



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Mission 2015 Interim Controls

HEARING DATE: JANUARY 14, 2016

Project Name: Mission 2015 Interim Controls related to the Mission Action Plan 2020
Case No.: 2015-000988CWP
Staff Contact: Claudia Flores
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Reviewed by: AnMarie Rodgers, Senior Policy Advisor
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Recommendation: Adopt Interim Controls with Proposed Modifications

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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, the Commission asked staff to bring a simpler set of controls back to the Commission for consideration. On August 6, the Planning Commission adopted an interim policy and continued consideration of approval of the interim controls to a hearing on September 24, 2015 due to the Controller's study not being complete while being referenced on the interim controls. On that subsequent September 24th hearing, the Planning Commission decided to continue the Interim controls until after the November election. At the November 19, 2015 hearing, at the request of public comment, the Commission continued the item to January 14, 2016.

This case report includes a summary of the proposed interim controls which have been revised based upon public and Commission comment and, should the Commission wish to proceed with adoption, these materials provide the basis for such action on or after January 14, 2016.

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 B): 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 nine 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 preserve existing income-protected units while maintaining PDR capacity in PDR zoned lands and 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.

The Way It Is Now:

Proposed projects in the Mission District are reviewed under the existing requirements of the Planning Code. Projects can require a variety of land use entitlements requiring public hearings or are approved administratively following public notification.

The Way It Would Be:

Certain projects within the identified area of the area of the proposed Mission Interim Controls (See Map: Exhibit B), would be required to be reviewed at a discretionary hearing before the Planning Commission. The projects that would be captured by the proposed Interim Controls would include proposed projects which have not received required entitlements or approvals by January 14, 2016 and which would meet any of the “thresholds” summarized in Chart A below. Such projects would need to provide the additional information associated with each threshold that the project triggered. The information to be provided would be provided as part of a Large Project Authorization (LPA) or Conditional Use (CU) authorization, depending on the size of the project. If a proposed project doesn’t not require either an LPA or a CU, the Interim Controls would add a new requirement for an LPA if the project is a medium size project (see size threshold specifics in table below), unless the project is already subject to a Conditional Use Authorization, or CU if the project is a large project (see size threshold specifics in table below). The additional information would be required in addition to requirements of the Planning Code.

Chart A: *Summary of Proposed Interim Controls.*
See Exhibit A Draft Interim Controls for the Complete Proposal

Threshold	New Requirements / Additional Information
Loss of one or more rent-controlled dwelling unit.	Projects <u>must meet</u> a majority (at least four) of the following criteria: <ul style="list-style-type: none">• Free of serious, continuing Code violations;• Maintained as decent, safe and sanitary housing;• Does not convert rental to other forms of tenure;• Conserves existing housing to preserve neighborhood diversity;• Protects relative affordability of existing housing;• Increases permanent affordable housing stock; and• Increases family-sized housing stock.
Medium Projects. Projects which provide either : <ul style="list-style-type: none">• Net addition or new construction of between 25,000 and 75,000 gross square feet (if non-residential), or• Between 25 and 75 dwelling units.	The applicant is required to submit the additional information: <ul style="list-style-type: none">• Housing Production: Maximum allowable density, proposed density or project, and evaluation of project’s ability to effectively house future residents;• Affordable Housing Production: Analysis of project alternatives and feasibility of additional affordable housing;• Housing Preservation: Discussion of existing housing on site;• Tenant Displacement: Disclosure of eviction and buyout history at the site; and

	<ul style="list-style-type: none"> • Proximal Development: Discuss proposed and recent projects within ¼ mile radius of the site.
Medium Projects that displace PDR – including institutional, recreation, arts and entertainment uses.	<p>In addition to the above, the following information will also <u>be required</u> if PDR displacement is proposed:</p> <ul style="list-style-type: none"> • Relocation Assistance: In non-PDR zoning districts, discuss last know use and relocation benefits provided to previous tenant; or • Business & Community Building-Uses: If no relocation benefits were offered, discuss potential impacts to the community; and • Inventory of Similar Uses: Discussion of existing businesses within the neighborhood that are similar to the use being displaced. • Non-Residential Displacement: Discuss existing businesses and non-profit organizations that will be displaced by the project and within the last 12 months.
Large Projects. Projects that include the: Net addition or new construction of 75,000 gross square feet (if non-residential) or more than 75 dwelling units.	<p>The applicant is required to submit the additional information:</p> <ul style="list-style-type: none"> • Demographic Changes: Discussion and evaluation of socio-economic characteristics and effects of the project on the neighborhood; • Economic Pressure: Discussion and evaluation of additional housing supply provided by the project and resulting indirect and direct displacement; • Housing Production: Maximum allowable density, proposed density and evaluation of projects ability to effectively house future residents (the additional net supply of housing units); • Affordable Housing Production: Analysis of project alternatives and feasibility of additional affordable housing; and • Tenant Displacement: Eviction and buyout history.
Large Projects that displace PDR – including institutional, recreation, arts and entertainment.	<p>In addition to the above, the following information will also <u>be required</u> if PDR displacement is proposed:</p> <ul style="list-style-type: none"> • Relocation Assistance: In non-PDR zoning districts, discuss last know use and relocation benefits provided to previous tenant; or • Business & Community Building-Uses: If no relocation benefits were offered, discuss potential impacts to the community; • Jobs & Economic Profile: Discuss economic and fiscal impacts and their benefits to area residents; • Available Space in the Mission: Discuss availability of vacant space to replace use type being lost; • Affordability of Community Building Uses: Assess affordability of community-building uses; • Non-Residential Displacement: Discuss existing businesses and non-profit organizations that will be displaced by the project and within the last 12 months.

SUMMARY OF KEY ISSUES:

Below is a summary of key concerns from Commissioners and public comments from all the hearings and meetings with stakeholders:

- The proposal is only meaningful if it captures more projects, particularly larger projects.
- There should be a consideration for smaller projects and what they are able to do.
- Commissioners would like to ensure that the size threshold is based on past precedent or other meaningful threshold.
- The Commission requested that the controls be simplified, as much as possible.
- Spell out the draft findings/studies future projects would be required to do to provide more guidance to projects.

Staff believes the revised proposal accomplishes these five goals. The proposal applies to a significant portion of the pipeline while exempting the smallest of projects (those less than 25 units or 25,000 gross square feet) unless they are removing rent-controlled units from the housing stock. Staff has also tried to simplify the controls as much as possible given the complexity of the issue. Lastly, various recent studies that are Mission-specific and focus on displacement and gentrification in the neighborhood are available and could serve as a basis for the new findings for development projects that would be considered if the interim controls were to be adopted.^{1,2,3,4}

It should be noted that the Commission adopted an interim policy for development on August 6, 2015 in Resolution Number 19428 (Exhibit C). This resolution establishes a Commission policy to give close scrutiny to projects that displace tenants and uses, particularly arts, community-serving nonprofits, PDR, small businesses, residential tenants and projects that remove rent-controlled housing. The policy supports the retention of existing housing and commercial tenants and full relocation assistance when relocation is necessary. Projects are expected to fully mitigate anticipated negative impacts through positive economic and social contributions to the community. Further, the Commission supports and encourages the replacement of rent-controlled units, above and beyond BMR requirements, where feasible. This may include high affordability within projects, the provision of off-site units or land dedication within the Mission district and/or 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. Now, the Commission could choose to also adopt Interim Controls to reinforce the policy.

RECOMMENDATION

Should the Commission wish to move forward with interim controls, the Department recommends that the Commission *approve* the attached resolution. This would capture all the pipeline projects that have not been reviewed by the Commission (no grandfathering) and make explicit and specific the Commission's expectation as to how proposed projects should contribute to solutions to the affordability and displacement crisis in the Mission, while the MAP 2020 Plan is underway.

¹ Potential Effects of Limiting Market Rate Housing in the Mission (September 10, 2015). City and County of San Francisco, Office of the Controller- Office of Economic Analysis. From: <http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=6742>

² Community Organizing and Resistance in the Mission District: Case Study on Gentrification and Displacement Pressures (2015). UC Berkeley Center for Community Innovation. From: http://iurd.berkeley.edu/uploads/Mission_District_Final.pdf

³ The Urban Displacement Project from: <http://www.urbandisplacement.org/>

⁴ "Displacement in the Mission District" (October 27, 2015), City and County of San Francisco, Budget and Legislative Analyst's Office. From: <http://www.sfbos.org/Modules/ShowDocument.aspx?documentid=54068>

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.

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.

PUBLIC COMMENT

Public comment has not changed substantially since the last Commission hearing. As previously reported, 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:

- 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 certain projects such as smaller projects;

REQUIRED COMMISSION ACTION

RECOMMENDATION: Approval to Adopt Interim Controls with Modifications
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Attachments:

- Exhibit A: Revised Draft Interim Controls Resolution
Exhibit B: Map of the Area Proposed for Interim Controls
Exhibit C: Planning Commission Resolution Number 19428 – Interim Policy
Exhibit D: Pipeline Projects Subject to the Interim Controls
Exhibit E: Previous (November) Draft Interim Controls (*Not Adopted*)



SAN FRANCISCO PLANNING DEPARTMENT

Exhibit A: Draft Adoption Resolution for Mission Interim Controls 2016

Planning Commission Resolution No. _____

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Project Name: COMMISSION-SPONSORED MISSION 2016 INTERIM CONTROLS
RELATED TO THE MISSION ACTION PLAN (MAP) 2020

Case Number: 2015-000988CWP

Initiated by: Planning Commission

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Recommendation: Adoption of Mission 2016 Interim Controls

ADOPTING COMMISSION-SPONSORED MISSION 2016 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 DEVELOPMENT OF AFFORDABLE HOUSING PRODUCTION AND PRESERVE EXISTING INCOME PROTECTED UNITS WHILE MAINTAINING PRODUCTION, DISTRIBUTION, AND REPAIR (PDR) CAPACITY IN PDR ZONED LANDS AND VITAL COMMUNITY RESOURCES. THE PROPOSED CONTROLS WOULD REQUIRE A LARGE PROJECT AUTHORIZATION OR CONDITIONAL USE AUTHORIZATION FOR PROJECTS THAT PROPOSE THE FOLLOWING: 1) THE LOSS OF ONE OR MORE RENT-CONTROLLED DWELLING UNITS; 2) THE ADDITION OF MORE THAN 25,000 SQUARE FEET OF COMMERCIAL USE; OR 3) THE ADDITION OF MORE THAN 25 RESIDENTIAL UNITS. THE AREA PROPOSED FOR INTERIM CONTROLS IS GENERALLY DEFINED BY THE FOLLOWING BOUNDARIES: 13TH AND DIVISION STREET TO MISSION STREET, 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 NINE 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 the 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;

WHEREAS, on August 6, 2015, the Planning Commission adopted Resolution Number 19428, which formalized the Commission Policy for development during the time that the City is developing the Mission Action Plan 2020;

WHEREAS, the Commission requested a later hearing to consider potential interim controls during the August 6, 2015 hearing;

WHEREAS, potential interim controls have been calendared by the Planning Commission on July 9, 2015, July 23, 2015, August 6, 2015, September 24, 2015, and most recently November 19, 2015;

WHEREAS, at the November 19, 2015 hearing, the Commission asked staff to bring a simpler set of controls back to the Commission for consideration on or after January 14, 2015;

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 January 14, 2016.

RESOLVED, that pursuant to Planning Code Section 306.3, the Planning Commission adopts the following findings and the Interim Controls, approved as to form by the City Attorney.

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.

4. The Planning Commission adopts the following Mission 2016 Interim Zoning Controls.

MISSION 2016 INTERIM ZONING CONTROLS

- I. **BOUNDARIES.** The area proposed for interim controls is generally defined by the following boundaries: 13th and Division Street to Mission Street, 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. **See map attached hereto as Exhibit B.**
- II. **DURATION.** The interim controls shall be in effect for nine months from the date of this Motion.
- III. **EXEMPTIONS:**

The following types of project are exempt from these interim controls, even if such project would otherwise be subject to them under the requirements of subsection (b) below:

- 1. Residential and mixed use projects that provide 100% of their residential units as affordable.
- 2. Residential and mixed use projects that (A) provide at least 33% of the residential units as affordable for Households of Low and Moderate Income, all as defined in Planning Code Section 401; or (B) provide a dedication of land to the Mayor's Office of Housing and Community, in

amount 10% higher than the required land dedication percentages in Table 419.5 under Planning Code Section 419.5 or 419.6.

3. Production, distribution, and repair uses if exclusively PDR or that are mixed-use and include PDR uses and meet either of the two criteria above.

IV. CONTROLS.

A. Loss of Rent-Controlled Units. Any project that would result in the loss of one or more rent-controlled residential units shall require Conditional Use Authorization under Planning Code Section 303(c), or a Large Project Authorization under Planning Code Section 329, depending on the size of the project. In addition, any such project shall require the following:

1. Application. As part of the Conditional Use Permit or Large Project Authorization application, the applicant shall include in its application materials or in a supplement to its application:

(a) whether any of the new units in the Proposed Project:

(i) would be subject to the San Francisco Rent Stabilization and Arbitration Ordinance, San Francisco Administrative Code Section 37;

(ii) are qualified replacement units to be occupied by households of low or very low income, under the Government Code section 65915(c)(3) (the State Density Bonus Law); and;

(iii) are designated BMR units for the purposes of meeting the City's Inclusionary Housing requirements under Section 415 of the Planning Code; or

(b) Describe how the Project addresses the loss of the rent-controlled units, including but not limited to whether the project proposes to construct new rental units..

2. Findings. The Commission shall find in making a determination to approve the project that the project meets the majority of the following 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;

(iii) that the project does not convert rental housing to other forms of tenure or occupancy.

(iv) the project conserves existing housing to preserve cultural and economic neighborhood diversity;

(v) the project conserves neighborhood character to preserve neighborhood cultural and economic diversity;

(vi) the project protects the relative affordability of existing housing;

(vii) the project increases the number of permanently affordable units as governed by Section 415;

(viii) the project increases the number of family-sized units on-site;

B. Medium Projects. Any residential or mixed use project that is between 25,000 and 75,000 gross square feet of non-residential use or has between 25-75 units shall require a Large Project Authorization under Planning Code Section 329, unless the project is already required to obtain a Conditional Use Authorization under Planning Code Section 329, in which case the additional required information shall be considered by the Planning Commission in its deliberation on the Conditional Use Authorization.

1. **Application Information:** The applicant shall include in its application for a Large Project or Conditional Use Authorization materials or in a supplement to its application information related to the following topics:

(a) **Total Housing Production:** The maximum allowable dwelling unit density the site could accommodate and ii) the density of the proposed project, and iii) evaluate how effectively the proposed project would house future residents – add or change the net supply of housing for all income levels and types of tenure.

(b) **Affordable Housing Production:** Discuss whether additional affordable housing could be provided on the site, through the availability of public financing or financial incentives, or through use of the State Density Bonus Law, Government Code Section 65915 or other applicable affordable housing incentive program, to provide an economic incentive or financial support for additional affordable units on the site.

(c) **Housing Preservation:** Existing housing on the project site that will be retained or demolished in terms of occupancy types, relative affordability, adaptability, rent-control and other tenant-features.

(d) **Tenant Displacement:** Whether the Rent Board has recorded a history of evictions or buyouts on the property.

(e) **Nearby Development.** Proposed and recent development in the project's vicinity, to be defined as within 1/4 mile radius of the project site. For the purposes of this review, past development projects shall include anything under construction or built within the last five (5) years and proposed development shall include any proposed project that has submitted an application or a preliminary project assessment (PPA) to the Planning Department.

2. **Additional Information for Displacement, Demolition or Conversion of Certain Uses.** If the project would displace, demolish or convert Assembly, Recreation, Arts and Entertainment, Light Manufacturing, Auto Repair, Trade Shops or Institutional uses¹ in any zoning district, the application shall include the following information:

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);

(a) **Relocation assistance in non-PDR zoning districts:** In zoning districts other than PDR districts, discuss the existing or last-known Assembly, Recreation, Entertainment, PDR or Institutional tenants and disclose whether the tenant has relocated or relocation benefits have been or will be provided.

(b) **Findings for Businesses and Community Building-Uses.** If the existing Assembly, Recreation, Entertainment, PDR or Institutional tenants have not been relocated or offered relocation benefits then the applicant shall provide the Planning Commission with additional information regarding potential impacts to the community and benefits of the project, including:

(c) **Inventory of Similar Uses.** Whether any other existing business similar to the use type being demolished or removed exists in the neighborhood; and

(d) **Non-Residential Displacement.** Discuss existing businesses or non-profit organizations that will not be retained in the proposed project, or offered an opportunity to lease space in the proposed project, in terms of length of lease, number of employees, whether the use is minority owned and a non-restaurant or bar use, and if a business is retail whether that business is formula retail. Discuss whether a commercial tenant has been displaced through rent increases or lack of lease renewal in the last 12 months.

C. Large Projects. Any residential or mixed-use project that would include the net addition or new construction of more than 75,000 gross square feet or includes more than 75 dwelling units shall require Conditional Use authorization under Planning Code Section 303(c). An application for conditional use shall include the following information:

1. **Demographic Changes:** Provide information about the socio-economic characteristics of the neighborhood and evaluate how the proposed project would affect existing and future residents, businesses and community-serving providers of the area.
2. **Economic Pressure:** Provide information about the additional housing supply provided by the project and evaluate how that may affect affordability of newly vacant units of housing (indirect displacement) and the rate of evictions (direct displacement) within the neighborhood.
3. **Total Housing Production:** Provide information about i) the maximum allowable dwelling unit density the site could accommodate and ii) the density of the proposed project, then iii) evaluate how effectively the proposed project would house future residents – add or change the net supply of housing for all income levels and types of tenure.

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).

4. **Affordable Housing Production:** Provide information about whether additional affordable housing could be provided on the site, through the availability of public financing or financial incentives, or through use of the State Density Bonus Law, Government Code Section 65915 or other applicable affordable housing incentive program to provide an economic incentive or financial support for additional affordable units on the site.
5. **Housing Preservation:** Provide information about existing housing on the project site in terms of occupancy types, relative affordability, adaptability, rent-control and other tenant-features.
6. **Tenant Displacement:** Provide information about whether the Rent Board has recorded a history of evictions or buyouts on the property.
7. **Additional Information for Displacement, Demolition or Conversion of Certain Uses.** If the project would displace, demolish or convert Assembly, Recreation, Arts and Entertainment, Light Manufacturing, Auto Repair, Trade Shops or Institutional uses² in any zoning district in making its Conditional Use Authorization Application, the application shall include the following analysis:
 - (a) **Relocation assistance in non-PDR zoning districts:** In zoning districts other than PDR districts, provide information about the existing or last-known Assembly, Recreation, Entertainment, PDR or Institutional tenants and disclose whether the tenant has relocated or relocation benefits have been or will be provided.
 - (b) **Businesses and Community Building-Uses.** If the existing Assembly, Recreation, Entertainment, PDR or Institutional tenants have not been relocated or offered relocation benefits then the applicant shall provide information regarding potential impacts to the community and benefits of the project as described below:
 - (c) **Jobs & Economic Profile.** An analysis of the economic and fiscal impact of the proposed project. Towards this end, the application shall include an analysis of the loss of the existing use compared to the benefit of the proposed use, including an estimate, if known, of permanent job creation and/or job retention in the community

² 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).

of the proposed use compared to the existing use and associated wages and benefits for both;

(d) Available Space in the Mission. Discuss whether sufficient vacant space for the use type being demolished or removed exists in the neighborhood; and

(e) Affordability of Community-Building Uses. Provide an assessment of the affordability of community-building uses. Community-building uses shall include but not be limited to arts, nonprofit services and childcare uses. This assessment should discuss the nature of the community-building uses, the affordability of the uses and the amount of space provided for such uses on the existing site compared to similar uses associated with the proposed project, if any.

(f) Non-Residential Displacement. Discuss existing businesses or non-profit organizations that will not be retained in the proposed project, or offered an opportunity to lease space in the proposed project, in terms of length of lease, number of employees, whether the use is minority owned and a non-restaurant or bar use, and if a business is retail whether that business is formula retail. Discuss whether a commercial tenant has been displaced through rent increases or lack of lease renewal in the last 12 months.

V. ANALYSIS REQUIRED. The information required above shall be based upon independent study by a qualified professional. Studies that have been completed within 18 months from the date of the project's scheduled hearing at the Planning Commission and that are specific to San Francisco and Mission District conditions are preferable. Existing studies that may be used include but shall not be limited to "Potential Effects of Limiting Market-Rate Housing in the Mission" by the San Francisco Office of Economic Analysis, the "Housing Inventory," "Displacement in the Mission District" by the Budget and Legislative Analyst's Office or other publications by the San Francisco Planning Department or publications that are part of the "The Urban Displacement Project" a research and action initiative of UC Berkeley in collaboration with researchers at UCLA, community based organizations, regional planning agencies and the State of California's Air Resources Board.

VI. 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.

VII. EFFECTIVE DATE.

These Interim Controls shall apply to all projects that have not received a required entitlement or approval from the Planning Department, Zoning Administrator, or Planning Commission by January 14, 2016.

VIII. STAFF REPORT

The Planning Commission directs staff to follow up on the San Francisco Board Budget and Legislative Analyst's May 29, 2015 Report and, working with the Mayor's Office of Housing and Community Development and other City agencies as necessary, provide an informational report to the Commission as to:

- A. Sites in the Interim Control area available for the development of 40 or more affordable units;
- B. Whether any available sites could potentially be subdivided to produce a site for market rate housing and a site suitable for 100% affordable housing production;
- C. Whether financing would be available to fund developments of 100% affordable housing on sites in the Interim Control area in the near or mid-term; and
- D. Any other strategies for the City to develop, incentivize or facilitate the development of affordable housing projects in the Interim Control Area.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: 

KATE H. STACY

Deputy City Attorney

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

Jonas Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

- 
- A map of a city grid showing a neighborhood boundary and an interim control area. The neighborhood boundary is a dashed line, and the interim control area is a solid line. The map includes labels for Division St, Mission St, Potrero Ave, and Cesar Chavez St. A legend in the top right corner defines the symbols. A north arrow and a scale bar (0.5 Mile) are in the bottom right corner.
-  Neighborhood
 -  Interim Control

Division St

Mission St

Potrero Ave

Cesar Chavez St

N

0.5 Mile



SAN FRANCISCO PLANNING DEPARTMENT



Planning Commission Resolution No. 19428

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
Claudia.Flores@sfgov.org, 415-558-6473

Reviewed by: Gil Kelley, Director of Citywide Planning
Gil.Kelley@sfgov.org, (415) 575-9115

Recommendation: Adoption of Mission 2015 Interim Policy

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ADOPTING A POLICY STATEMENT REGARDING SCRUTINY OF AFFORDABILITY, DISPLACEMENT OF EXISTING TENANTS OR USES, REMOVAL OF RENT CONTROLLED UNITS AND THE EFFECTS OF ECONOMIC TRENDS AND PRESSURES ON HOUSING AFFORDABILITY IN THE MISSION NEIGHBORHOOD FOR PROJECTS REVIEWED BY THE PLANNING COMMISSION DURING DEVELOPMENT OF THE MISSION ACTION PLAN 2020.

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 23th, 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 August 6, 2015.

Jonas Ionin

Commission Secretary

AYES: Fong, Wu, Johnson, Moore, Richards, Antonini, Hillis

NOES:

ABSENT:

Pipeline Projects subject to Interim Controls					
Project Address	Filing date	Gross Square Footage	Vacant	Hearing / Entitlement Already Required?	Units
1863 Mission Street	10/23/2009	35,625	Yes	no	37
2100 Mission Street	09/21/2009	20,650	No	no	29
2070 Bryant Street	09/25/2013	286,381	No	Yes (LPA and CU)	274
1979 Mission Street	12/17/2013	345,013	No	Yes (CU)	331
1800 Mission Street	05/12/2014	119,599 ¹	No	Yes (Office Allocation)	0
2600 Harrison Street	06/20/2014	27,260	Yes	Yes (LPA)	20
2675 Folsom Street	10/20/2014	92,625	No	Yes (LPA & CU)	117
2750 19 th Street	11/13/2014	92,500	No	Yes (LPA & CU)	60
1515 South Van Ness Avenue	12/03/2014	145,003	No	Yes (CU)	160
2435-2445 16 th Street	02/04/2015	65,725	No	Yes (LPA)	53
1726 - 1730 Mission Street	02/06/2015	40,838	Yes	Yes (LPA & CU)	36
793 South Van Ness Avenue	02/06/2015	67,946	Yes	Yes (CU)	54
3314 Cesar Chavez	2/25/2015	53,570	No	Yes (CU)	52
200 Potrero	7/02/15	30,034	No	Yes (CU)	0
2918 Mission Street	7/21/2015	44,400	No	Yes (CU & Variance)	38
1850 Bryant Street	9/16/15	202,927	No	Yes (LPA)	0
1885 Mission Street	9/16/15	24,708	No	no	0
2525 16 th Street	9/18/15	49,999	No	Yes (Office Allocation)	0
Units Grand Total					1,287

¹ Conversion of PDR to Office, no net addition of gross square footage.



SAN FRANCISCO PLANNING DEPARTMENT

Exhibit A: Draft Adoption Resolution for Mission Interim Controls 2015 Planning Commission Resolution No. _____

HEARING DATE: SEPTEMBER 24, 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 OR THE NET ADDITION OF LESS THAN 25,000 THAT WOULD DISPLACE A RESIDENTIAL TENANT OR INCLUDES LESS THAN 10 RESIDENTIAL UNITS BUT HAS SUFFICIENT LOT AREA TO TRIGGER SECTION 415 OF THE PLANNING CODE; 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 NINE MONTHS.

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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 nine 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 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. **Exemptions.** The following types of project are exempt from these interim controls, even if such project would otherwise be subject to them under the requirements of subsection (b) below:

1. Residential and mixed use projects that provide 100% of their residential units as affordable.
2. Residential and mixed use projects that provide at least 33% of the residential units as affordable for Households of Low and Moderate Income, all as defined in Planning Code Section 401.
3. Production, distribution, and repair uses if exclusively PDR or that are mixed-use and include PDR uses and meet either of the two criteria above.

b. **Conditional Use Requirement.** 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. Loss of Rent-Controlled Units. Any project that would result in the loss of one or more existing rent-controlled dwelling unit.

A. Application. As part of the Conditional Use Permit application, the developer shall describe whether any of the new units:

- (i) would be subject to the San Francisco Rent Stabilization and Arbitration Ordinance, San Francisco Administrative Code Section 37;
- (ii) are qualified replacement units to be occupied by households of low or very low income, under the Government Code section 65915(c)(3) (the State Density Bonus Law); or
- (iii) would be counted as BMR units for the purposes of meeting the City's Inclusionary Housing requirements under Section 415 of the Planning Code.

B. Findings. The Commission shall find in making a determination to approve 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. Project needing review of housing production and residential displacement. Any project that: would include the net addition or new construction of more than 25,000 gross square feet; or any project less than 25,000 square feet that is requesting a temporary eviction of existing residential tenants for capital improvements for more than 90 days or has served an eviction notices within the last 12 months; or includes less than 10 residential units but has a sufficiently large lot area to accommodate a project that would trigger the City's Inclusionary Housing requirements, under Section 415 of the Planning Code. In making its Conditional Use Application, such a project shall include the following analysis:

- A. **Demographic Changes:** Discuss the socio-economic characteristics of the neighborhood and evaluate how the proposed project would affect existing and future residents, businesses and community-serving providers of the area.
 - B. **Economic Pressure:** Discuss the provision of additional housing supply provided by the project and evaluate how that may affect affordability of newly vacant units housing (indirect displacement) and the rate of evictions (direct displacement) within the neighborhood.
 - C. **Total Housing Production:** Discuss i) the maximum allowable dwelling unit density the site could accommodate and ii) the density of the proposed project, then iii) evaluate how effectively the proposed project would house future residents.
 - D. **Affordable Housing Production:** Discuss whether i) the proposed site would be suitable for 100% affordable housing production (including disclosing if the site was identified in the San Francisco Board Budget and Legislative Analyst's May 29, 2015 Report) and ii) whether utilizing the State Density Bonus Law, Government Code Section 65915 or other applicable affordable housing incentive program would incentivize additional affordable units.
 - E. **Housing Preservation:** Discuss existing housing on the project site in terms of occupancy types, relative affordability, adaptability, rent-control and other features and disclose whether similar tenant-friendly features will be provided by the proposed project.
3. **Projects needing review of jobs and non-residential displacement.** Any project that would demolish or convert Assembly, Recreation, Arts and Entertainment, Light Manufacturing, Auto Repair, Trade Shops or Institutional uses¹ in any zoning district; or any project less than 25,000 square feet where any existing commercial tenant has not yet signed a lease in the proposed development. In making its Conditional Use Application, such a project shall include the following analysis:
- A. **Relocation:** Discuss the existing or last-known residential or commercial tenants and disclose whether relocation benefits have been or will be provided according to the standards of the Uniform Relocation Act.
 - B. **Findings for Sensitive Businesses and Community Building-Uses.** If the existing non-residential use has not been relocated then the applicant shall

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).

provide the Planning Commission with additional discussion regarding potential impacts and benefits to the community as described below:

- i. **Jobs & Economic Profile.** Discuss whether the economic and fiscal impact of the proposed project is beneficial to residents in the area. Towards this end, the application shall include an analysis of the loss of the existing use compared to the benefit of the proposed use, including an estimate, if known, of permanent job creation and/or job retention in the community of the proposed use compared to the existing use and associated wages and benefits for both;
 - ii. **Available Space in the Mission.** Discuss whether sufficient vacant space for the use type being demolished or removed exists in the neighborhood; and
 - iii. **Affordability of Community-Building Uses.** Provide an assessment of the affordability of community-building uses. Community-building uses shall include but not be limited to arts, nonprofit services and childcare uses. This assessment should discuss the nature of the community-building uses, the affordability of the uses and the amount of space provided for such uses on the existing site compared to similar uses associated with the proposed project.
 - iv. **Non-Residential Displacement.** Discuss existing businesses or non-profit organizations that will not be retained in the proposed project in terms of length of lease, number of employees, whether the use is minority owned and a non-restaurant or bar use, and if a business is retail whether that business is formula retail.
- c. **Basis for Analysis.** The analysis required under (b)(2) or (b)(3) above, shall be based upon independent study by a qualified professional. Studies that have been completed within 18 months from the date of the project's scheduled hearing at the Planning Commission and that are specific to San Francisco and Mission District conditions are preferable. Existing studies that may be used include but shall not be limited to "Potential Effects of Limiting Market-Rate Housing in the Mission" by the San Francisco Office of Economic Analysis, the "Housing Inventory" or other publications by the San Francisco Planning Department or publications that are part of the "The Urban Displacement Project" a research and action initiative of UC Berkeley in collaboration with researchers at UCLA, community based organizations, regional planning agencies and the State of California's Air Resources Board.

d. 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 shall include all projects that have not received a required entitlement or approval from the Planning Department, Zoning Administrator, or Planning Commission by September 24th, 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: