

Topics for Discussion:

- Zoning Changes
- Publicly owned parcels
- Height Changes
- Misc. Planning Code Changes
- Technical Changes
- Office/PDR
- Affordable Housing
- Youth and Family Zone
- Priority Projects and Funding
- CAC
- Monitoring

Zoning Map Changes

- 1. Change Hubbell Street frontage of "Daggett Triangle" parcel from UMU to PDR-1-G
- Remove Transit-Oriented Retail Special Use District along Third Street in Central Waterfront
- 3. Change Potrero Center from NC-S to UMU
- 4. Create SUD on Potrero Center removing UMU retail size and formula retail controls
- 5. Clarify set of parcels along Harrison between Second and Third Streets to be retained as SSO
- 6. Clarify that 16th Street Transit-Oriented Retail Special Use District exists in Showplace as well as Mission

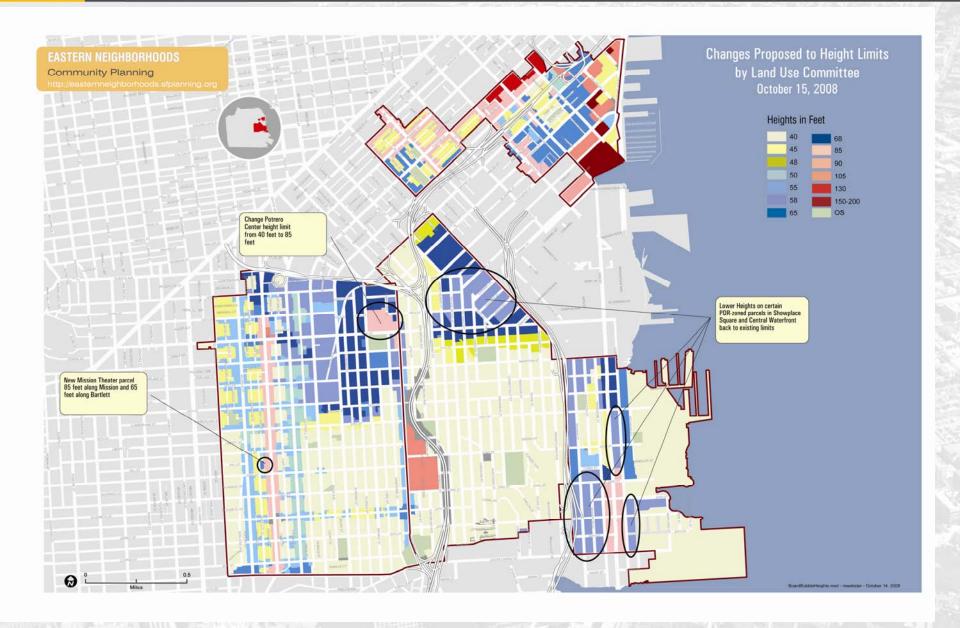
Publicly Owned Parcels

Staff researched the impacts of the Eastern Neighborhoods rezoning on publicly-owned parcels. Findings were as follows:

- 2 publicly-owned parcels mistakenly proposed to be changed from "P" to another designation. <u>Staff requests that the Board change these parcels back</u> to "P" at this time.
- 19 publicly-owned parcels with various current designations proposed to be changed to "P" (mainly schools, rec-park, public facilities)
- Other publicly-owned parcels currently not designated "P" not proposed to be changed to "P" (mainly Port parcels)

Height Limit Changes

- 1. Lower heights on certain PDR-zoned parcels in Showplace Square and Central Waterfront from 68 to 58 feet
- Change New Mission Theater parcel to 85 feet along Mission and 65 feet along Bartlett
- 3. Change Potrero Center height limit from 40 feet to 85 feet



Miscellaneous Planning Code Issues

- 1. Change minimum ground floor requirements from 12 or 15 feet "floor to ceiling" to 14 or 17 feet "floor to floor"
- 2. Remove minimum ground floor height requirements from residential developments
- Clarify that any parking provided over maximum allowed would be treated as non-accessory and controlled accordingly
- 4. Tighten retail parking controls in EN mixed use districts near transit, so they mirror NCT retail controls

Technical Changes

Staff requests that the Board correct a variety of technical errors and staff oversights.

Details provided on staff memo dated 10-15-08.

Proposed Changes:

- Integrated PDR: Make integrated PDR a conditional use <u>only in</u> <u>Central Waterfront</u> -- OR – alternatively use 309.2 review process to evaluate large Integrated PDR proposals.
- 2. Small Enterprise Workspaces: Allow PDR uses on the ground floor without size limitation
- 3. Legitimization: Suggestion from working group that legitimization also include any tenant in place for three years that is now office
- 4. Legitimization: Possible change to "3 years back" requirement that a use has been in place

Working Group Consensus and Clarifications:

Legitimization: Notification

- Upon adoption of the Eastern Neighborhoods Plan,
 Department will notify all interested parties of legitimization process and timeline.
- When Department receives applications, it will notify community stakeholders and guarantee sufficient response time

Working Group Consensus and Clarifications:

Legitimization: Determination of Use

 Zoning Administrator will determine which applicants are eligible to legitimize, through a Letter of Determination, appealable to the Board of Appeals

Working Group Consensus and Clarifications:

Legitimization: Approval

- Non-office and office<25,000 sq. ft.: can immediately receive permits.
- Office cumulatively between 25,000 49,999 sq. ft.: can immediately seek "small cap" allocation from Planning Commission.
- Office cumulatively >50,000 sq. ft.: Inventoried until the end of the 3-year legitimization window. Thereafter, can seek "large cap" allocation from Planning Commission on firstcome first-serve basis. Amount seeking allocation may be metered.

Working Group Consensus and Clarifications:

Legitimization: Fees

- Legitimizing uses pay applicable impact fees.
- Department will offer fee deferment process allowing fees to be paid over 5-year period.

Fee Table

Legitimizing Use	Fee*
to Office	\$10.50/sq.ft.
to Integrated PDR	\$ 6.00/sq.ft.

^{*} indexed with TIDF and Jobs-Housing Linkage Fee

Working Group Consensus and Clarifications:

Integrated PDR:

- Planning Commission directed that IPDR be directly linked to disadvantaged worker hiring goals
- Enterprise Zone already provides hiring incentives to employers; working group focused on incentives for building owners
- Incentives offered through a fee discount program tied to the hiring profile of IPDR tenants

Working Group Consensus and Clarifications:

Integrated PDR (continued):

- Building owners required to pay 50% of IPDR fees upfront. If after 5 years, if 35% of workers hired are "disadvantaged" remaining fees will be waived, with a sliding scale for partial fulfillment of the requirements
- If none of hiring goals are met, remaining 50% of fees will be due and payable
- If reporting requirements to OEWD are not met, right to reduced fees is forfeited.

Working Group Consensus and Clarifications:

Integrated PDR: Fees

Type of IPDR	Fee*	Amount Waivable if Hiring Goals are Met
Conversion	\$6.00 per sq. ft.	\$3.00 per sq. ft.
New Construction	\$31.50 per sq. ft.	\$15.75 per sq. ft.

^{*} indexed with TIDF, Jobs-Housing Linkage, and Eastern Neighborhoods Fees



Affordable Housing

Project Area	Total Units	Affordability	Affordable Housing Units	Funding for Affordable Housing
BAYVIEW PLAN	3,724	38%	1,398	\$100 million
MISSION BAY	6,000	28%	1,680	\$128 million
TRANSBAY	3,465	36%	1,238	\$ 108 million
HUNTERS POINT	1,500	32%	480	\$60-\$70 million
TREASURE ISLAND	6,000	30%	1,800	\$270 million
Total	20,689	33%	6,596	\$666-776 million

- •All of these plans involve tax-increment financing through redevelopment law
- ■The BOS resolution calls for 54% affordable housing

Affordable Housing

-7500-10,000 new units projected

Housing Type	UMU only	Rest of EN
Market Rate	2025	3025
Inclusionary	250	525
Land Dedication	215	n/a
Middle Income	285	n/a
MOH Funded	700	450
Hsg Preservation		150
	app. 3500 new units, 42% affordable	app. 4200 new units, 27% affordable

YIELD: 35% BMR

- •31% affordable to low-moderate
- •4% to middle income

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Affordable Housing Priority Zones: SoMa Youth & Family Zone and Mission NCT

- MOH will fund developers to secure for at least 150 units of affordable housing within 5 years.
 - Minimum of 50 in SoMa Youth and Family Zone & adjacent
 - Minimum of 50 in Mission District
- \$10 million to be spent on acquisition of existing rental housing in Mission and SOMA within 5 years

Affordable Housing Priority Zones: SoMa Youth & Family Zone and Mission NCT

Greater percentage of funds go to affordable housing preservation and development: \$3 out of every \$4:

- Fees to be used in partnership with CBOs to acquire at-risk housing
- Could result in \$20-35 million total (increase of \$5-10m)

Funds earmarked for affordable housing preservation and development shall be spent in subject neighborhood:

- All funds collected for housing in the Mission NCT must be used for housing programs in the Mission Plan Area.
- All funds collected for housing in the MUR must be used for housing programs in SoMa Youth & Family Zone & environs.





Family Housing

40% of all units must be two bedrooms or more.

OR

30% of all units must be three bedrooms or more.

OR

 100% of inclusionary units must be two bedrooms or more.

Potrero Center

- Rezone as UMU, consistent with other formerly industrial parcels
 - Maintain UMU affordable housing requirements
 - Require 22% on-site affordable housing to be provided.
 - Promote land dedication at 45%
 - Allow cooperative development with non-profit or CBO to produce affordable housing as joint venture.

Infrastructure/TIF/Priority Projects

Projects	Funding Still Needed	
Transit	\$7.500.000	
#22 Trolley Extension	\$7,500,000	
Streets	00.440.000	
16th St streetscape	\$8,448,000 \$11,000,000 \$0	
Folsom streetscape		
Townsend ped improvements		
Parks		
17th & Folsom park	\$18,000,000 \$611,000	
Draves Park ped improvements		
Showplace Square Open Space	\$2,600,000	
Plan/Design/Project		
Projected Cost:	\$48m	

Infrastructure/TIF/Priority Projects

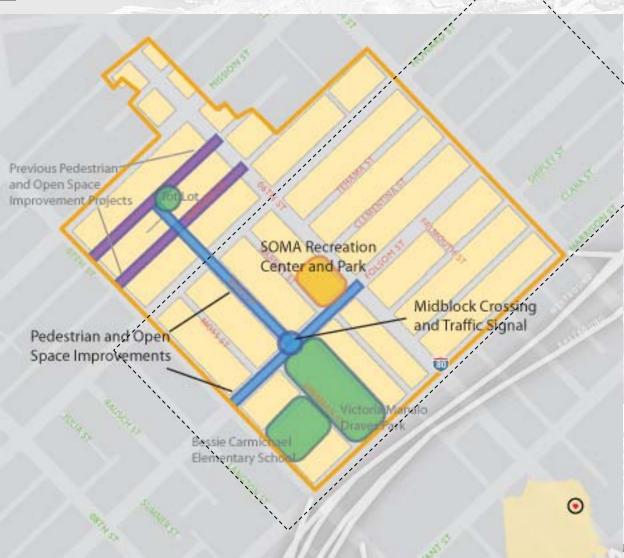
Plan Infrastructure Prioritization Agreement

- Agreement among City agencies responsible for implementation.
- Resolutions passed by relevant boards/commissions
- Commitment to prioritize to focus on Eastern Neighborhoods priority capital projects, and initiate within 5 years.

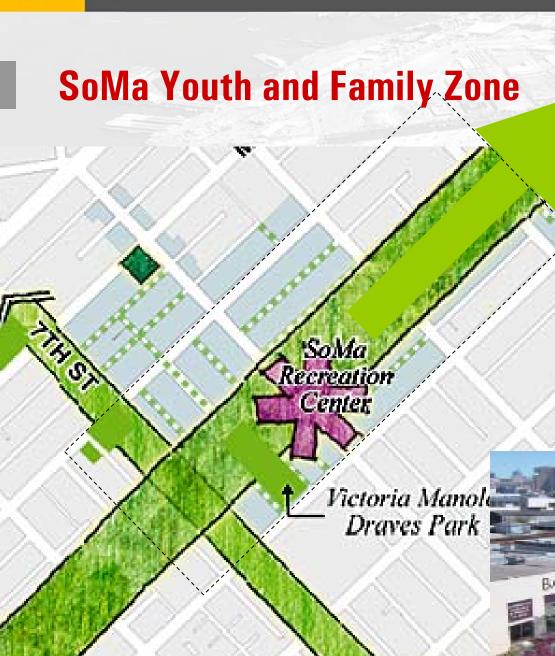
Infrastructure Finance Working Group

- Tasked to explore a range of financing mechanisms to fill funding gap, including best vehicle for Tax Increment Financing.
- Established by Board resolution
- Interagency composition, including community representation.
- Recommendations required 6 months.

SoMa Youth and Family Zone



- Pedestrian
 improvements to
 connect family
 infrastructure
- Traffic and crossing improvements
- Renovation of Eugene Friend SoMa Recreation Center
- Coordination with SoMa Stabilization Fund, including envisioned youth center.



- Folsom Boulevard: bulbouts and pedestrian spaces.
- Living streets & alleys:
 - Living streets along Clara, Tehama, Clementina & Shipley Streets
 - Alley improvements on Russ, Harriet & Moss Streets



Affordable Housing in Construction or Planned

- 1400 Mission Street
- 1036 Mission Street
- 9th and Jessie
- 10th and Mission
- 275 Tenth Street
- Westbrook Plaza (227 Seventh)
- 474 Natoma

Citizens' Advisory Committee

Staff-proposed changes to address some community concerns regarding the CAC, including:

- Ensuring the CAC is recognized as the primary advisory body on all Eastern Neighborhoods implementation and monitoring
- Clarifying that the CAC is Eastern Neighborhoods-wide, but may establish sub-committees as desired
- Clarifying that one of the CAC's functions is to remain informed and convey information about development activity to interested community members

Monitoring

1. Monitor progress according to implementation actions:

- Specifically calls out monitoring of middle-income units.
- Reports on progress of Integrated PDR program

2. Measure growth against needed improvements:

- Quantify affordable housing development, open space, transit and public realm improvements, community facilities and services, etc according to new growth
- Targets to meet: 5 Year Capital Plan, PDR goals, housing goals

3. Analyze and update fees and housing requirements:

- Regularly increase fee according to rise in construction costs
- Adjust housing requirements if proven too high OR too low; amend as necessary

If monitoring surveys indicate failure in key areas > ACTION