the Ordinance are
7 undertaken which will require major revisions to the Final EIR due to the involvement of new
8 environmental effects or a substantial increase in the severity of effects identified in the Final
9 EIR and no new information of substantial importance to the Housing Element Update
10 Amendment as proposed for approval in the Ordinance has become available which indicates
11 that (1) the Housing Element Update Amendment will have significant effects not discussed in
12 the Final EIR, (2) significant environmental effects will be substantially more severe, (3)
13 mitigation measure or alternatives found not feasible which would reduce one or more
14 significant effects have become feasible or (4) mitigation measures or alternatives which are
15 considerably different from those in the Final EIR would substantially reduce one or more
16 significant effects on the environment.

17 M. The Board of Supervisors finds, pursuant to Planning Code Section 340, that the
18 Housing Element Update Amendment set forth in the documents on file with the Clerk of the
19 Board in File No. 110397 will serve the public necessity, convenience and general
20 welfare for the reasons set forth in Planning Commission Resolution No. 18309 and
21 incorporates those reasons herein by reference.

22 N. The Board of Supervisors finds that the Housing Element Update Amendment
23 as set forth in the documents on file with the Clerk of the Board in Board File No. 110397
24 is in conformity with the General Plan and the eight priority policies of Planning Code Section
25 101.1 for the reasons set forth in Planning Commission Resolution No. 18309. The

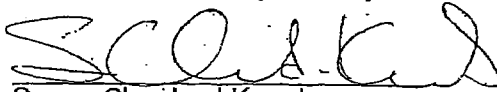
1 Board hereby adopts the findings set forth in Planning Commission Resolution No.

2 18309 and incorporates those findings herein by reference.

3 Section 2. The Board of Supervisors hereby amends the San Francisco General Plan
4 by adopting the 2009 Housing Element, as the Housing Element of the San Francisco
5 General Plan, as recommended to the Board of Supervisors by the Planning Commission on
6 March 24, 2011, and referred to above.

7
8
9 APPROVED AS TO FORM:
10 DENNIS J. HERRERA, City Attorney

11 By:


12 Susan Cleveland-Knowles
13 Deputy City Attorney
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City and County of San Francisco

Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 110397

Date Passed: June 21, 2011

Ordinance amending the San Francisco General Plan by adopting the 2009 Housing Element as the Housing Element of the San Francisco General Plan; making findings, including environmental findings and findings of consistency with the General Plan and the eight priority policies of the Planning Code Section 101.1.

May 16, 2011 Land Use and Economic Development Committee - RECOMMENDED

May 24, 2011 Board of Supervisors - CONTINUED ON FIRST READING

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

June 14, 2011 Board of Supervisors - PASSED ON FIRST READING

Ayes: 8 - Avalos, Campos, Chiu, Cohen, Kim, Mar, Mirkarimi and Wiener
Noes: 3 - Chu, Elsbernd and Farrell

June 21, 2011 Board of Supervisors - FINALLY PASSED

Ayes: 8 - Avalos, Campos, Chiu, Cohen, Kim, Mar, Mirkarimi and Wiener
Noes: 3 - Chu, Elsbernd and Farrell

File No. 110397

I hereby certify that the foregoing
Ordinance was FINALLY PASSED on
6/21/2011 by the Board of Supervisors of the
City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Edwin Lee

6/29/11

Date Approved



DRAFT ENVIRONMENTAL IMPACT REPORT

San Francisco 2004 and 2009 Housing Element

Volume I: Draft EIR (Section I to Section V.G)

PLANNING DEPARTMENT
CASE NO. 2007.1275E

STATE CLEARINGHOUSE NO. 2008102033



SAN FRANCISCO
PLANNING
DEPARTMENT

Draft EIR Publication Date:	June 30, 2010
Draft EIR Public Hearing Date:	August 5, 2010
Draft EIR Public Comment Period:	June 30, 2010 – August 16, 2010

Written comments should be sent to:

Environmental Review Officer | 1650 Mission Street, Suite 400 | San Francisco, CA 94103

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SAN FRANCISCO PLANNING DEPARTMENT

DATE: June 30, 2010
TO: Distribution List for the 2004 and 2009 Housing Elements Draft EIR
FROM: Bill Wycko, Environmental Review Officer
SUBJECT: Request for the Final Environmental Impact Report for the 2004 and 2009 Housing Elements Project (Planning Department File No. 2007.1275E)

This is the Draft of the Environmental Impact Report (EIR) for the 2004 and 2009 Housing Elements Project. A public hearing will be held on the adequacy and accuracy of this document. After the public hearing, our office will prepare and publish a document titled "Comments and Responses," which will contain all relevant comments on this Draft EIR and our responses to those comments. It may also specify changes to this Draft EIR. Those who testify at the hearing on the Draft EIR will automatically receive a copy of the Comments and Responses document, along with notice of the date reserved for certification; others may receive a copy of the Comments and Responses and notice by request or by visiting our office. This Draft EIR together with the Comments and Responses document will be considered by the Planning Commission in an advertised public meeting and will be certified as a Final EIR if deemed adequate.

After certification, we will modify the Draft EIR as specified by the Comments and Responses document and print both documents in a single publication called the Final EIR. The Final EIR will add no new information to the combination of the two documents except to reproduce the certification resolution. It will simply provide the information in one document, rather than two. Therefore, if you receive a copy of the Comments and Responses document in addition to this copy of the Draft EIR, you will technically have a copy of the Final EIR.

We are aware that many people who receive the Draft EIR and Comments and Responses have no interest in receiving virtually the same information after the EIR has been certified. To avoid expending money and paper needlessly, we would like to send copies of the Final EIR in Adobe Acrobat format on a CD to private individuals only if they request them. Therefore, if you would like a copy of the Final EIR, please fill out and mail the postcard provided inside the back cover to the Major Environmental Analysis division of the Planning Department within two weeks after certification of the EIR. Any private party not requesting a Final EIR by that time will not be mailed a copy. Public agencies on the distribution list will automatically receive a copy of the Final EIR.

Thank you for your interest in this project.

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

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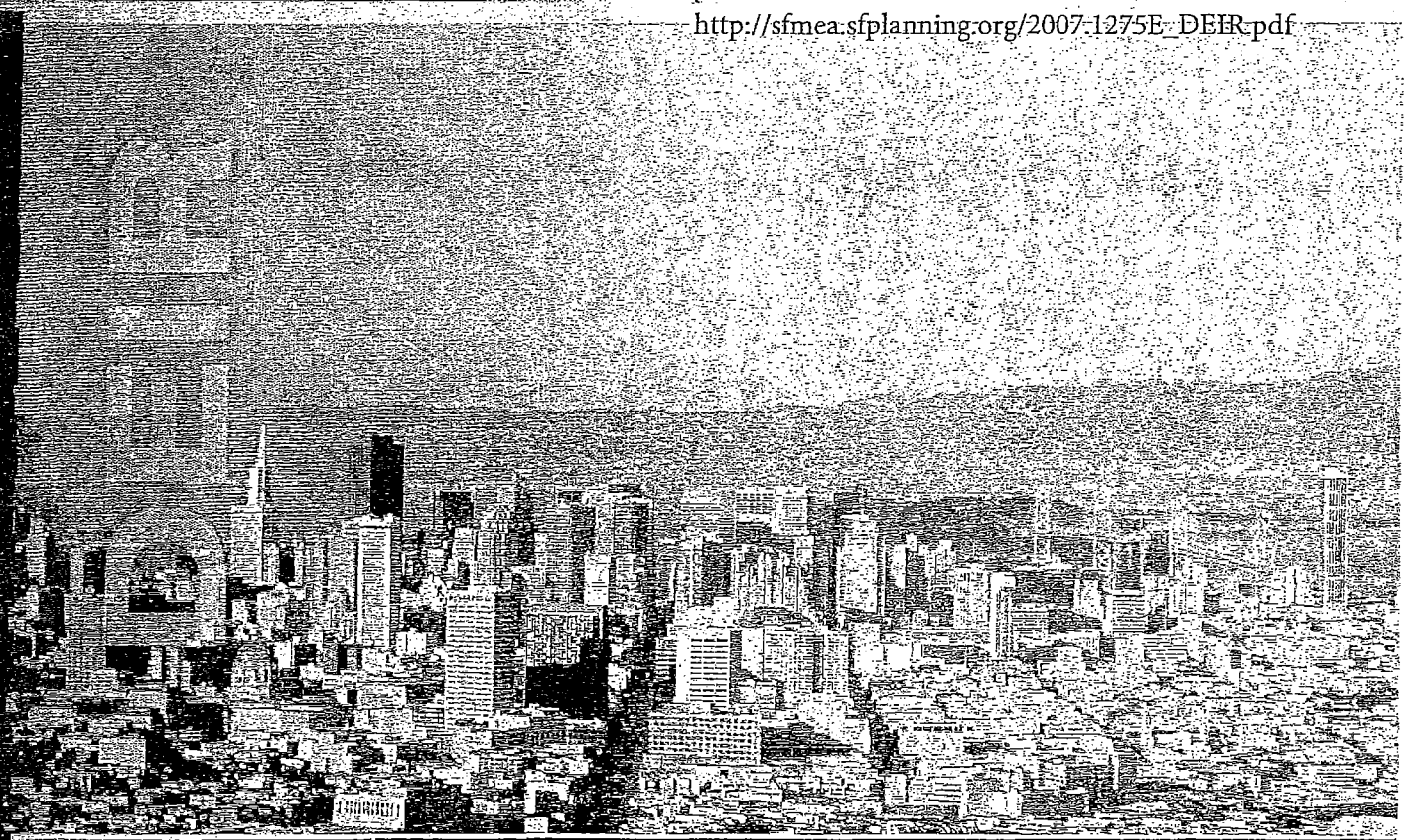
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DRAFT ENVIRONMENTAL IMPACT REPORT

San Francisco 2004 and 2009 Housing Element

Volume II: Draft EIR (Section V.H to Section VIII)

PLANNING DEPARTMENT
CASE NO. 2007.1275E

STATE CLEARINGHOUSE NO. 2008102033



SAN FRANCISCO
PLANNING
DEPARTMENT

Draft EIR Publication Date:	June 30, 2010
Draft EIR Public Hearing Date:	August 5, 2010
Draft EIR Public Comment Period:	June 30, 2010 – August 16, 2010

Written comments should be sent to:

Environmental Review Officer | 1650 Mission Street, Suite 400 | San Francisco, CA 94103



San Francisco 2004 and 2009 Housing Element

Revised EIR Alternatives Analysis

CITY AND COUNTY OF SAN FRANCISCO
PLANNING DEPARTMENT
CASE NO. 2007.1275E

STATE CLEARINGHOUSE NO. 2008102033

Draft EIR Publication Date:	June 30, 2010
Draft EIR Public Hearing Date:	August 5, 2010
Draft EIR Public Comment Period:	June 30, 2010 – August 16, 2010
Revised Draft EIR Publication Date:	December 18, 2013
Revised Draft EIR Public Hearing Date	January 23, 2014
Revised Draft EIR Public Comment Period:	December 18, 2013 – February 18, 2014
Final EIR Certification Hearing Date:	April 24, 2014



SAN FRANCISCO
PLANNING
DEPARTMENT

ENVIRONMENTAL PLANNING DIVISION | SAN FRANCISCO PLANNING DEPARTMENT

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COMMENTS AND RESPONSES ON DRAFT EIR

San Francisco 2004 and 2009 Housing Element

PLANNING DEPARTMENT
CASE NO. 2007.1275E

STATE CLEARINGHOUSE NO. 2008102033



SAN FRANCISCO
PLANNING
DEPARTMENT

Draft EIR Publication Date:	June 30, 2010
Draft EIR Public Hearing Date:	August 5, 2010
Draft EIR Public Comment Period:	June 30, 2010 – August 31, 2010
Final EIR Certification Date:	March 24, 2011

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2004 AND 2009 HOUSING ELEMENT

Comments and Responses on the Draft EIR

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Appendix A Comment Letters

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Appendix C San Francisco 2009 Housing Element, Draft 3, Draft for Adoption, February 2011

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: John Rahaim, Director, Planning Department
Jonas Ionin, Acting Commission Secretary, Planning Commission
Olson Lee, Acting Director, Mayor's Office of Housing

FROM: Andrea Ausberry, Assistant Clerk, Land Use and Economic Development
Committee, Board of Supervisors

DATE: May 21, 2014

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Economic Development Committee has received the following proposed legislation, introduced by the Planning Department on May 6, 2014:

File No. 140414

Ordinance amending the San Francisco General Plan by repealing Ordinance 108-11 and adopting the 2009 Housing Element; making findings, including environmental findings, Planning Code section 340 findings, and findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: AnMarie Rodgers, Planning Department
Aaron Starr, Planning Department
Eugene Flannery, Mayor's Office of Housing
Sophie Hayward, Mayor's Office of Housing

Aaron Goodman
25 Lisbon St
SF CA 94112
Tel: 415786.6929
Email: amgodman@yahoo.com

RE: SF BOS Land-Use Meeting - 6/9/14 Item# 5 [140414 – Repeal of 108-11 and Adoption of 2009 Housing Element]

SF Board of Supervisors Land-Use Committee Members

I write to you unable to attend Monday mornings hearing at the Land-Use committee but wanted to send my memo of being NOT in support of the approval of the 2009 Housing Element. The concerns stem from the current litigation against the City of SF on the Parkmerced case where it is clearly stated that there were concerns about neighborhood character and scale in the projects premise that violated the SF General Plan in more than one category severely so that the Planning Commissioners and SF BOS should have looked again at the alternatives and suggested input from the public in determining their responses and sent it back to planning un-approved. We have also seen many new housing projects built which question where are the affordable units as part of the approval, such as 800 Brotherhood Way, where there was no EIR or CEQA analysis, and no public discussion on the "fair-share" impacts of the proposed project, what number of housing units would be affordable or on-site, and whether there was any review of the co-impacts of the SFSU-CSU masterplan and Parkmerced Vision projects on infrastructure that holistically looked at the impacts created per ABAG 32 and SB375. Submitted alternatives were ignored by city agencies in the rush to approve the project, and many significant alternatives not explored that could have lessened costs and impacts of the proposed project and still met the project sponsors profit margins, by utilizing infill, and truly dealing with the Health Safety and Welfare of the inhabitants of Parkmerced's 11 un-retrofitted towers that were summarily removed from the project scope by the developer and cities interests. The 2009 and 2004 housing elements were challenged by CSFN, SPEAK and other neighborhood groups that are concerned about their communities wellbeing since the parkmerced process shows that such proposals can occur anywhere in any district based on the push to redevelop and destroy a community vs. adequately looking at the SF General Plan and Housing Element and proposing projects that would meet better the real need for rental and work-force housing that is not the current set market prices, but co-ops and rental housing developments in the same vein as Parkmerced in the 1950's in scale and scope in other areas of SF. As in the Parkmerced project, feasible alternatives were not reviewed, and the 2009 housing element should not be supported. Please take my prior memo's on the Housing Element into consideration and do not approve this current proposed approval per Kathryn Devincenzi Attorney for SPEAK.

Sincerely

Aaron Goodman

Ausberry, Andrea

From: Aaron Goodman [amgodman@yahoo.com]
Sent: Sunday, June 08, 2014 9:29 PM
To: Ausberry, Andrea
Cc: Board of Supervisors (BOS)
Subject: RE: Land-Use Committee - Item #5 (6.9.2014)
Attachments: housing_element2014.pdf

Please find my attached brief memo, on the hearing item at the land-use committee at the SFBOS this Monday.

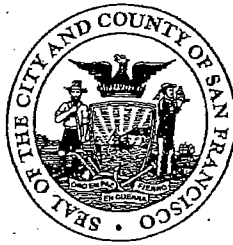
As I am unable to attend, I am submitting this email in opposition to the approval of item#5 on the agenda on the 2009 Housing Element. I support the position of SPEAK, and the neighborhood organizations on the improper review of alternatives by the city and county of SF which is in litigation currently on the improper approval of the Parkmerced project based on the 2004 and 2009 Housing Element and SF General Plan which dictates that alternatives that do not destroy a neighborhood or its character be properly vetted and alternatives properly and adequately reviewed especially ones that showcase how to densify without destroying a complete neighborhood.

Did we learn nothing from the Fillmore?

Sincerely

Aaron Goodman

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

NOTICE OF PUBLIC HEARING

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO LAND USE AND ECONOMIC DEVELOPMENT COMMITTEE

NOTICE IS HEREBY GIVEN THAT the Land Use and Economic Development Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: Monday, June 9, 2014

Time: 1:30 p.m.

Location: Committee Room 263, located at City Hall
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

Subject: File No. 140414. Ordinance amending the General Plan by repealing Ordinance No. 108-11 and adopting the 2009 Housing Element; making findings, including environmental findings, Planning Code, Section 340; findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

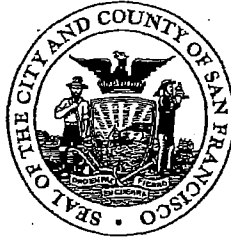
In accordance with San Francisco Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments to the City prior to the time the hearing begins. These comments will be made a part of the official public record in this matter, and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, Room 244, City Hall, 1 Dr. Carlton Goodlett Place, San Francisco, CA 94102. Information relating to this matter is available in the Office of the Clerk of the Board. Agenda information relating to this matter will be available for public review on Friday, June 6, 2014.

A handwritten signature in black ink, appearing to read "Angela Calvillo".

Angela Calvillo, Clerk of the Board

DATED: May 27, 2014
MAILED/POSTED: May 30, 2014
PUBLISHED: May 30, 2014

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

LAND USE & ECONOMIC DEVELOPMENT COMMITTEE
NOTICE REVIEW

Legislative File No. 140414
Notice Type General Plan - 2009 Housing Element

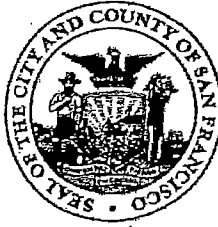
Initial: AA

Initial: all

Date: May 22, 2014

P

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

PROOF OF POSTING

Legislative File No. 140414

Description of Items: 140414. Ordinance amending the General Plan by repealing Ordinance No. 108-11 and adopting the 2009 Housing Element; making findings, including environmental findings, Planning Code, Section 340, findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

I, ~~Keva~~ Aaron Starr, an employee of the City and County of San Francisco, posted the above described document(s) in a public place within the Planning Department, to be affected at least 10 days prior to the hearing within the jurisdiction of the local agency. (pursuant to Government Code 65090):

Date:

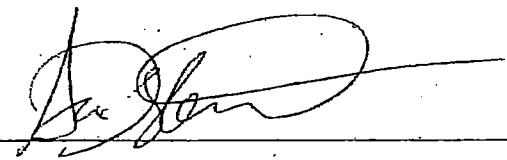
5/30/14

Time:

2:30 pm

Location:

1660 Mission St 1st floor

Signature: 

Instructions: Upon completion, original must be filed in the above referenced file.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

PROOF OF POSTING

Legislative File No. 140414

Description of Items: 140414. Ordinance amending the General Plan by repealing Ordinance No. 108-11 and adopting the 2009 Housing Element; making findings, including environmental findings; Planning Code, Section 340, findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

I, Lulu Huang, an employee of the City and County of San Francisco, posted the above described document(s) in a public place within the Planning Department, to be affected at least 10 days prior to the hearing within the jurisdiction of the local agency. (pursuant to Government Code 65090):

Date: May 30, 2014

Time: 4:00 pm

Location: 4th fl reception area

Signature: Lulu Huang

Instructions: Upon completion, original must be filed in the above referenced file.

Ausberry, Andrea

From: Ausberry, Andrea
Sent: Wednesday, May 28, 2014 11:12 AM
To: Mohan, Menaka (CPC)
Cc: Starr, Aaron (CPC)
Subject: LU - POST - 140414 - General Plan Housing Element
Attachments: 140414.pdf, Proof of Posting - 140414.pdf

Follow Up Flag: Follow up
Due By: Friday, May 30, 2014 4:00 PM
Flag Status: Flagged

Hi Menaka,

Attached is the notice of the June 9th hearing for File No. 140414. Policy requires General Plan notices to be published, mailed, and posted in three places (Office of the Clerk of the Board, Planning Department, and Main Library). Please post the attached notice and complete the proof of posting form and return to my attention for the file.

Thank you,

Andrea S. Ausberry
Assistant Clerk
Land Use and Economic Development Committee
San Francisco Board of Supervisors
Office 415.554.4442
Website | <http://www.sfbos.org/>
Follow Us! | [Twitter](#)

 Click [here](#) to complete a Board of Supervisors Customer Service Satisfaction form.

The [Legislative Research Center](#) provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.

Ausberry, Andrea


From: Ausberry, Andrea
Sent: Wednesday, May 28, 2014 11:14 AM
To: SF Docs (LIB)
Subject: LU - POST - 140414 - General Plan Housing Element
Attachments: 140414.pdf

Hi,

Please post the attached General Plan notice of hearing.

Thank you,

Andrea S. Ausberry
Assistant Clerk
Land Use and Economic Development Committee
San Francisco Board of Supervisors
Office 415-554-4442
Website | <http://www.sfbos.org/>
Follow Us! | [Twitter](#)

 Click [here](#) to complete a Board of Supervisors Customer Service Satisfaction form.

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