



# SAN FRANCISCO PLANNING DEPARTMENT

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March 1, 2019

Ms. Angela Calvillo, Clerk  
Honorable Mayor Breed  
Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

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**Re: Transmittal of Planning Department Case Number 2019-000931PCA:  
Homeless Shelters in PDR and SALI Districts  
Board File No. 190047  
Planning Commission Recommendation: Approval**

Dear Ms. Calvillo and Mayor Breed,

On February 28, 2019, the Planning Commission conducted duly noticed public hearing at regularly scheduled meeting to consider the proposed Ordinance, introduced by the Honorable Mayor London Breed that would amend Planning Code Sections 210.3 and 846. At the hearing the Planning Commission recommended approval.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr".

Aaron D. Starr  
Manager of Legislative Affairs

cc:

Anne Pearson, Deputy City Attorney  
Mawuli Tugbenyoh, Legislative Director, Liaison to the Board of Supervisors  
Kanishka Cheng, Mayor's Liaison to the Board of Supervisors  
Erica Major, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution 20394  
Planning Department Executive Summary



# SAN FRANCISCO PLANNING DEPARTMENT

## Planning Commission Resolution No. 20394

HEARING DATE: FEBRUARY 28, 2019

*Project Name:* Homeless Shelters in PDR and SALI Districts  
*Case Number:* 2019-000931PCA [Board File No. 190047]  
*Initiated by:* Mayor Breed / Introduced January 15, 2019  
*Staff Contact:* Kate Conner, Legislative Affairs  
kate.conner@sfgov.org, 415-575-6914  
*Reviewed by:* Aaron D Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362

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**RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE ADMINISTRATIVE CODE AND PLANNING CODE TO AUTHORIZE THE DEPARTMENTS OF HOMELESSNESS AND SUPPORTIVE HOUSING (“HSH”) AND PUBLIC WORKS TO ENTER INTO AND AMEND CONTRACTS WITHOUT REQUIRING COMPETITIVE BIDDING FOR CONSTRUCTION WORK AND PROFESSIONAL AND OTHER SERVICES RELATING TO SITES AND PROGRAMS FOR PEOPLE EXPERIENCING HOMELESSNESS; PERMITTING HOMELESS SHELTERS IN PDR AND SALI DISTRICTS; AUTHORIZING HSH TO OPERATE NAVIGATION CENTERS FOR MORE THAN TWO YEARS; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.**

WHEREAS, on January 15, 2019 Mayor Breed introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 190047, which would amend Sections 210.3 and 846 of the Planning Code to permit Homeless Shelters in PDR and SALI Districts as of right during a declared shelter crisis and would amend the Administrative Code to authorize the Departments of Homelessness and Supportive Housing (“HSH”) and Public Works to enter into and amend contracts without requiring competitive bidding for construction work and professional and other services relating to sites and programs for people experiencing homelessness and authorizes HSH to operate Navigation Centers for more than two years;

WHEREAS, The Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on February 28, 2019; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of

Department staff and other interested parties; and

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

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

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

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

## **FINDINGS**

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

1. Ordinance enables expedited shelter construction during a declared shelter crisis which is vital to combatting homelessness. These amendments ensure that there will not be any disruption in services provided to our most vulnerable population.
2. Ordinance ensures that PDR and SALI retain their industrial character by not changing the underlying zoning and proposing temporary provisions during a declared shelter crisis.
3. Ordinance removing competitive bidding requirements is a significant time and cost savings for both Departments of HSH and Public Works.
4. Ordinance allowing HSH to operate Navigation Centers longer than two years removes the requirement for a Board of Supervisors time extension. Two Navigation Centers have received such extensions based upon their operational success and the lack of adverse impacts on the surrounding neighborhood.
5. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

## **HOUSING ELEMENT**

### **OBJECTIVE 6**

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

#### **Policy 6.1**

Prioritize permanent housing and service enriched solutions while pursuing both short- and long-term strategies to eliminate homelessness.

#### **Policy 6.2**

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

**Policy 6.3**

Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.

**Policy 6.4**

Improve coordination among emergency assistance efforts, existing shelter programs, and health care outreach services.

*Although shelters do not provide permanently affordable housing, shelters are a successful strategy to combat homelessness. Further, Policy 6.4 calls for improved coordination among emergency assistance efforts, existing shelter programs, and health care outreach services. By permitting shelters in the PDR and SALI Districts, removing competitive bidding requirements, and allowing shelters constructed during a shelter crisis to remain permanently, this Ordinance is streamlining shelter construction and removing bureaucratic barriers for continued operation.*

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

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

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

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

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

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

*The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing. Conversely, the Ordinance will be providing temporary shelter for our most vulnerable population.*

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

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

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

*The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired. The proposed Ordinance permits shelters as a permitted use in the SLAI and PDR Districts during a declared shelter crisis and is not anticipated to permanently alter the industrial character of these districts.*

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

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

7. That the landmarks and historic buildings be preserved;

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

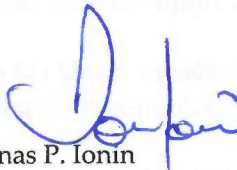
8. That our parks and open space and their access to sunlight and vistas be protected from development;

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

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

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

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on February 28, 2019.

  
Jonas P. Ionin  
Commission Secretary

AYES: Commissioners Melgar, Koppel, Hillis, Moore, and Richards

NOES: None

ABSENT: Commissioner Johnson

ADOPTED: February 28, 2019.



# SAN FRANCISCO PLANNING DEPARTMENT

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## Executive Summary Planning Code Text Amendment HEARING DATE: FEBRUARY 28, 2019 90-DAY DEADLINE: APRIL 15, 2019

*Project Name:* Homeless Shelters in PDR and SALI Districts  
*Case Number:* 2019-000931PCA [Board File No. 190047]  
*Initiated by:* Mayor Breed / Introduced January 15, 2019  
*Staff Contact:* Kate Conner, Special Projects and Policy  
kate.conner@sfgov.org, 415-575-6914  
*Reviewed by:* Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 415-558-6362  
*Recommendation:* **Approval**

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### PLANNING CODE AMENDMENT

The proposed Ordinance would permit Homeless Shelters in PDR (Production Distribution and Repair) and SALI (Service/Arts/Light Industrial) Districts during a declared shelter crisis. Homeless Shelters constructed during this period may be permanent.

The proposed Ordinance also amends the Administrative Code to authorize the Departments of Homelessness and Supportive Housing ("HSH") and Public Works to enter into and amend contracts without requiring competitive bidding for construction work and professional and other services relating to sites and programs for people experiencing homelessness and authorizes HSH to operate Navigation Centers for more than two years.

#### The Way It Is Now:

Currently, a Homeless Shelter is permitted with a Conditional Use Authorization in PDR and SALI Districts. In addition, Homeless Shelter uses are limited in operation in the follow regard:

- May operate no more than four years.
- Must be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco.
- If located within an existing building or structure, the building or structure must either be (a) preexisting, having been previously completed and occupied by a use other than a Homeless Shelter or (b) temporary.
- Construction of a permanent structure or building to be used as a Homeless Shelter is not permitted.

### **The Way It Would Be:**

As proposed, **during a declared shelter crisis**, Homeless Shelters that satisfy the provisions of California Government Code Section 8698.4(a)(1) shall be P, Principally Permitted and may be permanent.

In times where **there is not a declared shelter crisis**, a Homeless Shelter is permitted with a Conditional Use Authorization in PDR and SALI Districts. In addition, Homeless Shelter uses are limited in operation in the follow regard:

- May operate no more than four years.
- Must be owned or leased by, operated by, and/or under the management or day-to-day control of the City and County of San Francisco.
- If located within an existing building or structure, the building or structure must either be (a) preexisting, having been previously completed and occupied by a use other than a Homeless Shelter or (b) temporary.
- Construction of a permanent structure or building to be used as a Homeless Shelter is not permitted, **unless it was a Homeless Shelter that was constructed during a declared shelter crisis.**

## **BACKGROUND**

In 2016, the Board of Supervisors declared the existence of a shelter crisis in San Francisco through the enactment of Ordinance 57-16, pursuant to California Government Code Section 8698.4. At this time San Francisco reported 6,686 homeless individuals and this number has since grown. According to the January 2017 Point in Time Homeless Count administered by HSH, there were 7,499 individuals experiencing homelessness. Of those, 58% were unsheltered, 21% were under the age of 25 years, and 32% were over the age of 51 years with attendant deteriorating physical and mental health.

In response, the Board of Supervisors enacted Ordinance No. 117-16, requiring the City to operate six Navigation Centers for a period no longer than two years, which the Board can extend. Two of the six Navigation Centers have received an extension to operate beyond the two year limit. The Navigation Centers currently operating include: Civic Center Hotel, Central Waterfront, Division Circle, Bryant Street, and Hummingbird at SF General. Navigation Centers located at 1515 South Van Ness and 1950 Mission Streets have closed.

## **ISSUES AND CONSIDERATIONS**

### **Homeless Shelter Provisions in San Francisco**

Shelters within San Francisco are permitted as of right in most zoning districts. A Conditional Use Authorization is required for shelters in the RH-2, RH-3, RED-MX, PDR, and SALI Districts. Within the SALI and PDR Districts, shelters authorized through the Conditional Use Authorization process may operate for a period of four years. This requirement does not preclude a project sponsor from applying for another Conditional Use Authorization to operate a shelter for another four years. This Ordinance is seeking to allow shelters constructed during a declared shelter crisis to be permanent. It also removes the Conditional Use Authorization requirement in the SALI and PDR Districts during a declared shelter crisis.

### **Changes to the Administrative Code**

The proposed Ordinance also amends the Administrative Code to authorize HSH and Public Works to enter into and amend contracts without requiring competitive bidding for construction work and professional and other services relating to sites and programs for people experiencing homelessness. There is a significant cost savings for Public Works and a 3-6-month time savings by removing this requirement. In early 2018, the Board of Supervisors enacted Ordinance No. 29-18 to waive competitive bidding requirements for contracts and leases relating to several identified Shelter Crisis Sites, as well as the City's existing Navigation Centers and homeless shelters. This Ordinance allowed HSH to expedite the award of contracts and grants for construction and services relating to the opening of three Navigation Centers with 340 beds and a permanent supportive housing site with 51 units. This Ordinance is set to expire on March 1, 2019. It is in the public interest to extend this authority for the duration of a shelter crisis.

### **Sunset Provision**

The proposed changes to the PDR and SALI Districts in the Planning Code are in effect during a declared shelter crisis and do not sunset; however, these changes are not anticipated to permanently alter the industrial nature of the SALI and PDR zoning districts. The proposed changes to the Administrative and Public Works Code have a sunset provision of five years or on the effective date of an ordinance making the findings that there are fewer than 5,250 homeless persons in San Francisco.

### **Related Legislation**

California Government Code Section 8698.4 enables local jurisdictions to declare a shelter crisis. Further, with the passing of AB-932, cities that have declared a shelter crisis including Berkeley, Emeryville, Los Angeles, Oakland, San Diego, and San Francisco may adopt procedures for design site development, and operation of homeless shelters in lieu of complying with local building approvals. A related Ordinance, File 190045, activates AB-932, and is currently moving through the legislative process. File 190045 seeks to remove the requirement for discretionary building permits for homeless shelters and proposes an alternative approval process for homeless shelters subject to portions of Appendix N of the California Building Code. Appendix N provides consistent and available standards by which local agencies may develop emergency housing and provides a set of building standards for compliance. These standards have been proposed and approved by the state. DBI, Fire, Public Works, and Planning will enter into an MOU that outlines the procedure for written confirmation that the project complies with all applicable zoning, health and safety standards and Planning staff will continue to evaluate each site for compliance with the California Environmental Quality Act. This Section of the California Government Code is set to expire on January 1, 2021.

### **General Plan Compliance**

Objective 6 of the General Plan is to reduce homelessness and the risk of homelessness. Although shelters do not provide permanently affordable housing, shelters are a successful strategy to combat homelessness. Further, Policy 6.4 calls for improved coordination among emergency assistance efforts, existing shelter programs, and health care outreach services. By permitting shelters in the PDR and SALI Districts, removing competitive bidding requirements, and allowing shelters constructed during a shelter crisis to remain permanently, this Ordinance is streamlining shelter construction and removing bureaucratic barriers for continued operation.

### **Implementation**



The Department has determined that this Ordinance will impact our current implementation procedures; however, the proposed changes can be implemented without increasing permit costs or review time.

## **RECOMMENDATION**

The Department recommends that the Commission *approve* the proposed Ordinance and adopt the attached Draft Resolution to that effect.

## **BASIS FOR RECOMMENDATION**

The Department finds that the proposed ordinance enables expedited shelter construction during a declared shelter crisis. The legislation will also ensure that PDR and SALI retain their industrial character by not changing the underlying zoning and proposing temporary provisions during a declared shelter crisis. Removing competitive bidding requirements is a significant time and cost savings for both Departments of HSH and Public Works. Finally allowing HSH to operate Navigation Centers longer than two years removes the requirement for a Board of Supervisors time extension. Two Navigation Centers have received such extensions based upon their operational success and the lack of adverse impacts on the surrounding neighborhood. These amendments ensure that there will not be any disruption in services provided to our most vulnerable population. Allowing expedited shelter construction is vital to combating homelessness.

## **REQUIRED COMMISSION ACTION**

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

## **ENVIRONMENTAL REVIEW**

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

## **PUBLIC COMMENT**

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

### **Attachments:**

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Letters of Support/Opposition or other supporting documentation, etc.
- Exhibit C: Board of Supervisors File No. 190047