



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution Planning Code Text Change JUNE 12, 2014

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Project Name: Board of Supervisors File No. 140036; Revisions to Rules for Calculating Dwelling Unit Densities
Case Number: 2014.0348T [Board File No. 14-0036]
Initiated by: Supervisor Weiner / Introduced January 14, 2014
Staff Contact: Kearstin Dischinger
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Reviewed by: Aaron Starr, Acting Manager Legislative Affairs
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Recommendation: **Recommend Approval**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND PLANNING CODE SECTIONS 207.1 AND 207.4 TO EXCLUDE AFFORDABLE HOUSING UNITS (AHUS)¹ FROM DENSITY CALCULATIONS FOR PROJECTS THAT PROVIDE AT LEAST 20 PERCENT OF THEIR UNITS AS AHUS AND WOULD AMEND DENSITY CALCULATIONS UNDER CERTAIN OTHER SCENARIOS AND AMENDING DENSITY CALCULATIONS UNDER CERTAIN SCENARIOS; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1.

WHEREAS, on January 14, 2014 and later on substituted on June 3, 2014, Supervisors Weiner introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 14-0036, which would amend Sections 207.1 and 207.4 to exclude Affordable Housing Units (AHUs)² from density calculations for projects that provide at least 20 percent of their units as AHUs and would amend density calculations under certain other scenarios;

¹ For purposes of this legislation, AHUs are defined as units where affordability is regulated through existing programs, specifically units that meet (1) the criteria of Section 406(b),¹ (2) the requirements of Section 415 (Inclusionary Affordance Housing Ordinance), or (3) restricted units in a project using California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing and 4 percent tax credits under the Tax Credit Allocation Committee (TCAC).

² For purposes of this legislation, AHUs are defined as units where affordability is regulated through existing programs, specifically units that meet (1) the criteria of Section 406(b),² (2) the requirements of Section 415 (Inclusionary Affordance Housing Ordinance), or (3) restricted units in a project using California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing and 4 percent tax credits under the Tax Credit Allocation Committee (TCAC).

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 12, 2014; and,

WHEREAS, The Commission will revisit this ordinance while considering the proposal generated through the Mayor's Working Group around the *revised Housing Density Bonus Program*; and,

WHEREAS, the proposed Ordinance has been determined to be exempt from environmental review under the General Rule Exclusion (GRE), pursuant to CEQA Guidelines Section 15061(b)(3); and

WHEREAS, the Planning 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 Planning Commission has reviewed the proposed Ordinance; and

MOVED, that the Planning Commission hereby recommends that the Board of Supervisors **approve with modifications** the proposed ordinance. The proposed modifications include modifying the ordinance in alignment with the document circulated to the Commission at the June 12 hearing, included here as Exhibit A.

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. San Francisco is currently working to identify a series of policies and programs to facilitate the development of affordable housing.
2. The proposed Ordinance aims to introduce more affordable housing to the current unaffordable market of housing in San Francisco. The value of density waivers would be recaptured by an increase in stock of affordable housing.
3. This ordinance directs the Board of Supervisors to revisit this ordinance while considering the proposal generated through the Mayor's Working Group around the *revised Housing Density Bonus Program*.
4. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the Objectives and Policies of the General Plan:

OBJECTIVE 1

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

The proposed Ordinance could facilitate additional affordable housing development, specifically, the ordinance could encourage project sponsors to pursue on-site affordable housing development in properties that otherwise are unlikely to host affordable housing.

OBJECTIVE 7

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

The proposed Ordinance aims to support additional affordable housing without the need for further public subsidy. Offering an exception to density for affordable housing units does not rely on traditional mechanisms or Capital to produce affordable housing.

1. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative impact on neighborhood serving retail uses and will not impact opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would not have a negative effect on housing or neighborhood character. The new units would be built within the existing building envelope and therefore would impose minimal impact on the existing housing and neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance could enhance the City's supply of affordable housing and aims to create additional affordable units within the allowable building envelope by offering exceptions to density for affordable units that comprise more than 20% of the project.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an impact on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have a negative impact on the City's Landmarks and historic buildings as the new units would be added under the guidance of local law and policy protecting historic resources, when appropriate.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an impact on the City's parks and open space and their access to sunlight and vistas.

- 8. Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board ADOPT the proposed Ordinance with modifications as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 12, 2014.

Jonas P. Ionin
Commission Secretary

AYES: Commissioners Hillis, Sugaya, Fong, Antonini, Borden, Moore, and Wu

NOES: None

ABSENT: None

ADOPTED: June 12, 2014