On July 9, 2015 the Planning Commission adopted a Resolution to Initiate Interim Controls in the Mission District. Subsequent to the Commission’s July 9th initiation action, notice of the approval hearing was published, as required by the Planning Code. On July 23, 2015 the Planning Commission held an informational hearing to consider alternatives to modify the proposed controls and scheduled potential action on the item for today’s hearing – August 6.

This case report includes the following information: 1) a summary of potential changes to the interim controls published on July 9, based on public and Commissioner comments, should the Commission wish to proceed with adoption; 2) a resolution for an interim policy for consideration for adoption by the Commission; and 3) recommendation for action and next steps.

INTERIM CONTROLS

Per Planning Code Section 306.7, interim zoning controls may be imposed by either the Planning Commission or the Board of Supervisors during or preceding a period of study when it is necessary “to ensure that the legislative scheme which may be ultimately adopted is not undermined during the planning and legislative process by the approval or issuance of permits authorizing the alteration, construction or demolition of buildings or the establishment or change of uses which will conflict with that scheme”. The area proposed for interim controls has the following boundaries (See map in Exhibit A): 13th and Division Streets to Mission Street, to Cesar Chavez Street, to Potrero Avenue, and back to 13th and Division Streets—except that the Mission Street boundary would include any parcel with a property line on either side of Mission Street. This proposal would enact interim controls for a period of six months. By law, interim controls cannot be more permissive and may only be more restrictive.

The Mission 2015 Interim Controls (hereinafter “Interim Controls”) are intended to make explicit the Commission’s expectations for a dialogue about affordability; give time to the Department staff to analyze affordable housing needs and to assess sites for affordable housing production; and stem the loss of existing income-protected units while maintaining PDR capacity in PDR zoned lands and preserving vital community resources. More specifically, the interim controls would allow time for the City to determine if permanent zoning changes could be formulated to accelerate affordable housing goals and for the Mission Action Plan 2020 process to complete a package of comprehensive, permanent solutions.
Executive Summary

CASE NO. 2015-000988CWP
Interim Controls related to Mission Action Plan 2020

Hearing Date: August 6, 2015

The Way It Is Now:
Proposed projects in the Mission District are reviewed under the existing requirements of the Planning Code.

The Way It Would Be:
During this interim period, 100% affordable housing would continue to be permitted under the existing requirements of the Planning Code; while additional review would be applied to certain other housing, large retail, and office projects through a Conditional Use authorization process described below. New Conditional Use requirements would be established for projects that result in any of the following:

1) The loss of more than one rent-controlled dwelling unit; or
2) The production of five or more dwelling units; or
3) Demolition or conversion of certain community and arts uses.

SUMMARY OF KEY ISSUES:
Below is a summary of key concerns from the July 23 hearing followed by staff’s recommendation based on Commissioner and public comments from both hearings:

- The proposal is only meaningful if it captures more projects particularly larger projects as the requirements may be too onerous for smaller projects.
- The controls should be as simple as possible.
- Commissioners would like to ensure any size threshold is not random and it is based on something concrete.
- Commissioners discussed not including projects proposed to be built on vacant lots or on buildings that have been vacant for at least a year.
- Some commissioners want to wait and see the results of the upcoming Controller’s study before adopting Controls if they and project sponsors are to rely on that study for findings (draft study title: “Economic Impact of a Market-Rate Housing Moratorium in the Mission”).
- Changing the boundary to include the entire neighborhood was discussed but it did not receive support (Note: staff did inquire if newspaper notification could still be issued but it would not have been published in time for action for this August 6th hearing).
- Commissioners discussed the merits of a policy versus controls.
- Projects that do not get a Conditional Use granted should not have to wait a year to re-apply (note: staff confirmed that when it is an interim control projects are able to return before year).

Staff has prepared a draft Policy Resolution for consideration for adoption should the Commission wish to adopt a policy instead of or while it deliberates more carefully on the appropriate controls and the timing for them. The Controller’s study was not ready for inclusion in this packet at the time it was finalized and it was important for Commissioners to see this study before taking action on controls.

A Policy could apply to the entire Mission neighborhood without additional newspaper notification (expanding the area for interim controls would require new notice). A policy and controls can both be in place and reinforce each other if the Commission adopts them at a later hearing.
Should the Commission wish to adopt interim controls (at this or at a later hearing) instead or in addition to a policy, staff has modified the Interim Controls Resolution as follows based feedback received. The table below also clarifies where direction on changes has not been confirmed:

<table>
<thead>
<tr>
<th>IV. CONTROLS Conditional Use for:</th>
<th>MODIFICATION &amp; NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Loss of &gt;1 Dwelling Unit</td>
<td></td>
</tr>
<tr>
<td>i. If the project proposes to construct new rental units, the project shall replace the lost rent-controlled units 1:1 with new rent-controlled units. (Above &amp; beyond BMR units required under Planning Code Section 415.)</td>
<td>(+) Amended the draft resolution to apply it to projects that remove 1 or more rent-controlled units to make it consistent with Supervisor Avalos’s interim controls legislation which requires a CU for the merger of just 1 dwelling unit.</td>
</tr>
<tr>
<td>b) Creation of 5+ Dwelling Units. Shall discuss the affordability by answering criteria.</td>
<td>(-) Amended the draft resolution to apply the study requirement to projects that involve a net addition or new construction of more than 25,000 gross square feet. This threshold size based on existing Code section 329 for Large Project Authorization in the Eastern Neighborhoods. This would capture projects that are around 20 units or greater in size.</td>
</tr>
<tr>
<td>ii. Does project meet or exceed the San Francisco Regional Housing Need Allocation (RHNA) targets for the production of low-income housing categories within the project (at least 40% Very Low &amp; Low Income and no more than 45% Above Moderate)?</td>
<td>(-) Amended the resolution for projects meeting SF RHNA targets within the project to be exempted from the interim controls.</td>
</tr>
<tr>
<td>iii. Displacement study. The study shall show the degree to which the proposed new</td>
<td>(-/+ ) Modified the resolution language to allow for the Controller’s Office study to provide the basis for</td>
</tr>
</tbody>
</table>
Executive Summary

Hearing Date: August 6, 2015

Interim Controls related to Mission Action Plan 2020

<table>
<thead>
<tr>
<th>ORIGINAL LANGUAGE / PROPOSAL</th>
<th>MODIFICATION &amp; NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>housing increases or decreases the economic pressures that underlie the shifting demographic characteristics of the Mission District. Among other issues, the study must analyze how the project may affect the cost of nearby housing and property values, the number of units available to lower-income groups, and the likely demographics of the project’s new residents, and must project associated changes to commercial and community uses within the neighborhood that may result given these changes.</td>
<td>project-specific findings. Project sponsors may instead to hire their own economics firms and do their own study provided it is completed within the last year (from the date of their first scheduled hearing for entitlements) and it is specific to San Francisco. Study would inform the Commission’s decision and their affordable housing act findings.</td>
</tr>
</tbody>
</table>
| c) If demo Assembly, Recreation, Arts and Entertainment or Institutional uses\(^1\) or establish more than 20,000 new square feet of retail use\(^2\) or office type\(^3\) uses or Institutional Healthcare\(^4\) uses in any zoning district; the Commission shall consider | (+) Modified the resolution to include other PDR uses, specifically:  
- Auto Repair (Planning Code Section 890.15 & 790.15)  
- Light manufacturing (PC Section 890.54(a))  
- Trade Shops (PC Section 890.124 & 790.124) |
| V. APPLICATION. Include all projects that filed an initial application for building permit or environmental application after January 1, 2013. | (+/-) Date was discussed but no broad agreement on a specific date. Therefore, the grandfathering date is kept at January 1, 2015. PPA applications are still excluded (controls would apply to PPA projects). Alternative dates included previously:  
- Apply controls to projects filed after January 1, 2013 (there are no projects filed between 2010-2012 and only 2 filed in 2009).  
- Apply controls to projects filed after July 9, 2015 (initiation date). |

**RECOMMENDATION**

Because Controller’s study was not ready for inclusion in this Commission packet staff recommends the Commission postpone action on the interim controls. In the meantime, the Commission could adopt a policy statement for the Commission to express its expectation for a dialogue about affordability and for applying scrutiny to projects that displace commercial or residential tenants (See Exhibit D Draft Policy Resolution).

The Department recommends that the Commission approve the policy statement to acknowledge extent of the housing crisis and the expectation for projects to contribute to the solution.
BASIS FOR RECOMMENDATION

The Commission has stated that it is important to acknowledge the extent of the affordable housing crisis in the Mission and the importance of addressing the problems this creates. A policy statement makes that acknowledgment, makes explicit the Commission’s expectations for a dialogue about affordability, and allows more time to review the Controller’s study when published, if the Commission wishes to act on the interim controls at such later time.

As mentioned, during the next six-month period a set of proposals is expected to be developed through the Mission Action Plan 2020 process, which would extend far beyond, but may include, zoning ideas.

Further, many from the community have stated that they will demand extra scrutiny of projects in the Mission District during the MAP 2020 process. For this reason, the Department believes it is appropriate to be explicit with both community members and potential developers about the expectation for increased scrutiny, with an eye towards housing affordability and protecting vital community services. A Commission Policy statement can accomplish that by its application through Conditional Use and other discretionary approvals currently required of projects.

PUBLIC COMMENT

As of the date of this report, the Planning Department received a few written public comments in favor of interim controls, several opposed to controls, and some concerned about the grandfathering date. A high level summary of concerns is below. Different members of the public feel interim controls:

- Should be implemented immediately;
- Do not go far enough and would prefer a moratorium;
- Are not fair to projects that have been in the pipeline for some time;
- Should only apply as of the date of initiation;
- Should include small projects;
- Should exempt small projects and vacant lots and buildings;

REQUIRED COMMISSION ACTION

RECOMMENDATION: Approval to Adopt a Policy Resolution and to continue Adoption of Interim Controls for Hearing on or After September 3, 2015

To assist the public and the Commissioners in understanding which proposed projects may be subject to the Interim Controls, see the map in Exhibit A and the list in Exhibit B.

Attachments:
- Exhibit A: Map of Proposed Area for the Interim Controls
- Exhibit B: Pipeline Project List
- Exhibit C: Draft Interim Controls Resolution, Amended
- Exhibit D: Draft Policy Resolution
- Exhibit E: Written Public Comment Received
1 As defined for each use respectively in the Planning Code: Arts Activity Section 102, Amusement Arcade 790.4 and 890.4, Movie Theater 102, 790.64 and 890.64, Community Facility 102, 790.50, 890.50; Auto Repair 890.15 and 790.15; Child Care Facility 102, 790.50, 790.51, 890.50 (b); Entertainment General & Other 102, 790.4, 890.4, 790.38, 890.37; Light Manufacturing 890.54(a); Nighttime Entertainment, 102, 790.38, 890.37; Recreation Building 843.62; Educational Services 790.50 (c) and 890.50(c), Religious Institution or Facility 102, 790.50(d), 890.50(a&d); Entertainment, other 890.37; Entertainment, General, 102; Entertainment, Arts and Recreation Uses, 102; Trade Shops 890.124 and 790.124; and Institution, other (Job Training) 890.50(f).

2 As defined in Planning Code Section 102 as Retail Use.

3 As defined in the Planning Code to include but not be limited to the following: Office Use: 102, 790.68, 890.70; Service, Business: 890.111 and to include but not be limited to the following definitions from Planning Code Section 102: Design Professional, Non-Retail Professional Service, Business Services, and Fringe Financial Service.

4 To include but not be limited to the definition of Health Service Use in Planning Code Section 102.
### PROJECTS THAT MAY BE CONSIDERED FOR APPROVAL WITHIN SIX MONTHS AND THEIR ESTIMATED FILED DATE

<table>
<thead>
<tr>
<th>Project Address(es)</th>
<th>Estimated file date</th>
<th>Gross Square feet</th>
<th>Vacant</th>
<th>Hearing Required</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1801 MISSION ST</td>
<td>10/23/2009</td>
<td>19850</td>
<td>Vacant lot</td>
<td>No</td>
<td>17</td>
</tr>
<tr>
<td>1863 MISSION ST</td>
<td>10/23/2009</td>
<td>35,625</td>
<td>Vacant lot</td>
<td>No</td>
<td>37</td>
</tr>
<tr>
<td>2100 MISSION ST</td>
<td>09/21/2009</td>
<td>20,650</td>
<td>No</td>
<td>No</td>
<td>29</td>
</tr>
<tr>
<td>2070 BRYANT ST</td>
<td>09/25/2013</td>
<td>286,381</td>
<td>No (only partially)</td>
<td>Yes (LPA and CU)</td>
<td>274</td>
</tr>
<tr>
<td>1800 MISSION STREET (office)</td>
<td>05/12/2014</td>
<td>No net addition</td>
<td>No</td>
<td>Yes change of use</td>
<td>0</td>
</tr>
<tr>
<td>2600 HARRISON ST</td>
<td>06/20/2014</td>
<td>27,260</td>
<td>Vacant building</td>
<td>Yes (LPA)</td>
<td>20</td>
</tr>
<tr>
<td>854 CAPP ST</td>
<td>2/12/2015</td>
<td>7,510</td>
<td>No</td>
<td>No</td>
<td>6</td>
</tr>
<tr>
<td>3314 CESAR CHAVEZ</td>
<td>2/25/2015</td>
<td>53,570</td>
<td>No</td>
<td>Yes (CU)</td>
<td>52</td>
</tr>
<tr>
<td>200 POTERO (PDR-1-G zoning)</td>
<td>7/02/2015</td>
<td>30,034 (to be confirmed)</td>
<td>No</td>
<td>Yes (CU)</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>435</td>
</tr>
</tbody>
</table>

### PROJECTS THAT MAY BE CONSIDERED FOR APPROVAL AFTER SIX MONTHS AND THEIR ESTIMATED FILED DATE

<table>
<thead>
<tr>
<th>Project Address(es)</th>
<th>Estimated file date</th>
<th>Gross Square feet</th>
<th>Vacant</th>
<th>Hearing Required</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979 MISSION ST</td>
<td>12/17/2013</td>
<td>34,5013</td>
<td>No</td>
<td>Yes (CU)</td>
<td>331</td>
</tr>
<tr>
<td>1515 SOUTH VAN NESS AV</td>
<td>12/03/2014</td>
<td>145,003</td>
<td>No</td>
<td>Yes (CU)</td>
<td>160</td>
</tr>
<tr>
<td>1900 MISSION ST</td>
<td>02/11/2014</td>
<td>9,996</td>
<td>No</td>
<td>Yes (Variance)</td>
<td>9</td>
</tr>
<tr>
<td>2750 19TH ST</td>
<td>11/13/2014</td>
<td>92,500</td>
<td>No</td>
<td>Yes (LPA &amp; CU)</td>
<td>60</td>
</tr>
<tr>
<td>3324 19TH ST</td>
<td>2/19/2014</td>
<td>To be confirmed but less than 25,000</td>
<td>No</td>
<td>To be confirmed</td>
<td>9</td>
</tr>
<tr>
<td>2675 FOLSOM ST (970 TREAT AV)</td>
<td>10/20/2014</td>
<td>92,625</td>
<td>No</td>
<td>Yes (LPA &amp; CU)</td>
<td>117</td>
</tr>
<tr>
<td>1726 - 1730 MISSION ST</td>
<td>02/06/2015</td>
<td>40,838</td>
<td>Likely vacant</td>
<td>Yes (LPA)</td>
<td>36</td>
</tr>
<tr>
<td>2918 MISSION ST</td>
<td>6/30/2015</td>
<td>No net addition</td>
<td>Partially vacant</td>
<td>Yes (CU)</td>
<td>38</td>
</tr>
<tr>
<td>2799 24TH ST</td>
<td>02/02/2015</td>
<td>9,600</td>
<td>No</td>
<td>Yes (CU &amp; Variance)</td>
<td>8</td>
</tr>
<tr>
<td>2435-2445 16TH ST</td>
<td>02/04/2015</td>
<td>65,725</td>
<td>Likely not vacant</td>
<td>Yes (LPA)</td>
<td>53</td>
</tr>
<tr>
<td>793 SOUTH VAN NESS AVE</td>
<td>02/06/2015</td>
<td>67,946</td>
<td>Vacant</td>
<td>Yes (CU)</td>
<td>54</td>
</tr>
<tr>
<td>953 TREAT AVE</td>
<td>5/25/2015 (PPA)</td>
<td>16,787</td>
<td>No</td>
<td>To be confirmed (under review)</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>884</td>
</tr>
</tbody>
</table>
## PROJECTS OUTSIDE OF THE PROPOSED INTERIM CONTROLS BOUNDARY

<table>
<thead>
<tr>
<th>Project Address(es)</th>
<th>Estimated file date</th>
<th>Gross Square feet</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>645 VALENCIA ST</td>
<td>01/30/2014</td>
<td>To be confirmed but less than 25,000</td>
<td>9</td>
</tr>
<tr>
<td>198 VALENCIA ST</td>
<td>02/24/2015</td>
<td>Likely greater than 25,000</td>
<td>28</td>
</tr>
<tr>
<td>3140 16th ST</td>
<td>01/21/2015</td>
<td>Likely greater than 25,000</td>
<td>28</td>
</tr>
<tr>
<td>1278-1298 VALENCIA ST</td>
<td>04/10/2014</td>
<td>Likely greater than 25,000</td>
<td>35</td>
</tr>
<tr>
<td>1198 VALENCIA ST</td>
<td>12/03/2013</td>
<td>Likely greater than 25,000</td>
<td>54</td>
</tr>
<tr>
<td>344 14TH ST (1463 STEVENSON ST)</td>
<td>06/16/14 (PPA)</td>
<td>Likely greater than 25,000</td>
<td>69</td>
</tr>
<tr>
<td>Units Grand Total</td>
<td></td>
<td></td>
<td>223</td>
</tr>
</tbody>
</table>
Exhibit C: Draft Adoption Resolution for Mission Interim Controls 2015
Planning Commission Resolution No. ____

HEARING DATE: AUGUST 6, 2015

Project Name: COMMISSION-SPONSORED MISSION 2015 INTERIM CONTROLS RELATED TO THE MISSION ACTION PLAN (MAP) 2020
Case Number: 2015-000988CWP
Initiated by: Planning Commission
Staff Contact: Claudia Flores, MAP 2020 Manager
Claudia.flores@sfgov.org, 415-558-6473
Reviewed by: AnMarie Rodgers, Senior Policy Advisor
anmarie@sfgov.org, 415-558-6395

Recommendation: Adoption of Mission 2015 Interim Controls

ADOPTING COMMISSION-SPONSORED MISSION 2015 INTERIM CONTROLS RELATED TO THE MISSION ACTION PLAN (MAP) 2020. THE INTERIM CONTROLS ARE INTENDED TO ALLOW TIME FOR STAFF ANALYSIS OF AFFORDABLE HOUSING NEEDS AND POTENTIAL LOCATIONS FOR AFFORDABLE HOUSING PRODUCTION AND STEM THE LOSS OF EXISTING INCOME PROTECTED UNITS WHILE MAINTAINING PRODUCTION, DISTRIBUTION, AND REPAIR (PDR) CAPACITY IN PDR ZONED LANDS AND PRESERVING VITAL COMMUNITY RESOURCES. THE PROPOSED CONTROLS WOULD REQUIRE A CONDITIONAL USE AUTHORIZATION FOR CERTAIN PROJECTS THAT RESULT IN ANY OF THE FOLLOWING: 1) THE LOSS OF ONE OR MORE RENT-CONTROLLED DWELLING UNITS; OR 2) THE NET ADDITION OR NEW CONSTRUCTION OF MORE THAN 25,000 GROSS SQUARE FEET IN AN OCCUPIED LOT OR BUILDING; OR 3) DEMOLITION OR CONVERSION OF CERTAIN ASSEMBLY, RECREATION, ARTS AND ENTERTAINMENT, LIGHT MANUFACTURING, TRADE SHOPS, AUTO REPAIR OR INSTITUTIONAL USES. THE AREA PROPOSED FOR INTERIM CONTROLS IS GENERALLY DEFINED BY THE FOLLOWING BOUNDARIES: 13TH AND DIVISION STREET TO MISSION STREETS, TO CESAR CHAVEZ AVENUE, TO POTRERO AVENUE, AND BACK TO DIVISION STREET. THE MISSION STREET BOUNDARY WOULD INCLUDE ANY PARCEL WITH A PROPERTY LINE ON EITHER SIDE OF MISSION STREET. THE INTERIM CONTROLS WOULD BE PROPOSED FOR A PERIOD OF SIX MONTHS.
PREAMBLE

WHEREAS, the same conditions observed in the Mission District over 15 years ago that justified enacting interim land use controls to reduce the displacement of PDR uses while rezoning some industrial land for housing production at higher affordable levels persist today; and

WHEREAS, the Planning Commission is obligated to continue to seek solutions, including new interim controls; and

WHEREAS, since 1994, the City has recognized the effect of market forces and changing land use patterns upon the viability of light industrial activity and residential affordability in the Mission District. For example the Planning Commission and/or Board of Supervisors found the following:

1995 Planning Commission Resolution Number 13794:
- Proposals for housing and live/work developments, both new construction and conversion of former industrial buildings are increasingly being proposed in industrially zoned districts.
- There are other strategies that could be explored to promote both appropriate housing locations and industrial stability and the opportunity for economic development, such as the “swapping” of opportunity sites.

1999 Planning Commission Resolution 14861:
- Interim controls [are required] to temporarily eliminate the threat to the supply of industrially zoned land and building space available to PDR businesses, while providing adequate space and direction for the location of residential and live/work development.

2001 Planning Commission Resolution 16202:
- Office and live/work housing uses began to compete with PDR uses for land and building space in large part because market pressures favored this type of development.
- As a result of this, the supply of industrially zoned land and building space available to PDR uses was expected to continue to diminish in the future unless protected.

2001 Board of Supervisors Resolution 518-01
- Construction of housing has not occurred in the North East Mission Industrial Zone because it is less favored than “artist live/work” use, skewing the production of new housing to upper-income, non-family, non-affordable housing in an area where low-income, family housing predominates.
- There was a 41% increase in average commercial lease rates in the Mission District between 1997-1999.
- It is necessary to create a “community service” use category, which allows nonprofits, arts activities and community-serving small businesses to be located where commercial uses, which do not provide direct services to Mission District residents, may be inappropriate.
- In recent years, construction of lower-income housing in the Mission District has fallen considerably short of demand.
The largest amount of new housing in the Mission District has been in live/work units, which are not affordable, do not provide family housing, and occupy land that will never be available for affordable housing.

2002 Board of Supervisors Resolution 500-02:
- Construction of lower-income housing in the Mission District has fallen considerably short of demand.
- Lower-income households in the Mission District have become even more overcrowded, face ever escalating rents, and are being forced to leave the City.

2004 Planning Commission Resolution 16727:
- There is a constant need for new housing and new housing opportunity sites.
- The General Plan calls for a balanced economy in which good paying jobs are available for the widest breadth of the San Francisco labor force.
- Arts activities—a thriving element of San Francisco that contributes to tourism and attracting new businesses and new industries to this city—are also in need of attention/protection.

WHEREAS, in response to these findings, the Commission authorized the launching of the Eastern Neighborhoods Plans (EN Plan) in 2001 through Resolution Number 16201; and

WHEREAS, the EN Plan, a large scale community planning effort encompassing four neighborhoods including the Mission District, sought to balance the growth of residential and office development with the need to preserve land for PDR activities; and

WHEREAS, six years after the adoption of the EN Plan many of the same conditions observed in the past persist, without any indication of their easing. This situation compels new action on the part of the City. A fine grained analysis of opportunity sites for PDR use and affordable housing in the Mission District is required. This analysis should focus on preserving the land capacity for PDR uses as determined through the EN process while exploring whether increased affordable housing capacity is possible; and

WHEREAS, there are a number of sites where PDR activities could be preserved through changes in land use regulation or through mixed use projects containing both housing and PDR; and

WHEREAS, the preface to Housing Element of the General Plan states, “San Francisco’s share of the regional housing need for 2015 through 2022 has been pegged at 28,870 new units, with almost 60% to be affordable.” Meaning, the need for housing production is high and the need for this housing to be affordable is severe.

WHEREAS, the City should explore where new affordable housing could be developed at an economically feasible scale; and

WHEREAS, the average annual decline of low-income and moderate-income households (those earning 30%-120% Area Median Income) in the Mission from 2009-2013 was 150 household per year and decline could accelerate to 180 households/year; and
WHEREAS, Approximately 900 low- and moderate-income households left the Mission District from 2010-2015; if this trend continues unabated about 900 additional low- and moderate-income households could be lost from 2016-2020; and

WHEREAS, within the Mission, an average of 160 evictions notices have been filed per year since 2009, of which about 50% were Ellis and No Fault evictions; and

WHEREAS, small businesses are facing lease expirations and substantial rent increases that often double or triple their rents;

WHEREAS, the Planning Code Section 306.7 authorizes the Planning Commission to impose interim controls temporarily heightening the scrutiny applied to projects to enable Planning Department study of the impacts and to propose permanent changes to the San Francisco Municipal Code;

WHEREAS, Planning Department and other City staff are currently working with the community on the Mission Action Plan (MAP) 2020;

WHEREAS, Mission Action Plan (MAP) 2020 is collaboration, initiated by the community, between community organizations and the City of San Francisco to create more housing and economic stability in the Mission;

WHEREAS, The purpose of the MAP 2020 Plan is to retain low to moderate income residents and community-serving businesses and nonprofits in order to preserve the socioeconomic diversity of the Mission neighborhood.

FINDINGS

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

1. General Plan Compliance. This Resolution is consistent with the following Objectives and Policies of the General Plan:

I. HOUSING ELEMENT

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

POLICY 1.1
Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

POLICY 1.3
Work proactively to identify and secure opportunity sites for permanently affordable housing.

POLICY 1.4
Ensure community based planning processes are used to generate changes to land use controls.
POLICY 1.7
Consider public health objectives when designating and promoting housing development sites.

POLICY 1.9
Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.

POLICY 2.1
Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

POLICY 3.1
Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

POLICY 3.2
Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

POLICY 3.5
Retain permanently affordable residential hotels and single room occupancy (SRO) units.

POLICY 3.4
Preserve "naturally affordable" housing types, such as smaller and older ownership units.

POLICY 4.4
Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

POLICY 4.5
Ensure that new permanently affordable housing is located in all of the city's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

POLICY 4.6
Encourage an equitable distribution of growth according to infrastructure and site capacity.

POLICY 4.7
Consider environmental justice issues when planning for new housing, especially affordable housing.

POLICY 5.5
Minimize the hardships of displacement by providing essential relocation services.
POLICY 5.6
Offer displaced households the right of first refusal to occupy replacement housing units that are comparable in size, location, cost, and rent control protection.

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.

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.

POLICY 7.4
Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

POLICY 7.5
Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

OBJECTIVE 8
BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

POLICY 8.1
Support the production and management of permanently affordable housing.

POLICY 8.2
Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

POLICY 10.1
Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.
POLICY 10.2
Implement planning process improvements to both reduce undue project delays and provide clear information to support community review.

OBJECTIVE 11
SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO’S NEIGHBORHOODS.

POLICY 11.3
Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

POLICY 11.9
Foster development that strengthens local culture sense of place and history.

POLICY 12.2
Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

II. COMMERCE AND INDUSTRY ELEMENT

POLICY 1.1
Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

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

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

OBJECTIVE 3
PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

POLICY 3.1
Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

POLICY 3.3
Emphasize job training and retraining programs that will impart skills necessary for participation in the San Francisco labor market.

**OBJECTIVE 4**

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

**POLICY 4.3**

Carefully consider public actions that displace existing viable industrial firms.

**POLICY 4.4**

When displacement does occur, attempt to relocate desired firms within the city.

**POLICY 4.5**

Control encroachment of incompatible land uses on viable industrial activity.

**OBJECTIVE 6**

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

**POLICY 6.1**

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

**III. COMMUNITY FACILITIES ELEMENT**

**OBJECTIVE 3**

ASSURE THAT NEIGHBORHOOD RESIDENTS HAVE ACCESS TO NEEDED SERVICES AND A FOCUS FOR NEIGHBORHOOD ACTIVITIES.

2. The Planning Commission finds from the facts presented that the impact on the public health, safety, peace and general welfare as set forth in Section 306.7(a) require the proposed Interim Controls.

3. This Resolution is consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

   A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced.

   B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.
C) The City's supply of affordable housing will be preserved and enhanced.

D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking.

E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced.

F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

G) That landmark and historic buildings will be preserved.

H) Parks and open space and their access to sunlight and vistas will be protected from development.

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting and initiated proposed Interim Controls on July 9, 2015; and

WHEREAS, the proposed controls has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section __________; and

WHEREAS, the 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 Commission has reviewed the proposed Interim Controls at a duly-noticed hearing on August 6, 2015.

MOVED, that pursuant to Planning Code Section 306.3, the Planning Commission adopts the below referenced Interim Controls, approved as to form by the City Attorney.

MISSION 2015 INTERIM ZONING CONTROLS

I. BOUNDARIES.

The area proposed for interim controls is generally defined by the following boundaries: 13th and Division Streets to Mission Street, to Cesar Chavez Avenue, to Potrero Avenue, and back to 13th
and Division Streets—except that the Mission Street boundary would include any parcel with a property line on either side of Mission Street.

II. DURATION.

The interim controls shall be in effect for six months from the date of this Motion.

III. INTENT.

These Interim Controls are intended to afford time to the Department staff to analyze affordable housing needs, assess sites for affordable housing production, and stem the loss of existing income protected units while maintaining production, distribution and repair (PDR) capacity in PDR zoned lands and preserving vital community resources. During this interim period, affordable housing and production, distribution, and repair uses would continue to be permitted under the requirements of the Planning Code; while additional requirements would be applied to certain other housing, large retail, and office projects through Conditional Use authorization.

IV. CONTROLS.

a. The following are exempted from these interim controls:

1. Residential and mixed-use projects that provide 100% of their residential units as affordable.

2. Projects that meet the San Francisco RHNA targets for the production of low housing income categories within the project (at least 40% Very Low- and Low-Income and no more than 45% Above-Moderate-Income).

3. Projects that are either: exclusively PDR uses; or that are mixed-use and include PDR uses and meet either of the two criteria above.

b. The following would require conditional use authorization under Planning Code Section 303(c). Additionally, the Planning Commission shall apply the following additional criteria and requirements:

1. Any project that would result in the loss of one or more existing rent-controlled dwelling unit:

   A. If the project proposes to construct new rental units, the project shall replace the lost rent-controlled units 1:1 with new rent-controlled units. Any such new rent-controlled units would not be counted as BMR units for the purposes of meeting the City’s Inclusionary Housing requirements.
B. The Commission shall find in making its determination on the project that the project meets the majority of the following Planning Code Section 317(d)(3)(C) criteria:

(i) the property is free of a history of serious, continuing Code violations;
(ii) the housing has been maintained in a decent, safe, and sanitary condition;
(iv) if the project is a “historical resource” under CEQA, that the removal of the resource will not have a substantial adverse impact under CEQA;
(v) that the project does not convert rental housing to other forms of tenure or occupancy.
(vii) the project conserves existing housing to preserve cultural and economic neighborhood diversity;
(viii) the project conserves neighborhood character to preserve neighborhood cultural and economic diversity;
(ix) that the project protects the relative affordability of existing housing;
(x) the project increases the number of permanently affordable units as governed by Section 415;
(xi) the project locates in-fill housing on appropriate sites in established neighborhoods;
(xii) the project increases the number of family-sized units on-site;
(xiv) the project is of superb architectural and urban design, meeting all relevant design guidelines, to enhance existing neighborhood character;
(xv) the project increases the number of on-site dwelling units;
(xvi) the project increases the number of on-site bedrooms.

2. Any project that would include the net addition or new construction of more than 25,000 gross square feet and is not on a vacant lot or a vacant building that has been vacant for at least a year:

A. The applicant shall provide the Planning Department with a displacement study. The study shall show the degree to which the proposed new housing increases or decreases the economic pressures that underlie the shifting demographic characteristics of the Mission District. Among other issues, the study must analyze how the project may affect the cost of nearby housing and property values, the number of units available to lower-income groups, and the likely demographics of the project’s new residents, and must project associated changes to commercial and community uses within the neighborhood that may result given these changes. Project sponsors may use the Office of the Controller’s “Economic Impact of a Market-Rate Moratorium in the Mission” Study for the general finding and to provide the basis for project-specific findings; or may choose to do their own study through an economics firm provided the study is completed with the last
year from the date of the first scheduled hearing at the Planning Commission and the study shall be specific to San Francisco conditions.

B. This report shall include an estimate of the anticipated Housing Balance within the area of the interim controls and whether the anticipated net housing construction would result in 33% or greater levels of affordability as described in Planning Code Section 103(c)(1). This calculation shall include the proposed project, the Planning Department's current pipeline report, and may include pending projects under the purview of Mayor’s Office of Housing and Community Development where the land has been acquired.

3. Any project that would demolish or convert Assembly, Recreation, Arts and Entertainment, Light Manufacturing, Auto Repair, Trade Shops or Institutional uses\(^1\) or establish more than 20,000 new square feet of retail use\(^2\) or office type\(^3\) uses or Institutional Healthcare\(^4\) uses in any zoning district. The Commission shall consider whether:

1) Sufficient available space for the use type being demolished or removed exists in the surrounding neighborhood and that negative impacts of displacement of any existing tenants from the building are minimized;

2) Tenants have been provided with relocation benefits according to the standards of the Uniform Relocation Act; and

3) The economic and fiscal impact of the proposed use is beneficial to residents in the area. To this end, the conditional use application shall include a complete economic impact analysis of the relocation or the loss of the existing use compared to the benefit of the proposed use, prepared by an independent professional; and this analysis shall show the degree to which

- For primarily non-residential projects, the proposed new use provides for permanent job creation and/or job retention in the community compared to the existing use and associated wages and benefits for both through a jobs profile.

- The proposed use increases community-serving uses such as arts, nonprofit services and childcare available to all income levels,

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\(^1\) As defined for each use respectively in the Planning Code: Arts Activity Section 102, Amusement Arcade 790.4 and 890.4, Movie Theater 102, 790.64 and 890.64, Community Facility 102, 790.50, 890.50; Auto Repair 890.15 and 790.15; Child Care Facility 102, 790.50, 790.51, 890.50 (b); Entertainment General & Other 102, 790.4, 890.4, 790.38, 890.37; Light Manufacturing 890.54(a); Nighttime Entertainment, 102, 790.38, 890.37; Recreation Building 843.62; Educational Services 790.50 (c) and 890.50(c), Religious Institution or Facility 102, 790.50(d), 890.50(a&d); Entertainment, other 890.37; Entertainment, General, 102; Entertainment, Arts and Recreation Uses, 102; Trade Shops 890.124 and 790.124; and Institution, other (Job Training) 890.50(f).

\(^2\) As defined in Planning Code Section 102 as Retail Use.

\(^3\) As defined in the Planning Code to include but not be limited to the following: Office Use: 102, 790.68, 890.70; Service, Business: 890.111 and to include but not be limited to the following definitions from Planning Code Section 102: Design Professional, Non-Retail Professional Service, Business Services, and Fringe Financial Service.

\(^4\) To include but not be limited to the definition of Health Service Use in Planning Code Section 102.
primarily but not exclusively at the ground-level where most accessible.

- The proposed use promotes a sense of community and provides spaces for community gatherings and community serving uses that would be available and accessible to all income levels, primarily but not exclusively at the ground-level where most accessible.
- For primarily residential projects, it provides housing units available to a mix of household incomes.

c. Disapprovals of Housing Projects.
In the event the Planning Commission disapproves or reduces the density of any housing project, it shall make written findings supported by substantial evidence explaining how the project as proposed would have a significant, quantifiable, direct, and unavoidable impact based on objective, identified written public health or safety standards, policies, or conditions upon the public health and safety of the City and the area governed by these Interim Controls.

V. APPLICATION.

These Interim Controls would include all projects that filed an initial application for building permit or environmental application after January 1, 2015.

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

By: MARLENA BYRNE
Deputy City Attorney

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on _____.

Jonas Ionin
Commission Secretary

AYES:

NOES:

ABSENT:
Exhibit D: Draft Adoption Resolution for Mission Interim Policy 2015

Planning Commission Resolution No. ______

HEARING DATE: AUGUST 6, 2015

Project Name: POLICY STATEMENT REGARDING THE MISSION NEIGHBORHOOD DURING THE DEVELOPMENT OF THE MISSION ACTION PLAN 2020

Case Number: 2015-000988CWP
Initiated by: Planning Commission
Staff Contact: Claudia Flores, Project Manager
Reviewed by: Gil Kelley, Director of Citywide Planning
Recommendation: Adoption of Mission 2015 Interim Policy


WHEREAS, the same conditions observed in the Mission District over 15 years ago that justified enacting interim land use controls to reduce the displacement of PDR uses while rezoning some industrial land for housing production at higher affordable levels persist today; and

WHEREAS, since 1994, the City has recognized the effect of market forces and changing land use patterns upon the viability of light industrial activity and residential affordability in the Mission District. For example the Planning Commission (hereinafter “Commission”) and/or Board of Supervisors found the following:

1995 Planning Commission Resolution Number 13794:
• Proposals for housing and live/work developments, both new construction and conversion of former industrial buildings are increasingly being proposed in industrially zoned districts.

• There are other strategies that could be explored to promote both appropriate housing locations and industrial stability and the opportunity for economic development, such as the “swapping” of opportunity sites.

1999 Planning Commission Resolution 14861:

• Interim controls [are required] to temporarily eliminate the threat to the supply of industrially zoned land and building space available to PDR businesses, while providing adequate space and direction for the location of residential and live/work development.

2001 Planning Commission Resolution 16202:

• Office and live/work housing uses began to compete with PDR uses for land and building space in large part because market pressures favored this type of development.

• As a result of this, the supply of industrially zoned land and building space available to PDR uses was expected to continue to diminish in the future unless protected.

2001 Board of Supervisors Resolution 518-01

• Construction of housing has not occurred in the North East Mission Industrial Zone because it is less favored than “artist live/work” use, skewing the production of new housing to upper-income, non-family, non-affordable housing in an area where low-income, family housing predominates.

• There was a 41% increase in average commercial lease rates in the Mission District between 1997-1999.

• It is necessary to create a “community service” use category, which allows nonprofits, arts activities and community-serving small businesses to be located where commercial uses, which do not provide direct services to Mission District residents, may be inappropriate.

• In recent years, construction of lower-income housing in the Mission District has fallen considerably short of demand.

• The largest amount of new housing in the Mission District has been in live/work units, which are not affordable, do not provide family housing, and occupy land that will never be available for affordable housing.

2002 Board of Supervisors Resolution 500-02:
• Construction of lower-income housing in the Mission District has fallen considerably short of demand.
• Lower-income households in the Mission District have become even more overcrowded, face ever escalating rents, and are being forced to leave the City.

2004 Planning Commission Resolution 16727:
• There is a constant need for new housing and new housing opportunity sites.
• The General Plan calls for a balanced economy in which good paying jobs are available for the widest breadth of the San Francisco labor force.
• Arts activities—a thriving element of San Francisco that contributes to tourism and attracting new businesses and new industries to this city—are also in need of attention/protection.

WHEREAS, in response to these findings, the Commission authorized the launching of the Eastern Neighborhoods Plans (EN Plans) in 2001 through Resolution Number 16201; and

WHEREAS, the EN Plans, a large scale community planning effort encompassing four neighborhoods including the Mission District, sought to balance the growth of residential and office development with the need to preserve land for PDR activities; and

WHEREAS, six years after the adoption of the EN Plans many of the same conditions observed in the past persist, without any indication of their easing. This situation compels new action on the part of the City. A fine grained analysis of opportunity sites for PDR use and affordable housing in the Mission District is required. This analysis should focus on preserving the land capacity for PDR uses as determined through the EN process while exploring whether increased affordable housing capacity is possible; and

WHEREAS, there are a number of sites where PDR activities could be preserved through changes in land use regulation or through mixed use projects containing both housing and PDR; and

WHEREAS, the preface to Housing Element of the General Plan states, “San Francisco’s share of the regional housing need for 2015 through 2022 has been pegged at 28,870 new units, with almost 60% to be affordable.” Meaning, the need for housing production is high and the need for this housing to be affordable is severe.
WHEREAS, the City should explore where new affordable housing could be developed at an economically feasible scale; and

WHEREAS, the average annual decline in the Mission of low-income and moderate-income households (those earning 30%-120% Area Median Income) from 2009-2013 was 150 household per year and decline could accelerate to 180 households/year; and

WHEREAS, approximately 900 low- and moderate-income households left the Mission District from 2010-2015; if this trend continues unabated about 900 additional low- and moderate-income households could be lost from 2016-2020; and

WHEREAS, within the Mission, an average of 160 evictions notices have been filed per year since 2009, of which about 50% were Ellis and No Fault evictions; and

WHEREAS, small businesses are facing lease expirations and substantial rent increases that often double or triple their rents;

WHEREAS, Planning Department and other City staff are currently working with the community on the Mission Action Plan (MAP) 2020;

WHEREAS, Mission Action Plan (MAP) 2020 is a collaboration, initiated by the community, between community organizations and the City of San Francisco to create more housing and economic stability in the Mission;

WHEREAS, The purpose of the MAP 2020 Plan is to retain low- to moderate- income residents and community-serving businesses and nonprofits in order to preserve the socioeconomic diversity of the Mission neighborhood.

This Resolution is consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced.

B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

C) The City’s supply of affordable housing will be preserved and enhanced.
D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking.

E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced.

F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

G) That landmark and historic buildings will be preserved.

H) Parks and open space and their access to sunlight and vistas will be protected from development.

WHEREAS, the Planning Code Section 306.7 authorizes the Planning Commission to impose interim controls temporarily heightening the scrutiny applied to projects to enable Planning Department study of the impacts and to propose permanent changes to the San Francisco Municipal Code;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to initiate and consider Interim Controls on July 9th, 2015, a second hearing on July 23rd, 2015. At those hearings, the Commission made explicit their expectation for a dialogue about affordability and displacement issues, in particular the removal or rent-controlled units and the eviction of existing tenants whether residential or commercial.

WHEREAS, the Commission has heard and considered the testimony presented to it at the public hearings 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

Therefore, the Commission hereby adopts this interim policy statement regarding applications for building permits and approvals in the Mission Neighborhood, generally defined by the following boundaries: Guerrero Street to the West, Cesar Chavez to the South, Bayshore/101 Freeway to the East and Division, 13th, Central Freeway and Market Streets to the North (see Exhibit A) granted by the Planning Commission prior to completion of the Mission Action Plan 2020:

It is the Commission’s policy to give close scrutiny to projects that displace commercial tenants and uses, in particular arts, community-serving nonprofits, production, distribution and repair (PDR) and small businesses, and/or residential tenants, and that remove rent-controlled units from the housing stock; and

The Commission supports the retention of existing housing and commercial tenants; and in case where relocation of such uses may be necessary, supports full relocation assistance; and
The Commission supports and expects projects to fully mitigate their anticipated negative impacts through positive economic and social contributions to the community; and

The Commission supports and encourages replacement of rent-controlled units, above and beyond BMR requirements when feasible; high affordability within projects or the provision of off-site units or land dedication within the Mission district; and a positive contribution of affordable units towards the Housing Balance/Proposition K and Housing Element affordability needs and goals through both 100% affordable projects and inclusionary units.

RESOLVED, that the Planning Commission adopts the interim policy until such time that the Mission Action Plan 2020 process is complete. The Commission will apply this policy uniformly through the Conditional Use authorization or other approvals currently required of projects coming before the Commission.

FURTHER RESOLVED, that this policy shall sunset when the Mission Action Plan 2020 process is complete.

NOW THEREFORE BE IT RESOLVED that the Commission hereby adopts this policy as set forth in this Resolution.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on____.

Jonas Ionin

Commission Secretary

AYES:

NOES:

ABSENT:
Dear Commissioners:

On behalf of Grow Potrero Responsibly, we urge you to consider the imposition of interim controls in the Mission. As Planning Commissioners you have the power to address the profound failure of current housing policies in San Francisco as well as the loss of available space for small businesses, non-profits and the arts. While we believe that the situation is urgent, and requires much more drastic and widespread measures, we recognize this as a potential first step towards addressing the crisis.

The affordability crisis is evidence of the real world deficiencies of the Eastern Neighborhoods Plan in instituting appropriate zoning policies and adequate requirements for inclusionary housing. The Plan promised to "provide new housing that meets the needs of low, moderate and middle income individuals and families", with 20-30% of units affordable to a range of households earning from 30-150% of the City's median income. In 2015, seven years after the Plan was passed, only a small percent of homes are affordable to average San Franciscans, with soaring costs excluding all but the wealthy. The problem is especially acute in the rapidly gentrifying Mission where a dismal percentage of the units approved for construction are affordable and thousands of Latino residents have been displaced. The conversion of cultural facilities such as Cellspace, and PDR businesses to luxury housing heralds the loss of jobs, neighborhood serving business and the unique culture that has defined the neighborhood for decades.

Unfortunately the crisis in the Mission is just the tip of the iceberg, with negative impacts from rapidly changing land uses reverberating throughout the Eastern Neighborhoods. On Potrero Hill, we are bearing the
burden as well, as the number of residential units anticipated by the Eastern Neighborhoods Plan is already outpacing 2025 projections. We are heading towards a doubling of neighborhood residents but have been denied the promises of the Plan. With the accelerating conversion of industrial land, there is little investment in new parks, few transit improvements, little attention paid to the needs of middle-income families, a dramatic loss of working class jobs, and a landscape filling with massive luxury housing blocks.

We can not overly stress the urgency of the situation as rapid densification means the window of opportunity for reforms is rapidly closing. Once it's gone there will be no turning back.

Sincerely,
Alison Heath & Holly Friedman
for Grow Potrero Responsibly

Grow Potrero Responsibly is a neighborhood association that serves as an open and responsible advocate to bring appropriate scale, balance and community benefits to new developments emerging on Potrero Hill.

Alison Heath
http://www.alisonheath.com
alisonheath@sbcglobal.net
July 7, 2015

Planning Commissioners and Department Staff,

re: Item 9. 2015-000988CWP - C. FLORES: INTENT TO INITIATE COMMISSION-SPONSORED INTERIM CONTROLS RELATED TO THE MISSION ACTION PLAN (MAP) 2020

Mission development policies are not meeting the Eastern Neighborhood goals of a balanced growth pattern to preserve desired levels of affordable housing and PDR properties.

Please set up a special hearing on development problems in the Mission, and hold off on allowing any more large projects until studies and analysis of the state of housing and PDRs is complete.

If you feel the interim controls suggested by Planning staff will help in this process, than go ahead with that plan, but, please don’t stop there.

We want to thank the Planning Department staff for acknowledging that problems exist with the current rate of change in one of the most sensitive neighborhoods in the city and we appreciate their efforts to correct some of these problems, however, many people in the community feel this plan does not go far enough to protect affordable housing and PDRs in the Mission.

Authorities claim they need more data to prove the relationship between rapid development and displacement of residents and businesses. Campos’ Resolution: [Calling for a Comprehensive Analysis on the State of Housing and PDR in the Mission], will provide that data, so we hope you will join us in supporting this.

Some neighborhoods may appreciate gentrification and the upward spiral of property values but Mission residents are united in opposition to it and are prepared to become the test area that says NO to developers, and YES to preservation.

If all the large projects in the pipeline are allowed to go through, the delicate cultural balance in the Mission and surrounding neighborhoods will be permanently altered. Please use your discretionary authority to put a hold on the large market rate projects while the state of affordable housing and PDRs in the Mission is being accessed.

Sincerely,

Mari Eliza, concerned citizen
To the Commissioners:

I welcome your efforts to control the loss of affordable housing and preserving PDR (light industrial and arts spaces) in the Mission.

However, the decision to exclude over 1,150 units that have not yet been granted building or demolition permits makes this proposal too weak to accomplish this goal.

If the interim measure is truly attempting to pause construction of market rate units, until a current Mission Plan addressing the Affordable Housing Crisis is created, the interim controls must include all projects currently in the pipeline - ALL of those that have not yet been approved. The interim controls, as currently written, would only control 129 units, total. It seems that this is a thinly veiled attempt to distract voters from the Mission Moratorium measure that will be on November's ballot.

These interim controls would exclude the 3 largest projects that could be 100% affordable with HUD money (685 Florida/2070 Bryant, 1979 Mission, and 1515 S. Van Ness.) So, what is the point of these interim controls?

I am a developer myself, and I understand the argument would be: fairness to the developers who began projects with existing, lax restrictions currently in place. But, if the current restrictions have created an affordable housing crisis, then it's time to close these loopholes, and create a Mission Plan that would help solve the housing crisis, not exacerbate it. Although the developers may have applied for building permits 1-3 years ago, the 311 (neighborhood notification) notices only just went out, and the community of neighbors, artists, and labor have only just been notified of some of these projects. Out of fairness to them, include all projects in the pipeline that have impact on changing the entire Mission community.

Currently, the Mission has 60% affordable units. The Mission has been an affordable neighborhood for a mix of artists, working class and immigrants for generations. 12-16% affordable, as required under current zoning rules, or even 30-40% affordable, does not address the need for MORE affordable housing to be built to stem this hemorrhaging of low income residents being displaced out of the Mission. You have the responsibility as Planning Commissioners to do your part to address the housing crisis, and correct the problems that current zoning rules have created. Please amend the Interim Controls as proposed to include ALL units in the pipeline, and extend the 6 months for at least a year, or two, to give time to update the Mission Plan and actually PLAN how development will happen in the Mission, before every lot of land large enough to build affordable housing is gone.

Thank You

peace
Spike Kahn, Pacific Felt Factory Arts Space
www.pacificfeltfactory.com
415-724-2055 (voice/text)
spikekahn@gmail.com
July 7, 2015

To the Commissioners:

We, as the Redstone Labor Temple Association, write in opposition to the proposed interim controls on new housing in the Mission District as proposed by Planning Department staff. These proposed interim controls are NOT what the Mission community has consistently demanded. They will do nothing to stop or limit the continuing displacement of residents and businesses from the neighborhood.

These proposed controls were fashioned without community input from the Mission. They will fail by not including the projects that are already in the planning approval process, projects such as 1979 Mission Street (The Monster in the Mission) and the Cellspace building (The Beast on Bryant). They will fail by limiting the controls to only 6 months. What prevents a developer from stalling for a mere 6 months to out last the interim controls period? Nothing.

The Mission community has spoken loud and clear with its demands for no more luxury housing in the Mission, the construction of only 100% affordable housing, and an 18 month moratorium so that a plan can be developed that effectively speaks to the displacement of residents and businesses in the Mission.

These demands were made during hours of public comment on the crisis at the Board of Supervisors, by hundreds of people marching in City Hall on two occasions demanding an end to the destruction of the Mission, and by the 15,000 plus signatures gathered in 19 days to put a Mission luxury housing moratorium on the San Francisco ballot.

We urge you to not approve these interim controls and demand that the Planning Department staff listen to the Mission community and put in place effective controls on luxury housing that will stop the ongoing destruction of a vital San Francisco neighborhood.

Thank you,

Rick Gerharter
on behalf of the Redstone Labor Temple Association.
2940 16th Street, San Francisco, CA 94103
rgerharter@igc.org

The Redstone Labor Temple Association is a 501(c)3 organization, representing the 35 tenants of the Redstone Building, a San Francisco registered landmark building celebrating its 100th anniversary this year. Tenants include non-profit community and service organizations, theaters and individual artists.
Flores, Claudia (CPC)

From: Aaron Goodman <amgodman@yahoo.com>
Sent: Thursday, July 09, 2015 7:24 AM
To: Secretary, Commissions (CPC)
Cc: Flores, Claudia (CPC)
Subject: July 9th SF Planning Commissioner - Interim Zoning Controls in the mission Item#9

SF Planning Commissioners;

As a D11 resident, architect, and member of the citywide organization SF Tomorrow, I have worked consistently on housing and planning issues in SF.

The problems facing the mission and outlying districts in SF has become too great an issue to ignore, in terms of the cost culturally of our neighborhoods and communities in the displacement and gentrification that is occurring due to financial pressures.

As we look for solutions I urge the commissioners to look at the transit and infrastructural systems that are overloaded, sewage, transit, open-space, and housing and realize that we must look outside the norms for solutions.

The cities for tomorrow conference in NYC is looking at similar regional issues, and another website below of the same name looks at the needs and methods through anonymous competition and open selection that can garner ideas and better thoughts towards what and how to build our cities future.

https://www.citiesoftomorrow.ca/

For the mission, the excelsior, the downtown, the presidio, and the western side of SF, we need more futuristic solutions, implementable short-term to solve the cities issues. It will take efforts outside the normal in terms of meetings and panels, and submittals. But we can create a better solution. The interim zoning allows the communities time, but its up to the planning department and PUBLIC entities to ensure that the communities gain the ability to express their wants and needs, visually for the future.

Create a more positive solution by allowing a community based and professional assisted competition for change.

It may solve more than one issue in the process.

A.Goodman
D11
25 Lisbon St. SF, CA 94112
Statement in Response to Mission 2015 Interim Controls (Case No. 2015-000988CWP)

While we are encouraged that the Planning Department has begun to recognize the need for action to address the affordable housing crisis and to stop the loss of PDR space in the Mission, we do not believe the proposed interim controls will be effective in addressing the crisis. The limited time frame, geographical scope, and very small number of projects potentially affected by the interim controls means this is not a serious solution to the Mission's needs.

The Mission District community has been clear about what it needs to begin to address the crisis—a moratorium on luxury development, a stop to the conversion of PDR (arts and light industry) space, and an aggressive city-wide plan to rapidly purchase land and build affordable housing. Hundreds of Mission residents and their allies from across the City testified before the Board of Supervisors on June 2nd demanding a temporary moratorium on luxury development and more than 15,000 SF voters signed the petition, in just a 19-day period, to place a Mission Luxury Moratorium on the November ballot.

The Planning Department and Planning Commission need to take decisive action to address the Mission crisis by taking measures to protect artist and blue collar spaces and by halting approval of further market-rate developments, including the large developments proposed for 2000 Bryant and 1979 Mission, until affordable housing needs are met in the Mission District.

Signed,

Dear Director Rahaim:

Good Morning.

I was not able to attend the hearing yesterday, but I did watch on television and I was very impressed by your passionate statement to do whatever the Department can, to help the Mission, beyond the Interim Controls. Thank you.

Several weeks ago when I spoke at the public comment portion of the Commission meeting I cited the $7 million dollar home on Elizabeth Street in Noe Valley, means $3 and $4 million dollar homes in the Mission. Attached is info about an Open House this weekend on San Carlos Street where they asking price is $3.25 million.

I know that San Carlos Street is just outside of the Interim Controls geographic area. However it is geographically in the Mission. (see attachment #4) Here are my thoughts:

1. As you can see from Attachment #1, although there is a second unit, they are trying to market it as a single family. (says "lives as single family". Sorry for the faint copy).

2. The Property Information Map says it is "3 units" on page 2 of Attachment #2.

3. The historic Sanborn map looks like it says it is "4 APTS" (or units). See Attachment #3

4. The Permit History has at least 8 permits to do the work, some were withdrawn, most were OTC, as best I can tell there was no 311 Notice and the permit that took the longest to issue was the one for the historic facade upgrade. I did not want to scan you the permit history, but it is there at the DBI website.

5. As best I can tell from the internet, the last sale was for $1.252 million and that was in December of 2013 and the first permit was applied for within a week of that.

Here is my point.

Projects like this need greater scrutiny when they come in. What is the deal with the three or four units that may have been there according to City records? Was this a unit merger? The Building Department cannot do it after the permits have been issued. Complaints don't really work. As an architect friend of mine said to me, developers prefer to ask for forgiveness rather than permission. That is much easier get, I guess. However, I would think that your staff has the
expertise and knowledge to deal with this or at least raise the questions when a project comes into the Intake. Or at least to raise a red flag. Maybe your staff and the Building Department staff need closer consultation as projects like this come into the system whether it is at 1660 Mission or 1650 Mission.

I think all projects of this type, even though they may be "minor" that pass through your office just need more scrutiny and more questions asked. While the Interim Controls propose to deal with 5 units or more and that is a good thing, it is these smaller projects that also concern me. Death by a thousand cuts so to speak. I know this is only one example and there are issues with TICs and condo conversions and the awful illegal evictions and the awful Ellis Act evictions, but given the "gold rush" nature and the incredibly out of whack market forces going on, I think this is another piece of the puzzle that needs your staff's attention and greater scrutiny.

Whether it is a remodeling or alteration job that may really be a demo, whether it is an "absorption" of a second unit (or more units) into a redesigned property that is an alteration or demo or anything else of a similar nature, with multiple, serial permits, I agree with you that something needs to be done for the Mission. When I have spoken at the Commission I have focused on Noe Valley, but historically Noe Valley and the Mission are the same neighborhood.

I hope I have added to the discussion. Have a nice weekend.

Sincerely,

GEORGIA Schuttish
376 San Carlos Street, San Francisco, CA 94110

$3,250,000

Walk Score™ 95°

Need More Info?
Get Phone Number
Email Us
San Francisco Property Information Map
Public Access to Useful Property Information & Resources at the Click of a Mouse

Step 1: Search or Click on the Map
Search Examples:
- 405 Van Ness Ave, 07/01/21
- Mission and Van Ness, 2011-02-16
- Ferry Building

1 Dr Carlton B Goodlett Pl

Step 2: Review Property Information
Click tabs below to view property or parcel information.

Property
Zoning
Preservation
Planning Apps
Building Permits
Other Permits
Complaints
Appeals

BBNs
Property Report: Latitude: 37.7574 Longitude: -122.41988

General information related to properties at this location.

PARCELS (Block/Lot):
3609098

ADDRESSES:
376 SAN CARLOS ST, SAN FRANCISCO, CA 94110

NEIGHBORHOOD:
Mission

CURRENT PLANNING TEAM:
SE Team

SUPERVISOR DISTRICT:
District 9 (David Campos)

CENSUS TRACTS:
2010 Census Tract 020900

TRAFFIC ANALYSIS ZONE:
Traffic Analysis Zone: 185

RECOMMENDED PLANTS:
Would you like to grow plants that create habitat and save water? Check out the plants that we would recommend for this property at SE.Plant

Select Language

CITY PROPERTIES:
None

PORT FACILITIES:
None

ASSESSOR'S REPORT:
Send feedback to the Assessors Office
Address: 376 SAN CARLOS ST
Parcel: 3609098
Assessed Values:
- Land: $876,478.00
- Structure: $375,633.00
- Fixtures:
- Personal Property: $360.00
Year Built: 1900
Building Area: 1,940 sq ft
Parcel Area: 1,846 sq ft

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ATTACHMENT # 2 pg 2
Exhibit A: Map of the Area Proposed for Mission 2015 Interim Controls

Case No. 2015-000988CWP

Hearing Date: July 9, 2015

Initiation of Interim Controls

www.sfplanning.org
Flores, Claudia (CPC)

From: Rodgers, AnMarie (CPC)
Sent: Monday, July 13, 2015 11:55 AM
To: Jackson, Erika
Cc: Flores, Claudia (CPC)
Subject: FW: 655 Capp - New Interim controls

FYI--

AnMarie Rodgers
Senior Policy Advisor

Planning Department | City and County of San Francisco
1650 Mission Street, Suite 400, San Francisco, CA 94103
Direct: 415.558.6395 | Fax: 415.558.6409
Email: anmarie@sfgov.org
Web: http://www.sf-planning.org/Legislative.Affairs
Property Info Map: http://propertymap.sfplanning.org/

From: Jim Zack [mailto:jim@zackdevito.com]
Sent: Monday, July 13, 2015 11:27 AM
To: anmarie@sfgov.org
Subject: 655 Capp - New Interim controls

Ann Marie,

I got your message, I understand things are in flux, and will do as you suggested and hold tight and keep an eye on things.

My one issue at the moment, and perhaps something you can consider as this gets debated and adjusted, is the timing of projects already in the pipeline. The current language excludes projects in the pipeline before Dec. 31, 2014. Erika told me a PPA is not consider an entitlement so dopes not apply. We submitted our PPA in August of 2014, and would argue this is a “Planning Application” as described in the current language. Of course due to the back log at Planning the approval of the PPA dragged on, and they made an error in timing, and they flip flopped in telling us to pursue a demo/new construction option vs. a remodel. I also would argue we filed our application for the EE at the end of December, before Christmas, around Dec. 22nd, and it was Planning again that lagged on the intake assigning it a permit number, until after Jan 1, I believe it was loved in on Jan. 6. We are so close to the Dec. 31 cut off, and we had been actively involved with Planning on this project for at least six months of 2014, I believe we should be excluded based on timing.

Finally, again, just my take on the whole issue, I can see the benefit of the new controls on new construction, but believe some additional consideration should be given to remodels and additions. We are preserving four existing rent controlled units and adding five new units. I do not see the down side to this type of project.
As initiated, the Interim Controls would allow affordable housing and PDR uses to continue to be permitted under the existing requirements of the Planning Code. Certain other housing, large retail and office projects would require a Conditional Use authorization if they result in any of the following:

- The loss of more than one rent-controlled dwelling unit;
- The production of five or more dwelling units; or
- Demolition or conversion of certain community and arts uses.

The Controls would currently exclude projects currently in the pipeline that filed a planning application or building permit or environmental application on or prior to December 31, 2014.

Thanks,

Jim Zack, AIA | principal

Zack | de Vito

156 south park
•
san francisco, ca
•
94107
From: Claudia Flores <claudia.flores@sfgov.org>
Date: Wednesday, July 8, 2015 at 8:10 PM
To: "Robert R. Tillman" <rrti@pacbell.net>
Cc: John Rahaim <john.rahaim@sfgov.org>, Kathrin Moore <mooreurban@aol.com>, "Johnson, Christine (CPC)" <christine.d.johnson@sfgov.org>, Rich Hillis <richhillisff@yahoo.com>, Michael Antonini <wordweaver21@aol.com>, Cindy Wu <cwu.planning@gmail.com>, Rodney Fong <planning@rodneyfong.com>, "Richards, Dennis (CPC)" <dennis.richards@sfgov.org>, "Rodgers, AnMarie (CPC)" <anmarie.rodders@sfgov.org>
Subject: RE: CONFIRMED - Meeting w/John Rahaim

Dear Bob,

I hugely appreciate the consideration that you have given my comments by forwarding them to the Commissioners.

Of course, the interim controls will become a moot point if the Mission Moratorium Ballot Measure passes. In that case, I guess that I will be in the (declining) coin-operated laundry business for the foreseeable future. The Mission will not have the benefit of 38 additional rental units next to a major public transit hub, and San Francisco will not have the benefit of the impact fees and greatly increased property taxes that would otherwise be paid by me or of the taxes that would otherwise be paid by the residents in those 38 rental units.

I am scratching my head trying to understand how reducing the potential supply of rental units will somehow reduce rents, reduce evictions, eliminate the influx of tech workers and halt the demographic shift in the Mission. It seems to me that, as a long-time Mission business owner, the policies advocated by Calle 24 and its allies will greatly accelerate the gentrification of the Mission that I have seen occur since 1998. That is not their intent, but it is the economic reality.

Again, I want to thank you for allowing me to provide feedback.

Sincerely,

Bob

Robert R. Tillman
14 Sunshine Ave.
Sausalito, CA 94965
415-332-9242 Telephone
415-332-2639 FAX
415-297-9242 Mobile
rrti@pacbell.net
Thank you for sending me the date, it is not appearing in the system yet since it is so recent. We absolutely understand your concerns and appreciate you letting us know how this could impact a small project such as yours. Just to clarify, since you just filed your EE application, should the interim controls be in place for 6 months this would not affect your project (only if they were extended, should the permanent package of solutions not be in place). Also, the Commissioners may choose to look at the pipeline in other ways such as size of projects or other criteria. I am including the Commissioners to make sure your comments reach them.

Regards,

Claudia

Claudia Flores
Planning Department | City and County of San Francisco
1650 Mission Street, Suite 400, San Francisco, CA 94103
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Email: claudia.flores@sfgov.org
Web: www.sfplanning.org

From: Robert R. Tillman [mailto:rrt@pacbell.net]
Sent: Wednesday, July 08, 2015 7:16 PM
To: Flores, Claudia (CPC)
Cc: Rahaim, John (CPC)
Subject: Re: CONFIRMED - Meeting w/John Rahaim

Dear Claudia,

We filed the Environmental Evaluation on June 30, 2015. Had I known that January 1, 2015 would become an important deadline, I would have filed the Environmental Evaluation last year. The only reason that I delayed was that I was completely consumed in the second half of the year with multiple other business matters and was under the impression that filing the PPA and receiving PPA approval had established my place in line. Setting an ex post facto January 1, 2015 deadline for filing an Environmental Evaluation feels very unfair to me. It seems to me that the PPA filing date should be operative and that the earliest deadline should be the date on which you first communicated the possibility of interim Mission controls to the public. How are we to plan anything when the rules can be changed ex post facto?

I am a property owner, not a professional developer. I am a complete newcomer to the San Francisco entitlement process. Perhaps, professional developers had some indication that this new restriction might be imposed, but I certainly did not. Further, my property consists of a 6,400 square foot parking lot and a 5,200 square foot single story building containing a coin-operated laundry. I have owned the laundry since 1998 and the building since 2006. No residential tenants would be displaced by building on my site and no businesses would be displaced, other than my own business. From 2004 to 2014, my laundry revenue has declined by 20%, owing to the shifting demographics of the Mission. There are several other coin-operated laundries within 100 yards of my site, and all of them would become more viable once my business shuts down. My property is located one block away from the 24th and Mission BART station, which is exactly the place where we SHOULD be increasing housing density.

Given all of the above facts, I am struggling to understand why it would be in anyone’s interest that I pay a consultant and experience the delay of creating an economic impact study on my property. How could building an additional 38 residential units on my property, plus increasing retail space from 5,000 square feet to 7,000 square feet, be anything other than beneficial to the Mission?

Sincerely,
Flores, Claudia (CPC)

From: Warner Schmalz <w.schmalz@forumdesign.com>
Sent: Wednesday, July 08, 2015 9:17 PM
To: Flores, Claudia (CPC)
Cc: John Muhawieh; Rahaim, John (CPC)
Subject: Re: CONFIRMED - Meeting w/John Rahaim

Claudia, We have a small 8 unit project at 2799 24th street with an April 23 EEA application date. Hopefully we will be able to proceed with this project thru the Interim Control period. The owner is developing his own project in a one story laundromat building/business that he will shut down and demolish. This is the kind of small infill project that will have to bear the burden of a "displacement study" which will be costly and inconclusive. This project like all small contextual projects under 10 units that should not have to carry the burden and cost of interim controls. Please let me know where we place in the "pipeline".

Thanks for your presentation today. I am the architect for the 72 unit 490 South Van Ness project recently purchased by the city for affordable housing. In our role as a dual agent architect (market/affordable) I hope we can be a part of the solution!

Sent from my iPhone

On Jul 8, 2015, at 6:41 PM, Flores, Claudia (CPC) <claudia.flores@sfgov.org> wrote:

All,

I have double checked dates and units and hopefully this revised table is now correct. Apologies for errors, with our new tracking system there are a multitude of dates in the system. Let me know if there is anything else that is incorrect before I make copies in the morning.

Thanks again for all the feedback and please let us know if you have additional comments and suggestions.

Claudia

Claudia Flores
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Direct: 415-558-6473 | Fax: 415-558-6409
Email: claudia.flores@sfgov.org
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From: Rodgers, AnMarie (CPC)
Sent: Wednesday, July 08, 2015 12:18 PM
To: Rahaim, John (CPC); Flores, Claudia (CPC); toby@kermanmorris.com; larry@badinerurbanplanning.com; oz@emeraldfund.com; seank@sjkdev.com; info@agicapital.com; ajunius@reubenlaw.com; SVettel@fbm.com; phnsan@msn.com; bgladstone@hansonbridgett.com; w.schmalz@forumdesign.com; Sucre, Richard (CPC); Vu, Doug (CPC); seank@sjkdev.com; joconnorsf@gmail.com
Dear President Fong and Commissioners:

At the July 9 hearing, Commission Richards asked that the sponsor of the 2000-2070 Bryant project provide the Commission with information regarding how the project conforms or does not conform to the proposed interim controls conditional use criteria.

Enclosed is a table setting forth the requested information. As you can see, we believe the project does conform to the policies and substantive requirements of the interim controls. Their application would do no more than impose a new procedural hurdle two years after the project sponsor acquired the site and submitted development applications in good faith reliance on the 2008 Eastern Neighborhoods rezoning, and two months after the project’s CEQA document was published. The 2008 legislation rezoned the site from M-1 to UMU, a district in which mixed income housing is principally permitted, increased the height limit to 68 feet, and increased the on-site BMR requirement to 16%.

To refresh the Commission’s recollection, the 2000-2070 Bryant project as currently proposed:

- Contains 47 affordable BMR units, 17% of its 274 total units, with no public subsidies. This is nearly as much permanently affordable housing as will be constructed at 1296 Shotwell Street, one of MOHCD’s four identified affordable housing sites in the Mission, for which MOHCD issued an RFP on July 3, 2015, seeking a developer to construct 50 affordable senior units there using public funds.

- Contains 6 ground floor work/live flex units that will dedicated to occupancy by working artists.

- Provides relocation benefits and five years of rent subsidies to Inner Mission.

- Provides relocation benefits to SF Auto Body.

- Includes extensive streetscape improvements and publicly accessible open space.

- The project general contractor (Build Group) is a union signatory GC with the carpenters and will participate in first source and apprenticeship programs.

- The project’s Environmental Evaluation application was filed in September 2013, and the Community Plan Exemption Determination was published by the Planning Department on June 2, 2015, in anticipation of the original June 25 hearing date.
Also enclosed is a drawing of a potential revised project plan that reduces the number of to-be-demolished rent-controlled units from three units to one unit. This revised plan would retain the vacant 2-unit building at 2028 Bryant Street that was previously owner-occupied by the sellers of the 2000 Bryant property and construct the new building around it. The revised plan would eliminate one of the two public stairway open spaces and compromise the project's design and courtyard, but could be implemented if the Commission requires retention of these vacant units.

Because 2000-2070 Bryant appears to satisfy the interim controls at face value, rather than imposing these controls and their uncertainty on the project, we believe the right course would be to exempt the project from the interim controls based on its nearly two years in the pipeline and your seven years of community deliberation on the Eastern Neighborhoods Plan. We are prepared to proceed on September 10 under the existing controls, the date to which the Commission continued the June 25 conditional use and LPA hearing.

We will be available to answer any questions you may have about the enclosed comparison table and/or the potential project revision at the July 23 hearing.

Steven L. Vettel
svettel@fbm.com
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Farella Braun + Martel LLP

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Dear President Fong and Members of the Planning Commission:

On July 10th, I sent an email to Director Rahaim which I cc'ed to you as well concerning smaller projects in the Mission with the focus on the property at 376 San Carlos Street. These were my concerns:

1. It was a smaller project so it would not be covered by the interim controls.
2. It was outside of the proposed area for interim controls, yet within the geographic area of the Mission District.
3. It was a speculative project with 2 units but seemingly marketed as a single family home with the most recent previous sale in December 2013. (current sales info says, "lives as single family")
4. There had been 3 to 4 units at the site according to the SF Property Information Map and the historic Sanborn Map.

It seemed to me that small projects like this one, should have greater scrutiny when they come into the Building Department and the Planning Department in order to better deal with the housing crisis in the Mission. A building like this may be "micro" but it cumulatively becomes "macro" if there are a lot of these. For example: Since there were apparently 3 to 4 units, and this building was totally redone, what happened to all the people who lived there until 2012 or 2013?

If you agree with me, I would hope that as a Commission you could give some direction to your Staff to work with the Building Department and to apply a higher level of scrutiny to these types of projects as well as other smaller buildings in the Mission District, as a follow up on Director Rahaim's stated desire for the Department to work to deal with and to ease the housing crisis in the Mission District.

Attached is the information from the DBI tracking system that I did not send in the July 10th email to Director Rahaim.

They are:

**Attachments #1 and #1b thru #4:** Complaints from 2011-2012 about Unit #3 and Unit#4 as well a complaint from 2013-2014 about the major demo work.

**Attachments #5 thru #7:** Work permits from 2012-2013 at the address that describe the building use as "apartments"
Attachments #8 thru #12: Work permits from 2014 at the address that suddenly show the building use as "2-family dwelling".

Sincerely,

GEORGIA Schuttish
Dear Claudia,

Thank you. I will be traveling abroad from August 2nd through August 14th and so will not be able to attend the August 6th meeting.

Given that the Mission Moratorium Ballot Initiative will be on the November ballot and that both pro and anti-development groups have strongly opposed the proposed Mission Interim Controls, I do not think that such controls are necessary at all. If the Ballot Initiative passes, then the Mission Interim Controls are moot, as the Ballot Initiative will shut down all development covered by the Interim Mission Controls. If the Ballot Initiative passes, then the San Francisco voters will have expressed a clear preference for development to proceed, and the Planning Commission should respect their wishes. In either case, the Mission Interim Controls are unnecessary. Their only result is to occupy the valuable time of the Planning Commission and of all concerned parties and to create unnecessary expense for everyone. In the last meeting on this subject, I heard several Planning Commissioners express concerns regarding the arbitrary nature of such controls and regarding the difficulty of applying such controls fairly. Why struggle with these issues for no reason?

I expect that the Mission Moratorium Ballot Initiative will be very hard fought. I do not see the Mission Interim Controls as impacting that fight in any significant respect. I suggest that we all get out of the way of that fight.

It is only three months to the election. Please let the voters decide.

Sincerely,

Bob

Robert R. Tillman
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415-297-9242 Mobile
rrti@pacbell.net
Thank you Claudia, as I mentioned at SPUR, it does seem like a Commission policy would make the most sense at this time. However, I do have one legal concern about the text of the proposed policy. On page 6, second paragraph, it states that the Commission "expects . . . high affordability within projects; and a positive contribution of affordable units towards the Housing Balance/Proposition K and Housing Element affordability needs and goals."

This language appears in direct conflict with Planning Code Section 415.5, which mandates payment of the Affordable Housing Fee and gives project sponsors the option of whether to pay the fee or provide on-site units or off-site units. This policy statement basically says the Commission is taking that option away from sponsors in the Mission and mandating on-site units in all cases. I don’t believe the Commission can do that consistent with the Planning Code.

Second, the policy is in direct conflict with Prop. C, which amended the Charter to prohibit the City from mandating higher inclusionary housing requirements in projects absent a rezoning or density bonus. Again, how can the Commission state that it “expects” projects to go beyond the mandated inclusionary requirement without violating Prop. C? Housing balance goals are best met with 100% affordable projects, not in individual projects that are not provided public subsidies.

I would suggest the paragraph be re-written to state: “The Commission supports and expects replacement of rent-controlled units, above and beyond BMR requirements when feasible; encourages provision of inclusionary units either on-site or within the Mission district; and supports the construction of 100% affordable projects that will make a positive contribution of affordable units towards the Housing Balance/Proposition K and Housing Element affordability needs and goals.”

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