



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

Transmittal Memo to the Planning Commission *Market and Octavia Plan* *Monitoring Report 2005-2009* Informational Hearing

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Project Sponsor: Planning Department
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Recommendation: **No Action Required. Informational only.**

TRANSMITTAL

Transmitting the *Market and Octavia Plan Monitoring Report, 2005-2009* and a supplemental report from the Market/Octavia Plan Community Advisory Committee (CAC).

PROJECT DESCRIPTION

San Francisco Planning Code Section 341.3 requires that a five year time series monitoring report on the Market and Octavia Plan. This *Market and Octavia Plan Monitoring Report (2005-2009)* is the first in the series and describes commercial development activities and employment, housing supply and residential development trends, and transportation trends and infrastructure improvements as mandated. The Report also discusses implementation of proposed programming including fees collected, community improvements, and historic preservation.

Highlights of the *Market and Octavia Plan Monitoring Report 2005-2009* include:

- **Commercial Development:** Over 214,730 sq ft of commercial space has been added to the neighborhood's commercial stock between 2005 and 2009. Recent developments include the major rehabilitation of the Conservatory of Music and the conversion of the historic Levi Strauss building into the K-8 Friends School.
- **Residential Development:** New housing production in the five-year period totaled 584 units—roughly 3% of the Citywide total. About 2,140 more units are in the residential pipeline for the Market and Octavia Plan area.
- **Affordable Housing Stock:** A quarter of the new housing produced in the area – 144 units – is affordable. The new affordable housing stock includes the 101-unit senior housing

project at 881 Turk. The remainder of the new affordable housing stock is on-site inclusionary affordable housing units.

- A total of \$103,618 has been collected for the Market and Octavia Plan area's Community Improvements Program. The Planning Department projects almost \$12 million in impact fee revenue for the area. The Interagency Plan Implementation Committee (IPC) Capital Plan for Market and Octavia has been incorporated into the City's 10-Year Capital Plan.
- Since the adoption of the Market and Octavia Area Plan, three historic resources surveys for the Plan area have been completed and endorsed by the Historic Preservation Commission.

The Market and Octavia Community Advisory Committee (CAC) has drafted a supplemental report to the *Market and Octavia Plan Monitoring Report* and is included in this transmittal. The CAC supplemental report highlights nine policy consequences of note in the executive summary portion of their report. The Department has reviewed the CAC's supplemental report and proposes to work with the CAC on possible policy and programmatic solutions identified by the report. For example, the CAC identified the fee deferral option as causing a trend towards the in lieu fee option in the City's inclusionary requirement; to reduce this trend and provide additional options, the Department is coordinating with the Mayor's Office of Housing and Supervisor Scott Weiner on a Market and Octavia specific land dedication option for the inclusionary housing program.

Limited copies of the *Market and Octavia Plan Monitoring Report 2005-2009* are available to the public at the San Francisco Planning Department, 1650 Mission Street, 4th Floor, San Francisco, CA 94103. It is also available for review at the San Francisco Main Public Library, Science and Government Documents Department. The *Market and Octavia Plan Monitoring Report 2005-2009* can also be downloaded from the Planning Department's website:

<http://www.sf-planning.org/ftp/files/Citywide/MO2005-2009.pdf>.

REQUIRED COMMISSION ACTION

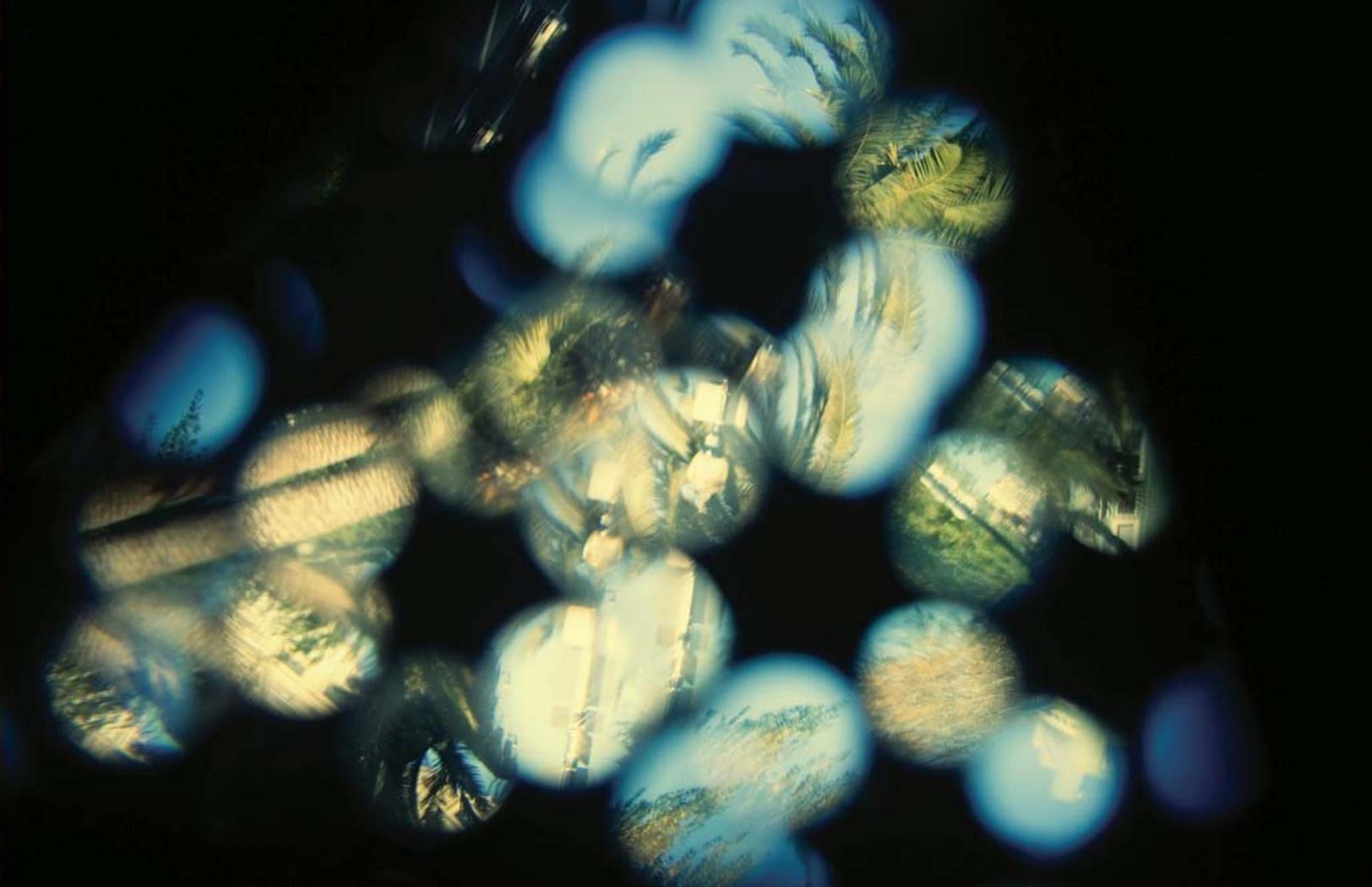
There is no action required. Informational only.

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| RECOMMENDATION: No Action Required. Informational Only. |
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Attachments:

Market and Octavia Plan Monitoring Report, 2005-2009

Market/Octavia Plan Community Advisory Committee's Supplemental Report



SAN FRANCISCO PLANNING DEPARTMENT | NOVEMBER 2010

MARKET & OCTAVIA PLAN

MONITORING REPORT 2005-2009

SAN FRANCISCO
PLANNING DEPARTMENT

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MARKET & OCTAVIA PLAN MONITORING REPORT 2005-2009

San Francisco Planning Department
November 2010



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1. INTRODUCTION

The *Market & Octavia Plan* envisions a place that people of many different lifestyles and incomes, ages and ethnicities could call home. A product of a multi-year community planning process, the *Market & Octavia Plan* calls for a fine balance of housing, retail, open space, and transit. It seeks to meet San Francisco's twin challenges of housing and transportation by encouraging new housing near reliable transit lines; cars are accommodated but are no longer the main mode of transport. The *Plan* also improves the neighborhood with a full range of city services, safe and lively streets, gathering places, and an appreciation for its special character.

In response to the need for housing and to support transit-oriented development, the *Market & Octavia Plan* brought about new zoning rules for appropriate residential and commercial uses. To balance out the pressures of development and population growth encouraged by the plan, the *Market & Octavia Plan* places high-density land uses close to transit and prescribes a range of neighborhood enhancements including streetscape and open space improvements.

Map 1 shows the *Market & Octavia Plan* area boundaries: Turk, between Franklin and Laguna to the north; Larkin along Hayes to Van Ness and 11th to Mission to the east, Noe from 16th to Duboce through Scott to Waller; Webster to Oak and Franklin to Grove to the west; and 16th between Noe and Guerrero, 14th between Guerrero and Valencia and Duboce/Division/13th Streets to the south.

Following the *Plan's* Environmental Impact Report's certification in April 2007, the San Francisco Planning Commission adopted the *Market & Octavia Plan* as part of the *San Francisco General Plan* in July 2007. On April 8, 2008, the Board of Supervisors approved the area plan and it was made effective on May 30, 2008.

Plan implementation includes application of new planning code controls on new development and rehabilitation projects, application of new general plan policies by all City agencies, and development of community improvements to support new and existing residents of the plan area. The Planning Department, along with other City agencies, private developers, existing and new residents, and the Market & Octavia Plan Community Advisory Committee (MOP-CAC), play a critical role in implementing the plan.

Map 1
Market & Octavia Plan Boundaries



Monitoring Requirements:

This *Market & Octavia Five-Year Monitoring Report* covers office and retail development and employment trends; housing production and conversion trends; affordable housing; and project entitlement requirements and fees. In addition to these topics -- all of which are required in the annual reporting -- the five-year report will also describe existing and planned transit service and provide an accounting of transit impact fees related to the *Market & Octavia Plan* area. A parking inventory is also included in this report as well as an inventory of existing curb cuts in transit-preferential streets. The complete text of monitoring requirements under the ordinance can be found in *Appendix A*.

The Planning Department is issuing this first *Market & Octavia Five-Year Monitoring Report* in 2010 and will cover the period from January 1, 2005 through December 31, 2009. While the ordinance directed the initial five year time series report due on July 15, 2008, the *Market & Octavia Plan* was not adopted and approved until late 2007. In effect, this 2010 time series monitoring report will be covering development activities in the two to three years immediately preceding and following the *Market &*

Octavia Plan adoption in 2007. Because of these relatively recent actions, this first five-year time series monitoring report can only present limited information, precluding adequate and sufficient evaluation of policy objectives or program implementation. Instead, this first report will best serve as backdrop and baseline for subsequent reports. This first report will also provide information on existing conditions at the time the *Market & Octavia Plan* was adopted. Subsequent time series monitoring reports will be released in years ending in 5 and 0.

The time series report relies primarily on the *Housing Inventory*, the *Commerce and Industry Inventory*, and the *Pipeline Quarterly Report*, all of which are published by the Planning Department. Additional data sources include: the California Employment and Development Department (EDD), the San Francisco Municipal Transportation Agency (SFMTA), Co-Star Realty information, Dun and Bradstreet business data, CBRE and NAI-BT Commercial real estate reports, and information gathered from the Department of Building Inspection, the offices of the Treasurer and Tax Collector, the Controller, and the Assessor-Recorder.

2. COMMERCIAL SPACE AND EMPLOYMENT

The vitality and strength of Market & Octavia as a place requires appropriate spaces for a range of land uses. A variety of neighborhood characteristics are found within the plan boundaries; Market & Octavia is as much a place of work and commerce as it is a place of housing. Over half of the land area is dedicated to residential uses, including about 10% in housing mixed with commercial uses, typically on the ground floor. Commercial land uses take up almost a quarter. Schools and cultural destinations comprise over 10% of the land use. (See *Appendix B, Table BT-1* for land use distribution tables for Market & Octavia and San Francisco.)

The *Market & Octavia Plan* calls for the reinforcement and improvement of existing land use patterns, employing infill development to repair the fabric rent by the Central Freeway. New mixed use development is especially encouraged in areas best served by transit or mostly accessible on foot. A full range of services and amenities in the area can thrive in the *Market & Octavia Plan* area because a critical mass of people and activities demand and can support them.

2.1 Commercial Space Inventory

The *Market & Octavia Plan* supports continuous retail activities on Market, Church and Hayes Streets and on Van Ness Avenue -- the area's core transit and commercial corridors. Monitoring requirements call for an accounting of commercial and retail space in the Market & Octavia Plan area. *Table 2.1* below is an inventory of non-residential space in Market & Octavia as of 2009.

Table 2.2A on the following page shows commercial and other non-residential development activity in the *Market & Octavia Plan* area between 2005 and 2009 while *Table 2.2B* shows corresponding figures for San Francisco. Non-residential development in Market & Octavia made up under 3% of the Citywide total commercial projects completed in the last five years.

Table 2.1
Commercial and Other Non-Residential Building Space, Market & Octavia and San Francisco, 2009

| Non-Residential Land Use | Market Octavia | | San Francisco | | Market Octavia as % of San Francisco |
|------------------------------------|------------------|----------------|--------------------|----------------|--------------------------------------|
| | Area (Sq Ft) | % Distribution | Area (Sq Ft) | % Distribution | |
| Cultural, Institution, Educational | 873,822 | 11.2% | 46,593,878 | 16.3% | 1.9% |
| Medical | 7,300 | 0.1% | 2,248,074 | 0.8% | 0.3% |
| Office | 2,933,289 | 37.7% | 77,775,539 | 27.1% | 3.8% |
| Mixed Uses | 2,359,075 | 30.3% | 67,468,229 | 23.5% | 3.5% |
| Community Facilities | 268,489 | 3.4% | 16,875,971 | 5.9% | 1.6% |
| PDR / Light Industrial | 789,580 | 10.1% | 36,943,211 | 12.9% | 2.1% |
| Retail | 511,053 | 6.6% | 22,549,394 | 7.9% | 2.3% |
| Visitor / Lodging | 25,023 | 0.3% | 15,634,483 | 5.5% | 0.2% |
| Other | 16,914 | 0.2% | 558,269 | 0.2% | 3.0% |
| Totals | 7,784,545 | 100.0% | 286,647,048 | 100.0% | 2.7% |

Table 2.2A Commercial and Other Non-Residential Development Trends, Market & Octavia 2005-2009

| Year | Cultural, Educational, Institutional | Medical | Office | PDR/Light Industrial | Retail | Visitor/Lodging | Mixed/Other | Total Commercial Sq Ft |
|---------------|--------------------------------------|---------|--------|----------------------|--------|-----------------|-------------|------------------------|
| 2005 | - | - | - | - | - | - | - | - |
| 2006 | 55,830 | - | 19,550 | - | - | - | - | 75,380 |
| 2007 | 15,232 | - | - | - | - | - | - | 15,232 |
| 2008 | - | - | - | (3,000) | 16,120 | - | - | 16,120 |
| 2009 | 86,800 | - | 19,340 | - | 1,860 | - | - | 108,000 |
| 5-Year Totals | 157,862 | - | 38,890 | (3,000) | 17,980 | - | - | 214,732 |

Table 2.2B Commercial and Other Non-Residential Development Trends, San Francisco 2005-2009

| Year | Cultural, Educational, Institutional | Medical | Office | PDR/Light Industrial | Retail | Visitor/Lodging | Mixed/Other | Total Commercial Sq Ft |
|---------------|--------------------------------------|---------|-----------|----------------------|---------|-----------------|-------------|------------------------|
| 2005 | 279,300 | | 827,504 | 224,000 | 69,010 | 283,865 | 146,918 | 1,830,597 |
| 2006 | 33,300 | | | - | 48,600 | 19,935 | 822,223 | 924,058 |
| 2007 | 15,232 | 18,617 | 824,477 | - | 22,000 | 49,258 | 76,203 | 1,005,787 |
| 2008 | 95,414 | | 1,286,600 | - | 9,783 | 434,000 | 245,306 | 2,071,103 |
| 2009 | 140,999 | 4,120 | 1,109,882 | 47,250 | 305,208 | - | 312,127 | 1,919,586 |
| 5-Year Totals | 564,245 | 22,737 | 4,048,463 | 271,250 | 454,601 | 787,058 | 1,602,777 | 7,751,131 |



**Map 2
Commercial Development Trends,
Market & Octavia Plan Area, 2005-2009**

Projects recently completed in Market & Octavia include the major rehabilitation of the Conservatory of Music (50 Oak) and the conversion of the historic Levi Strauss building into the K-8 Friends School (250 Valencia). New office and retail space are part of the ground space uses in the recently-constructed mixed-use developments at 1 Polk (Argenta) and 77 Van Ness Avenue. These projects were entitled prior to the effective date for the *Market & Octavia Plan* and were thus subject to previous zoning requirements. *Map 2* shows the location of these non-residential developments. *Table BL-1 in Appendix B* provides details on these recently completed commercial and other non-residential projects in Market & Octavia.

2.2 Commercial Development Pipeline

At the end of the fourth quarter 2009, the development pipeline in Market & Octavia Plan area consisted of some 214,640 commercial sq. ft., most in the 37 mixed residential/commercial projects. The lone wholly commercial development project totals about 35,000 sq. ft. (see *Table 2.3A*).

Of this commercial pipeline, about 4% of the square footage are under construction and will likely be completed in the next two years. Another 39% have received entitlements from the Planning Department but have yet to receive building permits. These projects are expected to be completed in the next five years. The remaining 57% are under review and have filed applications with the Planning

Department and/or the Department of Building Inspection. These projects are in the early stages of development and will likely be completed in the next five to seven years.

Table 2.3B shows the commercial development pipeline for San Francisco for comparison. The development pipeline in Market & Octavia represents about 1.2% of the city-wide pipeline. The 38,000 sq ft non-residential component of a proposed senior housing development in Market & Octavia is about 70% of new medical space citywide. About 4% of the citywide retail pipeline is located within Market & Octavia. *Map 3* shows the locations of the proposed commercial developments in the plan area.

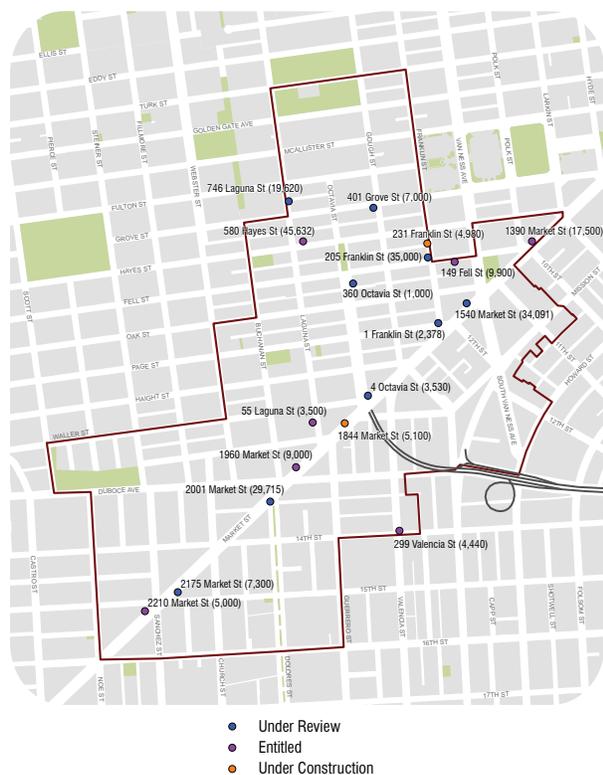
Table 2.3A Commercial and Other Non-Residential Development Pipeline, Market & Octavia Q4 2009

| Development Status | Cultural, Educational, Institutional | Medical | Office | PDR/Light Industrial | Retail | Visitor/Lodging | Total Commercial Sq Ft |
|--|--------------------------------------|---------------|---------------|----------------------|----------------|-----------------|------------------------|
| Under Construction | - | - | - | - | 10,080 | - | 10,080 |
| PLANNING ENTITLED | | | | | | | |
| Building Permit Approved/ Issued/ Reinstated | - | - | - | - | - | - | - |
| Building Permit Filed | - | 38,000 | 9,900 | - | - | 17,072 | 64,972 |
| Planning Approved | - | - | - | - | 30,000 | - | 30,000 |
| UNDER REVIEW | | | | | | | |
| Building Permit Filed | - | - | - | - | 3,378 | - | 3,378 |
| Planning Filed | 12,000 | - | 34,901 | - | 89,355 | - | 136,256 |
| Totals | 12,000 | 38,000 | 44,801 | - | 132,813 | 17,072 | 244,686 |

Table 2.3B Commercial and Other Non-Residential Development Pipeline, San Francisco Q4 2009

| Development Status | Cultural, Educational, Institutional | Medical | Office | PDR/Light Industrial | Retail | Visitor/Lodging | Total Commercial Sq Ft |
|--|--------------------------------------|---------------|-------------------|----------------------|------------------|------------------|------------------------|
| Under Construction | 102,698 | 16,196 | 367,523 | 4,990 | 68,753 | - | 560,160 |
| PLANNING ENTITLED | | | | | | | |
| Building Permit Approved/ Issued/ Reinstated | 84,562 | - | 1,083,746 | 35,821 | 75,037 | 40,370 | 1,319,536 |
| Building Permit Filed | 51,049 | 38,000 | 1,013,163 | 1,853 | 191,091 | - | 1,295,156 |
| Planning Approved | 805,489 | - | 794,733 | 376,231 | 285,125 | 117,554 | 2,379,132 |
| UNDER REVIEW | | | | | | | |
| Building Permit Filed | 50,614 | - | 611,428 | 37,600 | 159,362 | - | 859,004 |
| Planning Filed | 564,530 | - | 8,990,868 | 226,102 | 2,549,452 | 1,138,286 | 13,469,238 |
| Totals | 1,658,942 | 54,196 | 12,861,461 | 682,597 | 3,328,820 | 1,296,210 | 19,882,226 |

Map 3
Commercial and Other Non-Residential Development
Pipeline, Market & Octavia Q4 2009



2.3 Employment

2.3.1 Office Jobs

San Francisco is a regional employment hub, taking in the largest concentration of office jobs in the Bay Area including financial, legal, and other specialized business services. According to state Employment Development Department (EDD), there were about 208,420 office jobs in San Francisco at the end of the second quarter of 2009. Of these jobs, about 9,335 (or 4.5% of the citywide total) were in the *Market & Octavia Plan* area; there were approximately 403 establishments (or 3% of San Francisco establishments) with office employment (see *Table 3.4*).

2.3.2 Retail Jobs

San Francisco is also a regional shopping destination and 20% of all city jobs are in retail (*Table 3.4*). There were about 2,900 retail jobs in the *Market & Octavia Plan* area, about 18% of total jobs in the area; this also represented almost 3% of all citywide retail jobs.

2.3.3 Estimated New Jobs in Retail and Office Pipeline

As discussed in the previous section, 132,813 sq ft of retail space and 44,801 sq ft of office space are in the commercial development pipeline. Assuming an average employee density of 350 sq ft, these new commercial spaces can accommodate as many as 380 retail jobs and 128 office jobs when completed.

Table 2.4
Employment, Market & Octavia and San Francisco, Q2 2009

| Land Use | Market Octavia | | | San Francisco | | |
|------------------------------------|----------------------|---------------|---------------|----------------------|----------------|---------------|
| | No of Establishments | Jobs | | No of Establishments | Jobs | |
| | | No | % | | No | % |
| Cultural, Institution, Educational | 46 | 1,604 | 9.7% | 1,586 | 65,573 | 12.6% |
| Medical | 23 | 1,259 | 7.6% | 822 | 36,054 | 6.9% |
| Office | 403 | 9,335 | 56.5% | 12,992 | 208,418 | 40.1% |
| PDR / Light Industrial | 100 | 894 | 5.4% | 5,166 | 70,723 | 13.6% |
| Retail | 245 | 2,901 | 17.6% | 7,264 | 102,140 | 19.7% |
| Visitor / Lodging | 11 | 73 | 0.4% | 287 | 17,938 | 3.5% |
| Other | 563 | 449 | 2.7% | 21,879 | 18,802 | 3.6% |
| Totals | 1,391 | 16,515 | 100.0% | 49,996 | 519,648 | 100.0% |

3. HOUSING

Housing and the provision of adequate shelter, especially for those with low to moderate incomes, continue to be chronic issues in San Francisco. Fundamental principles of the *Market & Octavia Plan* call for ample and diverse housing opportunities which add to the vitality of the place, and the building of efficient, affordable housing that is consistent with the neighborhood character by reducing parking requirements. The *Market & Octavia Plan* also encourages housing in infill development, especially in scales and densities that reflect the area's fine-grained fabric.

The *Market & Octavia Plan* envisioned that as many as 6,000 additional housing units can be accommodated within the plan boundaries. About 900 of these new units will be built in the 22 parcels totalling seven acres created with the removal of the Central Freeway in 2003.

The *Market & Octavia Plan* also recognizes the value of sound, existing housing stock and call for its preservation. Dwelling unit mergers are strongly discouraged and housing demolitions are allowed only on condition of adequate unit replacement.

3.1 Housing Stock and New Housing Production

Based on Assessor's Office information, there were just under 11,000 units in the *Market & Octavia Plan* boundaries at the end of 2004 -- about 3% of the estimated Citywide total.

Some 584 net new units were added to the *Market & Octavia Plan* area's housing stock between 2005 and 2009 (see *Table 3.1A*). These new units were entitled prior to adoption of the *Market & Octavia Plan* and were not subject to its controls. Of this total, 576 units resulted from new construction; 12 units were gained from additions to existing buildings; and four units were demolished in the five-year period.

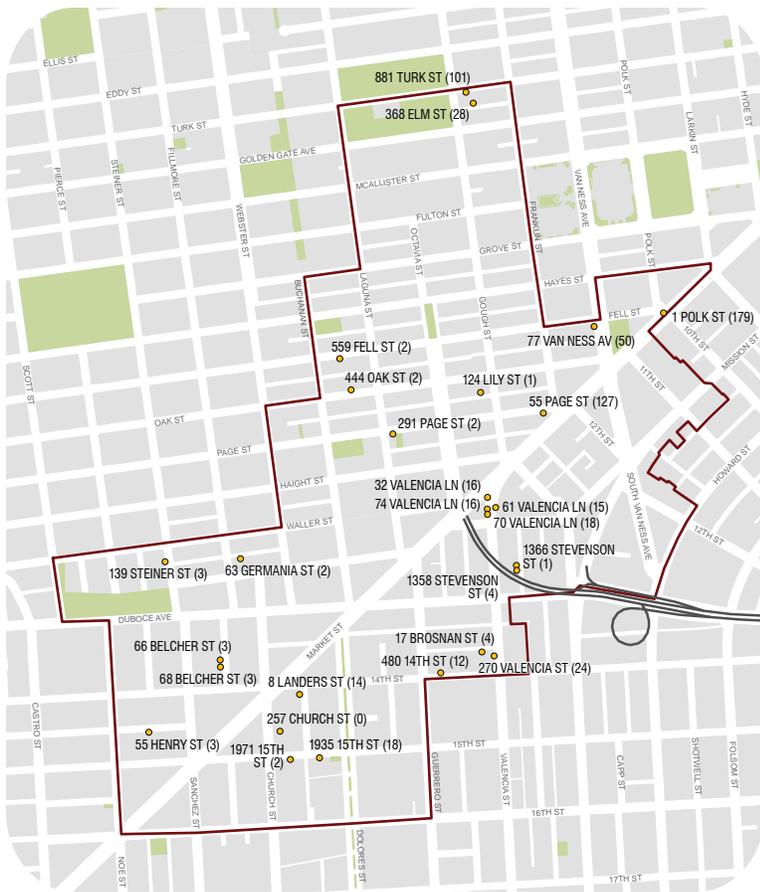
Table 3.1B shows the Citywide figures for comparison. About 4.5% of the net increase in the City's housing stock in the last five years was in the Market & Octavia area. *Map 4* shows the location of recent housing construction. Additional details about these new development projects can be found in *Appendix B, List BL-3*.

Table 3.1A
New Housing Production, Market & Octavia, 2005-2009

| Year | Units Completed from New Construction | Units Demolished | Net Units Gained or Lost from Alterations | Net Change in Number of Units |
|----------------------|---------------------------------------|------------------|---|-------------------------------|
| 2005 | - | - | 5 | 5 |
| 2006 | 42 | - | 1 | 43 |
| 2007 | 137 | - | 2 | 139 |
| 2008 | 332 | 1 | 3 | 334 |
| 2009 | 65 | 3 | 1 | 63 |
| 5-Year Totals | 576 | 4 | 12 | 584 |

Table 3.1B
New Housing Production, San Francisco, 2005-2009

| Citywide Totals | Units Completed from New Construction | Units Demolished | Net Units Gained or Lost from Alterations | Net Change in Number of Units |
|----------------------|---------------------------------------|------------------|---|-------------------------------|
| 2005 | 1,872 | 174 | 157 | 1,855 |
| 2006 | 1,675 | 41 | 280 | 1,914 |
| 2007 | 2,197 | 81 | 451 | 2,567 |
| 2008 | 3,019 | 29 | 273 | 3,263 |
| 2009 | 3,366 | 29 | 117 | 3,454 |
| 5-Year Totals | 12,129 | 354 | 1,278 | 13,053 |



Map 4
New Housing Production.
Market & Octavia 2005-2009

3.2 Housing Development Pipeline

Table 3.2 shows that there is a total of about 2,140 units in some 37 projects that are proposed to be built in the Market & Octavia Plan area. Map 5 shows the location of proposed housing projects in Market & Octavia by development status. List BL-4 in Appendix B provides a detailed list of these housing pipeline projects.

Table 3.2 shows that about 170 units - or 8% - are under construction and will likely be completed within the next two years. Another 1,240 units - about 58% - have received Planning Department entitlements and could see completion within the next two to seven years.

Over a third of the units in the residential development pipeline are in the early stages of the process and are

expected to be completed in the next five to ten years. In comparison, almost three-quarters of proposed units Citywide -- over 35,150 units -- are under review and have yet to receive entitlements. About 3% of the units in the housing pipeline citywide are under construction and while the remainder have been entitled and have filed for or have received building permits.

If completed in the next 10 years, the current residential pipeline within the Market & Octavia Area Plan boundaries would mean an increase of almost 20% in the area's housing stock. Successful accommodation of this significant infill growth, as envisioned in the Plan, would require infrastructure improvements that encourage transit use and enhance urban amenities in the neighborhood.

Table 3.2
Housing Development Pipeline, Market & Octavia, and San Francisco, Q4 2009

| Development Status | Market Octavia | | San Francisco | |
|--|-----------------|--------------|-----------------|---------------|
| | No. of Projects | No. of Units | No. of Projects | No. of Units |
| Under Construction | 5 | 171 | 121 | 1,511 |
| Planning Entitled | | | | |
| Building Permit Approved/ Issued/ Reinstated | 6 | 230 | 175 | 2,274 |
| Building Permit Filed | 6 | 175 | 90 | 2,079 |
| Planning Approved | 3 | 836 | 95 | 6,829 |
| Not Entitled | | | | |
| Building Permit Filed | 8 | 89 | 202 | 2,386 |
| Planning Filed | 9 | 640 | 115 | 35,152 |
| Totals | 37 | 2,141 | 798 | 50,231 |



Map 5
Housing Development Pipeline by Development Status, Market & Octavia, Q4 2009

- Under Review
- Entitled by Planning Department
- Permitted by Department of Building Inspection
- Under Construction

3.3 Affordable Housing in Market & Octavia

The *Market & Octavia Plan* recognizes that housing affordability, together with a mix of housing types, makes for a diverse population that in turn makes for a diverse and vibrant place. The *Market & Octavia Plan* relies on three mechanisms to provide affordable housing in the plan area:

- a) The existing citywide inclusionary affordable housing requirement;
- b) Additional fees for affordable housing in the Market & Octavia Plan area that requires projects in the neighborhood commercial areas and the Van Ness DTR Special Use district to contribute \$4 or \$8 per square foot of residential development towards affordable housing. Projects in the Van Ness DTR Special Use district can also choose to contribute to the Citywide affordable housing fund should they want to achieve increased FAR (above 6:1 to 9:1);
- c) The San Francisco Redevelopment Agency has committed to funding about 450 affordable housing units on the former freeway parcels.

At the time of the *Market & Octavia Plan* adoption and approval, there were some 650 affordable units in nine publicly subsidized housing projects within the plan area boundaries; this represented under 4% of the citywide total of public housing. By 2004, a total of 38 inclusionary affordable units were in market-rate residential developments in the area, providing income-restricted housing affordable to households with low to moderate incomes. Overall, these income-restricted affordable housing unit types made up fewer than 13% of all housing in Market & Octavia; citywide, 18% of all housing are made affordable through public subsidies and/or income restrictions. In addition, the 20 single-room occupancy residential hotels (SROs) in Market & Octavia area provide a total of 500 units. SROs typically provide housing affordable to lower income, single-person households. These SROs units made up less than 3% of the citywide total of SROs.

3.4 New Affordable Housing Production, 2005-2009

Of the 576 new units built in Market & Octavia between 2005 and 2009, 144 or 25% were affordable units (Table 3.3A); for comparison, the citywide share of new affordable housing construction is 27% (Table 3.3B). The majority of the new affordable housing units were in the 101-unit senior housing at 881 Turk, also identified as Parcel A of the 22 Central Freeway parcels. An additional 43 units were made affordable through the City's inclusionary affordable housing requirement. These new affordable housing units comprised about 4% of the affordable units built in the City in the last five years. *Map 6* shows the location of these affordable housing units. Additional details about these affordable housing projects can be found in *Appendix B, List BL-5*.

Table 3.3A
Affordable Housing Production, Market & Octavia, 2005-2009

| Year | Public Subsidy | Inclusionary | Total |
|---------------|----------------|--------------|------------|
| 2005 | - | - | - |
| 2006 | - | 4 | 4 |
| 2007 | 101 | 3 | 104 |
| 2008 | - | 29 | 29 |
| 2009 | - | 7 | 7 |
| Totals | 101 | 43 | 144 |

Table 3.3B
Affordable Housing Production, San Francisco, 2005-2009

| Year | Public Subsidy | Inclusionary | Total |
|---------------|----------------|--------------|--------------|
| 2005 | 688 | 111 | 799 |
| 2006 | 265 | 189 | 454 |
| 2007 | 517 | 167 | 684 |
| 2008 | 385 | 379 | 764 |
| 2009 | 832 | 44 | 876 |
| Totals | 2,687 | 890 | 3,577 |

Map 6
New Affordable Housing, Market & Octavia, 2005-2009



3.5. Housing Stock Preservation

The *Market & Octavia Plan* supports the preservation of the area's existing housing stock and prohibits the residential demolition unless these would result in sufficient replacement of housing units. Demolitions are also restricted to ensure the preservation of affordable housing and historic resources.

In the reporting period, four units in the *Market & Octavia Plan* area were demolished (*Table 3.4A*). Citywide, the number of units lost through demolition totaled 534. Replacement of the four units lost to demolition in Market & Octavia will result in nine units.

Housing units can also be lost through dwelling unit mergers. The *Market & Octavia Plan* discourages this practice to ensure diversity in housing unit type and size. *Table 3.4A* below shows that only one unit was lost due to merger into a larger unit. *Table 3.4B* shows citywide figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are just adjustments to the housing count.

Table 3.4A
Units Lost, Market & Octavia, 2005-2009

| Year | Units Lost Through Alterations by Type of Loss | | | | | Units Demolished | Total Units Lost |
|---------------|--|--------------------------------|--------------------------------|-----------------|-------------------|------------------|------------------|
| | Illegal Units Removed | Units Merged into Larger Units | Correction to Official Records | Units Converted | Total Alterations | | |
| 2005 | 38 | 38 | - | 7 | 83 | 174 | 257 |
| 2006 | 12 | 21 | - | 7 | 40 | 41 | 81 |
| 2007 | 10 | 16 | 4 | 1 | 31 | 81 | 112 |
| 2008 | 19 | 28 | - | 1 | 48 | 29 | 77 |
| 2009 | 2 | 42 | 5 | 12 | 61 | 29 | 90 |
| Totals | 81 | 145 | 9 | 28 | 263 | 354 | 880 |

Table 3.4B
Units Lost, San Francisco, 2005-2009

| Year | Units Lost Through Alterations by Type of Loss | | | | | Units Demolished | Total Units Lost |
|---------------|--|--------------------------------|--------------------------------|-----------------|-------------------|------------------|------------------|
| | Illegal Units Removed | Units Merged into Larger Units | Correction to Official Records | Units Converted | Total Alterations | | |
| 2005 | 38 | 38 | - | 7 | 83 | 174 | 257 |
| 2006 | 12 | 21 | - | 7 | 40 | 41 | 81 |
| 2007 | 10 | 16 | 4 | 1 | 31 | 81 | 112 |
| 2008 | 19 | 28 | - | 1 | 48 | 29 | 77 |
| 2009 | 2 | 42 | 5 | 12 | 61 | 29 | 90 |
| Totals | 81 | 145 | 9 | 28 | 263 | 354 | 880 |

3.6. Other Changes in Housing Stock Characteristics

The type of housing opportunities determines the type of people who live in the neighborhood. For example, single-family homes tend to support families and/or larger households, which are typically homeowners, while flats or apartments tend to be occupied by a single-person or smaller households, which are largely renters; group housing and assisted living quarters are housing types available for the elderly and people who have disabilities.

In addition to tracking new housing development and demolitions, the *Market & Octavia Plan* specifies that the monitoring reports document other changes to the housing stock, including condo conversions.

Condo conversions increase San Francisco's homeownership rate - estimated to be at about 39% in 2008, up from 35% in 2000. However, conversions also mean a reduction in the City's rental stock. In 2000, some 88% of households in the Market & Octavia Plan area -- almost nine out of every 10 -- were renters. Almost 5% of San Francisco's rental units are in the Market & Octavia Plan area.

Table 3.5 shows that, in the last five years, some 227 units in 92 buildings in the *Market & Octavia Plan* area were converted to condominiums. This represents almost 7% of all condo conversions citywide.

Another indicator of change in housing characteristic is the incidence of owner move-in and/or Ellis Out evictions. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions. Between 2005 and 2009, there were owner move-in evictions in 23 units and 70 units were withdrawn from the rental stock under the Ellis Act; citywide totals are 963 and 1,017, respectively (see *Table 3.6* below). Owner move-in and Ellis Act evictions in Market & Octavia constituted over 2% and about 7% of citywide totals. Other types of evictions, while noted in the table below, do not necessarily result in the rental units being converted to other tenure type.

Table 3.5
Condo Conversion, Market & Octavia, 2005-2009

| Year | Market Octavia | | Market Octavia as % of Citywide Total | |
|---------------|----------------|--------------|---------------------------------------|--------------|
| | No. of Bldgs | No. of Units | No. of Bldgs | No. of Units |
| 2005 | 7 | 17 | 5.7% | 5.6% |
| 2006 | 18 | 49 | 5.9% | 6.7% |
| 2007 | 28 | 69 | 8.2% | 8.8% |
| 2008 | 24 | 56 | 6.5% | 6.6% |
| 2009 | 15 | 36 | 4.4% | 4.5% |
| Totals | 92 | 227 | 6.2% | 6.6% |

Table 3.6
Evictions by Type, Market & Octavia, 2005-2009

| Year | Market Octavia | | | Totals |
|---------------|----------------|----------------------|----------------|------------|
| | Owner Move-In | Ellis Act Withdrawal | Other Eviction | |
| 2005 | 3 | 16 | 28 | 47 |
| 2006 | 10 | 10 | 44 | 64 |
| 2007 | 5 | 7 | 35 | 47 |
| 2008 | 5 | 37 | 39 | 81 |
| 2009 | - | - | 49 | 49 |
| Totals | 23 | 70 | 195 | 288 |

| Year | Market Octavia as % of Citywide Totals | | | Totals |
|---------------|--|----------------------|----------------|-------------|
| | Owner Move-In | Ellis Act Withdrawal | Other Eviction | |
| 2005 | 1.1% | 5.4% | 2.6% | 2.9% |
| 2006 | 4.3% | 4.0% | 4.2% | 4.2% |
| 2007 | 2.7% | 3.1% | 3.0% | 3.0% |
| 2008 | 3.0% | 19.1% | 3.5% | 5.5% |
| 2009 | 0.0% | 0.0% | 4.6% | 4.0% |
| Totals | 2.4% | 6.9% | 3.6% | 3.9% |

CENTRAL FREEWAY PARCELS

The removal of the Central Freeway and subsequent construction of Octavia Boulevard released for development approximately seven acres of land in some 22 publicly owned parcels. Approximately one-half of these parcels have been earmarked for affordable housing, including a substantial amount of affordable senior housing. Commercial uses are also encouraged on the ground floor of new development on the freeway parcels and are required on those lots fronting Hayes Street and portions of Octavia Blvd.

In the last five years, three projects with 150 units have been built on three parcels. One project is a 100% affordable 101-unit senior housing with supportive services provided on the ground floor. The remaining two projects have a total of 49 units, including six inclusionary affordable units. In addition, some 407 units in eight projects are in various stages of development. Over 270 units or approximately 67% of these will be affordable units. (See Table 3.6 for additional details on completed and pipeline projects in the Central Freeway parcels.)

The remaining undeveloped parcels are listed in Appendix B, List BL-6. All told, these parcels have the zoned capacity to accommodate up to 535 units.

Map 7
Central Freeway Parcels

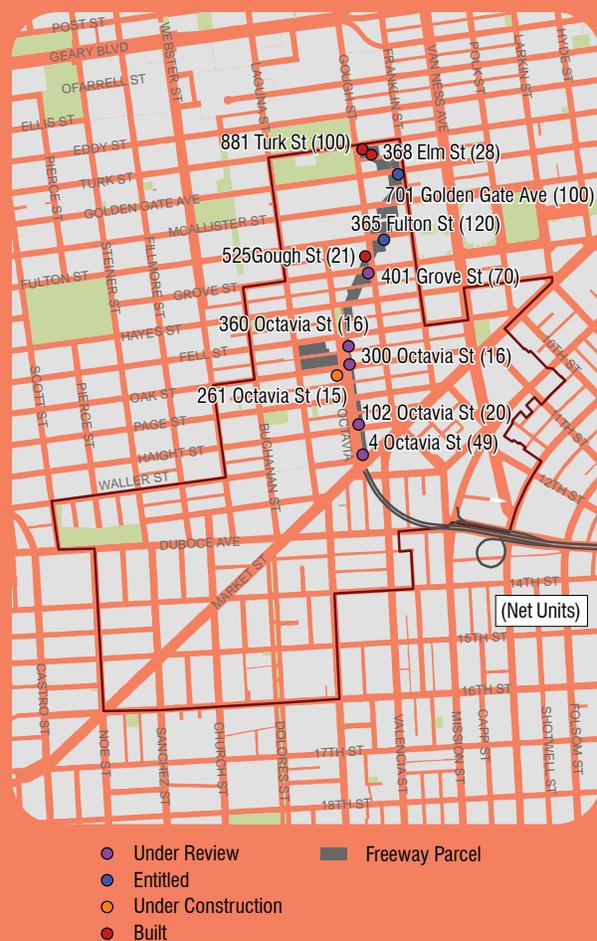


Table 3.7
Central Freeway Parcels

| | Parcel | Address | No. of Units | No. of Affordable Units | Development Status |
|-----------------------|------------------------|----------------------|--------------|-------------------------|--------------------|
| COMPLETED | A | 881 Turk St* | 101 | 101 | Completed |
| | A | 368 Elm St | 28 | 3 | Completed |
| | H | 527 Gough St | 21 | 3 | Completed |
| | <i>Total Completed</i> | | | 150 | 107 |
| PIPELINE | C | 701 Golden Gate Ave* | 100 | 100 | Permitted |
| | G | 365 Fulton St | 120 | 120 | Permitted |
| | I | 401 Grove St | 61 | 9 | Entitled |
| | M | 360 Octavia Blvd | 16 | - | Under Review |
| | N | 300 Octavia Blvd | 16 | - | Under Review |
| | Q | 261 Octavia Blvd | 15 | 15 | Under Construction |
| | U | 102-04 Octavia Blvd | 30 | 30 | Under Review |
| | V | 4 Octavia Blvd | 49 | - | Under Review |
| <i>Total Pipeline</i> | | | 407 | 274 | |
| TOTALS | | | 557 | 381 | |

* 100% affordable projects with one building manager unit in each project, which is also assumed as an affordable unit for the purpose of this report.

4. TRANSPORTATION AND PARKING

The Market & Octavia neighborhood has long been a walkable place with good access to public transit. The *Market & Octavia Plan* seeks to strengthen the area's accessibility and prioritize movement by foot, bicycle and transit. The *Plan* also discourages new parking facilities as these generate traffic, use up space that could be devoted to other uses such as housing, and have an overall negative effect on the neighborhood.

4.1 Commute Mode Split

Table 4.1 confirms the neighborhood's accessibility by modes other than the automobile. According to the 2000 Census, 42% of employed residents in the *Market & Octavia Plan* area took public transit, some 10% more than the Citywide figure. Another 12% walked to work, compared to about 9% citywide. Almost 5% biked to work; in comparison, only 2% biked to work citywide. As for automobile commuters, over half of San Francisco workers drove or carpooled compared to over a third of *Market & Octavia Plan* area commuters.

4.2 Curb Cuts

The *Market & Octavia Plan* states that transit running time can be more efficient if the number of turning movements made by automobiles or other private vehicles on transit priority streets are kept to a minimum. This can be achieved by restricting the number of driveways and curb cuts on transit preferential streets. Off-street parking, especially for new development projects, are best accessed from side streets, back alleys or other adjacent streets without transit lines.

Under the *Market & Octavia Plan*, curb cuts are not permitted on specific street frontages. A survey of the area was conducted in May 2010 to set the baseline of existing curb cuts. Locations of these curb cuts are indicated on *Map 8*. Subsequent monitoring will track changes in the area where new curb cuts are prohibited.

Table 4.1
Commute Mode Split, Market & Octavia and San Francisco, 2000

| Transport Mode | Market Octavia | | San Francisco | | Market Octavia as % of San Francisco |
|--------------------|-----------------|---------------|-----------------|---------------|--------------------------------------|
| | No of Commuters | % | No of Commuters | % | |
| Car | 4,802 | 34.7% | 214,660 | 51.3% | 2.2% |
| <i>Drove Alone</i> | 3,829 | 79.7% | 169,508 | 79.0% | 2.3% |
| <i>Carpooled</i> | 973 | 20.3% | 45,152 | 21.0% | 2.2% |
| Transit | 5,803 | 41.9% | 130,311 | 31.1% | 4.5% |
| Motorcycle | 286 | 2.1% | 3,951 | 0.9% | 7.2% |
| Bike | 655 | 4.7% | 8,302 | 2.0% | 7.9% |
| Walk | 1,602 | 11.6% | 39,192 | 9.4% | 4.1% |
| Other | 89 | 0.6% | 2,761 | 0.7% | 3.2% |
| Worked at Home | 620 | 4.5% | 19,376 | 4.6% | 3.2% |
| Totals | 13,857 | 100.0% | 418,553 | 100.0% | 3.3% |



Map 8
Street Frontages and Curb Cuts
in Market Octavia Where New
Curb Cuts are Prohibited

4.3 Parking Inventory

In March 2010, the San Francisco Metropolitan Transit Authority (SFMTA) released a comprehensive census of the City’s on- and off-street parking supply. This survey showed a total of about 440,250 parking spaces in San Francisco and included all paid or free, publicly available parking spaces. It does not, however, include off-street residential parking spaces and other unmarked “private” parking.

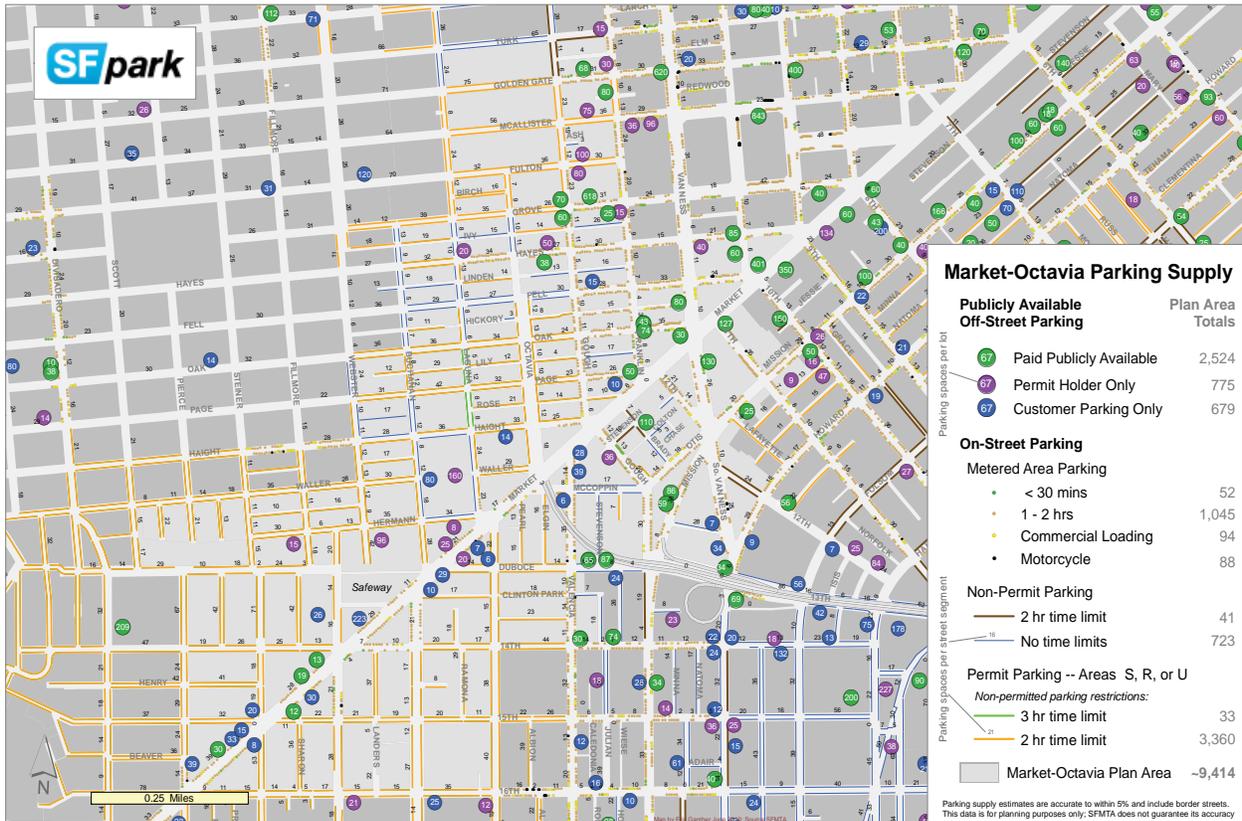
Table 4.2 below shows that an estimated 257,000 spaces or approximately 58% of non-residential parking in San Francisco is free, un-metered on-street parking. There are also over 24,460 parking meters citywide, and about 1,200 or almost 5% are within the *Market & Octavia Plan* area.

About 103,760 publicly accessible parking space - meaning parking lots and garages open to the public and priced with hourly, daily or monthly rates - are available citywide; just over 2% or about 2,520 are in the Market & Octavia area. Additionally, customer parking and permit holder parking total about 48,230 off-street parking; about 1,420 or 3% are in the *Market & Octavia Plan* area. Exclusive of un-metered parking spaces, the number of on- and off-street non-residential parking in Market & Octavia amount to about 3% of the citywide total. Map 9 shows the location of on-street parking meters and off-street commercial and publicly-accessible parking within Market & Octavia.

Table 4.2
Parking Census, San Francisco and Market & Octavia, 2010

| | Parking Type | Citywide | Market Octavia | Parking Type Description |
|---------------|-------------------------------|----------------|----------------|---|
| ON-STREET | Metered | 24,464 | 1,204 | All metered parking, including parking managed by SFMTA, the Port of San Francisco and the Presidio Trust |
| | Unmetered | 256,900 | n/a | An estimate of non-metered on-street parking * |
| OFF-STREET | Paid publicly available (PPA) | 103,756 | 2,524 | Parking lots and garages that are open to the public and priced (e.g., with hourly, daily, monthly rates) |
| | Free publicly available (FPA) | 6,896 | - | Parking in City parks that does not have fees and daytime restrictions |
| | Customer parking only (CPO) | 28,922 | 585 | Parking available to customers only; typically for businesses or religious institutions, for example |
| | Permit holder only (PHO) | 19,308 | 834 | Parking requiring some form of permit (e.g., paid monthly permit and/or employee- or student-only parking lots) |
| Totals | | 440,246 | 5,147 | |

* Estimate based on a random sample of no less than 20% of city blocks (32% of all San Francisco blocks were surveyed).
 Source: SFMTA, Planning Department



Map 9
Market-Octavia Parking Supply

4.4 Off-Street Residential Parking

The *Market & Octavia Plan* seeks to develop and implement parking policies that encourage travel by public transit and alternative transport modes to reduce traffic congestion. Three new zoning districts have been crafted to reflect the area's historic and transit-intensive qualities: a) residential transit oriented (RTO); b) the neighborhood commercial transit oriented (NC-T); and c) the Van Ness and Market Downtown Residential Special Use District (VNMDRSUD). These new zoning districts do not require off-street residential parking, allowing instead for a maximum of three parking spaces for every four units (a 3:4 ratio), two parking spaces for every four units (2:4), or one space for every four units (1:4), respectively. Conditional use approvals could increase the allowable parking by one car per every four units (hence, 4:4 for RTO; 3:4 for Market & Octavia Area Plan NCT, and 2:4 for VNMDRSUD). There are similar caps for the various non-residential uses in all districts.

Table 4.3 below shows the number of parking spaces associated with residential development entitled by the Planning Department in the *Market Octavia Plan* area between 2005 and 2009. In the last five years, some 600 parking spaces in eight proposed projects have received Planning approvals; roughly, this translates roughly to four parking spaces for every five units. In 2007, an additional four commercial parking spaces were also approved in a mixed use project. A number of these projects were entitled previous to the *Market & Octavia Plan* adoption and were not subject to the new parking controls. However one of the projects in 2008 and all in 2009 were entitled under *Market & Octavia Area Plan* controls.

Table 4.3
Parking Spaces in Entitled Residential Developments, Market & Octavia, 2005-2009

| Year | No of Projects | No of Housing Units | No of Parking Spaces |
|--------|----------------|---------------------|----------------------|
| 2005 | 1 | - | 3 |
| 2006 | 1 | 113 | 83 |
| 2007 | 1 | 33 | 33 |
| 2008 | 4 | 464 | 415 |
| 2009 | 1 | 115 | 69 |
| Totals | 8 | 725 | 603 |

5. IMPLEMENTATION OF PROPOSED PROGRAMMING

5.1 Market & Octavia Plan Community Advisory Committee

The Market/Octavia Community Advisory Committee (MOP CAC), a nine-member body appointed by the Board of Supervisors and the Mayor, began meeting monthly in the spring of 2009. Planning Code Section 341 identifies the following tasks for the CAC:

1. Collaborate with the Planning Department and the Inter-Agency Plan Implementation Committee on prioritizing the community improvement projects and identifying implementation details as part of annual expenditure program that is adopted by the Board of Supervisors;
2. Provide an advisory a role in a report-back process from the Planning Department on enforcement of individual projects' compliance with the *Market & Octavia Area Plan* standards and specific conditions of project approvals, including the specific first-source hiring requirements for the Plan Area such that those agreements will be more effectively implemented;
3. Collaborate with the Planning Department in updating the community improvements program at a minimum of every fifth year in coordination with relevant City agencies; Providing input to Plan area monitoring efforts for required time-series reporting.

The MOP CAC has been meeting monthly since April 2009. Key accomplishments for this reporting period include: developing a mission statement, developing a community improvements prioritization process, finalizing a draft list of priority projects, and drafting a CAC-initiated monitoring report to complement this five year time series monitoring report. The MOP CAC has worked diligently to become familiar with proposed infrastructure projects, develop a project ranking methodology, and develop initial recommendations which have been routed to the IPIC. The CAC is also advisory to the Planning Commission and Board of Supervisors, and will provide their input on the priority projects at the relevant public hearings.

The Market Octavia CAC

The Market/Octavia Community Advisory Committee (MOP CAC) is a representative body that provides advice to the Planning Director, the Interagency Plan Implementation Committee (IPIC), the Planning Commission, and the Board of Supervisors regarding implementation of the Market & Octavia Plan and the plan's community improvements. In consultation with the San Francisco Planning Department staff and other relevant professional staff, and informed by criteria established by the committee, the Market/Octavia CAC will prioritize projects in the Plan for community improvements funding.

The MOP CAC will also provide advice on the dispersal of project funding to ensure that it is consistent with those criteria. Projects eligible for funding must be ones that are identified in the Market & Octavia Plan that are consistent with the Plan's goals, objectives and philosophy, and that can be clearly evaluated. The CAC provides continuity over the life of the plan and long term oversight and guidance on developments in the plan area consistent with the Market & Octavia Plan's spirit and objectives.

5.2 Transportation and Infrastructure Improvements

The Planning Department projects nearly \$12 million in impact fee revenue in the *Market & Octavia Plan* area over the next five years. Projected impact fee revenue will cover roughly 30% of funds necessary for plan implementation. Given the limited revenue dedicated to plan implementation, careful capital planning is critical. The Interagency Plan Implementation Committee (IPIC), including representatives from key implementing agencies, developed a 10 year capital plans for the project area to ensure efficiency and effectiveness of capital fund expenditures. Capital Plans are constrained by projected revenue for each planning area. Key revenue sources include projected development impact fees and secured grants. The Planning Department projects development impact fee revenue based on known development projects and an assumed rate of planned growth in the next five years.

The IPIC Capital Plan for Market & Octavia has been incorporated into the City's 10-Year Capital Plan, starting with the FY2008-2017 plan. The Planning Department chapter of the Capital Plan includes a 10-year projection of capital projects by implementing agency and revenue projections by plan area. The IPIC worked to refine the proposed capital expenditures and projected revenues for FY2009-2018 and FY2010-2019. Capital plans for each area plan will be updated annually. The Planning Department will update revenue projections based on projected growth. Specific capital projects may change based on recommendations of the IPIC and Citizens Advisory Committees (CACs). The existing capital plans have not benefited from CAC input; however the next update of the Capital Plans will integrate the recommendations of the Market & Octavia CAC (MOP CAC), incorporating projects that they prioritized through their scorecard ranking system.

Since plan adoption, progress has been made on the planning and development of a number of transportation projects and open space projects. Additionally the Market & Octavia CAC has begun meeting and working to further the implementation of the plan. It should be noted that the Octavia Boulevard and Patricia's Green in Hayes Valley --

central, plan-defining infrastructure projects in the Market & Octavia Plan area were completed in 2003, a few years before the plan was adopted.

Below is an accounting of recent and current transportation and infrastructure activities:

- The San Francisco County Transit Authority (SFCTA) has launched an Octavia Boulevard Circulation Study which takes a comprehensive look at regional and local transportation issues in the area surrounding Octavia Boulevard. This project will conclude in 2010 with recommendations on key priority projects.
- The San Francisco Municipal Transportation Agency (SFMTA) is leading a comprehensive transit and pedestrian project at the intersection of Church and Duboce Streets, consistent with the *Market & Octavia Plan*. This project includes re-railing, repaving, streetlight upgrades, pedestrian bulb outs at corners, expanded boarding islands and some greening. Funding is secured and construction is scheduled to start within a year.
- The Haight and Market Streets transit and pedestrian project is identified by the Market & Octavia Plan and the Transit Effectiveness Project (TEP) as a key transit improvement. The project would return the Haight Street buses to Haight Street between Octavia and Market Streets, add pedestrian signals and pedestrian bulb-outs, and enhance the crosswalks at the Market and Haight intersection. The SFMTA and the Planning Department are pursuing a grant for full funding of this project. If the grant request is successful, construction would start in one year.
- The *Market & Octavia Plan* calls for the conversion of Hayes Street between Van Ness and Gough to a two-way street, as does the TEP. Since plan adoption, the SFMTA, the SFCTA, and the Planning Department have coordinated on a design for this project, including conducting additional community meetings. The project requires \$100,000 to \$250,000 for completion.

- The SFCTA is leading the Van Ness Bus Rapid Transit (BRT) Project. The project includes a package of treatments that provide rapid, reliable transit, including dedicated bus lanes, transit signal priority, proof of payment, high-quality stations, and related pedestrian amenities. The SFCTA has secured some funding and is working toward project completion as early as 2014.
- The Planning Department developed conceptual designs for pedestrian improvements at a number of Market Street intersections, as part of the *Upper Market Community Plan*. These designs advance the implementation of proposed pedestrian improvements in the Plan Area. Implementation of some of these projects could be implemented in concert with pending development projects.
- The *San Francisco Bicycle Plan* identifies a number of bicycle improvements for the plan area, consistent with the *Market & Octavia Plan*. The SFMTA's recent update of the plan included detailed design for major bicycle improvements along identified bike routes. A bicycle lane on Otis Street was recently installed between Van Ness and Gough Streets. Pending the current injunction on bicycle improvements, the SFMTA will complete additional bicycle amenities in the plan area.
- The Department of Public Works, in coordination with SFCTA, has completed detailed design for a number of infrastructure projects ancillary to the Octavia Boulevard. The projects were selected by the Central Freeway Community Advisory Committee, including the McCoppin Street stub new open space, traffic calming on key streets, and a new skate park below the freeway. Funds will become available when the City sells the former freeway parcels.

5.3 Fees Program and Collection

The Market & Octavia Community Improvements Neighborhood Program was established to fund community improvements specific to the plan area. An impact fee of \$10 per occupiable square foot would be levied on proposed residential projects or the residential component of mixed use projects. Projects that yield an addition of residential units or incremental addition that contributes to a 20% increase in residential space are also subject to this impact fee. A \$4.00 per square foot fee would also be imposed on

commercial developments or commercial components of mixed-use projects; similarly, net addition beyond 20% of non-residential uses would also be subject to the impact fee.

The Market & Octavia Community Improvements Program fees are collected prior to issuance of the construction permit from the Department of Building Inspection. Based upon projected growth in the plan area, the Market & Octavia Development impact fee is expected to generate nearly \$12 million in five years. Table 14 below shows projected revenue over five years by expenditure category as defined in the *Market & Octavia Plan* fee ordinance (see Appendix C for complete text of ordinance).

As of December 31, 2009, a total of \$103,618 has been collected from two projects. The funds have yet to be expended at the time this report was written.

Table 5.1
Projected Five Year Fee Revenue, Market & Octavia Plan

| Impact Fee | Projected 5 Year Revenue |
|----------------------------------|--------------------------|
| Greening | \$3,971,146 |
| Open Space | 948,066 |
| Recreational Facilities | 1,571,709 |
| Transportation | 3,467,028 |
| Childcare | 996,039 |
| Library | 108,141 |
| Administration / Monitoring | 935,870 |
| Five Year Projected Total | \$11,997,999 |

Source: Planning Department

5.4 Historic Preservation

The San Francisco Planning Department conducts historic resource surveys that serve as a planning tool to gather data and to identify historic buildings, structures, sites, objects, and historic districts. Three surveys have been completed and endorsed by the Historic Preservation Commission since the adoption of the *Market & Octavia Area Plan*: 1) an area plan level survey; 2) an augmentation survey; and 3) the Mission Dolores Neighborhood Survey.

- Area Plan Level Survey: In 2006, the Planning Depart-

ment contracted Page & Turnbull to a survey of 1,563 buildings within the *Market & Octavia Area Plan* area. The survey consists of buildings within the plan area boundaries, built in or before 1961, and not previously surveyed. The context statement was prepared in conjunction with the survey and was reviewed and endorsed by the Landmarks Preservation Advisory Board (Landmarks Board) on December 19, 2007. All 1,563 buildings were documented on State of California Department of Parks and Recreation (DPR) 523A forms. Of those, 1031 buildings were more fully researched and evaluated for historic designation. This research included individual evaluations for 155 buildings on DPR 523B forms, as well as 736 buildings evaluated as part of a group or district on DPR 523D forms. There are also 261 buildings with preexisting survey data, and 68 buildings previously surveyed and reassessed by Page & Turnbull. The survey was adopted by the Landmarks Preservation Advisory Board and Planning Commission in February 2009.

- **Augmentation Survey:** At the conclusion of the area plan survey, approximately 750 buildings were left without an assessment. The Planning Department responded to community requests to augment the plan-level survey, and commissioned the firm of Kelley and VerPlanck to assess an additional 200 properties on DPR 523B forms. Alongside that effort, Department staff analyzed the Hayes Valley Residential District and did extensive clean-up work to classify an additional 176 buildings within the boundaries of the survey where previous documentation was silent. The Historic Preservation Commission (HPC) adopted this survey at its July 21, 2010 meeting.
- **Van Ness Automotive Support Structures Survey:** A study of automobile-related buildings between Larkin and Gough Streets from Pacific to the north and Mission Street to the south was completed by architectural historian William Kostura. There are 17 buildings within the *Market & Octavia Area Plan* boundaries that were assessed in this survey effort. The Historic Preservation Commission (HPC) held a hearing on July 21, 2010 to adopt this survey.
- **Mission Dolores Neighborhood Survey:** The Mission Dolores Neighborhood Association (MDNA), a neighborhood group, commissioned Carey & Co. to expand on the area plan level survey, both in depth of documentation and area, bringing a study beyond

the boundary of the *Market & Octavia Plan* area. The survey found a National Register eligible district over a large area, partially within the *Market & Octavia Plan* area.

The Planning Department's survey activities are reported to the State Office of Historic Preservation (<http://ohp.parks.ca.gov>) through the Federal Certified Local Government Program, and conform to State and Federal standards. The survey uses the State's ranking system for historic resources called the California Historical Resource Status Code System (CHRSC). National Register and California Register criteria were utilized to make evaluations of the buildings in the survey. These Registers are lists of buildings, sites, structures, districts and objects important in history, and significant to San Francisco and its neighborhoods.

5.5 First Source Hiring

The City's First Source Hiring Program connects low-income San Francisco residents with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection. Project proposals with commercial components over 25,000 sq. ft. requiring discretionary action by the Planning Commission or building permit applications for residential projects with 10 units or more are subject to First Source Hiring compliance.

Proposed projects falling within the *Market & Octavia Plan* area boundaries, however, are subject to expanded requirements in that threshold for commercial development is pegged at 10,000 sq. ft. or more and developments with a residential component, regardless of size, are subject to the first source hiring requirement.

Data on the First Source Hiring Program was not available at the time this report was written.

APPENDIX A. MARKET AND OCTAVIA PLAN MONITORING REQUIREMENTS ORDINANCE

San Francisco Planning Code Section 341.2

ANNUAL REPORTING

The Planning Department shall prepare an annual report detailing the housing supply and development, commercial activities, and transportation trends in the Market & Octavia Plan Area. The information shall be presented to the Board of Supervisors, Planning Commission, the Citizens Advisory Committee, and Mayor, and shall address: (1) the extent of development in the Market & Octavia Plan Area; (2) the consequences of that development; (3) the effectiveness of the policies set forth in the Market & Octavia Area Plan in maintaining San Francisco's environment and character; and (4) recommendations for measures deemed appropriate to deal with the impacts of neighborhood growth.

- (a) Time Period and Due Date. Reporting shall be presented by July 1st of each year, and shall address the immediately preceding calendar year.
- (b) Data Source. The Planning Department shall assemble data for the purpose of providing the reports. City records shall be used wherever possible. Outside sources shall be used when data from such sources are reliable, readily available and necessary in order to supplement City records. When data is not available for the exact boundaries of the Plan Area, a similar geography will be used and noted.
- (c) Categories of Information. The following categories of information shall be included: Commercial Space and Employment.
 - (1) The amount of office space "Completed," "Approved," and "Under Construction" during the preceding year, both within the Plan Area and elsewhere in the City. This inventory shall include the location and square footage (gross and net) of those projects, as well as an estimate of the dates when the space "Approved" and "Under Construction" will become available for occupancy.

(2) Plan Area and Citywide Employment trends. An estimate of additional employment, by occupation type, in the Plan Area and Citywide.

(3) Retail Space and Employment. An estimate of the net increment of retail space and of the additional retail employment relocation trends and patterns Plan Area and Citywide.

(4) Business Formation and Relocation. An estimate of the rate of the establishment of new businesses and business and employment relocation trends and patterns within the Plan Area and Citywide Housing.

(5) Housing Units Certified for Occupancy. An estimate of the number of housing units in the Plan Area and throughout the City newly constructed, demolished, or converted to other uses.

(6) Affordable Housing Production. An estimate of the number of new affordable housing units in the Plan Area and throughout the City, including information on affordability and funding sources.

(7) Unit size. An estimate of the mix of unit sizes in the Plan Area and throughout the City including new construction, unit mergers and unit subdivisions.

(8) Unit Conversion. An estimate of average number by unit type in the Plan Area and throughout the City, including condo conversion, and eviction cases.

(9) Enforcement of Project Entitlements. A summary of successful compliance with conditions and design standards for development projects approved in the Plan Area and any enforcement actions taken to ensure compliance or adjudicate complaints

Transportation.

(10) Parking Inventory. An estimate of the net increment of off-street parking spaces in all Districts.

(11) Transit Service. An estimate of transit capacity for peak periods.

(12) Transit infrastructure and capacity improvements. A summary of new transit infrastructure and capacity improvements in the Plan Area and affecting the Plan Area as projected in the Market & Octavia Plan, including a comparison of that increased and improved transit service relative to the number of new housing units and office space approved during the same period.

(13) Transit Impact Fee. A summary of the use of the transit impact development fee funds, identifying the number of vehicles, personnel and facilities acquired.

- (d) Report. The analysis of the factors under Commercial Space, Housing and Transportation will compare Plan Area trends to existing conditions, Citywide trends, and regional trends, when relevant. The comparisons will indicate the degree that the City is able to accommodate new development as projected within the Plan Area. Based on this data, the Department shall analyze the effectiveness of City policies governing Plan Area growth and shall recommend any additional measures deemed appropriate.

(Added by Ord. 72-08, File No. 071157, App. 4/3/2008)

San Francisco Planning Code Section 341.3

TIME SERIES REPORT

By July 15, 2008, and every fifth year thereafter on July 15th, the report submitted shall address the preceding five calendar years and, in addition to the data described above, shall include a cordon count of the following key indicators:

- (a) Implementation of Proposed Programming. The area plan proposes the implementation of various programs including impact fees for development, parking and curb cuts, residential permit parking reform, shared parking programs, and historic preservation survey. Implementation of said programs shall report the following:

(1) Fees. Monitor expenditure of all implemented fees. Report on studies and implementation strategies for additional fees and programming.

(2) Parking Programs. Report on implementation strategies, including cooperation with relevant agencies, and success of program as implemented.

(3) Historic Preservation Surveys. Report findings of survey. Detail further proceedings with regards to findings of survey work.

- (b) Community Improvements. The Area Plan outlines major community improvements in the areas of open space, transportation, pedestrian realm, and community services. Implementation of improvements will be documented, including a focus on the following:

(1) Transportation Infrastructure and Services. Successful implementation of the Market & Octavia Plan requires that transportation services keep pace with existing and new demands. Citywide efforts to improve transit services, including the Transit Effectiveness Project (TEP), must be implemented in order to provide adequate service to the area. The time series reports shall report on the City's coordination of transit services with projected development, and provide recommendations for balancing transportation infrastructure with projected growth.

(2) Affordable Housing. Development of subsidized housing, below market rate units, off-site inclusionary housing, affordable housing built with in-lieu fee payments, and other types of affordable housing

(3) First Source Hiring. The Department shall cooperate with the First Source Hiring Administration and the CAC to report to the Board of Supervisors on the status of monitoring and enforcement of the First Source Hiring ordinance, Administrative Code Sections 83 et seq. in the Plan Area with the goal of increasing compliance with the First Source Hiring requirements. The Planning Department, First Source Hiring Administration, and CAC shall report to the Board on the compliance of ongoing commercial operations subject to the requirements of the First Source Hiring ordinance in addition to the compliance of the initial developer of the property.

- (c) Planning Code Performance. Better Neighborhoods plans aim to clarify development proceedings, thus reducing the number of variances, articulating conditional use processes, and facilitating the development process. The permit process in the Plan Area and Citywide will be evaluated.

(Added by Ord. 72-08, File No. 071157, App. 4/3/2008)

APPENDIX B. LISTS AND TABLES

Table BT-1
Land Use Distribution, Market & Octavia and San Francisco, 2008

| Land Use | Market Octavia | | San Francisco | | Market Octavia as % of San Francisco |
|-------------------------------------|-------------------|----------------|--------------------|----------------|--------------------------------------|
| | Area Sq Ft (000s) | % Distribution | Area Sq Ft (000s) | % Distribution | |
| Residential | 5,029.0 | 42.8% | 418,844.2 | 40.5% | 1.2% |
| Mixed Residential | 1,124.0 | 9.6% | 52,162.1 | 5.0% | 2.2% |
| Office | 925.8 | 7.9% | 17,623.4 | 1.7% | 5.3% |
| Retail/ Entertainment | 838.3 | 7.1% | 25,764.3 | 2.5% | 3.3% |
| PDR/Light Industrial | 443.8 | 3.8% | 48,370.4 | 4.7% | 0.9% |
| Cultural, Educational, Institutions | 1,301.8 | 11.1% | 88,567.7 | 8.6% | 1.5% |
| Hotel/Lodging | 57.6 | 0.5% | 3,363.4 | 0.3% | 1.7% |
| Mixed Uses | 420.0 | 3.6% | 12,031.8 | 1.2% | 3.5% |
| Public/Open Space | 565.1 | 4.8% | 267,860.1 | 25.9% | 0.2% |
| Vacant | 1,053.1 | 9.0% | 76,995.2 | 7.4% | 1.4% |
| Right of Way | 1.0 | 0.0% | 22,208.1 | 2.1% | 0.0% |
| Totals | 11,759.6 | 100.0% | 1,033,790.7 | 100.0% | 1.1% |

List BL-1
Commercial Development Projects Completed, Market & Octavia 2005-2009

| Address | Mixed Use No of Units | Total Gross Sq Ft | CIE | MED | MIPS | PDR | RET | VISIT |
|-----------------|-----------------------|-------------------|----------------|----------|---------------|----------------|---------------|----------|
| 1 Polk St | 179 | 9,950 | - | - | - | (3,000) | 9,950 | - |
| 77 Van Ness Ave | 50 | 21,200 | - | - | 19,340 | - | 1,860 | - |
| 50 Oak St | - | 75,380 | 55,830 | - | 19,550 | - | - | - |
| 55 Page St | 127 | 6,170 | - | - | - | - | 6,170 | - |
| 299 Dolores St | - | 15,232 | 15,232 | - | - | - | - | - |
| 250 Valencia St | - | 86,800 | 86,800 | - | - | - | - | - |
| Totals | 356 | 214,732 | 157,862 | - | 38,890 | (3,000) | 17,980 | - |

List BL-2

Commercial Development Pipeline, Market & Octavia, Q4 2009

| | Status | Address | Mixed Use No of Units | Total GSF (Commercial) | Office | CIE | Medical | PDR | Retail | Visitor | |
|--------------------------------------|---|------------------------------|--------------------------|---------------------------|---------------|---------------|---------------|----------|----------------|----------|---|
| Entitled Projects | Under Construction | 1844 Market St | 113 | 5,100 | | | | | 5,100 | | |
| | | 231 Franklin St | 33 | 4,980 | - | - | - | - | 4,980 | - | |
| | Building Permit Filed | 580 Hayes St | 90 | 45,632 | - | - | 38,000 | - | 7,632 | - | |
| | | 2210 Market St | 20 | 5,000 | - | - | - | - | 5,000 | - | |
| | | 149 Fell St | 2 | 9,900 | 9,900 | | | | | | |
| | | 299 Valencia St | 44 | 4,440 | - | - | - | - | 4,440 | - | |
| | Planning Approved | 401 Grove St | 70 | 7,000 | | | | | 7,000 | | |
| | | 55 Laguna St | 491 | 3,500 | - | - | - | - | 3,500 | - | |
| | | 1390 Market St | 230 | 17,500 | - | - | - | - | 17,500 | - | |
| | | 1960-1998 Market St | 115 | 9,000 | | | | | 9,000 | | |
| | Sub-Totals - Entitled | | | 1,208 | 112,052 | 9,900 | - | 38,000 | - | 64,152 | - |
| | Projects Not Yet Entitled / Under Review | Under Planning Review | 746 Laguna St | 143 | 19,620 | 19,620 | - | - | - | - | - |
| 1540 Market St | | | 180 | 34,091 | 15,281 | | | | 18,810 | | |
| 205 Franklin St | | | - | 35,000 | - | 12,000 | | | 23,000 | | |
| 2175 Market St | | | 60 | 7,300 | - | - | - | - | 7,300 | - | |
| 102-104 Octavia St | | | 20 | - | - | - | - | - | - | - | |
| 25 Dolores St | | | 46 | - | - | - | - | - | - | - | |
| 4 Octavia St | | | 49 | 3,530 | | | | | 3,530 | | |
| 2001 Market St | | | 72 | 29,715 | | | | | 29,715 | | |
| Building Permit Filed | | 1 Franklin St | 35 | 2,378 | | | | | 2,378 | | |
| | | 445 Waller St | 2 | - | | | | | | | |
| | | 543 Grove St | 3 | - | - | - | - | - | - | - | |
| | | 200 Dolores St | 13 | - | | | | | | | |
| | | 300 Octavia St | 16 | - | | | | | | | |
| | | 447 Linden St | 2 | - | | | | | | | |
| | | 1845 Market St | 2 | - | - | - | - | - | - | - | |
| | | 360 Octavia St | 16 | 1,000 | | | | | 1,000 | | |
| Sub-Totals Projects Not Yet Entitled | | | 659 | 132,634 | 34,901 | 12,000 | - | - | 85,733 | - | |
| Totals | | | 1,867 | 244,686 | 44,801 | 12,000 | 38,000 | - | 149,885 | - | |

List BL-3

Major Residential Development Completed, Market & Octavia, 2005-2009

| | Street Address / Project Name | Total Units | Affordable Units | Unit Mix | Tenure Type | Initial Sales Price or Rental Price |
|------|---|-------------|------------------|---|-------------|-------------------------------------|
| 2005 | - | - | - | - | - | - |
| 2006 | 270-84 Valencia St | 24 | 3 BMR | 24 - 2 BR | Owner | \$335,956- \$336,251 ((BMR) |
| | 8 Landers St | 14 | 1 BMR | 1 BR | Owner | \$223,776-\$248,776 (BMR) |
| 2007 | 881 Turk St Parkview Terrace Central Fwy Parcel A | 101 | 101 | 59 - Studios 42 - 1 BR | Rental | |
| | 368 Elm St | 28 | 3 BMR | 5 - Studios 7 - 1 BR 16 - 2 BR | Ownership | |
| 2008 | 1 Polk St / Argenta | 179 | 9 BMR | 24 - Studios 116 - 1 BR 39 - 2 BR | Rental | |
| | 55 Page St / The Hayes | 127 | 17 BMR | 23 - Studios 62 - 1 BR 42 - 2 BR | Ownership | \$339,000 -\$720,000 |
| | 525 Gough | 21 | 3 BMR | | Ownership | |
| 2009 | 77 Van Ness Ave | 50 | 5 BMR | 5 - Studios 25 - 1 BR 10 - 2 BR | Ownership | |
| | 480 14th St | 12 | 1 BMR | 9 - 2 BR 3 - 3 BR | Ownership | \$799,000 |

List BL-4

Residential Development Pipeline, Market & Octavia, Q4 2009

| | Development Status | Address | Units | Mixed Use |
|----------------|---|--------------------------|-------|-----------|
| ENTITLED | Construction | 261 Octavia St | 15 | |
| | | 1844 Market St | 113 | x |
| | | 231 Franklin St | 33 | x |
| | | 85 Brady St | 7 | |
| | | 126 Guerrero St | 3 | |
| | Building Permit Approved / Issued / Re-Instated | 45 Belcher St | 1 | |
| | | 365 Fulton Street | 120 | |
| | | 476 Linden St | 2 | |
| | | 435 Duboce Av | 5 | |
| | | 701 Golden Gate Av | 100 | |
| | BP Filed | 467 Duboce Av | 2 | |
| | | 580 Hayes St | 90 | x |
| | | 2210 Market St | 20 | x |
| | | 149 Fell St | 2 | x |
| | | 85 Brosnan St | 3 | |
| | | 335 Oak St | 16 | |
| PL Approved | 299 Valencia St | 44 | x | |
| | 55 Laguna Street | 491 | x | |
| | 1390 Market St | 230 | x | |
| | 1960-1998 Market St | 115 | x | |
| UNDER REVIEW | Planning Filed | 401 Grove Street | 70 | x |
| | | 746 Laguna St | 143 | x |
| | | 1540 Market St | 180 | x |
| | | 205 Franklin St | - | x |
| | | 2175 Market St | 60 | x |
| | | 102 - 104 Octavia Street | 20 | |
| | | 25 Dolores St | 46 | |
| | | 4 Octavia St | 49 | x |
| | BP Filed | 2001 Market St | 72 | x |
| | | 1 Franklin St | 35 | x |
| | | 445 Waller St | 2 | |
| | | 543 Grove St | 3 | |
| | | 200 Dolores St | 13 | |
| | | 300 Octavia St | 16 | |
| | | 447 Linden St | 2 | |
| 1845 Market St | 2 | | | |
| 360 Octavia St | 16 | x | | |

List BL-5

List of Affordable Housing, Household Income Target and Funding Source, Market & Octavia, 2005-2009

| Year Built | Address | No of Affordable Units | Household Income Target | Tenure Type | Funding Source or Program |
|------------|-----------------|------------------------|-------------------------|-------------|------------------------------------|
| 2005 | n/a | - | n/a | n/a | n/a |
| 2006 | 270 Valencia St | 3 | Moderate | Homeowner | Inclusionary Affordable Housing |
| | 8 Landers St | 1 | Moderate | Homeowner | Inclusionary Affordable Housing |
| 2007 | 881 Turk St | 101 | Very Low | Rental | San Francisco Redevelopment Agency |
| | 368 Elm St | 3 | Moderate | Homeowner | Inclusionary Affordable Housing |
| 2008 | 55 Page St | 17 | Low | Rental | Inclusionary Affordable Housing |
| | 1 Polk St | 9 | Moderate | Homeowner | Inclusionary Affordable Housing |
| | 527 Gough | 3 | Moderate | Homeowner | Inclusionary Affordable Housing |
| 2009 | 77 Van Ness Ave | 6 | Moderate | Homeowner | Inclusionary Affordable Housing |
| | 480 14th St | 1 | Moderate | Homeowner | Inclusionary Affordable Housing |
| Totals | | 144 | 101 | | San Francisco Redevelopment Agency |
| | | | 43 | | Inclusionary Affordable Housing |

List BL-6

Central Freeway Parcels, Zoning and Housing Development Capacity

| Parcel | Address | Area Sq Ft | Zoning | Height Limits | Potential Unit Capacity* |
|--------------|---------------------|------------|---------------|---------------|--------------------------|
| B | 732 Golden Gate Ave | 18,308 | NCT-3 | 50-X | 44 |
| D | 620 McAllister St | 10,937 | NCT-3 | 50-X/85-X | 32 |
| E | 627 McAllister | 22,000 | NCT-3 | 50-X | 54 |
| E-st | 10 Ash St | n/a | NCT-3 | 50-X | 14 |
| F | 344 Fulton St | 28,714 | NCT-3 | 65-X | 86 |
| H other | 501 Gough St | n/a | NCT-3 | 40-X/50-X | 10 |
| J | | 17,508 | Hayes NCT | 40-X | 32 |
| K | 350 Linden St** | 19,500 | Hayes NCT | 40-X/50-X | 26 |
| L | 370 Fell St** | 13,595 | Hayes NCT | 50-X | 14 |
| O | 427 Fell St** | 37,426 | RTO | 40-X/50-X | 81 |
| P | 300 Oak St** | 49,497 | Hayes NCT/RTO | 40-X/50-X | 110 |
| R | 279 Oak St | 10,497 | Hayes NCT | 50-X | 8 |
| S | 180 Page St | 10,500 | Hayes NCT | 50-X | 8 |
| T | 140 Octavia Blvd | 13,211 | Hayes NCT | 50-X | 16 |
| Total | | | | | 535 |

* Assumes ground floor retail on all except for O & P, 25% rear yards, 10' floors, 1000 sf units, & 80% efficiency.

** Temporary urban farms.

APPENDIX C. MARKET AND OCTAVIA COMMUNITY IMPROVEMENTS NEIGHBORHOOD PROGRAM

SEC. 326.3. - APPLICATION.

- (a) Program Area. The Market & Octavia Community Improvements Neighborhood Program is hereby established and shall be implemented through district-specific community improvements funds which apply to the following areas:

The Program Area includes properties identified as part of the Market & Octavia Plan Area in Map 1 (Land Use Plan) of the Market & Octavia Area Plan of the San Francisco General Plan.

- (b) The sponsor shall pay to the Treasurer Market & Octavia Community Improvements Impact Fees of the following amounts:

(1) Prior to the issuance by DBI of the first site or building permit for a residential development project, or residential component of a mixed use project within the Program Area, a \$10.00 Community Improvement Impact Fee in the Market & Octavia Plan Area, as described in (a) above, for the Market & Octavia Community Improvements Fund, for each net addition of occupiable square feet which results in an additional residential unit or contributes to a 20 percent increase of residential space from the time that this ordinance is adopted.

(2) Prior to the issuance by DBI of the first site or building permit for a commercial development project, or commercial component of a mixed use project within the Program Area, a \$4.00 Community Improvement Impact Fee in the Market & Octavia Plan Area, as described in (a) above, for the Market & Octavia Community Improvements Fund for each net addition of occupiable square feet which results in an additional commercial capacity that is beyond 20 percent of the non-residential capacity at the time that this ordinance is adopted.

- (c) Upon request of the sponsor and upon payment of the Community Improvements Impact Fee in full to the Treasurer, the execution of a Waiver Agreement or In-Kind Agreement approved as described herein, the Treasurer shall issue a certification that the obligations of this section of the Planning Code have been met. The sponsor shall present such certification to the Planning Department and DBI prior to the issuance by DBI of the first site or building permit for the development project. DBI shall not issue the site or building

permit without the Treasurer's certification. Any failure of the Treasurer, DBI, or the Planning Department to give any notice under this Section shall not relieve a sponsor from compliance with this Section. Where DBI inadvertently issues a site or building permit without payment of the fee, Planning and DBI shall not issue any further permits or a certificate of occupancy for the project without notification from the Treasurer that the fees required by this Section have been paid or otherwise satisfied. The procedure set forth in this Subsection is not intended to preclude enforcement of the provisions of this Section under any other section of this Code, or other authority under the laws of the State of California.

- (d) Fee Adjustments.

(1) Inflation Adjustments. The Planning Commission may adjust the amount of the development impact fees set forth in the annual fee adjustments on an annual basis before the annual budget is approved. The Market & Octavia Community Improvements Impact Fee adjustments should be based on the following factors: (a) the percentage increase or decrease in the cost to acquire real property for public park and open space use in the area and (b) the percentage increase or decrease in the construction cost of providing these and other improvements listed in § 326.1(E)(a). Fluctuations in the construction market can be gauged by indexes such as the Engineering News Record or a like index. Revision of the fee should be done in coordination with revision to other like fees, such as those detailed in Sections 247, 313, 314, 315, 318, and 319 of the Planning Code. The Planning Department shall provide notice of any fee adjustment including the formula used to calculate the adjustment, on its website and to any interested party who has requested such notice at least 30 days prior to the adjustment taking effect.

(2) Program Adjustments. Upon Planning Commission and Board approval adjustments may be made to the fee to reflect changes to (a) the list of planned community improvements listed in § 326.1(D); (b) re-evaluation of the nexus based on new conditions; or (c) further planning work which recommends a change in the scope of the community improvements program. Changes may not be made to mitigate temporary market conditions. Notwithstanding the foregoing, it is the intent of the Board of Supervisors that it is not committing to the implementation of any particular project at this time and changes to, additions,

and substitutions of individual projects listed in the related program document can be made without adjustment to the fee rate or this ordinance as those individual projects are placeholders that require further public deliberation and environmental review.

(3) Unless and until an adjustment has been made, the schedule set forth in this ordinance shall be deemed to be the current and appropriate schedule of development impact fees.

- (e) Option for In-Kind Provision of Community Improvements. The Planning Commission may reduce the Community Improvements Impact Fee described in (b) above for specific development proposals in cases where a project sponsor has entered into an In-Kind Agreement with the City to provide In-Kind improvements in the form of streetscaping, sidewalk widening, neighborhood open space, community center, and other improvements that result in new public infrastructure and facilities described in Section 326.1(E)(a) or similar substitutes. For the purposes of calculating the total value of In-Kind community improvements, the project sponsor shall provide the Planning Department with a cost estimate for the proposed In-Kind community improvements from two independent contractors or, if relevant, real estate appraisers. If the City has completed a detailed site specific cost estimate for a planned community improvement this may serve as one of the cost estimates, required by this clause; if such an estimate is used it must be indexed to current cost of construction. Based on these estimates, the Director of Planning shall determine their appropriate value and the Planning Commission may reduce the Community Improvements Impact Fee assessed to that project proportionally. Approved In-Kind improvements should generally respond to priorities of the community, or fall within the guidelines of approved procedures for prioritizing projects in the Market & Octavia Community Improvements Program. Open space or streetscape improvements, including off-site improvements per the provisions of this Special Use District, proposed to satisfy the usable open space requirements of Section 135 and 138 are not eligible for credit toward the contribution as In-Kind improvements. No credit toward the contribution may be made for land value unless ownership of the land is transferred to the City or a permanent public easement is granted, the acceptance of which is at the sole discretion of the City. A permanent easement shall be valued at no more than 50% of appraised fee simple land value, and may be valued at a lower percentage as determined by the Director of Planning in its sole discretion. Any proposal for contribution of property for public open space use shall follow the procedures of Subsection (6)(D) below. The Planning Commission may reject In-Kind improvements if they do not fit with the priorities identified in the plan, by the Interagency Plan Implementation Committee (see Section 36 of the Administrative Code), the Market & Octavia

Citizens Advisory Committee (Section 341.5) or other prioritization processes related to Market & Octavia Community Improvements Programming.

- (f) Option for Provision of Community Improvements via a Community Facilities (Mello-Roos) District. The Planning Commission may waive the Community Improvements Impact Fee described in (326.3(b) above, either in whole or in part, for specific development proposals in cases where one or more project sponsors have entered into a Waiver Agreement with the City approved by the Board of Supervisors. Such waiver shall not exceed the value of the improvements to be provided through the Mello Roos district. In consideration of a Mello-Roos waiver agreement, the Board of Supervisors shall consider whether provision of Community Improvements through a Community Facilities (Mello-Roos) District will restrict funds in ways that will limit the City's ability to provide community amenities according to the established community priorities detailed in the Market & Octavia Area Plan, or to further amendments. The Board of Supervisors shall have the opportunity to comment on the structure of bonds issued for Mello Roos Districts. The Board of Supervisors may decline to enter into a Waiver Agreement if the establishment of a Mello Roos district does not serve the City or Area Plan's objectives related to Market & Octavia Community Improvements and general balance of revenue streams.
- (g) Applicants who provide community improvements through a Community Facilities (Mello Roos) District or an In-Kind development will be responsible for all additional time and materials costs including, Planning Department staff, City Attorney time, and other costs necessary to administer the alternative to the direct payment of the fee. These costs shall be paid in addition to the community improvements obligation and billed no later than expenditure of bond funds on approved projects for Districts or promptly following satisfaction of the In-Kind Agreement. The Planning Department may designate a base fee for the establishment of a Mello Roos District, that project sponsors would be obliged to pay before the district is established. The base fee should cover basic costs associated with establishing a district but may not account for all expenses, a minimum estimate of the base fee will be published annually by the Planning Department.
- (h) Waiver or Reduction:
- (1) Waiver or Reduction Based on Absence of Reasonable Relationship.
- (A) A project applicant of any project subject to the requirements in this Section may appeal to the Board of Supervisors for a reduction, adjustment, or waiver of the requirements based upon the absence of any reasonable relationship or nexus between the impact

of development and the amount of the fee charged or for the reasons set forth in subsection (3) below, a project applicant may request a waiver from the Board of Supervisors.

(B) Any appeal of waiver requests under this clause shall be made in writing and filed with the Clerk of the Board no later than 15 days after the date the sponsor is required to pay to the Treasurer the fee as required in Section 326.3(b). The appeal shall set forth in detail the factual and legal basis for the claim of waiver, reduction, or adjustment. The Board of Supervisors shall consider the appeal at the hearing within 60 days after the filing of the appeal. The appellant shall bear the burden of presenting substantial evidence to support the appeal, including comparable technical information to support appellant's position. The decision of the Board shall be by a simple majority vote and shall be final. If a reduction, adjustment, or waiver is granted, any change of use or scope of the project shall invalidate the waiver, adjustment, or reduction of the fee. If the Board grants a reduction, adjustment or waiver, the Clerk of the Board shall promptly transmit the nature and extent of the reduction, adjustment or waiver to the Treasurer and Planning Department.

(2) Waiver or Reduction, Based on Housing Affordability or Duplication of Fees. This section details waivers and reductions available by right for project sponsors that fulfill the requirements below. The Planning Department shall publish an annual schedule of specific values for waivers and reductions available under this clause. Planning Department staff shall apply these waivers based on the most recent schedule published at the time that fee payment is made.

(A) A project applicant subject to the requirements of this Section who has received an approved building permit, conditional use permit or similar discretionary approval and who submits a new or revised building permit, conditional use permit or similar discretionary approval for the same property shall be granted a reduction, adjustment or waiver of the requirements of Section 326 of the Planning Code with respect to the square footage of construction previously approved.

(B) The Planning Commission shall give special consideration to offering reductions or waivers of the impact fee to housing projects on the grounds of affordability in cases in which the State of California, the Federal Government, the Mayor's Office of Housing, the San Francisco Redevelopment Agency, or other public subsidies target new housing for households at or below 50% of the Area Median Income as published by HUD. This waiver clause intends to provide a local 'match' for these deeply subsidized units and should be considered as such by relevant agencies. Specifically these

units may be rental or ownership opportunities but they must be subsidized in a manner which maintains their affordability for a term no less than 55 years. Project sponsors must demonstrate to the Planning Department staff that a governmental agency will be enforcing the term of affordability and reviewing performance and service plans as necessary, usually this takes the form of a deed restriction. Projects that meet the requirements of this clause are eligible for a 100 percent fee reduction until an alternative fee schedule is published by the Planning Department. Ideally some contribution will be made to the Market & Octavia Community Improvement Program, as these units will place an equal demand on community improvements infrastructure. This waiver clause shall not be applied to units built as part of a developer's efforts to meet the requirements of the Inclusionary Affordable Housing Program, and Section 315.

(C) The City shall make every effort not to assess duplicative fees on new development. This section discusses the method to determine the appropriate reduction amount for known possible conflicts. In general project sponsors are only eligible for fee waivers under this clause if a contribution to another fee program would result in a duplication of charges for a particular type of community infrastructure. Therefore applicants may only receive a waiver for the portion of the Market & Octavia Community Improvements Fund that addresses that infrastructure type. Refer to Table 2 for fee composition by infrastructure type. The Planning Department shall publish a schedule annually of all known opportunities for waivers and reductions under this clause, including the specific rate. Requirements under Section 135 and 138 do not qualify for waiver or reductions. Should future fees pose a duplicative charge, such as a Citywide open space or childcare fee, the same methodology shall apply and the Planning Department shall update the schedule of waivers or reductions accordingly. Additionally the City should work to ensure that fees levied on development in the Plan Area through other fee programs should be targeted towards improvements identified through the Market & Octavia Plan, especially fees that allow project sponsors to obtain a waiver from the Market & Octavia Community Improvement's Fund.

- (i)
- (ii) Applicants that are subject to the downtown parks fee, Section 139 can reduce their contribution to the Market & Octavia Community Improvements Fund by one dollar for every dollar that they contribute to the downtown parks fund, the total fee waiver or reduction granted through this clause shall not exceed 8.2 percent of calculated contribution for residential development or 13.8 percent for commercial development.

(Added by Ord. 72-08, File No. 071157, App. 4/3/2008)

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**Market/Octavia Plan
Community Advisory Committee's
SUPPLEMENTAL REPORT**

**to the
San Francisco Planning Department's
*Market & Octavia Plan
Monitoring Report, 2005-2009*
November 2010**

**Supplement prepared by the
Community Advisory Committee**

**Adopted
January 19, 2011**

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EXECUTIVE SUMMARY

The Market Octavia Community Advisory Committee is pleased to offer this supplement to the Planning Department's 5-year monitoring report on the implementation of the Market Octavia Plan. The CAC supports the rationale of the Department to provide a baseline on which future development will be measured. The economic crisis has stymied activity with virtually no developments completed from Plan adoption to date. However, in the 2-plus years of development entitlements and development process legislation (fee deferrals) to spur development, there are some trends and unintended consequences that are of concern. We make recommendations to address these issues.

Policy Consequences

Inclusionary Housing

“Without rendering new projects infeasible, increase affordable housing on market rate residential and commercial development projects to provide additional affordable housing” was one of the goals of the Housing policies (2.2.7) for the Market Octavia Plan. While the affordable housing fees imposed on developers to keep affordable housing onsite is less than the requirement of providing affordable housing offsite, we are concerned with the recent trend of developers choosing not to provide affordable housing onsite but instead to “fee out.” We have passed a resolution recommending that the Department and Commission actively monitor and discourage this practice.

Mayor's Fee Deferral Program

We supported the Mayor's fee deferral program in concept and understand its intent to stimulate development during the worst credit crunch in 85 years; however, we are disturbed at one of the unintended consequences of its implementation. As mentioned above, it is the policy of the Plan to provide affordable housing with market rate developments in the Plan area; however, the Mayor's fee deferral program actually drives developers to “fee out” of the affordable housing requirements by giving a preference to developers who choose to do so by deferring their having to pay these fees until after occupancy; whereas the fees for the onsite development must be paid initially at the time of construction. So, developers who include affordable housing onsite—in furtherance of the goals of the Plan—are distinctly disadvantaged.

Additionally the fee deferral program has significantly delayed the funding of the Community Improvements Program. We recommend that the Planning Commission and the Board of Supervisors reconsider the formula for such deferrals to balance the need to mitigate some of the financial difficulties that developers face against the harm that results with significantly delayed funding of the Community Improvements Program.

City Service Levels linkage to new development

OBJECTIVE 5.1 of the Plan states: “Improve public transit to make it more reliable, attractive, convenient, and *responsive to increasing demand*” [emphasis added].

“Smart Growth” works best when the services demanded by additional development are completed at or before the time that new development is completed. We have seen

recently (with MUNI cuts) that service level decisions are made independently of the Planning process. We recommend that the Planning Commission and Board of Supervisors be formally assured by the Department and Traffic, by the MTA, DPW and PUC that the necessary infrastructures will be in place before and able to handle the projected growth resulting from these new developments.

City Backed Bridge Loans for Shovel Ready Community Improvements Projects (CIP)

The CAC also supports the concept of city backed bridge financing to jump start “shovel ready” community improvement projects.

Conditional Use and Variance Requests

The Market Octavia Plan’s POLICY 2.2.6 states: “Where possible, simplify zoning and Planning controls to expedite the production of housing. Planning code policies and project review procedures can sometimes create uncertainty and ultimately raise the costs of new housing. For projects that respond to the goals and meet the standards of this plan, the permitting process should be simple and easy to administer. With clear zoning controls and urban design guidelines in place, discretionary actions requiring a Planning Commission hearing will be avoided where possible. Consistency with the policy and intent of this plan should be the primary factor in deliberations.”

We have observed a trend in development proposals exceeding Plan standards both for routine Conditional Use requests for increased parking as well as for variance requests for rear yard setback requirements. We recommend that the Planning Commission establish stronger criteria for evaluating these requests and state their rationale for each exception, so that these projects can be more rigorously scrutinized by staff and the community to see how they meet the intent of the Plan, and its continuing adaptation to new trends and demands in the city and area.

New Trends

Sustainability

While the Market Octavia Plan focused solely on new construction in the context of promoting sustainability, the Plan must also include historic preservation and the rehabilitation of existing structures. We urge the Planning Department, Planning Commission and Board of Supervisors to focus on a citywide strategy of sustainability for the rehabilitation of existing structures through the multiple large-scale neighborhood plans. The CAC also needs to create new Sustainability criteria for evaluating Community Improvement Projects.

Car Sharing

The 5th Policy of the Plan is Balancing Transportation Choices and **Policy 5.4.7** states: “Support innovative mechanisms for local residents and businesses to share automobiles.”

Car sharing acceptability and growth has increased dramatically since the inception of the Plan. The City should help accelerate the growth of car sharing (nonprofit, corporate, and personal) through increased accessibility and incentives. Further, as alternative fuel

vehicles become more numerous, vehicle recharging options must be promoted and increased.

Vehicle Size

Plan Objective 5.4 states: “Manage existing parking resources to maximize service and accessibility” and **Policy 5.4.1** puts forth considering revisions to the Residential Parking Permit (RPP) program that make more efficient use of the on-street parking supply.”

A “One size fits all” parking management approach does not suit our dense urban living condition. We feel that the city could promote the use of smaller more compact vehicles through more efficient use of on-street parking to cater to smaller compact vehicles. Other creative ways to encourage the use of fuel-efficient compact cars should also be explored.

Bicycle Use

Plan Objective 5.5 supports “Establishing a bicycle network that provides a safe and attractive alternative to driving for both local and citywide travel needs.” **Policy 5.5.3** supports the expansion of opportunities for bicycle commuting throughout the city and region.

Bicycling is a viable mode of transportation. San Francisco can look to other cities—such as Copenhagen, Amsterdam, and Portland—which have been very successful in promoting bicycle use through bike sharing and secured, dense bicycle parking. We urge the city not only to consider bicycles when making development project decisions but also to explore creative ways to encourage and make accessible bicycles as a cost effective, zero-carbon mode of transportation, including non-polluting electric bicycles. Bicycle sharing should be enhanced both locally and regionally.

Vehicle Fueling Options

Plan Objective 05 discusses balancing transportation choices stating that 40% of the residents in the Plan Area do not own an auto. That being said, the remaining 60% do. Car ownership in the Plan area is a fact of life for years to come. One of the unintended consequences of converting gasoline stations on Market Street (4 of 5 stations have development activity) to housing above retail is that residents of a large portion of the Plan area will have to drive to other neighborhoods to refuel (or recharge) their vehicle. Service stations will still be needed for residents of the Plan area for refueling or recharging. Careful foresight by the Commission and Department must consider integrating such future multi-purpose stations into developments and into the Area.

Functioning of the Community and Committee

Promotion, Partnership and Recognition

The Market Octavia Plan must be promoted and publicized not only to developers but also to private citizens in the Plan area. Developers should meet with community and neighborhood groups. The Market Octavia Community Advisory Committee's website < <http://www.sf-planning.org/index.aspx?page=1700> > is a tool to be used to promote other relevant government services and programs for our community. To do so, however, it needs a simplified URL (or alias)—e.g., “Market Octavia Community.org”. Lastly it would be beneficial to create an annual recognition program for individuals and businesses that contribute to the livability of our community.

Recommendations for Improving the CAC

We offer the following major recommendations to increase the efficiency and effectiveness of the functioning of the CAC itself.

Additional categories are needed to for evaluating Community Improvement Program (CIP) projects. Among these are:

- **Historical/Cultural/Educational**

Such a category is in keeping with the policy and objectives of the Plan:

Policy 1.1.6 of the Plan states: “Preserve and enhance the role of cultural and educational institutions in the plan Area.

and

Objective 3.2 states: “Promote the preservation of notable landmarks, individual historic buildings, and features that help to provide continuity with the past.”

Further, the CAC believes that the following two additional categories are required to meet the goals, the purposes, and the spirit of the Plan:

- **Local Economic Development**
- **Green (Sustainable/Efficient) Energy**

The Department's monthly/quarterly project pipeline reports to the CAC should be enhanced so that the CAC can better understand proposed projects in relation to Plan goals and objectives. The CAC should specifically be informed of staff/developer conversations and the rationale behind staff requests to modify plans and supplementary reports. Only in this way can the CAC evaluate how well these actions implement the Plan and provide insights and recommendations for improved execution.

To increase the transparency of the CAC we recommend that neighborhood associations and community groups be notified when minutes of our meetings are posted to our website. Increased awareness and visibility could lead to community feedback and suggestions on additional new CIP projects.

To increase the effectiveness of all CACs, they should coordinate and collaborate (as we do with Eastern Neighborhood's CAC) and they should be notified of resources (books,

publications, articles, online material) and institutions which help citizens efficiently and effectively perform their CAC duties.

CAC Recommendations for future Monitoring Reports

The purpose of the Annual report (per Planning Code 341.2) is to explain:

- Extent of development in the Market Octavia Plan Area
- Consequences of that development
- Effectiveness of the policies set forth in the Plan in maintaining San Francisco's environment and character
- Recommendations for measures deemed appropriate to deal with the impacts of neighborhood growth

We offer numerous detailed suggestions for data to be included in future reports in each of the categories above.

The Market/Octavia Plan's Community Advisory Committee

| | |
|-----------------------------|--|
| Peter Cohen, Chair | Dennis Richards |
| Jason Henderson, Vice Chair | Marius Starkey |
| Ted Olsson, Secretary | Ken Wingard |
| Carmela Gold | David Winslow |
| Robin Levitt | Kearstin Dischinger, <i>ex officio</i> |

SECTION ONE POLICY CONSEQUENCES

1. INCLUSIONARY HOUSING

The CAC recently adopted a resolution (included here as **Appendix 2.4**) stating its strong preference for inclusionary housing units to be included onsite within the development projects in the MOP neighborhoods. If that is somehow infeasible, then the below-market inclusionary units should be constructed offsite but within the Plan area, in very close proximity to the development being proposed. The recent trend of project sponsors to “fee out” on their inclusionary housing requirement rather than creating actual affordable housing units onsite is a disturbing trend for the CAC and one which the CAC recommends the Department staff and Planning Commission should actively monitor and discourage. In the absence of inclusionary housing locally in the neighborhoods of the MOP, there is no other affordable housing planned for in the entire Market-Octavia Plan. As the resolution notes:

- The spirit and policy intent of the Market and Octavia Plan includes providing low- and middle-income affordable housing within new development in the Market and Octavia Plan Area.
- Affordable housing is critical for diversity and economic well-being within the Market/Octavia Plan Area.
- Affordable housing is part of a complete community, and the goal of the Market and Octavia Plan is to create complete communities.
- Affordable housing is an investment in the community including the Market and Octavia Plan Area.

2. FEE DEFERRAL PROGRAM

At its September 23rd meeting this CAC passed a unanimous resolution indicating our preference for onsite affordable housing, advising developers that we were not likely to approve any development which proposed offsite affordable housing.

We are beginning to discover the implications of the new rules for so-called “fee deferrals.” If it is true that developers proposing in-lieu fees for their inclusionary affordable housing requirement (so-called “fee-outs”) can defer impact fees until occupancy, whereas others who might consider incorporating such housing into their projects now face a comparatively unfavorable financial option by directly absorbing those costs, then it is predictable that developers will increasingly choose the in-lieu fee deferral method.

The fee deferral program also now makes it very difficult for funding of the Area Plan’s Community Improvement Program (CIPs) projects, since for at least three years there will be little contribution to the Market-Octavia Fund other than a small percentage for the planning and design of improvements (but not funds for actual implementation). The philosophical basis for these community improvements fees and the inclusionary onsite policy preference is to have the public infrastructure and amenities and affordable housing in place in pace with the MOP’s stimulated development and the area’s growing population. The CAC recommends that the Planning Commission and the Board of Supervisors reconsider the formula for such deferrals so as not to defeat or harm the purpose of the community benefits fees contributions required of developers for the impacts of their projects while at the same time mitigating the difficulties which these developers face by in order to complete their projects.

3. CITY SERVICE LEVELS LINKED TO NEW DEVELOPMENT

The City must complement expectations of private developers creating green building practices by linking civic infrastructure investments with development activity. In the same way that the CAC must plan for community improvements projects before the anticipated impact from the developments’ density, the CAC recommends that the Planning Commission and Board of Supervisors also be assured by DPW and PUC that infrastructure systems are in place to handle this population density that are forward-looking rather than relying on antiquated legacy systems which will be strained and break after such a burden is imposed upon them. Similarly the MTA should be able to improve and expand the transit infrastructure in relation to development and

growth in the Plan Area. Once again, the MOP must be seen as one significant piece—though a model—within a coordinated upgrade of city infrastructure linked to areas of planned for stimulated development.

The City is poised for one of the largest development booms (with Mission Bay, Eastern Neighborhoods, Transbay Center, Treasure Island, Market-Octavia, and many others) since the reconstruction following the 1906 earthquake. The Association of Bay Area Governments is expecting 40% of all the region's housing growth over the next seven years to occur in the three cities of San Francisco, Oakland and San Jose—our city's share alone would be tens of thousands of housing units. That is characterized as a “smart growth” regional vision, but the pragmatic reality is that will only be smart if the necessary infrastructure to accommodate that growth is directly linked to the pace of development and if the affordability of the housing growth reflects the city Housing Element's stated needs for the diversity of household incomes and types. The CAC assumes that the City's departments are coordinating all of this, and that is the role specifically of the “Interagency Plan Implementation Committee” (IPIC). However, it is very unclear how, and if, this coordination on infrastructure investments is being addressed by the City. The exchange of information, if not coordination, between community stakeholders across all of these project areas—such as the MOP CAC and the Eastern Neighborhoods CAC and other CACs as may be formed—would seem to be of value for a coherent policy linking infrastructure with development activity.

4. CITY-BACKED BRIDGE LOANS FOR SHOVEL-READY CIPS

With the advent of the Mayor's “fee deferral” program earlier this year, one of the enlightened policies that the CAC had much anticipated was the prospect of the City creating a mechanism and capacity to incent shovel-ready Community Improvements Projects which produce the City's “smart growth” vision for the MOP Area. These so-called “bridge loans” would be at preferentially reduced rates at which the city can borrow money compared to those loans which developers can receive from banks. Unfortunately such a bridge loans program has not yet been created and we strongly encourage that the idea be re-energized in the city administration. If implemented it will be truly win-win thinking which the city's officials and staff along with the CAC's active support will have imaginatively created. In the absence of the Bridge Loan Program, it is imminent that shovel-ready CIP projects will be stalled until long after development projects are completed and occupied.

5. CONDITIONAL USE AND VARIANCE REQUESTS

The monitoring requirements for the Time Series report call for evaluating “Planning Code Performance”. Specifically, Section 341 3(c) says: “Better Neighborhood plans aim to clarify development proceedings, thus reducing the number of variances, articulating conditional use processes, and facilitating the development process. The permit process in the Plan Area and Citywide will be evaluated.” The CAC observes that the trend of development proposals, since the MOP's adoption, routinely includes requests for conditional use to allow excess parking above the MOP Code standards and/or variances from rear yard setback requirements. While discretion is allowed on a case by case basis to decide how a development proposal may best fit with the Plan, the CAC recommends the Planning Commission establish stronger criteria for evaluating these conditional use and variance requests and explicitly justify their decisions so that such variances can be more rigorously scrutinized by both department staff and the community, and so that project sponsors clearly understand that exceptions requested, and granted, to the MOP Planning Code standards should indeed be the exception rather than common practice.

SECTION TWO NEW TRENDS

2.1 Sustainability

There is little policy in the Market-Octavia Plan that requires developers' projects and the entire area to be a model of sustainable energy and resources. While the building codes undoubtedly require project sponsors to comply with the latest codes, we do not stretch ourselves to model wise use.

The MOP includes a category entitled Green. However, in this plan, the term merely refers to gardening amenities. Plantings are important esthetically and in CO₂ transfer; but we are overlooking a much more comprehensive category. While new buildings will be well insulated, what are we doing with existing building stock in the area? It is well-known that conservation of energy is cheaper and more effective than the generation of energy, but what incentives are there for acquisition and rehabilitation of existing structures to retrofit for conservation. This could be a dual strategy to complement the MOP's focus on new construction. The MOP is perfectly situated as a model within the city to accomplish this.

The CAC urges that the Board of Supervisors, Planning Department, PUC, and Department of the Environment focus their city-wide strategic perspective to benefit from *the comprehensive compounding effect of the multiple large-scale, neighborhood-wide plans* (e.g., MOP, Eastern Neighborhoods, Treasure Island, Rincon Hill, Vistacion Valley, Balboa Park, and the Transbay Transit Center's environs). For its own part the CAC should create another criterion in judging community improvements projects that recognizes the public benefit of creating and making accessible green/sustainable energy as well as recycling waste and reusing gray water in newly developed buildings and/or for public use in the area. To the extent the CAC also may review some actual development proposals, this could become a criteria for evaluating projects in context of a forward-looking "green" MOP policy framework.

2.2 Car Sharing

In the City's drive for Transit First and reduced parking, a new need has developed during this transitional decade for urban car-sharing. We essentially now have a new car sharing industry, both home grown and national, which may have new players to be accommodated in the future (so that current companies do not have a monopoly). The CAC recommends that the City not merely provide sufficient parking lots for these vehicles to be easily accessible but also should consider some form of parking rate incentive for people using this form of transportation. Also as automotive technology evolves and electricity as a fuel becomes potentially realistic, we should consider how car-share vehicles while parked can pay for and securely be charged. For example, now that our municipal PUC is considering more stringently defining the RFP for a new sustainable energy provider, the city should be considering how cars both can be charged for a fee as well as how they can provide energy into the grid for credit.

A related matter is the shrinking supply of car-sharing parking opportunities in the MOP Area. At the moment all of the remaining gas stations along Market Street between Van Ness Avenue and Castro Street and many of the parking lots offer parking—and therefore public accessibility—to urban car sharing. As these properties are converted for residential development, this reduces the easy availability for the public of this newly developed mode of urban transportation. This matter is not addressed by the MOP policies and we bring it to the Commission's attention.

Finally, it should be noted that providing dual-level parking for car-sharing and providing fuel-charging stations can each be accommodated into larger buildings (as has been done downtown for years).

2.3 Vehicle Size

Another aspect of policy that the CAC recommends the Planning Commission take into consideration for the MOP area is the new trend toward small, compact urban cars. Many of these cars are both small and fuel efficient, sold primarily for urban living. They park in about half the space of large, inefficient cars and SUVs. They are better adapted for cities and offer greater

public parking density, in the same way as the MOP is dedicated to creating population density in multi-unit tall buildings. Consideration could be given to preferential parking for these vehicles or perhaps, instead of making all street parking spaces uniform, the city could make some of them smaller for these cars, in the same way that they set aside specially designated metered parking spaces for motorcycles. Sizing of parking spaces may be a creative strategy to promote efficient use of limited parking resources and specifically cater to needs for a range of vehicle types.

2.4 **Bicycle Use**

The CAC suggests that our city learn from Amsterdam, Copenhagen, Portland and other cities to transform the culture of San Francisco and its citizens into one that accommodates bicycles for health and transportation. The category of bicycles, of course, includes manual bicycles and tricycles as well as electric ones. We should celebrate that our city's bicycle population has grown by 50% during this last three years and that this exponential growth will likely continue. It should be noted that this is even more possible now that the California Public Utility Commission has approved property owners reselling electricity for recharging vehicles and other alternative modes of transportation. Therefore, we need to consider and encourage charging facilities for electric bicycles.

Together with bicycle charging, the MOP should also pilot bicycle sharing, which San Francisco explored when finalists for Muni street shelters also incorporated bicycle sharing in their designs, offered for public viewing at one of City Hall's main floor courts a couple of year's ago. The City is consulting with other Bay Area cities to design a regional plan which would allow for larger public bicycle sharing. The ability to include electric bicycles would extend this service to many more people and may encourage more people to gently explore our natural beauty.

The other aspect that we must tackle, to encourage cycling in the city and along our trails and routes, is security when parking a bike. Currently cyclists secure their bicycles to a tree, cycle parking fixture, or parking meter. As the cycling public increases, the CAC encourages the Planning Commission to consider promoting taller, multilevel, vertical stacking cycle parking fixtures with hooks on several levels to which to attach multiple cycles. However, at an everyday practical level we also need to think of how we can enhance the security of bicycles attached to public fixtures. These bikes are vulnerable to being vandalized or stolen. The point is that to encourage biking in our city, we must think afresh about the security and safety of cycles and their owners. The CAC sees an opportunity to model this in the MOP Area.

2.5 **Vehicle Fueling Options**

Another implication of the Transit First policy embodied in the MOP's attempt to reduce vehicular congestion in the Market Street corridor is the conversion of gas stations for residential development. Four of the five gas stations on Market Street between Van Ness and Castro are scheduled to be demolished and converted into commercial/residential buildings of significant scale. While the CAC supports the policy logic of infill development along the corridor and a more contemporary urban design vision, we recommend that the implications of this trend be evaluated to consider comprehensively where in the future Market-Octavia area residents will have access to purchase fuel. Another aspect of this matter is that service stations are increasingly going to be needed to offer other types of fuels for vehicles. In the short term, for example, the city may soon need a lot more charging stations or electric battery swapping stations. The CAC is cognizant of the potential unintended consequence of *not* planning for the needs of such mundane pragmatic activities like vehicle fueling.

SECTION THREE FUNCTIONING OF THE MOP-CAC

3.1 PROMOTION, PARTNERSHIP AND RECOGNITION

3.1.1 Expect Developers to meet with Neighborhood Associations affected by Developments in the MOP.

The CAC is designed to represent various constituencies in the project area. However, although many of its members are drawn from neighborhood associations and indeed report back to these, that is often no substitute for the developers themselves informing the members of these neighborhoods of their plans for developing the neighborhood and the impacts of their projects. The CAC recommends that the Planning Department staff and the Planning Commission convey the expectation that project sponsors conduct good local outreach to affected neighborhoods. Further, such meetings help the project sponsors understand the cultures and priorities of the specific neighborhood where their projects are located, since the neighborhoods within the Market-Octavia Area differ from each other, which is what gives them their unique characters. The CAC does, however, also have the collective benefit of a shared broader view of activity and trends across the entire Plan Area. We emphasize that doing local outreach the project sponsors should provide the same information to each neighborhood association, rather than—as can be the case—trying to pit one neighborhood’s support against another’s opposition. Perhaps the CAC itself should sponsor a forum where the developer can explain his project’s plans to all members of the Plan area. The CAC recommends that as the Planning Department continues to build its new database, it could notify these local organizations of projects affecting their neighborhoods—a customized pipeline report. Obviously the earlier the alerts may be offered the more useful they are and the more the department staff can learn of the neighborhoods’ feedback and accommodate these in the future policies or plans.

3.1.2 Promote Government Access and Outreach through MOP website

One idea that the CAC suggests be explored is to somehow utilize the Market-Octavia Plan website as a space/resource where government services can publicize their relevant programs for the MOP Area and bring their services to the public. This might be a place where, for example, the Department of Environment can teach citizens in the MOP neighborhoods about residential toxics and how to counteract these; the Department of Public Health can explain policies and procedures about vaccinations, or the SFFD can explain about NERT programs to help the public prepare for catastrophes. Aside from the particular content, the main point is that the city could use the momentum and duration of the MOP and other major defined Area Plans to regularly help local citizens with government access and to appreciate the services, useful information, programs and volunteer opportunities available.

3.1.3 Create Annual Plan Area Recognition.

Another idea that the CAC suggests be explored is to encourage the formation of a broad public collaboration from the Market-Octavia Area neighborhoods to administer annual awards—for example, to the businesses and individuals who contributed during the preceding year in beautifying/maintaining the area; who have the most creative window displays or services; new artworks or public works which enhance the area; developers of “model” projects; city agency staff who led successful implementation of community improvements projects; etc. There could even be a public day of recognition for the many people whose efforts help advance the policies of the Market-Octavia Plan.

3.2 RECOMMENDATIONS

3.2.1. CAC RECOMMENDATION—CIP Projects Evaluation & Ranking categories

Potential CIP projects for evaluation need to be refreshed each year before the CAC updates its annual priority recommendations. The Market/Octavia Plan’s (MOP) Community Improvement Program (CIP) presented an initial list of potential projects—a list prepared more than five years ago; however, the projects list needs to be dynamic to reflect opportunities and needs as the Plan evolves over time. Further, to prioritize all CIP projects, the CAC annually must

receive the following specific information from the Planning Department: 1) the cost of each project must be current; 2) the CIP Funds Budget must be accurate; 3) the history and location of all expenditures of funds on projects must be known (as well as which projects have been completed on time/budget and which require additional funds); and 4) since the Funds Budget can only currently fund 1/3 of the original projects—in order to be able realistically to prioritize and fund CIP projects, the Department must inform the CAC of the source of the remaining 2/3 of the funds and the probability of receiving these. (See Section 2, item 1 for a schedule of the new annual process. The CAC encourages CIP project recommendations from the whole Market/Octavia community to evaluate and consider for priority recommendations: see Appendix 4). Ultimately all of this CIP and budget material must be posted on our CAC website.

Further, the CAC also needs to incorporate additional categories into its (Community Improvement Program) Priority Projects evaluations:

- 1) an **Historical/Cultural/Educational category**
- 2) a **Local Economic Development category**
- 3) a **Green (Sustainable/Efficient) Energy category**

This requires minor amendments to the MOP to add these categories to the program description. This will be a CAC goal for the coming year to bring to the Commission before the second Annual Report review. This recommendation addresses citywide policies which other agencies (e.g., MTA; Environment Dpt.) are implementing today. The larger issue is that our CAC should know of and cooperate with other city agencies that are implementing the city's visionary plans in order to make the MOP Area of the future consistent with these critical issues for San Francisco.

The Historical category raises special concerns. Already one of the community improvement projects in MOP Appendix C—the plaza around the Spanish-American War monument at Dolores and Market Streets—fits under this Historical category. A number of other public objects (current and future) may also fit this category. Historical monuments incur specific restrictions as to what can and cannot be done directly to them or indirectly to their setting.

Tables in the Department's Monitoring Report show the new category "Historical/Cultural/Institutional". The distinction between Educational and Institutional is not clear. We do want to emphasize the significance of education in our community, and not to limit this to schools, but to include public objects and activities.

The CAC's **Green category** should be used to judge all developments and CIP projects on the basis of a wise, sustainable use of energy and appropriate technologies. The CAC should meet with San Francisco's Department of the Environment (and Energy), to align our judgments on MOP developments and CIPs with the City's own priorities for sustainable energy and environmental concerns.

3.2.2. CAC RECOMMENDATION—CAC Agendas, Schedules and Meetings

Our minutes contain a schedule of the purpose of each of our monthly meetings to guide us throughout the year. We recognize that matters of importance intrude upon our schedule, requiring us to adapt our schedules and meetings. The agendas for each month should be realistic in balancing these competing demands assuring that we can complete everything within the allotted time. While in general all meetings are held within two hours, our agendas should also time the various topics and then manage to these limits. CAC members should be assigned homework and committee assignments between meetings. These should be tracked and reported on at the next meeting, as an agenda item (e.g. Old Business, Subcommittee reports, Commitments) to assure that all items are concluded.

3.2.3. CAC RECOMMENDATION—CAC Education

We know from serving on various boards that there are numerous educational resources for helping board members improve themselves and their boards or committees. We assume the same is true for civic volunteers. All members of the CAC certainly have many demands on our time, yet we would be interested to know if there are resources (bibliographies, articles and periodicals, websites and online videos, etc.) that can improve our performance. These could educate any CAC member, especially novices, as well as teach us how others have innovatively and creatively

solved problems, which might be adapted to one's local circumstances. The Department could helpfully supply such a list of resources to members of all CACs.

3.2.4. CAC RECOMMENDATION—Pipeline Report and Review of Development Projects

After serving for more than two years, we are always surprised how much detailed information we learn about the MOP Area from other sources (e.g., local newspapers or websites) than from the Planning Department. At a minimum the Department's monthly Pipeline Report for the CAC should contain all relevant information that the CAC needs to evaluate the current status of all projects in the Area. And by extension, since the CAC tries to maintain transparency for its constituents and all the city's citizens, this exhibit as a regular part of the CAC minutes posted on our website, should inform all citizens of the current status of all developments in the Area. In this way citizens may remain informed and participate in the deliberations of the CAC on this basis.

The Planning Department staff has recently met with both CACs and agreed to new standards for information flow, including project pipeline data, namely:

- Staff will provide development pipeline information and mapping on a quarterly basis (or as published by the Department) extracted directly from the quarterly Pipeline Report, including total fees received.
- Staff will provide a monthly development case report to the CAC, extracted directly from case tracking.
- Staff will provide development fees estimates, including expected fee deferrals on an annual basis.
- Staff will provide infrastructure pipeline on an annual basis, and relevant infrastructure information on a regular basis as projects develop.

The CAC looks forward to implementation of these new standards.

Since the CAC's formation we have expressed an interest in keeping abreast of and possibly reviewing major development plans. The goal in looking at individual development projects is not to duplicate the professional efforts of the Planning Department. It is to understand how these major developments contribute to the larger development pattern, and to understand where they may contribute to larger (positive or negative) trends related to goals of the Plan. The possibility of perhaps even having project sponsors visit the CAC to detail their plans for major developments in the MOP area has been brought up to mixed review.

In our MOP Area more development projects become entitled and our CAC is asked to provide informed guidance on public improvements, policy matters, and implementation monitoring. However, we are not able to do this if the Department does not inform us of its discussions with developers (e.g., the Department's rationale for requiring developers to revise their plans and supplementary reports—such as traffic studies and other impact reports). However, this CAC recognizes that the opinion of the neighborhood association most effected by any development would have decisive weight—the CAC does not intend to take specific "positions" on specific projects, but rather to monitor trends (e.g., "fee-out") and potentially comment on aspects of major development proposals that have policy implications for the MOP Area as a whole.

3.2.5. CAC RECOMMENDATION—Neighborhood Associations notified of Minutes

All neighborhood associations effected by the MOP and its Area, should be informed by email whenever the minutes or other information is posted on the CAC's website. We also emphasize the importance of the Planning Department re-starting the process of reforming its notifications standards for the development of proposals. Specifically, it should finalize and implement the "Universal Planning Notification" (UPN) program that was initiated a year ago but has been on hold for much of this year. In the CAC's own assessment of the Department's project review procedures and environmental review procedures for development proposals within the MOP Area, it is quite clear that irregularities in the notification standards and incomplete information in the notifications themselves continues to be one of the impediments to smoother entitlement processes.

3.2.6. CAC RECOMMENDATION— Public Transparency and Public Input to CAC

Although members of the CAC were selected by the Mayor and the Board of Supervisors to represent specific constituent classes of citizens within the MOP Area, and while they also belong to neighborhood associations effected by the MOP, the real constituents whom the CAC members represent are the citizens of San Francisco and their neighbors in the MOP Area.

All of the CAC meetings are open to the public with time for public comment. And no action can be taken on an item until the public has been notified that the issue is a topic on the agenda of a specific meeting

The Planning Department appropriately hosts the MOP-CAC website: (**Market Octavia Community Advisory Committee**: <<http://www.sf-planning.org/index.aspx?page=1700>>. To meet our obligation for transparency in recording our deliberations, all minutes are posted. CAC members and visitors must submit all exhibits (handouts) as pdfs within the month to the CAC secretary and its webmaster, allowing the public to understand our deliberations in light of the handouts before us.

ALL documents pertaining to the MOP must be available at this website for the public to make informed judgments about the process—i.e., whatever documents are relevant for the public to understand the Plan, its implementation, and whatever contributes to decisions. This means that we must post at our CAC website (or link from it) all of the Department's information and documents used at public meetings as well as links to any discussions before the Planning Commission or any other official body having to do with the MOP area. In particular the complete record of all surveys of the MOP and of neighborhoods within or abutting the MOP area must be published there so that the public has full knowledge of this information.

Finally, Appendix C of the Market/Octavia Plan, the department's suggested list of Community Improvement Program (CIP) projects—developed several years ago now, with costs estimates from the time the Plan was adopted—are listed. However, we encourage and allow citizens of San Francisco—and particularly residents of the area and neighbors—to recommend additional CIP projects. At each annual review these new suggestions together with the official proposed projects are considered and prioritized. (Refer to **Appendix 4** for the CAC's adopted "project suggestion" form, posted on the CAC website.)

**SECTION FOUR
CAC COMMENTS AND RECOMMENDATIONS
FOR FUTURE MONITORING REPORTS**

As stated in the initial paragraph of the San Francisco Planning Code §341.2, the purpose of the Annual Report is to explain:

- 1) the **extent** of development in the Market and Octavia Plan Area
- 2) the **consequences** of that development
- 3) the **effectiveness** of the policies set forth in the Market and Octavia Area Plan in maintaining San Francisco's environment and character
- 4) the **recommendations** for measures deemed appropriate to deal with the impacts of neighborhood growth.

1. REPORT REQUIREMENT 1—EXTENT OF DEVELOPMENT

The current document provides useful benchmark data and an overview of existing conditions in the MOP Area. The monthly pipeline report is also progressively improving. However, this can be improved further by including more robust data, such as:

- 1.1 Tables and Graphs:** The tables in the Monitoring Report are informative. One suggestion is to include the amount and percentage change for each topic or theme.
- 1.2 Grocery Stores:** The food system in the neighborhood is critical to the concept of a “complete” neighborhood. The benchmark data and pipeline data should explicitly describe and map existing and future grocery stores and farmers markets. The document might be even stronger if grocery stores within a ½ mile buffer outside of the plan area are included. At a minimum, grocery stores should be discussed as a separate, stand-alone category in commercial development tables and maps.
- 1.3 Affordable Housing:** It is important for this initial Five Year Monitoring Report and all subsequent annual supplements to indicate how much affordable housing (per developer and per Plan Area) was required to be built, was built onsite, was built offsite in the Plan Area (or elsewhere), and why.
- 1.4 Trends in Housing Costs:** Maps and charts tracking the trends in housing costs (sales and rents) should have been provided as a measure of affordable housing production in the MOP Area. A graph of the period 2005-2009 showing the average rent for the variety of housing solutions (studios, one-bedroom, two-bedroom, etc) would be very informative.
- 1.5 Inventory of Rent-Controlled Units:** An inventory of rent-controlled units would also be very useful.
- 1.6 Central Freeway Parcels:** The monitoring report should have included the temporary uses on the Freeway Parcels. (including Hayes Valley Farm, and the proposal for temporary retail on parcels K & L, at the Hayes and Octavia intersection).
- 1.7 “Curb cut” (driveway) maps:** Curb cut data is important for future deliberations on livable streets, bicycle planning, pedestrian improvements, and transit improvements.
- 1.8 Parking ratios (Conditional Use Permits):** Pipeline reports should monitor the actual parking ratios approved in the permit process, the amount allowed by right, and the amount of parking requested by a project sponsor. This is the issue of Conditional Use (CU) Permits. It would also be useful for CUs to include the explanatory reasons justifying the permission.
- 1.9 Car Sharing:** Car Share pods, number of parking spaces and patterns should be mapped.

1.10 On-street bicycle parking: The report should monitor the existing bicycle parking conditions and recommend expanding bicycle parking.

1.11 Central Freeway/Octavia Circulation Study: The SFCTA Report should be folded into the future monitoring report.

2. REPORT REQUIREMENT 2—CONSEQUENCES OF DEVELOPMENT

2.1 Muni impacts: An extensive discussion of the implications of Muni impacts—such as, service cuts, fare increases, and other service changes—was warranted for inclusion in the monitoring report. The premise of the MOP is to balance development with infrastructure. Transit was key. The Department’s report should have shown the existing capacity of the transit running throughout the MOP and compare it to transit capacity in 2005 & 2008.

2.2 Automobile density: Automobile density (vehicles per square mile) and per capita and household automobile ownership rates should be calculated for the plan area. Maps showing these patterns should be included. These are important trends to track over the long term. One idea is to create a sub-area version of the SFMTA fact sheet:

http://www.sfmta.com/cms/rfact/documents/SFactSheet2009_November2009_FINAL.pdf

2.3 Traffic Noise: The report should discuss increased noise in certain sections of the neighborhood including excessive honking, speeding, and road rage that is impacting the quality of life in the immediate area.

3. REPORT REQUIREMENT 3—MOP POLICIES’ EFFECTIVENESS

Many good ideas in the Market and Octavia Plan have not been sufficiently expedited. Examples include:

3.1 Two-way Hayes Street: The community effort to convert Hayes Street east of Gough from one-way to two-way has been extremely frustrating and it is unclear as to who is in charge or what agency has the final say on converting the street.

3.2 Living Alleyways: A single “living alleyway” (Linden, between Octavia and Gough) has taken a huge amount of citizen time, energy, and money to make minor changes, and is still not done.

3.3 Gough/Hayes crosswalk: Reintroduction of the crosswalk on Gough and Hayes had made it better for pedestrians but the intersection still needs major improvements.

4. REPORT REQUIREMENT 4—RECOMMENDATIONS

The CAC is united in believing that the Department’s Monitoring Report should propose recommendations for these following impacts to growth.

4.1 Moratorium until transit cuts restored: Based on the above discussion of Muni service cuts, it is conceivable that the MOP-CAC could demand a moratorium on all new development permits in the neighborhood until transit capacity is restored and there is evidence of a citywide commitment to expand transit capacity further. The spirit and intent of the plan was transit-oriented development. Reports are now mixed whether existing transit service is at capacity and cannot absorb new growth. The Department’s Monitoring Report should have addressed this issue and proposed alternatives.

4.2 Parking policy: A full discussion of the Parking CU issue should have been explored by the Monitoring Report. The requests for CUs are excessive and often approved without compelling

reasons. Stricter language to reduce if not eliminate parking CUs may be desirable. The Department should examine the impacts of parking CUs upon pedestrians, cyclists and transit.

- 4.3 Retail Gentrification:** The pricing-out of utilitarian, neighborhood-serving retail is a serious issue in the Market and Octavia Plan Area. Neighborhood stores serve their particular neighborhood rather than being so generalized as to become destination stores catering to those beyond the neighborhood. This is part of the complete neighborhood concept on which the MOP is founded. According to this concept, to be a thriving neighborhood one must have sufficient utilitarian stores to serve the immediate needs of the neighbors so that they do not have to leave their own community to satisfy daily needs.

This benchmark should have included—and future monitoring reports should include—some discussion of the rents for commercial space and discuss the implications for “complete neighborhoods” (see Appendix 5). This problem is especially acute in Hayes Valley, where few local neighborhood-serving functions remain due to gentrification. For example since 2005 Hayes Street has had little new neighborhood-serving activity, but an increase in boutique, destination shopping. In early 2010 one of the last remaining neighborhood-serving businesses, a video store, shut down due, in part, to increased rent. The benchmark report should provide graphs showing the increase in commercial rents in the area over the past five years since January 2005. It could also provide maps exhibiting the trends in commercial rents. Given the increase in retail space, it would be useful to know if any unintended consequences had resulted: for example, has the policy helped rents moderate or has it added to the retail space rental vacancy rate.

- 4.4 Bicycling:** The Monitoring Report should have provided solutions to rapidly promote utilitarian cycling throughout the entire plan area in order to provide people with a practical alternative to Muni within the neighborhood and adjacent areas. Responding to Muni cuts over the past five years, many people in the Market and Octavia neighborhood are inclined to walk or bicycle instead of waiting for crowded buses. The distances are reasonable, and there are ways to circumvent steep inclines. Bicycling has increased dramatically throughout the city in the five years covered by the Monitoring Report. Much of this new bicycle traffic traverses the MOP Area and bicycling has tremendous potential in the entire plan area. In parts of this area, the bicycle share for all daily trips is probably close to 10% and could be substantially higher if cheap, quick infrastructure is deployed rapidly but carefully. Many of the streets in the area are very suitable for bicycling and with the exception of some minor improvements, need little change.

SECTION FIVE APPENDICES

- 1 CAC MISSION STATEMENT AND BYLAWS**
 - 1.1 Mission
 - 1.2 Bylaws
- 2 CAC RESOLUTIONS**
 - 2.1 Impact Fees (20Oct2009)
 - 2.2 In-Kind Policy (24Mch2010)
 - 2.3 Fee Deferral (20Aug2010)
 - 2.4 Inclusionary Affordable Housing (22Sep2010)
 - 2.5 Hayes 2-way Project Investment (22Sep2010)
- 3 CAC RECOMMENDED CIP PROJECTS & PRIORITY SCORECARD**
 - 3.1 CAC Recommended CIP Projects
 - 3.2 CAC Priority Scorecard
- 4 PUBLIC’S PROJECT SUGGESTION FORM**
- 5 “COMPLETE NEIGHBORHOODS” CONCEPT**
- 6 PLANNING CODE ANNUAL REPORTING REQUIREMENTS**
 - 6.1 ANNUAL REPORTING REQUIREMENTS (SF PLNG CODE §341.2)—TOPICS
 - 6.2 TIME SERIES REPORT (SF PLNG CODE §341.3)—TOPICS
 - 6.3 MARKET AND OCTAVIA COMMUNITY ADVISORY COMMITTEE (SF PLNG CODE §341.5)

1. APPENDIX— Mission Statement & Bylaws (20May2010)

1.1 Appendix—Mission Statement

Mission Statement

<http://www.sf-planning.org/index.aspx?page=1700>

The Market/Octavia Plan Community Advisory Committee (MOP-CAC) is a representative body that provides advice to the Planning Director, the Interagency Plan Implementation Committee, the Planning Commission, and the Board of Supervisors regarding implementation of the Market/Octavia Plan and the plan’s community improvements. In consultation with the San Francisco Planning Department staff and other relevant professional staff, and informed by criteria established by the committee, the MOP-CAC will prioritize projects in the Plan for community improvements funding. The Committee will also provide advice on the dispersal of project funding to ensure that it is consistent with those criteria. Projects eligible for funding must be ones that are identified in the MOP, that are consistent with the Plan’s goals, objectives and philosophy, and that can be clearly evaluated. The CAC provides continuity over the life of the plan and long-term oversight and guidance of developments in the plan area consistent with the MOP’s spirit and objectives.

1.2 Appendix—Bylaws (20May2010)

**City and County of San Francisco
Planning Department
Market and Octavia Plan
Citizens Advisory Committee
BYLAWS**

<http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=674>

ARTICLE I — Name and Membership

Section 1. **Membership.** In accordance with the provisions of the San Francisco Planning Code Section 341.5, there is hereby established a Market and Octavia Plan Citizens Advisory Committee. San Francisco Planning Code, Section 341.5

Section 2. **Representation.** The Board of Supervisors shall appoint 2/3 of the committee members and the Mayor shall appoint 1/3 of the committee members on the CAC. Both the Board and the Mayor shall appoint members that represent the diversity of the plan area. The Citizens Advisory Committee shall be comprised of 7-11 community members from varying geographic, socio-economic, ethnic, racial, gender, and sexual orientations living or working within the plan area. At a minimum, there must be one representative from each of the geographic areas of the Plan Area. The CAC should adequately represent key stakeholders including resident renters, resident homeowners, low-income residents, local merchants, established neighborhood groups within the plan area, and other groups identified through refinement of the CAC process. San Francisco Planning Code, Section 341.5

Section 3. **Terms.** Each member shall be appointed by the Board and will serve for two-year terms. The Board of Supervisors may renew a member's term. If no appointment is made after the completion of a first, second, or third term, that member shall continue as a voting member until such time as that person is re-appointed or replaced. San Francisco Planning Code, Section 341.5

Section 4. **Attendance.** Members must notify the chair of the Committee in advance of a scheduled meeting if they are unable to attend. The Chair shall determine if an absence is excusable for reasons such as illness, emergency, or scheduled business or personal travel. If a member is absent more than three (3) scheduled meetings in a twelve month period, the Chair of the Committee shall notify the appointing authority.

Section 5. **Vacancies.** When a vacancy or failure to appoint or reappoint occurs for any reason, the Chairperson shall notify the appropriate appointing authority.

Article II — Duties

Section 1. **Purpose.** The CAC will be advisory, as appropriate, to the Planning Director, the Interagency Plan Implementation Committee, the Planning Commission, and the Board of Supervisors. The CAC may perform the following functions as needed:

(A) Collaborate with the Planning Department and Interagency Plan Implementation Committee on prioritizing the community improvement projects and identifying implementation details as part of an annual expenditure program that is adopted by the Board of Supervisors;

(B) Provide an advisory role in a report-back process from the Planning Department on enforcement of individual project's compliance with the Market and Octavia Area Plan standards and specific conditions of project approvals, including the specific first-source hiring requirements for the Plan Area such that those agreements will be more effectively implemented;

(C) Collaborate with the Planning Department in updating the community improvements program at a minimum of every fifth year in coordination with relevant City agencies; Providing input to Plan area monitoring efforts for required time-series reporting.

Section 2. **Mission Statement.**

The Market/Octavia Plan Community Advisory Committee (MOP-CAC) is a representative body that provides advice to the Planning Director, the Interagency Plan Implementation Committee, the Planning Commission, and the Board of Supervisors regarding implementation of the Market/Octavia Plan and the plan's community improvements. In consultation with the San Francisco Planning Department staff and other relevant professional staff, and informed by criteria established by the committee, the MOP-CAC will prioritize projects in the Plan for community improvements funding. The Committee will also provide advice on the dispersal of project funding to ensure that it is consistent with those criteria. Projects eligible for funding must be ones that are identified in the MOP, that are consistent with the Plan's goals, objectives and philosophy, and that can be clearly evaluated. The CAC provides continuity over the life of the plan and long term oversight and guidance of developments in the plan area consistent with the MOP's spirit and objectives.

Section 3. **Duration of the CAC.** The CAC shall be established upon the Board's and Mayor's appointment of members. Terms of membership of the CAC shall be for the terms described in Article I of these Bylaws. The CAC shall remain established for the first 10 years of the Market and Octavia Plan (the "Plan") and subject thereafter to extensions by the Board, but no longer than the plan period of 20 years.

Section 4. **Conflict of Interest.** No member of the CAC shall participate in any decision, which directly or indirectly affects his or her property or economic interests in a manner that is distinguishable from the manner in which the decision affects all other persons or a significant segment of all other persons in the Plan Area.

Section 5. **Termination of Membership.** Membership in the CAC shall terminate in the event that:

- a. The member shall not be, or shall no longer be, a Residential Owner-Occupant, a Residential Tenant, or a Business Owner, or a Representative of an Existing Community Organization within the Project Area; or
- b. The member shall not be, or shall no longer be, a member of that membership category from and for which he or she was elected or designated, unless it is due to circumstances beyond one's control, in which case the affected member will be allowed to finish the elected term; or
- c. The member does not attend two consecutive meetings with unexcused absences or less than 80 percent of the annual meetings; or
- d. The member shall have acted inconsistently with these Bylaws.

Section 6. **Removal of a Member.**

- a. A member may be removed from the membership of the CAC by a majority vote of the members of the CAC present at a regular meeting of the CAC at which a quorum is present if, after a hearing, it is found and determined that any one of the grounds for termination specified in Section 5 of this Article II exists. Prior to taking any action to remove a member, the CAC shall give advance written notice to the member of the proposed grounds for termination and the date of the hearing.
- b. A member may be sanctioned by majority vote of the members of the CAC when: A member disrupts a CAC meeting and/or Committee meeting by not following the procedures as established for the conduct of CAC business. Each occurrence will be recorded in the minutes of the meeting and after the third occurrence the CAC will determine an appropriate action.

Section 7. **Resignation.** Any member of the CAC may resign at any time by giving written notice to the Chairperson, who shall forward such notice to the CAC members, the Planning Department, and the appointing body. Any such resignation will take effect upon receipt or upon the date specified therein. The acceptance of such resignation at a CAC meeting shall not be necessary to make it effective.

Article III — OFFICERS

Section 1. **Officers.** The officers of the CAC shall consist of a Chairperson and a Vice Chairperson, who shall be elected by the Committee annually.

Section 2. **Chairperson Duties.** The Chairperson shall preside at all meetings of the CAC, and shall submit such agenda, recommendations and information at such meetings as are reasonable and proper for the conduct of the business affairs and policies of the CAC. The Chairperson shall sign all correspondence, resolutions, and such other official documents necessary to carry out the business of the CAC.

Section 3. **Vice-Chairperson Duties.** The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In the event of the death, resignation or removal of the Chairperson, the Vice-Chairperson shall assume the Chairperson's duties until such time as the CAC shall elect a new Chairperson.

Section 4. **Election.** The Chairperson and Vice-Chairperson, shall be initially elected from among the members of the CAC at a regular meeting of the CAC. Thereafter, the Chairperson and Vice-Chairperson shall be elected from among the members of the CAC at each annual meeting of the CAC. Such officers of the CAC shall hold office until the next annual meeting following their election and until their successors are elected and in office. Any such officer shall not be prohibited from succeeding himself/herself.

Section 5. **Removal of Officers.** Upon a majority vote of the members of the CAC at a regular or special meeting of the CAC at which a quorum is present, any officer may be removed from office after a written notice of intent, followed by a hearing, and his or her successor is elected.

ARTICLE IV — MEETINGS

Section 1. **Annual Meeting.** Annual meetings of the CAC shall be held on the third Wednesday of April from 6:30pm to 8:30pm, at San Francisco's City Hall, San Francisco, CA 94101, or at such other location as may be designated in advance by the CAC; provided, however, that should the said meeting date be a legal holiday, then any such annual meeting shall be held on the next Wednesday thereafter ensuing which is not a legal holiday. At the annual meetings, officers shall be elected, reports of the affairs of the CAC shall be presented for consideration, and any other business may be transacted which is within the purposes of the CAC.

Section 2. **Regular Meetings.** The regular meetings of the CAC shall be held on the third Wednesday of every month at the hour of 6:30pm in the San Francisco City Hall or at such other location as designated in advance by the Chairperson. In the event that the regular meeting date shall be a legal holiday, an alternate meeting time shall be selected by the Chair, or delayed until the next regular meeting date, at the discretion of the Chairperson. A meeting agenda and other documents necessary for the conduct of the business of the CAC shall be delivered to the members, by electronic mail or regular mail, at least one week prior to the meeting.

Section 3. **Special Meetings.** Special meetings of the CAC may be held upon call of the Chairperson, or of the majority of the members of the CAC, for the purpose of transacting any business designated in the call, after notification of all member of the CAC by written notice delivered personally, electronically, or by mail at least 24 hours before the time specified in the notice for a special meeting. At such special meeting, no business other than that designated in the call shall be considered.

Section 4. **Adjourned Meetings.** Any meeting of the CAC may be adjourned to an “adjourned meeting” without the need for notice requirements of a special meeting, provided said adjournment indicates the date, time, and place of the “adjourned meeting”. CAC members absent from the meeting at which the adjournment decision is made shall be notified by the Chairperson of the “adjourned meeting”.

Section 5. **All Meetings to be Open and Public.** All meetings of the CAC shall be open and public to the extent required by law. All persons shall be permitted to attend any such meeting except as otherwise provided by law. At every meeting, members of the public shall have an opportunity to address the CAC on matters within the CAC’s subject matter jurisdiction.

Public input and comment on matters on the agenda, as well as public input and comment on matters not otherwise on the agenda, shall be made during a time set aside for public comment: provided, however, that the CAC may direct that public input and comment on matters on the agenda be heard when the matter regularly comes up on the agenda. The Chairperson may limit the total amount of time allocated for public discussion on particular issues and/or the time allocated to each individual speaker.

Section 6. **Posting Agendas/Notice.** Staff shall post a notice or agenda for each regular or special meeting of the CAC, containing a brief description of each item of business to be transacted or discussed at the meeting together with the time and location of the meeting. Agendas/notices shall be posted at least 72 hours in advance of each regular meeting and at least 24 hours in advance of each special meeting, on the bulletin board of the Planning Department and the Main Public Library.

Section 7. **Non-Agenda Item Matters.** brought before the CAC at a regular meeting which were not placed on the agenda of the meeting shall not be acted upon by the CAC at that meeting unless action on such matters is permissible pursuant to the Ralph M. Brown Act (Gov. Code s 54950 et seq.). Those non-agenda items brought before the CAC, which the CAC determines, will require CAC consideration and action and where CAC action at that meeting is not authorized shall be placed on the agenda for the next regular meeting.

Section 8. **Quorum.** The powers of the CAC shall be vested in the members thereof in office from time to time. Five of the total members then in office shall constitute a quorum for the purpose of conducting the CAC’s business, exercising its powers, and for all other purposes, but less than that number may adjourn a meeting from time to time until a quorum is obtained. An affirmative vote by a majority of the members present at a regular meeting or special meeting of the CAC at which a quorum is present shall be required for approval of any question brought before the CAC.

Section 9. **Order of Business.** All business and matters before the CAC shall be transacted in conformance with Robert’s Rules of Order (Newly Revised).

Section 10. **Minutes.** The minutes of the CAC shall be in writing. Copies of the minutes of each meeting of the CAC shall be made available to each member of the CAC by at least one week prior to the next meeting. Official minutes of the CAC shall remain in the offices of the City and County of San Francisco Planning Department, 1650 Mission Street, San Francisco, CA 94103, where they will be available to the public, as well as on the CAC website: <http://www.sf-planning.org/index.aspx?page=1700>.

ARTICLE V — REPRESENTATION BEFORE PUBLIC BODIES.

Any official representation on behalf of the CAC before the Commission, The Board, or any other public body, shall be made by the Chairperson, the Vice Chairperson in the Chairperson’s absence, or a member of the CAC specifically so designated by the CAC.

ARTICLE VI — AMENDMENTS

These Bylaws may be amended upon the affirmative vote of a majority of the total membership of the CAC at any meeting of the CAC, provided, however, that no amendment shall be adopted unless at least seven (7) days written notice thereof has previously been given to all members of the CAC. Notice of amendment shall identify the section or sections of the Bylaws proposed for amendment and, if applicable, shall include the proposed replacement wording of the section or sections to be amended.

APPROVED AND ADOPTED

This 20th day of May 2009

MOTION: Moved by Richards, seconded by Henderson

YES: Unanimous: Cheryl Brinkman, Peter Cohen, Julian Davis, Carmela Gold, Jason Henderson, Robin Levitt, Ted Olsson, Dennis Richards, Brad Villiers

NO: None

ABSTAIN: None

ABSENT: None

2. APPENDICES—CAC Resolutions**2.1 20Oct2009 RESOLUTION 1: INFRASTRUCTURE FINANCE RECOMMENDATIONS**

The Market/Octavia Plan’s Community Improvements Program lays out a comprehensive set of measures “necessary to accommodate projected growth of residential and commercial development in the Plan Area while maintaining and improving community character.” Partial funding for those needed community improvements will come from the Plan Area’s impact fees funds. However, as the Plan notes, to fully implement the Community Improvements Program “some future revenue streams must be established, or additional revenue sources must be made available to the program.” A recent report by an Infrastructure Finance Working Group and the City’s Capital Planning Committee at the direction of the Board of Supervisors recommends a number of financing tools as strategies for funding public improvements, including tax increment financing and community facilities districts. The CAC expects such financing tools to be applied to the Market/Octavia Area, as called for in the adopted Plan and Community Improvements Program Document as future revenue streams. Therefore, the Community Advisory Committee supports the recommendations of the July 2009 Capital Planning Committee report as relevant to the fulfillment of the Market/Octavia Plan’s adopted community improvements goals.

RESOLUTION #1: Infrastructure Finance Recommendations (20Oct2009)

MOTION: Moved by Richards, seconded by Levitt

YES: Unanimous: Brinkman, Cohen, Henderson, Levitt, Olsson, Richards, Villiers

NO: none

ABSTAIN: none

ABSENT: Gold

2.2 24Mch2010 RESOLUTION 2: IN-KIND AGREEMENT, COMMISSION POLICY

The MOP-CAC commends Kearstin Dischinger on a well-expressed policy which incorporates all of the input from the MOP-CAC and EN-CAC delegates. The CAC conditionally approves the Department’s latest draft of an In-Kind policy presented by her to the Committee at its August 25, 2010 meeting subject to incorporating the following:

- 1) The policy shall require the developer to report back to the Commission on the status of his project midway through the project's construction, in order for this to be a matter of public record, transparent to the public.
- 2) Since this In-Kind policy and fee deferrals directly reduce the fund of money which the CAC can use to direct community improvements benefitting the larger community, and because it allows developers to more directly influence the direction of CIPs, the CAC must know the tradeoffs (how it would have prioritized CIPs and allocated funds to them if it had the full funds vs how it must now prioritize CIPs with reduced funds). The CAC must also consider whether the developer's proposed In-Kind CIP is truly a priority at this point. The CAC may also wish to rank CIPs according to which it would approve developers constructing.
- 3) Since this policy could allow routine projects to be approved for the sake of expediency—i.e., lower priority CIPs might be completed at the expense of more important CIPs—and since developers are not constrained to propose projects in the CIP list, therefore the CAC can encourage developers to adopt the CAC's prioritized CIPs and if the proposal is misaligned with CAC priorities, the CAC has the right to vigorously disapprove a developer's concept based on this rationale alone.
- 4) The policy is meant to let the developers understand the CAC's top priorities and to allow them to choose to construct an In-Kind CIP from among these.

RESOLUTION #2: In-Kind Policy (24Mch2010)

MOTION: Moved by Henderson, seconded by Levitt

YES: Unanimous: Cohen, Henderson, Levitt, Olsson, Richards

NO: none

ABSTAIN: none

ABSENT: Brinkman, Gold, Starkey, Wingard

**2.3 25Aug2010 RESOLUTION 3: FEES DEFERRAL PROGRAM
CAC Resolution on Fees Deferral for the Market and Octavia Plan Area**

WHEREAS the Market/Octavia Plan encourages "smart growth" development for the many neighborhoods it encompasses, and is predicated upon complementary implementation of a comprehensive set of community and infrastructure improvements "necessary to accommodate projected growth of residential and commercial development in the plan area while maintaining and improving community character";

WHEREAS the Findings of the Better Neighborhoods Area Plan Monitoring Program state that, "Successful fruition of the plan's goals requires a coordinated implementation of land use controls, community and public service delivery, key policies, and community infrastructure improvements";

WHEREAS streets in the Market and Octavia Plan area are already carrying a disproportionate share of the city's mainline through-traffic at a great cost to the public safety, health, and well-being of Market and Octavia residents;

WHEREAS the key bus and rail lines that transverse the Market and Octavia Plan area are already severely strained and at or near capacity during peak hours;

WHEREAS the Market and Octavia Plan area is expected to absorb 6,000 new housing units but already has severely overburdened parks;

WHEREAS a key component of smart growth is affordable housing and mixed income neighborhoods accessible to a range of diverse lifestyles, but the price of housing and retail space in the neighborhood is out of reach for most people;

WHEREAS the Community Advisory Committee strongly supports the Plan's development impact fees on residential and commercial growth in the Plan Area to provide a portion of the funding for those needed infrastructures that include safe transportation, affordable housing, and adequate parks and public spaces;

WHEREAS it is essential that those fees be paid and the funds available in advance of the development itself so that the community improvement projects can be initiated early enough to be in the ground and ready to absorb the increased demands from population growth created by development projects;

WHEREAS there is a logical reason that the building of infrastructure always comes before, or at the same time as, the increased demands created by construction of residential and commercial development;

WHEREAS the ordinances proposed would in combination defer, delay and effectively reduce the development impact fees that help fund this infrastructure;

WHEREAS in effect, the entire premise of the Market/Octavia Plan – to enable increased development coupled with mitigating community improvements – would be seriously tested by these proposed changes in the fee structures;

WHEREAS the one aspect in the package of three proposals that has clear merit is to consolidate fees collection with a single city agency (i.e., a single-point-of-payment system) and that this is perhaps a good “efficiency” measure for collection, management and monitoring of various development fees required on each project but that, however, must be unbundled from the very different idea in this same ordinance proposal of deferring fees to a later point in the entitlements and development process rather than at the front end prior to any construction permits;

WHEREAS the Community Advisory Committee recognizes that current economic conditions and difficult access to financing capital have stalled construction activity throughout the City;

BE IT RESOLVED that the Market and Octavia Community Advisory Committee can support a temporary fees deferral program that incorporates:

1. Requirement of a minimum 10% payment at DBI Permit of all fees (ie, allowing a maximum deferral of 90% of fees due);
2. Creation of a Community Infrastructure Fund to enable the pre-development design, planning and engineering (ie, “shovel ready”) for priority improvement projects, and that the initial size of the Fund be between \$3 million and \$5 million, and that the capitalization of the Fund will further grow as the amount of deferred fees from pipeline projects grows, and that the enactment of the Fees Deferral program is explicitly contingent upon creation of the Community Infrastructure Fund;
3. Affirmation that prioritization of improvement projects for use of the Community Infrastructure Fund is done through CACs in plan areas where they exist;
4. Retention of Sec. 315 inclusionary housing in-lieu fee payment standards (i.e., not subject to deferral);
5. Sunset of the Fees Deferral program in three years.

Approved by the Market and Octavia Community Advisory Committee on March 24th 2010

RESOLUTION #3: Fees Deferral Program (25Aug2010)

MOTION: Moved by Henderson, seconded by Levitt

YES: Cohen, Henderson, Levitt, Olsson, Richards (unanimous)

NO: none

ABSTAIN: none

ABSENT: Brinkman, Gold, Starkey, Wingard

**2.4 22 Sep10 RESOLUTION 4: INCLUSIONARY AFFORDABLE HOUSING
Resolution Advising Inclusionary Affordable Housing in the Market & Octavia Plan
Area**

WHEREAS the spirit and policy intent of the Market and Octavia Plan includes providing low and middle-income affordable housing within new development in the Market and Octavia Plan area;

WHEREAS affordable housing is critical for diversity and economic well-being within the Market and Octavia Plan Area;

WHEREAS affordable housing is part of a complete community, and the goal of the Market and Octavia Plan is to create complete communities;

WHEREAS affordable housing is an investment in the community including the Market and Octavia Plan Area;

BE IT RESOLVED that the Market and Octavia Community Advisory Committee advises the San Francisco Planning Commission, the San Francisco Planning Department, the Mayor's Office of Housing and the San Francisco Board of Supervisors that the priority is that ALL inclusionary housing for new development within the Market and Octavia Plan Area be built on-site. If a project sponsor considers that infeasible, the inclusionary units should be built offsite within the immediate area of the new development or a developable site of equivalent value within ¼ mile of the new development should be dedicated to the city for affordable housing. For such latter land dedication alternative, eligible sites should not include Redevelopment-owned parcels and must have necessary entitlement-ready zoning established at time of dedication. The CAC encourages creative application of these offsite and land dedication alternatives by the Mayor's Office of Housing to allow project sponsors to pool resources for maximizing local inclusionary housing impact in the Market/Octavia Plan Area.

FURTHER BE IT RESOLVED that geography matters—the primary importance of the inclusionary housing policy for the Market/Octavia Area is that it be a mechanism to achieve mixed income housing development at a very localized scale within the various neighborhoods of the plan area, whether in the form of on-site below-market-rate units, off-site BMR units or land for future lower income affordable units. Simply paying in-lieu fees to satisfy the inclusionary requirement in the Market/Octavia Area has no value to advancing the inclusionary housing policy.

Approved by the Market and Octavia Community Advisory Committee on September 22, 2010

Revision approved by M/O-CAC on December 15, 2010

This revision included all text regarding the land dedication alternative.

RESOLUTION #4: Inclusionary Affordable Housing (22Sep2010)

MOTION: Moved by Henderson, seconded by Richards

YES: Unanimous: Cohen, Henderson, Levitt, Olsson, Richards, Starkey, Wingard

NO: none

ABSTAIN: none

ABSENT: Gold

REV. RSLN #4: Inclusionary Affordable Housing (15Dec2010)

MOTION: Moved by Henderson, Seconded by Gold

YES: Unanimous: Cohen, Gold, Henderson, Levitt, Olsson, Starkey, Wingard

NO: none

ABSTAIN: none

ABSENT: Richards

**2.5 22Sep10-2 RESOLUTION 5: HAYES STREET PROJECT INVESTMENT
Resolution Advising Expenditure of Market & Octavia Community Impact fees
for the Hayes Street Two-Way Project**

WHEREAS the Hayes Street two-way project is a key project identified in the Market/Octavia Plan;

WHEREAS the Hayes Street two-way project has been identified by both the Market and Octavia Plan Community Advisory Committee and the Interagency Plan Implementation Committee (IPIC) as a high priority project;

WHEREAS the Hayes Street two-way project is an inexpensive, optimal use of limited available funds;

WHEREAS there are only \$105,000 available for expenditure for community benefits in the Market and Octavia Plan area to date;

WHEREAS anticipated future community benefits funds have been deferred for up to three years and few additional funds are anticipated in the near future;

BE IT RESOLVED that the Market and Octavia Community Advisory Committee advises the San Francisco Planning Department to invest \$52,500, or half of the currently available community impact funds, to the Hayes Street two-way project.

Approved by the Market and Octavia Community Advisory Committee on September 22nd, 2010

RESOLUTION #5: Hayes Street Project Investment (22Sep2010)

MOTION: Moved by Henderson, seconded by Levitt

YES: Unanimous: Cohen, Henderson, Levitt, Olsson, Richards, Starkey, Wingard

NO: none

ABSTAIN: none

ABSENT: Gold

3. CAC RECOMMENDED CIP PROJECTS & PRIORITY SCORECARD

**3.1 Market/Octavia Community Advisory Committee
Community Improvements Program Final Recommendations 2010/11 (adopted 15Dec2010)**

I. Streetscape/Greening/ Public Realm

1. "Living Street" Improvements for select Alleys.
No specific projects for current recommendations. CAC will establish a coordination process with MTA and DPW to review potential projects prior to authorizing use of MO Fund resources.
2. Street Tree Plantings for Key Streets.
No specific projects for current recommendations. CAC will establish a coordination process with MTA and DPW to review potential projects prior to authorizing use of MO Fund resources.

II. Open Space/ Parks (CAC adopted 9-22-10)

1. *Improvements to Existing Parks.*
 - 1a. Duboce Park Youth Play Area — capital project funding approximately \$50-100k
 - 1b. Hayward Park—add on small projects, funding needs TBD (major park renovation to be included in next RPD bond, likely 2013)
2. *Hayes Green Rotating Art Project.*
3. *McCoppin Plaza Extension—Phase II.* Long-term project, likely beyond 5 year Program recommendations period.
4. *Brady Park—new Open Space SOMA West.* Long-term project, likely beyond 5 year Program recommendations period.

III. Transportation*Transit*

1. Transit Preferential Street Improvements.
No specific projects for current recommendations. CAC will establish a coordination process with MTA to review potential projects prior to authorizing use of MO Fund resources.
2. Church Street Improvements (portion of).
3. Dedicated Transit Lanes.
No specific projects for current recommendations. CAC will establish a coordination process with MTA to review potential projects prior to authorizing use of MO Fund resources.

Pedestrian

1. Pedestrian Improvements for Priority Intersections. (proposed 11-15-10)
 - 1a. Market Street Intersections
 1. Market/16th/Noe
 2. Market/Church/14th
 3. Market/Guerrero/Laguna
 4. Filmore/Haight
 5. Church/16th
 2. Hayes Street two way Improvements.
 3. Widen Hayes Street Sidewalk.

Bicycles

1. Page Street Bicycle Boulevard.
2. Market Street bicycle lanes between Octavia Boulevard and 17th/Castro Streets.
3. Grove Street between Octavia Boulevard and Van Ness Avenue.
4. Sharrows and signage on key streets.

Other Transportation

1. Study further Central Freeway removal.*
2. Parking Supply Survey and Program Recommendations.*

IV. Recreation Facilities (CAC adopted 9-22-10)

1. *Park & Rec "Hubs"*
 - 1a. Duboce Park Youth Play Area — capital project funding approximately \$50-100k
 - 1b. Hayward Park — add on small projects, funding needs to be determined (major park renovation to be included in next RPD bond, likely 2013).
2. *Neighborhood Parks*
 - 2a. Set aside from M/O Fund for Small Grants Program (\$550-100k grants; potentially administer these through Community Challenge Grant program).

V. Childcare Facilities

No recommendations necessary – standardized expenditure category.

VI. Library Materials

No recommendations necessary – standardized expenditure category.

VII. Local Economic Development

M/O Fund nexus to be determined. To be reflected in subsequent annual Program recommendations.

* These projects included as CAC priorities, but not intended for M/O Fund expenditures.

Final CAC recommendations will include evaluation of the overall Program:

VIII. Historical/Educational/Cultural

Placeholder category. M/O Fund nexus would need to be determined. To be reflected in subsequent annual

Program recommendations

IX. Other/ Community Generated Projects

Placeholder category. M/O Fund nexus would need to be determined. To be reflected in subsequent annual Program recommendations

**3.2 Market/Octavia Community Advisory Committee
CIP Priority Scorecard**

[Sample CAC Prioritization Scorecard format: criteria]

Overall Program Rating **5 high/
0 low**

Balance/variety of community improvements

- Promotes mix of project/community improvement types
- Promotes various scales of projects/community improvements
- Promotes geographic mix of projects/community improvements in relation to development
- Promotes blend of physical and programmatic projects/community improvements

Note:

The CAC has established a process for regularly refining and augmenting the list of potential community improvements projects and range of categories for consideration in annual Program expenditure recommendations.

4. CAC PUBLIC CIP PROJECTS SUGGESTION FORM

**Market/Octavia Area
Community Improvement Project Suggestion Form**

Date:

Project Name: _____

Community Improvement Category (mark the one which best applies)

- Open space/parks
- Streetscape/greening/public realm/community art
- Transportation--Transit, Pedestrian, bicycle
- Local Economic Development
- Recreation Facilities
- Childcare/educational
- Library Materials
- Other/Community Generated Ideas

Description/Scope:

Describe community support:

Describe any technical vetting:

Cost Projection:

Relevant Agencies/Organizations for implementation:

Note: This form is to be placed on the MOP-CAC website to encourage the public to submit their suggestions for priority consideration

**5. COMPLETE NEIGHBORHOODS CONCEPT
AS DESCRIBED IN THE MARKET OCTAVIA PLAN (MOP)
OR ON THE PLANNING DEPARTMENT’S WEBSITE**

http://www.sf-planning.org/ftp/files/Citywide/Market_Octavia/Market_and_Octavia_Area_Plan_2010.pdf

"...As we look forward, there is much that can be done. The Plan aims, above all, to restore San Francisco's long-standing practice of building good urban places—providing housing that responds to human needs, offering people choice in how they get around, and building “whole” neighborhoods that provide a full range of services and amenities close to where people live and work. To succeed, The Plan need only learn from the established urban structure that has enabled the Market and Octavia neighborhood, like other urban places, to work so well for people over time."

<http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=708>

“Envision an urban neighborhood that provides for a mix of people of various ages, incomes, and lifestyles—a place where everyday needs can be met within a short walk on a system of public streets that are easy and safe to get around on foot, on bicycle, and by public transportation. Imagine a place intimately connected to the city as a whole where owning a car is a choice, not a necessity, and streets are attractive and inviting public spaces. Imagine a neighborhood repaired and rejuvenated by building on the strengths of its long-standing character, yet inherently dynamic, creative, and evolving.”

~2002 Draft Market & Octavia Neighborhood Plan

"...The Plan is a set of objectives and policies that represent a shared vision for the future of the area. As such, it sets out a clear roadmap for both the public and private actions necessary to realize the vision put forward by the plan. Ultimately, this vision will be realized insofar as there are means to carry it out and a public will to see that these means are put to use. The Market and Octavia Plan's implementation framework ensures that the Plan responds to the community's needs. The Plan responds to a spectrum of community needs through the establishment of directive policies and the delivery of facilities and services, that is community improvements. ..."

"... A community relies on a myriad of services and facilities to be successful. Infrastructure needs are based on projected housing, job, and commercial development. The Market and Octavia planning process considered a full range of needs including: housing, neighborhood-serving [*sic*] businesses, open space, recreational facilities, transportation services and facilities, pedestrian amenities, bicycle facilities, child care services, and air quality and other environmental factors. The Community Improvements program focuses on those components of the Plan that require capital or additional programming from the City once the Plan is adopted. ..."

6. PLANNING CODE CITATIONS

6.1 ANNUAL REPORTING REQUIREMENTS (SF PLNG. CODE §341.2)—TOPICS

The Planning Department shall prepare an annual report detailing the housing supply and development, commercial activities, and transportation trends in the Market and Octavia Plan Area. The information shall be presented to the Board of Supervisors, Planning Commission, the Citizens Advisory Committee, and Mayor, and shall address:

- (1) the extent of development in the Market and Octavia Plan Area;
- (2) the consequences of that development;
- (3) the effectiveness of the policies set forth in the Market and Octavia Area Plan in maintaining San Francisco's environment and character; and
- (4) recommendations for measures deemed appropriate to deal with the impacts of neighborhood growth.

[Components]**(a) Time Period and Due Date****(b) Data Source****(c) Categories of Information****Commercial Space**

- (1) Commercial Space and Employment**
- (2) Plan Area and Citywide Employment trends**
- (3) Retail Space and Employment**
- (4) Business Formation and Relocation**

Housing

- (5) Housing Units Certified for Occupancy**
- (6) Affordable Housing Production**
- (7) Unit Size**
- (8) Unit Conversion**
- (9) Enforcement of Project Entitlements**

Transportation

- (10) Parking Inventory**
- (11) Transit Service**
- (12) Transit Infrastructure and capacity improvements**
- (13) Transit Impact Fee**

(d) Report

The analysis of the factors under Commercial Space, Housing and Transportation will compare Plan Area trends to existing conditions, Citywide trends, and regional trends, when relevant. The comparisons will indicate the degree that the City is able to accommodate new development as projected within the Plan Area. Based on this data, the Department shall analyze the effectiveness of City policies governing Plan Area growth and shall recommend any additional measures deemed appropriate.

6.2 TIME SERIES REPORT REQUIREMENTS (SF PLNG. CODE §341.3)—TOPICS

By July 15, 2008, and every fifth year thereafter on July 15th, the report submitted shall address the preceding five calendar years and, in addition to the data described above, shall include a cordon count of the following key indicators:

- (a) Implementation of Proposed Programming**
 - (1) Fees**
 - (2) Parking Programs**
 - (3) Historic Preservation Surveys**
- (b) Community Improvements**
 - (1) Transportation Infrastructure and Services**
 - (2) Affordable Housing**
 - (3) First Source Hiring**
- (c) Planning Code Performance**

Better Neighborhoods plans aim to clarify development proceedings, thus reducing the number of variances, articulating conditional use processes, and facilitating the development process. The permit process in the Plan Area and Citywide will be evaluated.

6.3 MARKET AND OCTAVIA COMMUNITY ADVISORY COMMITTEE (SF PLNG. CODE §341.5)

<http://www.sf-planning.org/index.aspx?page=1700>

- (a) Purpose:** Within 6 months of adoption of the Market and Octavia Area Plan and related planning

code changes, the Board of Supervisors shall establish a Community Advisory Committee (CAC) The CAC will be advisory, as appropriate, to the Planning Director, the Interagency Plan Implementation Committee, the Planning Commission, and the Board of Supervisors. The CAC may perform the following functions as needed;

(1) Collaborate with the Planning Department and the Inter-Agency Plan Implementation Committee on prioritizing the community improvement projects and identifying implementation details as part of annual expenditure program that is adopted by the Board of Supervisors;

(2) Provide an advisory role in a report-back process from the Planning Department on enforcement of individual projects' compliance with the Market and Octavia Area Plan standards and specific conditions of project approvals, including the specific first-source hiring requirements for the Plan Area such that those agreements will be more effectively implemented;

(3) Collaborate with the Planning Department in updating the community improvements program at a minimum of every fifth year in coordination with relevant City agencies; Providing input to Plan area monitoring efforts for required time-series reporting.

(b) Representation: The Board of Supervisors shall appoint 2/3 of the committee members and the Mayor shall appoint 1/3 of the committee members on the CAC. Both the Board and the Mayor shall appoint members that represent the diversity of the plan area. The Citizens Advisory Committee shall be comprised of 7-11 community members from varying geographic, socio-economic, ethnic, racial, gender, and sexual orientations living or working within the plan area. At a minimum, there must be one representative from each of the geographic areas of the Plan Area. The CAC should adequately represent key stakeholders including resident renters, resident homeowners, low-income residents, local merchants, established neighborhood groups within the plan area, and other groups identified through refinement of the CAC process. Each member shall be appointed by the Board and will serve for two-year terms, but those terms shall be staggered such that, of the initial membership, some members will be randomly selected to serve four-year terms and some will serve two-year terms. The Board of Supervisors may renew a member's term.

The Planning Department or Interagency Plan Implementation Committee shall designate necessary staffing from relevant agencies to the CAC, as needed to complete the CAC's responsibilities described in this Code. To the extent permitted by law, staffing for the CAC shall be funded through the Market & Octavia Community Improvements Fund administration fees.

(Added by Ord. 72-08, File No. 071157, App. 4/3/2008)