October 25, 2019

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

Transmittal of Planning Department Case Number 2019-003580PCA

6-Month Report for Interim Controls for Child Care Conversions

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Board File No. 190230

Dear Ms. Calvillo and Supervisor Yee

Attached, please find the 6-month report for Board File 190230: *Interim Controls for Child Care Conversions*. The subject resolution, introduced by Supervisors Yee, Mar, Fewer, and Ronen on February 26, 2019 requires Conditional Use authorization and specified findings for a proposed change of use from a Child Care Facility to another use. The resolution also directs the Planning Department to submit a written report to the Clerk of the Board six months after the resolutions effective date. This transmittal is intended to satisfy that requirement.

If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

Re:

Aaron D. Starr

Manager of Legislative Affairs

cc:

Victoria Wong, Deputy City Attorney Jen Low, Aide to Supervisor Yee Erica Major, Office of the Clerk of the Board

<u>Attachments :</u> Six-Month Report

Planning Department Report

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

Date: October 25, 2019
Report Name: Interim Controls

Interim Controls for Child Care Conversion

Case Number: 2019-003580PCA

Initiated by: Supervisors Yee, Mar, Fewer, Ronan / Board File 190230

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STATEMENT OF PURPOSE

This report was prepared in response to a resolution (BF 190230) introduced by Supervisors Norman Yee, Gordon Mar, Sandra Lee Fewer, and Hillary Ronan on February 26, 2019 and enacted into law on April 26, 2019 (enactment number 183-19). This resolution imposes interim zoning controls for 18 months to require a Conditional Use authorization and specified findings for a proposed change of use from a Child Care Facility to another use. These interim controls will be in effect until October 26, 2020, at which point they may be extended for an additional six months, or until the adoption of permanent controls regulating conversions of Child Care Facilities to other uses, whichever first occurs.

The resolution directs the Planning Department to submit a written report to the Clerk of the Board six months after the effective date, and every six months thereafter the resolution is in effect. The report should describe the measures taken to alleviate the conditions that led to the adoption of resolution 183-19. Upon receipt of the report, the resolution directs the Clerk of the Board to calendar a motion for the full Board of Supervisors (Board) to consider and approve this report. This report covers the first six months that this resolution has been effective.

BACKGROUND

This resolution was introduced to retain existing child care facilities in San Francisco. Availability and access to high quality early care and education is a critical concern for families with young children in the city. The Planning Department, the Office of Early Care and Education, and the Mayor's Office of Housing and Community Development are actively working to identify solutions to sustain child care facilities in existing spaces, and to encourage the creation of child care facilities in new developments.

In response to the Interim Controls, the Planning Department pulled record data on any projects related to child care facilities. The data was limited to records that called out child care facilities in the description. Additionally, the data pulled does not necessarily reflect which businesses are operating or are closed. While there are some data gaps, the intent was to get a better understanding of the existing stock of child care facilities. The Planning Department is working with the Supervisors' Offices to assess this data and determine more accurate ways of tracking child care facilities in San Francisco.

Understanding the existing stock of child care facilities (and reasons for closing) is the first step in retaining these businesses. If there are common issues forcing closing child care facilities, then the City could take a more proactive approach in supporting these facilities. For example, if there is a pattern where child care

facilities are not economically viable, perhaps a tax break or some other funding source may help alleviate some of the financial burden. Different tax breaks may serve as an incentive to keep the child care facility open if the business can operate on a smaller budget. The Planning Department will continue to work with the Supervisors' offices to determine additional ways to incentivize child care facilities to remain open in San Francisco.

REQUIRED BOARD ACTION

The Board may approve or disapprove this report.

ENVIRONMENTAL REVIEW

This Report was determined not to be a project per State CEQA Guidelines, Sections 15378 and 15060(c)(2), because it does not result in a physical change to the environment.

RECOMMENDATION

The Planning Department is recommending that the Board accept this report, and that the issues outlined in the subject resolution be further analyzed to determine better ways to retain child care facilities in San Francisco.

BASIS FOR RECOMMENDATION

The Planning Department is working with the Supervisors' Offices to better understand the existing stock of child care facilities. Since the effective date of this resolution, no applications for conversions of Child Care Facilities to other uses have been submitted; however, the Planning Department believes there are better ways to retain quality Child Care Facilities in the City. The tax break incentives and other potential solutions will be vetted further with updates included in the next report.

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