



# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Resolution No. 17573

HEARING DATE MARCH 27, 2008

*Date:* March 27, 2008  
*Case No.:* 2003.0347  
*Project Address:* Market and Octavia Plan  
*Project Sponsor:* San Francisco Planning Department  
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**RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT PROPOSED ORDINANCES THAT WOULD AMEND PLANNING CODE SECTIONS AND AMEND THE SAN FRANCISCO ZONING MAP TO IMPLEMENT THE MARKET AND OCTAVIA PLAN AS DRAFTED IN BOARD FILE NUMBERS 071156, 071157, AND 071159.**

WHEREAS, on July 20, 2008 the Planning Commission forwarded the Market and Octavia Plan and proposed amendments to the Board of Supervisors, and subsequently Supervisors Mirkarimi and McGoldrick proposed additional amendments to the proposed ordinance File Number 071155, 071156, 071157, and 071159 which would amend Planning Code Section has been drafted in order to revise the Planning Code necessary to implement the Market and Octavia Area Plan, including adding Sections 121.5, 121.6, 158.1, 206.4, 207.6, 207.7, 230, 249.33, 249.34, 249.35, 261.1, 263.18, 263.20, 326, 341, 731, 732, and by amending Planning Code Sections 102.5, 121.1, 121.2, 124, 132, 134, 135, 144, 145.1, 145.4, 151.1, 152, 153, 154, 155, 156, 166, 167, 201, 207.1, 207.4, 208, 209.1-209.9, 234.2, 253, 270, 303, 304, 311, 315, 316, 603, 606 702.1, and 720.1 to implement the Market and Octavia Neighborhood Plan and conform with the General Plan amendment adopted by the Commission by Resolution No. 17408. The City Attorney's Office has reviewed the draft ordinance and approved it as to form.

The proposed zoning changes have been determined to be fall within the scope of analysis of the Market and Octavia Area Plan Environmental Impact Report Certified by the Planning Commission on April 5, 2007. This EIR Certification was subsequently upheld by the Board of Supervisors on June 19, 2007.

The Planning Commission finds the amendments proposed by the Board of Supervisors to be consistent with the policy framework of the Market & Octavia Area Plan. The Market and Octavia Plan addresses the neighborhood holistically, particularly the relationship between land use and transportation. Much of the existing neighborhood fabric in the Market and Octavia Plan Area was built in a transit-oriented manner. The neighborhood has a healthy mix of local services within walking distance of housing for a diverse population, a substantial investment in transit infrastructure, with most of the private development being oriented towards housing people. The Plan builds on these neighborhood strengths, preserves existing character, addresses issues raised by large infrastructure and antiquated policies, while identifying

opportunities for sustainable growth and infill development over the next 20 years. The plan articulates the neighborhood's vision for healthy growth and sustainable future for San Francisco.

To a large degree the current draft Ordinances are the same as the draft Ordinances forwarded from the Planning Commission.

Where the Board proposes to deviate from the Commission's recommendation, the amendments address issues that the Commission itself robustly considered—including parking, affordable housing and density controls.

In sum, the Commission recommends approval of the proposed Ordinances to implement the Market and Octavia Area Plan; including Planning Code Amendments, the Van Ness and Market Downtown Residential Special Use District, and related Zoning map amendments.

Whereas the Commission makes the following recommendations on Board proposed amendments to the Market and Octavia Plan.

### **Board File 071156**

Planning Code Amendments to implement the Van Ness and Market Downtown Residential Special Use District [Board File 071156];

Section 249.33 to establish the Van Ness and Market Downtown Residential Special Use District (VNMDR-SUD),

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

### **Board File No 071157**

**Planning Code Amendments to implement the Market and Octavia Area Plan [Board File No 071157]**

Section 151.1 (Schedule of Required Off-Street Parking Spaces)

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

Section 167(a) (Parking Costs Separated from Housing Costs in New Residential Buildings)

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

**Section 209.1-209.9 (Uses Permitted in RTO Districts)**

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

**Section 249.35 to establish the Duboce Triangle Flexible Density Special Use District**

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

**Section 315.4 (Inclusionary Housing)**

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

**Section 326 (Market and Octavia Community Improvements Fund)**

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

**Section 341 (Better Neighborhoods Area Plan Monitoring Program)**

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

The ordinance adding an uncodified Section that adopts additional the interim procedures adopted by the Planning Commission for treatment of historic resources.

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

**Board File No 071159**

**Zoning Map Amendment in connection with the Market and Octavia Area Plan [Board File No 071159]**

The Commission recommends that the board **Approve** the Market and Octavia Plan with this Amendment.

The proposed amendments to the Planning Code are consistent with the General Plan.

**Policy 7.3 of the Commerce and Industry Element of the General Plan** promotes the provision of adequate health and educational services to all geographical districts and cultural groups in the city, thereby helping to achieve the goals of the public health program in San

Francisco; and

**Text under Objective 7 of the Commerce and Industry Element of the General Plan** states “Because governmental, health and educational services provide valuable services to residents and constitute a significant share of employment opportunities to local residents, it is important to preserve the vitality of this sector. However, future growth must be managed to achieve equitable distribution of benefits to all geographical and cultural sub-populations of the city and to minimize associated adverse effects on surrounding areas.”

Planning Code Section 101.1(b) establishes eight priority policies and is the basis by which differences between competing policies in the General Plan are resolved. The project is consistent with the eight priority policies, in that:

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

*The proposed Ordinances will have a positive effect on neighborhood serving retail uses. The Market and Octavia Plan supports existing and new commerce by encouraging ground floor retail in commercial areas and other improvements to the pedestrian realm. New development enabled by the Market and Octavia Plan will enhance the neighborhood commercial districts along Market Street, Octavia Boulevard, Hayes Street, Gough Street, and Inner Valencia Street, providing potential employment and ownership opportunities for San Francisco residents. The proposed Ordinances will support the creation of new housing units, providing a market for increased retail uses along these corridors and allow expansion of the customer base for neighborhood serving businesses beyond the constraints of automobile congestion and parking. Amendments currently proposed by the Board of Supervisors would not alter this assessment.*

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

*The Plan protects and enhances the existing neighborhood character by applying appropriate height and bulk limits, protecting landmark and other historic buildings, reinforcing neighborhood commercial districts, preserving and enhancing cultural and educational institutions, marking major intersections as landmarks, discouraging land assembly, and detailing fundamental design principles. The proposed height and bulk controls emphasize consistency with current development patterns. Additionally the controls were designed with a focus on protecting sunlight access for streets and alleyways. Neighborhood-serving retail will be concentrated along Hayes, Gough, Market, Valencia, Church, and Castro streets, and Van Ness Avenue accordant with existing patterns. Amendments currently proposed by the Board of Supervisors support*

*economic diversity in the neighborhood by increasing funding for affordable housing within and near the Plan Area.*

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

*The proposed Ordinances will have a positive effect on the City's housing stock, and the Market & Octavia Neighborhood's share of housing. They will enable the creation of new housing units in the Market & Octavia Neighborhood, positively effecting the City's housing supply. Projects within the plan area will be subject to inclusionary housing requirements; fifteen to twenty percent of units would be permanently affordable. Additional mechanisms to ensure permanent housing affordability include preservation of existing housing stock, unbundling parking from housing, and flexibility in density controls. The redevelopment of the 22 Central Freeway parcels will result in the net increase of about 800 to 900 housing units in the Project Area by 2025. Approximately 50% of these units will be available at below market rates. The plan requires that any demolished units be replaced by an equal or greater number of units. Amendments to the Ordinances for additional funding for affordable housing as proposed by the Board of Supervisors would further increase the share of affordable housing in and near the neighborhood.*

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

*The proposed Ordinances would not result in commuter traffic impeding Muni transit service or overburdening the streets or neighborhood parking. Currently numerous bus lines and Muni trains run through Market and Octavia Neighborhood; including those along Market Street, Haight Street, Fillmore Street, Church Street, Mission Street, Valencia Street, Van Ness Avenue, and Eleventh Street. To mitigate potential impacts to these Muni lines, the proposed amendments encourage the creation of a Bus Rapid Transit lanes, transit lanes, transit preemption/prioritization signaling, and other transit improvements.*

*The proposed Ordinances would support an increase in the residential population of the area, which would increase trips originating and/or terminating in the neighborhood. The high concentration of new residential development, easy access to jobs, service and transit, and pedestrian improvements indicates that new Market and Octavia residents would make a greater share of trips without the use of the automobile, lessening the impacts of new residents on the overburdening of streets and neighborhood parking.*

*The Market and Octavia Plan policies support a transportation strategy that builds on the existing transit and pedestrian infrastructure when appropriate. Existing neighborhood parking is protected by policies that shift demand, manage existing and future supply, and encourage higher utilization through innovative*

*transit such as car sharing. Amendments currently proposed by the Board of Supervisors would not alter this assessment.*

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

*The proposed Ordinances would not adversely affect the industrial or service sectors. The existing industrial and service businesses in the plan area are currently in the SoMa West neighborhood. These businesses would not be displaced by commercial office development. Due to its proximity to the downtown, the Plan envisions transforming this area into a vibrant new mixed-use residential neighborhood, providing much needed housing, a full range of new services and vibrant streets and public spaces. A portion of the original Market and Octavia study area included a portion of the Mission District that included repair and service sector uses, these blocks, south of Division Street, have been removed from the Market and Octavia Area Plan. Other than the SoMa West area, the proposed Ordinances do not make major changes to the allowable uses in the plan area. Amendments currently proposed by the Board of Supervisors would not alter this assessment.*

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

*The proposed Ordinances would not adversely affect preparedness against injury and loss of life in an earthquake and would comply with applicable safety standards. New residential buildings would be subject to the City's Building Code, Fire Code and other applicable safety standards. Amendments currently proposed by the Board of Supervisors would not alter this assessment.*

7. That landmarks and historic buildings be preserved.

*The proposed Ordinances would not have a negative effect on the preservation of landmarks and historic buildings. The Market and Octavia Area Plan calls for the protection of existing landmarks and historic buildings. An historic survey of the plan area will ensure that no potential historic resources are impacted by the Plan. The plan strengthens protection for historic resources and potential historic districts.*

*Prior to completion of the historic resources survey, the Plan establishes interim procedures to review development proposals to protect potential historic resources. When completed, findings of the historic resources survey will be incorporated into the plan to protect identified historic resources. Amendments currently proposed by the Board of Supervisors would strengthen protection of*

*historic resources by codifying the Commission's Interim Controls for Historic Resources.*

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

*The proposed Ordinances would have a positive effect on parks and open space, and would not adversely affect existing open spaces or their access to sunlight and vistas. The proposed Ordinances include a series of open space improvements: the development of Hayes Green, McCoppin Park near the freeway touchdown, a neighborhood park on Brady Street, and the conversion of sidewalks and alleys to open space amenities. The Market and Octavia Plan details concepts and strategies for living sidewalks and alleyways and identifies numerous opportunities for these types of improvements within the plan area. Amendments currently proposed by the Board of Supervisors would not alter this assessment.*

Under Planning Code Section 302, the Commission finds that this ordinance will serve the public necessity, convenience and welfare for the reasons set forth in Planning Commission Resolution No. 17409.

In accordance with the actions contemplated herein, this Commission reaffirms its findings adopted in Planning Commission Motion No. 17407, concerning findings pursuant to the California Environmental Quality Act (California Public Resources Code sections 21000 et seq.) and made other related findings. The Commission reaffirms these CEQA findings as set forth in motion 17407 which are on file with the Planning Department and the Clerk of the Board of Supervisors in File No. 071158. The Commission has reviewed Memoranda from the Planning Department dated February 29, 2008 and March 19, 2008 and, based on those Memoranda, public testimony, and information in the files of the Board of Supervisor and the Planning Department, including, but not limited to, the Final EIR, together with all supporting materials, reports, documents, public correspondence, public testimony, and Memoranda, makes the following findings: Since adoption of Motion No. 17407 no substantial changes have occurred in the Project proposed for approval under this Ordinance that will require revisions in the Final EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects, no substantial changes have occurred with respect to the circumstances under which the Project proposed for approval under the Ordinance are undertaken which will require major revisions to the Final EIR due to the involvement of new environmental effects or a substantial increase in the severity of effects identified in the Final EIR and no new information of substantial importance to the Project as proposed for approval in the Ordinance has become available which indicates that (1) the Project will have significant effects not discussed in the Final EIR, (2) significant environmental effects will be substantially more severe, (3) mitigation measure or alternatives found not feasible which would reduce one or more significant effects have become feasible or (4) mitigation measures or alternatives which are considerably different from those in the Final EIR would substantially reduce one or more significant effects on the environment. Moreover, based on public testimony and information in the files of the Board of Supervisor and the Planning

Department, including, but not limited to, the Final EIR, together with all supporting materials, reports, documents, public correspondence, and Memoranda, the Commission reiterates its findings in Motion No. 17407 related to the mitigation monitoring program and statement of overriding considerations.

Individual buildings reviewed according to procedures described in Planning Code Section 295 are evaluated to identify the impacts of projects and buildings. Project permits can't be approved if the impacts are found to be significant.

The Market and Octavia planning process built on existing General Plan policies. Analysis of applicable General Plan Objectives and Policies has determined that the proposed action is consistent with the General Plan as it is proposed to be amended. The proposed actions offer a compelling articulation and implementation of many of the concepts outlined in the General Plan, especially the Air Quality, Urban Design, Transportation Element, Commerce and Industry, Recreation and Open Space, and Arts Elements. New Area Plan policies and zoning controls articulate these directive policies with specific consideration for the neighborhood conditions of the Market and Octavia Plan Area. Below are specific policies and objectives that support the proposed action.

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board ADOPT the proposed Ordinances with the additional proposed amendments.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting March 27, 2008.

Linda Avery  
Commission Secretary

AYES: Commissioners Michael J. Antonini, Kathrin Moore, Hisashi Sugaya, and Sue Lee

NOES: Commissioner Christina Olague

ABSENT: William L. Lee,

ADOPTED: March 27, 2008