File No. 180612 Committee Item No. 15 Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee **Date** October 29, 2018

Board of Supervisors Meeting Date 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 FYI 061118 HPC Letter 081418 Completed by:Erica MajorDateOctober 25, 2018Completed by:Erica MajorDate FILE NO. 180612

ORDINANCE O.

[Administrative Code - San Francisco Special Tax Financing Law - Central SoMa]

Ordinance amending the Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize special tax financing of certain facilities and services related to the Central SoMa Plan Area and to make other necessary amendments.

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

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

Section 1. FINDINGS.

The Board of Supervisors of the City and County of San Francisco hereby finds, determines and declares:

A. The Central SoMa planning area (the "Central SoMa Plan Area") runs from 2nd Street to 6th Street, Market Street to Townsend Street, exclusive of those areas that are part of the Downtown Plan or in the C-3 zoning districts.

B. In 2008, the City adopted the Eastern Neighborhoods Plan, including new land use controls and proposed community improvements for the eastern part of the South of Market neighborhood ("SoMa"), as well as the Central Waterfront, Mission, and Showplace Square/Potrero Hill neighborhoods. At that time, the City determined that the development potential of the industrially-zoned part of East SoMa, coupled with the improved transit to be provided by the Central Subway, necessitated a subsequent, focused planning process that

Mayor Breed BOARD OF SUPERVISORS took into account the city's growth needs and City and regional environmental goals. The Central SoMa Plan is the result of that subsequent process.

C. Since that time, the Planning Department released a draft Plan and commenced environmental review as required by the California Environmental Quality Act ("CEQA") in April 2013, released an Initial Study in February of 2014, released a revised Draft Plan and Implementation Strategy in August 2016, released the Draft Environmental Impact Report in December 2016, and released Responses to Comments on the Draft Environmental Impact Impact Report in March 2018.

D. The vision of the Central SoMa Plan is to create a sustainable neighborhood by 2040, where the needs of the present are met without compromising the ability of future generations to meet their own needs, and the Central SoMa Plan seeks to achieve sustainability in each of its aspects – social, economic, and environmental – which will require implementing the following three strategies: 1) Accommodate growth, 2) Provide public benefits; and 3) Respect and enhance neighborhood character.

E. The Central SoMa Plan will accommodate development capacity for up to 33,000 jobs and 8,300 housing units by removing much of the Plan Area's industrially protective zoning and increasing height limits on many of the Plan Area's parcels.

F. The Planning Commission conducted a duly noticed public hearing on May 10, 2018 in accordance with Planning Code Section 340(c), to consider the General Plan Amendment, Planning Code and Administrative Code Amendment, Zoning Map Amendment, and Implementation Program related to the Central SoMa Plan Area. At the hearing, the Commission voted to recommend approval with modifications to the various ordinances, in Planning Commission Resolutions No. 20183, 20184, 20185, 20186, and 20187.

G. The Planning Commission conducted a duly noticed public hearing on May 10, 2018 to review and consider the Final Environmental Impact Report for the Central SoMa

Mayor Breed BOARD OF SUPERVISORS

Plan ("Final EIR") and found the Final EIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Planning Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and by Motion No. 20182 certified the Final EIR for the Central SoMa Plan as accurate, complete, and in compliance with CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. By Resolution No. 20183, the Planning Commission approved CEQA Findings, including a statement of overriding considerations, and adoption of a Mitigation Monitoring and Reporting Program ("MMRP"), under Case No. 2011. 1356E, for approval of the Central SoMa Plan.

H. The Central SoMa Plan and accompanying Public Benefits Program describe special tax financing for certain facilities and services.

I. In order to establish the legal authority for special tax financing of the facilities and services described in the Central SoMa Plan, the Board of Supervisors must make certain amendments to Article X of Chapter 43 of the Administrative Code.

J. The Board of Supervisors wishes to further amend Article X of Chapter 43 of the Administrative Code as it determines to be in the public interest.

Section 2. Article X of Chapter 43 of the San Francisco Administrative Code is hereby amended as follows:

A. Section 43.10.15 is hereby amended as follows:

SEC. 43.10.15. AUTHORIZED FACILITIES.

In addition to the facilities that may be financed under the Act, special taxes may be levied and bonds may be issued to finance or refinance the *following on any land in San Francisco:*

(a) The acquisition, installation and improvement of energy efficiency, water conservation, water pollution control, and renewable equipment with an estimated useful life

Mayor Breed BOARD OF SUPERVISORS of five years or longer and/or energy efficiency, water conservation, water pollution control, and renewable energy improvements that are attached to or on real property and in buildings, whether such real property or buildings are privately or publicly owned. Energy efficiency, water conservation, water pollution control and renewable energy improvements may only be installed on a privately owned building and on privately owned real property with the prior written consent of the owner or owners of the building or real property.

In addition to the Facilities that may be financed under the Act, special taxes may be levied and bonds may be issued to finance (b) The work deemed necessary to bring buildings or real property, including privately owned buildings or real property, into compliance with seismic safety standards or regulations. Only work certified as necessary to comply with seismic safety standards or regulations by local building officials may be financed. No project involving the dismantling of an existing building and its replacement by a new building, nor the construction of a new or substantially new buildings or structures shall be done in accordance with the State Historical Building Code (Part 2.7 (commencing with Section 18950) of Division 13 of the Health and Safety Code). Work on privately owned property may only be financed with the prior written consent of the owner or owners of the privately owned property.

(c) Sustainability studies and guideline documents related to development in the planning area governed by the Central SoMa Plan & Implementation Strategy.

(d) The purchase, construction, expansion, improvement, or rehabilitation of real or other tangible property with an estimated useful life of three years or longer, whether such property is privately or publicly owned, if the Board of Supervisors has provided for the financing of such property in the resolution of formation for the special tax district and the ordinance levying the special taxes in the special tax district.

Β.

Section 43.10.16 is hereby amended as follows:

Mayor Breed BOARD OF SUPERVISORS

SEC. 43.10.16. AUTHORIZED SERVICES.

(a) In addition to the services that may be financed under the Act, special taxes may be levied to finance the following within San Francisco:

(i) Recreation program services, library services, maintenance services for elementary and secondary schoolsites and structures, and the operation and maintenance of museums and cultural facilities if they have been approved by the qualified electors, regardless of whether the qualified electors are landowners or registered voters.

(ii) Any other services that the Board of Supervisors has authorized in the resolution of formation for the special tax district and the ordinance levying the special taxes in the special tax district.

(b) It is hereby specifically provided that in proceedings under this Article to finance Services, the limitations set forth in the penultimate paragraph of Section 53313 shall not apply.

APPROVED AS TO FORM: DENNIS J. HERRER City Attor Βv K DVBLAKI Deputy City Attorney n:\legana\as2018\1800673\01280044.docx

LEGISLATIVE DIGEST

[Administrative Code - San Francisco Special Tax Financing Law - Central SoMa]

Ordinance amending the Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize special tax financing of certain facilities and services related to the Central SoMa Plan Area and to make other necessary amendments.

Existing Law

The Board of Supervisors has previously established various community facilities districts in the City under the Mello-Roos Act, and under the City's Special Tax Financing Law, constituting Article 43.10 of the Administrative Code ("Code"). Community facilities districts or special tax districts are formed for the purpose of financing and refinancing the acquisition, installation and improvement of certain capital improvements or to real property and in buildings, whether such real property or buildings are privately or publicly owned.

This Board of Supervisors is currently considering the establishment of City and County of San Francisco Special Tax District No. 2018-1 (Central SoMa) ("Special Tax District") pursuant to Chapter 43, Article X of the San Francisco Administrative Code (the "Code"), which Code incorporates the Mello-Roos Community Facilities Act of 1982, as amended ("Act"). The Special Tax District is being formed for the purpose of financing costs of public infrastructure and other authorized facilities and services necessary or incident to development of the Central SoMa Plan Area.

The Special Tax District will be located in the Central SoMA planning area. The Central SoMa Plan is to create a sustainable neighborhood by 2040. The Central SoMa Plan will accommodate development capacity for up to 33,000 jobs and 8,300 housing units by removing much of the Plan Area's industrially protective zoning and increasing height limits on many of the Plan Area's parcels.

The Central SoMa Plan and accompanying Public Benefits Program describe special tax financing for certain facilities and services. In order to establish the legal authority for special tax financing of the facilities and services described in the Central SoMa Plan, the Board of Supervisors must make certain amendments to the Code.

Background Information

The proposed Ordinance would amend Article 43.10 of the Administrative Code to allow financing by the Central SoMA Special Tax District of facilities and services supporting the Public Benefits Program.

As well, the amendments to the Code would permit the Board of Supervisors to approve other facilities and services identified in formation proceedings of other special tax districts to be established and located in the City from time to time.

Page 1

To: Subject: Mchugh, Eileen (BOS) RE: Old Mint Central SoMa Letter

From: Son, Chanbory (CPC) Sent: Tuesday, August 14, 2018 11:26 AM To: Lau, Jon (ECN) <jon.lau@sfgov.org>; Rahaim, John (CPC) <john.rahaim@sfgov.org>; Frye, Tim (CPC) <tim.frye@sfgov.org>; Switzky, Joshua (CPC) <joshua.switzky@sfgov.org>; Chen, Lisa (CPC) <lisa.chen@sfgov.org>; Ionin, Jonas (CPC) <jonas.ionin@sfgov.org>; Calvillo, Angela (BOS) <angela.calvillo@sfgov.org>; Andrew Wolfram <andrew@tefarch.com>: Aaron Jon Hyland - HPC <aaron.hyland.hpc@gmail.com>: Black. Kate (CPC) <kate.black@sfgov.org>; Ellen Johnck <Ellen@EllenJohnckConsulting.com>; Richard S. E. Johns <RSEJohns@yahoo.com>; Dianematsuda@hotmail.com; Jonathan Pearlman <jonathan.pearlman.hpc@gmail.com>; Rich Hillis (richhillissf@gmail.com) <richhillissf@gmail.com>; Melgar, Myrna (CPC) <myrna.melgar@sfgov.org>; 'Rodney Fong' <planning@rodneyfong.com</pre>; Johnson, Milicent (CPC) <milicent.johnson@sfgov.org</pre>; Koppel, Joel (CPC) <joel.koppel@sfgov.org>; Moore, Kathrin (CPC) <kathrin.moore@sfgov.org>; Richards, Dennis (CPC) <dennis.richards@sfgov.org>; Brown, Vallie (BOS) <vallie.brown@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; MandelmanStaff, [BOS] <mandelmanstaff@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org> Cc: Feliciano, Josephine (CPC) <josephine.feliciano@sfgov.org>; Chen, Lisa (CPC) lisa.chen@sfgov.org> Subject: Old Mint Central SoMa Letter

180457

Everyone,

Please accept this letter on behalf of the Historic Preservation Commission regarding the Central SoMa Public Benefits Package and the Old U.S. Mint.

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Sincerely,

Chanbory Son, Executive Secretary Commission Affairs

San Francisco Planning Department 1650 Mission Street, Suite 400 San Francisco, CA 94103 Direct: 415.575.6926 | <u>www.sfplanning.org</u> San Francisco Property Information Map



SAN FRANCISCO PLANNING DEPARTMENT

August 14, 2018

Land Use and Transportation Committee of the Board of Supervisors City Hall, Legislative Chamber, Room 250 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Re: Central SoMa Public Benefits Package and the Old U.S. Mint

Chair Katy Tang and Members of the Land Use and Transportation Committee,

At its August 1, 2018 hearing the Historic Preservation Commission (HPC) discussed the proposal to reduce the amount of potential funding from the Central SoMa Public Benefits Program towards the rehabilitation of the Old U.S. Mint (Old Mint), City Landmark No. 236. While a much greater investment is needed to realize the full potential of the Old Mint, the HPC strongly encourages the Land Use Committee to recommend retention of the 1% allocation (potentially \$20,000,000) considering its potential as a facility that supports the community and the City's history.

Built in 1874, The Old Mint is not only a locally-designated Landmark; it is listed as a National Historic Landmark, the highest recognition bestowed upon only the most significant places in America. In 1997, the federal government sold the Old Mint to the City of County of San Francisco for one dollar on the condition that it would be rehabilitated for public use. In 2015 the Old Mint was listed by the National Trust for Historic Preservation on its America's eleven most endangered places due to lack of investment. Despite stops and starts to revive the Old Mint, the City Family has made significant progress over the last three years by actively working with community partners to reposition the structure as one that represents the activity, safety, and stability of the surrounding neighborhood.

The HPC supports the many goals of the Public Benefits Package and agrees that the Central SoMa Plan should not shoulder the entire cost of rehabilitating the structure. The 1% allocation is a fraction of the total resources required to bring the Old Mint to current safety standards but remains a critical contribution to realizing its potential. As one of the most significant public buildings in the West, our community partners, along with the City family, are committed to sharing the financial responsibilities to reimagine the Old Mint as an anchor of safety, utility, and in service to the many communities that make up Central SoMa. The HPC strongly urges the Land Use Committee and the Board of Supervisors to retain the opportunity for the Old Mint to potentially capture \$20,000,000 from the Public Benefits Package commitment.

Sincerely,

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Andrew Wolfram President Historic Preservation Commission

www.sfplanning.org

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

Reception: 415.558.6378

Fax: 415.558.6409

Planning Information: 415.558.6377 Board of Supervisors
Angela Calvillo, Clerk of the Board of Supervisors
Historic Preservation Commission
Planning Commission
Jonas Ionin, Office of Commission Affairs
Jon Lau, Mayor's Office of Employment and Workforce Development
John Rahaim, Planning Department
Timothy Frye, Planning Department
Josh Switzky, Planning Department
Lisa Chen, Planning Department

cc:

http://centralsoma.sfplanning.org





CENTRAL SOMA

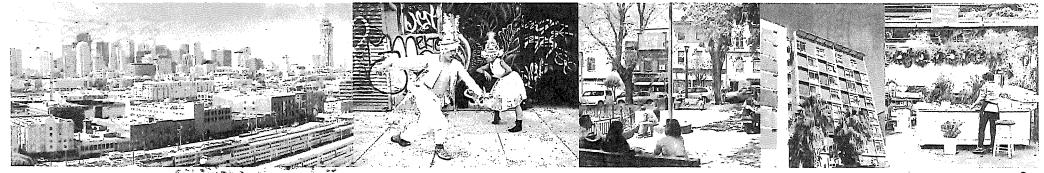
PLAN & IMPLEMENTATION STRATEGY

Land Use & Transportation Committee October 1, 2018

SOBMITTED + PROEMED

TODAY'S ACTIONS

- 1. Amendments to the General Plan (180490)
- 2. Amendments to the Planning & Administrative Code (180184)
- 3. Amendments to the Zoning Map (180185)
- 4. Approval of the Housing Sustainability District (180453)
- 5. Amendments to the Special Tax Financing Law (180612)



PLANNING COMMISSION RECOMMENDATIONS

- Hotels on proposed MUR sites: allow projects that submitted a development application or environmental application before 1/1/18 to proceed, subject to Conditional Use Authorization
- PDR design standards
 - **Transparency:** Require 30% transparency for facades >50' in length; no transparency required for shorter facades
 - Floor-to-floor height: Require 17' height for PDR uses, regardless of location in building

- Key Site Exceptions: exceptions crafted to each site
- **Special Height Exception for 1 Vassar:** condition the extra height at the residential project on additional public benefits (ex: on-site BMR units or higher affordability)
- Bulk requirements on Stillman Street: lessen the bulk reduction requirements to reflect the alley's adjacency to the freeway

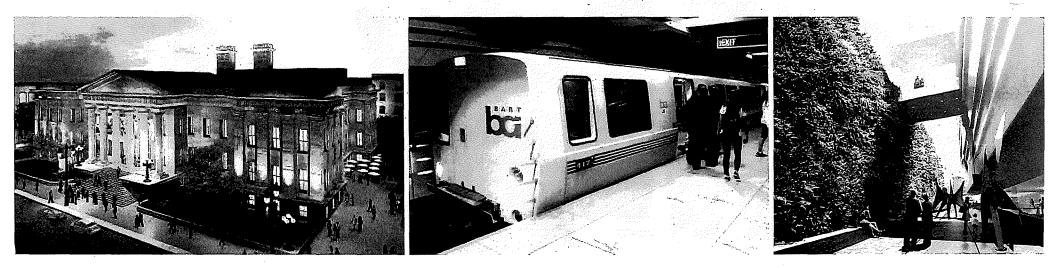


- POPOS Design & Approval Process: Establish that the Commission shall consider the open space of diverse inhabitants of the Plan area, including but not limited to: youth, families, seniors, workers, and residents
- **Green/living walls:** Require new developments to provide green or living walls, subject to further exploration on feasibility



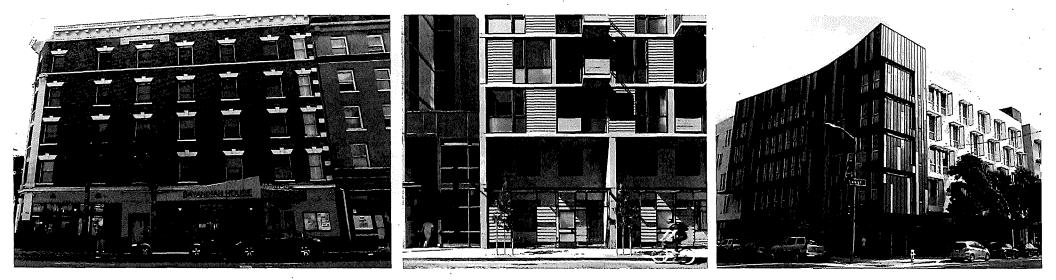
PUBLIC BENEFITS PROGRAM

- Old Mint: Restore funding to \$20 million (from \$15 million)
- Regional Transit Capacity Enhancement & Expansion: reduce funding by \$5 million, to \$155 million
- Maintain other categories as amended: PDR Relocation Assistance Fund (\$10 million) and Environmental Sustainability & Resilience (\$65 million)



OTHER RECOMMENDATIONS (may require trailing legislation)

- Live/Work Lofts: Explore legalization as a source of revenues to fund community stabilization and affordable housing acquisition and rehabilitation
- Privately-Owned Public Open Spaces (POPOS): Explore the development of design guidelines

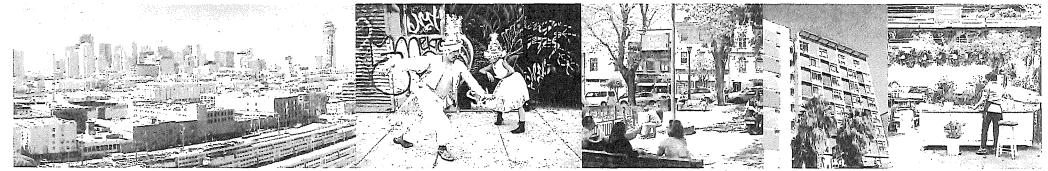


ITEMS ADOPTED BY COMMISSION ON 5/10/18

- **TDM Grandfathering:** Require projects that submitted applications before September 4, 2016 to meet 75% of the TDM requirements
- 505 Brannan Street: Add the project as a Key Site
- 598 Brannan Street (Park Block): Allow Commission to grant a waiver that allows land dedication of space for construction of a public park to count against various fees, including the TSF and Central SoMa Fee

TODAY'S ACTIONS

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- 4. Approval of the Housing Sustainability District (180453)
- 5. Amendments to the Special Tax Financing Law (180612)



THANK YOU

LISA CHEN 415.575.9124 LISA.CHEN@SFGOV.ORG

http://centralsoma.sfplanning.org

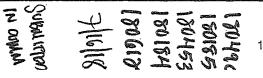




CENTRAL SOMA

PLAN & IMPLEMENTATION STRATEGY

Board of Supervisors - Land Use & Transportation Committee Hearing July 9, 2018



TODAY'S PRESENTATION

1 Overview of the Central SoMa Plan

- » Plan vision & goals
- » Public Benefits package

2 Plan Evolution

 » Changes from 2016 Draft Plan through May 10th Planning Commission Adoption

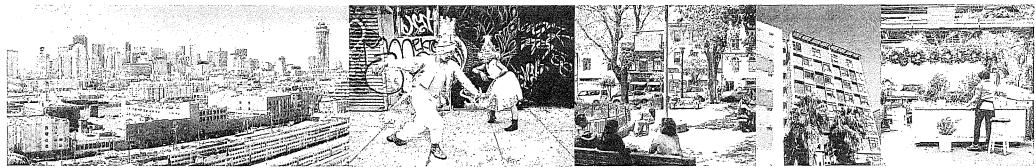
Planning Commission Recommendations

Conclusion

TODAY'S ACTIONS

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- 1. Amendments to the General Plan (180490)
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CENTRAL SOMA PLAN - CONTENTS

General Plan

Planning Code & Administrative Code

Zoning Map

Implementation Program

(adopted by reference)

- Creation of the Central SoMa Plan
- Amendments to East SoMa & Western SoMa Plans
- Planning Code: creation of the Central SoMa Special Use District (SUD)
- Admin Code: PDR protection
- Amendments to Height and Bulk District Maps
- Amendments to Zoning Use District Maps
- Implementation Matrix
- Public Benefits Program
- Guide to Urban Design
- Key Development Sites Guidelines
- Key Streets Guidelines

CENTRAL SOMA PLAN - CONTENTS

Special Tax District

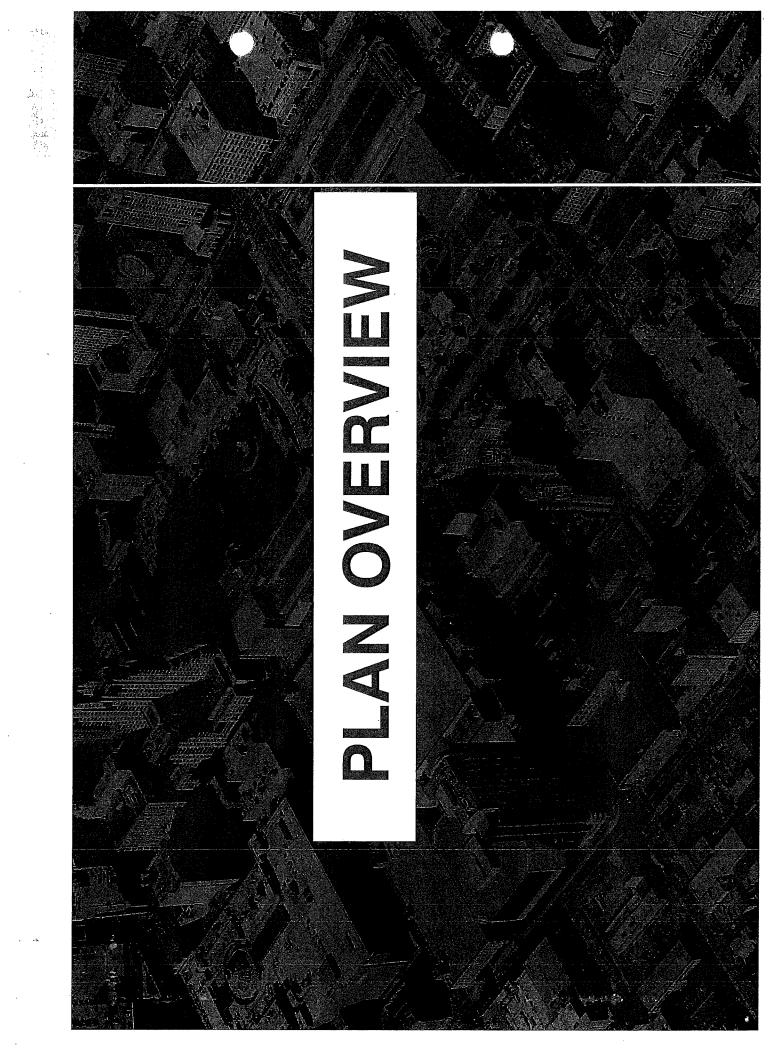
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Housing Sustainability District Amendments to Administrative Code Special Tax Financing Law

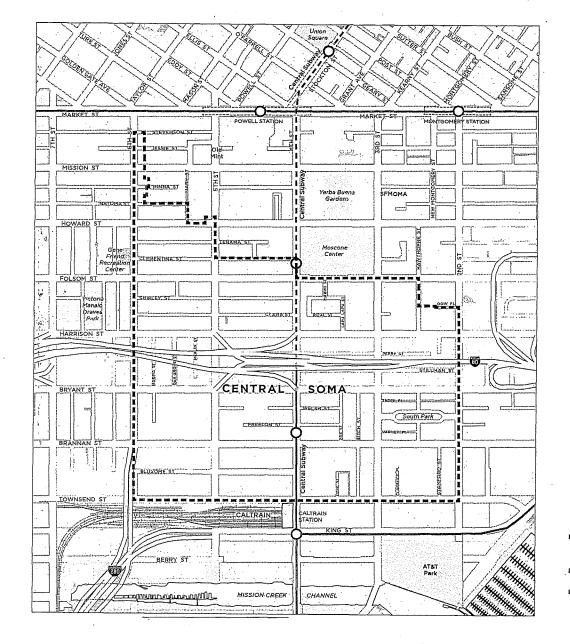
 Resolutions of Intention (ROIs) and Ordinances to establish the Central SoMa Special Tax District*

 Amendments to Business & Tax Regulations and Planning Codes to create a Central SoMa Housing Sustainability District (HSD), pursuant to California AB73

* Trailing legislation







PLAN VISION A sustainable neighborhood: socially, economically, environmentally

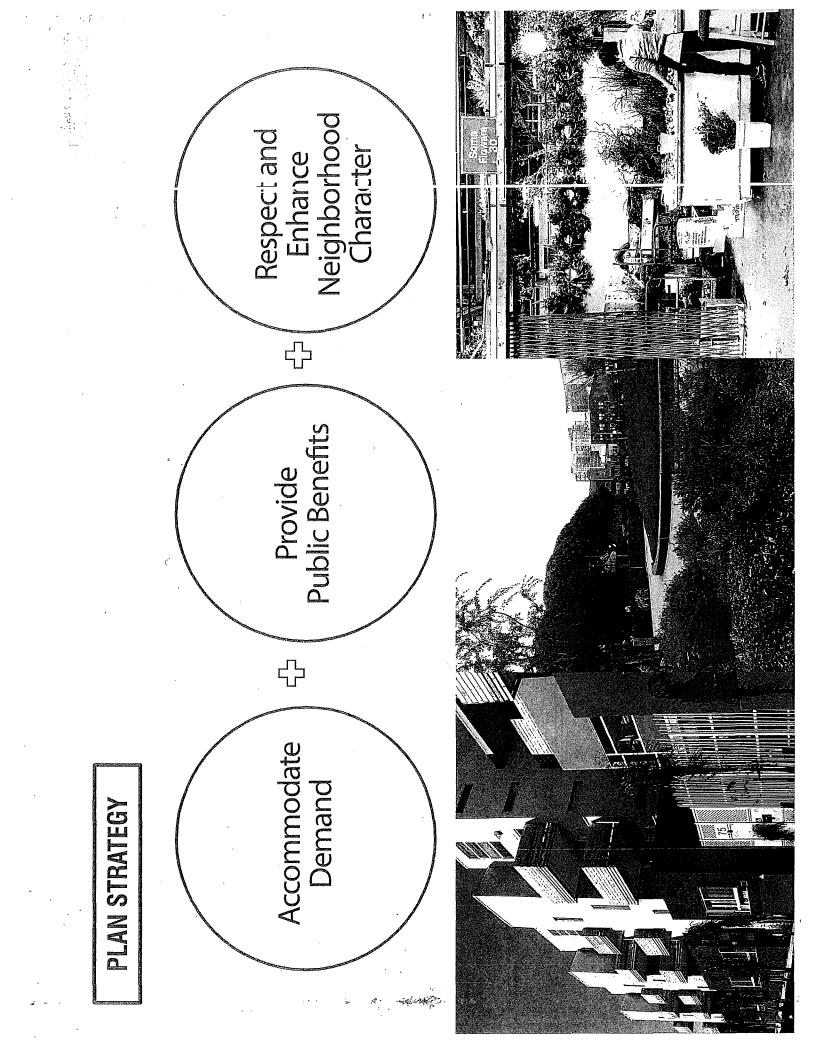
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微<u>另</u>注 2 点。

 Central Subway under construction, expected to open in 2019

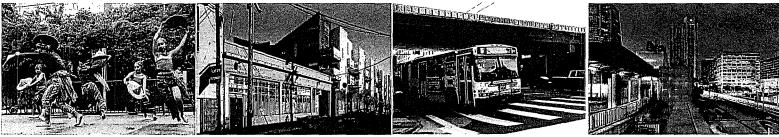
BART/Muni Metro Subway

Muni Metro (Surface)



PLAN PHILOSOPHY

keep what's great



Diversity of Residents and Jobs Diversity of Buildings and Architecture

Abundant Local and Regional Transit Renowned Culture and Nightlife

address what's not

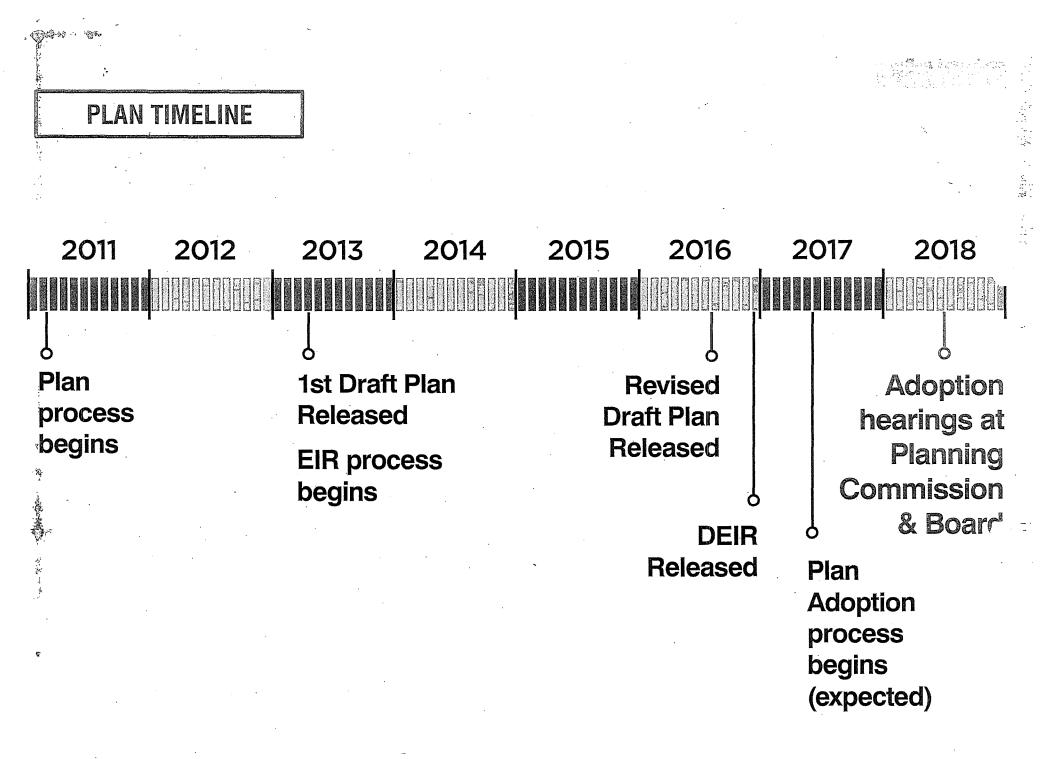


Unaffordable Rents Unsafe and Unpleasant Streets Lack of Public Parks and Greenery Inefficient Zoning and Insufficient Funding

PLAN GOALS

- 1. Accommodate a Substantial Amount of Jobs and Housing
- 2. Maintain the Diversity of Residents
- 3. Facilitate an Economically Diversified and Lively Jobs Center
- 4. Provide Safe and Convenient Transportation that Prioritizes Walking, Bicycling, and Transit
- 5. Offer an Abundance of Parks and Recreational Opportunities
- 6. Create an Environmentally Sustainable and Resilient Neighborhood
- 7. Preserve and Celebrate the Neighborhood's Cultural Heritage
- 8. Ensure that New Buildings Enhance the Character of the Neighborhood and the City

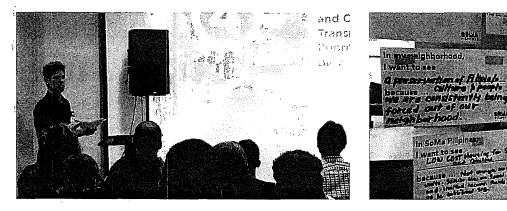




OUTREACH PROCESS: 2011 - 2018



- 15 public workshops, office hours, charrettes, walking tours
- Public surveys
- 17 hearings at Planning Commission & Historic Preservation Commission
- 2 informational hearings at Board of Supervisors (Land Use Committee)





OUTREACH: ADVOCACY GROUPS (PARTIAL LIST)

77 Dow Place HOA

Alliance for Better District 6

Arden HOA

Asian Neighborhood Design

California Culture and Music Association

Central City SRO Collaborative

Central Subway Outreach Committee

Clementina Cares

Eastern Neighborhoods Citizens Advisory Committee Filipino-American Development Foundation

Good Jobs for All

Housing Action Coalition (HAC)

One Bluxome HOA

Rincon Hill /South Beach/Mission Bay Neighborhood Association

San Francisco Bicycle Coalition

San Francisco Planning and Urban Research (SPUR)

San Francisco Senior and Disability Action

San Francisco Youth Commission

SF BLU HOA

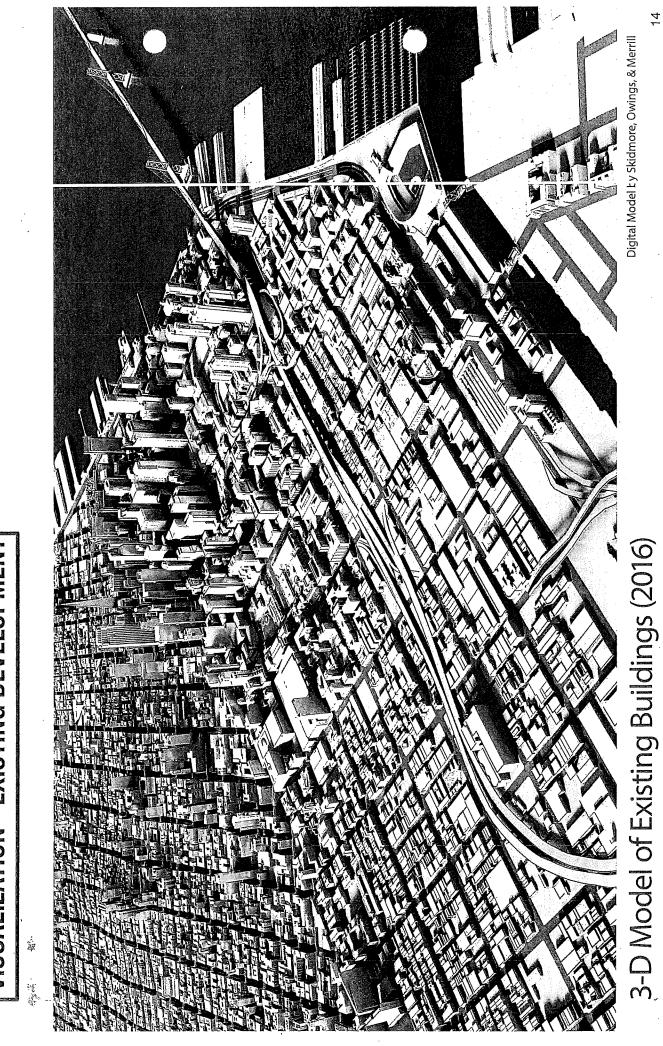
SoMa Community Coalition

SoMa Community Collaborative

SoMa Community Stabilization Fund Citizens Advisory Committee

SoMa Pilipinas

South Beach/Mission Bay Merchants Association South of Market Action Network (SOMCAN) South of Market Business Association (SOMBA) South of Market Leadership Council South of Market Project Area Committee (SOMPAC) TODCO Walk SF We Are SoMa Western Soma Taskforce Yerba Buena Alliance Yerba Buena Community Benefit District YIMBY Action



VISUALIZATION - EXISTING DEVELOPMENT

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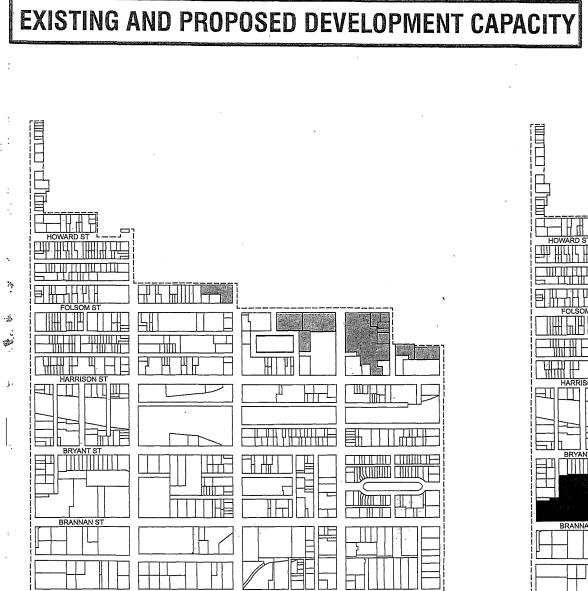
VISUALIZATION - POTENTIAL DEVELOPMENT

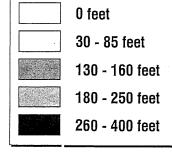
Central SoMa Development Potential Anticipated Projects Outside of Central SoMa

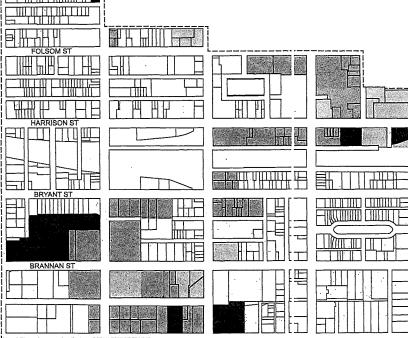
- 33,000 jobs - 8,300 housing units

3-D Model of Potential Development

Digital Model by Skidmore, Owings, & Merrill





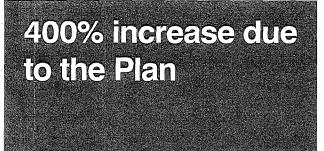


Proposed Development Capacity

Existing Development Capacity

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No Plan = \$500 million in Public Benefits Central SoMa Plan = \$2.2 Billion in Public Benefits



Plus ~\$1 billion in increased General Fund tax revenues

NOTE: Public benefits package represents funds raised over the life of the plan (estimated as 25 years) in 2017 dollars.

PUBLIC BENEFITS PACKAGE

	Affordable Housing 33 percent of total units	\$940 million
	Transit investment in both local and regional service	\$500 million
	Parks and Recreation transformative improvements such as parks, plazas, and recreation centers	\$185 million
PTI	Production, Distribution, & Repair (including Arts) no net loss of PDR space due to the Plan	\$180 million
	Complete Streets safe and comfortable streets for people walking and biking	\$110 million

(continued on next page)

NOTE: Public benefits package represents funds raised over the life of the plan (estimated as 25 years) in 2017 dollars.

PUBLIC BENEFITS PACKAGE (CONTINUED)

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	Community Services & Cultural Preservation funding towards community facilities and programs (e.g. health clinics, job training) and preservation of the Old Mint and other historic buildings	\$110 million
	Environmental Sustainability a healthy, resilient, green, and resource-efficient neighborhood	\$70 million
6	Schools and Childcare funding to support growing population	\$65 million
	TOTAL	\$2.16 billion

NOTE: Public benefits package represents funds raised over the life of the plan (estimated as 25 years) in 2017 dollars.

PUBLIC BENEFITS: FUNDING SOURCES

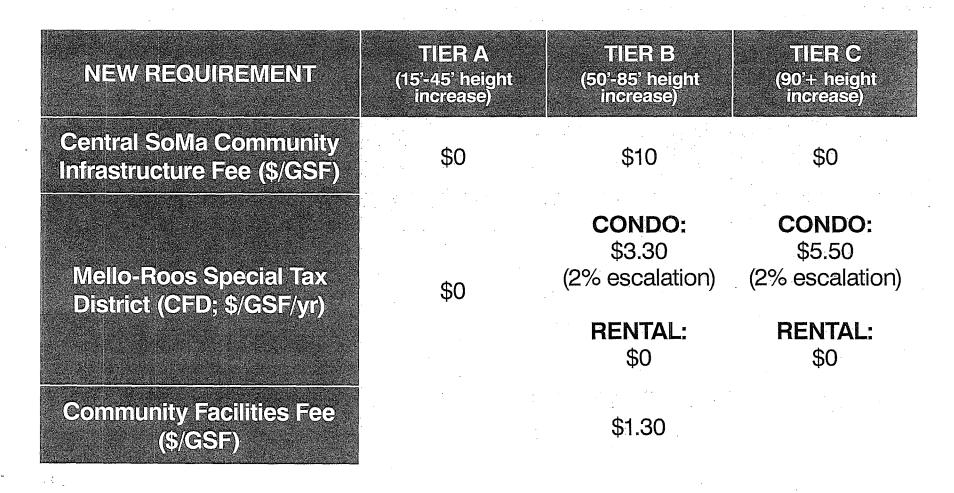
FUNDING SOURCE

AMOUNT

Direct provision of benefits (e.g. on-site BMR units)	\$836 million
Central SoMa Special Tax District (NEW)	\$354 million
Eastern Neighborhoods Infrastructure Fee	\$240 million
Transportation Sustainability Fee	\$220 million
Jobs-Housing Linkage Fee	\$210 million
Affordable Housing Fee	\$180 million
Central SoMa Infrastructure Fee (NEW)	\$40 million
School Impact Fee	\$26 million
Child Care Fee	\$32 million
Central SoMa Community Facilities Fee (NEW)	\$20 million
TOTAL	\$2.16 billion

NOTE: Public benefits package represents funds raised over the life of the plan (estimated as 25 years) in 2017 dollars.

NEW FUNDING SOURCES: RESIDENTIAL (2018 RATES)



NOTE: Projects must meet all existing requirements (e.g. affordable housing, Eastern Nbhds Fee, etc.)

NEW FUNDING SOURCES: NON-RESIDENTIAL (2018 RATES)

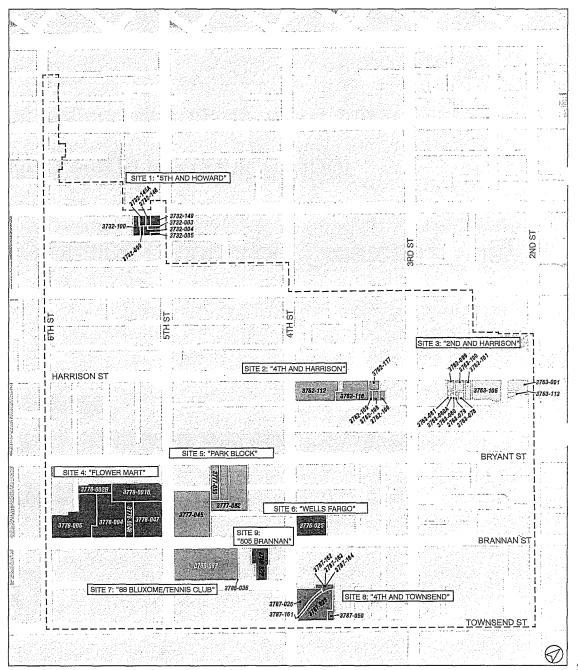
• NEW REQUIREMENT	TIER A & B (15'-85' height increase)	TIER C (90'+ height increase)
Central SoMa Community Infrastructure Fee (\$/GSF)	Office >50k sq ft: \$21.50 All other projects: \$41.50	Office >50k sq ft: \$0 All other projects: \$20
Mello-Roos Special Tax District (CFD; \$/GSF/yr)	\$0	\$2.75 (4% escalation annually for 25 years, 2% thereafter)
Transferable Development Rights (Floor Area Ratios)	0	1.25 FAR
Community Facilities Fee (\$/GSF)	\$1.7	5
POPOS	1 sq ft for every 50 G	SF of development
Production, Distribution, and Repair (PDR)	Office >50k: greater of 0.4 F	AR or Sec. 202.8 (Prop X)

NOTE: Projects must meet all existing requirements (e.g. affordable housing, Eastern Nohds Fee, etc.)

KEY DEVELOPMENT SITES

PURPOSE

- Larger sites where we have crafted more flexible / sitespecific zoning in exchange for a greater amount of public benefits, including:
- affordable housing
- parks & recreational facilities
- community facilities
- low-rent / extra PDR
- bike & ped improvements



CENTRAL SOMA HSD OVERVIEW

 Enacts California AB73 (Chiu) to create the first Housing Sustainability District in the state

BENEFITS

- Incentivizes & streamlines housing production: Creates 1/20-day ministerial process
- Incentivizes use of prevailing wage and union labor
- Qualifies SF for 'zoning incentive payments' from State (TBD)

CENTRAL SOMA HSD MEETS AB73 REQUIREMENTS

- District must provide 20% BMR units (Central SoMa provides 33%)
- District must have an approved EIR to address environmental impacts
- Projects must provide 10% on-site BMR units
- Projects must meet wage and labor standards
 - » Pay prevailing wages (projects <75 units)
 - » Use skilled and trained workforce (projects 75+ units)

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CENTRAL SOMA LOCAL PROGRAM (Sec. 343)

- Projects that are NOT eligible:
 - » Projects over 160 ft (unless 100% affordable)
 - » Article 10 or 11 historic properties
 - » Properties containing existing units
 - » Projects with >25,000 GSF of office space

CENTRAL SOMA LOCAL PROGRAM (Sec. 343)

- 120-Day Review Process:
 - » Before applying: demonstrate compliance with EIR Mitigation Measures
 - » Design review
 - » Informational hearing
 - » Progress requirement: once approved, must seek a site/ building permit within 36 months of approval, or seek an extension

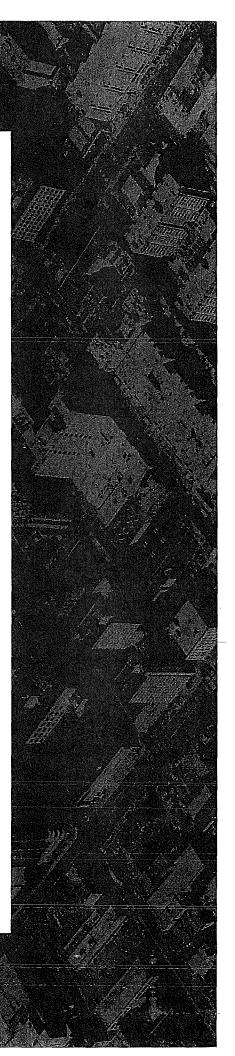
SPECIAL TAX DISTRICT - LEGISLATIVE ACTION

Administrative Code Chapter 43, Section 10: Special Tax Financing Law

- Proposed amendments would enable the City to spend Central SoMa Special Tax revenues on eligible Facilities and Services*, which may include, but are not limited to:
 - Grants to nonprofit/public social service organizations
 - Environmental sustainability, including air quality mitigation and technical studies/guidelines
 - Park programming and activation



PLAN EVOLUTION: 2016 PLAN EVOLUTION: 2016



PLAN EVOLUTION DURING ADOPTION PROCESS

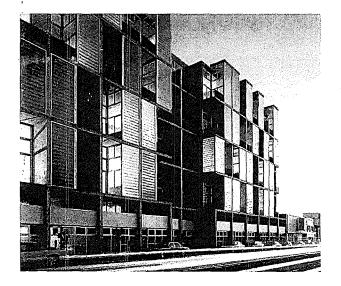
KEY AREAS

- Jobs-Housing Balance
- Public Benefits Package
- Development Requirements

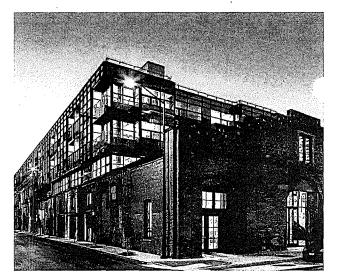
JOBS - HOUSING BALANCE

WHAT WE HEARD

- Maximize housing production, especially affordable units
- Streamline the production process
- Produce / protect affordable housing units upfront through aggressive site acquisition







JOBS - HOUSING BALANCE

HOW THE PLAN EVOLVED

- Housing production is now maxed out at the EIR cap (+17%, from 7100 to 8300 units)
- Central SoMa will be the state's 1st Housing Sustainability District (HSD) under AB73
- Some Key Sites are pursuing land dedication for affordable housing
- Continuing to work with MOHCD to leverage City programs:
 - » Acquisition / rehabilitation to stabilize existing units
 - » Securing additional housing locations in the broader SOMA neighborhood

PUBLIC BENEFITS

WHAT WE HEARD

- Maximize affordable housing (also see previous section)
- Provide funding for social/cultural programming (not just facilities)
- Plan for future capital needs at Yerba Buena Gardens
- Fund neighborhood cleaning & maintenance
- Work with SFUSD to support existing schools and plan for future growth
- Support development of Good Jobs (e.g. living wage and/or unionized) for low-income households
- Keep the Prop X Conditional Use for PDR replacement

PUBLIC BENEFITS

HOW THE PLAN EVOLVED

- Increased housing = +230 more affordable units (2900 total)
- Additional \$70 million for public benefits from CFD (see below)
- A Good Jobs goal was added to General Plan amendments

ADDITIONAL FUNDING CATEGORIES	\$/YR	\$/25 YRS
Social & cultural programming (continue SoMa Stabilization Fund)	\$1,000,000	\$25 million
Park and greenery maintenance and activation	\$600,000	\$15 million
Capital for cultural amenities (e.g. Yerba Buena Gardens)	N/A	\$15 million
Neighborhood cleaning	\$350,000	\$8.75 million
Bessie Carmichael School supplemental services	\$250,000	\$6.25 million
TOTAL		\$70 million

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PUBLIC BENEFITS

OTHER TOPICS REQUIRING DISCUSSION

- Eastern Neighborhoods Community Advisory Committee (CAC) & SoMa Stabilization CAC
 - » Because adjusting the CAC will require significant consideration of responsibilities and allocation of funding from projects, this will return to the Planning Commission and the Board as trailing legislation.
- Staff are working with SFUSD to assess future school capacity needs and how growth here and Citywide may be accommodated
- The Good Jobs goal may need to be fleshed out through trailing legislation

PUBLIC BENEFITS

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OTHER TOPICS REQUIRING DISCUSSION (CONT.)

- NOTE: There is no need for a Conditional Use requirement for PDR replacement under Prop X, since PDR replacement is explicitly required.
 - » In addition, any CU requirement applied to housing would make them ineligible for the Housing Sustainability District, affecting ~75% of units impacted (up to 1/2 of total units)

DEVELOPMENT REQUIREMENTS

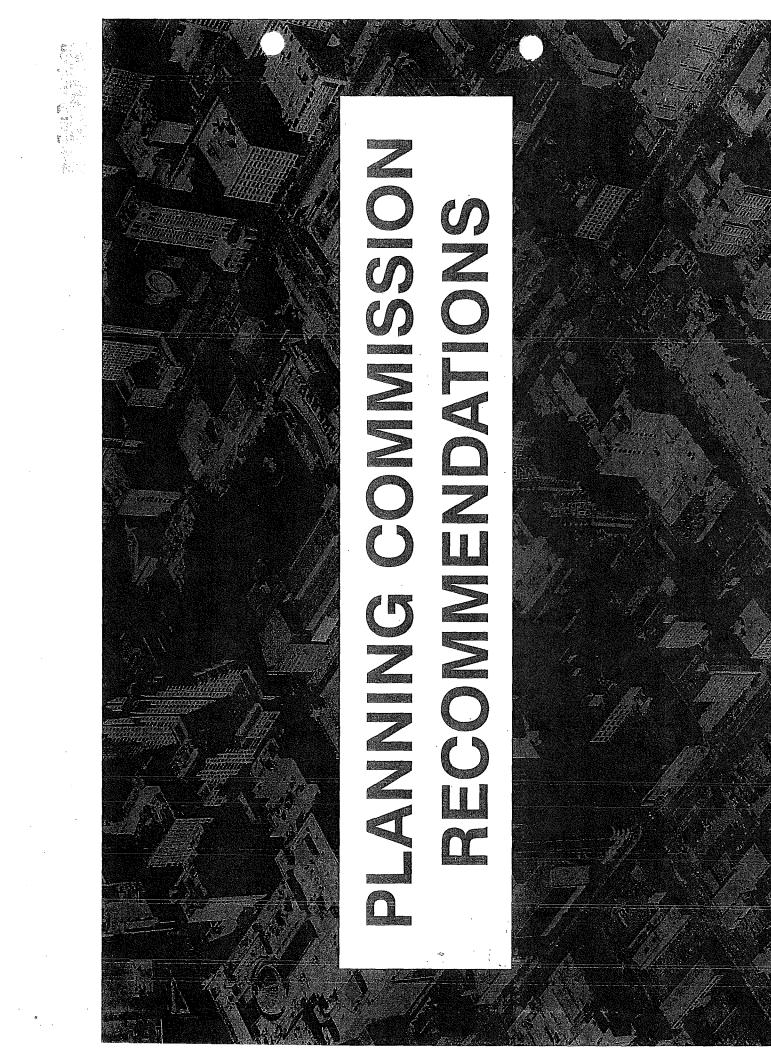
WHAT WE HAVE HEARD

- Changing financial market has made some projects less feasible, particularly rental housing
- Want greater flexibility / exceptions (e.g. similar to a Planned Unit Development)

DEVELOPMENT REQUIREMENTS

HOW THE PLAN EVOLVED

- Dropped the Mello-Roos Special Tax on rental housing to improve financial feasibility (\$1.75/sq ft)
- NOTE: Kept current zoning structure (no PUD-type exceptions possible)
 - » However, site-specific exceptions were crafted for individual Key Sites in Section 329(e).



PLANNING COMMISSION RECOMMENDATIONS - 5/10/18 ADOPTION HEARING

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Change	Rationale
POPOS Design Exceptions	To allow greater flexibility and diversity of POPOS design.
Passenger & Freight Loading	To streamline and improve processes for reviewing passenger and freight loading.
Transportation Demand Management	To allow some relief for projects that have been designed assuming the same level of grandfathering as the citywide TDM ordinance.
Active Uses on Ground Floors	To allow some flexibility for micro-retail and hotel uses.
Alternate Uses in PDR Replacement Space	To support other desirable uses that cannot pay high rents.

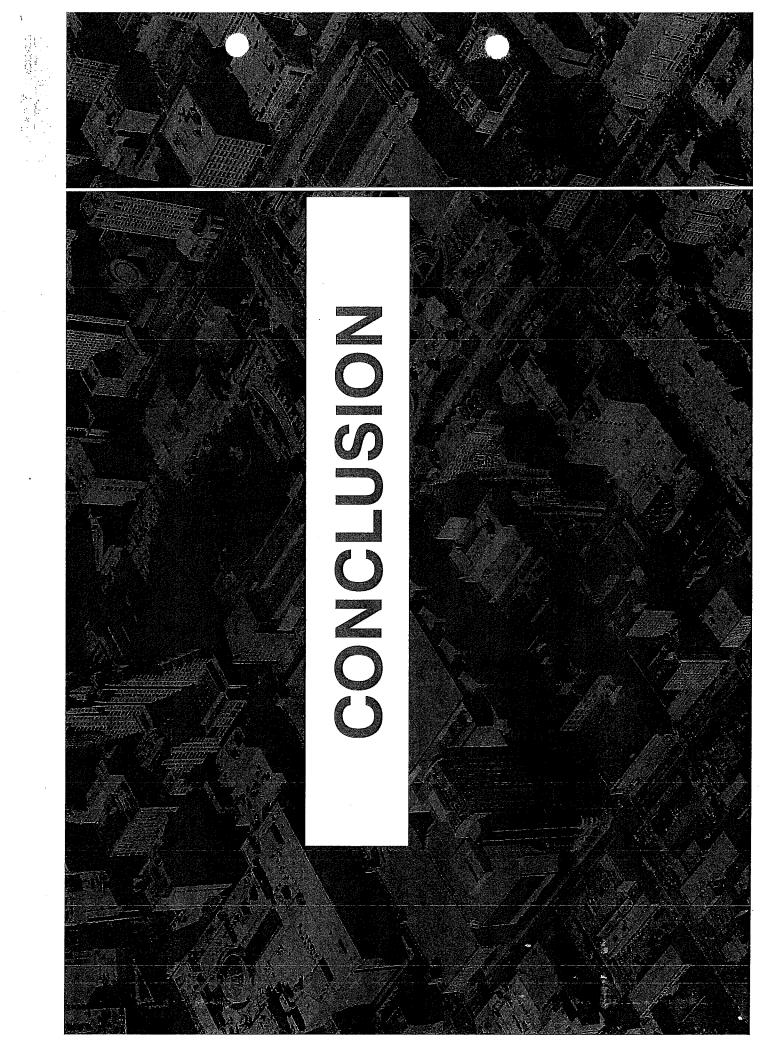
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PLANNING COMMISSION RECOMMENDATIONS - 5/10/18 ADOPTION HEARING

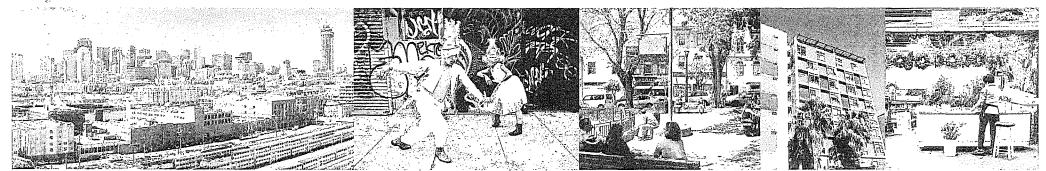
Change	Rationale
Key Development Sites	To craft exceptions to specific key sites, and to add an additional key site (505 Brannan Street)
Park Fee Waiver at 598 Brannan Street	To enable construction of a park on land currently owned by SFPUC.
Central SoMa Mello- Roos Special Tax District	To establish the purpose and application of the proposed Mello- Roos Special Tax District in Central SoMa.
SoMa Stabilization Fund	To allow Mello-Roos tax revenues to accrue to the fund.
Community Advisory Committee (CACs)	To split the existing Eastern Neighborhoods CAC into two more manageable geographies.
Other Clarifying Amendments	To correct and clarify the code amendments.

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TODAY'S ACTIONS

- 1. Amendments to the General Plan (180490)
- 2. Amendments to the Planning Code and Administrative Code (180184)
- 3. Amendments to the Zoning Map (180185)
- 4. Approval of the Housing Sustainability District (180453)
- 5. Amendments to the Special Tax Financing Law (180612)





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Clerk of the Board of Supervisors Environmental Review Officer #1 Dr. Carlton B. Goodlett Place Room #244 San Francisco, CA 94102

June 11, 2018

Via Hand Delivery

RE: Central SoMa Plan – Appeal of the 5/10/18 Planning Commission Decisions

Dear Clerk of the Board and the Members of the Board of Supervisors:

The South of Market Community Action Network (SOMCAN) appeals the following decisions concerning the Central SoMa Plan ("the Plan"). The Plan Area is bounded by Second Street on the east, Sixth Street on the west, Townsend Street on the south, and an irregular border that goes along Folsom, Howard, and Stevenson Streets to the north.

 Certification of the Environmental Impact Report (EIR) and Adoption of Findings and Evaluation of Mitigation Measures and Alternatives and a Statement of Overriding Considerations

The final resolutions for the relevant appeals are attached as **Exhibit A**. Evidence in support of the appeals is attached as **Exhibits A-D**.

I. Citizens appeal the decisions made by the Planning Commission to certify the Environmental Impact Report (EIR) and adopt Findings and Evaluation of Mitigation Measures and Alternatives and a Statement of Overriding Considerations, State Clearinghouse No. 2013042070 (Exhibit A, Resolutions)

The appeals related to CEQA are filed on the following bases.

- The EIR is inadequate, incomplete, and deficient
- Inadequate and incomplete analysis of and failure to disclose the severity of the level of impact for the following environmental impacts:
 - Creation of a Second Financial District
 - Existing Youth and Family Special Use District
 - Transportation and Ride Hailing Companies
 - State Density Bonus Laws
 - Economic Impacts from Displacement and Increase in Vehicle Miles Travelled

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- Residential Units Not Being Used as Traditional Housing
- The 5M Project
- o New Office Space and Lack of Local Hiring Requirements
- Consideration of Continued PDR Uses
- Lack of Affordability of Housing Incentivized by the Plan and Socioeconomic Makeup of New Residents
- o Open Space
- o Stabilization of Non-Profit Organizations
- Health Impacts
- Density of Workers Based on Square Footage of Office Space and Auxiliary Jobs is Under Calculated
- Failure to adopt all feasible mitigations and alternatives
- Strong disagreement with Responses to Comments on the Draft Environmental Impact Report
- Inadequate and incomplete Findings, Evaluation of Mitigation Measures and Alternatives, and Statement of Overriding Considerations

II. Exhibits (Attached)

Exhibit A: Resolutions

20182 EIR Certification

20183 CEQA Findings

Exhibit B: Letters (including comments submitted on the Plan EIR during the EIR comment period)

Exhibit C: Links to videos of hearings in which testimony was given on the Central SoMa Plan **Exhibit D:** Transcript Planning Commission Hearing, May 10, 2018 on the Central SoMa Plan

Thank you,

Angelica Cabande

Organizational Director, South of Market Community Action Network

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South of Market Community Action Network 1110 Howard Street | SF, CA 94103 | phone (415) 255-7693 | <u>www.somcan.org</u>

February 13, 2017

Lisa M. Gibson Acting Environmental Review Officer 1650 Mission Street Suite 400 San Francisco, CA 94103 and via e-mail Lisa.Gibson@sfgov.org

Re: Planning Department Case 2011.1356E State Clearinghouse No. 2013042070

Dear Ms. Gibson:

The South of Market Community Action Network ("SOMCAN") is a multi-racial, community organization that educates, organizes, and mobilizes immigrant and low-income South of Market ("SoMa") residents to fight for improvements to their quality of life by engaging in the decision making processes that affect their neighborhood and greater San Francisco. Our mission is to build and support a strong, organized community that takes collective action to achieve equity, and social and economic justice. SOMCAN works to address gentrification and displacement issues in SoMa and San Francisco.

We respectfully submit this comment letter on the Central SoMa Plan Draft Environmental Impact Report (the "DEIR"), which encompasses the area of South of Market bounded by 2nd Street (east); 6th Street (west); Townsend Street (south); and an irregular border jogging between Folsom, Howard and Stevenson Streets (north).

Comment Period Extension Period Should Have Been Granted

Firstly, we object again on the grounds that there has been insufficient time for the public to review this nearly 700 page long technical document. We, along with other community members, submitted a letter dated February 3, 2017 requesting for an extension of the comment period, which Planning denied.

Since 2000, SOMCAN has worked to educate and organize the community particularly around land use issues. With only 60 days from the release of the DEIR to the closing of the comment period, and the fact that the DEIR was released on December 14, 2016 just prior to the holidays, there has not been enough time for our organization to complete a thorough review, technical and otherwise, of the DEIR, as well as present the contents to community members, and compile their feedback. This a fatal flaw and fundamental deficiency of this DEIR that it has not sufficiently been available to the public for review and comment.

A More Extensive and Thorough Public Review Needed of DEIR Given Relaxing of Project Level Reviews

This is not a project level EIR. This is a Plan Area EIR that comes to us in the new era of "byright" development encouraged at the State level (there is once again legislation pending at the State level to allow development "by-right" without any project level environmental review or public hearings) and at our local level, with this Central SoMa Plan proposing a radical relaxing of development controls.

In the past, Area Plans have been written with the presumption that more detailed environmental review will be done as projects are proposed by developers during the implementation of the Area Plans. This will almost certainly not be the case here, yet the public has not been allowed a reasonable time to review this DEIR and provide comment; and Planning has ignored the fact that the City is reducing the public's ability to comment on implementation of the Central SoMa Plan going forward.

The following are SOMCAN's comments to the DEIR as we have best been able to compile them given the insufficient time Planning has afforded our organization to engage residents of SoMa in a thorough review and understanding of the contents of this DEIR.

SOMCAN's areas of concern are:

- 1. The Central SoMa Plan Creates a Second Financial District at the Expense of Families, Youth and Seniors Living, Working and Going to School in SoMa.
- 2. The Central SoMa Plan Disregards the SoMa Youth and Family Special Use District
- 3. The Inadequate Transportation Infrastructure and Impact of Ride Hailing Companies Within and Adjacent to the Plan Area of the DEIR are Not Fully Considered
- 4. The Proposed Intensity of Development and Relaxing of Development Controls Have Not Been Evaluated With Respect to State Density Bonus Laws in the DEIR
- 5. The Economic Impacts From Displacement Were Not Analyzed in the DEIR
- 6. The DEIR Omits Analyses of the Current Trend of Residential Units Not Being Used as Traditional Housing
- 7. The 5M Project Must be Included in the DEIR Analysis
- 8. The Impacts of New Office Space and Lack of Local Hiring Requirements are Not Properly Presented or Studied in the DEIR

- 9. Consideration of Continued PDR Uses in Central SoMa is Inadequate
- 10. The DEIR Does Not Address the Lack of Affordability of Housing Incentivized By the Plan and the Socioeconomic Makeup of New Residents That Will Result
- 11. The Plan Continues to Provide an Inadequate Amount of Open Space in SoMa By Relying on POPOS
- 12. The Plan Does Not Address the Stabilization of SoMa based Non-Profit Organizations
- 13. The DEIR Does Not Adequately Study the Health Impacts from Increased Noise, Degraded Air Quality, Pedestrian Safety Hazards, and Increased Wind Speeds

EXPLANATION OF CONCERNS:

1. The Central SoMa Plan Creates a Second Financial District at the Expense of Families, Youth and Seniors Living, Working and Going to School in SoMa

The area defined as the Central SoMa Plan Area is a neighborhood. While we are not opposed to further growth, we are opposed to Planning's proposed transformation of this neighborhood into a new Financial District. The scale of development and the mix of commercial, office and high end luxury development described in the Plan are not conducive to a healthy neighborhood.

There are many established aspects to what constitutes a healthy neighborhood that the DEIR should be studied against. We demand that this DEIR be studied against the City's Healthy Development Measurement Tool (HDMT), which was developed by Planning in partnership with the Department of Public Health and community organizations during the Eastern Neighborhoods rezoning¹. Please refer to the Eastern Neighborhoods Community Health Impact Assessment (ENCHIA)².³

Youth, families and seniors in SoMa demand a family-friendly neighborhood, human scale, safety for pedestrians of all ages and abilities, with access to light and air, and neighborhood services close by. The Plan as proposed is completely out of character with the goal of sustaining Central SoMa as a neighborhood and a dynamic employment center co-existing in a mutually supportive way. Instead of building towards the long-established community and City goal of creating a family-friendly neighborhood in Central SoMa, the DEIR proposes a second Financial District, which will harm the health of existing and future populations.

2. The Central SoMa Plan Disregards the SoMa Youth and Family Special Use District

¹ http://www.who.int/hia/conference/poster_bhatia_2.pdf

² http://www.pewtrusts.org/en/multimedia/data-visualizations/2015/hia-map/state/california/easternneighborhoods-community

³ http://www.pewtrusts.org/~/media/assets/2007/09/hiareportenchia.pdf?la=en

The Central SoMa Plan incorporates areas that are covered under the SoMa Youth and Family Special Use District⁴ was adopted by the Board of Supervisors in January 2009. The SoMa Youth and Family Special Use District's purpose is to expand the stock of affordable housing, as well as protect and enhance the health and environment of youth and families in SoMa. The Central SoMa Plan does not adequately take into account the SoMa Youth and Family Special Use District and instead of strengthening its controls, the DEIR undermines its goals.

We demand that as part of the Central SoMa Plan, projects within the *SoMa Youth and Family Special Use District* are required to undergo review and approval by resident groups and community organizations before they are considered by the Planning Department. We are demanding that this community approval process function similarly to other Special Use Districts in the City such as the *Bernal Heights Special Use District.*⁵

Planning has abused the *SoMa Youth and Family Special Use District* since it was established during the Eastern Neighborhood rezoning. These abuses including the re-mapping of the *SoMa Youth and Family Special Use District* by the Hearst and Forest City's 5M development, which covers five city blocks near 5th and Mission Streets. The 5M project gained approval in December 2015 for a large office tower by re-mapping the boundaries of the *SoMa Youth and Family Special Use District* with justifications by the Planning Department that this Special Use District does not have strong controls. SOMCAN, along with several other community-based organizations, have been demanding strong controls since *before* 2009 for the *SoMa Youth and Family Special Use District* so we can protect youth, families and seniors in the neighborhood. Planning has ignored our calls to strengthen this *SoMa Youth and Family Special Use District* through the Central SoMa rezoning process. The Central SoMa Plan must be revised to address this deficiency.

The environmental impact of displacement is clear and further criticized in our point #5 below. As long as Planning continues to promote the displacement of youth, families and seniors from Central SoMa in favor of large scale office and luxury housing developments, there will be an increasing and compounding environmental impact which has not been studied or reported in the DEIR. We demand that Planning revises the Central SoMa Plan in partnership with the community to strengthen the controls of the *SoMa Youth and Family Special Use District* in order to stabilize and grow our economically and racially diverse community.

3. The Inadequate Transportation Infrastructure and Impact of Ride Hailing Companies Within and Adjacent to the Plan Area of the DEIR are Not Fully Considered

The transportation infrastructure within and adjacent to the plan area of the Central SoMa DEIR lags far behind the infrastructure needs of both past and current growth. This is true, even if you factor in the transportation improvements that are underway, such as the Central Subway.

⁴ http://sf-planning.org/sites/default/files/FileCenter/Documents/1479-SoMa_YFZ_SUD_Legislation.pdf ⁵ http://masonkirby.com/wpb/wp-content/uploads/2010/03/nwbhdrb_infopacket.pdf

The Central SoMa Plan is predicated on the construction of the Central Subway that connects Central SoMa with Chinatown. The Central Subway addresses a transit need that is long overdue as public transit for SoMa has been inadequate for decades. Because of years of lack of infrastructure improvements, the Central Subway is addressing a past need, not a present or future need. As State Senator Scott Wiener has said, "San Francisco's unfunded transportation needs are billions and billions of dollars" because "MTA has a long history of not moving quickly enough on important capital projects³⁶ Thus, even with the new Central Subway, the transportation infrastructure will continue to be inadequate.

There is also mention of the construction of the new Transbay Terminal just to the east of the Central SoMa Plan Area. However, Transbay Terminal won't be completed for some time, and it is unclear whether it will connect with CalTrain. Also, proximity to BART should not factor into the Central SoMa Plan because it runs down Market Street which is two to three long blocks north of the Central SoMa Plan Area. BART is not only far from the Plan Area, it has its own issues with capital obsolescence, and is hardly in condition to accommodate dramatic growth.

The DEIR is also negligent in assessing the new impacts of ride-hailing/ Transportation Network Company (TNC) services like Uber and Lyft. The references in the DEIR on pages IV.D-65 and IV.D-76 are completely inadequate. Their impact can in no way be equated with bicycles in terms of traffic or environmental impact. Their vehicles circle endlessly as they aim to be proximate to the next person who orders their services such as rides and food deliveries. As more office space and more residences are built in the Plan Area, the volume and impacts from these services will increase dramatically. The DEIR completely ignores this environmental impact.

The increase in ride-hailing/ TNC traffic not only increases "Vehicle Miles Traveled" (the new CEQA standard in assessing traffic impacts) it will also impact the "Level of Service" (the CEQA previous standard) at many intersections. It will also impact pedestrian safety in ways that have not been studied. All of these omissions-- inadequately evaluating the transportation infrastructure needs of the current and increased future population and the lack of proper analysis of ride-sharing traffic-- make the DEIR dangerously deficient.

4. The Proposed Intensity of Development and Relaxing of Development Controls Have Not Been Evaluated With Respect to State Density Bonus Laws in the DEIR

In 2016, the City passed the "Density Done Right" legislation allowing 100% affordable housing developments to apply for a significant increase in height and number of units without any rezoning. Also during 2016, legislation passed at the State level to enable developers throughout California to more easily take advantage of State Density Bonus incentives.

The DEIR references these laws on p. II-22 but only in reference to increased heights. It's unclear how the State Density Bonus will or will not be applied to heights and to unit counts for

SOMCAN Central SOMA DEIR Response Letter Page 5

⁶ http://www.sfexaminer.com/wiener-proposes-major-fundraising-legislation-for-transportation-agenciesstatewide/

market rate developments, especially in light of Planning's approval of the project at 333 12th Street, the first housing development in San Francisco to be approved with applying the State Density Bonus. The DEIR also references the Density Bonus for affordable housing projects on p. VI-2 but says that the increased number of units has not been considered for the DEIR. The DEIR is incomplete if it does not completely study the impacts of increased heights and increased number of units for both affordable and market rate housing.

The DEIR must also completely disclose to the public where developers are eligible to use either the State Density Bonus Program, or the San Francisco "Density Done Right" program. The DEIR must clearly indicate on maps where those sites are located, and must compare the new proposed zoning and its resulting intensity of use with the potential intensity of use if developers take either the State or Local density bonus. The DEIR must compare the relative impacts of these two scenarios on the environment. Without these analyses for each project within the plan area, as well as the overall impacts, the DEIR is inadequate.

5. The Economic Impacts From Displacement Were Not Analyzed in the DEIR

Regardless of the assertions in the DEIR, there are environmental impacts due to displacement of residents from their homes or small businesses in SoMa, especially when considering the huge increase in "Vehicle Miles Traveled" that will result with this proposed Central SoMa Plan.

There are several ways that the Central SoMa Plan encourages displacement in an area already suffering from increased no-fault evictions and skyrocketing rents. A UC Berkeley study in collaboration with UCLA shows that SoMa is undergoing "advanced gentrification."⁷ Gentrification happens when more affluent people replace less wealthy people. The DEIR encourages luxury, high end housing in SoMa, which in turn encourages the price of other housing to increase. Landlords of adjacent properties begin to charge more rent to cash in on the new populations in the nearby luxury condos or new high-end shops.

The DEIR upzones large swaths of Central SoMa. Upzoning of property increases the values of the underlying land, which leads to increased costs for residential and commercial tenancies and increased sale prices. Therefore existing residents or small businesses that are paying less than the new market rate will be forced out. Upzoning incentivizes tearing down existing housing and existing small businesses so that developers can maximize the new build-out potential of that property. Coupled with the relaxing of local controls and push to have less local approval hearings, there will be less incentive for developers to provide "right to return" or provide increased levels of affordability to existing residents or businesses that will be forced out when the buildings are torn down.

There are no new protections being implemented by the DEIR for existing tenants and community serving institutions and businesses. Other than the push to preserve certain historic areas and buildings, there are no new protections in place to prevent displacement that the City

⁷ http://www.urbandisplacement.org/map/sf

knows will occur due to the new development that will be incentivized by this Central SoMa Plan (as exhibited in Plan Bay Area "Communities of Concern"). As shown in a University of California Berkeley report on transit oriented development and gentrification⁸⁹, areas in the Bay Area that have convenient access to transit are areas most likely to suffer gentrification and displacement, including SoMa.¹⁰ The Central SoMa Plan talks about increasing land values as a primary reason for the underlying elements of the Central SoMa Plan, yet it does not adequately take into account the fact that increased land values cause speculation and displacement. The increased land values presented in the Central SoMa Plan's various "menu" options is a recipe for massive displacement of existing residents and small businesses.

Large-scale displacement creates a significant environmental impact when considering CEQA's "Vehicle Miles Travelled" standard. Working class and lower income households get displaced outside San Francisco and their commutes increase, increasing their "Vehicle Miles Travelled." When people who work in SoMa are displaced, they will often retain their employment in SoMa, therefore their "Vehicle Miles Travelled" will increase. Many existing residents in SoMa can not afford the luxury homes that are and will be built in SoMa and access to affordable housing is extremely limited, so if for any reason they need to move out, it's highly unlikely they will move be able to stay in the neighborhood.

Furthermore, much of the luxury housing that gets built doesn't provide housing even though it's approved by Planning to be residential housing units. When these units are used as "pied-a-terres" or "short term rentals" or "corporate rentals" or "student housing", they are not helping to alleviate any housing shortage, because although they are approved by Planning as residential use, they are not in fact used for residential purposes. Therefore people are being displaced and commuting farther for work, meanwhile the new housing units aren't necessarily supporting residents being able to live in homes close to their work.

Replacing low income residents with higher income residents replaces a population with lower car ownership with a population that has a higher rate of car ownership.^{11 12} More affluent people are also more likely to use ride-hailing/ TNC services than public transit. They have access to the smartphone-based apps and can pay more for a ride than public transit riders. This puts more single vehicles on the road that are idling and circling in their competition for fare-paying customers. There are also tech shuttles that service SoMa residents to take them to their offices on the Peninsula. The impacts of the increased "Vehicle Miles Travelled" caused by the new, more affluent populations which is encouraged in the DEIR is not considered in the document.

⁸ http://ucconnect.berkeley.edu/transit-oriented-development-and-commercial-gentrification-exploringlinkages

⁹ http://www.urbandisplacement.org/map/sf

¹⁰ http://communityinnovation.berkeley.edu/reports/Gentrification-Report.pdf

¹¹ http://socrates.berkeley.edu/~raphael/BerubeDeakenRaphael.pdf

¹² http://www.sciencedirect.com/science/article/pii/S0965856400000185

This means that gentrification has a "quadruple" environmental impact by lengthening the commute times of people working in SoMa from their new place of residence outside of San Francisco; replacing these people with a population more likely to own and use automobiles; increasing the number of people living in SoMa as a "bedroom" community for their commute on a shuttle to the Peninsula; and increasing use of ride-hailing/ TNC services whose vehicles constantly idle and circle in competition for rides. None of these impacts of gentrification on the environment have been studied, which a significant flaw in the DEIR.

6. The DEIR Omits Analyses of the Current Trend of Residential Units Not Being Used as Traditional Housing

Cities across the US and even Canada are learning that developers are not producing housing units to be used for housing people. Many cities are now fully realizing the negative impacts of the push to "build, build, build", an ideology fully embraced by this Central SoMa Plan. Footnoted here are examples of Vancouver¹³ and New York City¹⁴ that show that in world where real estate is solely developed as a commodity and home-sharing is corporatized, often new condos are not being occupied by local residents, or any people at all. Also footnoted is a map of vacant units in San Francisco indicating that many of our City's vacant units are in SoMa.¹⁵

We are not opposed to building new housing, but we feel that it is environmentally important to ask the question, who are we building new housing for? Without adequate controls and enforcement in place:

- SRO's in SoMa will not continue to be used as open and accessible affordable housing options;
- new condos will be affordable only as high end luxury housing or sitting vacant because they are owned by investors who have no intention of living in these units;
- new condos will be used as commercial "short term rentals" instead of as residential use;
- new condos will be used as "corporate rentals" instead of as residential use; and
- other buildings will be used as "student housing" instead of residential use.

The inadequacy of the DEIR is that it studies the impacts of residential development as though it will be used for residences. The environmental impacts of corporate rentals, short term rentals and other commercial uses are different from residential uses. Without sufficient controls and enforcement, there is no way to ensure that new housing that is incentivized to be built under this new land use Plan will be used as housing.

7. The 5M Project Must be Included in the DEIR Analysis

SOMCAN Central SOMA DEIR Response Letter Page 8

¹³ http://www.theglobeandmail.com/real-estate/vancouver/dark-windows-illuminate-problems-in-vancouvers-real-estate-market/article31822833/

¹⁴ https://www.nytimes.com/2015/02/08/nyregion/stream-of-foreign-wealth-flows-to-time-warner-condos.html

¹⁵ http://www.antievictionmappingproject.net/vacant.html

The DEIR has moved 5M from being "Plan-induced growth to cumulative growth" per footnote on p. IV-5. The problem is that 5M is the largest single development within the boundaries of the Central SoMa Plan Area. It created new rules for development (its own Special Use District) that were based on recommendations from a draft version of the Central SoMa Plan.

Furthermore, new development in the Central SoMa Plan Area is being proposed in this Plan at a scale that is conversely driven by the scale of development that Planning pushed to approve for 5M. With 5M being the largest single development in Central SoMa, they must be considered together in the Central SoMa Plan. They have linked, not dissociated as separate, cumulative impacts. 5M is not built and its construction timeline is not clear. 5M should be studied as a principal contributor to the environmental impacts of the Central SoMa Plan. The omission of any analyses of the impacts of the 5M project in the DEIR is a critical flaw of the DEIR.

8. The Impacts of New Office Space and Lack of Local Hiring Requirements are Not Properly Presented or Studied in the DEIR

The DEIR is inadequate on the grounds that it does not incorporate all the City's policies with respect to office space development controls. Page III-19 of the DEIR details the City's pipeline of office developments with respect to Planning Code Section 321, which caps large office construction at 950,000 square feet per year. The way that this section III.C.2 is presented is unclear since there is additional office space development that is not subject to this cap because the cap only applies to "large office." Furthermore, this section of the DEIR fails to incorporate the voter approved Proposition O passed in November of 2016, which significantly increased the large office cap to include an increased amount of office space at the Shipyard. The Plan is focused on constructing a massive amount of new office space and essentially makes SoMa a second Financial District (this is true for all the Project Alternatives as well). The DEIR's lack of clarity on how it will comply with Prop M requirements, especially in light of the passage of Proposition O, is a critical flaw.

Given the intensity of new high-end office space that is being proposed, the fact that "local hiring and training goals" are still in the section of the DEIR called "Areas of Controversy and Issues to be Resolved" (p. S-79) is not only offensive to the community, but is potentially very damaging environmentally. With this approach, Planning is saying that new jobs in SoMa will be for people who are not current residents which indicates an in-migration of new people. Planning is also saying that current residents of SoMa will have to move somewhere else to find work. What are the environmental impacts of all this forced migration? This is not analyzed in the DEIR. Also, as new, more affluent people move into SoMa displacing current residents who live and work in SoMa, how much farther will those displaced workers have to travel and what is the resulting environmental impact? Again this is not analyzed in the DEIR.

9. Consideration of Continued PDR Uses in Central SoMa is Inadequate

Page S-4 of the DEIR clearly indicates that Planning has not created an actual plan for Production, Distribution and Repair (PDR) uses in its vision for Central SoMa. This has historically been one of San Francisco's most important areas for PDR uses, which ensured a diversification of the economic base of the city and job opportunities for people with trade credentials, not just advanced university degrees.

The DEIR indicates that it is removing "protective zoning" for PDR, but there is no complete report of how much PDR has been lost since the implementation of the Eastern SoMa Plan, which was in part intended to protect against the loss of PDR. Creating "incentives to fund, build, and protect PDR uses" is problematic since features that appear to be incentives today will quickly not be incentives tomorrow depending on land use, financial, and capitalization macro conditions that are driving the development market at any particular time.

There are many innovative mixed-use building types, but the prospect of "require(ing) PDR space as part of large commercial developments" seems to be a limited application. It would be important to understand what precedent there is for such a mix of uses in new developments and how likely it would be to have PDR on the ground level of a large commercial tower. What kind of PDR would it be? Who would be employed?

For all PDR, we are concerned that there be increasing job opportunities for SoMa residents and diversification of San Francisco's economy. This will protect San Francisco against "boom and bust" cycles; it will ensure that there is less regional impact on the environment that comes when sectors of the economy are segregated geographically; and will therefore result in less "Vehicle Miles Traveled."

The Plan calls for adding technology jobs to SoMa, yet these jobs are largely inaccessible to existing community residents. SoMa needs a diversity of job types in the neighborhood that are not only accessible to community residents but provide a living wage that can support workers to stay in the neighborhood. This is highlighted especially in the types of jobs provided by production, distribution, and repair businesses that provide jobs for working class residents and are jobs that cannot afford to be lost. PDR businesses also provide essential support to other industries and sectors so should be proximate to those other functions for them to be viable and effective. More consideration of continued PDR use is required in the DEIR.

10. There is No Proof that the Plan will Accomplish its Goal of Alleviating Housing Prices or Maintaining a Diversity of Residents

The Plan states as one of its main goals accommodating housing demand and addressing such demand to alleviate housing prices. The Plan, however, does not provide any studies or figures that support the claim that new development will drive down housing costs. As a result, the goal of the Plan of maintaining the diversity of residents, here in terms of socioeconomic makeup, appears empty. The Plan would cause a greater increase in the number of people living and working in the area than would be seen without the Plan, as shown in the DEIR. As the DEIR states on page V-10, "what effect development under the Plan would have on housing

affordability is a matter of considerable controversy," and that "the influx of real estate investment and higher income, residents may increase gentrification of a neighborhood, with displacement of households being a negative outcome."

Further study must be done regarding what effects new housing development will have on housing prices if the Plan is serious about its commitment to maintaining a diversity of residents in the area. If new housing development under the Plan-- the majority of which is market-rate-- cannot be proven to bring down housing prices, the Plan will then only work to exacerbate the gentrification and displacement crisis in the area. Studies must be done to address these facts if the Plan is to move forward in meeting its core goals, especially as they relate to affordability and maintaining a diversity of residents.

11. The Plan Continues to Provide an Inadequate Amount of Open Space in SoMa By Relying on POPOS

The SoMa is the most open space deficient neighborhood in San Francisco¹⁶, along with the neighboring Tenderloin. Instead of providing sufficient, green and publicly accessible open space, Planning has been defaulting to providing new open space for SoMa through Privately Owned Public Open Spaces (POPOS)¹⁷. POPOS have a negative impact on the community for many reasons:

- These spaces aren't truly open to the public, activity is discouraged and hours are limited;
- POPOS are not protected by the Proposition K Shadow Ordinance because they are not open spaces owned by the City's Rec and Park Department;
- Because there's no Prop K protection, it's difficult to establish a standard of shadow protection for these open spaces because CEQA is not specific on this matter;
- These spaces do not represent the type of open space that is public and accessible for use by youth, families, and seniors (like a public park); and
- POPOS overly regulate the types of activities allowed and have restrictive hours that limit access;

SoMa has such a lack of places for public recreation and truly accessible open spaces that there must be a clear plan for creating new public open spaces that are owned and managed by Rec and Park.

12. The Plan Does Not Address the Stabilization of SoMa based Non-Profit Organizations

The Central SoMa Plan has no provision for stabilizing nonprofit organizations in the neighborhood. As studied by Supervisor Kim, MOHCD, and the Northern California Community

¹⁶ http://default.sfplanning.org/publications_reports/library_of_cartography/OpenSpaceMap.pdf

¹⁷ http://sf-planning.org/privately-owned-public-open-space-and-public-art-popos

Loan Fund, the escalation in property values, and the lack of commercial rent control has put nonprofit organizations at imminent risk of displacement.¹⁸¹⁹

By encouraging the construction of a second financial district, commercial rents will become increasingly more expensive placing nonprofit organizations even more at risk. Low income and immigrant communities in SoMa rely on many of these nonprofit organizations for basic services and to be able to survive in the community. Without these organizations, SoMa residents will be further at risk for displacement.

As noted elsewhere in this letter, displacement does result in environmental impacts. Therefore, the DEIR is deficient in that it does not recommend strategies for stabilizing nonprofit organizations in SoMa.

13. The DEIR Does Not Adequately Study the Health Impacts from Increased Noise, Degraded Air Quality, Pedestrian Safety Hazards, and Increased Wind Speeds

On page V-3, section V.B.6 "Wind" it says that "Subsequent future development anticipated under the Plan could alter wind in a manner that substantially affects public areas." Organizations that work with seniors and people with disabilities in SoMa are concerned that any increase in wind speeds caused by the heights and bulk of the proposed buildings in Central SoMa will cause a hardship and injury to seniors and people with disabilities at both public open spaces and in the public rights of way.

Noise in SoMa is already the worst in the City.²⁰ Any increase in noise levels from construction incentivized by the Central SoMa Plan (p. VI-44 says it would be "significant" and that Mitigation Measure M-NO-2a "would be insufficient to reduce the construction-related noise impacts to a less than significant level" on p VI-45). Noise levels especially from construction activity have not been studied in the DEIR. Also after construction, the degraded air quality from increased traffic, increased idling from vehicles stuck in traffic or increased ride-hailing vehicles, or from increased truck traffic will all have detrimental impacts.

We are also concerned about the vulnerability of seniors and people with disabilities while walking in the neighborhood to injury from vehicle collisions. Providing sidewalk extensions may help in some areas, but the extent of increase in automobile traffic is under-reported in the DEIR, and the potential incidents of pedestrian injuries from automobiles is also under-estimated. These environmental impacts are not sufficiently studied in the DEIR.

Conclusion: Preparation of the DEIR Did Not Sufficiently Allow for Public Input

SOMCAN Central SOMA DEIR Response Letter Page 12

¹⁸ https://www.ncclf.org/npdmitigation/

¹⁹ https://sfgov.legistar.com/View.ashx?M=F&ID=2730532&GUID=77CFF0CE-7AC6-4569-ACEE-D2568711018F

²⁰ http://default.sfplanning.org/publications_reports/library_of_cartography/Noise.pdf

The Central SoMa Plan DEIR is inadequate and should be revised with the additional suggested studies and recirculated to address the critical flaws we outlined above. Going forward, a version of the Central SoMa Plan that creates a family-friendly neighborhood would be SOMCAN's preferred alternative. We are recommending that Planning study a new alternative that supports growth of SoMa in a way that supports the needs of current and future youth, families and seniors. None of the alternatives currently outlined in the plan supports this vision or these needs, and instead will reshape SoMa to be San Francisco's second Financial District with little regard to the protection of the environment of existing residents, small businesses, non-profits and PDR spaces.

The preparation of this DEIR did not adequately allow for incorporation of community input. For example, the boundaries of the Central SoMa Plan changed significantly during 2016, and the public was not sufficiently noticed. Despite SOMCAN's history in engaging with a diverse and large constituency in SoMa, SOMCAN was not provided an opportunity to participate in TODCO's "community alternative", and therefore we can not endorse this alternative. While the Mid-Rise Alternative has intriguing elements, it does not come close to being a vision that we can embrace. The changes in boundaries, the brief public comment on the published DEIR all make it impossible for the SOMCAN, its members and the larger SoMa community to adequately assess the Plan or any of its proposed alternatives.

As a public disclosure document, the Central SoMa DEIR is wholly insufficient and a new alternative should be studied that fully supports families and seniors in SoMa, and the DEIR should be recirculated for public input and review.

Sincerely,

Angelica Cabande SOMCAN Organizational Director

Joseph Smooke SOMCAN Board Chair

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov

July 6, 2018

San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, CA 94102-4689

RE: Housing Sustainability District Ordinance

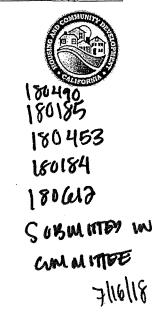
Dear Members of the Board of Supervisors:

Thank you for submitting the City and County of San Francisco's ("San Francisco") proposed ordinance establishing a housing sustainability district in central south of Market ("HSD-Central SOMA"). This letter serves as the preliminary determination by the Department of Housing and Community Development (HCD) required pursuant to Government Code (Gov. Code) section 66202.

HCD has preliminarily determined that the proposed HSD-Central SOMA ordinance addresses the requirements of housing sustainability districts, pursuant to Gov. Code, §§ 66200 through 66210. Please note that HCD's determination is only preliminary and may be subject to change for reasons including, but not limited to, the preparation of guidelines, new information in an adopted ordinance, certification of compliance, or other subsequent submittals (Gov. Code, § 66209). In addition, HCD has not conducted a full review of any design review standards for consistency with Gov. Code § 66207. Finally, please be aware that the Legislature has not appropriated funds for a zoning incentive payment and as a result, San Francisco is not entitled to a zoning incentive payment pursuant to Gov. Code, § 66202, subdivision (a)(2) or § 66204, subdivision (b) at this time.

Once the proposed HSD-Central SOMA ordinance takes effect, please submit an acknowledgement of such to HCD. Additionally, in the event the Legislature appropriates funds for zoning inventive payments, San Francisco should submit an application for a zoning incentive payment, including all of the information required by Gov. Code, §§ 66202, subdivisions (a) and (b), and 66204, subdivision (b).

HCD commends San Francisco for its leadership in advancing the state's housing goals, including with this implementation of AB 73 (Chiu) to streamline and incentivize housing production. Streamlining and production incentives such as housing sustainability districts are critical tools to increase housing supply and affordability, while conserving existing housing stock affordable to lower income households. HCD applauds San Francisco's long-standing commitment, innovation and success in promoting the development, conservation and preservation of affordable housing.



San Francisco Board of Supervisors Housing Sustainability District Ordinance Page 2

If HCD can provide any additional assistance, or if you or your staff have any questions, please contact Paul McDougall, Housing Policy Manager, at paul.mcdougail@hcd.ca.gov.

Sincerely,

n Alata

Zachary Olmstead Deputy Director

http://centralsoma.sfplanning.org

Planning



CENTRAL SOMA PLAN & IMPLEMENTATION STRATEGY

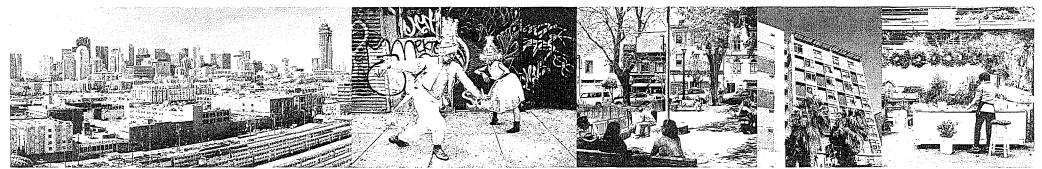
Board of Supervisors - Rules Committee Hearing July 9, 2018



TODAY'S ACTIONS

Hearing to consider:

- 1. Amendments to Administrative Code
 - Section 35: PDR and Residential / Hotel Compatibility
 - Chapter 43, Section 10: Special Tax Financing Law
- 2. Amendments to Planning Code
 - Note: this item is intended to be heard at Land Use & Transportation Committee

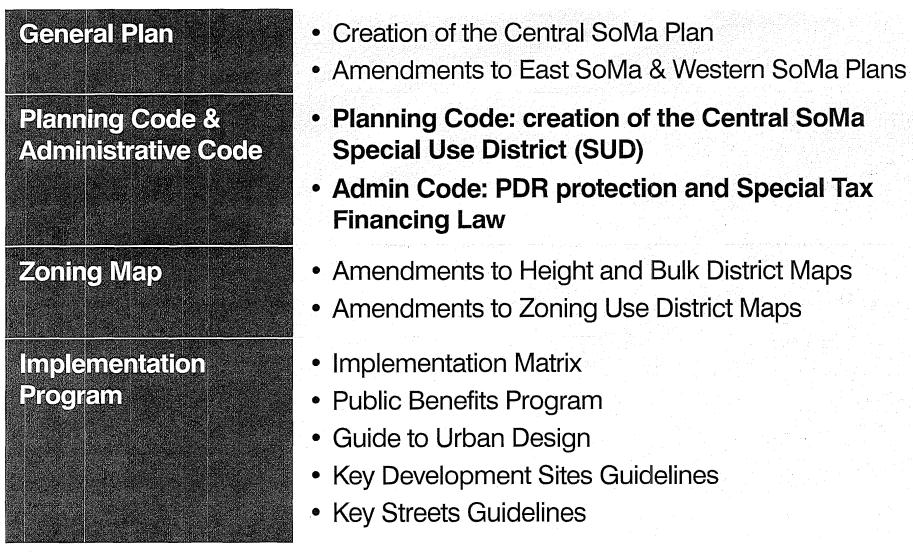


TODAY'S PRESENTATION

1 Overview of the Central SoMa Plan

- » Plan vision & goals
- » Public Benefits package
- 2 Central SoMa Plan: Administrative Code Amendments
- 3 Central SoMa Special Tax District
 - » Special Tax District Overview
 - » Special Tax Financing Law Amendments

CENTRAL SOMA PLAN - CONTENTS



Bold text = items considered at Rules Committee on 7/9

(continued on next page)

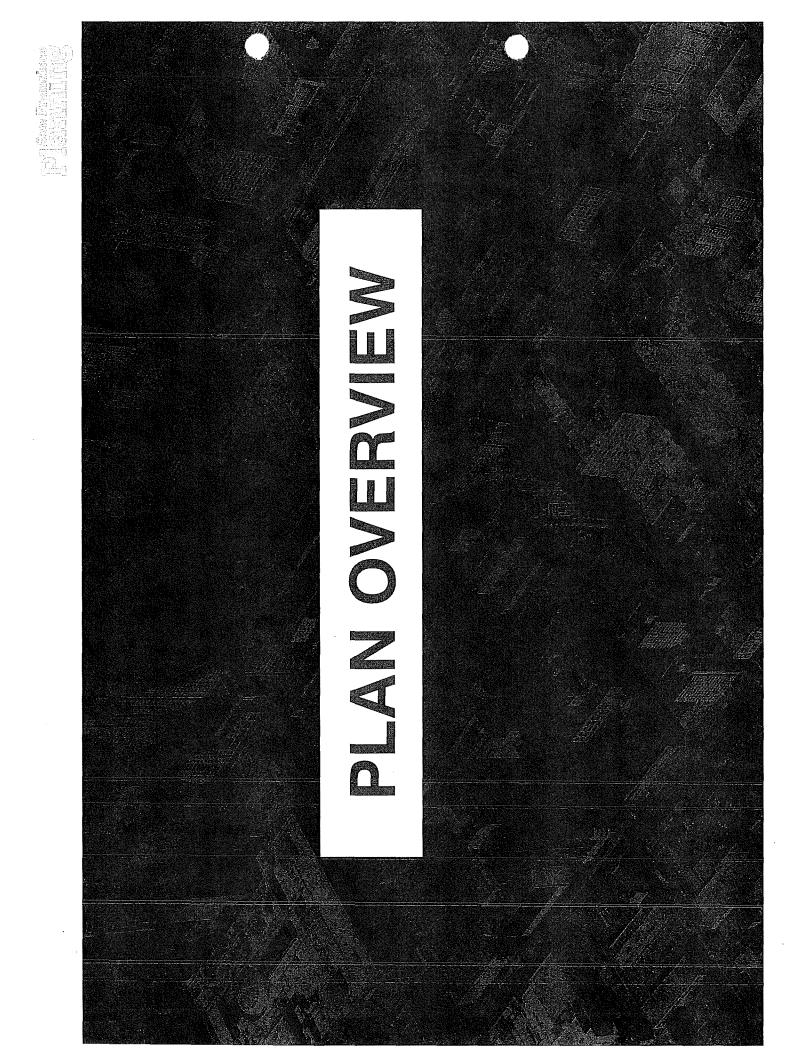
CENTRAL SOMA PLAN - CONTENTS

Special Tax District

Housing Sustainability District

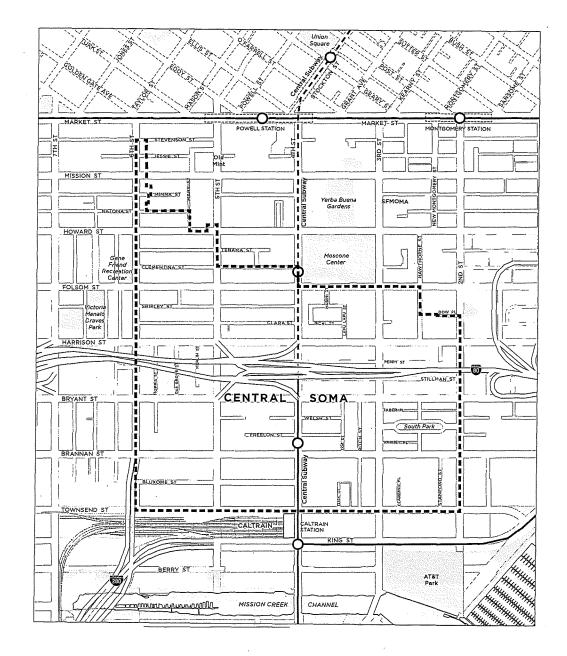
- Resolutions of Intention (ROIs) and Ordinances to establish the Central SoMa Special Tax District
- Amendments to Business & Tax Regulations and Planning Codes to create a Central SoMa Housing Sustainability District (HSD), pursuant to California AB73

Bold text = items considered at Rules Committee on 7/9

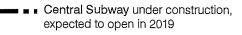


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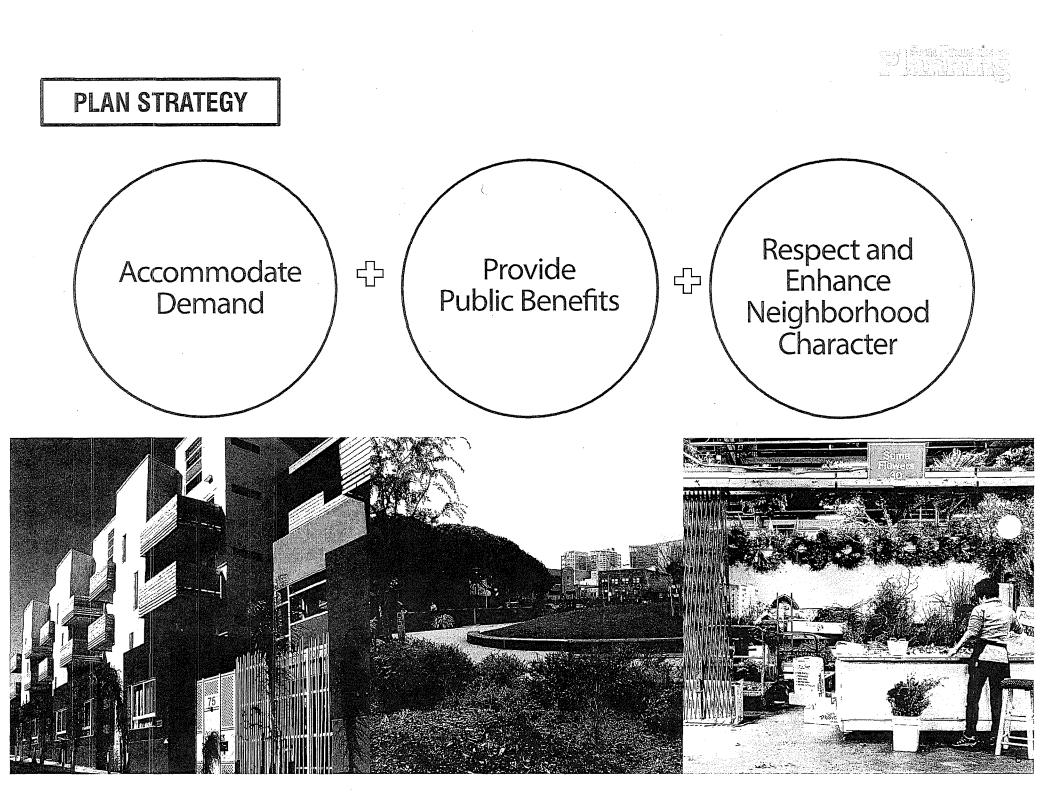
PLAN AREA

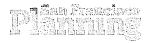


PLAN VISION A sustainable neighborhood: socially, economically, environmentally



- BART/Muni Metro Subway
 - Muni Metro (Surface)





PLAN PHILOSOPHY

keep what's great



- **Diversity of Residents** and Jobs
- **Diversity of Buildings and Architecture**
- **Abundant Local** and Regional Transit
- - Renowned Culture and Nightlife

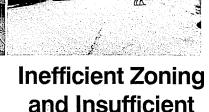
address what's not



Unaffordable Rents



Lack of Public Parks and Greenery



Funding

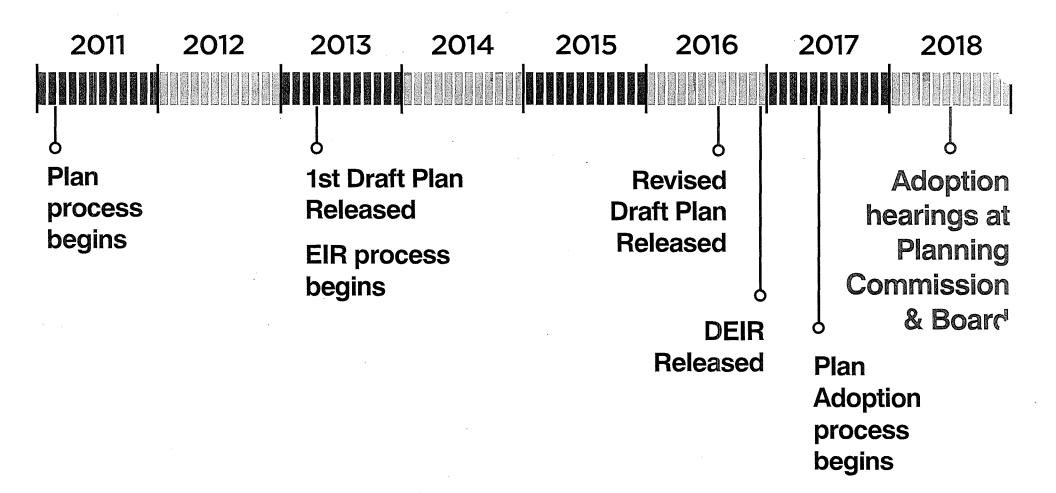
- Goal 1 Accommodate a Substantial Amount of Jobs and Housing
- Goal 2 Maintain the Diversity of Residents
- Goal 3 Facilitate an Economically Diversified and Lively Jobs Center
- Goal 4 Provide Safe and Convenient Transportation that Prioritizes Walking, Bicycling, and Transit

PLAN GOALS

- Goal 5 Offer an Abundance of Parks and Recreational Opportunities
- Goal 6 Create an Environmentally Sustainable and Resilient Neighborhood
- Goal 7 Preserve and Celebrate the Neighborhood's Cultural Heritage
- Goal 8 Ensure that New Buildings Enhance the Character of the Neighborhood and the City

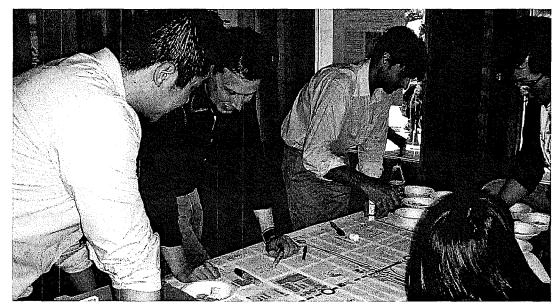
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PLAN TIMELINE

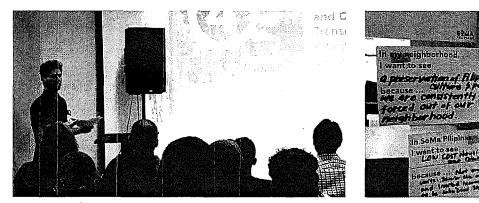




OUTREACH PROCESS: 2011 - 2018



- 15 public workshops, public surveys, office hours, charrettes, walking tours
- 17 hearings at Planning Commission & Historic Preservation Commission
- 2 informational hearings at Board of Supervisors (Land Use Committee)





OUTREACH: ADVOCACY GROUPS (PARTIAL LIST)

77 Dow Place HOA Alliance for Better District 6 Arden HOA Asian Neighborhood Design California Culture and Music Association **Central City SRO Collaborative Central Subway Outreach Committee Clementina Cares** Eastern Neighborhoods Citizens Advisory Committee **Filipino-American Development Foundation** Good Jobs for All Housing Action Coalition (HAC) **One Bluxome HOA Rincon Hill /South Beach/Mission Bay Neighborhood** Association San Francisco Bicycle Coalition San Francisco Planning and Urban Research (SPUR) San Francisco Senior and Disability Action San Francisco Youth Commission

SF BLU HOA

SoMa Community Coalition

SoMa Community Collaborative

SoMa Community Stabilization Fund Citizens Advisory Committee

SoMa Pilipinas

South Beach/Mission Bay Merchants Association South of Market Action Network (SOMCAN)

South of Market Business Association (SOMBA)

South of Market Leadership Council

South of Market Project Area Committee (SOMPAC)

TODCO

Walk SF

We Are SoMa

Western Soma Taskforce

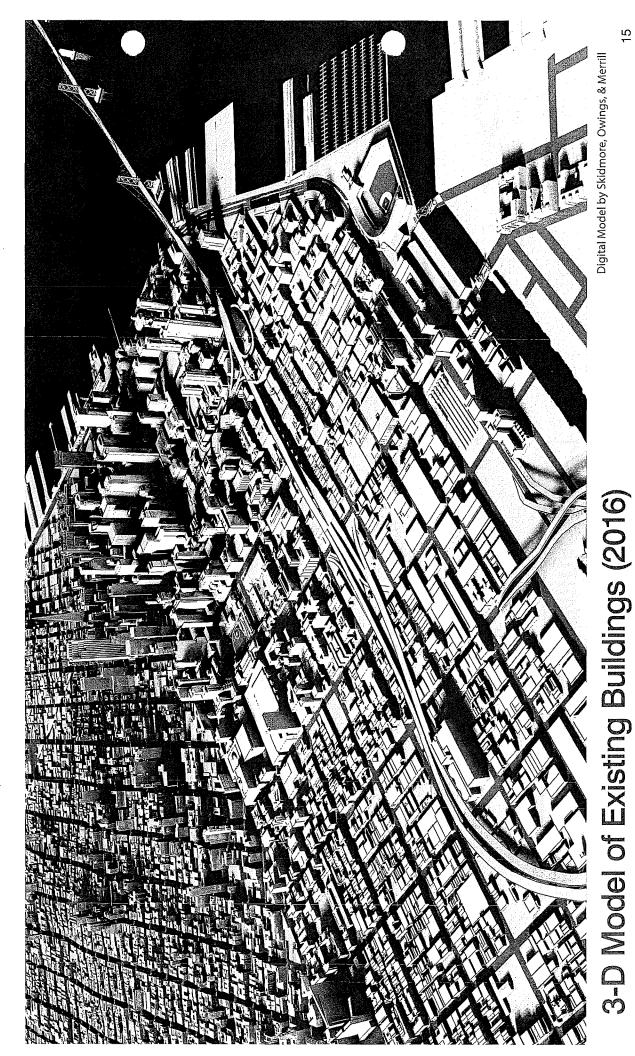
Yerba Buena Alliance

Yerba Buena Community Benefit District

YIMBY Action



VISUALIZATION - EXISTING DEVELOPMENT



Planning

VISUALIZATION - POTENTIAL DEVELOPMENT

Central SoMa Development Potential Anticipated Projects Outside of Central SoMa

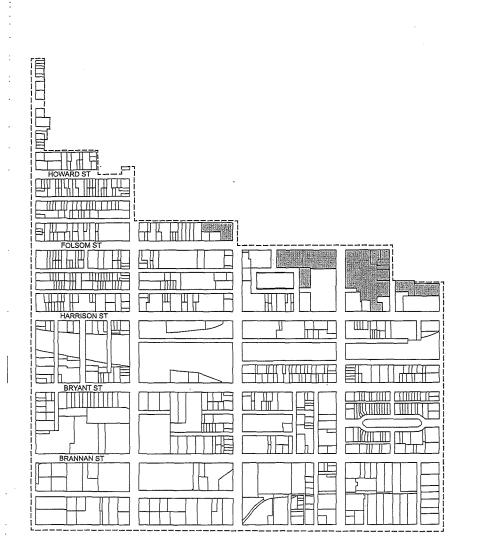
- 33,000 jobs - 8,300 housing units

3-D Model of Potential Development

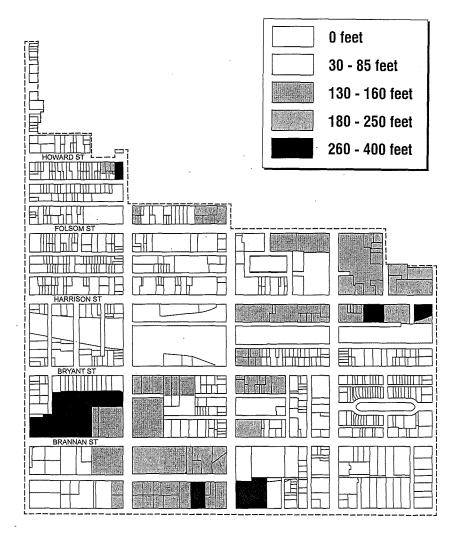
Digital Model by Skidmore, Owings, & Merrill

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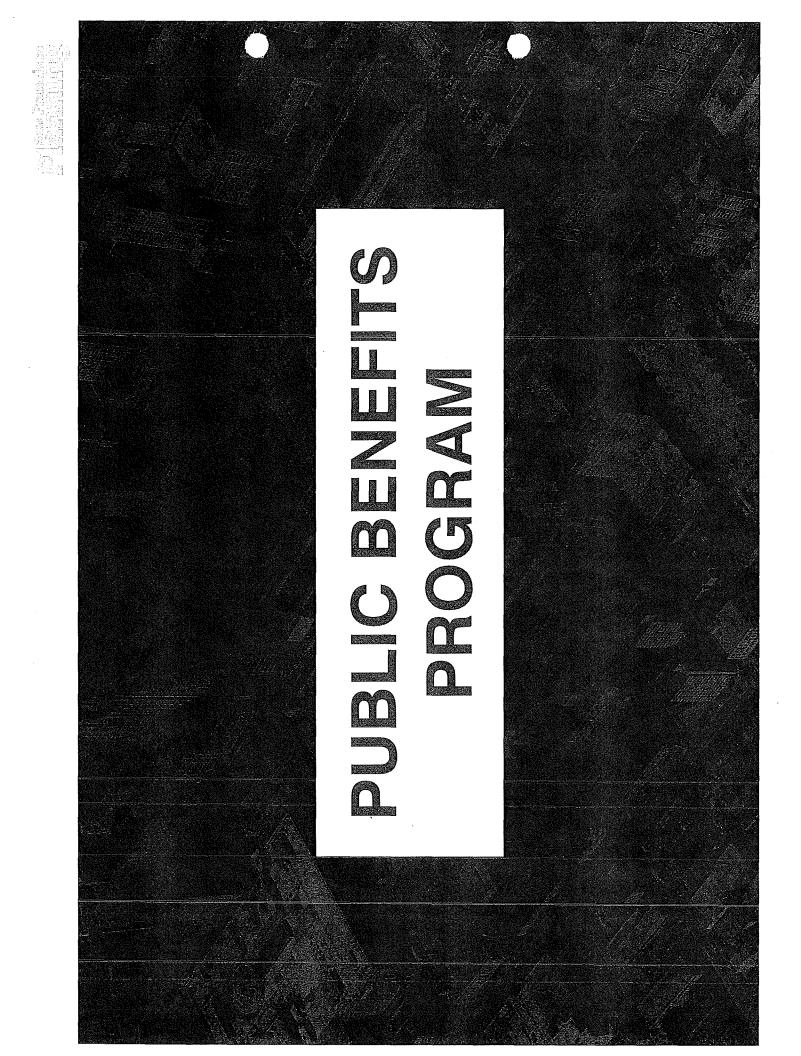
EXISTING AND PROPOSED DEVELOPMENT CAPACITY



Existing Development Capacity

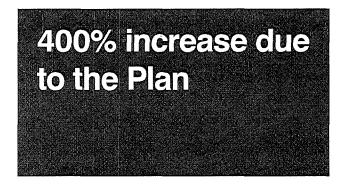


Proposed Development Capacity



PUBLIC BENEFITS: TOTAL (25 YEARS; 2017 DOLLARS)

No Plan = \$500 million in Public Benefits Central SoMa Plan = \$2.16 Billion in Public Benefits



Plus ~\$1 billion in increased General Fund tax revenues

PUBLIC BENEFITS PACKAGE

	Affordable Housing 33 percent of total units	\$940 million
	Transit investment in both local and regional service	\$500 million
	Parks and Recreation transformative improvements such as parks, plazas, and recreation centers	\$185 million
PT	Production, Distribution, & Repair (including Arts) no net loss of PDR space due to the Plan	\$180 million
	Complete Streets safe and comfortable streets for people walking and biking	\$110 million

(continued on next page)



PUBLIC BENEFITS PACKAGE (CONTINUED)

Community Services & Cultural Preservation funding towards community facilities and programs (e.g. health clinics, job training) and preservation of the Old Mint and other historic buildings	\$110 million
Environmental Sustainability a healthy, resilient, green, and resource-efficient neighborhood	\$70 million
Schools and Childcare funding to support growing population	\$65 million
TOTAL	\$2.16 billion

Planning

PUBLIC BENEFITS: FUNDING SOURCES (25 YEARS; 2018 DOLLARS)

FUNDING SOURCE

AMOUNT

Direct provision of benefits (e.g. on-site BMR units)	\$836 million
Central SoMa Special Tax District (NEW)	\$354 million
Eastern Neighborhoods Infrastructure Fee	\$240 million
Transportation Sustainability Fee	\$220 million
Jobs-Housing Linkage Fee	\$210 million
Affordable Housing Fee	\$180 million
Central SoMa Infrastructure Fee (NEW)	\$40 million
School Impact Fee	\$26 million
Child Care Fee	\$32 million
Central SoMa Community Facilities Fee (NEW)	\$20 million
ΤΟΤΑΙ	\$2.16 billion



NEW FUNDING SOURCES: RESIDENTIAL (2018 RATES)

NEW REQUIREMENT	TIER A (15'-45' height increase)	TIER B (50'-85' height increase)	TIER C (90'+ height increase)
Central SoMa Community Infrastructure Fee (\$/GSF)	\$0	\$10	\$0
Mello-Roos Special Tax District (CFD; \$/GSF/yr)	\$0	CONDO: \$3.30 (2% escalation)	CONDO: \$5.50 (2% escalation)
		RENTAL: \$0	RENTAL: \$0
Community Facilities Fee (\$/GSF)		\$1.30	

NOTE: Projects must meet all existing requirements (e.g. affordable housing, Eastern Nbhds Fee, etc.)



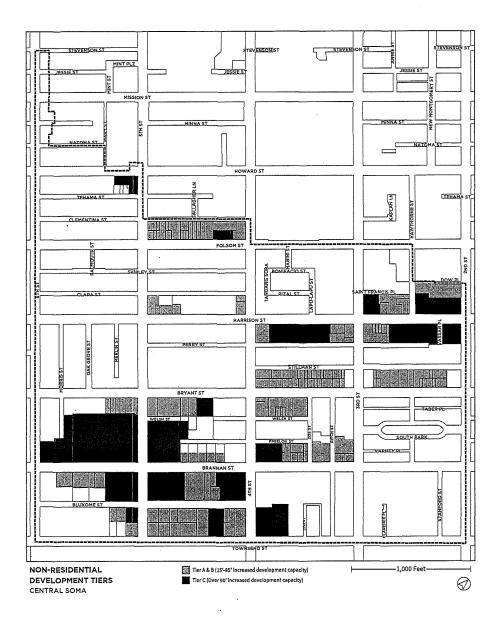
NEW FUNDING SOURCES: NON-RESIDENTIAL (2018 RATES)

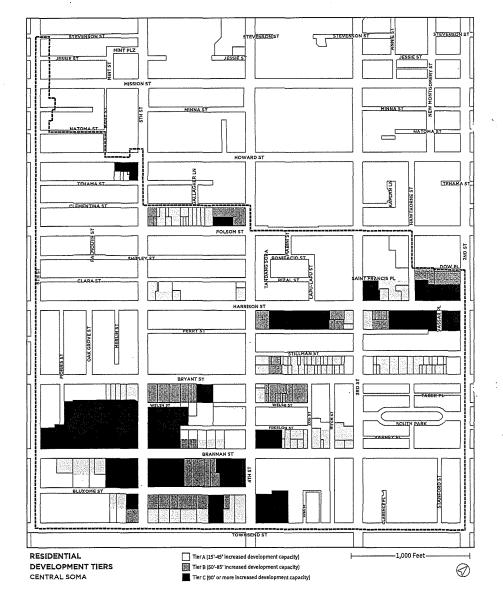
NEW REQUIREMENT	TIER A & B (15'-85' height increase)	TIER C (90'+ height increase)	
Central SoMa Community Infrastructure Fee (\$/GSF)	Office >50k sq ft: \$21.50 All other projects: \$41.50	Office >50k sq ft: \$0 All other projects: \$20	
Mello-Roos Special Tax District (CFD; \$/GSF/yr)	\$0	\$2.75 (4% escalation annually for 25 years, 2% thereafter)	
Transferable Development Rights (Floor Area Ratios)	Ο	1.25 FAR	
Community Facilities Fee (\$/GSF)	\$1.75		
POPOS	1 sq ft for every 50 GSF of development		
Production, Distribution, and Repair (PDR)	Office >50k: greater of 0.4 FAR or Sec. 202.8 (Prop X)		

NOTE: Projects must meet all existing requirements (e.g. affordable housing, Eastern Nbhds Fee, etc.)

Planne

CENTRAL SOMA FEE TIERS





25



ADMINISTRATIVE CODE AMENDMENTS

Administrative Code Section 35: Residential and PDR Compatibility and Protection

THE WAY IT IS

- Residents cannot complain about noise and other nuisance issues (odors, loading, etc.) from a neighboring PDR use if it complies with all applicable regulations & permit conditions ("no kvetching")
- Sellers must disclose this rule to potential homebuyers

<u>THE WAY IT WOULD BE</u>

- Hotels would be added to the list of uses that cannot lodge groundless complaints
- Improvements to notification process would be added

ADMINISTRATIVE CODE AMENDMENTS

RATIONALE

- As Central SoMa evolves, PDR uses should be protected from complaints from lawfully emitted noise and other impacts
- Based on best practices:
 - » PDR and other 24-hour uses (e.g. entertainment) are part of a complete and mixed-use neighborhood
 - » Similar to the current process for entertainment uses (Admin Code Section 116)

ADMIN CODE CHAPTER 43: SPECIAL TAX FINANCING LAW

SPECIAL TAX DISTRICT - LEGISLATIVE ACTIONS

Administrative Code Chapter 43, Section 10: Special Tax Financing Law

Proposed amendments would enable the City to spend Central SoMa Special Tax revenues on eligible Facilities and Services*, which may include, but are not limited to:

- Grants to nonprofit/public social service organizations
- Environmental sustainability, including air quality mitigation and technical studies/guidelines
- Park programming and activation

SPECIAL TAX OVERVIEW

- Applicability: large Condo and Non-Residential projects
 - Exemptions: 100% Affordable Housing Projects; BMR units; Rental Housing; Production, Distribution & Repair (PDR) uses; Community Facilities
 - Annexation required before 1st Certificate of Occupancy (COO); Tax levy commences at 1st COO
- Revenues can be used to issue bonds
 - Accelerates the provision of public benefits
 - Taxable properties in the Special Tax District are subject to foreclosure/sale in the event of non-payment of special taxes*

* Special taxes are secured by priority liens (ahead of private liens)



SPECIAL TAX RATES (\$/SF, FY18-19 RATES)

Years 1-99: Facilities Tax*

Land Use	TIER A (15'-45' height increase)	TIER B (50'-85' height increase)	TIER C (90'+ height increase)
NON-RESIDENTIAL	\$0	\$0	\$2.75
CONDO	\$0	\$3.30	\$5.50

Years 100+: Services Tax Only

	TIER A	TIERB	TIER C
NON-RESIDENTIAL	\$0	\$0	\$0.69
CONDO	\$0	\$0.82	\$1.37

*Facilities tax may be spent on either capital facilities or services (e.g. maintenance, programming)

SPECIAL TAX DISTRICT: EXPENDITURE PLAN*

During Plan Buildout (25 years)

	Transit	\$160 million
	Parks & Recreation	\$45 million
*	Complete Streets	\$10 million
	Cultural Preservation & Community	\$69 million
	Environmental Sustainability	\$64 million
î.;	Schools & Childcare	\$6 million
	TOTAL	\$354 million

Longer term needs (>25 years): could include, but are not limited to, Sea Level Rise adaptation and maintenance of capital facilities

*in FY2018-2019 dollars. Note that projects are non-binding, and the Public Benefits may be amended



SPECIAL TAX DISTRICT: CHANGES SINCE PLAN INTRODUCTION

Additional public benefits identified during adoption process

	\$/YR	\$/25 YRS
Social & cultural programs (e.g. SoMa Stabilization Fund)	\$1,000,000	\$25 million
Park and greenery maintenance and activation	\$600,000	\$15 million
Capital for cultural amenities (e.g. Yerba Buena Gardens)*	N/A	\$15 million
Neighborhood cleaning	\$350,000	\$8.75 million
Bessie Carmichael supplemental services	\$250,000	\$6.25 million
TOTAL		\$70 million

*If this funding is needed, it would be provided as a lump sum rather than an ongoing contribution..

ADMINISTRATION ENTITIES

Capital Planning Committee	 Approve 5-year expenditure plan (subject to Board approval) Recommend changes in revenue allocation
Director of Public Finance	 Develop 5-year revenue forecast Authorize tax commencement Authorize bond issuances (subject to Board approval)
Interagency Plan Implementation Committee (IPIC)	 Develop 5-year Expenditure Plan Advisor to CPC & Director of Public Finance
Community Advisory Committees (CACs)	 Provide public oversight & advise on expenditure plan

Planning



COLLABORATION

- Joint Community Facilities Agreements (JCFAs)
 - Will be required for non-City agencies receiving tax revenues
 - Example: Regional transit providers (1/3 of transportation funding) will collaborate with City through IPIC and Mayor/ Board



COMMUNITY ADVISORY COMMITTEES (CAC)

Planning Commission Recommendation in Admin Code:

Amend the Eastern Neighborhoods Community Advisory Committee (CAC) and split it into two:

- SoMa-wide (East, West, and Central)
- Rest of Eastern Neighborhoods: Mission, Showplace Square / Potrero Hill, Central Waterfront

As this will require significant consideration of responsibilities and reallocation of funding, this will return to the Planning Commission and the Board as trailing legislation.



OTHER PLANNING CODE AMENDMENTS

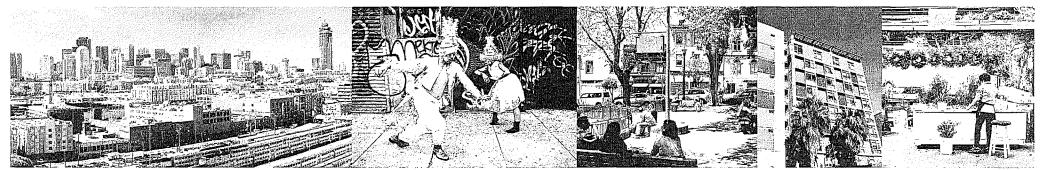
Zoning amendments to create the Central SoMa Special Use District, including:

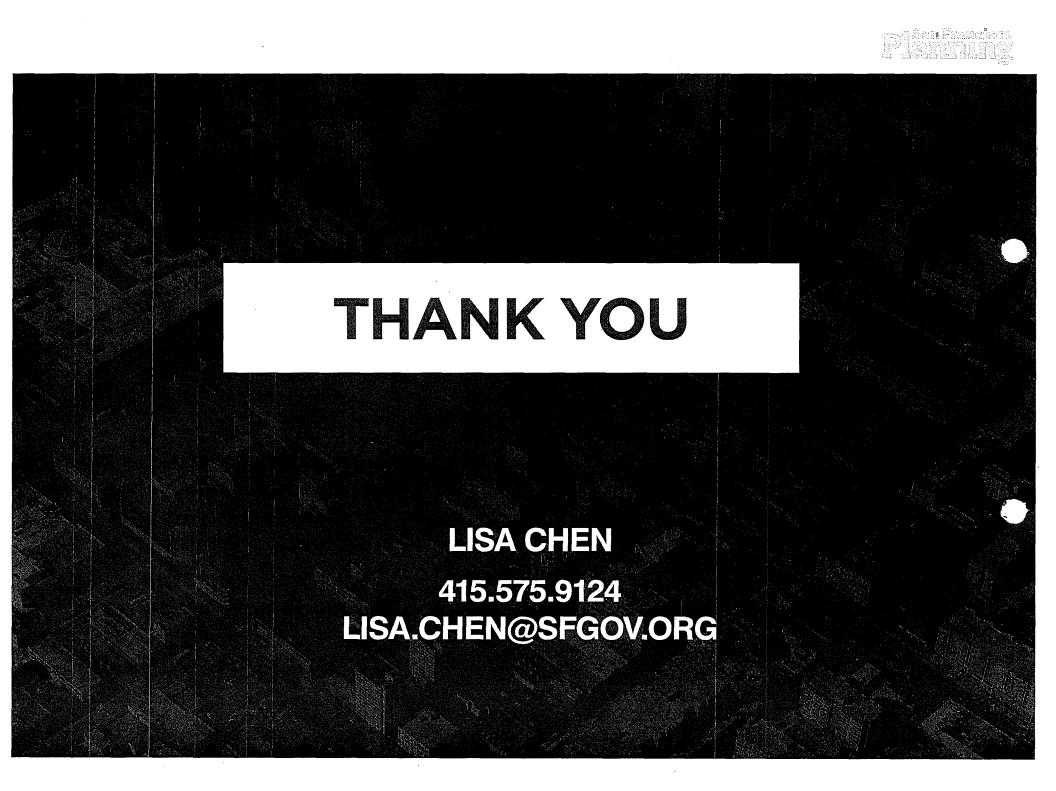
- Zoning district changes, including the newly created CMUO (Central SoMa Mixed Use Office)
- Urban design requirements
- Open space (POPOS) and environmental sustainability requirements
- Development exactions
- Changes to development review process

TODAY'S ACTIONS

Hearing to consider:

- 1. Amendments to Administrative Code
 - Section 35: PDR and Residential / Hotel Compatibility
 - Chapter 43, Section 10: Special Tax Financing Law
- 2. Amendments to Planning Code
 - Note: this item is intended to be heard at Land Use & Transportation Committee





			180490 160165 181453 160184
			180617

From: Sent: To: Subject: Attachments: Board of Supervisors, (BOS) Monday, October 22, 2018 1:42 PM BOS-Supervisors; Major, Erica (BOS) FW: Central SOMA Plan 2018.10.22.BOS Central SOMA-Phillips Joinder.pdf

From: Richard Drury <richard@lozeaudrury.com>
Sent: Monday, October 22, 2018 11:46 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Gibson, Lisa (CPC) <lisa.gibson@sfgov.org>
Cc: Toyer Grear <toyer@lozeaudrury.com>; Jacobo, Jon (BOS) <jon.jacobo@sfgov.org>
Subject: Central SOMA Plan

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Board of Supervisors and Ms. Gibson:

Please see attached comment on the Central SOMA Plan, which will be considered by the Board of Supervisors Land Use Committee today. Please include the attached comment letter in the administrative record for this matter. Thank you.

1

Richard Drury

--

Richard Drury Lozeau Drury LLP 410 12th Street, Suite 250 Oakland, CA 94607 (510) 836-4200 richard@lozeaudrury.com



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150613 10/33/3018 SUBNITTED N VRBE

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180185 180453 180184

By Email and Overnight Mail

October 22, 2018

San Francisco Board of Supervisors Clerk of the San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, CA 94102-4689 Board.of.Supervisors@sfgov.org

Lisa M. Gibson, Environmental Review Officer 1650 Mission Street, Suite 400 San Francisco, CA 94103 lisa.gibson@sfgov.org (By Email only)

RE: Central SoMa Plan and Environmental Impact Report for Central SoMa Plan (SCH NO. 2013042070). Request for Supplemental EIR.

Honorable Members of the Board of Supervisors and Clerk of the Board:

We present these comments on behalf of Paul Phillips and Genia Phillips, who are residents living at 631 Folsom Street, members of 631 Folsom O.A. ("SF Blu"), and members of Central SoMa Neighbors (CSN). Paul and Genia Phillips hereby join in all of the comments that have been made by this law firm on behalf of SF Blu and Central SOMA Neighbors. Rather than repeat those comments, we incorporate all prior comments in their entirety herein by reference as if set forth in full.

Sincerely,

Richard Toshiyuki Drury



T 510.836.4200 F 510.836.4205 410 12th Street, Suite 250 Oakland, Ca 94607 www.lozeaudrury.com richard@lozeaudrury.com 1/0490

180185

10/20/2018

ENDIN FILDO N LARBONISC

By Email and Overnight Mail

October 18, 2018

San Francisco Board of Supervisors Clerk of the San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, CA 94102-4689 Board.of.Supervisors@sfgov.org

Lisa M. Gibson, Environmental Review Officer 1650 Mission Street, Suite 400 San Francisco, CA 94103 lisa.gibson@sfgov.org (By Email only)

RE: Central SoMa Plan and Environmental Impact Report for Central SoMa Plan (SCH NO. 2013042070). Request for Supplemental EIR.

Honorable Members of the Board of Supervisors and Clerk of the Board:

We present these comments on behalf of the 631 Folsom O.A. ("SFBlu"), Central SoMa Neighbors (CSN), SFBlu residents Gina Cariaga and Jason DeWillers, in support of our appeal of the Central SoMa Plan and the Environmental Impact Report for the Central SoMa Plan. Today, the San Francisco County Transportation Authority released a report proving that ride-hailing services such as Uber and Lyft are responsible for 51% of traffic delays in San Francisco, with the SOMA area being the hardest hit, (Exhibit A). We request that the City prepare a supplemental environmental impact report ("SEIR") to analyze this new information. This is significant new information that demonstrates that the Central SOMA Plan will have far greater traffic impacts than disclosed in the environmental impact report ("EIR"). The EIR assumed that ride-hailing services generate absolutely no traffic. The EIR is demonstrably false, and is therefore woefully deficient. A supplemental EIR is required to analyze this significant new information and to propose feasible mitigation measures, such as limiting Uber/Lyft (as taxis are limited), imposing impact fees on Uber/Lyft, requiring Uber/Lyft vehicles to comply with the same clean-vehicle requirements imposed in taxis, etc.

Central SoMa Plan EIR Appeal of Central SOMA Neighbors and SFBlu October 18, 2018 Page 2

I. LEGAL STANDARD.

CEQA Guidelines Section 15088.5 sets for the standard requiring recirculation prior to final project approval. Recirculation of an EIR is required when "significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review under Section 15087 but before certification [of the Final EIR]." New information added to an EIR is significant when "the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project's proponents have declined to implement." The Guidelines require recirculation when:

(1) A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.

(2) A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.

(3) A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the environmental impacts of the project, but the project's proponents decline to adopt it.

(4) The draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded. (*Mountain Lion Coalition v. Fish and Game Com.* (1989) 214 Cal.App.3d 1043)

The new report shows that the Central SOMA Plan will have new significant impacts on traffic that were not analyzed in the EIR, that there will be an increase in severity of traffic impacts over the level analyzed in the EIR, and that the EIR is so fundamentally and basically inadequate conclusory in nature that meaningful public review and comment were precluded. Therefore a Supplemental EIR is required pursuant to CEQA Guidelines section 15088.5.

Even if the Project had already received final approval, (which it has not), a supplemental EIR would be required pursuant to CEQA section 21166 and CEQA Guidelines section 15162, which states:

(a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

The San Francisco County Transportation Authority Report constitutes "New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified" which shows that: "(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;" and "(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR." A supplemental EIR is therefore required to analyze this new information and to propose feasible mitigation measures.

II. ANALYSIS.

A. A Supplemental EIR is Required to Analyze the Impacts of Ride-Hailing Services on Traffic, Air Pollution and Pedestrian Safety.

The EIR fails entirely to analyze the impacts of Uber/Lyft on traffic congestion. The EIR assumes that nobody will take Uber/Lyft at all. The Final EIR admits that the Central SoMa Plan EIR Appeal of Central SOMA Neighbors and SFBlu October 18, 2018 Page 4

DEIR does not consider ride hailing. The FEIR claims that there is inadequate data to allow analysis. (Response to Comments, RTC-152).

Now, accurate data exists from the County's own Transportation Authority. Today's report concludes that Uber/Lyft are responsible for 51% of traffic congestion in the City and County. The EIR's conclusion that the Central SOMA Plan will have no impact on traffic, while ignoring Uber/Lyft, is simply untenable.

In our comments on the Draft EIR, Traffic Engineer Daniel Smith, PE, pointed out that the Central SOMA Plan will actually increase vehicle miles travelled ("VMT"). As a result, the City may not rely on SB 743 to conclude that traffic impacts are less than significant and must instead conduct a standard level of service ("LOS") traffic analysis. Mr. Smith concludes that the Plan will have highly significant traffic impacts, causing gridlock throughout the Central SoMa area.

In response to comments, the Final EIR admits that the Plan increases VMT per employee ("VMT per capita of 6.8 without the Plan and 7.1 with the Plan for 2040"), but claims this is "within the general margin of error." (RTC-141-142). The City's position ignores the plain language of the statute. SB 743 contains no "margin of error." The plain fact is that even by the City's own calculation, the Plan will increase, not decrease VMT. Therefore SB 743 simply does not apply. The City's response to comments is plainly inadequate.

In the attached comment letter, Mr. Smith points out the San Francisco County Transportation Authority studies showed that ride-hailing services have a significant adverse impact on traffic. (Exhibit B). Today's study shows that the impact is far worse than previously believed.

Clearly, ride-hailing services will increase VMT. VMT already increases due to the Project. Therefore VMT will increase even more than projected in the EIR. Therefore the City cannot reply on SB 743 to ignore traffic impacts, and a traffic analysis and mitigation is required.

A Supplemental EIR is required to analyze the impact of ride-hailing services on traffic congestion, and related air pollution and pedestrian safety impacts. The San Francisco County Transportation Authority study constitutes significant new information that must be analyzed in a supplemental EIR to propose feasible means to mitigate the Plan's significant traffic impacts.

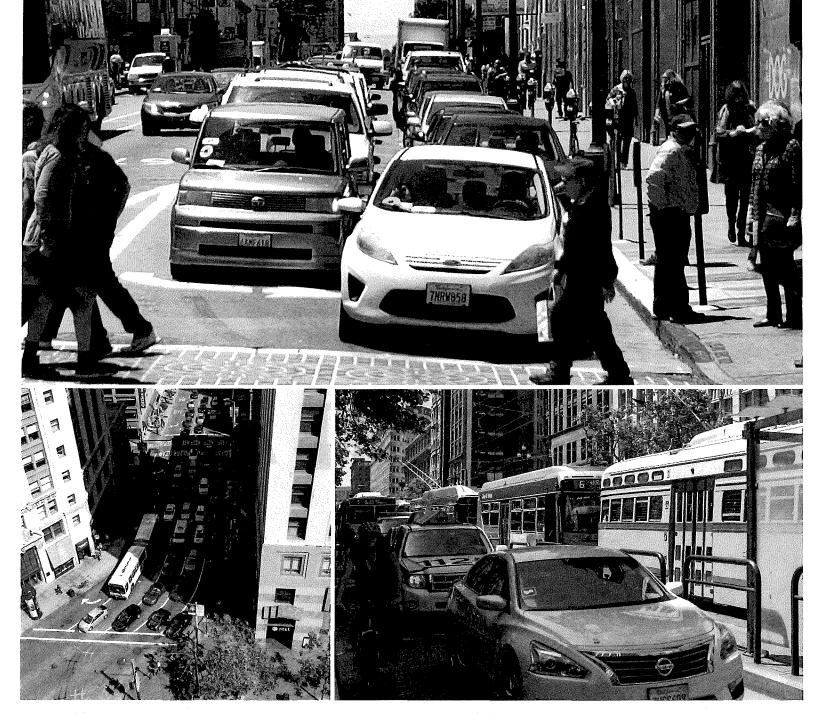
Sincerely,

Richard Toshiyuki Drury

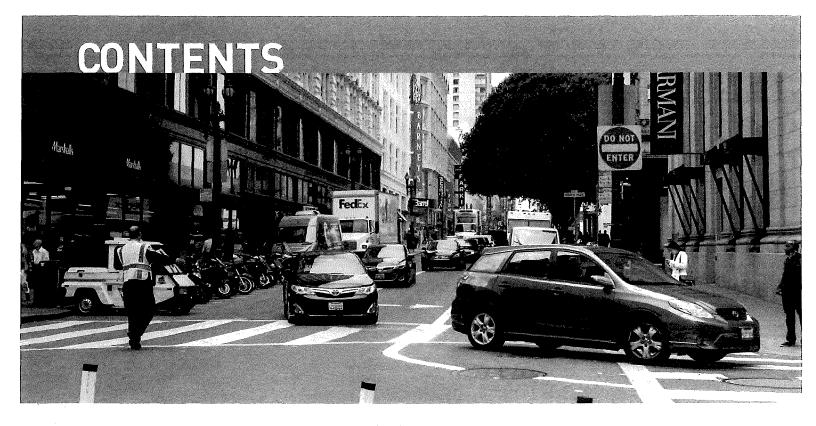
EXHIBIT A

TNCs & Congestion

DRAFT REPORT | OCTOBER 2018







ACKNOWLEDGEMENTS

We wish to thank the following individuals who contributed to the development of this report:

PROJECT TEAM
JOE CASTIGLIONE, SFCTA
DREW COOPER, SFCTA
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DAN TISCHLER, SFCTA
TILLY CHANG, SFCTA
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MEI CHEN, UNIVERSITY OF KENTUCKY
ALEX MUCCI, UNIVERSITY OF KENTUCKY

EXECUTIVE SUMMARY 03 08 INTRODUCTION PURPOSE 09 10 HOW DO WE MEASURE CONGESTION? WHAT FACTORS AFFECT CONGESTION SAN FRANCISCO? 11 WHAT DATA IS AVAILABLE TO UNDERSTAND CONGESTION? 13 HOW DO WE DETERMINE THE CAUSES OF CHANGES IN CONGESTION? 15 HOW HAS CONGESTION CHANGED IN SAN FRANCISCO? 18 DO TNCs AFFECT CONGESTION? 20 WHEN DO TNCS AFFECT CONGESTION? 23 WHERE DO TNCS AFFECT CONGESTION? 26 CONCLUSION 33 FUTURE RESEARCH 34 REFERENCES 35

PHOTO CREDITS

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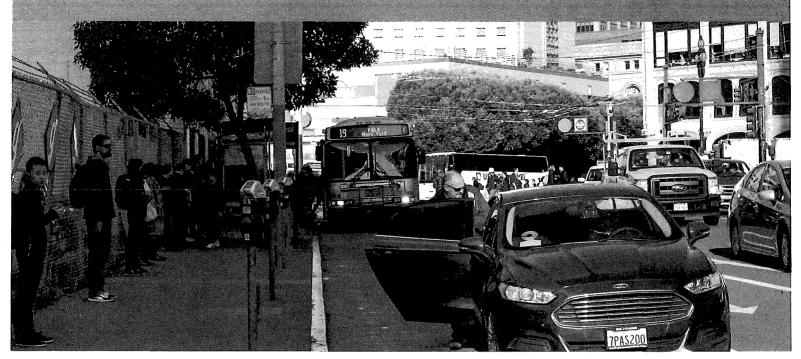
Page 10: Torbak Hopper Page 11: 305 Seahill Page 11: Tony Webster



SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

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TNC & CONGESTION | DRAFT REPORT SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY • OCTOBER 2018



Executive Summary

Congestion in San Francisco worsened between 2010 and 2016. The Transportation Authority's Congestion Management Program monitoring indicates that average AM peak arterial travel speeds decreased since 2009 by -26%, while PM peak arterial speeds have decreased by -27% during this same time period. Vehicle hours of delay on the major roadways increased by 40,000 hours on a typical weekday, while vehicle miles travelled on major roadways increased by over 630,000 miles on a typical weekday.

During this period significant changes occurred in San Francisco. Roadway and transit networks changed, including the implementation of transit red carpet lanes, the expansion of the bicycle network, and the opening of the Presidio Parkway (rebuilt Doyle Drive). San Francisco added 70,000 new residents and over 150,000 new jobs, and these new residents and workers added more trips to the City's transportation network. Finally, new mobility alternatives emerged, most visibly TNCs.

In recent years, the vehicles of transportation network companies (TNCs) such as Uber and Lyft have become ubiquitous in San Francisco and many other major cities. Worldwide, the total number of rides on Uber and Lyft grew from an estimated 190 million in 2014 to over 2 billion by mid-2016 (1). In San Francisco, this agency (the San Francisco County Transportation Authority or SFCTA) estimated approximately 62 million TNC trips in late 2016, comprising about 15% of all intra-San Francisco vehicle trips and 9% of all intra-San Francisco person trips that fall (2).

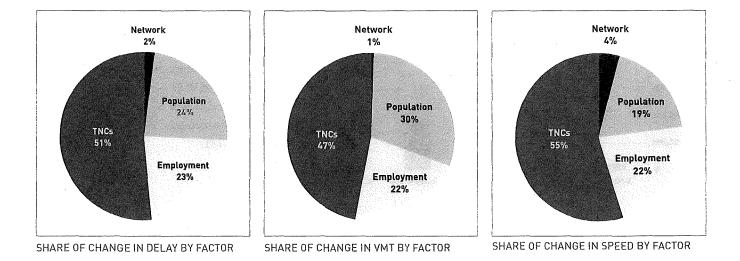
The rapid growth of TNCs is attributable to the numerous advantages and conveniences that TNCs provide over other modes of transportation, including point-to-point service, ease of reserving rides, shorter wait times, lower fares (relative to taxis), ease of payment, and real-time communication with drivers. The availability of this new travel alternative provides improved mobility for some San Francisco residents, workers and visitors, who make over one million TNC trips in San Francisco every week, though these TNC trips may conflict with other City goals and policies.

The purpose of this report is to identify the extent to which TNCs contributed to increased roadway congestion in San Francisco between 2010 and 2016, relative to other potential contributing factors including employment growth, population growth, and changes to the transportation system. This information is needed to help the Transportation Authority fulfill our role as the county Congestion Management Agency and inform our policy and planning work. As the Congestion Management Agency for San Francisco, the Transportation Authority is required by state law to monitor congestion and adopt plans for mitigating traffic congestion that falls below certain thresholds. The report is also intended to inform the Transportation Authority board which is comprised of the members of the San Francisco Board of Supervisors, as well as other state and local policy-makers, and the general public, on the relationship between TNCs and congestion in San Francisco.

This document:

- Identifies common measures of roadway congestion;
- · Discusses factors that contribute to roadway to congestion; and
- Quantifies the relative contributions of different factors, including population, employment, road network changes and TNCs, to observed changes in congestion in San Francisco between 2010 and 2016, by location and time of day.

The report utilizes a unique TNC trip dataset provided to the Transportation Authority by researchers from Northeastern University in late 2016, as well as INRIX data, a commercial dataset which combines several real-time GPS monitoring sources with data from highway performance monitoring systems. These data are augmented with information on network changes, population changes, and employment changes provided by local and regional planning agencies, which are used as input to the Transportation Authority's activity-based regional travel demand model SF-CHAMP.



DO TNCs AFFECT CONGESTION?

Yes. When compared to employment and population growth and network capacity shifts (such as for a bus or bicycle lane), TNCs accounted for approximately 50% of the change in congestion in San Francisco between 2010 and 2016, as indicated by three congestion measures: vehicle hours of delay, vehicle miles travelled, and average speeds. Employment and population growth—encompassing citywide non-TNC driving activity by residents, local and regional workers, and visitors—are primarily responsible for the remainder of the change in congestion.

- Daily vehicle hours of delay (VHD) on the roadways studied increased by about 40,000 hours during the study period. We estimate TNCs account for 51% of this increase in delay, and for about 25% of the total delay on San Francisco roadways and about 36% of total delay in the downtown core in 2016, with employment and population growth accounting for most of the balance of the increased in delay.
- Daily vehicle miles travelled (VMT) on study roadways increased by over 630,000 miles. We estimate TNCs account for 47% of this increase in VMT, and for about 5% of total VMT on study roadways in 2016.
- Average speeds on study roadways declined by about 3.1 miles per hour. We estimate TNCs account for 55% of this decline.

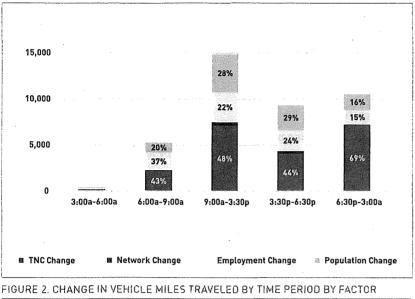
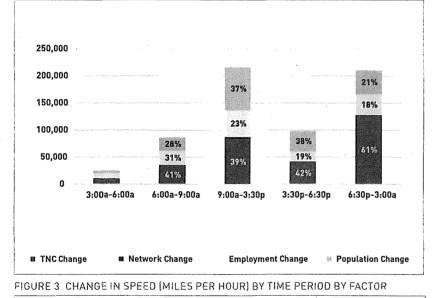
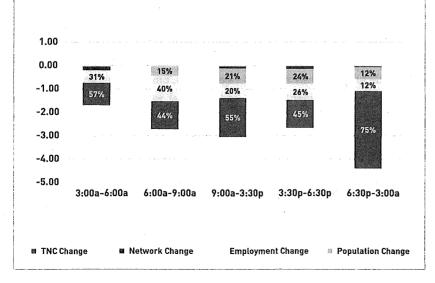


FIGURE 1. CHANGE IN VEHICLE HOURS OF DELAY BY TIME PERIOD BY FACTOR





WHEN DO TNCS AFFECT CONGESTION?

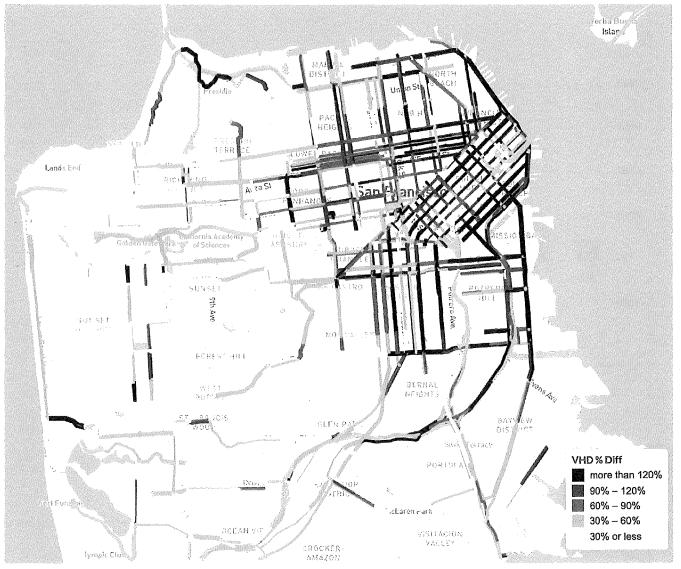
During the AM peak, midday, and PM peak periods, TNCs cause between 43% and 48% of the increased delay and account for about 20% of total delay during these time periods. Employment growth and population growth combined account for just over half of the increased delay. In the evening time period, TNCs are responsible for 69% of the increased delay, and for about 40% of the total delay.

Similarly, during the AM peak, midday, and PM peak periods, TNCs cause about 40% of the increased vehicle miles travelled, while employment and population growth combined are responsible for about 60% of the increased VMT. However, in the evening time period, TNCs are responsible for over 61% of the increased VMT and for about 9% of total VMT.

TNCs are responsible for about 45%-55% of the decline in average speed during most times of day, and are responsible for 75% of the declines in speed during the evening time period.

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FIGURE 4. % CHANGE IN VEHICLE HOURS OF DELAY



WHERE DO TNCS AFFECT CONGESTION?

TNCs increase congestion throughout the city, but their effects are concentrated in the densest parts of the city, and along many of the city's busiest corridors, as shown in **Figure 4**. In Supervisorial District 6, TNCs add almost 6,000 daily hours of delay, accounting for about 45% of the increased delay, and 30% of total weekday delay. In District 3, TNCs add almost 5,000 daily hours of delay, accounting for almost 75% of the increased delay and about 50% of total delay. TNCs are responsible for approximately 40%-60% of increases in VMT in many areas of the city. District 6 and District 10 have experienced the greatest increases in VMT between 2010 and 2016, and TNCs account for 41% and 32% of the increases in these districts, respectively.

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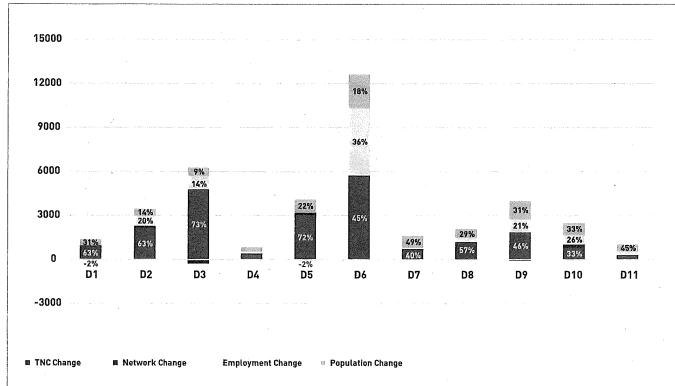
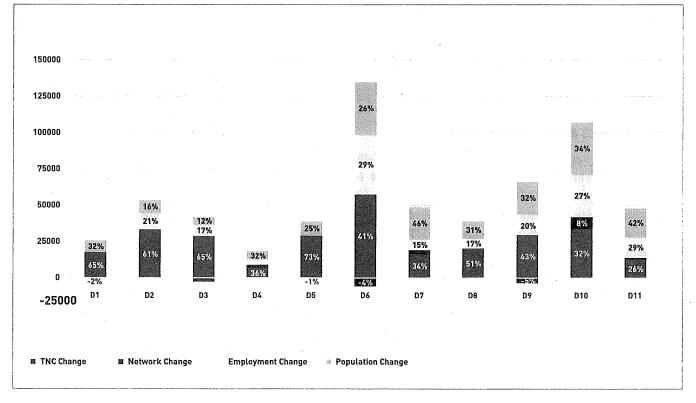


FIGURE 5. CHANGE IN VEHICLE HOURS OF DELAY BY SUPERVISOR DISTRICT BY FACTOR

FIGURE 6. CHANGE IN VEHICLE MILES TRAVELED BY SUPERVISOR DISTRICT BY FACTOR



7



Introduction

In recent years, the vehicles of transportation network companies (TNCs) such as Uber and Lyft have become ubiquitous in San Francisco and many other cities. TNCs are charter party carriers as defined by the California Public Utilities Commission that provide transportation services, facilitated by smartphone apps that allow people to request and pay for rides sourced from a pool of available drivers. It is estimated that the worldwide total number of rides on Uber and Lyft grew from 190 million in 2014 to over 2 billion by mid-2016 (1). In San Francisco, TNC trips were estimated to comprise about 15% of all intra-San Francisco vehicle trips and 9% of all intra-San Francisco Derson trips in 2016, as documented in the San Francisco County Transportation Authority's 2017 report "TNCs Today."(2)

The rapid growth of TNCs is attributable to the numerous advantages and conveniences that TNCs provide over other modes of transportation, including point-to-point services, ease of reserving rides, shorter wait times, lower fares, ease of payment, and real-time communication with drivers. Some of these advantages are the product of the technical innovations such as directly connecting travelers and drivers, and using the location-enabled features of smartphones. Other advantages derive from the relatively light regulatory requirements under which TNCs operate compared to taxis and other for-hire vehicles. Unlike the taxi fleet, which is capped by the number of taxi medallions, there is no limit to the number of TNCs that can operate in the city, and TNCs are not subject to price controls, geographic service area requirements, disabled access obligations, vehicle emissions requirements, or other taxi requirements. The availability of this new travel alternative provides improved mobility for some San Francisco residents, workers and visitors, who make over one million TNC trips in San Francisco every week. These TNC trips may also contribute to increased congestion.

In last year's "TNCs Today" report, the Transportation Authority provided information about the number, timing, and location of intra-San Francisco TNC trips. The report also included estimates of the number of TNC drivers and vehicles on the road and reported important measures such as the number of vehicle miles travelled (VMT) generated by TNCs. However, the TNCs Today report did not address the implications of these trips on transportation network performance, such as roadway congestion. If all TNC trips simply replace private vehicle trips, then TNC trips may have a limited impact on roadway congestion. But if TNC trips replace walk, bike, and transit trips, or if they induce entirely new vehicle trips, TNC trips may have a more significant effect on congestion. In addition, the timing and location of TNC trips is important. TNC trips that occur during peak periods in the densest parts of the city likely have a greater effect on congestion than TNC trips that occur during off peak periods in less dense areas.

Purpose

The purpose of this report is to identify how TNCs have affected roadway congestion in San Francisco between 2010 and 2016. This information is needed to help the San Francisco County Transportation Authority fulfill its role as the Congestion Management Agency for San Francisco County. As the Congestion Management Agency, the Transportation Authority is required by state law to monitor congestion and adopt plans for mitigating traffic congestion that falls below certain thresholds. The report is also intended to inform the Transportation Authority board which is comprised of the members of the San Francisco Board of Supervisors, as well as other state and local policymakers, the general public, and TNCs themselves on the relationship between TNCs and congestion in San Francisco.

This document:

- Identifies common measures of roadway congestion;
- Discusses factors that contribute roadway congestion; and
- Quantifies the relative contributions of different factors, including population, employment, road network changes, and TNCs, to observed changes in congestion in San Francisco between 2010 and 2016, by location and time of day.

This report shows how congestion has changed in San Francisco between 2010 and 2016 using well-established metrics such as vehicle hours of delay (VHD), vehicle miles travelled (VMT), and average speeds. It also estimates how much different factors, including TNCs, employment growth, population growth, and changes to the transportation system such as the addition of bike lanes and transit red carpet lanes, contribute to these changes in congestion.

The data used to develop this report comes from several sources. Changes in measures of congestion are based on INRIX data, a commercial dataset which combines several real-time GPS monitoring sources with data from highway performance monitoring systems. TNC information is based on the profile of local TNC usage in San Francisco documented in the TNCs Today report. The original TNC data was gathered by researchers at Northeastern University from the Application Programming Interfaces (APIs) of Uber and Lyft, and subsequently processed into imputed in-service and out-of-service trips by Transportation Authority staff. Changes in population, employment and network configurations are based on detailed information developed by the San Francisco Planning Department, Metropolitan Transportation Commission, and the San Francisco Municipal Transportation Agency (SFMTA).

Panel regression models, which are statistical models used to evaluate changes over time, were used to estimate the relationship between TNCs and congestion. Travel demand models, which simulate travel based on observed behavior, provide the ability to control for changes in population, employment, network capacities and other factors independently, and network supply models which estimate changes in speeds based on network capacities and demand, were used to control for changes in population, employment, network capacities and other factors independently. Panel regression models, travel demand models, and network supply models are well established in practice.

The report builds upon the TNCs Today report by answering the question of whether TNCs contribute to congestion in San Francisco, and by how much relative to other factors. However, it does not address other key questions, such as the effects of TNCs on safety, transit ridership, or other potential longer-term effects such as changes in vehicle ownership or residential and employment location. Subsequent reports by the Transportation Authority and the SFMTA will seek to address these important analytic and policy questions in depth and will be complemented through the larger Emerging Mobility Services and Technology (EMST) policy framework. The development of the countywide plan (the San Francisco Transportation Plan) within the ConnectSF long-range planning program, being undertaken by the Transportation Authority in coordination with other City agencies, will also make use of this report's findings. This report is research-oriented and does not include policy recommendations, but rather seeks to provide knowledge needed by the Transportation Authority board, other policymakers, and the general public to make informed decisions.



How Do We Measure Congestion?

Congestion means different things to different people. Some people may perceive congestion based on travel speeds, while others may consider travel time delays or vehicle miles traveled as a more meaningful indicators of congestion. This report uses three common measures of roadway congestion:

VEHICLE HOURS OF DELAY

Vehicle Hours of Delay (VHD) is a measure of the overall amount of excess time vehicles spend in congestion. It is the difference between congested travel time and freeflow travel time on a given link, weighted by the number of vehicle trips on that link. For example, if during a given time period the congested travel time on a link is 1 minute greater than the freeflow time on that link, and 60 vehicles traverse that link during this time period, it will result in one hour of VHD (1 minute of delay per vehicle * 60 vehicles = 60 minutes of delay).

VEHICLE MILES TRAVELLED

Vehicle Miles Traveled (VMT) is a measure of the overall amount of motor vehicle travel, as measured in distance, that occurs on the network. It is the length of network links, weighted by the number of vehicle trips on these links. VMT is a key metric used in San Francisco, the Bay Area region (via Plan Bay Area) and the state, to evaluate transportation system performance. San Francisco additionally utilizes VMT to evaluate environmental impacts of land development projects.

SPEED

Speed is simply the average speed of vehicles on a given link during a given time period.

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What Factors Affect Congestion San Francisco?

POPULATION AND EMPLOYMENT

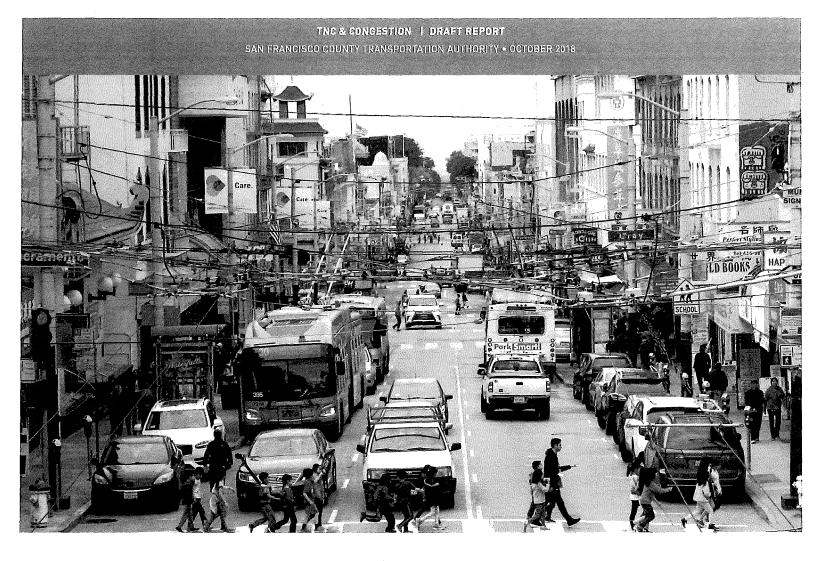
Population and employment changes can directly affect roadway congestion. Increases in population will lead to increases in trip-making as people seek to participate in activities such as working, shopping, and going to school. Depending on travelers' choices of travel modes (such as walking, biking, taking transit, or driving), roadway motor vehicle congestion may be affected. Between 2010 and 2016, the population of San Francisco increased 8.8% from approximately 805,000 people to 876,000 (3). While about half of San Francisco trips are by walking, transit, and biking, a significant share of trips involve private vehicles, likely leading to increased congestion. Similarly, increases in employment lead to total travel as more people go to work. Between 2010 and 2016, employment in San Francisco increased significantly (28.4%) from approximately 545,000 jobs to over 700,000 jobs (4). According to the Census, approximately 48% of commute trips to, from or within San Francisco were by automobile.

NETWORK CAPACITY

Changes to network capacities affect roadway congestion. Increases in roadway capacity may alleviate motor vehicle congestion, at least in the short term, while decreases in roadway capacity may increase congestion. The analyses in this paper capture capacity changes between 2010 and 2016 and therefore encompass network capacity changes such as the rebuilding of Doyle Drive and medium-term changes such as the reallocation of right-of-way to transit red carpet lanes and bicycle lanes. To a more limited extent, the analyses could reflect short-term changes in capacity, for example the effect on congestion of construction-related, permitted lane closures that may temporarily reduce capacity for a number of days or hours. However, there is no data on unpermitted short-term capacity reductions associated with construction, delivery or other activities, and thus they are not considered in this analysis. In addition to roadway network changes, changes to transit network capacities may influence roadway congestion by inducing people to shift modes or take new trips, and are included in this analysis.

TNCS

As the TNCs Today report documents, TNCs comprise a significant share of intra-San Francisco travel. TNCs may decrease congestion by inducing mode shifts to more sustainable modes by providing first- and lastmile connections to transit services, or by reducing auto ownership levels and thus incentivizing people to make more transit, bike and walk trips. In addition, higher TNC



vehicle passenger occupancies resulting from "ridesplitting" where TNCs are shared concurrently could, in theory, reduce the number of vehicles trips if they are replacing a trip that would otherwise be in a vehicle with fewer occupants. Conversely, TNCs may increase congestion if their convenience causes a walk, transit, or bike trip to shift to a TNC vehicle trip. According to recent studies, between 43% and 61% of TNC trips substitute for transit, walk, or bike travel or would not have been made at all (5,6,7,8). TNC passenger pick up and drop off activity may also result in increased congestion by disturbing the flow in curb lanes or traffic lanes. Finally, out-of-service miles (or "deadhead" miles) resulting from TNCs repositioning themselves to more optimal locations for getting new passengers, or from driving to pick up passengers who have reserved rides (whether single passenger or shared), also increases the amount of vehicular traffic and congestion.

OTHER FACTORS

Given the rapid pace of technological change in the transportation sector, other factors may also be contributing to changes in congestion. For example, increased use of online shopping and delivery services might exacerbate roadway congestion due to an increase in delivery vehicle trips and loading durations. Conversely, if these deliveries are in place of multiple vehicle trips that would have been made by individuals, they may reduce roadway congestion. New emerging mobility alternatives such as dockless shared bikes and scooters may reduce congestion if they induce mode shifts away from vehicle trips, though if these trips are shifted from transit, walk, or bike their effect on congestion would likely be minimal.

lerna Bu Island resic OBS_SPEED % Diff -20% or less -20% -- -10% -10% -- -5% AL. Henrick -5% - 0% more than 0%

FIGURE 7. PERCENT CHANGE IN OBSERVED PM PEAK SPEEDS (2010-2016)

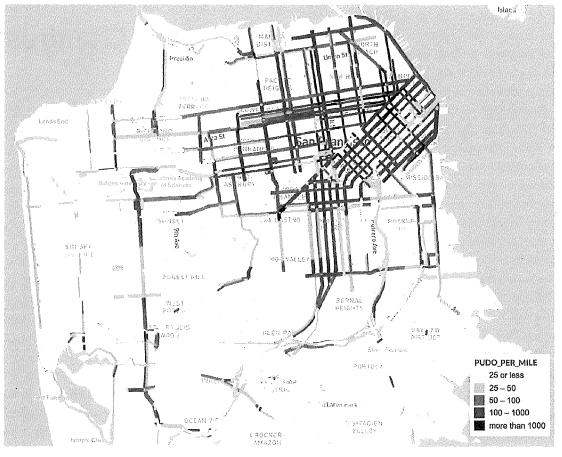
What Data is Available to Understand Congestion?

CONGESTION

Measures of roadway congestion (VHD, VMT, Speed) were calculated from observed roadway conditions in both November-December 2010 (before) and November-December 2016 (after), consistent with the TNC data, which was collected in November-December 2016. The observed roadway conditions are derived using the GPS- and fleet-based speed data licensed from INRIX. The analysis was conducted using directional segments known as Traffic Messaging Channels (TMCs), which average about 0.3 miles long. For each analysis year, data was aggregated to these TMCs and averaged across days to represent average weekday conditions for five times-of-day (TODs). **Figure 7** illustrates the percent change in observed PM peak speeds for all TMCs.

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FIGURE 8. PICKUPS AND DROPOFFS PER MILE



BACKGROUND GROWTH

Background growth data was derived from San Francisco's travel demand model, SF-CHAMP. SF-CHAMP produces estimates of traffic volumes on all roads in San Francisco and requires inputs describing factors such as population, employment, and multi-modal transportation network capacity and performance. For this analysis, each one of these factors was individually controlled for in SF-CHAMP, which provides the ability to understand the relative contributions of these factors to overall changes in congestion. The version of SF-CHAMP used in this study was calibrated to 2010 conditions and does not account for TNCs. This means that when the model is run for 2016 inputs, it provides a "counterfactual" estimate of congestion if TNCs did not exist.

TNCS

TNC information was based on data originally gathered by researchers at Northeastern University from the Application Programming Interfaces (APIs) of Uber and Lyft that show the locations of available vehicles to mobile apps, and then was shared with the Transportation Authority. The data was collected from mid-November to mid-December of 2016, excluding dates around the Thanksgiving 2016 holiday. Transportation Authority staff then processed the data to impute estimates of out-of-service TNC volumes, in-service volumes, and pickups and dropoffs by directional link and time-of-day. This information was the basis for the TNCs Today, which is the only detailed profile of local TNC usage in San Francisco. **Figure 8** shows the average number of pickups and dropoffs per mile on TMC segments. Detailed descriptions of the data preparation process can be found here (2) and here (20). Note that, due to the data collection methodology, estimates of TNC volumes and pickups and dropoff reflect only intra-SF TNC trips, and are thus an underestimate of total TNC activity.

OTHER FACTORS AND LIMITATIONS

It was not possible to incorporate all the potential factors contributing to changes in congestion into this analysis, primarily because there is little available data describing these factors. For example, there is no source for comprehensive citywide information on how freight and commercial delivery and loading volumes and durations have changed between 2010 and 2016. The SF-CHAMP model data does incorporate some information on background growth in freight and commercial vehicle volumes through its commercial vehicle model. While the SF-CHAMP model is insensitive to increased levels of home shopping such as Amazon, as well as use of more recent emerging delivery services, in the most congested parts of San Francisco, commercial and freight deliveries typically use commercial vehicle loading zones (both on-street and off-street) in order to minimize the interruption of traffic flow. In fact, recent data from the San Francisco Police Department indicates that TNCs account for over 75% of citations downtown for blocking lanes of traffic (22).

Visitor travel in San Francisco has also increased significantly between 2010 and 2016. However, visitor travel is estimated to represent less than 5% of travel in San Francisco, and recent survey data indicates that TNCs are used less frequently by visitors than Muni and BART, although this is likely changing as TNCs become more ubiquitous. Increases in pedestrian travel might also impede traffic flow due to turning movements or other conflicts, but there is no data available to indicate whether increases in pedestrians in San Francisco have reduced auto speeds. Changing demographics may also contribute to increased TNC usage, as the National Household Travel Survey indicates that people with higher incomes appear to make more TNC trips. Finally, while this research does address changes in network capacity resulting from major transportation and land use projects, due to a lack of data it could not incorporate temporary unpermitted disruptions in traffic resulting, for example, from shortterm construction activities.

How Do We Determine the Causes of Changes in Congestion?

In order to identify how TNCs and other factors may have affected roadway congestion in San Francisco between 2010 and 2016, two stages of analysis were performed. The first stage quantifies the contribution of TNCs to changes in congestion in San Francisco between 2010 and 2016 by estimating a statistical fixed-effect panel regression model and then applying this model to identify the relationship between the change in TNC activity and the change in roadway congestion measures between 2010 and 2016, assuming zero TNCs in 2010 and observed TNC levels (from TNCs Today study) in 2016. Observed TNC levels includes in-service TNC volumes, out-of-service TNC volumes, and TNC pick up and drop off activity. Estimates of the combined effect of the growth of non-TNC factors such as population, employment, and network changes are derived from the SF-CHAMP activity-based model system. Because the estimated model relies on the transformation of the observed speed data as the dependent variable in the regression analysis, we refer to this stage as the empirical analysis.

In the second stage, a scenario analysis, the SF-CHAMP activity-based demand model was again used, this time to systematically estimate the individual contributions to changes in roadway congestion of the factors of transportation network supply change, population change, employment change, and TNCs.

A distinguishing feature of both stages of the analysis was that it they were performed at a disaggregate level, using the previously described 1400 INRIX "Traffic Messaging Channels" (TMCs) or directional roadway segments, and across five times of day. The TMCs are approximately 0.3 miles long in San Francisco, on average. The spatial and temporal detail is important because adding vehicles does not always have the same effect on travel speeds: an additional vehicle on an uncongested segment in the early AM has a very different effect on delay than an additional vehicle on a downtown segment during the PM peak.

EMPIRICAL ANALYSIS

This study is structured as a before-and-after assessment between 2010 conditions when TNC activity was negligible and 2016 conditions when it was significant. We derived measures of roadway conditions in both years from GPSbased speed data licensed from INRIX as previously described. We estimated the relationship between the change in TNC activity and the change in roadway travel time, assuming zero TNCs in 2010, and incorporating a 2016 "counterfactual" scenario in which TNCs do not exist.

We do this using a fixed-effects panel data regression model (9). The fixed-effects models estimate coefficients based on the change between 2010 and 2016 conditions. There is precedent for using both before-and-after analysis and panel data models in transportation analysis, including to study changes in congestion (10), TNC growth (11), and the effects of new technology (12).

We converted the observed travel times to implied volumes using, volume-delay functions (VDFs). This time-implied volume is the model's dependent variable, and the conversion ensures that it is linearly related to the background volumes and TNC volumes. There is one observation for each directional roadway segment, for each time-of-day, with data in 2010 and in 2016 for each observation. To control for road and transit network changes, as well as changes in socioeconomic conditions, the model includes the background traffic volume as a variable, as estimated by SF-CHAMP version 5.2. Because SF-CHAMP version 5.2 does not account for TNCs, this background traffic reflects the expected traffic volume change with no TNCs. The model also includes measures of TNC activity for each observation, with those measures set to zero in 2010. **Table 1** shows the model estimation results.

The estimated parameter on the SF-CHAMP background volume is approximately 0.92, not significantly different than 1. This is logical, because we expect that each vehicle added in background traffic should have an effect on congestion of adding about 1 vehicle to the implied volume. The Presidio Parkway scaling factor accounts for major construction that was underway on those links in 2010 but not 2016.

We include two measures of time and location-specific TNC activity. The TNC volume parameter measures net effect of TNCs. If TNCs purely substitute for other car trips, the estimated TNC parameter should be 0 as they substitute for other vehicles already counted in the background volumes. Negative values would be consistent with TNCs reducing traffic, while a value of positive 1 would be consistent with TNCs purely adding itself to background traffic. The estimated coefficient of 0.69 can be interpreted as meaning that TNCs do not purely add to traffic through induced travel or shifts from non-vehicular modes.

TABLE 1 FIXED-EFFECTS PANEL ESTIMATION RESULTS

PARAMETER ESTIMATES			
Variable	Parameter	Standard Error	T-statistic
SF-CHAMP background volume	0.9172	0.0541	16.952
Presidio Parkway scaling factor	-0.3648	0.0189	-19.327
TNC Volume	0.6864	0.0720	9.5387
Average impact duration of TNC PUDO on major arterials (s)	144.75	7.7195	18.751
Average impact duration of TNC PUDO on minor arterials (s)	79.486	12.114	6.5617

MODEL STATISTICS	
Number of Entities	7081
Number of Time Periods	2
R-squared between groups	0.5819
R-squared within groups	0.2985

The pick-up and drop-off (PUDO) parameters represent the average number of seconds that a pick-up or drop-off disrupts traffic in the curb lane. Details of the PUDO specification are documented elsewhere (13). Locally collected data show that the average time needed for a passenger to board or alight from passenger vehicles such as TNCs and taxis is about 1 minute. The higher average impact durations estimated in these models suggest that the traffic disruption persists after the stopped vehicle departs because additional time is needed for traffic flow to recover to its pre-PUDO condition.

We applied the estimated model to assess network-wide performance metrics for three scenarios:

- **2010:** reflecting observed 2010 conditions, when no TNCs were present;
- 2016 Counterfactual: represents a counterfactual scenario of what 2016 conditions would be if there were no TNCs;
- **2016 TNC:** the full application of the model to 2016 conditions

The first and last scenarios are directly comparable to the observed speed data. The 2016 counterfactual scenario is derived by including the 2016 SF-CHAMP background traffic growth and Presidio Parkway scaling factor, but setting the TNC variables to zero.

SCENARIO ANALYSIS

While the empirical analysis allows us to quantify the contribution of TNCs to changes in congestion in San Francisco between 2010 and 2016, it does not provide insights into the relative contributions of other potential causes of change in roadway performance. To decompose these other factors, the SF-CHAMP model was used to perform a series of systematic scenario analyses.

We test each scenario using San Francisco's SF-CHAMP travel demand model. SF-CHAMP is an activity-based travel demand model that simulates the daily movements of individual travelers for a synthetic population in the 9-county San Francisco Bay Area (14,15,16). It has a long history of being successfully used to evaluate a range of policy and planning scenarios (17,18). We use version 5.2.0, which was calibrated to 2010 conditions and does not, on its own, include TNCs as a mode. Observed TNC travel flows and volumes based on the TNCs Today data set are used to account for TNCs. The remaining inputs, including transportation networks, population and employment data are not forecasts, but have been updated to reflect actual 2010 and 2016 conditions.

- **2010:** Conditions in year 2010, assuming the effect of TNCs is negligible. This is just the 2010 base SF-CHAMP model run, which was calibrated to observed 2010 conditions.
- **2016 Network Changes:** A hypothetical scenario that shows what 2016 system performance would look like if changes to the transportation networks (both roadway and transit) were the only things that changed between 2010 and 2016.
- 2016 Network and Population Changes: A hypothetical scenario that shows what 2016 system conditions would look like if both the transportation network and population changed between 2010 and 2016.
- 2016 Network, Population and Employment Changes: Also referred to as the "2016 Counterfactual" this is a hypothetical scenario that shows what 2016 would look like if all the observed network, population and employment changes occurred, but if TNCs had not been introduced in San Francisco.
- **2016 TNC:** This scenario incorporates all the assumed growth in population and employment between 2010 and 2016, changes to the roadway and transit networks, and also includes the effect of TNC in-service volumes, TNC out-of-service volumes, and TNC pick up and drop off activity. This scenario also accounts for mode shifts to TNCs from other travel modes.

With these scenarios, it was possible to estimate the incremental effects on congestion of network change, population change, employment change, and the introduction of TNCs in San Francisco. Additional technical details related to these scenarios are documented in other reports (19).



COMBINED ANALYSIS

These two stages of analysis result in network performance metrics for a total of five scenarios, three of which are available in both stages of analysis: 2010 Base, 2016 Counterfactual, and 2016 with TNCs. For the three overlapping scenarios, the relative contribution of TNCs to the change in congestion is similar in direction and magnitude, with the empirical analysis (which directly reflects observed speed changes) showing a somewhat greater share of the increase in congestion attributable to TNCs. **Table 2** shows the relative contribution of TNCs to each of the congestion metrics for the two stages of the analysis.

TABLE 2. CONTRIBUTION OF TNCS TO CHANGE IN CONGESTION BY ANALYSIS STAGE

METRIC	Empirical Sc Analysis A	
Vehicle Hours of Delay	64%	51%
Vehicle Miles of Travel	44%	47%
Speed	65%	55%

For the results presented here, the shares from the scenario analysis are applied to the total change in congestion from the empirical analysis to obtain a best estimate of the specific contribution of each factor to changes in network performance. This represents a lower-bound estimate of the effects of TNCs on congestion, relative to the estimated effect of TNCs on congestion as estimated in the empirical analysis.

How has Congestion Changed in San Francisco?

Traffic congestion has been getting worse since 2009. The Transportation Authority's Congestion Management Program (CMP) monitoring indicates that average AM peak arterial travel speeds have decreased since 2009 by -26%, while PM peak arterial speeds have decreased by -27% during this same time period. On freeways, average AM peak speeds have decreased by -30%, while average PM peak freeway speeds have decreased by almost -16% (21).

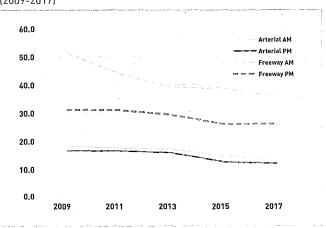


FIGURE 9. SAN FRANCISCO ARTERIAL AND FREEWAY SPEEDS (2009-2017)

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FIGURE 10, 2009 PM PEAK LEVEL OF SERVICE

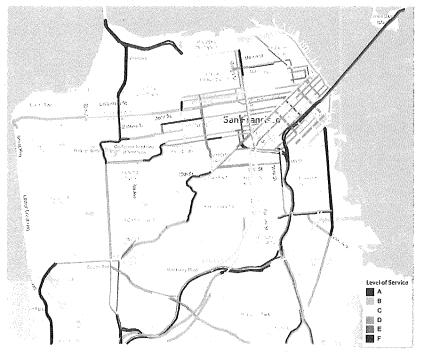
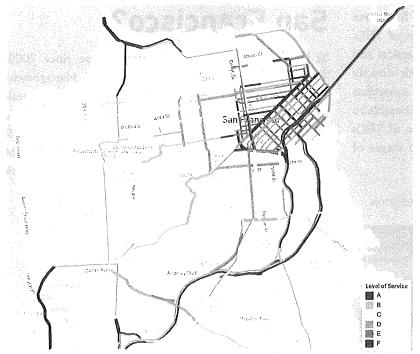


Figure 10 and **11** shows this change visually by mapping the PM peak roadway level-ofservice (LOS) in 2009 and 2017, with the data showing lower level-of-service in 2017. LOS is a traffic engineering concept, based on volume to capacity (v/c) relationships of a given roadway facility, used to evaluate the operating conditions on a roadway. LOS describes operating conditions on a scale of A to F, with "A" describing free flow, and "F" describing bumper-to-bumper conditions. This corresponds to the period in which TNCs emerged.

FIGURE 11. 2017 PM PEAK LEVEL OF SERVICE



Do TNCs Affect Congestion?

Given the significant worsening of congestion in San Francisco in recent years, a critical question is whether, and to what degree, TNCs have affected congestion. Using the congestion measures, data, and methods previously described, it appears that TNCs contributed approximately 50% of the overall increases in congestion in San Francisco between 2010 and 2016, although this varies widely by neighborhood and time-of-day. Employment and population growth—an expression of greater economic activity in the city that encompasses the driving activity of all non-TNC travelers/motorists—account for the other half of the increase in congestion.

FIGURE 12. TOTAL DELAY AND CHANGE IN DELAY

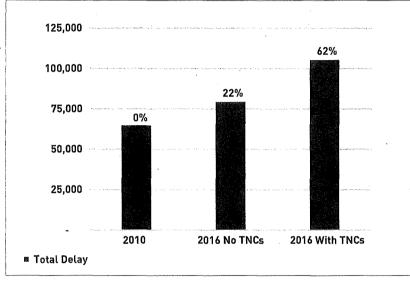
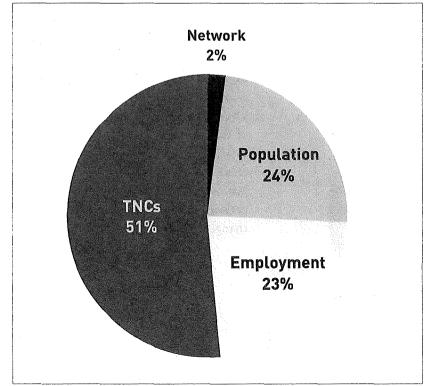


FIGURE 13. SHARE OF CHANGE IN DELAY BY FACTOR



VEHICLE HOURS OF DELAY

Vehicle Hours of Delay (VHD) is the number of extra hours that vehicles are in traffic beyond what they would have experienced under uncongested "free flow" conditions. Figure 12 indicates that daily vehicle hours of delay increased on study roadways from approximately 65,000 hours in 2010 to over 105,000 hours in 2016 with TNCs, an increase of 62%. In the counterfactual 2016 scenario, where TNCs are unavailable and travelers use other modes, the daily vehicle hours of delay are approximately 79,000, an increase of 22% over 2010. This suggests that TNCs are responsible for about 25% of the total delay on monitored streets (the difference between 105,000 hours and 79,000 hours of delay in 2016).

Figure 13 illustrates how much each of the factors contributes to changes in delay between 2010 and 2016. TNCs account for 51% of the increase in delay. Population change and employment change are responsible for just under 47% of the increase in delay, and network changes account for only about 2% of additional delay.

VEHICLE MILES TRAVELED

The amount of vehicle miles traveled, or VMT, that is generated is a fundamental measure of transportation system performance. Higher levels of VMT are associated with greater levels of emissions of greenhouse gases such as CO2 as well as other pollutants. In addition, higher levels of VMT are also associated with greater roadway congestion. The VMT estimates in this report include both in-service and out-of-service VMT generated by TNCs on San Francisco roadway segments for which INRIX speed monitoring data is available. In-service VMT refers to the vehicle miles traveled when transporting a passenger. Out-of-service VMT refers to the vehicle miles traveled when transporting a

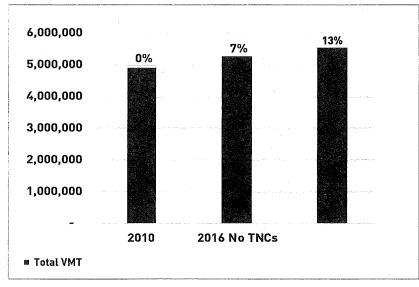


FIGURE 14. TOTAL VMT AND CHANGE IN VMT

FIGURE 15. SHARE OF CHANGE IN VMT BY FACTOR

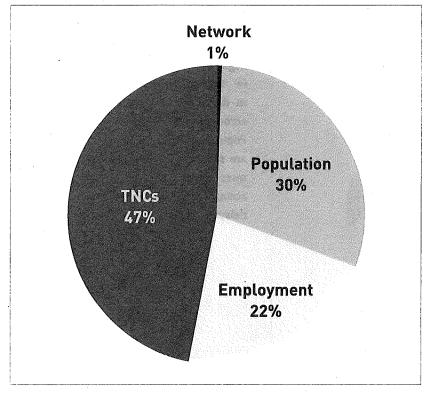


Figure 14 indicates that daily VMT on study roadways increased from approximately 4.9 million miles in 2010 to 5.6 million miles in 2016 on study roadways on a typical weekday, an increase of 13%. In the counterfactual 2016 scenario, where TNCs are unavailable and travelers used other modes, daily VMT increases to 5.3 million miles, an increase of approximately 7%. The relative increases in VMT are lower than the relative increases in hours of delay due to the non-linear relationship between traffic and delay. One additional VMT in congested conditions increases delay more than one additional VMT in uncongested conditions. TNCs also contribute relatively more to delay than to VMT because of the additional delay associated with TNC pick up and drop off activity does not result in additional VMT.

Figure 15 illustrates the sources for the changes in VMT between 2010 and 2016. TNCs are estimated to account for 47% of the increase in VMT, and about 5% of total VMT in 2016. Population change and employment change are responsible for just over 52% of the increase in VMT, and network changes account for about 1% of changes in VMT.

AVERAGE SPEED

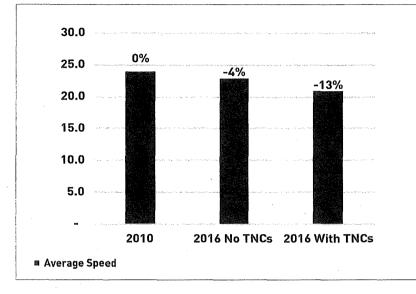


FIGURE 16. AVERAGE SPEEDS AND CHANGE IN SPEEDS

The average speed captures a lengthweighted estimate of the speeds on all study roadways. **Figure 16** indicates that average speeds decreased from just over 24.0 miles per hour (mph) in 2010 to approximately 20.9 mph in 2016, a decline of 13%. In the counterfactual 2016 scenario, where TNCs are unavailable and travelers used other modes, average speeds decline by only 4%.

FIGURE 17. SHARE OF CHANGE IN SPEED BY FACTOR

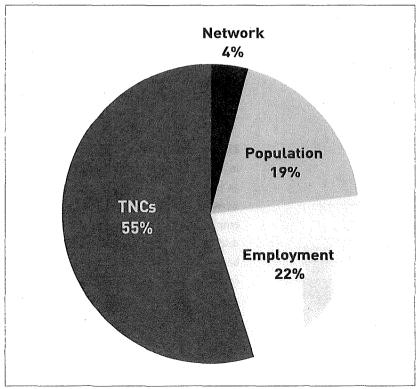
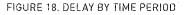


Figure 17 illustrates the sources for the changes in speed between 2010 and 2016. TNCs account for 55% of the decrease in speeds. Population change and employment change are responsible for just over 41% of the decrease in speeds, and network changes decrease speeds by approximately 4%.

When do TNCs Affect Congestion?

TNC usage varies by time-of-day, and thus affects congestion differently at different times of day. An additional vehicle on the roadway during congested time periods results in more congestion than an additional vehicle during uncongested time periods. The following summaries use five times of day derived from the SF-CHAMP model, which vary in length: the AM peak, PM peak, and early AM periods are 3 hours long, while the midday and evening periods are 6.5 and 8.5 hours long, respectively. The figures below demonstrate that TNCs significantly contribute to increased congestion across all times of day, especially in the evening, but during the AM and PM peaks and the midday as well.

VEHICLE HOURS OF DELAY



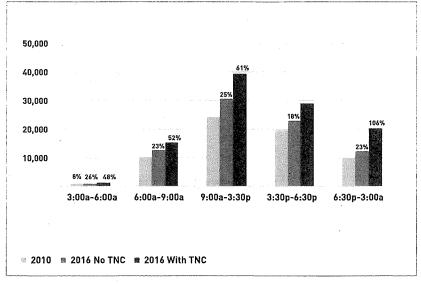
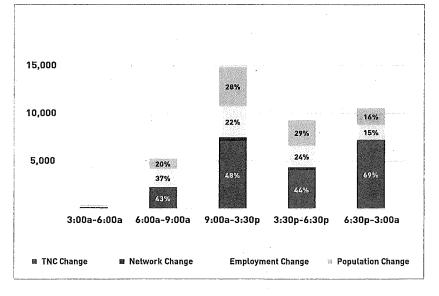


Figure 18 compares the VHD from 2010 to the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. This figure shows that TNCs increased VHD in all time periods relative to 2016 No TNC scenario. The greatest total increases in delay occurred during the midday and evening period. TNCs increase delay in the evening from 23% without TNCs to 106% in reality, and increase the delay in the midday from 25% without TNCs to over 60%, and also increase delay significantly in the PM and AM peak periods.

Figure 19 illustrates the total increase in delay between 2010 and 2016, as well as the share of this delay caused by TNCs, network changes, population changes and employment changes. During the AM peak, midday, and PM peak periods, TNCs cause between 43% and 48% of the increased delay and about 20% of total delay. Employment growth and population growth combined account for just over half of the increased delay. In the evening time period, TNCs are responsible for almost 70% of the increased delay, and for about 40% of the total delay.

FIGURE 19. CHANGE IN DELAY BY TIME PERIOD BY FACTOR



VEHICLE MILES TRAVELED

FIGURE 20. VMT BY TIME PERIOD

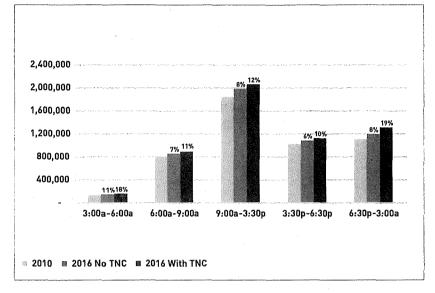


Figure 20 compares the VMT from 2010 to the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. This figure shows that TNCs increased VMT in all time periods relative to 2016 No TNC scenario, with the greatest increases occurring during the midday and evening period.

FIGURE 21. CHANGE IN VMT BY TIME PERIOD BY FACTOR

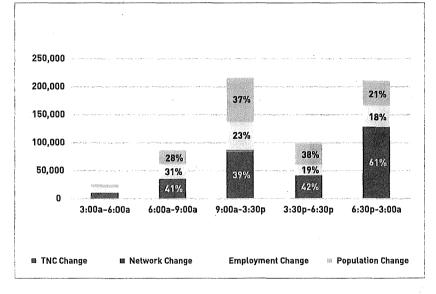


Figure 21 illustrates the total increase in VMT between 2010 and 2016, as well as the share of this delay caused by TNCs, network changes, population changes and employment changes. TNCs contribution to increased VMT varies by time period. During the AM peak, midday, and PM peak periods, TNCs cause about 40% of the increased vehicle miles travelled, while employment and population growth combined are responsible for about 60% of the increased VMT. However, in the evening time period, TNCs are responsible for over 61% of the increased VMT and for about 9% of total VMT.

AVERAGE SPEED



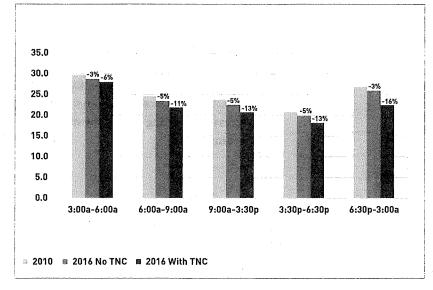


Figure 22 compares speeds from 2010 to the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. This figure shows that average speeds have declined across all time periods, but that this decline has been exacerbated by TNCs.

FIGURE 23. CHANGE IN SPEED BY TIME PERIOD BY FACTOR

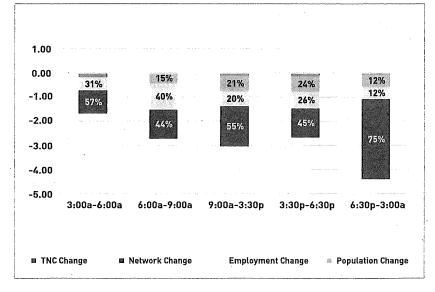
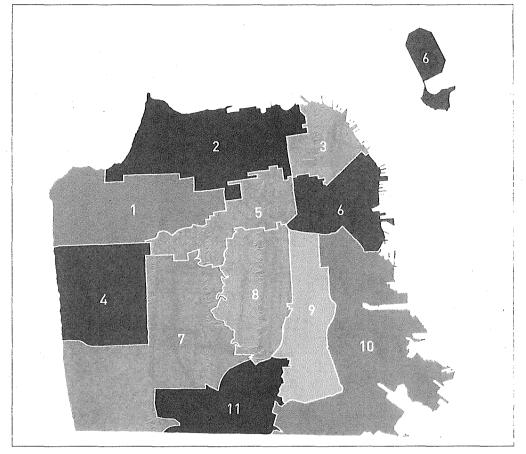


Figure 23 shows the decrease in average speeds between 2010 and 2016, as well as the share of this delay caused by different factors. The decline in average evening speeds has been most precipitous, dropping over 4 miles per hour, with almost 75% of this change attributable to TNCs. Speed decreases during the other time periods were about 3 miles per hour, with about 45%-55% of this decrease caused by TNCs.

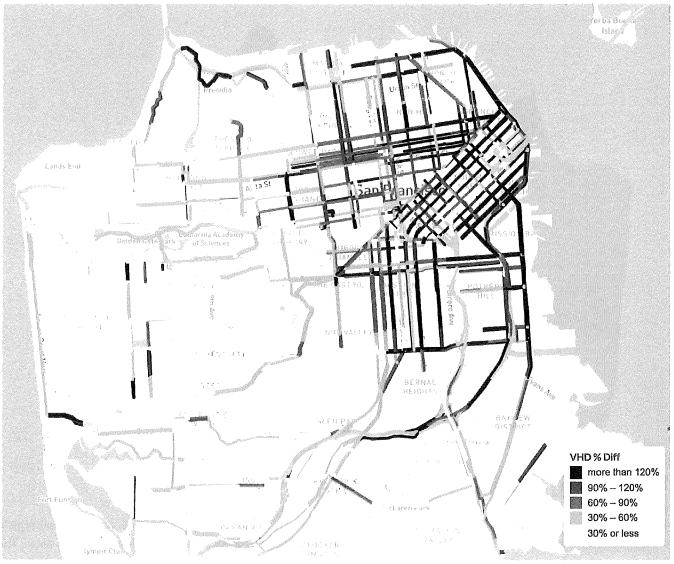
FIGURE 24. SAN FRANCISCO SUPERVISOR DISTRICTS



Where do TNCs Affect Congestion?

TNC usage varies across the city, and thus affects congestion differently in different neighborhoods. An additional vehicle on the roadway in more congested areas results in more congestion than an additional vehicle in less congested areas. The following sections first use maps to illustrate overall changes in the congestion measures on the INRIX segments, followed by supervisorial district-level charts. **Figure 24** illustrates the San Francisco Supervisor districts. The subsequent figures demonstrate that TNCs significantly contribute to increased congestion, especially in the densest parts of the city.

FIGURE 25. % CHANGE IN DELAY INRIX SEGMENT



VEHICLE HOURS OF DELAY

Figure 25 shows the percent increase in VHD between the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. It indicates that the greatest increases in delay occurred in the core northeastern quadrant, as well as along key corridors such the Mission corridor.

FIGURE 26. DELAY BY SUPERVISOR DISTRICT

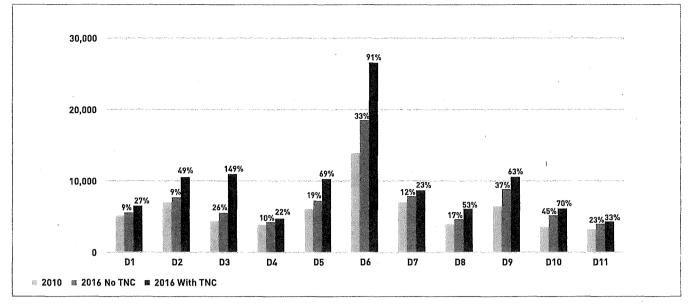


Figure 26 compares the delay from 2010 to the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. This figure shows that TNCs increased delay in all districts relative to 2016 No TNC scenario. The greatest total increases in delay occurred in District 3 and District 6. The greatest relative increase in delay occurred in District 3, while the greatest total amount of delay occurred in District 6.

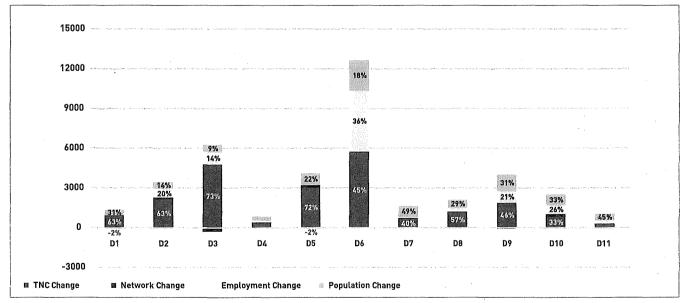


FIGURE 27. HOURS OF DELAY BY SUPERVISOR DISTRICT

Figure 27 illustrates the total increase in delay between 2010 and 2016, as well as the share of this delay caused by TNCs, network changes, population changes and employment changes. The greatest increases in delay occurred in Districts 3 and 6, with approximately 73% of the increase in delay in District 3 due to TNCs, and about 45% of the increase in delay in District 6 due to TNCs. We estimate that approximately 36% of total delay in District 3 and District 6 combined is due to TNCs.

FIGURE 28. % CHANGE IN VMT BY INRIX SEGMENT



VEHICLE MILES TRAVELED

Figure 28 shows the percent increase in VMT between the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. It indicates that the greatest increases in vehicle miles travelled occurred along key corridors, and with general increases in the northeast quadrant.

FIGURE 29. VMT BY SUPERVISOR DISTRICT

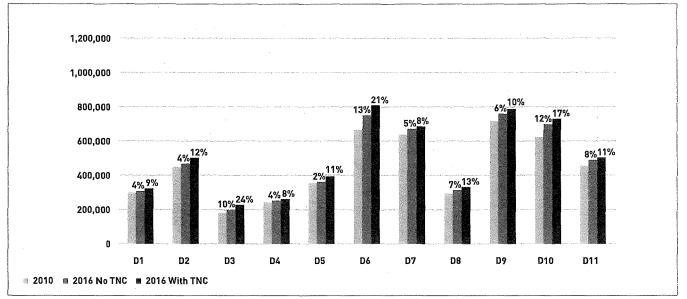


Figure 29 compares the VMT from 2010 to the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. The percentage change shown is relative to the 2010 Base scenario. This figure shows that TNCs increased VMT in all districts relative to 2016 No TNC scenario, with the greatest total increases occurring in Districts 6 and District 10, and the greatest relative increase occurring in District 3.

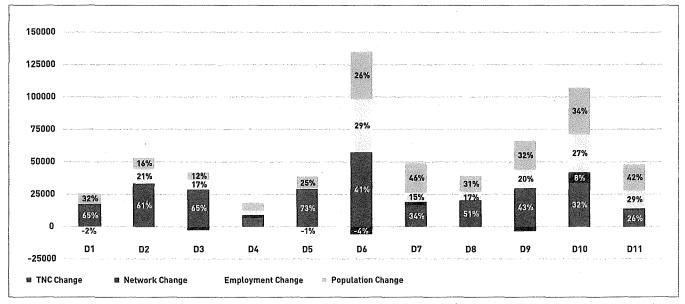


FIGURE 30. CHANGE IN VMT BY SUPERVISOR DISTRICT BY FACTOR

Figure 30 illustrates the total increase in VMT between 2010 and 2016, as well as the share of this delay caused by TNCs, network changes, population changes and employment changes. As noted, the greatest total increases occurred in Districts 6 and 10. TNCs accounted for 44% and 35% the increased VMT in these districts, respectively. While the total increase in VMT in Districts 3 and 5 were less than observed in other districts, the share of this increase attributable to TNCs in these districts was over 70%, the highest in the city.

FIGURE 31. % CHANGE IN SPEED BY INRIX SEGMENT



AVERAGE SPEED

Figure 31 shows the percent decrease in speed between the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. It indicates that the greatest decreases in speeds occurred South of Market, Downtown, and along the Embarcadero and with general increases in the northeast quadrant.

FIGURE 32. SPEED (MILES PER HOUR) BY SUPERVISOR DISTRICT

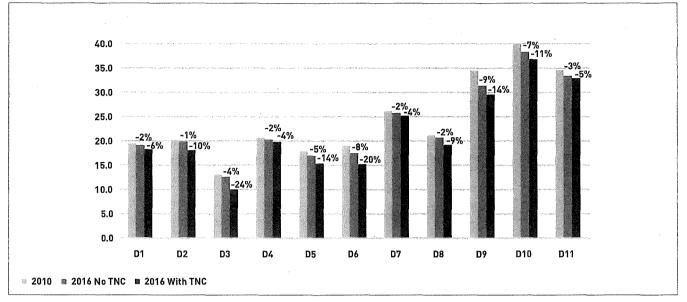


Figure 32 compares speeds from 2010 to the 2016 No TNC scenario in which TNCs don't exist, and to the 2016 with TNC scenario. The percentage change shown is relative to the 2010 Base scenario. This figure shows that average speeds have declined in all districts, with the greatest relative declines between the 2016 No TNC and 2016 With TNC scenarios occurring in Districts 3, 6, 5 and 9. Overall speeds were lowest in District 3 and highest in District 10.

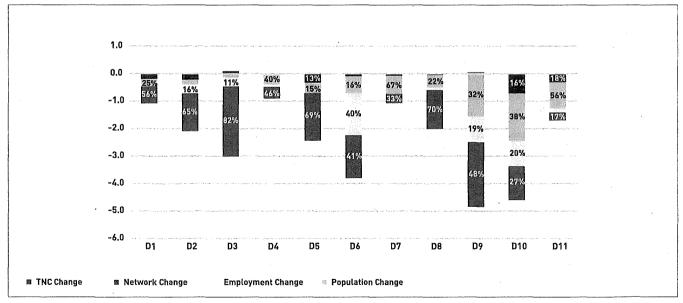
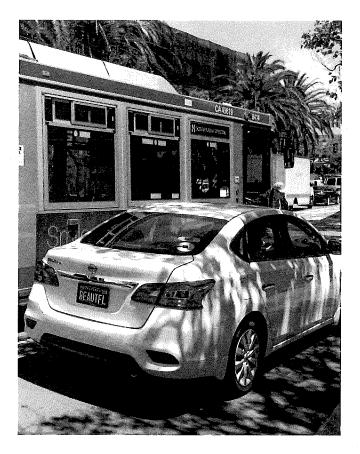


FIGURE 33. CHANGE IN SPEED BY SUPERVISOR DISTRICT BY FACTOR

Figure 33 shows the decrease in average speeds in each District between 2010 and 2016, as well as the share of this delay caused by different factors. The greatest declines in speed occurred in Districts 9 and 10. While almost 50% of this decline was due to TNCs in District 9, only 27% of the decline in District 10 was due to TNCs. Districts 3 and 6 also experienced notable declines in speed, with 82% of the decline in speed in District 3 attributable to TNCs. Note that the more than half of the decline in speeds in District 6 is attributable to employment and population growth.



Conclusion

Congestion in San Francisco worsened between 2010 and 2016. The Transportation Authority's Congestion Management Program monitoring indicates that average AM peak arterial travel speeds decreased since 2009 by -26%, while PM peak arterial speeds have decreased by -27% during this same time period. Vehicle hours of delay on the study roadways increased by 40,000 hours on a typical weekday, while vehicle miles travelled on study roadways increased by over 600,000 miles on a typical weekday. In addition, travel times have become less reliable.

During this period significant changes occurred in San Francisco. Roadway and transit networks changed, including the rebuilding of Doyle Drive, the implementation of transit red carpet lanes, and the expansion of the bicycle network. San Francisco added 70,000 new residents and over 150,000 new jobs, and these new residents and workers add more trips to the city's transportation network. Finally, new mobility alternatives emerged, most visibly TNCs. TNCs have become an important travel option in San Francisco. By late 2016, TNCs were estimated to generate over one million intra-San Francisco vehicle trips in a typical week, representing approximately 15% of all intra-SF vehicle trips, and the number and share of TNC trips in San Francisco has undoubtedly increased since 2016. The rapid growth of TNCs is attributable to the numerous advantages and conveniences that TNCs provide over other modes of transportation, and the availability of this new travel alternative has undeniably provided improved mobility for many San Francisco residents and workers.

TNC vehicle trips contribute significantly to increased congestion. After accounting for the effects of increased employment, increased population, and transportation network changes, TNCs are estimated to cause 51% of the increase in vehicle hours of delay, 47% of the increase in vehicle miles traveled, and 55% of the decline in speeds citywide between 2010 and 2016.

It is important to note that the effect of TNCs on congestion varies considerably by time-of-day. During most of the day, approximately 40% to 50% of the increase in vehicle hours of delay is attributable to TNCs, but in the evening, almost 70% of the increase in vehicle delay is due to TNCs. Similarly, during most of the day approximately 40% on the increase in vehicle miles traveled is due to TNCs, but in the evening TNCs account over 60% of increased VMT. Speeds declined by about 2 to 3 miles per hour during most of the day, with TNCs accounting for about 45% to 55% of this decrease. However, evening speeds declined by almost 4.5 miles per hour on study roadways, and TNCs are estimated to cause 75% of this decrease.

The effects of TNCs on congestion also varies significantly by location. The greatest increases in vehicle hours of delay occurred in Supervisorial Districts 3, 5 and 6, with over 70% of the increase in delay in Districts 3 and 5 due to TNCs, and about 45% of the increase in delay in District 6 due to TNCs. Vehicle miles traveled increased most significantly in Districts 6 and 10, with TNCs accounting for 41% and 32% of the increase in VMT in these districts, respectively. While the total increase in VMT in Districts 3 and 5 were less than observed in other districts, the share of this increase attributable to TNCs in these districts was between 65% and 75%, the highest in the city. Average speeds have declined in all districts, with the greatest relative declines occurring in Districts 3, 6, 5 and 9.



Future Research

The report identifies the extent to which TNCs contributed to roadway congestion in San Francisco between 2010 and 2016, relative to other potential contributing factors including employment growth, population growth, and transportation network changes. The report does not include policy recommendations, but rather seeks to provide knowledge needed by the Transportation Authority board, other policy-makers, the general public, and TNCs themselves to make informed decisions.

Subsequent reports by the Transportation Authority and others will address additional important analytic and policy questions in depth, including:

- **TNCs and Street Safety (SFMTA).** How do TNCs affect the safety of people who use the roads, including public transit riders, bicyclists and pedestrians?
- TNCs and Transit Ridership (SFCTA). How do TNCs affect public transit ridership and mode share?
- TNCs and Public Transit Operations (SFMTA) How do TNCs affect public transit service operations?
- **TNCs and Disabled Access (SFMTA).** To what extent do TNCs serve people with disabilities?
- **TNCs and Equity (SFCTA).** Can TNCs be accessed by all San Francisco residents including communities of concern and those without smartphones or credit cards? Are all neighborhoods served equitably?
- **TNCs and Land Use.** What effects do TNCs have on trip generation? How does TNC demand vary by land use type and intensity? How do TNCs affect parking and loading demand?

Additional data collection will be necessary in order to help answer these questions. We welcome research collaborations to obtain further information, including data to validate or enhance these findings, TNC vehicle occupancy information, traveler demographics and travel purposes, travel costs, TNC fleet composition data, and a range of other data items.

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SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

1455 Market Street, 22nd Floor, San Francisco, CA 94103 TEL 415.522.4800 FAX 415.522.4829 EMAIL info@sfcta.org WEB www.sfcta.org Patricia Valencia <glosunsunshine@gmail.com> Monday, October 01, 2018 10:59 AM Tang, Katy (BOS) Kim, Jane (BOS); Safai, Ahsha (BOS); Major, Erica (BOS) RE: San Francisco Flower Market

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Sirs,

From:

Sent:

To: Cc:

Subject:

We have been a tenant in the San Francisco Flower Mart for 10 years.

We support the Flower Mart project with office and retail above the new wholesale flower market. Our business starts very early in the morning with loud trucks loading/unloading as early as midnight. I support housing in San Francisco, but the housing project units in the Flower Mart project does not seem feasible, because of the odd hours (very early in the morning) will conflict with our wholesale business. If people are living right above or right next to the wholesale flower market, they will complain and it may not be a very good fit.

Patricia Valencia Patricia Araujo Clay Sunshine Flowers International From: Sent: To:

Subject:

Pin Nursery <pinnurseryinc@gmail.com> Monday, October 01, 2018 9:21 AM Major, Erica (BOS) New Flower Mart project

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

• I am a tenant of the Flower Mart, have been for 30 years.

• I support the New Flower Mart project as an office and retail project above the new wholesale flower market.

• We are a late-night/early morning operation and I don't support any residential units in the New Flower Mart.

• I don't support residential units above or right next to the new wholesale flower market.

• Our work is noisy and if you put housing in the New Flower Mart it will hurt our operations and cause conflict with the new residents.

Charlie Cheng Pin Nursery 7980 Holsclaw Rd Gilroy CA, 95020 408-710-9338

<u> </u>	
From:	Jeanne <jeanne@sfflowermart.com></jeanne@sfflowermart.com>
Sent:	Sunday, September 30, 2018 8:12 PM
То:	Tang, Katy (BOS); Kim, Jane (BOS); Safai, Ahsha (BOS); Major, Erica (BOS)
Subject:	Letter from SFFM
Attachments:	180928 Ltr from SFFM to BOS Land Use.docx
•	. '

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

September 28, 2018

Chair Katy Tang Vice-Chair Jane Kim Supervisor Ahsha Safai San Francisco Board of Supervisors Land Use and Transportation Committee

Dear Supervisors Tang, Kim and Safai:

We represent the San Francisco Flower Mart, one of the oldest wholesale flower markets in the United States. We manage the wholesale marketplace which houses over 50 individual flower vendors. We support the Flower Mart Project in Central SoMa as an office and retail development above a new, state-of-the-art wholesale flower market. This has been the plan for the site for at least the past four years. However, it is important to note that we are absolutely opposed to any residential units on the site.

The San Francisco Flower Mart is an industrial business. We are heavily reliant on vehicles to both receive and deliver the products we sell in our wholesale marketplace, many of these vehicles are semi-trucks and box trucks. Our businesses operate late night and very early morning hours, as early as 12:00 AM, when our vendors begin receiving deliveries on semi-trucks and box trucks. Our customers arrive and begin buying our perishable products at 2:00 AM. Although we sell a beautiful product, we are extremely noisy and typically have trucks parked, sometimes double parked, in our alleyways and surrounding streets most days during the week. If housing were to be built on this site, it would conflict with these activities and cause a hardship for our wholesale vendors and customers to operate effectively. While we support housing being built in San Francisco in general, we very strongly request that you maintain the Flower Mart Project as it has been planned, with only office and retail space above and adjacent to the wholesale flower market.

Respectfully,

Vance Yoshida

Vance Yoshida President San Francisco Flower Mart LLC

Jeanne Boes Jeanne Boes

Chief Operations Officer and General Manager

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San Francisco Flower Mart LLC

Jeanne Boes General Manager Chief Operations Officer SAN FRANCISCO FLOWER MART 640 Brannan Street San Francisco, CA 94107 415.392.7944 415.637.8817 cell

<u>www.sfflowermart.com</u> <u>http://www.facebook.com/SFFlowerMart</u> <u>https://twitter.com/sfflowermart</u>

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SAN FRANCISCO FLOWER MART 180612

SUBAL (TTED IN COMMA 7/16/18

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June 29; 2018

Dear President Cohen and Members of the SF Board of Supervisors,

My name is Jeanne Boes, General Manager and Chief Operations Officer of the San Francisco Flower Mart LLC (SFFM). SFFM is the master tenant of the historic wholesale flower market at 6th & Brannan Streets in SoMa. | represent our members/ownership group and our 50+ tenants which make up the San Francisco Flower Mart. | am writing to express our support for the Central SoMa Plan and the Flower Mart Project.

To give you a brief history, the San Francisco Flower Mart has operated in the City of San Francisco since 1912. We were founded by groups of immigrant flower farmers to the Bay Area, Chinese, Italian and Japanese farmers of California cut flowers and plants. We have relocated our market four times over the years in SF, going from selling at the foot of Lotta's Fountain to our current location at 6th and Brannan Streets. These farmers even supported and worked their Japanese neighbors' farms during World War II, when Japanese Americans were relocated to internment camps. We have always stayed together in SF!

We are now at another transition in our life in the City, preparing to relocate to a temporary location at 2000 Marin Street, as our partner Kilroy Realty builds-out the new Flower Mart. We are eternally grateful for the support of both Supervisor Jane Kim, and Supervisor Aaron Peskin. These Supervisors worked tirelessly to assure that the temporary location of the SFFM will be at 2000 Marin Street and not at Piers 19 & 23 on the crowded, busy Embarcadero. This temporary site will assure the viability of our tenants during the buildout of the new Flower Mart at 6th & Brannan Streets.

Here is a snapshot of the SF Flower Mart. We are part of a \$26 billion US Industry; with retail sales in the US totaling \$7,500,000,000. This means we generate hundreds of millions of dollars annually in the City of San Francisco.

We house over 50 small businesses in the market (vendors), 26 of these vendors qualify as "Legacy Businesses" in SF. They are purveyors of cut flowers, potted plants, blooming plants and floral supply products. Products in our market at one time were only from the immediate Bay Area, now flowers come from all over the world. These products are delivered to our marketplace via the aid of the trucking and transportation industry. We are heavily reliant on semi-trucks and box trucks to receive and distribute our products.

In addition to showing our full support for the Plan and the Project, we want to bring attention to couple of very important issues as they relate to the viability of the wholesale flower market, parking and zoning requirements.

SAN FRANCISCO FLOWER MART

We employ over 350 blue-collar workers in the Flower Mart, and most of these workers drive their vehicles to work. They currently park on the surrounding streets and alley ways, with no cost to them. Our business depends on the use of personal vehicles -- vans, and box trucks. We are heavily reliant on transportation; public transportation is not an option for our vendors. In addition to the inaccessibility of public transit during our early morning hours, our vendors often arrive with trucks full of product. We operate during the hours of:

12 am to 3 pm, Monday, Wednesday and Friday 5 am to 3 pm, Tuesday, Thursday and Saturday Our peak hours of operation run from 5-6 am to 12-1 pm Monday-Friday.

We have over 4,300 registered buyers ("Badgeholders"), most of which are small business owners, who operate in every surrounding county of the Bay Area, including SF. Our customers load their vehicles with the product they purchase at the SFFM and deliver the product back to their businesses via personal vehicles, small trucks, or vans. Currently, our parking lot holds 144 customer cars and trucks and is often double parked to accommodate demand. Our vendors park their box trucks on the streets surrounding the market.

In the New Flower Mart Project we have been promised 150 car spaces and 25 truck parking spaces within the parking garage dedicated to the SFFM -- there is no way we can operate with less than that. In addition to those spaces within the project, we will also need to use the parking and loading spaces proposed on the streets surrounding the market for the early morning and late night hours.

Another issue that has been brought to our attention is the zoning requirement for PDR use to have transparent windows and doors on 60% of the ground floor street frontage. Looking at the current design and customer flow, either the windows would look into the refrigeration units causing temperature variations along with sunlight which would damage the product. Our perishable products need regulated stable environments to maximize shelf life. The other option woud have the windows opening into the back-of-house of the vendor's operation, resulting in a lack of privacy and security. This requirement would negatively affect the operations of our vendors in the market.

We urge you to approve the Central SoMa Plan, and the Flower Mart Project, which will allow our vendors to continue to grow and thrive for another 100 years in SF. Please also consider the exceptions for the Flower Mart Project related to the two issues described above.

Respectfully,

SAN FRANCISCO

Jéanne Boes General Manager, Chief Operations Officer SAN FRANCISCO FLOWER MART LLC

<u>Central SoMa Zoning Analysis – Suggested Planning Code Amendments</u>

The table below identifies issues in the proposed Central SoMa Planning Code amendments ordinance (BOS File No. 180184) that are of particular concern to the proposed Flower Mart Project. Suggested revisions are indicated in red.

Topic	Draft Planning	Issue	Suggested Revision
	Code Section:		
		SFFM Proposed Amendments not Addres	
Parking	Proposed § 329(e)(3)(B)	The proposed ordinance does not provide an exception from the parking standards for the Key Sites, even though those properties are required to provide large PDR spaces, the future tenants of which are likely to require large amounts of parking. In particular, the success of the replacement Wholesale Flower Market will depend in large part on the provision of adequate parking (as required by KRC's agreement with the Wholesale Flower Market tenants) to accommodate a high volume of wholesale customers moving large amounts of goods. We propose the addition of an exception that would allow Key Sites to receive an exception to provide additional parking for wholesale /distribution uses.	 Proposed § 329(e)(3)(B) should be amended to allow Key Sites to seek an exception from the maximum accessory parking requirements in order to provide sufficient parking for large scale wholesale and distribution uses. (B) Exceptions the requirement that POPOS be open to the sky established in Section 138(d)(2)(B); or the commercial orientation of large sites established in Section 249.78(c)(6); or the accessory parking maximums set forth in Section 151.1, such that the Key Site identified in Section 329(e)(2)(F) may provide accessory parking for Wholesale Sales and Distribution uses up to a rate of one car per each 750 square feet of Gross Floor Area.
Transparent Fenestration of PDR	Proposed §§ 249.78(c)(1)(E) and 329(e)(3)(B)	The Proposed § 249.78(c)(1)(E) applies the transparency and fenestration requirements of existing Code Section 145.1 to PDR uses. The types of uses that occupy PDR space often involve machinery, noise, and abnormal operating hours, and are not the type of uses enhanced by ground floor transparency—nor are they the kinds of uses for which ground floor windows would enhance the pedestrian environment.	 Proposed § 329(e)(3)(B) should be amended to allow Key Sites to seek an exception from the requirement that PDR uses meet the transparency and fenestration requirements contained in § 249.78(c)(1)(E). (B) Exceptions the requirement that POPOS be open to the sky established in Section 138(d)(2)(B); or the commercial orientation of large sites established in Section 249.78(c)(6)-; or the requirement that PDR uses meet the transparency and fenestration requirements established in Section 249.78(c)(1)(E).

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POPOS	Amended § 138; Proposed § 329(e)(3)(B)	Under proposed § 329(e)(3)(B), Key Sites may seek an exception from "the requirement that POPOS be open to the sky established in Section 138(d)(2)(B)." But it is § 138(d)(2)(E)(i) that requires at grade open space to be open to the sky. Proposed § 138(d)(2)(B) requires that projects "on sites of 40,000 square feet or more and located south of Bryant Street shall provide the required open space outdoors and may not pay an in-lieu fee."	 Proposed § 329(e)(3)(B) regarding open space exceptions that should be corrected as follows: (B) Exceptions the requirement that POPOS be open to the sky established in Section 138(d)(2)(BE)(i); or the commercial orientation of large sites established in Section 249.78(c)(6).
POPOS & Open Space In-Lieu Fee	Amended § 426	As amended, § 426 states that an in-lieu fee is required for each square foot of POPOS and non- residential open space that is required but not provided.	Amended § 426 should be revised such that an in lieu fee would not be required where a project obtains an exception only from the qualitative standards of the POPOS requirements, but where the project provides the amount of POPOS mandated by the Code. We suggest the following amendment: In the CMUO District, the usable open space requirement of Section 135.3 and the POPOS requirement of Section 138 may be satisfied through payment of a fee of \$890 for each square foot of required usable open space not provided. Payment of a fee shall not be required for any square footage of usable open space or POPOS that is provided in the amount required, but for which a variance or exception is granted for design standards otherwise applicable to such open space or POPOS.
Living and Solar Roofs	Proposed §§ 249.78(d)(3) and 329(e)(3)(B)	Proposed § 249.78(d)(3) requires that Central SoMa buildings that are 160-feet-tall or less provide at least 50% of the roof area as living roof and comply with Building Code Section 5.201.1.2, which sets forth the requirements for solar systems on non-residential buildings.	 Proposed § 329(e)(3)(B) should allow for a Key Sites exception from the living roof and solar requirements as long as a comparable amount of required living roof and/or solar system area is provided elsewhere on the property. (B) Exceptions the requirement that POPOS be open to the sky established in Section 138(d)(2)(B); or the commercial orientation of large sites established in Section 249.78(c)(6):; or the living and solar roofs requirements established in Section 249.78(d)(3), so long as a comparable amount of required living and/or solar roof area is provided elsewhere on the property.

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Tower Separation	Proposed §§ 132.4(d)(3) and 329(e)(3)(B)	Proposed § 329(e)(3)(B) states that Key Sites can seek an exception for the tower separation requirements in § 132.4, and Planning staff has advised that Key Sites are not required to meet the 4 criteria listed in proposed § 132.4(d)(3) in order to obtain this exception. However, this should be clarified in the Code language.	Proposed § 132.4(d)(3) should be amended to clarify that Key Sites can obtain an exception from the tower separation requirements without meeting the four criteria set forth in proposed § 132.4(d)(3)(B): <u>Through the procedures of Section 329, the Planning Commission may</u> <u>reduce the separation required under subsection (A) if it finds that a</u> <u>Tower project meets all of the following criteria. Key Sites, as identified</u> in § 329(e)(2), are not required to comply with the following criteria in <u>order to obtain a reduction of the Building Separation requirements set</u> forth in subsection (A), as the Key Sites are eligible for a general exception from the Building Separation requirements pursuant to § 329(e)(3)(B).
Key Sites Exceptions, Generally	Proposed § 329(d)(12)	The proposed language eliminates the ability of Central SoMa SUD projects to seek the PUD exceptions under § 304, which are currently available to LPA projects pursuant to existing § 329(d)(12). The Central SoMa Plan requires or encourages a mix of PDR, office, retail, and residential in a relatively dense environment, all while striving for a dense, walkable, and transit-oriented neighborhood. Some measure of flexibility in applying prescriptive Code standards is necessary in order to facilitate building typologies and mixes of uses that are relatively novel.	S29(e)(5)(b). Revise amended § 329(d)(12) to allow Key Sites projects to seek PUD-type exceptions (as set forth in § 304) via an LPA: Where not specified elsewhere in this Ssubsection (d), modification of other Code requirements which that could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located, except that such modifications shall not be permitted for non-Key Sites projects in the Central SoMa Special Use District. Those projects on Key Sites, as identified in subsection (e) below, may obtain exceptions from those Code requirements that could be otherwise be modified as a Planned Unit Development.

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File Nos. 180490, 180185, 180453, 180184, 180612 Received via email 9/26/18



T 510.836.4200 F 510.836.4205 410 12th Street, Suite 250 Oakland, Ca 94607

www.lozeaudrury.com richard@lozeaudrury.com

By Email and US Mail

September 26, 2018

Angela Calvillo, Clerk of the Board San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place City Hall, Room 244 San Francisco, CA 94102-4689 <u>Board.of.Supervisors@sfgov.org</u> angela.calvillo@sfgov.org

Lisa M. Gibson, Environmental Review Officer 1650 Mission Street, Suite 400 San Francisco, CA 94103 lisa.gibson@sfgov.org

> RE: Central SoMa Plan and Environmental Impact Report for Central SoMa Plan (SCH NO. 2013042070)

Dear Ms. Calvillo and Ms. Gibson:

I am writing on behalf of SF Blu, a San Francisco Homeowners' Association representing residents living at 631 Folsom Street, to request that the City and County of San Francisco ("City") provide us with written notice of any and all notices issued under California Planning and Zoning Law and/or the California Environmental Quality Act ("CEQA"), referring or related to the Central SoMa Plan and Environmental Impact Report for Central SoMa Plan (SCH NO. 2013042070).

In particular, we hereby request that the City send by mail or electronic mail to my firm at the address below notice of any and all actions or hearings related to activities undertaken, authorized, approved, permitted, licensed, or certified by the City and any of its subdivisions, including, but not limited to the following:

- Notice of any public hearing in connection with the Project as required by California Planning and Zoning Law pursuant to Government Code Section 65091.
 - Any and all notices prepared pursuant to the California Environmental Quality Act ("CEQA"), including, but not limited to:

Notices of any public hearing held pursuant to CEQA.

Request for CEQA Notices September 26, 2018 Page 2 of 2

- Notices of determination that an Environmental Impact Report ("EIR") or supplemental EIR is required for a project, prepared pursuant to Public Resources Code Section 21080.4.
- Notices of availability of an EIR or a negative declaration for a project prepared pursuant to Public Resources Code Section 21152 and Section 15087 of Title 14 of the California Code of Regulations.
- Notices of approval and/or determination to carry out a project, prepared pursuant to Public Resources Code Section 21152 or any other provision of law.
- Notice of approval or certification of any EIR or negative declaration prepared pursuant to Public Resources Code Section 21152 or any other provision of law.
- Notice of exemption from CEQA prepared pursuant to Public Resources Code section 21152 or any other provision of law.
- Notice of any Final EIR prepared pursuant to CEQA.
- Notice of any Supplemental EIR prepared pursuant to CEQA.

Please note that we are requesting notices of CEQA actions and notices of any public hearings to be held under any provision of Title 7 of the California Government Code governing California Planning and Zoning Law. This request is also filed pursuant to Public Resources Code Sections 21092.2, and 21167(f) and Government Code Section 65092, which require local agencies to mail such notices to any person who has filed a written request for them with the clerk of the agency's governing body.

Please send notice by electronic mail to:

Richard Drury Lozeau Drury LLP 410 12th Street, Suite 250 Oakland, CA 94607 <u>richard@lozeaudrury.com</u>

Please call should you have any questions. Thank you for your attention to this matter.

Sincerely,

Richard Drury Lozeau Drury LLP

Board of Supervisors, (BOS)

From:	Cliff Leventhal <cliffleventhal@gmail.com></cliffleventhal@gmail.com>
Sent:	Wednesday, September 19, 2018 3:23 PM
То:	Board of Supervisors, (BOS)
Subject:	Owner Opposition to the BLU HOA Board's Appeal on the Central Soma Plan.

I am presenting for the Supervisors' review, a copy of my presentation at the next Supervisors meeting regarding the Central Soma plan and its impact on the BLU. I will also forward a copy of my Cease and Desist letter, objecting to the possible unauthorized use of HOA funds to oppose the plan by some individuals of the HOA Board and its Director.

Cliff

Begin forwarded message:

From: Cliff Leventhal <<u>cliffleventhal@gmail.com</u>> Date: September 19, 2018 at 3:11:51 PM PDT To: Cliff Leventhal <<u>cliffleventhal@gmail.com</u>> Subject: Draft of Presentation to Supervisor Board

Hi. I am Cliff Leventhal, and owner and resident at the BLU, 631 Folsom Street, since March 2013, and a former member of the BLU Social Committee. I retired recently as the owner of a Computer Manufacturer and Distributor, headquartered in New York. I would like to speak on behalf of myself and several other owners at the BLU in favor of the Central Soma plan, and opposed by some members of the HOA Board.

I live on the 4th floor of the building, and was not surprised the some of the owners in the Penthouse and upper floors of the 20 floors of residences were opposed to a development over a block away that might obstruct their view of the Bay Bridge. To me, what is more important is what is happening on the streets of San Francisco. Hawthorne Street, adjacent to our building, is nightly strewn with shards of broken car windows, and on Harrison Street you find the homeless pushing shopping carts of their meager possessions past many undeveloped sites. We have to take care of these unfortunate folks, and help upgrade our neighborhood and their lives

What disturbs me is that some members of the Board, living in the upper stories, are pro-porting that the building as a whole is opposed to the Central Soma plan, and have taken it upon themselves to fight it, project by project, possibly using everyone's HOA funds. To the best of my knowledge I and other owners outside the board were never consulted about our views. The legality of the HOA Board representing the building as a whole is questionable. I have documented this with a Cease and Desist letter to the HOA Board and Building Management and an forwarding you a copy of my letter.

I have also twice requested through the Building Manager that the Developers, and even our Supervisor, be invited to present information to the HOA members, and twice been denied by the HOA Board. All that is presented at the HOA meetings are the unsupported views of some of the Board's members and Director.

If the goal is to enhance the value of our properties, it would best be served by helping the homeless, and providing shops, offices, and residences in place of the current conditions on Harrison Street. I am strongly in favor of the Central Soma plan, which took years of effort by professional city planners to develop. My only reservation is that it does not go far enough and should be expanded to provide even more residences, as is being done in several other projects.

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Board of Supervisors, (BOS)

From: Sent: To: Subject: Attachments: Cliff Leventhal <cliffleventhal@gmail.com> Friday, September 21, 2018 3:20 PM Board of Supervisors, (BOS) DRAFT - Leventhal - Letter to HOA.docx DRAFT - Leventhal - Letter to HOA.docx

Attached, for review by the Board of Supervisors, is a draft copy of the Cease and Desist letter I had my lawyer prepare. It was sent to the BLU Manager, and the HOA Board. It was sent Sept 7. As of today, Sept 21, I have not received any of the information requested.

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Cliff Leventhal 631 Folsom St. 4D San Francisco CA 94107

September ____, 2018

Via Email and U.S. Mail

Re: Central SoMa Plan and EIR

This office represents Cliff Leventhal, a homeowner in the SF BLU condominium building. It has come to our client's attention that the SF BLU Homeowners' Association (the "HOA") has recently taken actions relating to the Central SoMa Plan, including the following: (1) filing an appeal challenging the Central SoMa Plan on or about June 8, 2018 (the "Appeal"); and (2) sending a letter dated June 26, 2018 to the San Francisco Board of Supervisors (the "Letter"), threatening legal action on behalf of the HOA.

We understand that there was no HOA Board of Directors ("Board") meeting at which these issues were discussed, no formal Board approval of the Appeal or the Letter, and no advance notice given to the HOA members before these steps were taken. It seems that only the individual Board members, or some of them, were involved in the preparation of the Appeal and the Letter, and that these individuals improperly purported to speak on behalf of the HOA. This conduct was in violation of [cite section of CC&Rs; cite section of Davis-Stirling].

Three weeks after the Letter was sent, the Board held a meeting on July 17, 2018. Although the Central SoMa Plan was not an agenda item, an Owner present at the meeting reportedly raised the issue. The Owner asked the Board how the HOA's opposition to the Central SoMa Plan – as expressed in the Appeal and the Letter – would be funded. In response, the Board discussed using <u>building reserves</u> to finance a lawsuit against the City.

Our client strongly objects to any HOA funds being used to oppose the Central SoMa Plan in any way. This would be a misuse of the HOA's reserves, which are earmarked solely for "the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replace, or maintenance of, major components of the Common Area and facilities...." (CC&Rs, Section 4.3(d); Davis-Stirling [cite].) Indeed, we understand that the HOA is underfunded as it is, and that the diversion of HOA funds for use in opposing the Central SoMa Plan would only exacerbate this problem. Nor would it be proper for the HOA to increase assessments or impose special assessments for this purpose. The Board's authority to take such action is quite limited and would likely require the approval of a majority of the Owners at a properly-noticed meeting, with a quorum present. (CC&Rs, Section 4.5.)

Further, it would be improper for the Board to commence or pursue litigation against the City regarding the Central SoMa Plan. The CC&Rs only contemplate lawsuits by the HOA

relating to defects in or damage to the building, or enforcement of the Condominium Documents. (CC&Rs Sections 4.9(n), 9.1(b).) Moreover, even assuming the HOA had the authority to file suit against the City (which our client denies), the Board would first be required to comply with Section 9.1(b) of the CC&Rs, which requires written notice to all members of the HOA and a meeting to discuss the contemplated lawsuit.

Any further action in contravention of the CC&Rs and Davis-Stirling, including expending HOA funds to oppose the Central SoMa Plan, will expose the members of the Board to liability for breach of their fiduciary duties owed to the HOA and its members. Our client hereby demands that the members of the Board immediately cease and desist their improper and unauthorized conduct with respect to the Central SoMa Plan, and that the Board instead proceed in strict compliance with the CC&Rs and California law.

Finally, our client demands full disclosure of the Board's past activities related to the Plan, the One Vassar project, and/or the 350 2nd Street project. Please provide me with copies of all notices sent to the Owners, if any, all meeting minutes, and the provisions of the CC&Rs which the Board relied on as authority for filing the Appeal and sending the Letter in the name of the HOA. We will also require copies of all contracts for services entered into by the Board relating to these issues, all legal bills for representing the HOA (whether paid by the HOA or others), all correspondence with outside parties, and summaries of all material conversations or meetings with outside parties relating to the Central SoMa Plan. Please provide these materials by close of business on September 17, 2018.

Thank you for your attention to this matter. We look forward to your prompt response.

Very truly yours,

Jessica M. Takano

cc: Client (via email)



Received in Committee 7/9/2018 Q10:30am

San Francisco Board of Supervisors City Hall San Francisco CA 94102

July 9, 2018

RE: CENTRAL SOMA PLAN Establishing The South of Market Community Advisory Committee

Honorable Supervisors:

The Department of City Planning now recommends establishing a new South of Market CAC by splitting the existing Eastern Neighborhoods Citizens Advisory Committee in two. That is a logical starting point, but falls far short of what is really need to ensure full public and community participation in determining the future of our dynamic Neighborhood.

The current Eastern Neighborhoods CAC suffers from two fatal flaws:

- 1. As the Department now admits, it is too big, attempting to provide community engagement for three very complex and different neighborhoods SOMA, the Mission District, and Potrero/Central Waterfront.
- Its scope of City development review is far too limited limited to just MTA, DPW, Park/Rec, and Childcare planning. The crucial Mayor's Office of Housing affordable housing programs are completely omitted, and also the Mayor's Offices of Community Development and Economic and Workforce Development.

To correct this, the scope of the purview of the new Central SOMA CAC must be substantially enlarged and very clearly specified, as follows (this would be a revision of the Eastern Neighborhoods ordinance section outlining that CAC's role):

"The SOMA CAC shall be the central community advisory body charged with providing input to City agencies and decision makers with regard to all activities related to implementation of the Central SOMA Plan and Eastern Neighborhoods Area Plans within the South of Market Special Use District by all City agencies, including but not limited to the City Planning Department, the Mayor's Office of Housing and Community Development, the Mayor's Office of Economic and Workforce Development, the Municipal Transportation Authority, the Recreation and Parks Department, the Department of Public Works, and the Arts Commission. The CAC is established for the purposes of providing input regarding Central SOMA Plan Area and Eastern Neighborhoods Plan Areas within the South of Market Special Use District on the (i) prioritization of Public Benefits, (ii) updating the

230 Fourth Street San Francisco CA 94103

Public Benefits program, (iii) programming of public investments in South of Market including community facilities districts, (iv) proposed revisions to planning code and zoning provisions, (v) relaying information to community members in the South of Market neighborhood regarding the status of development proposals, and (vi) providing input to plan area monitoring efforts as appropriate. The CAC shall be advisory, as appropriate, to the Planning Department, the Interagency Planning & Implementation Committee (IPIC), the Planning Commission, relevant City departments and agencies, and the Board of Supervisors."

Sincerely,

John Elberling President **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

MEMORANDUM

TO: John Rahaim, Director, Planning Department Todd Rufo, Director, Office of Economic and Workforce Development

FROM: ^MAlisa Somera, Legislative Deputy Director Rules Committee

DATE: June 11, 2018

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Mayor Farrell on June 5, 2018:

File No. 180612

Ordinance amending the Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize special tax financing of certain facilities and services related to the Central SoMa Plan Area and to make other necessary amendments.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: <u>alisa.somera@sfgov.org</u>.

c: Scott Sanchez, Planning Department Lisa Gibson, Planning Department AnMarie Rodgers, Planning Department Dan Sider, Planning Department Aaron Starr, Planning Department Joy Navarrete, Planning Department Laura Lynch, Planning Department Ken Rich, Office of Economic and Workforce Development Lisa Pagan, Office of Economic and Workforce Development Office of the Mayor San Francisco



Mark Farrell Mayor

TO: Angela Calvillo, Clerk of the Board of Supervisors FROM/Whayor Farrell RE: San Francisco Special Tax Financing Law DATE: June 5, 2018

Attached for introduction to the Board of Supervisors is an ordinance to amend the San Francisco Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize special tax financing of certain facilities and services related to the Central SoMa Plan Area and to make other necessary amendments.

Should you have any questions, please contact Andres Power 554-5168.

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200 SAN FRANCISCO, CALIFORNIA 94102-4681 TELEPHONE: (415) 554-6141

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