



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Resolution

HEARING DATE: NOVEMBER 13, 2008

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Project Name: Amendments relating to adding Section 319.5 adopting specific affordable housing requirements in the Mission and adding Section 231.1 to establish a PDR replacement program

Case Number: 2008.1207T [Board File No. 081332]

Initiated by: Supervisor Maxwell / Introduced October 21, 2008

Staff Contact: Sarah Dennis 415-558-6314

Recommendation: **Disapproval (with minor amendment)**

RECOMMENDING THAT THE BOARD OF SUPERVISORS DISAPPROVE (WITRH MINOR AMENDMENT) A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ADD SECTION 319.5 ADOPT SPECIFIED AFFORDABLE HOUSING REQUIREMENTS IN THE UMU ZONE WITHIN THE MISSION PLAN AREA, IN RTO-MISSION, AND IN THE VALENCIA STREET, 24TH AND MISSION STREETS, AND THE MISSION STREET NCTS, INCLUDING IN-LIEU AFFORDABLE HOUSING FEES; ADDING SECTION 231.1 TO ESTABLISH A PDR REPLACEMENT PROGRAM, INCLUDING AN IN-LIEU PDR REPLACEMENT FEE, IN THESE SAME ZONES; AND ADOPTING ENVIRONMENTAL FINDINGS AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1(B).

PREAMBLE

Whereas, on October 21, 2008, Supervisor Maxwell introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 081332 which would add Planning Code Section 319.5 in order to apply specified affordable housing requirements in the UMU Zoning District within the Mission Plan Area, in RTO-Mission, and in the Valencia Street, 24th and Mission Streets, and the Mission Street NCTs; and

As a means to implement both the goals of the General Plan that are specific to the Eastern Neighborhoods Area Plans, and the citywide effort to encourage new housing at appropriate locations affordable to a range of city residents while preserving sufficient land for necessary production, distribution and repair (PDR) businesses and activities, the Department has proposed General Plan Amendments which would create the Mission Area Plan, and Planning Code amendments that would apply new districts and standards and district revisions to this area. These amendments were approved by the Planning Commission on August 7, 2008,

NOW, THEREFORE BE IT RESOLVED, that the Commission considered the draft Planning Code amendment ordinance and the issues raised by the Planning staff in oral presentations and written

memos over the course of the Eastern Neighborhoods public process, and furthermore considered specific presentations, written memos and public testimony on November 13th, 2008;

AND BE IT FURTHER RESOLVED, that pursuant to Planning Code Section 302 (c), the Planning Commission finds from the facts presented that the public necessity, convenience and general welfare do not require the approval of the majority of proposed Planning Code amendments, and that the Commission hereby recommends to the Board of Supervisors *disapproval of the proposed Ordinance as attached*;

AND BE IT FURTHER RESOLVED, that the Planning Commission wishes to recommend approval of a modified version of the proposed Ordinance, and specifically authorizes the following changes to the Planning Code amendment legislation and directs staff to work with the City Attorney's Office to prepare a new version of the Planning Code amendment legislation to reflect these modifications and submit the new version to the Board of Supervisors for its consideration: *1) allow the Land Dedication alternative in the Mission Street NCT; and 2) allow the Land Dedication alternative to be satisfied through the dedication to the City of air space parcels above or adjacent to a project, upon approval of the Mayor's Office of Housing.*

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. The Mission Area Plan has been developed with a number of mechanisms intended to recognize the need for affordable housing in the area. It includes higher affordability requirements in formerly industrial areas of the new UMU zoning district, requires new buildings along Mission Street to pay impact fees which will fund affordable housing directly in the Mission District, and includes a dedicated affordable housing rehabilitation and acquisition program focused in the Mission District.
2. The imposition of affordable housing requirements above the level proposed in the Eastern Neighborhoods legislation approved by this Commission on August 7, 2008 would prove financially burdensome enough to hinder many of the Plan's other objectives. The affordable housing requirements as proposed by this ordinance, if adopted without amendments, would likely result, in most cases, in a decrease in site value, which would reduce the economic incentive to redevelop in the District. The proposed Ordinance amending the Planning Code to assess a flat fee of \$125/square foot for a PDR Replacement Fund has not demonstrated a direct link between the true impact and the fee amount to be charged.
3. Certain of the proposed housing amendments would support the Plan Goals, such as allowing the Land Dedication alternative in the Mission Street NCT, and allowing the Land Dedication alternative to be satisfied through the dedication to the City of air space parcels above or adjacent to a project.

4. The Eastern Neighborhoods Area Plans contains restrictions on removing PDR in PDR-1 and PDR-2 Zoning Districts, and discourages PDR removal in the UMU through impact fee and affordable housing requirements. The PDR replacement requirements as proposed by this ordinance would apply a less effective tool, and would establish a fee that would likely exceed the financial feasibility for such projects.
5. The proposed PDR replacement requirements would not support the Plan goals, and a more tailored approach to PDR retention, as already approved within the Eastern Neighborhoods Area Plans, is favored.
6. The Planning Commission finds that these Planning Code Amendments are, on balance, in conformity with the General Plan and the eight Priority Policies of Planning Code Section 101.1 for the reasons set forth in Planning Commission Resolution No. 17662 which accompanies this Resolution, and incorporates said findings herein by reference.
7. Prior to considering the relevant amendments to the Planning Code, and related General Plan and Zoning Map amendments, on August 7, 2008, the Planning Commission adopted Motion No. 17659. In that action, the Commission certified the Eastern Neighborhoods Environmental Impact Report. The Planning Commission also adopted Motion No. 17661, adopting California Environmental Quality Act Findings related to the Eastern Neighborhoods Area Plans project. Said motions are incorporated herein by reference.

I hereby certify that the foregoing Resolution was ADOPTED by the Planning Commission on November 13, 2008.

Linda Avery
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: November 13, 2008