File No. 180364 Committee Item No. 5
Board Item No. 18

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee **Date** July 30, 2018

Board of Supervisors Meeting **Date** September 25, 2018

Cmte	Board	
☐	☐	Motion
☐	☐	Resolution
☒	☒	Ordinance
☒	☒	Legislative Digest
☐	☐	Budget and Legislative Analyst Report
☐	☐	Youth Commission Report
☒	☒	Introduction Form
☐	☐	Department/Agency Cover Letter and/or Report
☐	☐	MOU
☐	☐	Grant Information Form
☐	☐	Grant Budget
☐	☐	Subcontract Budget
☐	☐	Contract/Agreement
☐	☐	Form 126 – Ethics Commission
☐	☐	Award Letter
☐	☐	Application
☐	☐	Public Correspondence

OTHER (Use back side if additional space is needed)

☒	☒	Referral PC 041818
☒	☒	Referral CEQA 041818
☒	☒	CEQA Determination 043018
☒	☒	PLN Transmittal 072518
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	

Completed by: Erica Major **Date** July 26, 2018
Completed by: Erica Major **Date** 8/29/2018

[Planning Code - Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts]

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1 and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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

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

Section 1. 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. 180364 and is incorporated herein by reference. The Board affirms this determination.

(b) On July 12, 2018, the Planning Commission, in Resolution No. 20229, 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. 180364, and is incorporated herein by reference.

(c) Pursuant to Planning Code, Section 302, the Board of Supervisors finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 20229, and the Board incorporates such reasons herein by reference. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 180364, and is incorporated herein by reference.

Section 2. Additional Findings.

(a) Former Mayor Edwin Lee's Executive Directive No. 17-02, issued on September 27, 2017, states that "Years of failing to build homes has resulted in families and long-term residents leaving San Francisco in search of more affordable places to live . . . . We must continue to prioritize the production of housing in a smart, thoughtful manner that adds homes for residents of all economic levels."

(b) Parcels that were rezoned to Service Arts Light Industrial (SALI) with the adoption of the Western SoMa Plan in 2013 were previously within the Service Light Industrial (SLI) District, where affordable housing was permitted. The SALI controls eliminated the allowance for affordable housing, diminishing the limited supply of land available for construction of new affordable housing.

(c) The amended zoning controls in this ordinance strike a balance between preserving light industrial and arts uses and meeting the need for new affordable housing. They will permit new affordable housing on parcels in the SALI District that are presently undeveloped, but leave in place the general prohibition on new housing construction on developed sites, thus ensuring that no uses existing as of the effective date of this ordinance are displaced by new affordable housing construction.

Section 3. The Planning Code is hereby amended by renumbering existing Sections 846.24 and 846.25 as Sections 846.25 and 846.26 respectively, adding a new Section 846.24, deleting existing Section 846.26, and revising Sections ~~263.28,~~ 803.8, 846, 846.20, 846.21, and 846.22, to read as follows:

~~SEC. 263.28. SPECIAL EXCEPTIONS: SALI DISTRICTS IN THE 40-55-X HEIGHT AND BULK DISTRICT and Affordable Housing Projects in SALI Districts.~~

~~(a) Purpose. Arts activities are encouraged in the Western SoMa Planning Area Special Use District, and especially in the SALI District. Therefore, additional development potential is provided in the SALI District when additional space is provided for the exclusive use of arts activities.~~

~~(b) Applicability. This Section 263.28 shall apply to all properties zoned SALI and a Height and Bulk district of 40-55-X, and Affordable Housing Projects under Section 846.24.~~

~~(c) Controls.~~

~~(1) Additional Height Permitted. In SALI Districts in the 40-55-X Height and Bulk District, buildings are limited to a maximum height of 40 feet unless all of the following criteria are met, in which case they may extend to a maximum height of 55 feet. Affordable Housing Projects under Section 846.24 are limited to a maximum height of 45 feet unless all of the following criteria are met, in which case they may extend to 55 feet:~~

~~(A) At least one Story of the Building, as defined in Section 102, located on the First Story or above, as defined in Section 102 under the definition for Story, is designated for the exclusive use of Arts Activities, as defined in Section 102. If the First Story is designed for the use of Arts Activities, it shall also be permitted to contain lobbies, egress,~~

~~building services, and other features necessary for the operation of the building and permitted uses elsewhere in the building.~~

~~(B) Any such story dedicated to arts activities pursuant to Ssubsections (2) and (3) below, regardless of its location within the building, shall have a minimum floor-to-floor height of 15 feet.~~

* * * *

SEC. 803.8. HOUSING IN MIXED USE DISTRICTS.

(a) **Low-Income Affordable Housing Within the Service/Light Industrial** ***and Service/Arts/Light Industrial*** **Districts.** Dwelling Units and SRO units may be authorized in the SLI District as a Conditional Use pursuant to Sections 303, 817.14, and 817.16 of this Code, *and Dwelling Units, SRO Units, and Group Housing are principally permitted in the SALI District pursuant to Sections 846.20, 846.21, 846.22, and 846.24 of this Code,* provided that such Dwellings Units shall be rented, leased, or sold at rates or prices affordable to a household whose income is no greater than 80% of the median income for households in San Francisco ("lower income household"), as determined by Title 25 of the California Code of Regulations Section 6932 and implemented by the Mayor's Office of Housing *and Community Development*.

* * * *

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

The Service/Arts/Light Industrial (SALI) District is largely comprised of low-scale buildings with production, distribution, and repair uses. The district is designed to protect and facilitate the expansion of existing general commercial, manufacturing, home and business

service, and light industrial activities, with an emphasis on preserving and expanding arts activities. Nighttime Entertainment is permitted although limited by buffers around RED and RED-MX districts. Residential Uses, Offices, Hotels, and Adult Entertainment uses are not permitted~~,~~ *except that certain Affordable Housing Projects are permitted within the district pursuant to Section 846.24 of this Code, and* Accessory Dwelling Units are permitted within the district pursuant to subsection 207(c)(4) of this Code.

Table 846
SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT **ZONING CONTROL TABLE**

No.	***Zoning Category***	***§ References***	***SALI District Controls***
* * * *			
Residential Uses			
846.20	Dwelling Units	§§ 102.7, *846.24*	NP, *except pursuant to § 846.24*
846.21	Group Housing	§§ 890.88(b), *846.24*	NP, *except pursuant to § 846.24*
846.22	SRO Units	§§ 823, 890.88(c), *846.24*	NP, *except pursuant to § 846.24*
846.23	Student Housing	§ 102.36	NP
846.23b	Homeless Shelters	§§ 102, 890.88(d)	C#
846.24	*Affordable Housing Project*	*§ 803.8*	*P# (pursuant to Specific Provisions for SALI Districts)*
846.~~24~~25	Dwelling Unit Density Limit	§§ 124, 207.5, 208	No density limit #
846.~~25~~26	Dwelling Unit Mix	§ 207.6	Not applicable
~~*846.26*~~	~~*Affordability Requirements*~~	~~*§ 415*~~	~~*15% onsite/20% off-site*~~
* * * *	* * * *	* * * *	* * * *

SPECIFIC PROVISIONS FOR SALI DISTRICTS

Article Code Section	Other Code Section	Zoning Controls
§ 846.23b § 890.88(d)	§ 102	In this District, Homeless Shelter uses are permitted only with Conditional Use authorization and only if each such use (a) would operate for no more than four years, and (b) would be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco. If such a use is to be located within a building or structure, the building or structure must be either (a) preexisting, having been completed and previously occupied by a use other than a Homeless Shelter, or (b) temporary. In this District, construction of a permanent structure or building to be used as a Homeless Shelter is not permitted.
§ 803.8 *§ 846.24*		*AFFORDABLE HOUSING PROJECTS* ***Boundaries:*** *Within the boundaries of SALI Districts.* ***Controls:*** *"Affordable Housing Project" shall mean a project consisting of Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing as defined in Section 803.8(a) of this Code. Affordable Housing Projects may also include principally permitted non-residential uses on the ground floor, and a non-residential use that is accessory to and supportive of the Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing.* *Affordable Housing Projects are principally permitted in this District:* (1) ~~o~~*On any undeveloped parcel containing no existing* ~~habitable buildingsstructures~~buildings, *as of the effective date of the ordinance enacting Section 846.24, in Board File No.* _____~~,~~; and (2) ~~including~~On *any parcel that contains only a surface parking lot* and no existing ~~structures~~buildings, except ~~structures~~buildings that are accessory to a surface parking lot use, such as a guard station or kiosk, as of the effective date of the ordinance enacting Section 846.24, in Board File No. _____, whether or not said surface parking lot was established with the benefit of a permit. *Affordable Housing Projects shall be subject to the Use Standards applicable to Residential Uses in the RED-MX District listed in Table 847 of this Code,* ~~and the height and bulk limitations of the 45-X Height and Bulk District,~~ *subject*

		to any applicable exceptions or bonuses available under state law or this Code. *Affordable Housing Projects shall be eligible for the 100 Percent Affordable Housing Bonus Program and shall be considered a permitted residential use in the SALI District, in order to meet the requirement set forth in Section 206.4(b)(2)(B) of this Code.*
§ 846.~~24~~25	§ 207(c)(4)	ACCESSORY DWELLING UNITS **Boundaries:** Within the boundaries of the SALI Districts. **Controls:** An "Accessory Dwelling Unit," as defined in Section 102 and meeting the requirements of Section 207(c)(4) is permitted to be constructed within an existing building in areas that allow residential use or within an existing and authorized auxiliary structure on the same lot.
§ 846.36 § 890.133		Medical cannabis dispensaries in the SALI may only operate between the hours of 8:00 a.m. and 10:00 p.m.

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

Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment

///

///

///

///

additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

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

By: _____
PETER R. MILJANICH
Deputy City Attorney

n:\legana\as2018\1800416\01304940.docx

FILE NO. 180364

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 7/30/2018)

[Planning Code - Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts]

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code Section, 101.1 and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Planning Code regulates residential land uses in the City, including Dwelling Units, Group Housing, and Single Room Occupancy (SRO) Units. Article 8 of the Planning Code sets forth the zoning controls for Mixed Use Districts in San Francisco, including the Service/Arts/Light Industrial (SALI) District.

Dwelling Units, Group Housing, and SRO Units are not currently permitted in SALI Districts.

The Planning Code and Zoning Map limit the height and bulk of buildings in the City. The Planning Code provides various exceptions to these limitations for projects that meet certain criteria.

Amendments to Current Law

This legislation would principally permit certain Affordable Housing Projects on certain lots in SALI Districts, as follows:

"Affordable Housing Project" shall mean a project consisting of Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing as defined in Section 803.8(a) of the Planning Code. Affordable Housing Projects may also include principally permitted non-residential uses on the ground floor, and a non-residential use that is accessory to and supportive of the Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing.

Affordable Housing Projects are principally permitted in SALI Districts:
(1) On any undeveloped parcel containing no existing structures, as of the effective date of this legislation; and
(2) On any parcel that contains only a surface parking lot and no existing structures, except structures that are accessory to a surface parking lot use, such as a guard

station or kiosk, as of the effective date of this legislation, whether or not said surface parking lot was established with the benefit of a permit.

Affordable Housing Projects shall be subject to the Use Standards applicable to Residential Uses in the Residential Enclave-Mixed (RED-MX) District listed in Table 847 of the Planning Code, subject to any applicable exceptions or bonuses available under state law or the Planning Code.

This legislation would specify that these Affordable Housing Projects shall be eligible for the 100 Percent Affordable Housing Bonus Program set forth in Section 206.4 of the Planning Code.

Background Information

This Legislative Digest reflects amendments made by the Land Use Committee of the Board of Supervisors on July 30, 2018. These amendments:

- Clarify which parcels would be eligible for Affordable Housing Projects permitted by this legislation;
- Subject Affordable Housing Projects permitted by this legislation to the existing height and bulk limitations in SALI districts; and
- Remove a proposed amendment that would have made Affordable Housing Projects eligible for the special exception to height limits set forth in Section 263.28 of the Planning Code for buildings that provide space for arts activities.

n:\legana\as2018\1800416\01293666.docx

SAN FRANCISCO
PLANNING DEPARTMENT

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

July 25, 2018

Ms. Angela Calvillo, Clerk
Honorable Supervisor Kim
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: 2018-006287PCA**
Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts
Board File No. 180364
Planning Commission Recommendation: ***Approve with Modifications***

Dear Ms. Calvillo and Supervisor Kim,

On July 12, 2018, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance that would amend the Planning Code & Zoning Map to permit 100% Affordable Housing on undeveloped lots (including surface parking lots) in Service/Arts/Light Industrial (BALI) Zoning Districts. At the hearing the Planning Commission recommended approval with modifications.

The modifications include the following:

1. Retain the original Height and Bulk Districts for eligible parcels.
2. Remove the term "habitable" and replace with clarified language.
3. Clarify that surface parking lots eligible for 100% affordable housing projects may be permitted or unpermitted.

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

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

Sincerely,

Aaron D. Starr
Manage of Legislative Affairs

SAN FRANCISCO
PLANNING DEPARTMENT

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Resolution No. 20229

HEARING DATE JULY 12, 2018

Project Name:	Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts
Case Number:	2018-006287PCA/MAP [Board File No. 180364]
Initiated by:	Supervisor Kim / Introduced April 10, 2018
Staff Contact:	Audrey Butkus, Legislative Affairs audrey.butkus@sfgov.org, (415) 575-9129
Reviewed by:	Aaron Starr, Manager of Legislative Affairs aaron.starr@sfgov.org, 415-558-6362

RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND ZONING MAP TO PERMIT AFFORDABLE HOUSING ON UNDEVELOPED LOTS IN SERVICE/ARTS/LIGHT INDUSTRIAL (SALI) ZONING DISTRICTS; AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION, UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION, 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on April 10, 2018 Supervisor Kim introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 180364, which would amend the Planning Code & Zoning Map to permit 100% Affordable Housing on undeveloped lots (including surface parking lots) in Service/Arts/Light Industrial (SALI) Zoning Districts;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on July 12, 2018; and,

WHEREAS, On July 5, 2018 the Planning Department determined that no supplemental environmental review is required for the proposed "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation (Board of Supervisors File No.180364). The environmental effects of this legislation have been adequately analyzed pursuant to the California Environmental Quality Act ("CEQA") in the Final Environmental Impact Report ("FEIR") previously prepared for the Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project (Case Nos. 2008.0877E and 2007.1035E). The Planning Department reviewed the proposed legislation in accordance with CEQA Guidelines Sections 15162 and 15164. The Planning Department found that implementation of the proposed legislation would not cause new significant impacts not identified in the FEIR or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the original project that would cause significant environmental impacts to which the modified project would contribute considerably, and no new information has been put forward which shows that the modified

project would cause significant environmental impacts. Based on the foregoing and in accordance with CEQA Guidelines Section 15164 and San Francisco Administrative Code Section 31.19(c)(1), the Planning Department documented the reasons that no subsequent environmental review is required for the "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation and issued an Addendum to Environmental Impact Report, which will be submitted to the Commission before July 12 for reference. The Planning Commission finds the Addendum to the EIR, under Case No. 2018-006287ENV, is adequate, accurate and objective, reflects the independent analysis and judgment of the Planning Department and the Planning Commission, and concurs with said determination; and

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

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

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

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance.

The modifications include the following:

Recommendation One: **Retain the original Height and Bulk Districts for eligible parcels.** As outlined in the Issues and Considerations Section, the effect of the reclassification of the height and bulk districts would only have the potential to increase the available height on eight parcels. Although the reclassification would in theory allow for an extra two stories to be built on each of these eight parcels, the majority of the parcels have other limitations that would make the additional height difficult to achieve or undesirable. The rezoning of the height only serves to unnecessarily complicate the legislation and therefore does not serve as a significant enough benefit to be included in the proposed Ordinance.

Recommendation Two: **Remove the term "habitable" and replace with clarified language.** The intention of this legislation is to allow 100% affordable housing projects to utilize space that is not already occupied by a use that SALI is intended to protect. The legislation is meant to protect any established buildings but exclude accessory structures used to support surface parking lots.

The term "habitable" is not defined in the Planning Code. The Housing Code defines "habitable space" as *"Any room or space in a structure for living, sleeping, eating or cooking. Bathrooms, toilet compartments, closets, halls, storage or utility space areas are not considered habitable space."* Unfortunately, this definition does not expressly include light industrial, commercial, and arts uses, and *excludes* storage spaces even though Enclosed Vehicle Storage is permitted with a Conditional Use authorization in the SALI District. The term "habitable" should be removed and replaced with clarified language that states: *"Lots with structures are*

not eligible for this Section unless the structure is accessory to a surface parking lot use, such as a guard station or kiosk".

Recommendation Three: **Clarify that surface parking lots eligible for 100% affordable housing projects may be permitted or unpermitted.** Of the 24 eligible lots, 20 are undeveloped or unpermitted surface parking, whereas only 4 are permitted commercial parking lots with no other habitable structure on-site. It *could* be interpreted that if an unpermitted surface parking lot exists on what was formerly an undeveloped parcel, the parcel could still be considered "undeveloped" and therefore eligible for the proposed legislation. However, to avoid complications with permit histories of these unpermitted parking lots, it should be clarified in the legislation that surface parking lots are eligible sites whether or not the parking lot was established with the benefit of a permit.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

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

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1
Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The proposed Ordinance will continue to retain and protect the traditional SALI uses currently in existence through the prohibition on development of and land with existing structures that are not accessory to parking lots.

HOUSING ELEMENT

OBJECTIVE 1
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

The proposed Ordinance will add 24 parcels to the amount available for 100% affordable housing production.

WESTERN SOMA AREA PLAN

OBJECTIVE 3.3

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

Policy 3.3.2
Where new zoning has conferred increased development potential; ensure that mechanisms are in place for developers to contribute towards community benefits programs that include open space, transit, community facilities/services, historic/social heritage preservation and affordable housing, above and beyond citywide inclusionary requirements.

OBJECTIVE 3.8
CONTINUE AND EXPAND THE CITY EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY.

Policy 3.8.1
Continue and strengthen innovative programs that help to make both rental and ownership housing more affordable and available.

The proposed Ordinance will not only offer mechanisms to incentivize the development of affordable housing, but will require any new residential development in the SALI district to be 100% affordable housing projects.

2. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

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

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

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

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

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

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

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

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

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

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

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

7. That the landmarks and historic buildings be preserved;

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

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

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

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

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

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on July 12, 2018.

Jonas P. Ionin
Commission Secretary

AYES:	Hillis, Koppel, Melgar, Moore, Richards
NOES:	None
ABSENT:	Fong
RECUSED:	Johnson
ADOPTED:	July 12, 2018

SAN FRANCISCO
PLANNING DEPARTMENT

Executive Summary
Planning Code Text and Zoning Map Amendment
HEARING DATE: JULY 12, 2018
EXPIRATION DATE: JULY 17, 2018

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Project Name:	**Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts**
Case Number:	**2018-006287PCA/MAP** [Board File No. 180364]
Initiated by:	Supervisor Kim / Introduced April 10, 2018
Staff Contact:	Audrey Butkus, Legislative Affairs audrey.butkus@sfgov.org, (415) 575-9129
Reviewed by:	Aaron Starr, Manager of Legislative Affairs aaron.starr@sfgov.org, 415-558-6362
Recommendation:	**Recommend Approval with Modifications**

PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code & Zoning Map to permit Affordable Housing on undeveloped lots (including surface parking lots) in Service/Arts/Light Industrial (SALI) Zoning Districts. Any housing project must be 100% affordable, and no parcel with any existing "habitable" structure would be eligible.

The Way It Is Now:

1. Housing is not permitted in the SALI zoning district.

The Way It Would Be:

1. Affordable Housing (Dwelling Units, SRO Units, and Group Housing), as defined in Section 803.8 would be principally permitted in the SALI District on undeveloped parcels and parcels used for surface parking. Said affordable housing projects would be subject to the use standards in the Residential Enclave-Mixed (RED-MX) District and 45X (or 55X in certain cases) Height and Bulk controls.

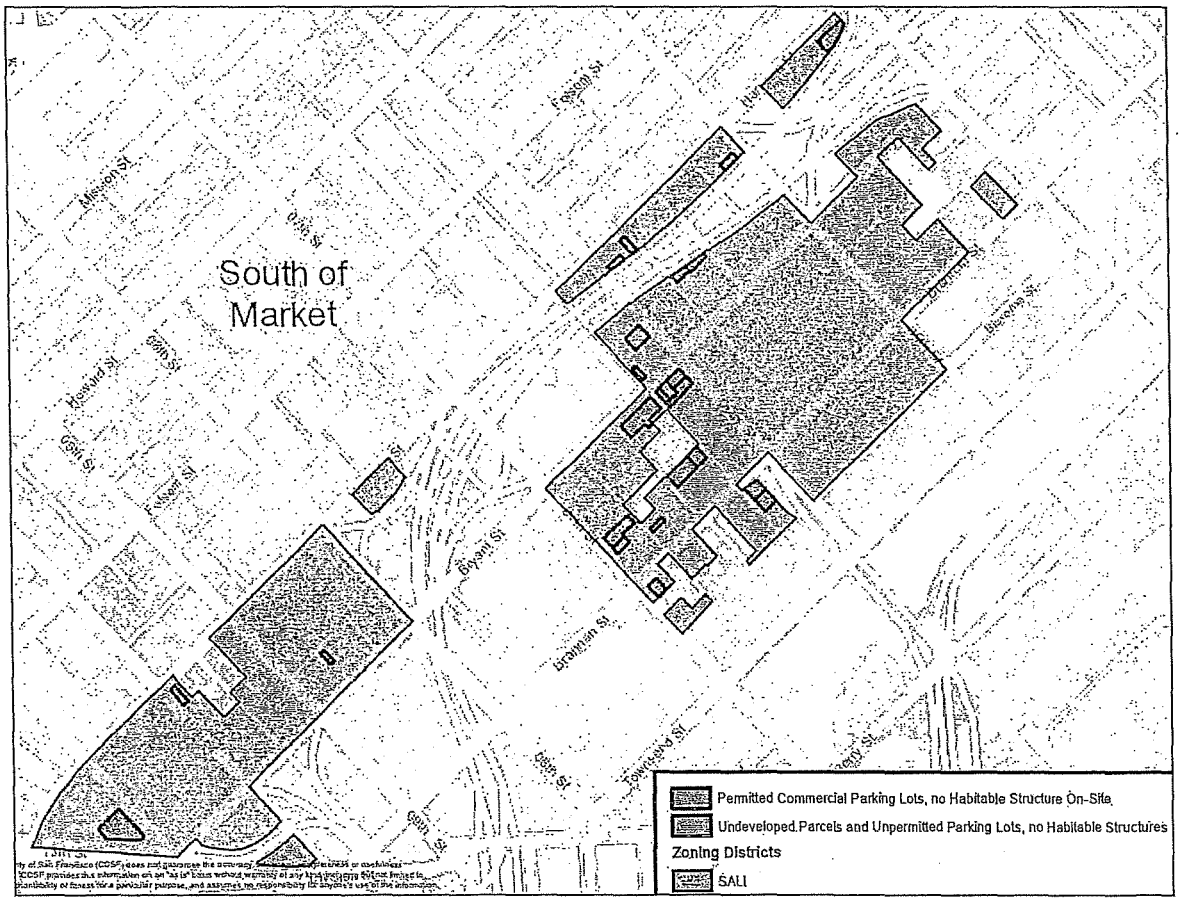
BACKGROUND

The Western SoMa Community Plan was passed in 2013 after a multi-year public process. This plan laid out a comprehensive vision for shaping growth on the western side of the South of Market area. It was designed to reduce land use conflicts between industry and entertainment and other competing uses, such as office and housing. As part of this plan, an area of Western SoMa was rezoned from Service Light Industrial (SLI), which allowed affordable and group housing, to a new zoning district called Service Arts Light Industrial (SALI) District, which does not allow housing.

The SALI District is largely comprised of low-scale buildings with production, distribution, and repair uses. The district is designed to protect and facilitate the expansion of existing general commercial, manufacturing, home and business service, and light industrial activities, with an emphasis on preserving and expanding arts activities. Nighttime Entertainment is permitted although limited by buffers around RED and RED-MX districts. Residential Uses (including Affordable Housing), Offices, Hotels, and Adult Entertainment uses are not permitted. The Central SoMA Plan and associated map changes also amended the SALI zoning district, significantly reducing its size of SALI within the Central SoMa Plan area (see Exhibit B); however, the rest of SALI outside of the plan area remains intact. While it is anticipated that this plan will be adopted by the Board on July 17, 2018, these zoning changes are not yet effective.

ISSUES AND CONSIDERATIONS

Potential Eligible Parcels: The proposed legislation states that in order for a parcel located in the SALI District to construct a 100% affordable housing project it must be: 1) Undeveloped, with no habitable structures; or, 2) Only contain a surface parking lot. The Planning Department has identified 24 parcels in the SALI District that fall under these eligibility standards (see map below). The parcels have not, however, been evaluated for their practicality of being developed into 100% affordable housing. Some of the 24 lots for example, are small or do not have enough street access. Of the 24 eligible lots, 20 are undeveloped or unpermitted surface parking, and 4 are permitted commercial parking lots with no other



habitable structure on-site. One potential complication is the sheer number of sites that contain unpermitted surface parking. The proposed legislation does not clarify whether a surface parking lot site is only eligible if it is a *legal* parking lot. If the legislation intends to only allow parking lots operating with the benefit of a permit to be converted to 100% affordable housing, the number of eligible parcels may be reduced from 24 to as little as 8.

Height and Bulk Districts and Use Standards:

The SALI District is comprised of two Height and Bulk Districts: 30X and 40-55X. Under the proposed legislation, 100% affordable housing projects would be subject to a 45X height limit, unless the ground floor is reserved for Arts Activities, in which case the project may have a height of up to 55X. Department staff estimates that 8 eligible parcels fall under the 30X Height District and the remaining 18 eligible parcels fall under the 45-55X Height District. In theory, the maximum number of units that could be constructed under the legislation as proposed is 692. The maximum number of units that could be constructed if the current height and bulk limitations are retained would be 644 (both estimates take into account the 100% Affordable Bonus Program).

Although a small group of the potentially eligible parcels fall under the stricter 30X height, reclassifying affordable housing projects in the SALI to a different height and bulk standard is confusing and makes the legislation difficult to implement. The parcels zoned for a maximum of 30X are very small, making the extra two stories of height that would be allowed under the proposed legislation practically impossible. The eight 30X zoned parcels would be the only parcels to potentially benefit from the increased zoning, but as stated, the practical ability to build much higher than 30X is nearly impossible. The reclassification of 100% affordable housing projects to their own unique height limitations, when the majority of the district is currently zoned within the new range proposed in the legislation anyway, has only unnecessarily complicated this legislation. It should also be noted that any 100% affordable housing project under this legislation would also be eligible to take advantage of either the State Density Bonus Program (additional 35% density), or the City's 100% Affordable Housing Bonus Program (additional three floors with no density limit).

Residential Use Standards

Under the SALI zoning, housing of any type is not permitted. As such, there are no Residential Use Standards set forth in the SALI District. The proposed legislation would require 100% affordable housing projects to adhere to the Residential Use Standards set forth in the Residential Enclave Mixed (RED-MX) District as follows:

Table 847
RED-MX – RESIDENTIAL ENCLAVE-MIXED DISTRICT ZONING CONTROL TABLE

No.	*Zoning Category*	*Residential Enclave-Mixed* Controls
USE STANDARDS		
847.03	Residential Density	No density limit
847.05	Usable Open Space for Dwelling Units and Group Housing	80 sq.ft. per unit

Implementation:
The Ordinance would impact our current implementation procedures due to a new use type being permitted in the SALI District. This 100% Affordable Housing use will be a permitted use and the number of eligible parcels is small, therefore increased staff time should be minor.

General Plan Priorities:
The proposed Ordinance is consistent with the following objectives and policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1
Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The proposed Ordinance will continue to retain and protect the traditional SALI uses currently in existence through the prohibition on development of and land with existing structures that are not accessory to parking lots.

HOUSING ELEMENT

OBJECTIVE 1
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

The proposed Ordinance will add 24 parcels to the amount available for 100% affordable housing production.

WESTERN SOMA AREA PLAN

OBJECTIVE 3.3
ENSURE THAT A SIGNIFICANT PERCENTAGE OF THE NEW HOUSING CREATED IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

Policy 3.3.2
Where new zoning has conferred increased development potential; ensure that mechanisms are in place for developers to contribute towards community benefits programs that include open space, transit, community facilities/services, historic/social heritage preservation and affordable housing, above and beyond citywide inclusionary requirements.

OBJECTIVE 3.8

CONTINUE AND EXPAND THE CITY EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY.

Policy 3.8.1
Continue and strengthen innovative programs that help to make both rental and ownership housing more affordable and available.

The proposed Ordinance will not only offer mechanisms to incentivize the development of affordable housing, but will require any new residential development in the SALI district to be 100% affordable housing projects.

RECOMMENDATION

The Department recommends that the Commission ***approve with modifications*** the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department proposed the following amendments:

1. Retain the original Height and Bulk Districts for eligible parcels.
2. Remove the term "habitable" and replace with clarified language.
3. Clarify that surface parking lots eligible for 100% affordable housing projects may be permitted or unpermitted.

BASIS FOR RECOMMENDATION

Parcels that were rezoned to SALI as part of the Western SoMa Plan were previously within the SLI District, where affordable housing and group housing was permitted. The SALI controls eliminated the allowance for affordable housing, which diminished the limited supply of land available for the construction of new affordable housing. The proposed Ordinance strikes a balance between preserving light industrial and arts uses and meeting the need for new affordable housing. It protects the vulnerable uses that make the SALI District unique by only allowing 100% affordable housing projects on undeveloped sites and surface parking lots. The proposed legislation has the potential to create hundreds of affordable housing units on land that is severely underutilized.

Recommendation One: **Retain the original Height and Bulk Districts for eligible parcels.** As outlined in the Issues and Considerations Section, the effect of the reclassification of the height and bulk districts would only have the potential to increase the available height on eight parcels. Although the reclassification would in theory allow for an extra two stories to be built on each of these eight parcels, the majority of the parcels have other limitations that would make the additional height difficult to achieve or undesirable. The rezoning of the height only serves to unnecessarily complicate the legislation and therefore does not serve as a significant enough benefit to be included in the proposed Ordinance.

Recommendation Two: **Remove the term "habitable" and replace with clarified language.** The intention of this legislation is to allow 100% affordable housing projects to utilize space that is not already occupied by a use that SALI is intended to protect. The legislation is meant to protect any established buildings but exclude accessory structures used to support surface parking lots.

The term "habitable" is not defined in the Planning Code. The Housing Code defines "habitable space" as *"Any room or space in a structure for living, sleeping, eating or cooking. Bathrooms, toilet compartments, closets,*

halls, storage or utility space areas are not considered habitable space." Unfortunately, this definition does not expressly include light industrial, commercial, and arts uses, and *excludes* storage spaces even though Enclosed Vehicle Storage is permitted with a Conditional Use authorization in the SALI District. The term "habitable" should be removed and replaced with clarified language that states: *"Lots with structures are not eligible for this Section unless the structure is accessory to a surface parking lot use, such as a guard station or kiosk".*

Recommendation Three: **Clarify that surface parking lots eligible for 100% affordable housing projects may be permitted or unpermitted.** Of the 24 eligible lots, 20 are undeveloped or unpermitted surface parking, whereas only 4 are permitted commercial parking lots with no other habitable structure on-site. It *could* be interpreted that if an unpermitted surface parking lot exists on what was formerly an undeveloped parcel, the parcel could still be considered "undeveloped" and therefore eligible for the proposed legislation. However, to avoid complications with permit histories of these unpermitted parking lots, it should be clarified in the legislation that surface parking lots are eligible sites whether or not the parking lot was established with the benefit of a permit.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

ENVIRONMENTAL REVIEW

On July 5, 2018 the Planning Department determined that no supplemental environmental review is required for the proposed "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation (Board of Supervisors File No.180364). The environmental effects of this legislation have been adequately analyzed pursuant to the California Environmental Quality Act ("CEQA") in the Final Environmental Impact Report ("FEIR") previously prepared for the Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project (Case Nos. 2008.0877E and 2007.1035E). The Planning Department reviewed the proposed legislation in accordance with CEQA Guidelines Sections 15162 and 15164. The Planning Department found that implementation of the proposed legislation would not cause new significant impacts not identified in the FEIR or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the original project that would cause significant environmental impacts to which the modified project would contribute considerably, and no new information has been put forward which shows that the modified project would cause significant environmental impacts. Based on the foregoing and in accordance with CEQA Guidelines Section 15164 and San Francisco Administrative Code Section 31.19(c)(1), the Planning Department documented the reasons that no subsequent environmental review is required for the "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation and will issue an Addendum to Environmental Impact Report, which will be submitted to the Commission before July 12, 2018 for reference.

PUBLIC COMMENT

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

RECOMMENDATION:	Recommendation of Approval with Modifications

Attachments:

Exhibit A:	Draft Planning Commission Resolution
Exhibit B:	Zoning Maps from Central SoMa 2016 Plan and Implementation Strategy Draft
Exhibit C:	Board of Supervisors File No. 180364

EXHIBIT A

SAN FRANCISCO
PLANNING DEPARTMENT

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Draft Resolution

HEARING DATE JULY 12, 2018

Project Name:	**Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts**
Case Number:	2018-006287PCA/MAP [Board File No. 180364]
Initiated by:	Supervisor Kim / Introduced April 10, 2018
Staff Contact:	Audrey Butkus, Legislative Affairs audrey.butkus@sfgov.org, (415) 575-9129
Reviewed by:	Aaron Starr, Manager of Legislative Affairs aaron.starr@sfgov.org, 415-558-6362

RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE AND ZONING MAP TO PERMIT AFFORDABLE HOUSING ON UNDEVELOPED LOTS IN SERVICE/ARTS/LIGHT INDUSTRIAL (SALI) ZONING DISTRICTS; AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION, UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION, 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on April 10, 2018 Supervisor Kim introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 180364, which would amend the Planning Code & Zoning Map to permit 100% Affordable Housing on undeveloped lots (including surface parking lots) in Service/Arts/Light Industrial (SALI) Zoning Districts;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on July 12, 2018; and,

WHEREAS, On July 5, 2018 the Planning Department determined that no supplemental environmental review is required for the proposed "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation (Board of Supervisors File No.180364). The environmental effects of this legislation have been adequately analyzed pursuant to the California Environmental Quality Act ("CEQA") in the Final Environmental Impact Report ("FEIR") previously prepared for the Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project (Case Nos. 2008.0877E and 2007.1035E). The Planning Department reviewed the proposed legislation in accordance with CEQA Guidelines Sections 15162 and 15164. The Planning Department found that implementation of the proposed legislation would not cause new significant impacts not identified in the FEIR or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the original project that would cause significant environmental impacts to which the modified project would contribute considerably, and no new information has been put forward which shows that the modified

project would cause significant environmental impacts. Based on the foregoing and in accordance with CEQA Guidelines Section 15164 and San Francisco Administrative Code Section 31.19(c)(1), the Planning Department documented the reasons that no subsequent environmental review is required for the "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation and issued an Addendum to Environmental Impact Report, which will be submitted to the Commission before July 12 for reference. The Planning Commission finds the Addendum to the EIR, under Case No. 2018-006287ENV, is adequate, accurate and objective, reflects the independent analysis and judgment of the Planning Department and the Planning Commission, and concurs with said determination; and

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

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

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

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance.

The modifications include the following:

Recommendation One: **Retain the original Height and Bulk Districts for eligible parcels.** As outlined in the Issues and Considerations Section, the effect of the reclassification of the height and bulk districts would only have the potential to increase the available height on eight parcels. Although the reclassification would in theory allow for an extra two stories to be built on each of these eight parcels, the majority of the parcels have other limitations that would make the additional height difficult to achieve or undesirable. The rezoning of the height only serves to unnecessarily complicate the legislation and therefore does not serve as a significant enough benefit to be included in the proposed Ordinance.

Recommendation Two: **Remove the term "habitable" and replace with clarified language.** The intention of this legislation is to allow 100% affordable housing projects to utilize space that is not already occupied by a use that SALI is intended to protect. The legislation is meant to protect any established buildings but exclude accessory structures used to support surface parking lots.

The term "habitable" is not defined in the Planning Code. The Housing Code defines "habitable space" as *"Any room or space in a structure for living, sleeping, eating or cooking. Bathrooms, toilet compartments, closets, halls, storage or utility space areas are not considered habitable space."* Unfortunately, this definition does not expressly include light industrial, commercial, and arts uses, and *excludes* storage spaces even though Enclosed Vehicle Storage is permitted with a Conditional Use authorization in the SALI District. The term "habitable" should be removed and replaced with clarified language that states: *"Lots with structures are*

not eligible for this Section unless the structure is accessory to a surface parking lot use, such as a guard station or kiosk".

Recommendation Three: **Clarify that surface parking lots eligible for 100% affordable housing projects may be permitted or unpermitted.** Of the 24 eligible lots, 20 are undeveloped or unpermitted surface parking, whereas only 4 are permitted commercial parking lots with no other habitable structure on-site. It *could* be interpreted that if an unpermitted surface parking lot exists on what was formerly an undeveloped parcel, the parcel could still be considered "undeveloped" and therefore eligible for the proposed legislation. However, to avoid complications with permit histories of these unpermitted parking lots, it should be clarified in the legislation that surface parking lots are eligible sites whether or not the parking lot was established with the benefit of a permit.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

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

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1
Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The proposed Ordinance will continue to retain and protect the traditional SALI uses currently in existence through the prohibition on development of and land with existing structures that are not accessory to parking lots.

HOUSING ELEMENT

OBJECTIVE 1
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

The proposed Ordinance will add 24 parcels to the amount available for 100% affordable housing production.

WESTERN SOMA AREA PLAN

OBJECTIVE 3.3
ENSURE THAT A SIGNIFICANT PERCENTAGE OF THE NEW HOUSING CREATED IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

Policy 3.3.2
Where new zoning has conferred increased development potential; ensure that mechanisms are in place for developers to contribute towards community benefits programs that include open space, transit, community facilities/services, historic/social heritage preservation and affordable housing, above and beyond citywide inclusionary requirements.

OBJECTIVE 3.8
CONTINUE AND EXPAND THE CITY EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY.

Policy 3.8.1
Continue and strengthen innovative programs that help to make both rental and ownership housing more affordable and available.

The proposed Ordinance will not only offer mechanisms to incentivize the development of affordable housing, but will require any new residential development in the SALI district to be 100% affordable housing projects.

2. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

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

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

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

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

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

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

neighborhood parking;

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

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

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

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

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

7. That the landmarks and historic buildings be preserved;

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

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

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

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

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

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on July 12, 2018.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: July 12, 2018

Figure 1.3
EXISTING ZONING

EXHIBIT B

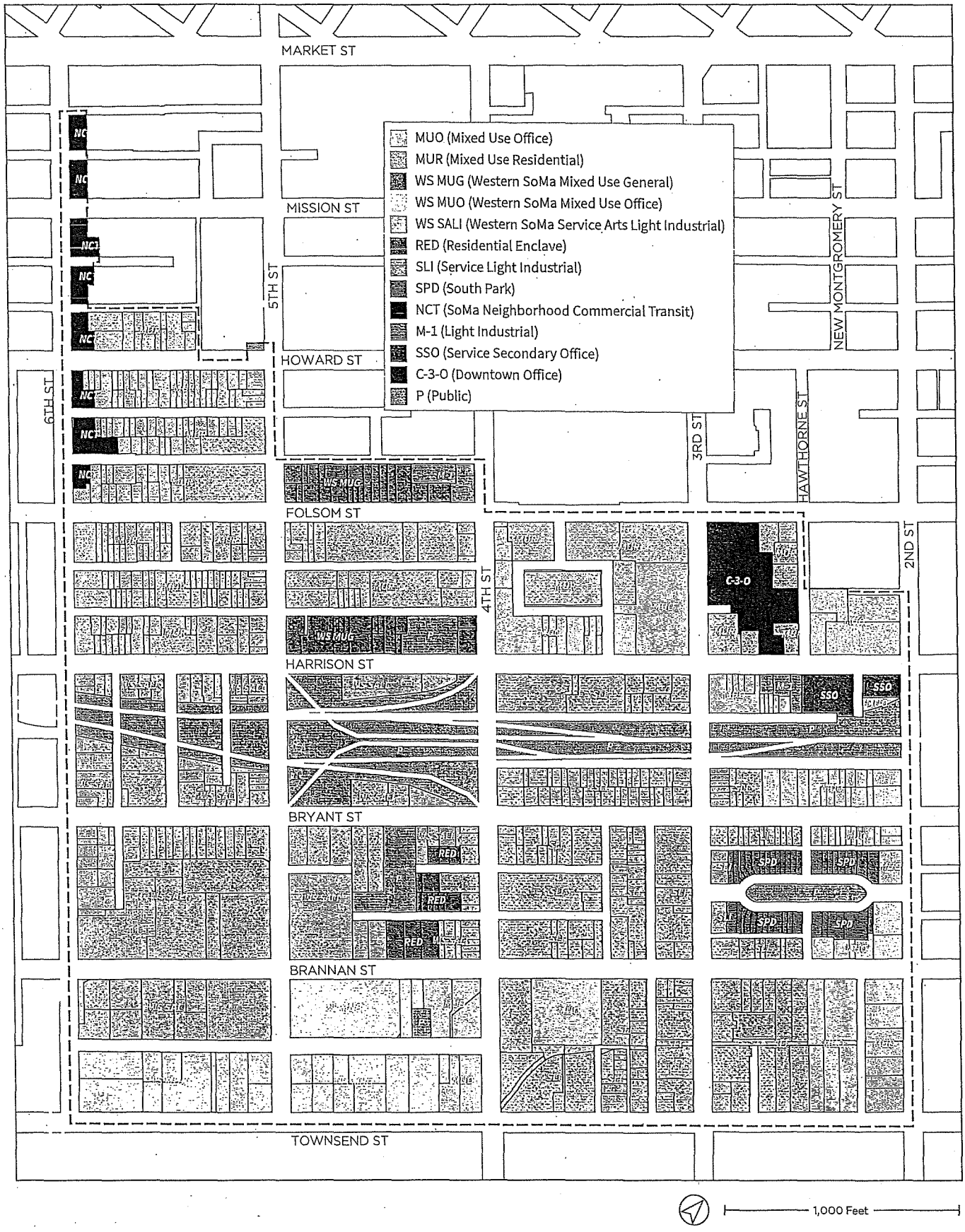


Figure 1.4

PROPOSED ZONING

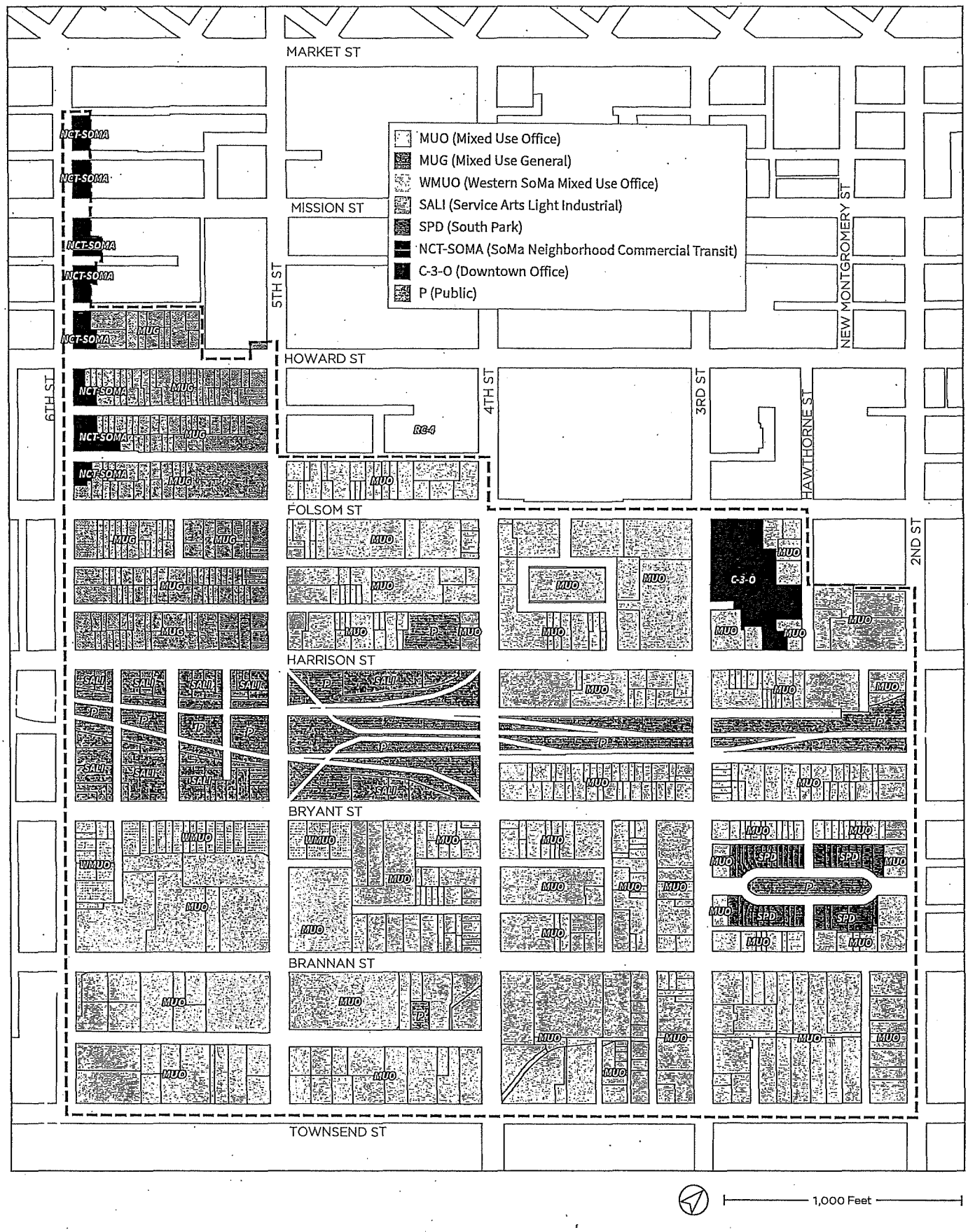


EXHIBIT C

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

April 18, 2018

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

Dear Commissioners:

On April 10, 2018, Supervisor Kim introduced the following legislation:

File No. 180364

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination, under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section, 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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

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 - Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts]

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination, under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section, 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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

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

Section 1. 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.

(c) Pursuant to Planning Code, Section 302, the Board of Supervisors finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. _____, and the Board incorporates such reasons herein by reference. 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.

Section 2. Additional Findings.

(a) Former Mayor Edwin Lee's Executive Directive No. 17-02, issued on September 27, 2017, states that "Years of failing to build homes has resulted in families and long-term residents leaving San Francisco in search of more affordable places to live . . . . We must continue to prioritize the production of housing in a smart, thoughtful manner that adds homes for residents of all economic levels."

(b) Parcels that were rezoned to Service Arts Light Industrial (SALI) with the adoption of the Western SoMa Plan in 2013 were previously within the Service Light Industrial (SLI) District, where affordable housing was permitted. The SALI controls eliminated the allowance for affordable housing, diminishing the limited supply of land available for construction of new affordable housing.

(c) The amended zoning controls in this ordinance strike a balance between preserving light industrial and arts uses and meeting the need for new affordable housing. They will permit new affordable housing on parcels in the SALI District that are presently undeveloped, but leave in place the general prohibition on new housing construction on developed sites, thus ensuring that no uses existing as of the effective date of this ordinance are displaced by new affordable housing construction.

Section 3. The Planning Code is hereby amended by renumbering existing Sections 846.24 and 846.25 as Sections 846.25 and 846.26 respectively, adding a new Section 846.24, deleting existing Section 846.26, and revising Sections 263.28, 803.8, 846, 846.20, 846.21, and 846.22, to read as follows:

SEC. 263.28. SPECIAL EXCEPTIONS: SALI DISTRICTS IN THE 40-55-X HEIGHT AND BULK DISTRICT *AND AFFORDABLE HOUSING PROJECTS IN SALI DISTRICTS*.

(a) **Purpose.** Arts activities are encouraged in the Western SoMa Planning Area Special Use District, and especially in the SALI District. Therefore, additional development potential is provided in the SALI District when additional space is provided for the exclusive use of arts activities.

(b) **Applicability.** This Section *263.28* shall apply to all properties zoned SALI and a Height and Bulk district of 40-55-X, *and Affordable Housing Projects under Section 846.24*.

(c) **Controls.**

(1) **Additional Height Permitted.** In SALI Districts in the 40-55-X Height and Bulk District, buildings are limited to a maximum height of 40 feet unless all of the following criteria are met, in which case they may extend to a maximum height of 55 feet. *Affordable Housing Projects under Section 846.24 are limited to a maximum height of 45 feet unless all of the following criteria are met, in which case they may extend to 55 feet*:

(A) At least one Story of the Building, as defined in Section 102, located on the First Story or above, as defined in Section 102 under the definition for Story, is designated for the exclusive use of Arts Activities, as defined in Section 102. If the First Story is designed for the use of Arts Activities, it shall also be permitted to contain lobbies, egress,

building services, and other features necessary for the operation of the building and permitted uses elsewhere in the building.

(B) Any such story dedicated to arts activities pursuant to *Ss*ubsections (2) and (3) below, regardless of its location within the building, shall have a minimum floor-to-floor height of 15 feet.

* * * *

SEC. 803.8. HOUSING IN MIXED USE DISTRICTS.

(a) **Low-Income Affordable Housing Within the Service/Light Industrial *and Service/Arts/Light Industrial* Districts.** Dwelling Units and SRO units may be authorized in the SLI District as a Conditional Use pursuant to Sections 303, 817.14, and 817.16 of this Code, *and Dwelling Units, SRO Units, and Group Housing are principally permitted in the SALI District pursuant to Sections 846.20, 846.21, 846.22, and 846.24 of this Code,* provided that such Dwellings Units shall be rented, leased, or sold at rates or prices affordable to a household whose income is no greater than 80% of the median income for households in San Francisco ("lower income household"), as determined by Title 25 of the California Code of Regulations Section 6932 and implemented by the Mayor's Office of Housing *and Community Development*.

* * * *

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

The Service/Arts/Light Industrial (SALI) District is largely comprised of low-scale buildings with production, distribution, and repair uses. The district is designed to protect and facilitate the expansion of existing general commercial, manufacturing, home and business

service, and light industrial activities, with an emphasis on preserving and expanding arts activities. Nighttime Entertainment is permitted although limited by buffers around RED and RED-MX districts. Residential Uses, Offices, Hotels, and Adult Entertainment uses are not permitted~~.~~, *except that certain Affordable Housing Projects are permitted within the district pursuant to Section 846.24 of this Code, and* Accessory Dwelling Units are permitted within the district pursuant to subsection 207(c)(4) of this Code.

Table 846
SALI – SERVICE/ARTS/LIGHT INDUSTRIAL DISTRICT **ZONING CONTROL TABLE**

No.	*Zoning Category*	*§ References*	*SALI District Controls*
* * * *			
Residential Uses			
846.20	Dwelling Units	§§ 102.7, *846.24*	NP, *except pursuant to § 846.24*
846.21	Group Housing	§§ 890.88(b), *846.24*	NP, *except pursuant to § 846.24*
846.22	SRO Units	§§ 823, 890.88(c), *846.24*	NP, *except pursuant to § 846.24*
846.23	Student Housing	§ 102.36	NP
846.23b	Homeless Shelters	§§ 102, 890.88(d)	C#
846.24	*Affordable Housing Project*	*§ 803.8*	*P# (pursuant to Specific Provisions for SALI Districts)*
846.~~24~~25	Dwelling Unit Density Limit	§§ 124, 207.5, 208	No density limit #
846.~~25~~26	Dwelling Unit Mix	§ 207.6	Not applicable
~~*846.26*~~	~~*Affordability Requirements*~~	~~*§ 415*~~	~~*15% onsite/20% off-site*~~
* * * *	* * * *	* * * *	* * * *

SPECIFIC PROVISIONS FOR SALI DISTRICTS

Article Code Section	Other Code Section	Zoning Controls
§ 846.23b § 890.88(d)	§ 102	In this District, Homeless Shelter uses are permitted only with Conditional Use authorization and only if each such use (a) would operate for no more than four years, and (b) would be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco. If such a use is to be located within a building or structure, the building or structure must be either (a) preexisting, having been completed and previously occupied by a use other than a Homeless Shelter, or (b) temporary. In this District, construction of a permanent structure or building to be used as a Homeless Shelter is not permitted.
§ 803.8 *§ 846.24*		*AFFORDABLE HOUSING PROJECTS* ***Boundaries:** Within the boundaries of SALI Districts.* ***Controls:*** *"Affordable Housing Project" shall mean a project consisting of Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing as defined in Section 803.8(a) of this Code. Affordable Housing Projects may also include principally permitted non-residential uses on the ground floor, and a non-residential use that is accessory to and supportive of the Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing.* *Affordable Housing Projects are principally permitted in this District on any undeveloped parcel containing no existing habitable buildings as of the effective date of the ordinance enacting Section 846.24, in Board File No. _____, including any parcel that contains only a surface parking lot.* *Affordable Housing Projects shall be subject to the Use Standards applicable to Residential Uses in the RED-MX District listed in Table 847 of this Code, and the height and bulk limitations of the 45-X Height and Bulk District, subject to any applicable exceptions or bonuses available under state law or this Code.* *Affordable Housing Projects shall be eligible for the 100 Percent Affordable Housing Bonus Program and shall be considered a permitted residential use in the SALI District, in order to meet the requirement set forth in Section 206.4(b)(2)(B) of this Code.*
§ 846.~~24~~*25*	§ 207(c)(4)	ACCESSORY DWELLING UNITS **Boundaries:** Within the boundaries of the SALI Districts.

		Controls: An "Accessory Dwelling Unit," as defined in Section 102 and meeting the requirements of Section 207(c)(4) is permitted to be constructed within an existing building in areas that allow residential use or within an existing and authorized auxiliary structure on the same lot.
§ 846.36 § 890.133		Medical cannabis dispensaries in the SALI may only operate between the hours of 8:00 a.m. and 10:00 p.m.

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

Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

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

By: _____
PETER R. MILJANICH
Deputy City Attorney

n:\legana\as2018\1800478\01267291.docx

FILE NO. 180364

LEGISLATIVE DIGEST

[Planning Code - Affordable Housing Projects on Undeveloped Lots in Service/Arts/Light Industrial Districts]

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section, 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Planning Code regulates residential land uses in the City, including Dwelling Units, Group Housing, and Single Room Occupancy (SRO) Units. Article 8 of the Planning Code sets forth the zoning controls for Mixed Use Districts in San Francisco, including the Service/Arts/Light Industrial (SALI) District.

Dwelling Units, Group Housing, and SRO Units are not currently permitted in SALI Districts.

The Planning Code and Zoning Map limit the height and bulk of buildings in the City. The Planning Code provides various exceptions to these limitations for projects that meet certain criteria.

Amendments to Current Law

This legislation would principally permit certain Affordable Housing Projects on certain lots in SALI Districts, as follows:

"Affordable Housing Project" shall mean a project consisting of Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing as defined in Section 803.8(a) of the Planning Code. Affordable Housing Projects may also include principally permitted non-residential uses on the ground floor, and a non-residential use that is accessory to and supportive of the Low-Income Affordable Housing Dwelling Units, SRO Units, or Group Housing.

Affordable Housing Projects are principally permitted in SALI Districts on any undeveloped parcel containing no existing habitable buildings as of the effective date of this legislation, including any parcel that contains only a surface parking lot.

Affordable Housing Projects shall be subject to the Use Standards applicable to Residential Uses in the Residential Enclave-Mixed (RED-MX) District listed in Table 847 of the Planning Code, and the height and bulk limitations of the 45-X Height and

Bulk District, subject to any applicable exceptions or bonuses available under state law or the Planning Code.

This legislation would specify that these Affordable Housing Projects shall be eligible for the 100 Percent Affordable Housing Bonus Program set forth in Section 206.4 of the Planning Code.

This legislation would also allow these Affordable Housing Projects to be eligible for the special exception to height limits set forth in Section 263.28 of the Planning Code for buildings that provide space for arts activities.

n:\legana\as2018\1800478\01267292.docx

SAN FRANCISCO
PLANNING DEPARTMENT

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Addendum #2 to Environmental Impact Report

Addendum Date:	July 5, 2018
Case No.:	2018-006287ENV
Project Title:	Affordable Housing Projects on Undeveloped Lots in SALI Districts
EIR:	Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project Final EIR SCL No. 2009082031, certified December 6, 2012
Zoning:	SALI (Service, Arts, Light Industrial) District; 30-X and 40/55-X Height and Bulk Districts
Block/Lots:	Various
Lot Size:	Various
Project Sponsor:	Supervisor Jane Kim
Sponsor Contact:	Supervisor Jane Kim, SF Board of Supervisors, 415.554.7970
Lead Agency:	San Francisco Planning Department
Staff Contact:	Justin Horner – 415.575.9023 justin.horner@sfgov.org

The purpose of this Addendum to the Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project Final EIR is to substantiate the Planning Department's determination that no supplemental environmental review is required for the proposed "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation (Board of Supervisors File No. 180364). This is because the environmental effects of implementation of this legislation have been adequately analyzed pursuant to the California Environmental Quality Act ("CEQA") in a Final Environmental Impact Report ("FEIR") previously prepared for the Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project. This memorandum describes the proposed legislation's relationship to the Western SoMa Community Plan, Rezoning Adjacent Parcels, and 350 Eighth Street Project, analyzes the proposed legislation in the context of the previous environmental review, and summarizes the potential environmental effects that may occur as a result of implementing the legislation.

PROPOSED LEGISLATION

The proposed project is an ordinance ("the ordinance") that would amend the San Francisco Planning Code to permit affordable housing on 24 parcels located in the Service, Arts, Light Industrial (SALI) Zoning District that are either undeveloped or contain surface parking lots. Sixteen of the parcels are located in the 40/55-X height and bulk district and eight are located in the 30-X height and bulk district. Pursuant to the ordinance, affordable housing projects on those parcels would be subject to the height and bulk restrictions of the 45-X height and bulk district, which could result in developments taller than originally intended under the Western SoMa Community Plan.

PROJECT DESCRIPTION

Background

A final environmental impact report for the Western SoMa Community Plan, Rezoning of Adjacent Parcels and 350 Eighth Street Project, file number 2008.0877E, was certified on December 6, 2012. The project analyzed in the EIR ("Project") consists of three separate components: (1) adoption of the Western

SoMa Community Plan ("Plan"); (2) the rezoning of 46 parcels, comprising 35 lots proximate to the Draft Plan boundary in order to reconcile their use districts with those of the neighboring properties ("Rezoning of Adjacent Parcels"); and (3) a mixed-use project proposed at 350 Eighth Street within the Western SoMa Community Plan Area ("Plan Area"), consisting of approximately 444 dwelling units, approximately 33,650 square feet of commercial space, approximately 8,150 square feet of light industrial/artist space, and approximately 1,350 square feet of community space. The modified project analyzed in this addendum relates to the Western SoMa Community Plan, the first component.

Final Environmental Impact Report

The Western SoMa Community Plan, Rezoning of Adjacent Parcels and 350 Eighth Street Project Final EIR ("FEIR") is a comprehensive, programmatic document that analyzes the environmental effects of implementing the Western SoMa Community Plan, the rezoning of 35 lots adjacent to the Plan Area, and a proposed project at 350 Eighth Street, as well as the environmental impacts under several alternative zoning scenarios. The Final EIR included analyses of environmental issues associated with amended use and height districts and new General Plan policies including: land use; plans and policies; visual quality and urban design; population, housing, business activity, and employment (growth inducement); transportation; noise; air quality; parks, recreation and open space; shadow; archeological resources; historic architectural resources; hazards; and other issues. The FEIR found Plan-level significant and unavoidable impacts in the areas of cultural and paleontological resources, transportation, noise, air quality, and shadow.

The FEIR included a Greater Growth alternative that addressed the impacts of an additional 341 housing units in the Plan Area. The alternative involved increasing the height limits in order to increase density by 341 more housing units, or an approximately 11 percent increase from the proposed project.[1] The FEIR found that the Greater Growth alternative would result in only incremental contributions to the significant and unavoidable impacts identified in the FEIR and would not increase the severity of any adverse impacts identified in the FEIR.

On September 25, 2013, an addendum to the FEIR was published that examined environmental impacts of 1) additional rezoning of the Adjacent Parcels examined in the EIR; 2) clean-up rezoning of two additional parcels; 3) clean-up rezoning of parcels within the Plan Area that were erroneously zoned during the adoption of the Project; and 4) amendments to the General Plan and Zoning Maps to incorporate Adjacent Parcels into the Market and Octavia and Eastern Neighborhood Plan Area boundaries and expand the boundaries of the Van Ness and Market Downtown Residential Special Use District to include nine Adjacent Parcels proposed for rezoning to C-3-G.

The Addendum concluded that implementation of additional Rezoning of Adjacent Parcels would not cause new significant impacts not identified in the FEIR, or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts.

[1] Plan EIR, Chapter 6, p. 21.

Project Description

Pursuant to Planning Code section 846, SALI – Service/Arts/Light Industrial District, residential uses are generally not permitted in the SALI Zoning District. The proposed project would amend Planning Code section 846 to permit Affordable Housing Projects in areas within SALI Zoning Districts. This includes approximately 24 parcels, which are listed in Table 1, on the following page, and a map of their locations is provided in the Appendix. Pursuant to Planning Code section 803.8(a), an "Affordable Housing Project" includes dwelling units rented, leased or sold at prices affordable to a household whose income is not greater than 80 percent of the median income for households in San Francisco. Affordable housing projects developed pursuant to the ordinance would be subject to the use standards applicable to Residential Uses in the RED-MX (Residential Enclave-Mixed Use) Zoning District and the height and bulk limitations of the 45-X Height and Bulk District. Affordable Housing Projects so defined would be eligible for the 100 Percent Affordable Housing Bonus Program,[2] which could result in higher-density projects than typically permitted in the RED-MX Zoning District and projects that are taller than those typically permitted in the 45-X Height and Bulk District.

The Planning Department has projected that the 24 parcels that would be affected by the proposed ordinance could result in as many as 629 dwelling units, 251 more than those projected as part of the Greater Growth Alternative in the Western SoMa Community Plan FEIR.[3] Eight of the 24 parcels are currently located in the 30-X height and bulk district. Affordable housing projects implemented on any of these eight parcels would be regulated as though they were located within a 45-X height and bulk district, which could result in projects taller than originally envisioned for eight of the 24 affected SALI parcels in the Western SoMa Community Plan.

Regulatory Setting

Planning Code

The 24 subject properties affected by the proposed legislation are located in the Service, Arts, Light Industrial ("SALI") Zoning District. As stated in Planning Code section 846, the intention of this district is "to protect and facilitate the expansion of existing general commercial, manufacturing, home and business service, and light industrial activities, with an emphasis on preserving and expanding arts activities." Within SALI, permitted uses include production, distribution and repair uses, such as light manufacturing, home and business services, arts activities, warehouse, and wholesaling. Additional permitted uses in the SALI district include retail, educational facilities, and nighttime entertainment. Housing, except for homeless shelters, is not permitted. Within SALI, office uses are restricted to those related to the Hall of Justice.

The objective of the proposed legislation is to balance the goal of preserving light industrial and arts uses with meeting the need for new affordable housing in the city. Prior to the adoption of the Western SoMa Community Plan, parcels rezoned to SALI were within the Service Light Industrial (SLI) District, which did permit affordable housing. The proposed legislation would permit new affordable housing on parcels in the SALI District that are undeveloped at the time of the adoption of the ordinance.

[2] http://sf-planning.org/affordable-housing-bonus-program-ahbp

[3] The figure of 629 dwelling units was derived by multiplying the size of each parcel by 0.75 (to allow for the assumption that 25 percent of each parcel would be taken up by a rear yard), multiplying that number by the assumed height of the building, less one floor that would likely contain commercial or parking uses, and then dividing that number by 1,000 sf, which is the average unit size.

Table 1. Parcels Eligible for Changes Under Proposed Legislation

Parcel Number	Address	Lot Area (sq ft)	Height and Bulk District	Estimated Number of Units
3523012	428 11th Street	18,073	40/55-X	95
3525068	405 10th Street	3,249	40/55-X	17
3757037	55 McLea Court	1,873	40/55-X	10
3759009	470 Sixth Street	6,750	30-X	35
3759014	820 Bryant Street	1,875	30-X	10
3760002	420 Fifth Street	3,187	30-X	17
3760111	50 Morris Court	3,025	30-X	16
3760112	60 Oak Grove Street	3,460	30-X	18
3760122	975 Harrison Street	2,761	30-X	14
3760125	409 Sixth Street	2,500	30-X	13
3761064	No address	8,546	30-X	45
3779001	500 Sixth Street	4,250	40/55-X	22
3779002	504 Sixth Street	6,124	40/55-X	32
3779028	575 Seventh Street	3,000	40/55-X	16
3779029	33/31 Boardman Pl.	9,000	40/55-X	47
3779054	75 Gilbert Street	2,000	40/55-X	11
3779084	71 Boardman Place	9,783	40/55-X	51
3779112	356 Harriet Street	5,022	40/55-X	26
3779127	819 Bryant Street	1,800	40/55-X	9
3779128	811/815 Bryant Street	5,625	40/55-X	30
3779133	833/835 Bryant Street	15,537	40/55-X	82
3784015	603 Seventh Street	4,084	40/55-X	21
3784071	713 Brannan Street	4,913	40/55-X	26
3784076	No address	5,449	40/55-X	29
			Total	**692**

As noted above, the 24 subject properties affected by the proposed legislation are located in the 30-X and 40/55-X height and bulk districts. Article 2.5 of the Planning Code regulates the height and bulk of structures consistent with the Urban Design element and other elements of the General Plan. Height and bulk districts have been established for all parcels in the city for a variety of purposes, including relating the height of new buildings to important attributes of the city's pattern and existing development, avoiding an overwhelming or dominating appearance in new construction, preserving and improving the integrity of open spaces and public areas, promoting harmony in the visual relationships between old and new buildings and protecting important city resources and the neighborhood environment. Affordable housing projects permitted under the proposed ordinance would be required to meet the height and bulk limitations of the 45-X Height and Bulk District.

Changes in the Regulatory Environment

Since the certification of the FEIR in 2012, several new policies, regulations, statutes, and funding measures have been adopted, passed, or are underway that affect the physical environment and/or environmental review methodology for projects in the Western SoMa Plan Area. These policies, regulations, statutes, and funding measures have implemented or will implement mitigation measures or further reduce less-than-significant impacts identified in the FEIR. These include:

- State legislation amending CEQA to eliminate consideration of aesthetics and parking impacts for infill projects in transit priority areas, effective January 2014.
- State legislation amending CEQA and San Francisco Planning Commission resolution replacing level of service (LOS) analysis of automobile delay with vehicle miles traveled (VMT) analysis, effective March 2016.
- Transit Effectiveness Project (aka "Muni Forward") adoption in March 2014, Vision Zero adoption by various City agencies in 2014, Proposition A and B passage in November 2014, and the Transportation Sustainability Program.
- San Francisco ordinance establishing Noise Regulations Related to Residential Uses near Places of Entertainment effective June 2015.
- Enhanced Ventilation Required for Urban Infill Sensitive Use Developments, amended December 2014.
- San Francisco Recreation and Open Space Element of the General Plan adoption in April 2014.
- Article 22A of the Health Code amendments effective August 2013.

ANALYSIS OF POTENTIAL ENVIRONMENTAL EFFECTS

San Francisco Administrative Code Section 31.19(c)(1) states that a modified project must be reevaluated and that "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons therefore shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter."

CEQA Guidelines Section 15164 provides for the use of an addendum to document the basis of a lead agency's decision not to require a Subsequent or Supplemental EIR for a project that is already adequately covered in an existing certified EIR. The lead agency's decision to use an addendum must be supported by substantial evidence that the conditions that would trigger the preparation of a Subsequent EIR, as provided in CEQA Guidelines Section 15162, are not present.

The FEIR found the significant and unavoidable impacts associated with the adoption of the Western SoMa Community Plan in the following topic areas: cultural and paleontological resources; transportation and circulation; noise and vibration; air quality; and wind and shadow. Since certification of the EIR, no changes have occurred in the circumstances under which the original project (e.g., zoning and map amendments and adoption of area plans) as currently proposed would be implemented, that would change the severity of the physical impacts of implementing the Western SoMa Community Plan as explained herein, and no new information has emerged that would materially change the analyses or conclusions set forth in the FEIR.

Further, the proposed legislation, as demonstrated below, would not result in any new significant environmental impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR. The effects associated with the legislative amendment would be substantially the same as those reported for the project in the Eastern Neighborhoods Rezoning and Area Plans FEIR.

Land Use and Land Use Planning

The FEIR evaluated land use effects based on three adopted criteria: whether a project would physically divide an existing community; conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect; or, have a substantial adverse impact on the existing character of the vicinity.

The FEIR determined that implementation of the area plans would not create any new physical barriers in Western SoMa because the rezoning and area plans do not provide for any new major roadways, such as freeways that would disrupt or divide the Plan Area or individual neighborhoods or subareas. The proposed legislation would allow affordable housing projects on certain parcels within the SALI use district. This land use change would be consistent with the density and intensity of the existing urban environment and would be consistent with the types of uses that already exist throughout Western SoMa Plan Area. Prior to the adoption of the Western SoMa Community Plan, affordable housing was permitted on many of these same parcels, then zoned SLI. The proposed legislation would allow for affordable housing to be constructed but would not cause substantial adverse impact on the existing character of these SALI Districts.

In terms of land use compatibility, adoption of the ordinance would encourage the types of uses that already exist in the plan area and its surroundings, including residential use. Indeed, the intended purpose of the proposed legislation is to balance the need for the preservation of light industrial and arts uses with the need for affordable housing in the city. Further, adoption of the legislation would not conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. Thus, the proposed legislation would not result in any new significant land use impacts, substantial increases in the significance of previously identified land use impacts, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Transportation

Vehicle Trips

The FEIR anticipated that growth resulting from the zoning changes would not result in significant impacts related to pedestrians, bicyclists, loading, or construction traffic. The FEIR states that in general,

the analyses of pedestrian, bicycle, loading, emergency access, and construction transportation impacts are specific to individual development projects, and that project-specific analyses would need to be conducted for future development projects under the Western SoMa Community Plan. The proposed legislation could potentially result in an incremental increase in vehicle trips.

Many factors affect travel behavior. These factors include density, diversity of land uses, design of the transportation network, access to regional destinations, distance to high-quality transit, development scale, demographics, and transportation demand management. Typically, low-density development at great distance from other land uses, located in areas with poor access to non-private vehicular modes of travel, generate more automobile travel compared to development located in urban areas, where a higher density, mix of land uses, and travel options other than private vehicles are available.

The proposed ordinance does not require a detailed transportation study due to the fact that new vehicle and person trips would be dispersed across the SALI district in the plan area and its surroundings, and residential land uses do not typically have high loading demand. The intent of the proposed legislation is to facilitate the development of affordable housing within the SALI zoning district. The proposed changes are relatively minor with respect to potential generation of additional vehicle trips. Furthermore, given the extent to which the proposed zoning changes could incentivize residential development near transit (common in the transit-rich Western SoMa Plan Area), it could result in a lower number of vehicle trips per capita. It is known that affordable units generate less vehicles trips than market-rate housing units. Moreover, new dwelling units that would be constructed pursuant to this legislation would be dispersed throughout the Western SoMa plan area. While this incremental increase is not anticipated to have an adverse impact on the city's transportation infrastructure, future individual development projects on the 24 parcels proposed for rezoning to allow affordable housing would be subject to project-specific environmental review. Such review would determine the severity of any transportation impacts and include any appropriate mitigation measures. Therefore, the proposed legislation would not result in any new significant traffic impacts, substantial increases in the significance of previously identified traffic effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Transit

The FEIR anticipated that growth resulting from the zoning changes would result in less than significant impacts on transit, as measured through capacity utilization standards, transit delay, and transit operating costs.

Implementation of the ordinance could potentially result in an incremental increase in the demand for public transit. Any future proposal would be reviewed for its potential to cause a substantial increase in transit demand that could not be accommodated by adjacent transit capacity, result in unacceptable levels of transit service, or cause a substantial increase in delays or operating costs such that significant adverse impacts in transit service levels could result. The proposed legislation does not include any physical changes to streets or transit facilities. Therefore, the proposed legislation would not result in any new significant transit impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Pedestrians

The FEIR anticipated that growth resulting from the zoning changes would not result in significant impacts related to pedestrians. The proposed ordinance could potentially result in an incremental increase in the demand for pedestrian infrastructure. Any future proposal would be reviewed for its potential to cause a substantial increase in demand for pedestrian infrastructure. The proposed legislation does not include any physical changes to sidewalks, crosswalks or other pedestrian infrastructure, nor does it include any changes that would create overcrowding of neighboring sidewalks, create hazardous conditions for pedestrians or otherwise interfere with pedestrian accessibility. Therefore, the proposed legislation would not result in any new significant pedestrian impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Bicycle

The FEIR anticipated that growth resulting from the zoning changes would not result in significant impacts related to bicycles. The proposed "Affordable Housing Projects on Undeveloped Lots in SALI Districts" legislation could potentially result in an incremental increase in the demand for bicycle infrastructure, as well as potentially contribute to the expansion of bicycle usage through an incremental increase in the provision of on-site and on-street bicycle parking, and shower and locker facilities. The proposed legislation does not include any physical changes to streets or bike routes, nor does it include any changes that would create overcrowding of existing bike routes, create hazardous conditions for bicyclists or otherwise interfere with bicycle accessibility. Any future proposal would be reviewed for its potential to cause a substantial increase in demand for bicycle infrastructure. Therefore, the proposed legislation would not result in any new significant bicycle impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Parking

San Francisco does not consider parking supply as part of the permanent physical environment and therefore, does not consider changes in parking conditions to be environmental impacts as defined by CEQA. Parking deficits are considered to be social effects, rather than impacts on the physical environment as defined by CEQA. Under CEQA, a project's social impacts need not be treated as significant impacts on the environment. Parking conditions are not static, as parking supply and demand varies from day to day, from day to night, from month to month, etc. Hence, the availability of parking spaces (or lack thereof) is not a permanent physical condition, but changes over time as people change their modes and patterns of travel.

Cultural and Paleontological Resources

The FEIR found that implementation of the Western SoMa Community Plan would result in a significant, adverse environmental impact related to historical resources. Demolition or significant alteration of buildings that are identified as historical resources, potential resources, or age-eligible properties was anticipated to occur as a result of development subsequent to implementation of the zoning and Community Plan.

The proposed legislation would only apply to currently undeveloped lots, lots without habitable structures and surface parking lots in the SALI zoning district. The legislation therefore does not affect

any existing habitable structures, historical or otherwise, and would not be anticipated to result in any adverse impacts on historic resources. Nevertheless, any future development proposal undertaken in the Western SoMa Plan Area under the proposed legislation would be subject to further environmental review to determine whether the project would result in potential impacts to the environment, including historical resources. The proposed legislation does not propose changes to those requirements. Therefore, it would not increase the severity of the historical resources impact, result in new or substantially different effects than were identified in the FEIR, or require new or modified mitigation measures related to this topic.

The proposed legislation could potentially incentivize development that would not otherwise occur, and this development could include excavation or other construction methods that could disturb archeological resources. The FEIR determined that implementation of the Western SoMa Community Plan could result in significant impacts on archeological resources and identified two mitigation measures that would reduce these potential impacts to a less than significant level. Western SoMa FEIR Mitigation Measure M-CP-4a: Project-Specific Preliminary Archeological Assessment requires projects involving any soil-disturbing or soil-improving activities to be subject to a Preliminary Archeological Review to determine whether the proposed project could adversely affect archeological resources. Mitigation Measure M-CP-4b: Procedures for Accidental Discovery of Archeological Resources can also be applied to avoid any potential adverse effect on accidentally-discovered historical resources. Any development proposal undertaken in San Francisco is subject to review to determine whether the project would result in potential impacts to the environment, including archeological resources, and would be subject to the mitigation measures identified in the FEIR to ensure any impacts to archeological resources are less than significant. Therefore, the proposed legislation would not result in any new significant archeological impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Noise and Vibration

The FEIR found that implementation of the Western SoMa Community Plan would result in a significant, adverse environmental cumulative impact related to noise. Cumulative development could result in increased ambient noise levels related to higher traffic volumes on Harrison and Ninth Streets and the Plan itself could result in increases of ambient noise due to increased truck traffic due to the posting of truck route signs. The FEIR included a number of mitigation measures to reduce noise-related impacts, including Mitigation Measure M-NO-1b, Siting of Noise-Sensitive Uses and Mitigation Measure M-NO-1c, Siting of Noise-Generating Uses.

The proposed legislation would facilitate the development of affordable housing on parcels currently in the SALI zoning district. As the SALI zoning district currently permits light industrial, arts and nighttime entertainment uses, the legislation's amendments allowing residential development on these parcels would likely result in reduced noise impacts as compared to what was identified in the FEIR, since residential uses tend to generate noise at levels below those typically associated with light industrial and entertainment uses. As discussed in the Transportation section, above, the incremental increase in vehicle trips associated with new residential development would not be anticipated to be at levels that would increase existing ambient noise levels. Additionally, the construction characteristics associated with developing affordable housing (for example, equipment and construction durations) are not

substantially different or necessarily more intense than construction of other types of uses that are currently permitted under the existing SALI zoning district regulations. Nevertheless, future affordable housing projects would be required to undergo project-specific environmental analysis, would be subject to any applicable mitigation measures identified in the FEIR, and would be required to comply with the San Francisco Noise Ordinance. Therefore, the proposed ordinance would not result in new, or more severe, noise impacts beyond what were previously identified in the FEIR.

Air Quality

The FEIR found that implementation of the Western SoMa Community Plan could result in a significant, adverse environmental impact related to air quality. Individual development projects, if large enough, could result in significant effects related to emissions of criteria air pollutants, even if the overall plan is determined to have a less-than-significant impact. The potential exists for individual developments within the Plan Area to generate vehicle trips that would result in a significant increase in criteria air pollutants. The FEIR designates projects that would generate more than 3,500 daily vehicle trips as the types of developments that could result in a significant air quality impact. In addition, the Bay Area Air Quality Management District has developed screening criteria to determine whether development projects could result in a significant criteria pollutant impact under CEQA.[4] For operations-related pollutant emissions, the screening criteria for mid-rise residential units is 434 dwelling units.

As shown in Table 1, the parcels eligible for the development of affordable housing under the proposed legislation would not accommodate development of a size that could generate 3,500 vehicle trips per day, nor would individual projects include more than 434 dwelling units. Therefore, the proposed legislation would not result in a new, or more severe, criteria pollutant-related air quality impact that was not already disclosed in the FEIR.

The FEIR also identified a significant and unavoidable air quality impact due to the Plan's potential to expose new future residents to existing concentrations of fine particulate matter and toxic air contaminants. In the California Building Industry Association v. Bay Area Air Quality Management District case decided in 2015,[5] subsequent to the certification of the FEIR, the California Supreme Court held that CEQA does not generally require lead agencies to consider how existing environmental conditions might impact a project's users or residents, except where the project would significantly exacerbate an existing environmental condition. Therefore, unlike the FEIR, this addendum does not analyze the impacts of existing air quality on future residents of the Plan Area since none of the individual projects that could be incentivized under the proposed legislation would be of sufficient size to exacerbate the existing air quality. Nevertheless, parcels subject to the proposed legislation are located in an Air Pollution Exposure Zone (APEZ) and subject to Article 38 of the Health Code. The purpose of Article 38 is to protect the public health and welfare by establishing an APEZ and imposing an enhanced ventilation requirement for all urban infill sensitive use development within the APEZ. Thus, future housing projects pursuant to the proposed legislation that are located in the APEZ would be required to install enhanced ventilation systems to protect the health of future occupants of those buildings. In addition, projects within the APEZ require special consideration to determine whether the project's

[4] Bay Area Air Quality Management District, Air Quality Guidelines, May 2017. Pg 3-2.

[5] California Building Industry Association v. Bay Area Air Quality Management District, 62 Cal.4th 369. Opinion Filed December 17, 2015.

activities would add a substantial amount of emissions to areas already adversely affected by poor air quality.

The FEIR did find that implementation of the Draft Plan would result in construction-period emissions of criteria air pollutants, including ozone precursors, from subsequent individual development projects that would contribute to an existing or projected air quality violation or result in a cumulatively considerable increase in criteria pollutants, and identified a significant and unavoidable air quality impact, even with mitigation. Mitigation Measure M-AQ-6: Construction Emissions Minimization Plan for Criteria Pollutants was adopted under the FEIR to require the analysis of subsequent development projects'-related air quality emissions and to adopt measures to reduce those emissions to the greatest degree practicable. Mitigation Measure M-AQ-7: Construction Emissions Minimization Plan for Health Risks and Hazards was similarly adopted under the FEIR to reduce the potential health risk resulting from project construction activities. Similar to all proposed development under the Western SoMa Community Plan, affordable housing projects developed pursuant to the proposed ordinance would be subject to these mitigation measures. Additionally, the construction equipment used for the development of affordable housing projects would not be notably different than the construction equipment that would likely be used for projects currently permitted under SALI zoning and analyzed in the FEIR. The proposed legislation would not result in any new significant land use impacts, substantial increases in the significance of previously identified air quality effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Wind

The FEIR found that future development that could be encouraged by the Western SoMa Community Plan has the potential to result in significant wind impacts on public areas, particularly on "Adjacent Parcels" that are zoned for height limits of up to 160 feet. Wind impacts are typically analyzed for proposed projects that are 80 feet in height or taller or located in zoning districts with specific wind criteria. The proposed ordinance would allow residential development on sites where it is not currently permitted, and, with the implementation of San Francisco's Affordable Housing Density Program, could result in projects up to 75 feet in height. As the proposed ordinance would not result in projects that are 80 feet tall or higher, nor would apply to parcels that are located in zoning districts with specific wind criteria (pursuant to section 148 of the Planning Code), the proposed ordinance would neither increase the severity of the wind impact, result in new or substantially different effects, nor require new or modified mitigation measures in this topic area.

Shadow

Planning Code Section 295 generally prohibits new structures above 40 feet in height that would cast additional shadows on open space that is under the jurisdiction of the San Francisco Recreation and Park Commission between one hour after sunrise and one hour before sunset, at any time of the year, unless that shadow would not result in a significant adverse effect on the use of the open space. The FEIR concluded that shadow impacts would be significant and unavoidable for the Howard-Langton Mini Park and the Victoria Manolo Draves Park.

The Planning Department prepared a preliminary shadow fan to analyze the potential for shadow to be cast on properties subject to Planning Code section 295 or any other public open space by Affordable Housing Projects that may be developed pursuant to the proposed ordinance (as a result of future

development with the proposed legislation).[6] To analyze the most conservative scenario, the shadow fan assumed that each parcel would include a 75-foot-tall development that would cover the entire parcel area, and did not take into account any differences in elevation or intervening buildings or structures. The shadow fan indicated that a 75-tall development at 409 Sixth Street could cast shadow on a small portion of the southeast corner of Manolo Draves Park. As indicated above, the FEIR indicated that development pursuant to the Western SoMa Community Plan could result in significant and unavoidable shadow impacts on Manolo Draves Park, so shadow cast by any development at 409 Sixth Street would not result in shadow impacts that were not already identified in the FEIR. The shadow fan also indicated that a 75-foot-tall development on an unaddressed parcel (Block 3761, Lot 064) on the southwest corner of the intersection of Fourth and Harrison streets could cast shadow on the playground of Bessie Carmichael Middle School. However, new shadow would be cast to effectively the same extent by any development (with or without the proposed legislation) undertaken under the current height limit of 30-X.[7] That is, development undertaken under the ordinance would not result in any new net shadow on Carmichael Middle School that would not already occur as a result of development permitted under existing zoning and height and bulk regulations of the SALI district in Western SoMa, as analyzed in the FEIR. The shadow fan indicated that no other development pursuant to the proposed ordinance would cast new shadow on any properties subject to Planning Code section 295, including the Howard-Langton Mini Park and the Victoria Manolo Draves Park. All proposed projects more than 40 feet in height would also be subject to project-specific shadow analysis as part of their environmental review. Therefore, because of the reasons above, the proposed ordinance would not result in a new, or more severe, shadow impact than what was identified in the FEIR.

While new development pursuant to the proposed legislation may result in an incremental increase in new shadow, the proposed legislation would not result in any new significant shadow impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Hazards and Hazardous Materials

The FEIR noted that implementation of any of the proposed project's rezoning options would encourage construction of new development within the project area. The FEIR found that there is a high potential to encounter hazardous materials during construction activities in many parts of the project area because of the presence of 1906 earthquake fill, previous and current land uses associated with the use of hazardous materials, and known or suspected hazardous materials cleanup cases. However, the FEIR found that existing regulations for facility closure, Under Storage Tank (UST) closure, and investigation and cleanup of soil and groundwater would ensure implementation of measures to protect workers and the community from exposure to hazardous materials during construction.

The FEIR determined that future development in the Plan Area may involve demolition or renovation of existing structures containing hazardous building materials. Some building materials commonly used in older buildings could present a public health risk if disturbed during an accident or during demolition or renovation of an existing building. Hazardous building materials addressed in the FEIR include asbestos, electrical equipment such as transformers and fluorescent light ballasts that contain PCBs or di (2 ethylhexyl) phthalate (DEHP), fluorescent lights containing mercury vapors, and lead-based paints.

[6] *SF Planning, Shadow Fan for Affordable Housing in SALI District, June 29, 2018.*

[7] *SF Planning, Shadow Fan for 3761/064, June 29, 2018.*

Asbestos and lead based paint may also present a health risk to existing building occupants if they are in a deteriorated condition. If removed during demolition of a building, these materials would also require special disposal procedures. The FEIR identified a significant impact associated with hazardous building materials including PCBs, DEHP, and mercury and determined that that Mitigation Measure L-1: Hazardous Building Materials, would reduce effects to a less-than-significant level.

Since certification of the PEIR, Article 22A of the Health Code, also known as the Maher Ordinance, was expanded to include properties throughout the city where there is potential to encounter hazardous materials, primarily industrial zoning districts, sites with industrial uses or underground storage tanks, sites with historic bay fill, and sites in close proximity to freeways or underground storage tanks. The over-arching goal of the Maher Ordinance is to protect public health and safety by requiring appropriate handling, treatment, disposal and when necessary, remediation of contaminated soils that are encountered in the building construction process. Projects that disturb 50 cubic yards or more of soil that are located on sites with potentially hazardous soil or groundwater within Western SoMa Community Plan Area are subject to this ordinance.

Implementation of the ordinance would not result in a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. Future projects that may be implemented within the context of the ordinance would be required to comply with existing hazardous materials regulations. Therefore, the proposed legislation would not result in any new significant hazardous materials impacts, substantial increases in the significance of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the FEIR.

Less than Significant Environmental Effects

The FEIR found that the implementation of area-wide zoning and associated with the Western SoMa Community Plan would not result any significant environmental impacts in the following areas: land use; aesthetics; population and housing; greenhouse gas emissions; recreation; public services, utilities and service systems; geology and soils; hydrology and water quality; mineral and energy resources; and agriculture and forest resources. Each of these topics is analyzed and discussed in detail including, but not limited to, in the FEIR Chapters: 4.A; 4.B; 4.C; 4.H; 4.J; 4.K; 4.M; 4.P and 4.Q. Adoption of the proposed ordinance would not change these conclusions.

Effects That Can Be Avoided or Reduced to Less than Significant with Mitigation Measures

The FEIR found that the implementation of Western SoMa Community Plan would result in potentially significant environmental impacts that may be avoided with implementation of mitigation measures; adoption of the proposed ordinance would not alter these conclusions. The Final EIR's mitigation measures, incorporated here by reference, may apply to future development projects that may be developed as a result of the changes included in the proposed legislation, if project-specific review finds that such a project were to result in potentially significant environmental impacts.[8] The measures are summarized below.

[8] *Western SoMa Community Plan, Rezoning of Adjacent Parcels and 850 8th Street Project Mitigation Monitoring and Reporting Program*, Planning Commission Motion No. 18756, adopted December 6, 2012. This document is available for review in Case File No. 2008.0877E and 2007.1035E at the Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA.

Measure M-CP-1a, Documentation of Historical Resource: requires the sponsors of individual projects that would cause a substantial adverse change in the significance of a historical resource through demolition prepare Historic American Buildings Survey (HABS)-level photographs and an accompanying HABS Historical Report, which shall be maintained onsite, as well as in the appropriate repositories.

Measure M-CP-1b, Oral Histories: requires the project sponsor to undertake an oral history project that includes interviews of people such as residents, past owners, or former employees for projects that would demolish a historical resource for which Planning Department preservation staff determined that such a measure would be effective and feasible. Copies of the completed oral history project shall be submitted to the San Francisco Public Library or other interested historical institutions.

Measure M-CP-1c, Interpretive Program: requires the project sponsor work with a Historic Preservation Technical Specialist or other qualified professional to institute an interpretive program on-site that references the property's history and the contribution of the historical resource to the broader neighborhood or historic district.

Measure M-CP-4a, Project-Specific Preliminary Archeological Assessment: requires an evaluation of the potential archeological effects of a proposed individual project that involves any soils-disturbing or soils-improving activities to a depth of five (5) feet or greater below ground surface and located within those properties on the Adjacent Parcels for which no archeological assessment report has been prepared.

Measure M-CP-4b, Procedures for Accidental Discovery of Archeological Resources: requires the project head foreman and/or project sponsor to immediately notify the Environmental Review Officer (ERO) and immediately suspend any soils-disturbing activities in the vicinity of the discovery until the ERO has determined additional measures that should be undertaken to avoid any potential adverse effect on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a)(c).

Measure M-CP-7a, Protect Historical Resources from Adjacent Construction Activities: requires the project sponsor of a development project in the Adjacent Parcels to consult with Planning Department environmental planning/preservation staff to determine whether adjacent or nearby buildings constitute historical resources that could be adversely affected by construction-generated vibration. If one or more historical resources is identified that could be adversely affected, the project sponsor shall incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to adjacent and nearby historic buildings.

Measure M-CP-7b, Construction Monitoring Program for Historical Resources: requires that for or those historical resources identified in Mitigation Measure M-CP-7a, and where heavy equipment would be used on a subsequent development project, the project sponsor of such a project shall undertake a monitoring program to minimize damage to adjacent historic buildings and to ensure that any such damage is documented and repaired.

Measure M-NO-1c, Siting of Noise-Generating Uses: requires the project sponsor of new development including commercial, industrial, or other uses that would be expected to generate noise levels in excess of ambient noise, to reduce potential conflicts between existing sensitive receptors and new noise-generating uses, by preparing an analysis that includes, at a minimum, a site survey to identify potential noise-sensitive uses (primarily, residences, and also including schools and child care, religious, and convalescent facilities and the like) within two blocks or 900 feet of, and that have a direct line-of-sight to, the project site, and at least one 24-hour noise measurement (with average and maximum noise level

readings taken so as to be able to accurately describe maximum levels reached during nighttime hours), prior to the first project approval action. The analysis shall be conducted prior to completion of the environmental review process

Measure M-NO-2a, General Construction Noise Control Measures: requires that the project sponsor minimize construction noise from the project to the maximum extent feasible by ensuring that equipment and trucks used for project construction use the best available noise control techniques, limit and reduce noise from stationary noise sources, avoid noise associated with compressed air exhaust from pneumatically powered tools, undertaking the most noisy activities during times of least disturbance to surrounding residents and occupants, as feasible, and selecting haul routes that avoid residential buildings inasmuch as such routes are otherwise feasible. Finally, prior to the issuance of each building permit, along with the submission of construction documents, the sponsor of a subsequent development project shall submit to the San Francisco Planning Department and Department of Building Inspection (DBI) a list of measures to respond to and track complaints pertaining to construction noise.

Measure M-NO-2b, Noise Control Measures During Pile Driving: requires that sponsors for individual projects within the Adjacent Parcels that require pile driving complete a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant.

Measure M-AQ-2, Transportation Demand Management Strategies for Future Development: requires project sponsors develop and implement a Transportation Demand Management (TDM) plan as a requirement of project approval in order to reduce vehicle trip generation for such projects that would generate more than 3,500 daily vehicle trips, or would emit criteria pollutants in excess of one or more applicable significance thresholds, as determined by the Environmental Review Office.

Measure M-AQ-4, Siting of Uses that Emit PM2.5 or DPM and Other TACs: requires the preparation of an analysis by a qualified air quality specialist that includes, at a minimum, a site survey to identify residential or other sensitive receptors within 1,000 feet of the project site, and assessment of the health risk from all potential stationary and mobile sources of TACs generated by the proposed project.

Measure M-AQ-6, Construction Emissions Minimization Plan for Criteria Air Pollutants: requires project sponsors of subsequent development projects that may exceed the standards for criteria air pollutants to undergo an analysis of the project's construction emissions and if, based on that analysis, construction period emissions may be significant, submit a Construction Emissions Minimization Plan to the Environmental Review Officer for review and approval by an Environmental Planning Air Quality Specialist.

Measure M-AQ-7, Construction Emissions Minimization Plan for Health Risks and Hazards: requires the project sponsor of each development project in the Draft Plan Area or on Adjacent Parcels to undertake a project-specific construction health risk analysis performed by a qualified air quality specialist, as appropriate and determined by the Environmental Planning Division of the San Francisco Planning Department.

Measure M-WS-1, Screening-Level Wind Analysis and Wind Testing: requires that projects within the Adjacent Parcels undergo a Screening-Level Wind Analysis, and if required, a Project-Level Wind Test and Design Modifications.

Measure M-BI-1a, Pre-Construction Special-Status Bird Surveys: requires that conditions of approval for building permits issued for construction on the Adjacent Parcels include a requirement for pre-construction special-status bird surveys when trees would be removed or buildings demolished as part

of an individual project. Preconstruction special-status bird surveys shall be conducted by a qualified biologist between February 1 and August 15 if tree removal or building demolition is scheduled to take place during that period. Special-status birds that establish nests during the construction period are considered habituated to such activity and no buffer shall be required, except as needed to avoid direct destruction of the nest, which would still be prohibited.

Measure M-BI-1b, Pre-Construction Special-Status Bat Surveys: requires that conditions of approval for building permits issued for construction on the Adjacent Parcels include a requirement for pre-construction special-status bat surveys by a qualified bat biologist when large trees (those with trunks over 12 inches in diameter) are to be removed, or vacant buildings or buildings used seasonally or not occupied, especially in the upper stories, are to be demolished. If active day or night roosts are found, the bat biologist shall take actions to make such roosts unsuitable habitat prior to tree removal or building demolition. A no-disturbance buffer shall be created around active bat roosts being used for maternity or hibernation purposes at a distance to be determined in consultation with the California Department of Fish and Wildlife

Measure M-HZ-2, Hazardous Building Materials Abatement: requires that the subsequent project sponsors ensure that any equipment containing polychlorinated biphenyls (PCBs) or mercury, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, state, and local laws prior to the start of renovation, and that any fluorescent light tube fixtures, which could contain mercury, are similarly removed intact and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, state, and local laws.

Measure M-HZ-3, Site Assessment and Corrective Action: requires that the subsequent project sponsor shall ensure that a site-specific Phase I environmental site assessment is prepared prior to development. Where the Phase I site assessment indicates evidence of site contamination, additional data shall be gathered during a Phase II investigation. If the level(s) of chemical(s) would create an unacceptable risk to human health or the environment, appropriate cleanup levels for each chemical, based on current and planned land use, shall be determined in accordance with accepted procedures. If agreed-upon cleanup levels were exceeded, a remedial action plan or similar plan for remediation shall be prepared and submitted review and approval by the appropriate regulatory agency. Upon determination that a site remediation has been successfully completed, the regulatory agency shall issue a closure letter to the responsible party. For sites that are cleaned to levels that do not allow unrestricted land use, or where containment measures were used to prevent exposure to hazardous materials, there may be a limitation on the future use of the property. The types of land use restriction include deed notice, deed restriction, or a land use restriction that binds current and future owners. A risk management plan, health and safety plan, and possibly a cap maintenance plan could be required. The requirements of these plans and the land use restriction shall transfer to the new property owners in the event that the property is sold.

CONCLUSION

Based on the foregoing, the Department concludes that the analyses conducted and the conclusions reached in the FEIR certified on December 2012 remain valid, and that no supplemental environmental review is required for the proposed project modifications. Implementation of the proposed ordinance would not cause new significant impacts not identified in the FEIR, or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances

surrounding the original project that would cause significant environmental impacts to which the modified project would contribute considerably, and no new information has been put forward which shows that the modified project would cause significant environmental impacts. Therefore, no supplemental environmental review is required beyond this addendum.

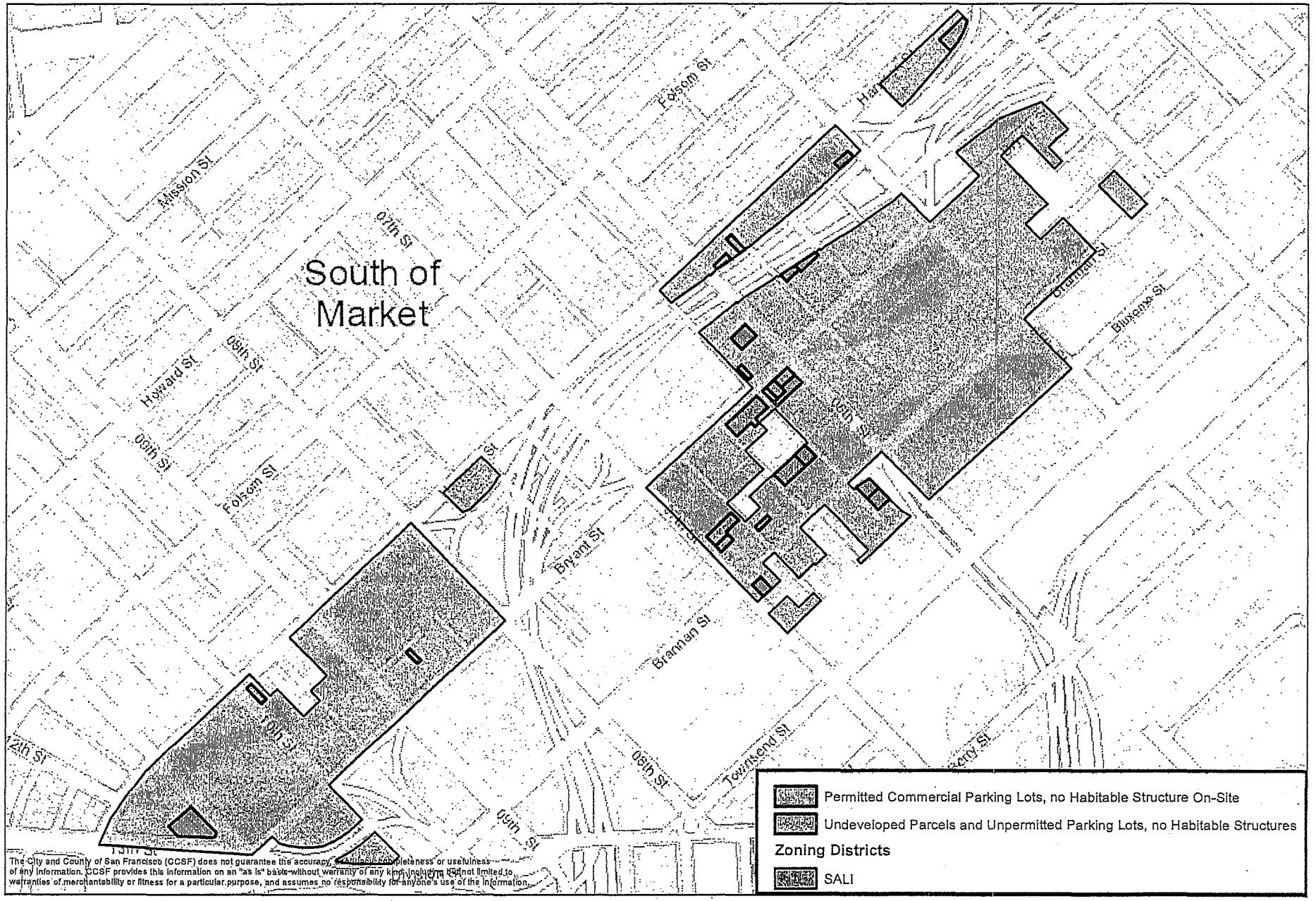
I do hereby certify that the above determination has been made pursuant to State and Local requirements.

DATE July 5, 2018

for Lisa Gibson, Environmental Review Officer

Potential Eligible Parcels under SALI Legislation (Appendix)

SAN FRANCISCO
PLANNING DEPARTMENT



Printed: 28 June, 2018

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

April 18, 2018

File No. 180364

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On April 10, 2018, Supervisor Kim introduced the following proposed legislation:

File No. 180364

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination, under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section, 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

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

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment. Individual projects would require environmental review.

Joy Navarrete

Digitally signed by Joy Navarrete
DN: cn=Joy Navarrete, o=Planning, ou=Environmental Planning, email=joy.navarrete@sfgov.org, c=US
Date: 2018.04.30 16:10:07 -07'00'

Attachment

c: Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

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

April 18, 2018

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

Dear Commissioners:

On April 10, 2018, Supervisor Kim introduced the following legislation:

File No. 180364

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination, under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section, 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

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

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

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

April 18, 2018

File No. 180364

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On April 10, 2018, Supervisor Kim introduced the following proposed legislation:

File No. 180364

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination, under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section, 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

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

Attachment

c: Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2018 APR 10 PM 4:14
BY AK
Time stamp or meeting date

I hereby submit the following item for introduction (select only one):

☑ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).

☐ 2. Request for next printed agenda Without Reference to Committee.

☐ 3. Request for hearing on a subject matter at Committee.

☐ 4. Request for letter beginning :"Supervisor [ ] inquiries"

☐ 5. City Attorney Request.

☐ 6. Call File No. [ ] from Committee.

☐ 7. Budget Analyst request (attached written motion).

☐ 8. Substitute Legislation File No. [ ]

☐ 9. Reactivate File No. [ ]

☐ 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☒ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Kim

Subject:

Ordinance amending the Planning Code to permit Affordable Housing on undeveloped lots in Service/Arts/Light Industrial (SALI) Zoning Districts; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code Section, 101.1 and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

The text is listed:

see attached

Signature of Sponsoring Supervisor:

For Clerk's Use Only