



# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Resolution No. 18697

HEARING DATE: SEPTEMBER 6, 2012

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*Project Name:* **Parking Tax Simplification for Residential Properties**

*Case Number:* 2012.0352T [Board File No. 12-0631]

*Initiated by:* Supervisor Wiener / Introduced July 24, 2012

*Staff Contact:* AnMarie Rodgers, Manager Legislative Affairs  
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*90-Day Deadline:* October 24, 2012

*Recommendation:* **Recommend Approval with Modifications**

**RECOMMENDING THAT THE BOARD OF SUPERVISORS PASS AN ORDINANCE WITH MODIFICATIONS THAT WOULD 1) AMEND THE SAN FRANCISCO BUSINESS AND TAX REGULATIONS CODE BY ADDING SECTION 609 TO ESTABLISH PARKING TAX SIMPLIFICATION FOR RESIDENTIAL PROPERTIES TO RELIEVE RESIDENTIAL PROPERTY OWNERS AND MANAGERS RENTING FIVE OR FEWER PARKING SPACES IN PARKING STATIONS PHYSICALLY ATTACHED TO OR OTHERWISE ASSOCIATED WITH THE BUILDING FROM THE REQUIREMENT TO: (A) OBTAIN A CERTIFICATE OF AUTHORITY, (B) MAKE MONTHLY TAX PREPAYMENTS, (C) OBTAIN A PARKING TAX BOND, AND (D) PROVIDING AMNESTY FROM PARKING TAXES, INTEREST, PENALTIES AND FEES OWED FOR TAX PERIODS MORE THAN 24 MONTHS PRIOR TO THE EFFECTIVE DATE OF THE ORDINANCE; 2) AMEND THE BUSINESS AND TAX REGULATIONS CODE SECTION 2219.7 TO EXEMPT PROPERTY OWNERS AND MANAGERS REGISTERED PURSUANT TO SECTION 609 FROM THE REQUIREMENT TO PAY THE REVENUE CONTROL EQUIPMENT COMPLIANCE FEE; 3) AMEND THE PLANNING CODE SECTION 204.5 TO ALLOW AS AN ACCESSORY USE UP TO FIVE DWELLING UNIT PARKING SPACES TO BE LEASED TO PERSONS LIVING OFF-SITE ANYWHERE IN THE CITY; 4) AMEND THE POLICE CODE SECTION 1215 TO ELIMINATE THE REQUIREMENT TO HOLD A COMMERCIAL PARKING PERMIT FOR PROPERTY OWNERS AND MANAGERS REGISTERED PURSUANT TO SECTION 609 OF THE BUSINESS AND TAX REGULATIONS CODE; AND 6) MAKE ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH GENERAL PLAN AND PLANNING CODE SECTION 101.1.**

### **PREAMBLE**

Whereas, on July 24, 2012 Supervisor Wiener introduced a proposed Ordinance under Board File Number 12-0631 that would amend Planning Code (among other Codes described above) to allow as an accessory use up to five dwelling unit parking spaces to be leased to persons living off-site anywhere in the City; and

Whereas, since the introduction of the proposed Ordinance, the Planning Department recommended modifications to the proposed Ordinance; and

Whereas, on September 6, 2012 the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance and the proposed modification; and

Whereas, the proposed Ordinance have been found exempt from the California Environmental Quality Act per section 15060(c)(2); and

Whereas, the Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented by Department staff, and other interested parties; and

Whereas, the all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

Whereas, the Commission has reviewed the proposed Ordinance; and

**MOVED**, that the Commission hereby recommends that the Board of Supervisors recommend **approval with modifications** of the proposed Ordinance and adopts the attached Draft Resolution to that effect.

**The recommended modification is to include the following amendments:**

**I. Add the provision to allow neighborhood rentals back into Section 204.5.** To clarify how this parking may be used as accessory use, the Commission recommends that Section 204.5(b)(1) be amended to read as follows: *Lease of lawfully existing off-street residential parking spaces by the property owner or manager, for a term of no less than one month is permitted as follows: (A) for use by any resident of a dwelling unit located on a different lot within 1,250 feet of such parking space or (B) for use by any resident of a dwelling unit located on a different lot within the City and County of San Francisco so long as no more than five (5) spaces are rented to those who live beyond 1,250 feet of such parking space.*

**II. Conforming amendment: amend Section 150(d).** The Commission proposes amending this sentence to read as follows: *Any required residential parking space may be leased or rented on a monthly basis as provided under Section 204.5(b)(1) of this Code, and such lease or rental shall not be considered a reduction or elimination of required spaces.*

## **FINDINGS**

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. Planning Code Section 167 requires that the costs of parking be separated from the costs of housing in structures of 10 or more residential units.
2. The City's goal in regulating accessory parking is to ensure that the parking is truly ancillary to the principally approved use.

3. Given that the amount of parking that could be leased in any one building would be limited to no more than five spaces, it is unlikely that this amendment will create a glut of parking or cause a significant increase in shift in commuter.
4. The General Plan prioritizes supporting housing that is affordable, especially through programs that do not require a direct public subsidy. Planning Code Section 167 requires that the costs of parking be separated from the costs of housing in structures of 10 or more residential units. The cost that parking adds to a typical unit in San Francisco is substantial, typically between \$50-\$60 thousand per parking space. Allowing parking spaces to be leased separately from the housing units would allow some people to choose units without parking. While it should be noted that opening up the market for parking spaces to include those who live within the City may increase competition for the spaces and thus drive the rent for such spaces upward, the City does not have a policy to protect affordable parking.

## **FINDINGS**

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. **General Plan Compliance.** The proposed Ordinance is, on balance, consistent with the following Objectives and Policies of the General Plan:

### **Housing Element**

**POLICY 3.4** Preserve “naturally affordable” housing types, such as smaller and older ownership units.

**POLICY 7.7** Support housing for middle income households, especially through programs that do not require a direct public subsidy.

### **Transportation Element**

**POLICY 34.1** Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

### **Market & Octavia Plan**

**POLICY 2.4.1** Disaggregate the cost of parking from the cost of housing.

In much of the housing built under current parking requirements, the cost of parking is “bundled” into the cost of owning or renting a home, requiring households to pay for parking whether or not they need it. As part of an overall effort to increase housing affordability in the area, costs for parking should be separated from the cost of housing and, if provided, offered optionally. To support this, encourage parking provided in new residential developments to be made publicly available for lease.

programs in locating carshare parking in new buildings. Encourage shared use of private and public parking facilities to meet residential needs, including surplus parking available in the Opera Plaza and Civic Center Garages.  Encourage private parking

**East SoMa Plan**

**POLICY 4.3.3 Make the cost of parking visible to users, by requiring parking to be rented, leased or sold separately from residential and commercial space for all new major development.**

2. The proposed replacement project is generally consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

- A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced:

*The proposed Ordinance will have no adverse impact on the neighborhood-serving retail uses.*

- B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:

*The proposed Ordinance will have no adverse effect on existing housing and neighborhood character. By further permitting the separation of housing costs from parking costs, housing may become more affordable.*

- C) The City's supply of affordable housing will be preserved and enhanced:

*The proposed Ordinance will have no adverse effects on the City's supply of affordable housing. By further permitting the separation of housing costs from parking costs, housing may become more affordable.*

- D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:

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

- E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:

*The proposed Ordinance will not result in displacement of industrial or service sectors.*

- F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

*The proposed Ordinance would not affect the preparedness against injury and loss of life in an earthquake.*

- G) That landmark and historic buildings will be preserved:

*The proposed Ordinance would not adversely affect landmark and historic buildings.*

- H) Parks and open space and their access to sunlight and vistas will be protected from development:

*The proposed Ordinance would not adversely affect parks and open spaces in terms their access to sunlight and vistas.*

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on September 6, 2012.



Linda Avery  
Commission Secretary

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

NAYS: Moore

ABSENT:

ADOPTED: September 6, 2012