

BOARD of SUPERVISORS



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September 19, 2018

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On September 11, 2018, Supervisor Kim introduced the following legislation:

File No. 180892

Ordinance amending the Planning Code to allow the use of affordable housing credits for a proposed development at 1629 Market Street; making findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

- c: John Rahaim, Director of Planning
Aaron Starr, Acting Manager of Legislative Affairs
Scott Sanchez, Zoning Administrator
Lisa Gibson, Environmental Review Officer
AnMarie Rodgers, Director of Citywide Planning
Laura Lynch, Environmental Planning
Joy Navarrete, Environmental Planning

[Planning Code - 1629 Market Street Special Use District]

Ordinance amending the Planning Code to allow the use of affordable housing credits for a proposed development at 1629 Market Street; making findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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

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

Section 1. Environmental and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. _____ and is incorporated herein by reference. The Board affirms this determination.

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

1 (c) On _____, the Planning Commission, in Resolution No. _____,
2 approved this ordinance, recommended it for adoption by the Board of Supervisors, and
3 adopted findings that it will serve the public necessity, convenience, and welfare. Pursuant to
4 Planning Code Section 302, the Board adopts these findings as its own. A copy of said
5 Resolution is on file with the Clerk of the Board of Supervisors in File No. _____, and is
6 incorporated herein by reference.

7 Section 2. Planning Code Amendment. Planning Code section 249.81(c)(3) is
8 amended as follows:

9 (3) Affordable Housing. The following shall apply in lieu of any other inclusionary or
10 affordable housing exactions set forth in this Code: Twelve percent (12%) of all of the
11 residential units constructed on site shall be affordable to residents at or below 100% Area
12 Median Income for the life of the applicable building, except for the approximately 95 to 100
13 residential units to be constructed on Assessor's Parcel Block No. 3505, Lots 27 and 28,
14 referred to as the Colton Street Building, which shall be affordable to residents at or below
15 60% Area Median Income for the life of the building. As a result, the project will achieve
16 approximately twenty eight percent (28%) affordability. Notwithstanding the foregoing, Developer
17 may satisfy all or a portion of the twelve percent inclusionary requirements through the application of
18 affordable housing credits as set forth in the Development Agreement.

19 Section 3. Effective Date. This ordinance shall become effective 30 days after
20 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
21 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
22 of Supervisors overrides the Mayor's veto of the ordinance.

23 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
24 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
25 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal

Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By:


Charles Sullivan
Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code - 1629 Market Street Special Use District]

Ordinance amending the Planning Code to allow the use of affordable housing credits for a proposed development at 1629 Market Street; making findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

Section 249.81 of the Planning Code establishes the 1629 Market Street Special Use District (SUD). The SUD is generally bounded by Market Street to the north, Brady Street to the west, Chase Court to the south, and 12th Street to the east. Its purpose is “to give effect to the Development Agreement for the 1629 Market Street Project,” by facilitating the provision of a mixed use development in a transit-rich location with residential, retail, open space, parking, and related uses.

The SUD requires that twelve percent (12%) of all of the residential units constructed on site be affordable to residents at or below 100% Area Median Income (AMI), except for the approximately 95 to 100 residential units to be constructed on Assessor’s Parcel Block No. 3505, Lots 27 and 28 (referred to as the Colton Street Building), which it requires must be affordable to residents at or below 60% AMI.

Amendments to Current Law

This Ordinance amends the SUD to allow Developer to satisfy all or a portion of the twelve percent inclusionary requirements applicable in the SUD through affordable housing credits, as set forth in the Development Agreement.

Background Information

On December 12, 2017, the Board of Supervisors finally adopted Ordinance 241-17 (File No. 170938) amending the Planning Code to create a Special Use District called the 1629 Market Street Special Use District. At the same hearing, the Board of Supervisors also approved the Development Agreement with Strada Brady, LLC, a California limited liability company (“Developer”), for the property subject to this Special Use District.

The City and Developer are requesting the same change to the Development Agreement.

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