

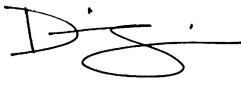


GENERAL PLAN REFERRAL

June 22, 2021

Case No.: 2021-006324GPR
Address: 55 Mason Street – The Ambassador
216 Eddy Street – The Ritz

Block/Lot No.: 0340/001 and 0332/003
Project Sponsor: City and County of San Francisco – Mayor’s Office of Housing and Community Development
Applicant: Caroline McCormack
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 Digitally signed by Daniel A. Sider
Date: 2021.06.25 10:18:06 -07'00'

Recommended By: Daniel A. Sider for Rich Hillis, Director of Planning

Recommendation: Finding the project, on balance, is **in conformity** with the General Plan

Project Description

The Proposal is to subdivide the existing lots into seven lots assigned to four separate parcels via an air rights subdivision across the existing 6-story 134-unit SRO building (the Ambassador) and 5-story 90-unit SRO building (the Ritz). The subdivision would enable different funding sources to be applied to the different newly created parcels, a portion of which would come from the City and County of San Francisco. The project is also leveraging 4% tax credits and tax-exempt debt, historic tax credits, sponsor financing, and the City and County of San Francisco Preservation and Seismic Safety (PASS) senior loan product. The funding is needed to rehabilitate the two buildings including their life safety and seismic systems. The Board of Supervisors is scheduled act on the financing as described here. The subdivision and actual rehabilitation would occur later.

Environmental Review

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

General Plan Compliance and Basis for Recommendation

As described below, the proposed City loan agreement associated with the buildings is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with the Objectives and Policies of the General Plan.

HOUSING ELEMENT

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES

POLICY 4.5

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible

The subdivision and funding strategy will fund needed rehabilitation of the Ambassador and Ritz SRO properties thereby assuring its ongoing viability and enabling the building to continue to provide much needed affordable single-occupancy rooms on an ongoing basis.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

POLICY 4.5

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible

By providing financing to the buildings' rehabilitation, the project will ensure the affordability of existing housing stock is preserved and available for future tenants.

OBJECTIVE 7

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING

INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL**POLICY 7.1**

Expand the financial resources available for permanently affordable housing, especially permanent sources.

By subdividing the existing lot into multiple air lots, different funding sources will be able to be strategically applied to the Ambassador's and Ritz's overall rehabilitation thereby enabling the SRO rooms to be preserved on an ongoing basis. The rehabilitation will improve the quality of the housing for its tenants.

Planning Code Section 101 Findings

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The Project is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

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 Project includes currently includes business tenant spaces and will do so after the rehabilitation thereby preserving and enhancing future opportunities for resident employment in and ownership of such businesses.

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

The project is consistent with this policy. The Ambassador and Ritz affordable housing will be rehabilitated and permanently financed using Preservation and Seismic Safety Program (PASS) Series 2020C. The rehabilitation will also utilize historic tax credits, ensuring that neighborhood character is preserved.

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

The Project is to specifically rehabilitate affordable SRO properties, thereby assuring its ongoing ability to preserve and enhance this affordable housing resource.

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

The Project would not have an adverse effect on MUNI transit service or overburden the streets or neighborhood.

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 Project would not have an adverse effect on the city's industrial or service sectors, nor on opportunities for resident employment and ownership.

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

The project is consistent with this policy. Part of the Ambassador's and Ritz's rehabilitation is a voluntary seismic upgrade to the building which will result in great life safety benefits to residents.

7. That the landmarks and historic buildings be preserved;

The Ambassador and Ritz are affordable housing properties that will be rehabilitated and permanently financed using Preservation and Seismic Safety Program (PASS) Series 2020C. The rehabilitation will also utilize historic tax credits, ensuring that the building's historic character is preserved.

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

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

Recommendation: Finding the project, on balance, is in conformity with the General Plan