



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 19577 HEARING DATE FEBRUARY 25, 2016

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Date: February 25, 2016
Case No.: 2014-001503GPA
Project: **Affordable Housing Bonus Program**
Adoption Hearing
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Recommendation: **Adopt General Plan Amendments**

ADOPTING CONFORMING AMENDMENTS TO THE GENERAL PLAN IN ASSOCIATION WITH LEGISLATION TO ADOPT THE AFFORDABLE HOUSING BONUS PROGRAM TO UPDATE THE HOUSING ELEMENT, URBAN DESIGN ELEMENT, CHINATOWN AREA PLAN, DOWNTOWN AREA PLAN AND NORTHEAST WATERFRONT AREA PLAN TO CLARIFY THAT PROJECTS IN THE AFFORDABLE HOUSING BONUS PROGRAM MAY REQUEST DENSITY, HEIGHT AND BULK INCENTIVES FOR THE PROVISION OF GREATER LEVELS OF ONSITE AFFORDABLE HOUSING. THESE AMENDMENTS ARE CONTIGENT UPON THE ADOPTION OF THE AFFORDABLE HOUSING BONUS PLANNING CODE AMENDMENT.

PREAMBLE

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;

WHEREAS, the 2014 Housing Element of the City's General Plan includes Implementation Program 39b, which calls for the establishment of a density bonus program with the goal of increasing the production of affordable housing;

WHEREAS, the San Francisco Planning Department seeks to establish a local ordinance implementing the State Density Bonus Law, Government Code section 65915 et seq.;

WHEREAS, the Affordable Housing Bonus Program reflects the goals of the Mayor's Executive Directive 13-01- *Accelerate Housing Production and Protect Existing Housing Stock*;

WHEREAS, the Affordable Housing Bonus Program reflects the goals of Proposition K (2014), which call for 33% of all new housing to be affordable to low- and moderate-income households;

WHEREAS, the proposed General Plan Amendments makes conforming amendments in association with legislation to adopt the Affordable Housing Bonus Program to various elements of the General Plan, including the Housing Element, Urban Design Element, Chinatown Area Plan, Downtown Area Plan And Northeast Waterfront Area Plan to clarify that in order to encourage greater levels of affordability on-site, the City may adopt affordable housing policies to permit heights that are several stories taller than detailed in some parts of the San Francisco General Plan.

WHEREAS, the Affordable Housing Bonus Program is generally consistent with the existing General Plan, including as it is proposed to be amended and staff recommends adoption of the draft Resolution to adopt limited conforming proposed amendments to the General Plan, amending the Housing Element, Urban Design Element, Chinatown Area Plan, Downtown Area Plan and Northeast Waterfront Area Plan.

WHEREAS, the Planning Commission proposed adoption of the proposed General Plan Amendments contingent on the adoption of the affordable housing bonus program Planning Code Amendment.

WHEREAS, the conforming amendments are 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 conforming General Plan Amendments do not impact neighborhood serving retail uses as they allow areas of the city to provide greater levels of residential density to encourage greater levels of affordability on-site. Additional residents would likely promote small increase in neighborhood spending and affordable units could provide housing for potential employees of neighborhood-serving businesses.

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

The AHBP conforming General Plan Amendments do not impact existing housing and neighborhood character because they allow only limited exceptions to various Planning Code provisions and height and bulk map only upon the provision of additional affordable housing and consistent with the Affordable Housing Bonus Program Design Guidelines which protect neighborhood character.

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

The AHBP General Plan Amendments will enhance the City's affordable housing supply by allowing greater levels of residential density for affordable housing on-site.

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

On balance, the proposed AHBP General Plan Amendments do not impede MUNI transit service or overburden the streets with neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

On balance the proposed AHBP General Plan Amendments 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 proposed ordinance would not negatively affect preparedness in the case of an earthquake.

7. That landmarks and historic buildings be preserved.

Landmarks and historic buildings would not be negatively affected by the proposed amendments. The General Plan amendments support the City's implementation of the State Density Bonus Law (Government Code Section 65915 et seq), which provides consideration for historic resources, by stating that the City is not required to approve any projects that "would have a specific adverse impact. . . . on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact, without rendering the development unaffordable to low- and moderate-income households." (Government Code Sections 65915 (d)(1)(B))"

The State Density Bonus Law further states that "Nothing in this subdivision shall be interpreted to require a local government to grant an incentive or concession that would have an adverse impact on any real property that is listed in the California Register of Historical Resources. The city, county, or city and county shall establish procedures for carrying out this section, that shall include legislative body approval of the means of compliance with this section." (Government Code Sections 65915 (d)(3))

The Local AHBP is only available to new construction projects, and vertical additions to existing buildings are not allowed. This limitation further reduces any potential conflict between the Local Program and historic resources.

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

On balance, the City's parks and open space and their access to sunlight and vistas would be unaffected by the proposed amendments. The amendments would allow only limited height increases only upon the provision of affordable housing and projects would be ineligible to use the Local and 100% Affordable AHBP if they create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas.

In addition, the conforming General Plan Amendments for the Affordable Housing Bonus program were developed in coordination with existing General Plan policies. The General Plan amendments are, on balance, consistent with the following Objectives and Policies of the General Plan, including Objectives and Policies as they are proposed for amendment.

HOUSING ELEMENT

OBJECTIVE 7

Secure funding and resources for permanently affordable housing, including innovative programs that are not solely reliant on traditional mechanisms or capital.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

The conforming General Plan Amendments encourage the production of on-site affordable housing without requiring public subsidy. The Amendments allow larger buildings, process and zoning accommodations to maximize the production of affordable housing and expedite the review and approval process for affordable housing projects.

Policy 7.7

Support housing for middle income households, especially through programs that do not require a direct public subsidy such as providing development incentives for higher levels of affordability, including for middle income households.

The conforming AHBP General Plan Amendments provide development incentives in return for permanently affordable housing to middle income households.

OBJECTIVE 8

Build public and private sector capacity to support, facilitate, provide and maintain affordable housing.

POLICY 8.1

Support housing for middle income households, especially through programs that do not require a direct public subsidy.

The conforming AHBP General Plan Amendments support middle income households by allowing for a new source of permanently affordable middle-income housing provided by the private sector, with no direct public subsidy required.

POLICY 8.3

Support the production and management of permanently affordable housing.

The conforming General Plan Amendments encourage the production of on-site affordable housing by allowing larger buildings.

POLICY 11.3

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

Note that the amended General Plan adds text that states, "Accommodation of growth should be achieved without damaging existing residential neighborhood character. In existing residential neighborhoods, this means development projects should defer to the prevailing height and bulk of the area, while recognizing that the City may maintain neighborhood character while permitting larger overall building mass for projects including more affordable units on-site."

The AHBP program only provides development bonuses which may permit a larger overall building mass for projects that include affordable housing on-site.

URBAN DESIGN ELEMENT

OBJECTIVE 3

Moderation of Major New Development to Complement the City Pattern, The Resources To Be Conserved, And The Neighborhood Environment.

The amended Urban Design Element recognizes that to encourage greater levels of affordability on-site, the City may adopt affordable housing policies to permit projects heights that are several stories taller and building mass that is larger.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

Manage economic growth and change to ensure enhancement of the total city living and working environment.

POLICY 1.1:

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

The conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing and minimizes undesirable consequences.

BALBOA PARK AREA PLAN

OBJECTIVE 4.5:

Provide increased housing opportunities affordable to a mix of households at varying income levels.

The AHBP General Plan Amendments may permit a larger overall building mass for projects that include affordable housing on-site.

BAYVIEW AREA PLAN

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 conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

CENTRAL WATERFRONT AREA PLAN

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 conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

CHINATOWN AREA PLAN

OBJECTIVE 3

Stabilize and where possible increase the supply of housing.

The conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

DOWNTOWN PLAN

OBJECTIVE 7

Expand the supply of housing in and adjacent to downtown.

The conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

MARKET AND OCTAVIA AREA PLAN

OBJECTIVE 2.4

Provide increased housing opportunities affordable to households at varying income levels.

The conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

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 conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

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.

The conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

SOMA AREA PLAN

OBJECTIVE 3

Encourage the development of new housing, particularly affordable housing.

The conforming AHBP General Plan Amendments encourage a substantial net benefit in the form of affordable housing by allowing slightly larger buildings.

WHEREAS, on January 28, 2016 the Planning Commission held a duly noticed public hearing on the proposed amendments 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 Affordable Housing Bonus Program and General Plan amendments; and,

WHEREAS, on April 24, 2014, the San Francisco Planning Commission, in Resolution No. 19121, certified the 2004 and 2009 Housing Element Final Environmental Impact Report ("Final EIR"), prepared in compliance with the California Environmental Quality Act ("CEQA"), Public Resources Code Section 21000 et seq. In Resolution No. 19122, the Planning Commission adopted the findings and conclusions required by CEQA regarding alternatives, mitigation measures, and significant environmental impacts analyzed in the Final EIR, and adopted a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations as part of its approval of the 2009 Housing Element; and,

WHEREAS, on March 24, 2015, in Ordinance No. 34-15, the San Francisco Board of Supervisors adopted the 2014 Housing Element, relying, in part, on the Final EIR and a January 22, 2015 Addendum published by the Planning Department; and

WHEREAS, on January 14, 2016, in response to the proposed Affordable Housing Bonus Program and the proposed General Plan Amendments, the San Francisco Planning Department prepared an Addendum to the 2004 and 2009 Housing Element Final EIR under CEQA Guidelines Section 15164 ("the Addendum"); and

NOW, THEREFORE BE IT RESOLVED, the Commission has reviewed and considered the 2004 and 2009 Housing Element Final Environmental Impact Report (FEIR), the Addendum published by the Planning Department on January 14, 2016, and the record as a whole, and finds that the 2004 and 2009 Housing Element Final EIR is adequate for its use as the decision-making body for the action taken herein to approve the General Plan Amendments related to the ABHP, and incorporates the CEQA findings contained in Planning Commission Resolution 19122, including the Statement of Overriding Considerations, and updated in Ordinance 34-15, by this reference thereto as though fully set forth herein; and be it

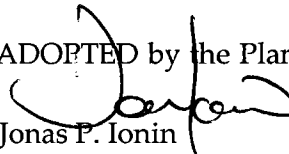
FURTHER RESOLVED, that the Commission finds that since the FEIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the FEIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR; and be it

FURTHER RESOLVED, that the Commission for the reasons set forth herein, finds that the General Plan Amendments proposed herein are, on balance, consistent with the General Plan, including as it is proposed for amendment, and the priority policies of Planning Code Section 101.1; and be it

FURTHER RESOLVED, That pursuant to Planning Code Section 340, the Planning Commission hereby does 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, be it

FURTHER RESOLVED, that pursuant to Planning Code Section 340, the Planning Commission does hereby adopt the Affordable Housing Bonus Program General Plan Amendments of the San Francisco General Plan, and recommends that the Board of Supervisors adopt the attached ordinance.

I hereby certify that the foregoing Resolution was ADOPTED by the Planning Commission on February 25, 2016.


Jonas P. Ionin
Commission Secretary

AYES: Antonini, Fong, Hillis, Moore, Richards, Wu

NOES: None

ABSENT: Johnson

ADOPTED: February 25, 2016

