From: Thomas Schuttish

To: <u>CPC-Commissions Secretary</u>; <u>Son, Chanbory (CPC)</u>

Subject: General Public Comment June 11, 2020. CORRECTED VERSION FOR RECORD

Date: Thursday, June 11, 2020 11:09:56 AM

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Dear Commissioners:

I am writing an email to each Commissioner separately but with the same message.
I encourage the Commission to adjust the <u>Demolition Calculations</u> per Section 317 (b) (2) (D).
I am stuck on this message for several reasons but feel it a bit more imperative lately.
Here are some reasons why:

1. The Demo Calcs have never been adjusted. This was put in the legislation because it was thought that some adjustment might be necessary. Staff said so in a March 26, 2009 follow up hearing. If you look at the background documents for Section 317 the Staff initially recommended much more stringent <u>Demo Calcs</u> modified from Section 1005(f). Please see the Exhibit page 8, dated March 15, 2007 attached to the Executive Summary for May 17, 2007 entitled, "Proposed Planning Code Amendments to Require Conditional Use of Discretionary Review of Certain Applications to Remove Residential Units".

- 2. Extreme Alterations have the same outcome as a Demolition with a huge uptick in the sales price which has an impact across the entire housing market that spreads beyond one neighborhood, like Noe Valley. These are primarily spec projects. When these extreme Alterations began popping up around Noe Valley in 2013/2014, one of my concerns was the impact on housing in adjacent neighborhoods like the Excelsior that were still sources of more affordable and sound housing and I detailed these concerns to the Commission and Staff in my early correspondence from 2014 and 2015. It remained a concern in the following years. It still is a concern.
- 3. In March 2, 2017 memo to then President Hillis and the Commission, I suggested that the <u>Demo Calcs</u> be adjusted for the <u>MAP 2020</u> area after seeing examples of these extreme Alterations in the heart of the Mission District.
- 4. In the recent Executive Summary, top of page 3 for the Demonstrably Unaffordable Housing Ordinance, Staff wrote: "It does not prevent demonstrably unaffordable projects from submitting renovation applications that remove just under the tantamount to demolitions threshold. As a result of this Ordinance projects that would have originally qualified as demonstrably unaffordable will likely instead submit an application for

extensive remodel that does not preserve the relative affordability homes." This sentence is completely true not only for these homes, but for all the projects that have skirted close to the edge of the Demo Calc thresholds in the RH-2 and RH-3....and that continue to do so.

- 5. An adjustment to the <u>Demo Calcs</u> could clear up some of the confusion that has surrounded them in recent years whether through error or misinterpretation or cheating. It could be a fresh start. Back in December 2015, based on a sample requested by former Commissioner Richards it was determined that 40% of the projects in the sample should have been reviewed as a Demolition.
- 6. Exactly one year ago I sent the Commission a letter with an attached Court of Appeal decision from March 2007 entitled, "Tehlirian et al, Plaintiffs and Appellants v. City and County of San Francisco, Defendant and Respondent; Jose Morales, Real Party in Interest and Respondent." This case dealt with everything that is at the heart of what Section 317 attempts to do which is to regulate extreme Alterations. The Court upheld the Planning Commission October 2003 decision that, "The proposed project is not a major alteration but a de facto demolition". This case was obviously before Section 317 was implemented in 2008. The <u>Demo Calcs</u>

need to be adjusted to deal right now and in the future with these extreme Alterations. This will help to preserve housing and relative affordability rather than what has happened in the past 6 to 7 years with projects that have escaped the Commission's review and are de facto or Tantamount to Demolition. (I have attached a pdf copy of this letter with the Court of Appeal case)

7. The value in the RH-1 was adjusted five times since 2013 to deal with market conditions, while there was no parallel adjustment to the <u>Demo Calcs</u>.

Thank you. Take good care and stay well and safe.

Sincerely, Georgia Schuttish