



SAN FRANCISCO PLANNING DEPARTMENT

Memo to the Planning Commission

HEARING DATE: JANUARY 28TH, 2010
INFORMATIONAL ITEM

Date: January 21, 2010
Case No.: 2007.1275EM
Project: **2009 Housing Element Update**
Informational Presentation / Commission Working Session
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Recommendation: **Informational Item only – No Action Required**

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BACKGROUND

The Planning Department, in cooperation with the Mayor's Office of Housing and in consultation with a roundtable of other City agencies, has been working towards the development of the 2009 Update of the Housing Element of the General Plan. The 2009 update of the Housing Element is required by State Law, and includes *Part 1: Data and Needs Analysis*, which contains a description and analysis of San Francisco's population, household and employment trends; existing housing characteristics, and housing needs; *Part 2: Objectives, Policies and Implementation Programs*, which sets forth the policy framework (objectives, policies and implementation measures) to address the needs identified in Part 1; as well as a series of appendices. Additionally the Planning Department will be completing a full Environmental Impact Report on the 2009 Housing Element update.

CURRENT PROPOSAL

After a year-long, comprehensive community-based planning effort, including work with the Community Advisory Body (CAB), fourteen stakeholder sessions and over 30 public workshops throughout the City, staff completed the first draft of the Housing Element. The draft was presented to the Planning Commission at a hearing on June 18th. Notice of its release was made to all community members or groups who have joined the Planning Department's Housing Element email list, the document was posted on the Planning Department's website (<http://housingelement2009.sfplanning.org/>) and hard copies have been available at the Planning Department and at the Planning Information Counter. The draft – which remains unchanged from its initial release - is enclosed as Attachment 1.

Public Comment Process

Throughout the outreach process, community members were invited to provide input. A summary of public comments received, as well as a detailed matrix of individual comments, was presented to the Commission at the June hearing. This *2009 Housing Element Comments and Response Document* continues to be available online, and will be updated as feedback on the draft is received.

Since the draft's release, staff has actively solicited feedback, and has developed an easy-to-use online form to make providing that feedback as simple as possible. Reviewers can provide general comments

via a short, three question survey; can comment specifically on individual objectives or policies using a drop-down menu tied directly to the document; and can, as always, submit their comments by writing directly to staff. Staff will continue to receive written public comment through these forums until February 27th, at which time we will begin revisions to the draft based on collected Commission and public comment.

Policy Comparison

In response to requests about the draft 2009 Housing Element's relationship to previous versions of the Housing Element, staff has developed the attached matrix (Attachment 2). This matrix is intended as a tool to facilitate the review of the preliminary draft policies of the 2009 Housing Element, as they compare to previously adopted policies in the 2004 and 1990 Housing Elements. In this matrix, policies that are new to 2009, or continuing policies that contain new elements, are highlighted, illustrating new concepts that came out of the community workshops and the Community Advisory Body. Please note that this matrix is only intended only to support community review; it is not a comprehensive analysis of the 1990, 2004 and 2009 Housing Elements.

REQUIRED COMMISSION ACTION

None Required - Informational Item only. The hearing on January 28th is intended to provide a forum for Commission and public feedback on the draft. Additionally, staff will be hosting "Listening Sessions" to hear directly from interested parties during the month of February, with drop-in sessions scheduled at the Planning Department on Tuesday, February 16th from 5-7 pm and Thursday, February 18th from 11-1 pm.

While acceptance of written public comment on the draft will conclude on February 27th, 2010, to allow staff to integrate comments into a revised draft, staff will continue to receive public comment at public hearings throughout the spring and summer. Once the revised draft is compiled and the Draft EIR is completed, staff will return to the Planning Commission for further hearings. The Department hopes to achieve full adoption of the plan, including CEQA certification, by summer 2010, as shown on the attached updated timeline (Attachment 3).

BASIS FOR RECOMMENDATION

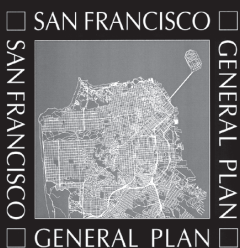
- The project provides a community based vision for the City's housing future.
- The project is required by State law, with links to infrastructure and housing funds.
- The project supports sustainable growth in the City and the region.

RECOMMENDATION: Informational Item
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Attachments:

1. **Draft 2009 Housing Element (Parts 1 and 2)**
2. **Housing Element Policy Comparison**
3. **Updated Project Timeline**

DRAFT HOUSING ELEMENT



PART I: DATA AND NEEDS ANALYSIS

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Introduction: Data and Needs Analysis

San Francisco remains a highly desirable place to live and its housing market has a seemingly infinite demand. Housing costs in San Francisco, for both renters and owners, are second only to that of New York City. The relative stability of local housing costs in the wake of the recent economic downturn is a testament to the robustness of the market. The continuing high cost of housing in San Francisco amplifies the need for providing affordable housing to all household income levels, especially low and very low income levels. The provision of adequate affordable housing remains a significant challenge for San Francisco.

This first part of the Housing Element contains a description and analysis of San Francisco's population and employment trends; existing housing characteristics; overall housing need, including special needs groups; and capacity for new housing based on land supply and site opportunities in compliance with Section 65583(a) of the

state Housing Element law. Information is presented on trends since the *2004 Housing Element* was published and on expected development for the next five to 10 years, at which time the Housing Element will be updated again. An evaluation of the *2004 Housing Element* is included in this document as an appendix.

Primary data sources include the Census Bureau and State Department of Finance for existing conditions, projections published by the Association of Bay Area Governments (ABAG), and independent analysis by the Planning Department.¹ The data used are the most reliable available for assessing existing conditions. These standard sources provide a basis for consistent comparison with older data and form the basis for the best possible forecasts. The data provide a general picture of economic trends and therefore do not necessarily reflect particular trends or cycles in the housing market and the wider economy.

¹ San Francisco relies on information provided by the Association of Bay Area Governments (ABAG). ABAG projections are the official projections of growth for the Bay Area and are used by numerous local governing agencies to identify potential needs and problems, both locally and regionally. The California State Housing and Community Development Department also uses these figures for determining housing needs for the state. ABAG projects the number of jobs for each county in the Bay Area 20 to 25 years into the future. The assumptions that ABAG used in Projections 2007 are based on demographic and economic data. The demographic assumptions take into account fertility, births, deaths, migration, household sizes, and labor force participation rates. Economic assumptions include exports, the rate of GDP growth, energy prices, productivity, and interest rates.



I. Population, Employment and Income Trends

San Francisco continues to grow and has now surpassed its population peak of the 1950s; more than 800,000 people call San Francisco home. A slight shift in the City's racial composition was noted in the U.S. Census Bureau's 2007 American Community Survey (ACS) estimate but San Francisco continues to be a culturally and racially diverse place. San Francisco households are generally better off and median incomes are rising; the 2007 ACS estimated San Francisco's median income at about \$65,520. San Francisco is also growing older. The median age of San Francisco residents has been rising since 1990, especially as the baby-boom generation ages. In 2007, the estimated median age was 39.5 years. Families with children constitute a small portion of San Francisco households. Only 12% of the City's total population is 14 years old and younger, giving San Francisco the distinction of having the fewest children of all major U.S. cities.

A. POPULATION AND DEMOGRAPHICS

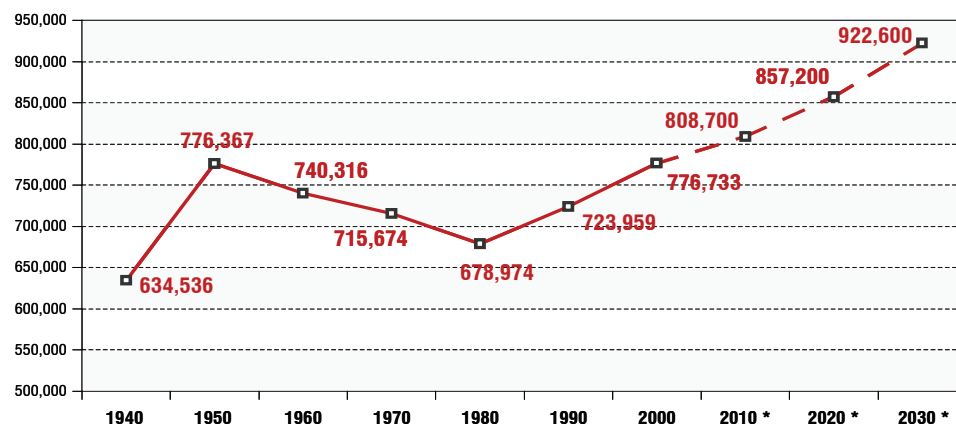
1. Population Change

San Francisco has seen an increase in population and job growth in recent years. The 2000 Census counted over 776,730 San Franciscans while the Association of Bay Area Governments (ABAG) estimated some 634,430 jobs in the City. While the population and employment dropped in the early part of the decade, these numbers have returned to a healthy level of growth.

Exact numbers differ depending on the source; however, by all estimates San Francisco's population has increased since 2000. The state Department of Finance (DoF) estimated 812,240 San Franciscans in 2007 while ABAG's projections is about 798,970. This latter estimate is more probable given the City's existing housing stock and prevailing vacancy rates. A recent estimate of about 799,600 in 2007, accepted by the Census Bureau, supports ABAG's growth projections. ABAG projects continued population growth to 857,200 by 2020 or an overall increase of some 55,000 people who will need to be housed over the next 12 years (Table I-1 and Figure I-1). Household growth, an approximation of the demand for housing, indicates a need for some 24,800 new units in the 12 years to 2020 just to accommodate projected population and household growth (Table I-1).

	1990	2000	2010 *	2020 *	2030 *
Total Population	723,959	776,733	808,700	857,200	922,600
Population Change		52,774	31,967	48,500	65,400
% Population Change		7.3%	4.1%	6.0%	7.6%
Household Population	699,330	756,976	787,800	835,900	900,800
% HH Population Change		8.2%	4.1%	6.1%	7.8%
Households	305,584	329,700	348,330	367,430	386,680
Households Change		24,116	18,630	19,100	19,250
% Households Change		7.9%	5.7%	5.5%	5.2%

SOURCES: Census Bureau, ABAG, *Projections 2007*



SOURCES: Census Bureau, ABAG *Projections 2007*

Table I-1
Population Trends and ABAG
Projections, San Francisco,
1990–2030

Figure I-1
Population Trends and ABAG
Projections, San Francisco,
1940–2030

2. Age

San Francisco's population, in line with national trends, is getting older as the baby boom generation ages. San Francisco also has the distinction of having the fewest number of children of all major American cities. Table I-2 and Figure 1-2 show recent population trends and projections by age group. The median age for San Francisco was estimated to be 39.5 years old in 2007; an increase from 36.5 in 2000. ABAG's *Projections 2007* calculated the median age to increase at a slower rate, not reaching 39.2 years until 2020.

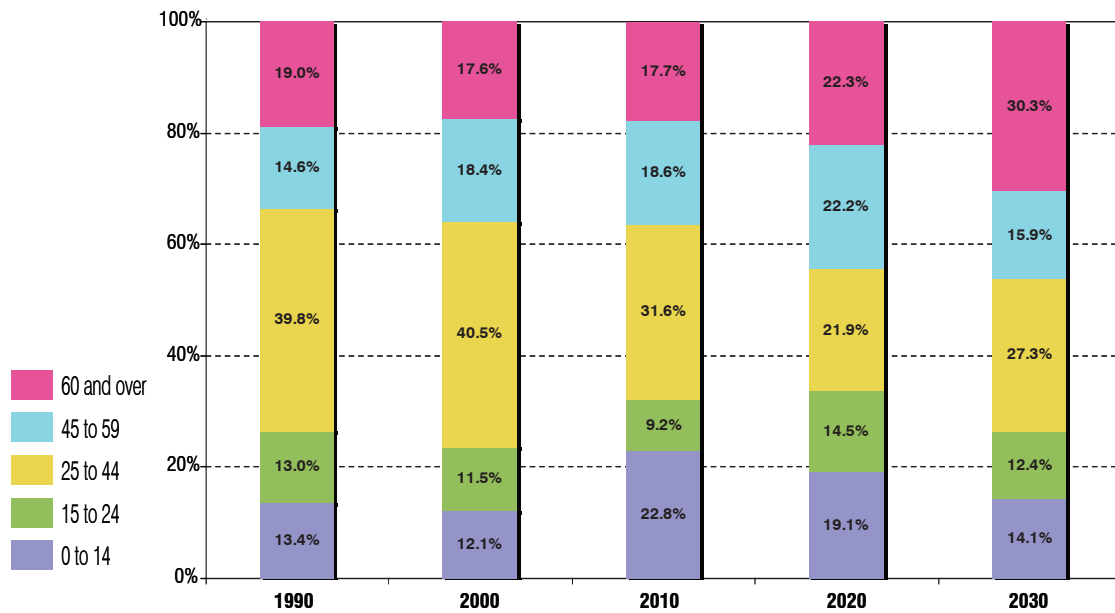
In 2000, San Franciscans 14 years and younger constituted only 12% of the city's population. The number of young San Franciscans, however, is expected to grow, almost doubling (96%) to 184,700 by 2010 and making up 23% of the total population. Their numbers will taper off the following decades and eventually return to a smaller proportion of the population by 2030.

From 1990 to 2000, the 45-59 age group grew approximately 34%, the highest growth rate of any group in the population for that period. San Franciscans 45 years and older are also forecast to increase, making up 36% of the population by 2010 and 44% by 2030. The City's older residents – those 60 years and older – will grow the most over the coming years, accounting for 30% of the total population by 2030.

Table I-2
**Population Trends and
Projections by Age Groups,
San Francisco, 1990-2030**

Age Group	1990	2000	2010	2020	2030
0 to 14	97,301	94,010	184,700	164,000	130,500
15 to 24	94,465	89,388	74,700	124,400	114,100
25 to 44	288,387	314,222	255,200	187,700	251,600
45 to 59	106,058	142,744	150,600	190,200	146,600
60 +	137,748	136,369	143,500	190,900	279,800
Total	723,959	776,733	808,700	857,200	922,600
Median Age	35.3	36.7	37.6	39.2	40.9

SOURCES: Census Bureau; ABAG, *Projections 2007*



SOURCES: Census Bureau; ABAG, *Projections 2007*

Figure I-2
Population Trends and Projections by Age Groups, San Francisco, 1990–2030

3. Ethnic Composition

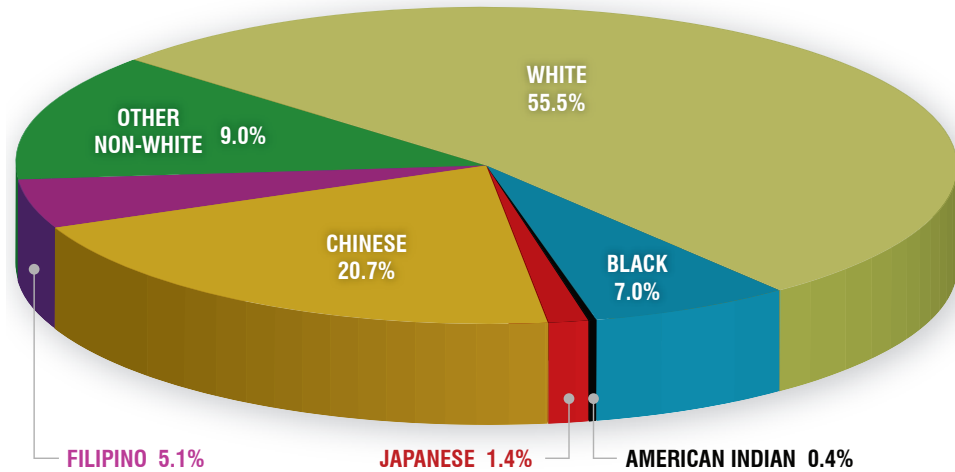
San Francisco’s population is ethnically diverse (Table 1-3 and Figure I-3) despite a slight shift since the 2000 Census. Since 2000, the percentage of San Franciscans claiming white racial affiliation increased 6%, totaling nearly 56% of the City’s population according to the 2007 American Community Survey (ACS). San Francisco’s African-American population continues to decline, dropping from 11% in 2000 to just 7% in 2007. San Franciscans of Chinese origin grew from 19.6% of the total population in 2000 to 20.7% by 2007. The proportion of San Franciscans identifying with Hispanic origins (of any race) has remained stable at about 14%. Household size and household incomes by ethnicity point to varied housing needs and abilities to pay for housing and will be discussed in later sections of this report.

Race	1980	1990	2000	2007
White	59.2%	53.6%	49.7%	55.5%
Black	12.7%	10.9%	7.8%	7.0%
American Indian	0.5%	0.5%	0.4%	0.4%
Japanese	1.8%	1.6%	1.5%	1.4%
Chinese	12.1%	18.1%	19.6%	20.7%
Filipino	5.7%	5.7%	5.2%	5.1%
Other Non-White	7.9%	9.7%	15.8%	9.0%
TOTAL	100.0%	100.0%	100.0%	100.0%
Hispanic Origin	12.4%	13.3%	14.1%	14.0%

Table I-3
Population Trends by Ethnicity, San Francisco, 1980–2007

SOURCE: Census Bureau

Figure I-3
Ethnic Composition,
San Francisco, 2007



SOURCE: Census Bureau

As in most urban centers, there are concentrations of major ethnic groups in San Francisco neighborhoods. Many Latino households live in the Inner and Outer Mission districts, extending along Mission Street south to Daly City. A distinct Filipino community follows a similar residential pattern, with additional concentrations in the Excelsior area and, to a smaller degree, South of Market. Concentrations of several East Asian populations reside in the Richmond and Sunset Districts while still maintaining its traditional presence in Chinatown. Residential concentrations of African Americans occur in the Western Addition, South Bayshore, and Ingleside Districts. Southeast Asian communities have a strong presence in the Tenderloin District north of Market Street and in neighborhoods throughout the Bayview and Visitacion Valley areas.

4. Household Characteristics

According to the 2000 Census, the number of San Francisco households grew from 305,584 in 1990 to 329,700, an increase of over 24,100 new households or about 7.9% growth (Table I-4). ABAG’s *Projections 2007* estimates that the number of total households will continue to increase, growing to 348,330 by 2010 and to 386,680 by 2030 or an annual average of 1,900 new San Francisco households over 20 years.

Table I-4
Household Growth Trends
and Projections,
San Francisco, 1990–2030

	1990	2000	2010 *	2020 *	2030 *
Number of Households	305,584	329,700	348,330	367,430	386,680
Growth	6,628	24,116	18,630	19,100	19,250
Average Annual Growth	663	2,412	1,863	1,910	1,925
Percent Change	2.2%	7.9%	5.7%	5.5%	5.2%
Average Household Size	2.29	2.30	2.26	2.27	2.33
Average Household Size (Bay Area)	2.61	2.69	2.69	2.69	2.69

SOURCES: Census Bureau; * ABAG, *Projections 2007*

As shown in Table I-4, the average household size in San Francisco has been relatively constant, hovering at 2.3 persons, and tending to be smaller than the Bay Area average. ABAG also projects that the number of persons per Bay Area household will be leveling off in the next 20 years.

San Francisco continues to have a comparatively small number of family households and this proportion is shrinking. According to the 2000 Census, family households comprised just 44% of all households in San Francisco (Table I-5), compared to over 46% in 1990. This decline does not necessarily indicate that families are leaving, as there were over 3,000 more family households in 2000; rather it indicates that non-family households are increasing at a much more rapid rate. The Census Bureau’s definition of a family household - counting only those households with people related to the householder by birth, marriage, or adoption - also obscures the actual diversity of San Francisco’s families and households. At the time of the American Community Survey in 2007, the estimated proportion of Census-defined family households in San Francisco remained steady at 44%. This is considerably less than the percentage for the entire Bay Area, where around 65% of all households are family households. Average family households are also likely to be larger than non-family households. The 2007 American Community Survey estimates these numbers to be 3.3 persons and 2.3 persons, respectively.

Household Characteristic	1990	2000
All Households	305,584	329,700
Family Households	141,790	145,186
As Percent of All Households	46.4%	44.0%
Bay Area Family Households as Percentage of All Households	65.5%	64.7%

Table I-5
Family and Non-Family
Households, San Francisco,
1990 and 2000

SOURCES: Census Bureau; ABAG

In 2000, almost 70% of all households in the City were comprised of one or two people and household sizes are expected to remain proportionally about the same as the previous decades (Table I-6). The recent ACS estimate, however, shows that the proportion of single person households is growing. In 2007, they made up over 42% of all households, compared to 39% seven years earlier. The expected growth in households and the composition of these new households present specific housing needs.

Table I-6
Changes in Household Size,
San Francisco, 1970–2000

Household Size	1980		1990		2000	
	No.	% of Total	No.	% of Total	No.	% of Total
1	123,915	41.4%	120,047	39.2%	127,380	38.6%
2	90,681	30.3%	91,894	30.0%	101,781	30.9%
3	36,554	12.2%	38,158	12.5%	41,831	12.7%
4	23,321	7.8%	26,532	8.7%	28,563	8.7%
5	12,335	4.1%	14,504	4.7%	14,293	4.3%
6+	12,150	4.1%	14,849	4.9%	16,002	4.9%
TOTAL	298,956	100.0%	305,984	100.0%	329,850	100.0%

SOURCE: Census Bureau

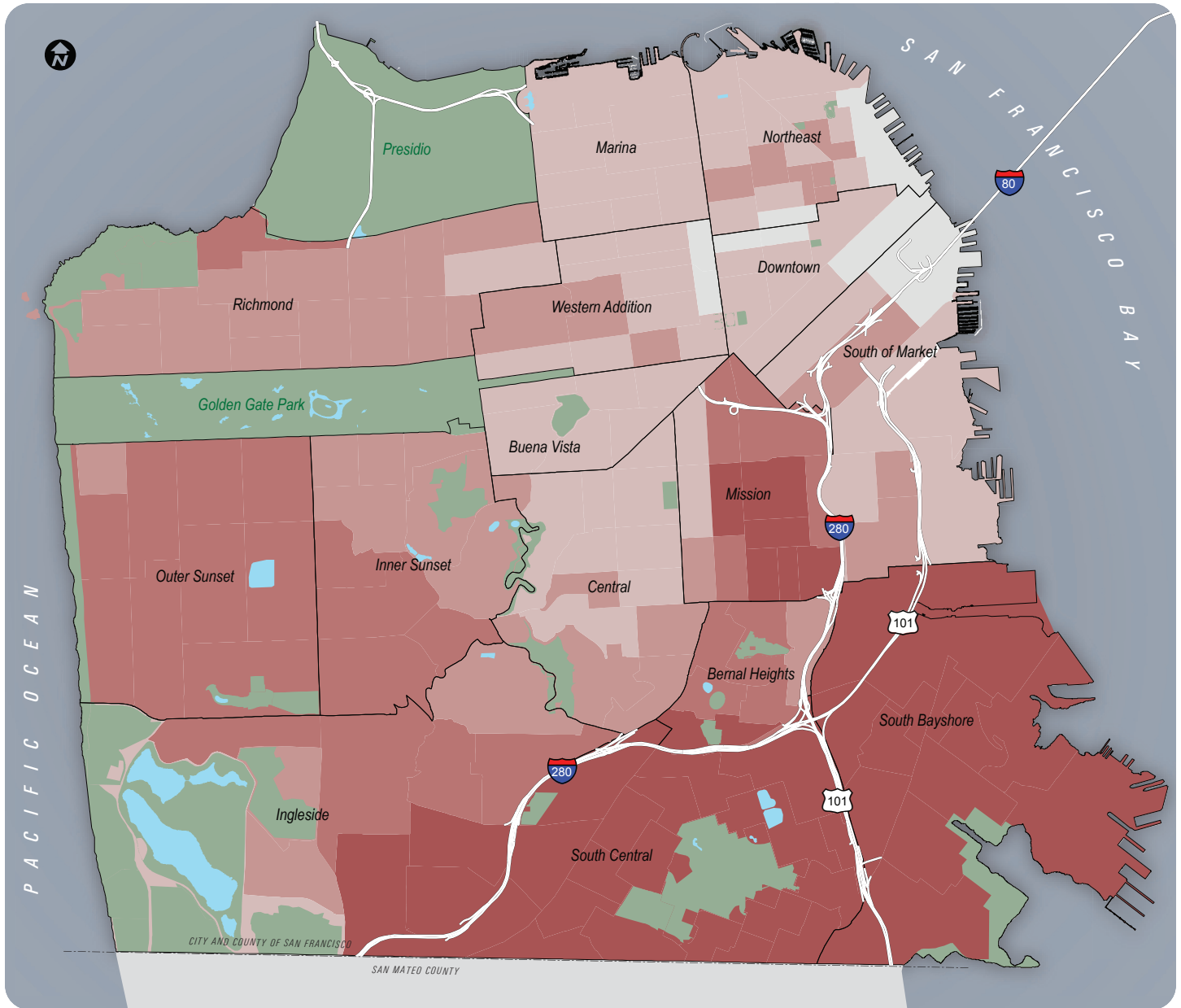
Average household size varies by ethnicity. Table I-7 below shows that households falling under the “Other Race” and the “Native Hawaiian/ Pacific Islander” categories tend to be larger, averaging 3.7 and 3.5 people per household, respectively. Hispanic or Latino households are similarly larger than the citywide average, with 3.2 people per households. There are, on average, three people in an Asian household, while Black households are generally on par with the citywide average. White households are smallest in size, averaging less than two persons per household.

Table I-7
Household Size by Ethnicity,
San Francisco, 2000

Household	Average Household Size	No. of Households
White	1.92	199,980
Black	2.31	23,860
American Indian/Alaska Native	2.39	1,303
Asian	2.99	79,058
Native Hawaiian/Pacific Islander	3.53	905
Other Race	3.69	12,803
Two or More Race	2.45	11,791
Hispanic / Latino	3.23	31,509
All Households	2.30	329,700

SOURCE: Census Bureau

Household size in San Francisco also reflects existing neighborhood housing stock (see Maps I-1 and I-2). Larger households of four or more persons are generally found in the southeastern neighborhoods of the Mission, Bayview, Visitacion Valley, and the Excelsior where typical housing units have two or more bedrooms. Somewhat smaller households are found in the western neighborhoods. The central and northeastern portions of the city generally have the smallest households—two or less than two persons—with the residential population tapering off near the commercial and industrial areas of the Financial District and South of Market.



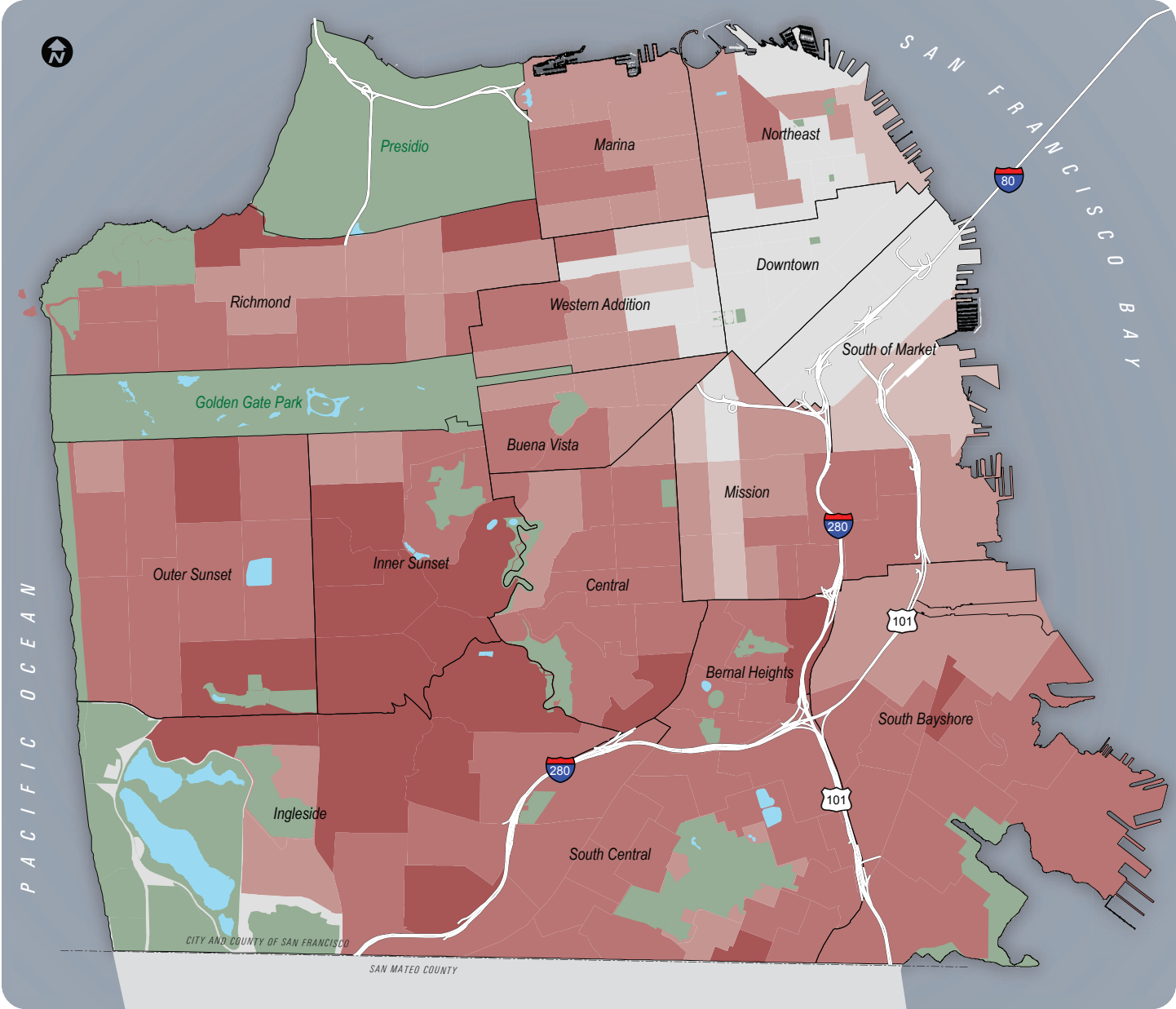
**Average Household Size by Census Tract
San Francisco, 2000**

0 Miles 1

MAP 01

	1.50 or less
	1.51 - 2.00
	2.01 - 2.50
	2.51 - 3.00
	Over 3.01

SOURCE: Census Bureau



Median Room Count by Census Tract San Francisco, 2000

0 Miles 1

MAP 02

Rooms

	2.50 or less
	2.51 - 3.00
	3.01 - 4.00
	4.01 - 5.00
	Over 5.01

SOURCE: Census Bureau

B. EMPLOYMENT

1. Jobs

Employment growth in San Francisco and the region directly affects the demand for housing as new jobs attract new residents. As shown in Table I-8, total employment in San Francisco was growing steadily from 1970 to 2000. There was equivalent growth in population and households in San Francisco. However, the crash of dot-com ventures and the subsequent recovery show a net job loss in the years between 2000 and 2010 of approximately 41,000 (see Table I-8). ABAG forecasts more robust increases in San Francisco employment between 2010 and 2030. During the 2010 to 2020 period, the ABAG model shows 90,940 new jobs (15.3% increase) in San Francisco. From 2020-2030, 98,250 additional jobs are projected—a 14.4% gain.

Year	Total No. of Jobs	Growth (Loss)	% Change
1990	579,180	26,980	4.9%
2000	634,430	55,250	9.5%
2010*	593,370	(41,060)	-6.5%
2020*	684,310	90,940	15.3%
2030*	782,560	98,250	14.4%

SOURCES: Census Bureau; * ABAG, *Projections 2007*

Table I-8
San Francisco Employment Trends and Projections, 1990-2030

From 2010 through 2030, the entire nine-county Bay Area is expected to add almost 1,227,800 jobs. Of that total, about 189,200 will be created in San Francisco and the City's share of regional employment will shrink slightly to 16% (Table I-9). Maintaining this job share ensures San Francisco's continuing role as an employment hub, making full use of existing infrastructure. Future targeted infrastructure enhancements to core job centers such as San Francisco will support overall reduction in greenhouse gas emissions in the region.

Year	San Francisco	Bay Area Total	San Francisco as % of Bay Area
1990	579,180		
2000	634,430	3,753,460	16.9%
2010 *	593,370	3,693,920	16.1%
2020 *	684,310	4,280,700	16.0%
2030 *	782,560	4,921,680	15.9%

SOURCE: ABAG, *Projections 2007*

Table I-9
San Francisco and Bay Area Regional Employment Projections, 1990-2030

Job growth in the next 20 years is expected to be strongest in the “Professional and Managerial Services” industry (41,460 new jobs), followed by the “Health and Educational Services” category (32,150), and the “Arts, Recreation, and Other Services” segment (30,820) (see Table I-10). In terms of percentage growth for the 2010-2030 period, “Manufacturing and Wholesale” (44.7%) and “Construction” (38.2%) industries lead the way. Almost all sectors of the local economy will have experienced net employment losses between the decennial censuses. For the current 2000-2010 decade, only the Health & Educational Services (2,550 new jobs), Financial & Leasing [FIRE] (1,480 jobs), and Arts, Recreation and Other Services (660 jobs) sectors will have seen positive job growth. By 2010, Professional and Managerial Services will have experienced the largest losses – some 23,540 or 18.9% of this sector’s jobs. Manufacturing and Wholesale employment will have lost some 20,030 jobs during that time—a decline of 44.8%.

Table I-10
Employment
Trends and
Projections by
Industry,
San Francisco,
2000-2030

Industry	2000	2010	2020	2030	2000 - 2030	
					Change	% Change
Agriculture & Natural Resources	1,040	1,020	1,020	1,020	(20)	-1.9%
Construction	32,750	29,020	34,380	40,100	7,350	22.4%
Manufacturing & Wholesale	44,690	27,090	32,850	39,190	(5,500)	-12.3%
Retail	57,400	50,640	58,600	67,170	9,770	17.0%
Transportation & Utilities	32,610	29,600	30,840	32,000	(610)	-1.9%
Information	44,070	39,530	44,950	50,790	6,720	15.2%
Financial & Leasing (FIRE)	83,740	85,220	97,410	111,300	27,560	32.9%
Professional & Managerial Services	124,280	108,990	128,880	150,450	26,170	21.1%
Health & Educational Services	97,870	100,420	115,750	132,570	34,700	35.5%
Arts, Recreation & Other Services	95,010	95,670	110,600	126,490	31,480	33.1%
Government	29,040	26,170	29,030	31,480	2,440	8.4%
TOTAL	642,500	593,370	684,310	782,560	140,060	21.8%

SOURCE: ABAG, *Projections 2007*

2. Employed Residents and Commuters

During the early part of this decade, the number of employed residents in San Francisco declined (Table I-11). However, that trend has been reversed and by the end of this decade, an increase of 7,400 employed residents is projected. ABAG’s *Projections 2007* also indicate that this trend will continue over the 20 years with 93,700 additional employed residents by 2030.

Year	Employed Residents	No. of Change	% Change
2000	437,533		
2005	388,100	-49,433	-11.3%
2010	395,500	7,400	1.9%
2015	404,700	9,200	2.3%
2020	421,700	17,000	4.2%
2025	442,600	20,900	5.0%
2030	481,800	39,200	8.9%

Table I-11
Employed Residents Trends and Projections, San Francisco, 2000–2030

SOURCE: ABAG, *Projections 2007*

The number of workers per household also declined between 2000 and 2005, from 1.33 to 1.15 (Table I-12). This number is expected to remain fairly constant until 2030 when it will increase to 1.25 workers per household. The Bay Area region will follow a similar trend.

Area	2000	2005	2010	2015	2020	2025	2030
San Francisco	1.33	1.15	1.14	1.13	1.15	1.17	1.25
Bay Area Region	1.40	1.25	1.30	1.34	1.39	1.42	1.47

Table I-12
Workers per Household Trends and Projections, San Francisco and Bay Area, 2000-2030

SOURCE: ABAG, *Projections 2007*

As of 2000, commuters into San Francisco held 44.4% of the jobs in the City (Table I-13). According to the Metropolitan Transportation Commission's *Commuter Forecasts for the San Francisco Bay Area: 1990-2030*, over half of these workers commute into the City via the Bay Bridge corridor. Between 2000 and 2010, it is estimated that commuters will have obtained 86.5% of new jobs in San Francisco.

As a regional job center, San Francisco will continue to have a larger share of commuters than other cities in the Bay Area. The regional transportation goal in the next ten years is to reduce commuting with a smaller share of new jobs created in San Francisco being taken by non-San Francisco residents. Table 1-13, however, is not a job forecast nor does it show distribution of jobs throughout the area. Rather, it assumes that more of the future jobs in San Francisco are expected to be taken by San Francisco residents than has occurred in the past.

Category	2000	2010	2020	2030
Commuters	257,341	300,069	338,196	357,074
San Francisco Residents	321,913	328,563	362,044	402,829
TOTAL JOBS	579,254	628,632	700,240	759,903
% of Commuters	44.4%	47.7%	48.3%	47.0%
Increase		49,378	71,608	59,663
Change in Commuters		42,728	80,855	18,878
Regional Goal of Percent Change of Commuters		86.5%	53.2%	31.6%

Table I-13
Workers Commuting into San Francisco, 2000-2030

SOURCE: Metropolitan Transportation Commission

C. INCOMES

1. Median Incomes

The 2000 Census noted San Francisco's median household income at \$55,221. This represents an increase of about 65% in the 10 years between Census counts (Table I-14). Table I-14 also shows that median and mean family incomes tend to be higher than that of non-family households. The 2007 American Community Survey (ACS) estimates the median household income at just under \$65,650 or about a 19% increase in the last seven years. Table I-15, however, shows these same incomes adjusted for inflation, where median household and median non-family household incomes have remained largely flat.

Table I-14
Household and Family
Income, San Francisco,
1990-2007

	1990	2000	2007 ACS
Median Household Income	\$33,414	\$55,221	\$65,519
Mean Household Income			\$95,457
Median Family Household Income	\$38,443	\$63,545	\$81,136
Mean Family Household Income			\$117,136
Median Non-Family Household Income		\$46,465	\$53,966
Mean Non-Family Household Income			\$76,364

SOURCE: Census Bureau

Table I-15
Household and Family
Income in Constant Dollars,
San Francisco, 1990-2007

Income Category	1990 (1999 Dollars)	2000 (1999 Income)	2007 (1999 Dollars)
Median Household Income	\$44,024	\$55,221	\$54,126
Median Family Income	\$53,440	\$63,545	\$65,634
Median Non-Family Household Income	\$35,696	\$46,465	\$43,424
Per Capita Income	\$25,949	\$34,556	\$34,489

SOURCE: Census Bureau

Table I-16 below shows household incomes by household type, tenure and ethnicity. In addition to the difference between median family income and median non-family income, disparities exist between home-owning households and renters, and amongst ethnic groups. This array of income, as well as household type, affects housing demand and affordability. For example, the family median income is not enough to afford the average 2008 rent for a two-bedroom apartment at \$2,650. And while the median family income is somewhat higher than that of a non-family household, it is spread among more people in the household and would have to pay for larger housing to accommodate the larger average family household size. There is thus a need for larger units affordable to families and large households in San Francisco and an on-going need for affordable housing for the population in general.

Characteristic	Median Income	% of San Francisco Median Household Income (\$55,221)
HOUSEHOLD TYPE		
Family Household	\$63,545	115.1%
Non-Family Household	\$46,457	84.1%
TENURE		
Owner Occupied Households Median Income	\$77,917	141.1%
Renter Occupied Households Median Income	\$45,275	82.0%
ETHNICITY		
White	\$63,227	114.5%
African American	\$29,640	53.7%
American Indian/Alaska Native	\$30,994	56.1%
Asian	\$49,596	89.8%
Native Hawaiian/Pacific Islander	\$33,750	61.1%
Other Race	\$47,651	86.3%
Two or More Race	\$49,040	88.8%
Hispanic or Latino	\$46,883	84.9%

Table I-16
Household Income by Household Type, Tenure and Ethnicity, San Francisco, 2000

* People who identify themselves as Hispanic or Latino may also identify themselves as a particular ethnicity.
 SOURCE: Census Bureau

2. Employed Residents, Household Workers and Income

Generally, the overall number of employed persons in a city is probably not correlated with income. Rather, income levels relate more directly to general economic characteristics of an area, fluctuations in wages earned, inflation, and most directly, job mix. However, data suggest that some family incomes may rise as a result of increased employment. It is reasonable to expect that as employment increases, families would benefit from increased employment, thus increasing family income. This is evidenced in the higher median family income presented in Table I-15 above. Between 1990 and 2000, the number of families with no workers decreased from 14.7% to 12.8 %, possibly benefiting families (Table I-17). Additionally, this table shows that the number of families with two workers increased by about 6.6%, implying that those families earned more. However, one cannot be sure because, for instance, a family may have lost one job and replaced it with two lower-paying positions.

Workers	1990	2000
0	21,147	18,798
1	38,150	38,729
2	62,099	66,231
3+	22,422	23,428

Table I-17
Number of Workers in Family, San Francisco, 1990-2000

SOURCE: Census Bureau

3. Income Disparities

Income disparity is even more significant when households' median incomes are compared by ethnicity. Table I-18 shows that across all types of households and per capita measures, white households have significantly higher earnings than other ethnicities. Only White households earn more than the 2000 Census citywide averages. African American households' median income of \$29,640 is 54% of the City's median income, while White households' median income is \$63,227 or 115% of the City's median income. Asian households have a median income that is 90% of the City's overall median income, followed by "Two or More Race" and "Other Race" households whose median incomes are about 89% and 86% of San Francisco's median income respectively. Median income of Hispanic or Latino households was pegged at \$46,883 or about 85% of the citywide median.

Table I-18
Incomes by Ethnicity
and Household Type,
San Francisco, 2000

Ethnicity	Median Household Income	Median Family Income	Median Non-Family Income	Average Family Size	Per Capita Income
White	\$63,227	\$81,891	\$52,715	2.72	\$48,393
African American	\$29,640	\$35,943	\$21,103	3.16	\$19,275
American Indian / Alaska Native	\$30,994	\$35,000	\$24,922	3.39	\$22,588
Asian	\$49,596	\$56,679	\$30,365	3.67	\$22,357
Native Hawaiian / Pacific Islander	\$33,750	\$31,985	\$38,333	4.47	\$12,476
Other Race	\$47,651	\$46,683	\$31,801	4.19	\$15,730
Two or More Races	\$49,040	\$51,571	\$41,677	3.33	\$22,091
Hispanic or Latino	\$46,883	\$46,809	\$35,911	3.88	\$18,584
Citywide	\$55,221	\$63,545	\$46,457	3.22	\$34,556

SOURCE: Census Bureau

As noted earlier, ethnic households tend to be larger than the City's overall average household size (Table I-7). Thus a look at per capita income provides a starker reality of income disparity. The 2000 Census shows that per capita income of San Franciscan of Native Hawaiian or Pacific Islander heritage is equivalent to only 36.1% of the City's overall, but for white San Franciscans, it is 140%. And while Asian households earn on average about 90.4% of the City's median income, per capita income of San Franciscans of Asian decent is \$22,357 or 64.7%.

4. Employment Trends and Income

The housing needs of San Francisco are based on providing housing to support the City's workforce, which includes both San Francisco residents and commuters. While San Francisco serves as a regional center for employment, a substantial portion of its workforce lives within the city boundaries. San Francisco's share of the regional housing needs assessment reflect the continuing need to provide housing for its workforce. The average income for the San Francisco workforce demonstrates the lack of housing affordable to many San Francisco workers, both residents and commuters. Table I-19 below shows the average wage by sector and total jobs in each sector. The office sector was by far the largest employer with 195,521 jobs. The retail and industrial sectors had 96,033 and 84,693 jobs respectively. The cultural/institutional sector also had a large number of jobs with 128,725 employees as of 2005. With an average rent of \$2,650 for a two-bedroom apartment in 2008, a household must have an annual income of at least \$106,000 to afford such a unit.

Table I-19
Average Annual Wage and Employment by Sector, San Francisco, 2006

Industry	Average Annual Wages 2006	Average Employment 2006
TOTAL PRIVATE INDUSTRY	\$71,174	446,359
Goods Producing	\$58,145	28,430
Natural Resources and Mining	40,895	259
Construction	64,939	16,962
Manufacturing	48,263	11,209
Service Producing	\$72,061	417,929
Trade, Transportation and Utilities	52,215	68,538
Information	87,003	17,098
Financial Activities	160,040	57,827
Professional and Business Services	89,032	114,320
Education and Health Services	48,363	53,740
Leisure and Hospitality	28,083	74,074
Other Services	29,004	32,305
TOTAL GOVERNMENT	\$83,800	n/a

SOURCE: S.F. Planning Department; California Employment Development Division

Because each sector in Table I-19 contains a variety of occupations, it is useful to call out the fastest growing categories of jobs in San Francisco, as shown in Table I-20. Of these, only three job classifications – Lawyers, General and Operations Managers, and Computer Software Engineers, Applications – have estimated annual wages around or above the \$106,000 required to afford asking rents of an average two-bedroom apartment in San Francisco.

Occupational Title	Job Openings 2004-2014	Mean Hourly Wage, 2008	Estimated Annual Wage* 2008
Retail Salespersons	14,030	\$13.97	\$29,049
Waiters and Waitresses	11,090	\$10.69	\$22,236
Cashiers	10,970	\$12.37	\$25,730
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	7,660	\$9.81	\$20,391
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	6,520	\$12.94	\$26,919
Combined Food Preparation and Serving Workers, Including Fast Food	6,290	\$10.71	\$22,267
Registered Nurses	5,950	\$44.46	\$92,477
Office Clerks, General	4,780	\$15.79	\$32,831
Computer Software Engineers, Applications	4,740	\$49.92	\$103,829
General and Operations Managers	4,190	\$62.52	\$130,045
Food Preparation Workers	4,040	\$11.14	\$23,168
Executive Secretaries and Administrative Assistants	3,680	\$25.03	\$52,072
Accountants and Auditors	3,650	\$36.57	\$76,058
Security Guards	3,620	\$14.39	\$29,921
Carpenters	3,620	\$29.11	\$60,555
Cooks, Restaurant	3,430	\$13.09	\$27,226
Laborers and Freight, Stock, and Material Movers, Hand	3,290	\$14.31	\$29,771
Stock Clerks and Order Fillers	3,140	\$13.29	\$27,661
Customer Service Representatives	3,000	\$19.52	\$40,597
Bookkeeping, Accounting, and Auditing Clerks	2,850	\$20.79	\$43,243
Maids and Housekeeping Cleaners	2,720	\$13.18	\$27,400
Medical Scientists, Except Epidemiologists	2,670	\$45.76	\$95,174
Tellers	2,640	\$14.41	\$29,980
First-Line Supervisors/Managers of Office and Administrative Support Workers	2,630	\$28.10	\$58,438
Lawyers	2,570	\$70.00	\$145,600

Table I-20

**Job Classifications
with Most Job
Openings 2004-2014
and Mean Hourly
Wages, 2008 San
Francisco-Marin-San
Mateo Counties,
2004-2014**

* Assumes 40-hour work week, 52-week year.
SOURCE: California Employment Development Department, *Occupational Employment Statistics Survey*
check <http://www.calmis.ca.gov/file/occpj/sanf/socmost.xls>

Much of the growth forecast to occur in the coming years will be in low- to medium-skilled jobs such as retail salespersons, waitpersons, cafeteria and coffee shop attendants, janitors and cleaners, and food preparation workers, with approximate annual pay scales ranging from \$20,900 to \$29,000 (Table I-20). Some of this growth may be absorbed by San Francisco residents through the First Source Hiring Program. However, this is a limited program since it only applies to city contracts and commercial development that is over 25,000 square feet.¹

¹ San Francisco's First Source Hiring Program (Chapter 83 of the Administrative Code) was created to foster construction and permanent employment opportunities for qualified economically disadvantaged individuals. Participation in this program is required in City contracts and City property contracts. To date, the First Source Hiring Program has employed at least 229 people permanently and 332 people through construction jobs. These numbers represent minimums, because not all hires are recorded.



II. Housing Characteristics

This section provides background information on the physical and qualitative characteristics of San Francisco's housing stock. Totalling about 363,660 units, the City's housing stock is roughly divided into low-, medium-, and higher-density structures. The City's housing stock is older than other West Coast cities, with over 50% of the City's housing units constructed before World War II. San Francisco's housing tends to be smaller in size, with about 72% of all units containing two bedrooms or less. San Francisco, like most large cities, is a city of renters who occupy 62% of housing units in the City.

About 18,960 new housing units were added to the City's housing stock in the nine years following the 2000 Census; of these, 88% were in structures with ten or more units. Since 2000, almost 43% of all new housing was constructed in the largely industrial areas of the South of Market planning district; an additional combined total of 13% were built in the residential-zoned Inner and Outer Sunset, the Richmond, Ingleside, and Central and South Central planning districts.

Housing affordability continues to be a major concern as San Francisco has one of the least affordable housing markets in the nation. Roughly 26% of new housing built since 2000 qualified as affordable to households making 100% or less of the area median income. The cooling housing market, notwithstanding, homeownership in San Francisco remains elusive for most residents. Only 10% of all San Francisco households could afford the \$572,000 median housing price. Average asking rents stood at \$2,650 in 2008.

A. EXISTING HOUSING STOCK

1. General Characteristics

Structure Type and Tenure: According to the 2000 Census, San Francisco's over 346,500 housing units consisted of roughly equal proportions of low-density single family units, two to nine unit medium density structures, and ten unit plus high-density buildings (Table I-21). This has not changed dramatically in the last seven years. San Francisco is also city of renters: an estimated 62% of all households rent according to the latest American Community Survey estimates (2007). This latest Census survey, however, estimated that there has an increase in the rate of homeownership, with 39% of all households owning their homes, up from 35% seven years earlier. Table I-21 also shows that a vast majority of single-family units are owner-occupied (72%).

Table I-21
**Housing Characteristics,
San Francisco,
2000 and 2007**

Characteristic	All Units		Occupied		Rent		Own	
	2000	2007	2000	2007	2000	2007	2000	2007
TENURE STATUS								
					65.0%	62.2%	35.0%	37.8%
STRUCTURE TYPE								
Single Family	32.1%	34.4%	32.7%	34.9%	11.7%	14.5%	71.6%	68.5%
2 - 4 Units	23.3%	20.4%	23.4%	20.7%	26.7%	22.8%	17.2%	17.2%
5 - 9 Units	11.3%	10.4%	11.3%	10.2%	15.9%	14.1%	2.8%	3.8%
10 - 19 Units	10.1%	10.2%	10.1%	9.7%	14.3%	14.2%	2.3%	2.2%
20+ Units	22.9%	24.5%	22.3%	24.5%	31.2%	34.3%	5.9%	8.2%
Other	0.2%	0.1%	0.2%	0.1%	0.1%	0.0%	0.2%	0.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
UNIT SIZE								
No Bedroom	18.0%	14.1%	17.7%	14.0%	26.0%	21.7%	2.4%	1.3%
1 Bedroom	28.0%	28.2%	28.0%	27.9%	36.9%	39.1%	11.3%	9.6%
2 Bedrooms	29.8%	30.4%	29.7%	30.5%	25.0%	25.5%	38.5%	38.5%
3 Bedrooms	17.3%	18.5%	17.5%	19.1%	9.2%	9.8%	32.8%	34.4%
4 Bedroom	5.3%	6.3%	5.3%	6.2%	2.2%	2.5%	11.2%	12.3%
5 or more Bedrooms	1.7%	2.5%	1.8%	2.3%	0.7%	1.4%	3.8%	3.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
AGE OF HOUSING BY YEAR BUILT								
2000 and later		3.7%		4.6%		4.9%		4.1%
1980 - 1999	8.8%	8.5%	8.9%	8.6%	8.5%	9.0%	9.5%	7.9%
1960 - 1979	18.8%	14.6%	16.3%	14.6%	19.5%	17.1%	10.4%	10.6%
1940 - 1959	24.0%	20.0%	24.8%	20.4%	23.7%	18.6%	26.9%	23.2%
1939 or earlier	48.5%	53.3%	50.0%	51.9%	48.3%	50.5%	53.2%	54.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SOURCE: Census Bureau

Structure Size/Bedroom Counts Dwelling units in San Francisco are generally small in size. The 2000 Census showed that 76% of all units had two bedrooms or less. Only 7% of housing units had four or more bedrooms. These units were primarily in single-family homes and two unit residential flats. Renters, who make up 65% of all households in the City, tend to have smaller units. Over a quarter (26%) of renting households live in units without a bedroom, compared to just 2.4% of home owning households.

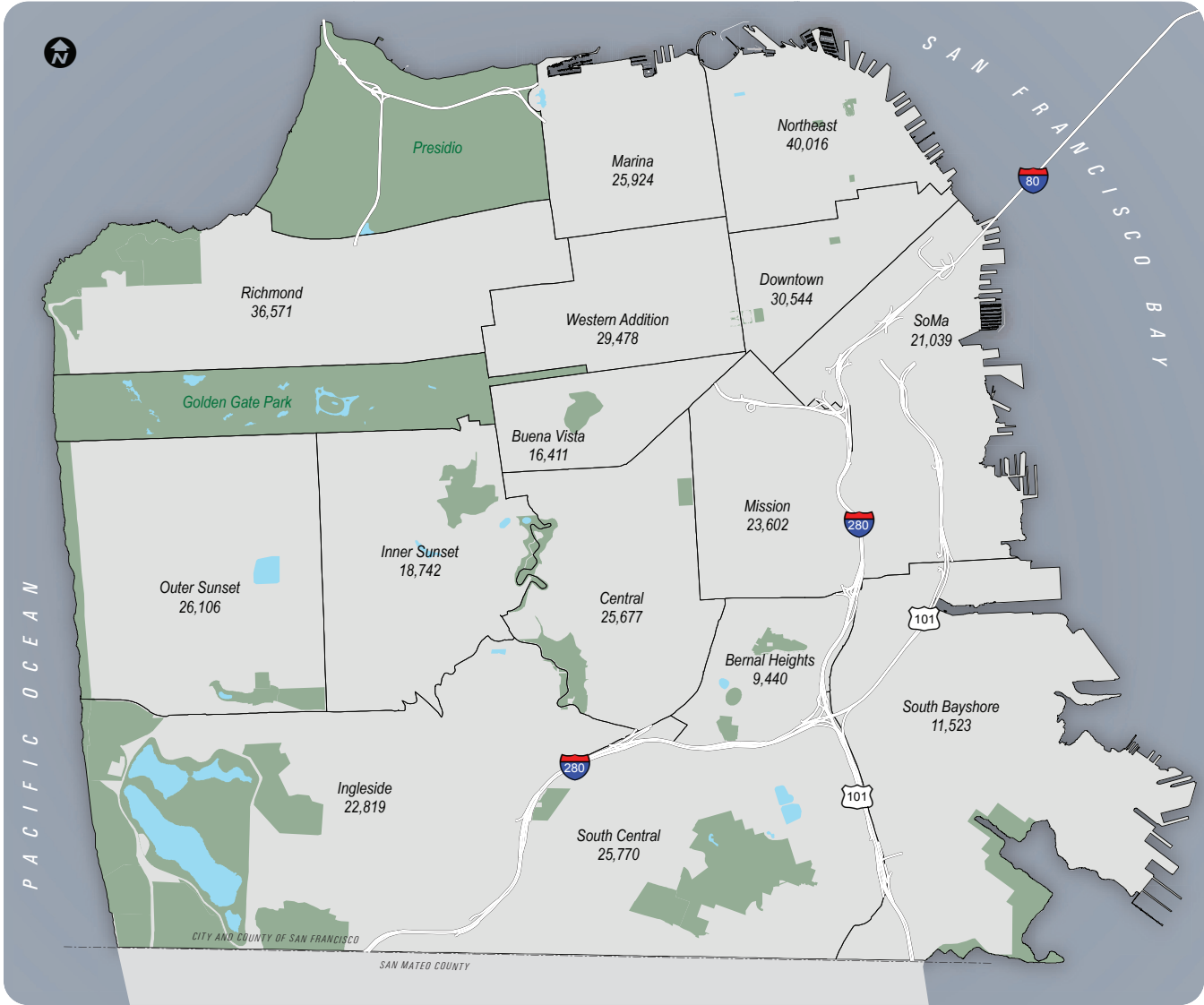
Age of Housing Stock: Over 53% of San Francisco's housing stock was built prior to 1940. New construction since 2000 accounts for just under 4% of the City's total housing stock. Housing added in the last 27 years represents approximately 12% of all units. Although older, most of the housing stock is in sound condition. Table I-21 details other differences in housing characteristics by household tenure status.

Location and Structure Type: Table I-22 below shows the distribution of the City's housing inventory by planning district (see Map I-3) and by structure size. The Northeast planning district has the most housing units, followed by the Richmond, Western Addition and Downtown. The largely residential districts of Inner Sunset, Buena Vista and Bernal Heights, along with the industry-strewn Bayview, account for the fewest units. Single-family homes are concentrated in the residential-zoned districts of South Central, Inner Sunset, Outer Sunset and Ingleside. The Northeast planning district has the most high-density structures, followed by Western Addition, South of Market and Marina.

Table I-22
Housing Stock by Planning District and Structure Size, San Francisco, 2008

Planning District	Single Family	2 to 4 Units	5 to 9 Units	10 + Units	District Total
1 Richmond	10,441	15,371	5,031	5,728	36,571
<i>Percent</i>	29%	42%	14%	16%	10.1%
2 Marina	2,964	5,982	4,139	12,839	25,924
<i>Percent</i>	11%	23%	16%	50%	7.1%
3 Northeast	1,802	7,290	6,849	24,075	40,016
<i>Percent</i>	5%	18%	17%	60%	11.0%
4 Downtown	210	509	880	28,945	30,544
<i>Percent</i>	1%	2%	3%	95%	8.4%
5 Western Addition	2,264	5,979	4,063	17,172	29,478
<i>Percent</i>	8%	20%	14%	58%	8.1%
6 Buena Vista	2,123	6,777	3,493	4,018	16,411
<i>Percent</i>	13%	41%	21%	24%	4.5%
7 Central	8,657	9,442	2,927	4,651	25,677
<i>Percent</i>	34%	37%	11%	18%	7.1%
8 Mission	2,430	9,364	4,560	7,248	23,602
<i>Percent</i>	10%	40%	19%	31%	6.5%
9 South of Market	2,010	2,858	1,033	15,138	21,039
<i>Percent</i>	10%	14%	5%	72%	5.8%
10 South Bayshore	6,900	1,769	1,661	1,193	11,523
<i>Percent</i>	60%	15%	15%	10%	3.2%
11 Bernal Heights	5,355	3,135	481	469	9,440
<i>Percent</i>	57%	33%	5%	5%	2.6%
12 South Central	20,675	2,422	1,344	1,329	25,770
<i>Percent</i>	80%	9%	5%	6%	7.1%
13 Ingleside	16,514	1,495	462	4,348	22,819
<i>Percent</i>	72%	7%	2%	20%	6.3%
14 Inner Sunset	9,898	4,534	1,602	2,708	18,742
<i>Percent</i>	53%	24%	9%	14%	5.2%
15 Outer Sunset	19,020	4,546	1,321	1,219	26,106
<i>Percent</i>	73%	17%	5%	4%	7.2%
CITYWIDE TOTAL	111,263	81,473	39,846	131,080	363,662
<i>Percent</i>	31%	22%	11%	36%	100.0%

SOURCE: SF Planning Department



Housing Stock by Planning District San Francisco, 2008

0 Miles 1

MAP 03

KEY:
Outer Sunset Planning District
 26,081 Total Units

2. Changes to the Housing Stock, 2000 - 2008

Despite the economic downturn at the beginning of the new millennium, housing production in San Francisco seemed unaffected. Accounting for new production, demolitions, and alterations, the City has seen a net increase of over 18,960 housing units – an annual average of almost 2,010 units – in the last nine years. In comparison, a net total of 9,640 housing units were added between 1990 and 1999 or an annual rate of about 964 units per year. The three-year spike in demolitions between 2003 and 2005 is a result of extensive public housing renewal projects, all of which have since been replaced with new affordable housing. Table I-23 also shows a growing trend - roughly 15% in the last nine years - of new units from the conversion of commercial buildings.

Year	Units Completed from New Construction	Units Demolished	Units Gained or Lost from Alterations	Net Change In Number of Units
2000	1,859	61	(1)	1,797
2001	1,619	99	259	1,779
2002	2,260	73	221	2,408
2003	2,730	286	52	2,496
2004	1,780	355	62	1,487
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
TOTAL	19,011	1,199	1,754	19,566

Table I-23
New Housing Construction, Demolitions and Alterations, San Francisco, 2000-2008

SOURCE: SF Planning Department

a. Type and Location of New Construction, 2000 - 2008

Most of the new construction in the last nine years has occurred in larger structures, with 85% of the housing developed in buildings with more than ten units (Table I-24). South of Market absorbed most of the new housing development since 2000, accounting for over 8,070 new units or almost 43% of all new housing during that period; Downtown and the Western Addition follow with roughly 3,465 and 1,504 respectively, together accounting for over 26% of new housing (Table I-25 and Map I-4). The largely residential districts of the Richmond, Inner and Outer Sunset, Ingleside, Central and South Central, combined, netted only 13% of the additional units to the City's housing stock.

Table I-24
Comparison of Existing Stock with New Construction by Building Type, San Francisco, 1980-2008

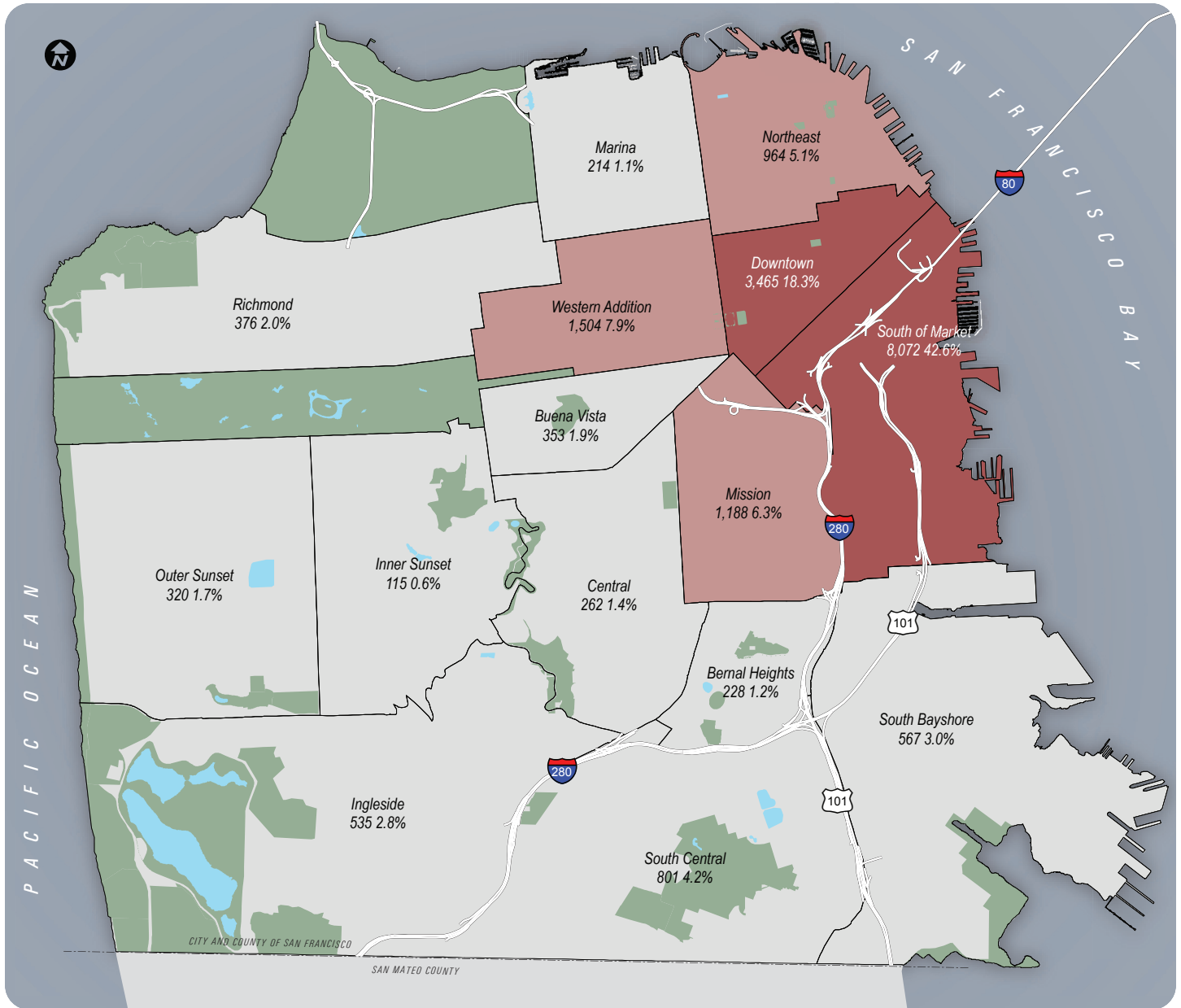
Building Type	Existing Stock			New Construction 2000-2008
	1980	1990	2000	
Single Family	32.3%	32.0%	31.3%	3.0%
Two Units	12.6%	24.0%	23.7%	3.9%
3 to 9 Units	20.8%	11.3%	11.1%	8.2%
10 + Units	34.3%	32.7%	34.0%	85.0%
TOTAL	100.0%	100.0%	100.0%	100.0%

SOURCES: Census Bureau; SF Planning Department

Table I-25
Net Change in the Housing Stock by Planning District, 2000-2008

Planning District	2000 Census	Net Additions April 2000 - 2008	Total Housing Stock, 2008	% of Net Addition
1 - Richmond	36,195	376	36,571	2.0%
2 - Marina	25,710	214	25,924	1.1%
3 - Northeast	39,052	964	40,016	5.1%
4 - Downtown	27,079	3,465	30,544	18.3%
5 - Western Addition	27,974	1,504	29,478	7.9%
6 - Buena Vista	16,058	353	16,411	1.9%
7 - Central	25,415	262	25,677	1.4%
8 - Mission	22,414	1,188	23,602	6.3%
9 - South of Market	12,967	8,072	21,039	42.6%
10 - South Bayshore	10,956	567	11,523	3.0%
11 - Bernal Heights	9,212	228	9,440	1.2%
12 - South Central	24,969	801	25,770	4.2%
13 - Ingleside	22,284	535	22,819	2.8%
14 - Inner Sunset	18,627	115	18,742	0.6%
15 - Outer Sunset	25,786	320	26,106	1.7%
San Francisco Totals	344,698	18,964	363,662	100.0%

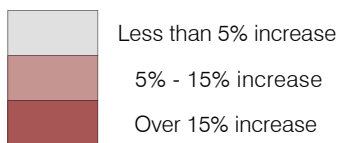
SOURCE: SF Planning Department



Net Change to the Housing Stock by Planning District San Francisco, April 2000-2008

0 Miles 1

MAP 04



Outer Sunset District
320 (1.7%) Net Unit Change (Percent Increase)

b. Construction of Low and Moderate Income Housing, 2000 - 2008

Between 2000 and 2008, over 4,920 new affordable housing units, including inclusionary affordable units, were added to San Francisco's housing stock. San Francisco, however, did not meet its fair share of the regional housing needs production targets, especially for low and moderate income housing. (See *Appendix A* for details of the City's housing production performance in the evaluation of the 2004 Residence Element.)

Since 2000, 26% of all new housing units built in the City have been affordable units. Nearly 60% of these qualified as affordable at very low-income levels and another 16% that was considered affordable for low income households (Table I-26). An affordable rental unit is defined as housing for which rent equals 30% of the income of a household earning 60% or less of the area median income (AMI).¹

These totals represent construction of new units, including new units from alterations and conversion of commercial structures, but do not include permanently affordable units that result from the acquisition and rehabilitation of existing residential buildings by non-profit housing organizations. Of these affordable units, almost 2,410 units were specifically targeted for families and featured three- and four-bedroom units. Another 970 units were reserved for senior citizens and almost 765 units were efficiency units or one-bedroom units to house the formerly homeless. The Mayor's Office of Housing (MOH) noted that 2,320 affordable units were acquired or rehabilitated since 2000; almost 335 more units are underway or being planned. These numbers include both MOH and Redevelopment Agency projects.

Table I-26
Construction of New Affordable Housing Units, San Francisco, 2000-2008

Income Level	2000	2001	2002	2003	2004	2005	2006	2007	2008	Totals
Very Low	67	82	711	150	383	453	316	412	381	2,955
Low	54	80	81	94	2	236	17	120	81	765
Moderate	31	10	50	115	163	110	158	203	361	1,201
Total Newly Constructed Affordable Units	152	172	842	359	548	799	491	735	823	4,921
As % of Total New Construction	8.2%	10.6%	37.3%	13.2%	30.8%	42.7%	29.3%	33.5%	27.3%	25.9%

SOURCE: Planning Department, Housing Inventory

¹ Income and affordability guidelines are discussed on p. 43.

c. Units Demolished

A total of 1,199 housing units were demolished between 2000 and 2008, or an annual average of over 130. This is lower than the number of units demolished in the two decades between 1980 and 1999 with an annual average of about 148 units. The City has a one-to-one unit replacement policy that requires units lost through demolition be replaced with the same number of units or more. As shown in Table I-27, almost 60% of all units demolished were in larger multi-unit structures. The two-year spike in housing demolitions were of that of North Beach Place and Valencia Gardens, two large, older public housing structures that have since been replaced by new affordable housing developments. Single-family homes represented over a quarter of residential units demolished from between 2000 and 2008 (316 units).

Table I-27
Demolitions by Structure Type, 2000-2008

Structure Type	2000	2001	2002	2003	2004	2005	2006	2007	2008	TOTAL
Units Demolished	61	99	73	286	355	174	41	81	29	1,199
Single Family	31	48	55	34	30	70	18	19	11	316
2 Unit Building	18	22	8	14	10	16	12	8	4	112
3-4 Unit Building	12	15	10	3	9	3	11	3	3	69
5+ Unit Building	-	14	-	235	306	85	-	51	11	702

d. Other Changes to the Housing Stock

In addition to changes resulting from new construction and demolition, the quantity of housing in the City can be altered by other factors including the subdivision of units, dwelling unit mergers, and building conversion (e.g. converting housing to commercial space).

a. Alterations: Since 2000, some 1,754 net units have been added to the City’s housing stock by some type of alteration. The majority of alterations that produce additional housing usually result in a single new unit. Most losses through alterations result from dwelling unit mergers, although recent legislative efforts have curbed historically high merger trends. A number of illegal units are also removed from the housing stock each year by code enforcement. A total of 204 housing units were removed in this fashion from 2000 to 2008.

Table I-28
Housing Units Converted to Non-Residential Use, San Francisco, 1970-2008

b. Conversions: A growing trend in alterations is the conversion of commercial buildings to residential uses. Between 2000 and 2008, 1,318 units were added through commercial to residential conversion. The number of housing units lost by conversion to non-residential uses, has decreased dramatically over the last three decades. Approximately 49 units were lost to such conversion between 2001 to 2008, a slightly higher rate than the previous 10 years but nevertheless far reduced from the over 1,000 units that were converted to non-residential uses in the decade from 1970-1980 (Table I-28). The decline in the number of converted units stems from regulations that discourage the loss of residential units to commercial uses. These regulations do not apply to live/work units. No information is available on the number of units illegally converted from residential use.

Time Period	No. Units
1970 to 1980	1,094
1981 to 1990*	165
1991 to 2000	42
2001 to 2008	49

NOTES
* SF Planning Department, *A Study of Conversion of Apartments to Non Residential Uses in Commercial and Industrial Areas*, 1981

SOURCE: SF Planning Department

3. Secondary Units

No information is available on the number of illegal secondary units that have been added to the City's housing stock. However, a total of 80 units have been legalized between 2000 and 2008 and another 204 illegal units were removed in the same period (Table I-29).

Table I-29
Legalization of Secondary Units, 2000-2008

Year	Units Legalized	Illegal Units Removed
2000	-	12
2001	8	22
2002	9	36
2003	11	33
2004	8	22
2005	16	38
2006	9	12
2007	11	10
2008	8	19
TOTALS	80	204

SOURCE: SF Housing Authority

4. Federally-Assisted Units

Table I-30 describes units in San Francisco that receive support under the Federal Section 8 rent subsidy program or are managed by the San Francisco Housing Authority. In the Section 8 program, residents pay 30% of their monthly income in rent, and the government subsidizes the difference so that the property owner receives a HUD-determined fair market rent each month. Section 8 subsidies are associated either with a particular housing unit (project-based) or with a qualifying household (voucher/certificate program).

Table I-30
Citywide Inventory of Public Assisted Housing, San Francisco, 2007

Type of Assistance	2007		
	Total No. of Units	Elderly Units	Family Units
Project Based Section 8	8,042		
For Profit	4,085	N/A	N/A
Non-Profit	3,957	N/A	N/A
Tenant Based Section 8	7,409	N/A	N/A
SF Housing Authority	6,262	2,025	4,237
TOTALS	21,713	2,025	4,237

SOURCE: SF Housing Authority

Section 8 housing units and those managed by the Housing Authority total over 21,710 units, representing about 6% of the city's total housing stock. Senior and disabled renters that meet the income eligibility requirements are given priority on roughly a third of all Housing Authority units, while the remaining units are predominantly occupied by family households. Almost half of all residents in Housing Authority units are African-American, and approximately one-fifth is Asian-American.

5. Residential Hotel Stock

Residential hotel units (also called Single Room Occupancy or SROs) typically provide affordable rental housing for solo occupancy and generally rented to lower income persons. There are over 500 residential hotels in San Francisco containing about 19,120 rooms (Table I-31); most of these SRO units have shared bathroom and kitchen facilities. Since 1990, non-profit organizations have purchased residential hotels and now maintain nearly a quarter of the units with a guaranteed level of affordability and, in some cases, related supportive services to residents. Of the residential hotels operated by private entities, about 3,000 of the 14,230 rooms operate as tourist rooms and therefore do not contribute to the affordable housing stock.

Year	For Profit Residential Hotels			Non-Profit Residential Hotels		Total	
	No. of Buildings	Residential Rooms	Tourist Rooms	No. of Buildings	Residential Rooms	No. of Buildings	Residential Rooms
1990	495	18,521	4,449	36	1,831	531	20,352
1995	496	18,415	4,457	36	1,481	532	19,896
2000	457	16,331	3,781	61	3,314	518	19,645
2005	435	15,106	3,345	71	4,217	506	19,323
2007	419	14,233	3,004	84	4,886	503	19,119

SOURCE: SF Department of Building Inspection

Table I-31
Residential Hotel Status,
San Francisco, 1990-2007

With the adoption of the Residential Hotel Ordinance in 1980, and subsequent amendments to that ordinance strengthening its enforcement in 1990, conversion of residential hotel rooms has significantly decreased. Over 481 units were lost due to demolitions or fire from 2000 to 2007 (Table I-32). These units are slated to be replaced or have already been replaced by permanently affordable units.

Reason for Loss	1975 - 1980	1980 - 1981	1981 - 1989	1990-1999	2000-2007
Demolitions/Fire	985		99	909	481
Conversions	2,710	1,188	109		
Earthquake Damage			202		
TOTAL	3,695	1,188	410	909	481

SOURCE: SF Department of Building Inspection

Table I-32
Loss of Residential Hotel
Rooms, San Francisco,
1975-2007

6. Live/Work

Although the City's Planning Code considers live/work units as commercial space, they serve as housing units and the Planning Department tracks information on live/work units and counts these as part of the city's housing stock. Over 4,570 live/work units have been completed since 1987. Construction of live/work units surged especially between 1997 and 2003 when some 29% of net housing added during that period were live/work units (Table I-33).

Table I-33
**Live/Work Construction,
 1987-2007**

Year	No of Live/Work Units	Net Units	Live/Work as % of Net New Units
1987	46	1,426	3.2%
1988	3	1,907	0.2%
1989	104	2,345	4.4%
1990	44	1,737	2.5%
1991	225	1,732	13.0%
1992	75	725	10.3%
1993	93	288	32.3%
1994	55	1,186	4.6%
1995	126	401	31.4%
1996	196	683	28.7%
1997	276	725	38.1%
1998	219	874	25.1%
1999	658	1,285	51.2%
2000	694	1,797	38.6%
2001	349	1,779	19.6%
2002	417	2,408	17.3%
2003	646	2,496	25.9%
2004	148	1,487	10.0%
2005	62	1,855	3.3%
2006	95	1,778	5.3%
2007	42	2,567	1.6%
TOTALS	4,573	31,481	14.5%

Most live/work development occurred in such areas where land was relatively cheaper and many industrial buildings were converted to residential lofts. Over 70% of completed live/work units are located in the South of Market planning area. As commercial development, live/work units were exempt from obligations and conditions typically required of residential development such as school fees, inclusionary affordable housing requirements and open space provisions. Displacement of viable businesses and land use conflicts also prompted the Planning Commission to adopt interim zoning controls for southeastern portions of the city aimed at preserving industrially zoned lands from competing uses. These controls created Industrial Protection Zones where new housing and live/work units are not allowed, and accompanying Mixed Use Districts where housing would be encouraged. Concerned with distortions in the housing supply and with displacement of industrial space, the San Francisco Board of Supervisors also passed a six-month moratorium on the construction of new live/work units in February 2001. The temporary moratorium was intended to halt the approval of new projects while a study on the impact of live/work units on the city's housing market and industrial lands was being conducted. This moratorium was extended several times and eventually live/work loopholes were mended. Live/work units built after the moratorium were from development projects that were grandfathered in at the time of the legislation.

B. HOUSING TENURE AND AFFORDABILITY

1. Owner-Occupied Housing

The rate of homeownership estimated in 2007 (38%) has increased since the 2000 Census (35%) but is still much lower than the national average (69%). Table I-34 below shows rates of home ownership by planning district. At least 50% of homes owned are in the Ingleside, Inner Sunset, Outer Sunset, South Central, and South Bayshore planning districts. Home ownership rates are lowest in the downtown, with only two percent of people owning their home.

San Francisco's housing prices are among the highest in the nation. And despite recent price declines, at year-end 2008, the median price for an average single family home in San Francisco exceeded \$603,600 and was over 1.5 times the cost of similar housing in the Bay Area and three times the national average (Table I-35). It is estimated that only 11% of San Francisco's households can afford a median priced home in the City.

Planning District	Rate of Home Ownership
1 Richmond	38%
2 Marina	25%
3 Northeast	15%
4 Downtown	2%
5 Western Addition	19%
6 Buena Vista	26%
7 Central	41%
8 Mission	20%
9 South of Market	32%
10 South Bayshore	50%
11 Bernal Heights	53%
12 South Central	67%
13 Ingleside	59%
14 Inner Sunset	56%
15 Outer Sunset	59%
San Francisco Citywide	35%

Table I-34
**Rate of Homeownership,
San Francisco, 2000**

SOURCE: 2000 US Census

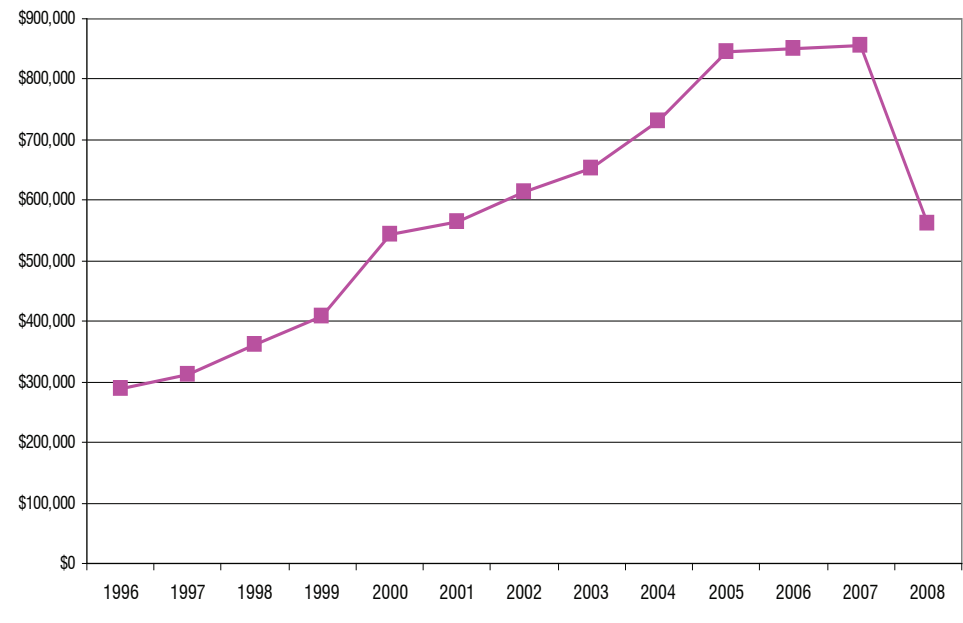
Table I-35
Housing Affordability of
Average Single Family
Homes, San Francisco, 2008

Geographic Region	Median Price	% of Households Qualifying
San Francisco	\$603,570	11%
SF Bay Area Region	\$387,500	18%
Northern California (not including the SF Bay Area)	\$181,110	n/a
California	\$202,220	
Nationwide	\$197,101	

SOURCE: California Association of Realtors

Home sales prices in San Francisco rose rapidly from 2000 before stabilizing between 2005 and 2007. With the current global recession, prices dropped in 2008 (Figure I-4). Compared to other regions, the recent national mortgage crisis had a somewhat muted effect on the City’s home prices. While it is too early to determine the full effects on San Francisco’s housing costs, the delayed and weakened impact is a testament to the relative robustness of its housing market. Nevertheless, the high cost of home ownership is still prohibitive for San Francisco’s low and moderate-income households and homeownership for these households would require substantial subsidies.

Figure I-4
Housing Price Trends,
San Francisco, 1996-2008



SOURCE: California Association of Realtors, *(Figures in current dollars)

2. Rental Housing

The 2007 American Community Survey (ACS) estimated that about 62% of San Francisco households are renters; this is double the national average of 31%. San Francisco is nevertheless typical of other larger cities where renters outnumber homeowners. Average asking rents in San Francisco dropped slightly with the dot-com bust but remain high (Figure I-5). Asking rents for a two-bedroom apartment in 2008 averaged \$2,650 a month. To afford this level of rent, a household would need to earn about \$106,000 a year.

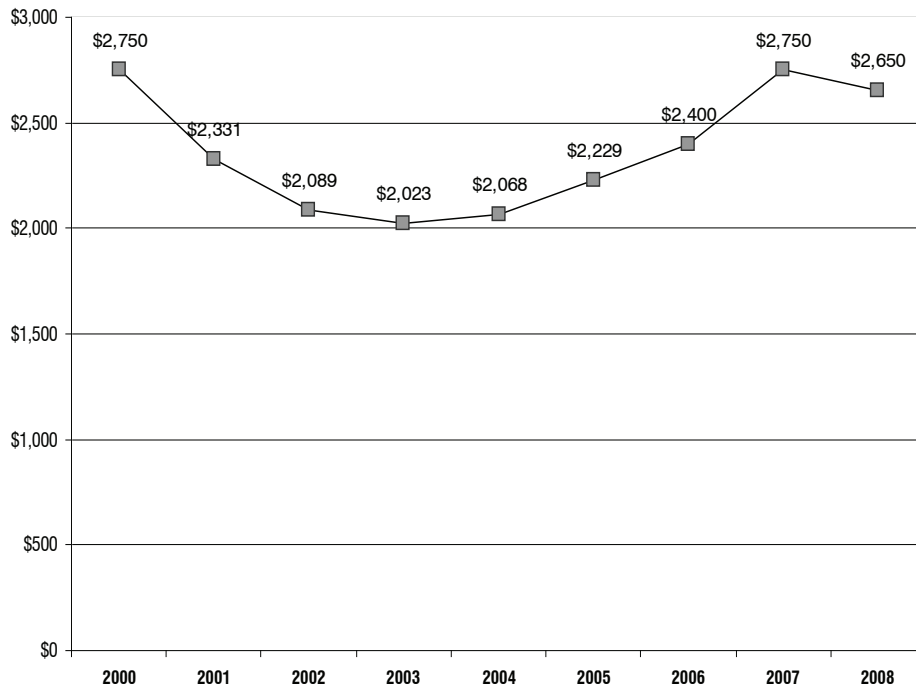


Figure I-5
Average Monthly Rental Rates, San Francisco, 2000-2008

SOURCE: RealFacts, San Francisco Market Overview, 4Q 2007, RentSF.com, Zillow.com

Rental affordability continues to be a citywide problem. Traditionally neighborhoods in the southeast portions of the city have been relatively affordable; however there is still a significant gap for low and very-low income households (Table I-36). The lowest median asking rent for a two bedroom by district (\$1,725 in South Central) is barely affordable to low income households (i.e., those households with income from 51%-80% of the area median income).

Planning District	Average Rent for a 2 Bedroom Apartment	Affordability Gap		% Over Rents Affordable by	
		Very Low Income	Low Income	Very Low Income	Low Income
1 Richmond	\$2,305	\$1,372	\$812	247.05%	154.39%
2 Marina	\$3,174	\$2,241	\$1,681	340.19%	242.59%
3 Northeast	\$3,120	\$2,187	\$1,627	334.41%	208.98%
4 Downtown	\$2,717	\$1,784	\$1,224	291.21%	181.98%
5 Western Addition	\$2,700	\$1,767	\$1,207	289.39%	180.84%
6 Buena Vista	\$2,750	\$1,817	\$1,257	294.75%	184.19%
7 Central	\$2,834	\$1,901	\$1,341	303.75%	189.82%
8 Mission	\$2,495	\$1,562	\$1,002	267.42%	167.11%
9 South of Market	\$3,284	\$2,351	\$1,791	351.98%	219.96%
10 South Bayshore	\$2,000	\$1,067	\$507	214.36%	133.96%
11 Bernal Heights	\$2,700	\$1,767	\$1,207	289.39%	180.84%
12 South Central	\$1,966	\$1,033	\$473	210.72%	131.68%
13 Ingleside	\$2,292	\$1,359	\$799	245.66%	153.52%
14 Inner Sunset	\$2,250	\$1,317	\$757	241.16%	150.70%
15 Outer Sunset	\$2,017	\$1,084	\$524	216.18%	134.10%
Citywide Average	\$2,650	\$1,717	\$1,157	284.03%	177.49%

Table I-36
Rental Affordability for Lower Income Households by Planning District, San Francisco, 2008

SOURCE: Zilpy.com

C. VACANCY

The overall housing vacancy rate in San Francisco is indicative of an enduring tight market. Vacancy rates at 2.5% for rentals and less than 1% for homeownership inevitably led to intense bidding and rising housing costs. Even as effects of the economic downturn in the dot-com industry were being manifest with job cuts and population out-migration, just 5% of the City's housing stock was vacant at the time of the Census in April 2000 (Table I-37). This is considered a healthy frictional rate in most housing markets. Of these vacant units in 2000, almost 3,800 or 1.1% of the total, were second homes for families with another primary residence, time shares, or corporately owned and utilized for employee housing. The 2007 American Community Survey shows units that are vacant and for sale stood at 1.6% and vacant units for rent at 6%. The unusually high total vacancy rate of 10% in 2007 suggests an increase in secondary homes, time-shares, and corporate homes used for employee housing. However, sampling error could also be a factor.

Table I-37
Vacancy Rates by Vacancy Status, 1970-2007

Vacancy Status	1970	1980	1990	2000	2007
Vacant	4.89%	5.58%	6.97%	4.86%	10.0%
For Rent Vacant	3.17%	2.68%	3.71%	2.50%	6.0%
For Sale Vacant			0.56%	0.80%	1.6%

SOURCE: Census Bureau

The vacancy data included in Table I-37 is calculated as part of the decennial census, supplemented by the 2007 American Community Survey. The Census Bureau also undertakes an annual Housing Vacancy Survey which calculates vacancy rates for rental and homeowner properties in large metropolitan areas throughout the country. The methodology used to create this survey is different from that used for the decennial Census. Therefore, the results are not comparable. For example, the decennial census calculated a vacancy rate of 2.5% for 2000 while the Housing Vacancy Survey calculated a vacancy rate of 3.1%. The Housing Vacancy Survey data may not be as reliable as the decennial census because of sampling, it nevertheless allows for yearly comparisons. The Census Bureau is in the process of improving the Housing Vacancy Survey to make it consistent with other related Census data. Both data are provided here. Figure I-6 and I-7 below show vacancy rates for San Francisco from 2000-2007 based on this annual survey. This information can supplement Table I-37 to compare trends in vacancies.

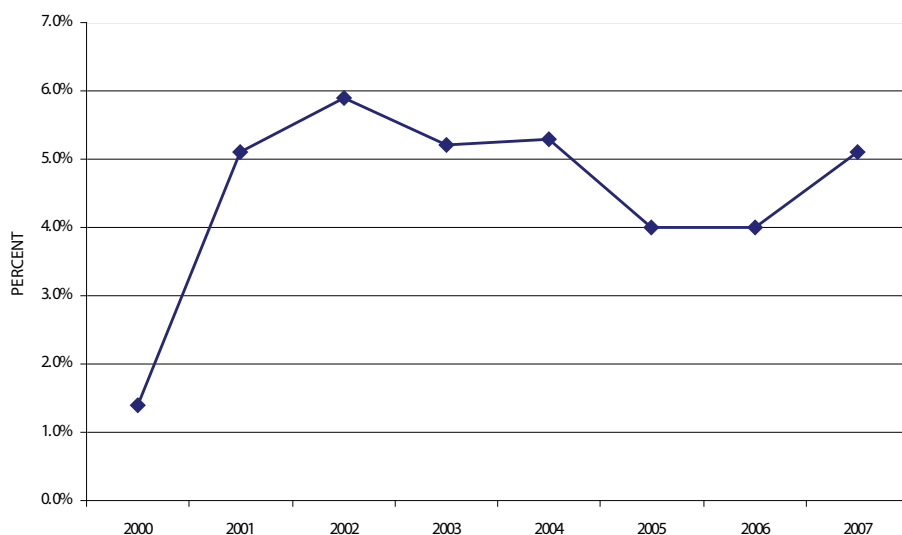


Figure I-6
**Rental Vacancy Rates,
 San Francisco, 2000-2007**

SOURCE: RealFacts, San Francisco Market Overview, 4Q 2007

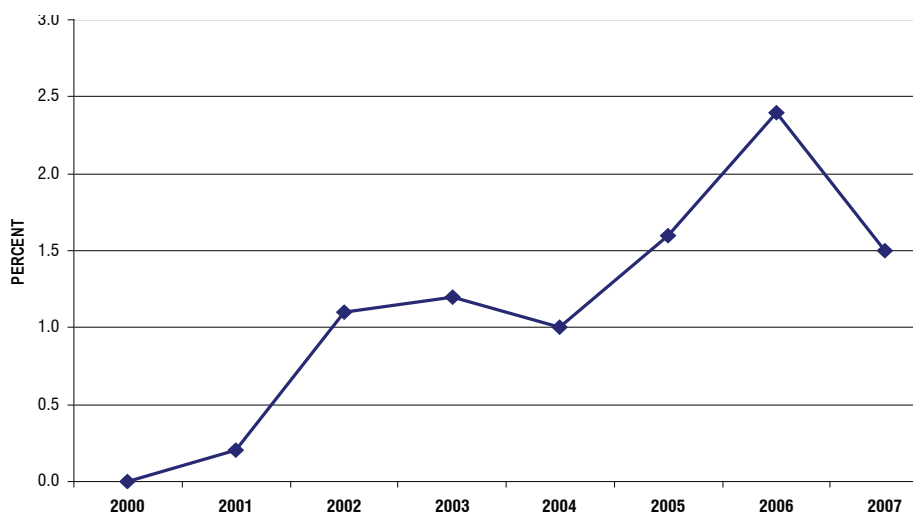


Figure I-7
**Homeowner Vacancy Rates,
 San Francisco, 2000-2007**

SOURCE: Census Bureau, Housing Vacancy Survey

D. COASTAL ZONE HOUSING

California state regulations (Government Code) require that the *Housing Element* detail new construction and demolition activity occurring within California Coastal Zone areas. The City's entire western shoreline is within California's coastal zone area. The coastal area zone boundary includes about 30 residential blocks that front the Pacific Ocean (Map I-5).

Twenty-eight new units in 14 structures were added to the housing stock between 2000 and 2008, or an average of about three new units a year (Table I-38). In this same period, three buildings with four units were demolished. The current development pipeline includes a 56-unit residential project within the coastal zone.

Within the larger census tract areas fronting the coastal shoreline (about 150 blocks), new construction in in-fill sites has generated 140 new units. This has been offset by 13 units lost to demolition or alteration projects. Some 112 new units are slated to be built in 49 structures in this larger area.

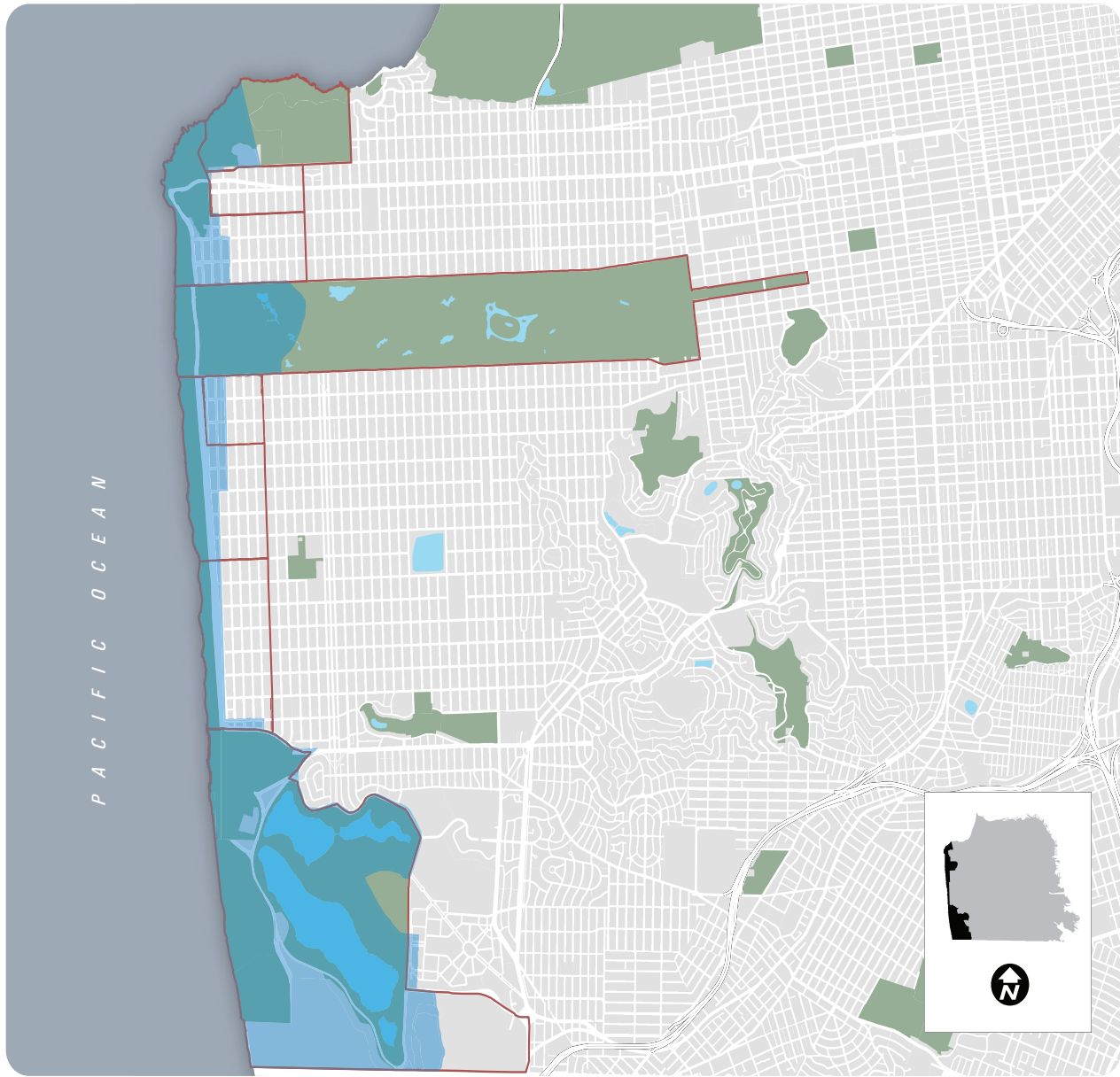
Table I-38
New Construction,
Alteration and Demolition
Activity in Coastal Area,
San Francisco, 2000-2008

Construction Type	Coastal Area		Larger Census Tracts	
	No. of Structures	No. of Units	No. of Structures	No. of Units
New Construction Completed	9	23	25	119
Addition through Alterations	5	5	21	21
Loss through Alterations	1	(1)	3	(4)
Demolition Completed	3	(4)	6	(9)
Net Change in Housing Stock	18	23	55	127
Development Pipeline (Q4 2008)	1	56	49	112

SOURCE: SF Planning Department

Residential development in the Coastal Zone must conform to City Planning Code density requirements. Development projects in the coastal zone also are required to apply for a coastal permit and are reviewed for consistency with Western Shoreline General Plan policies contained in the *Western Shoreline Plan* and Proposition M policies, one of which aims to preserve the City's supply of affordable housing.

In addition, new construction and demolition permits are reviewed for consistency with Article 10 of the California Government Code which requires that affordable lower income units converted or demolished in the Coastal Zone Area be replaced on a one-for-one basis, and that, new housing developments, where feasible, provide housing units for persons and families of low or moderate income.



**Coastal Zone Area
San Francisco**

0 Miles 1

MAP 05

- Coastal Zone
- Coastal Zone Census Tracts

III. Housing Needs

This section examines the type, amount and affordability of new housing construction needed in San Francisco, as determined by the Association of Bay Area Governments, through June 2014. It is based, in part, on the data presented in the preceding Sections.

A. REGIONAL HOUSING NEED ASSESSMENT

The Association of Bay Area Governments (ABAG), in coordination with the California State Department of Housing and Community Development (HCD), determine the Bay Area's regional housing need based on regional trends, projected job growth and existing needs. San Francisco's fair share of the regional housing need for January 2007 through June 2014 was calculated as 31,190 units, or about 4,160 units per year (Table I-39). This goal seeks to alleviate a tight housing market stemming from forecast household and employment growth as well as allocating regional household and employment growth to jurisdictions with established or planned transit infrastructures. More important, the regional housing needs assessment (RHNA) determination includes production targets addressing housing needs of a range of household income categories. A total of about 18,880 units or 61% of the RHNA target must be affordable to households making 120% of the area media income (AMI) or less.

Table I-39
**Regional Housing
Needs Assessment for
San Francisco,
2007-June 2014**

Household Income Category	No. of Units	% of Total	Annual Production Goal
Extremely Low (< 30% AMI)	3,294	10.5%	439
Very Low (31 - 50% AMI)	3,295	10.6%	439
Low (51 - 80% AMI)	5,535	17.7%	738
Moderate (81 - 120% AMI)	6,754	21.7%	901
Above Moderate (over 120% AMI)	12,315	39.5%	1,642
TOTAL UNITS	31,193	100.0%	4,159

SOURCE: ABAG

The Department of Housing and Urban Development determines the annual area median income (AMI) for the San Francisco Primary Metropolitan Statistical Area, which includes the counties of San Francisco, Marin and San Mateo. For 2008, the area median income for a single person household was over \$66,000 and \$94,300 for a household of four people (Table I-40).

Table I-40
Household Income Standards by Household Size, 2008

Income Categories as percentage of Area Median Income (AMI)	Household Income by number of persons				
	1	2	3	4	5
Extremely Low (< 30% of AMI)	\$19,800	\$22,650	\$25,450	\$28,300	\$30,500
Very low (50% of AMI)	\$33,000	\$37,750	\$42,450	\$47,150	\$50,950
Low (80% of AMI)	\$52,800	\$60,350	\$67,900	\$75,450	\$81,500
Median (100% of AMI)	\$66,000	\$75,450	\$84,850	\$94,300	\$101,850
Moderate (120% of AMI)	\$79,200	\$90,550	\$101,800	\$113,150	\$122,200

SOURCE: Department of Housing and Urban Development (HUD)

The median income in San Francisco, however, is lower than the area median income. This is due in part to higher median incomes in San Mateo and Marin counties and the concentrations of lower-income families in the City. For example, in 2007, Marin County's median household income of \$83,732 and San Mateo's \$94,517 were quite higher than the City's median household income of \$68,023.¹ Roughly 40% of all San Francisco households make less than 80% of the San Francisco PMSA area median income, and fall under the Department of Housing and Urban Development (HUD)'s low and very low income categories (Table I-41).

Table I-41
Income Distribution, San Francisco, 2007

Characteristic	Very Low	Low	Moderate	Above Moderate
	(< 50% of median)	(50-80% of median)	(80-120% of median)	(> 120% of median)
All SF Households	27.8%	14.1%	14.8%	43.2%
Median Income for SF, 2007	\$68,023			

SOURCE: Census Bureau, 2007 American Community Survey

In order to account for this income variance, the Mayor's Office of Housing publishes a local AMI standard (Table I-42). San Francisco's Inclusionary Affordable Housing Program regulates housing assistance based on the San Francisco Area Median Income (SFAMI).

¹ Figures cited are in 2007 inflation-adjusted dollars.

Household Income Categories	Household Size	Average Unit Size	Maximum Annual Income	Monthly Housing Expense	Maximum Purchase Price
Extremely Low Income <i>(30% of HUD Area Median Income)</i>	1	Studio	\$19,800	\$545	\$50,000
	2	1 Bedroom	\$22,650	\$623	\$57,000
	3	2 Bedroom	\$25,450	\$700	\$64,000
	4	3 Bedroom	\$28,300	\$778	\$72,000
	5	4 Bedroom	\$30,550	\$840	\$78,000
Very Low Income <i>(50% of HUD Area Median Income)</i>	1	Studio	\$33,000	\$908	\$84,000
	2	1 Bedroom	\$37,750	\$1,038	\$97,000
	3	2 Bedroom	\$42,450	\$1,167	\$109,000
	4	3 Bedroom	\$47,150	\$1,297	\$121,000
	5	4 Bedroom	\$50,950	\$1,401	\$131,000
Low Income <i>(80% of HUD Area Median Income)</i>	1	Studio	\$52,800	\$1,452	\$133,674
	2	1 Bedroom	\$60,350	\$1,660	\$154,752
	3	2 Bedroom	\$67,900	\$1,867	\$176,035
	4	3 Bedroom	\$75,450	\$2,075	\$197,113
	5	4 Bedroom	\$81,500	\$2,241	\$213,070
Median Income <i>(100% of HUD Area Median Income)</i>	1	Studio	\$66,000	\$1,815	\$181,193
	2	1 Bedroom	\$75,450	\$2,075	\$209,030
	3	2 Bedroom	\$84,850	\$2,333	\$237,072
	4	3 Bedroom	\$94,300	\$2,593	\$265,114
	5	4 Bedroom	\$101,850	\$2,801	\$286,397
Moderate Income <i>(120% of HUD Area Median Income)</i>	1	Studio	\$79,200	\$2,178	\$228,711
	2	1 Bedroom	\$90,550	\$2,490	\$263,308
	3	2 Bedroom	\$101,800	\$2,800	\$298,109
	4	3 Bedroom	\$113,150	\$3,112	\$335,115
	5	4 Bedroom	\$122,200	\$3,361	\$359,723

Table I-42
**Affordable Housing
Guidelines, San
Francisco, 2008**

Source: U.S. Department of Housing and Urban Development (HUD)

Note: Incomes are based on the 2008 Area Median Income (AMI) limits for the San Francisco HUD Metro FMR Area (HMFA). Monthly housing expenses are calculated based on 33% of gross monthly income. (FMR = Fair Market Rents). Maximum purchase price is the affordable price from San Francisco's Inclusionary Housing Program and incorporates monthly fees and taxes into sales price.

B. HOUSING AFFORDABILITY NEEDS

1. Affordability of New Housing Construction

State law requires that the City address the housing needs for all income levels. ABAG estimates housing need by income group to provide a basis for determining what income levels need to be most served by new construction. ABAG figures are based on income distribution of all existing households in the City and in the Bay Area. ABAG's estimates split the difference between the City and the regional figure in an effort to move the City closer to the regional income distribution. Table I-39 shows that the City must construct almost 31,200 new housing units to meet its fair share of the Bay Area region's estimated housing need. At least 39% of these new units must be affordable to very low and low-income households. Another 22% should be affordable to households with moderate incomes.

The high cost of housing leads to numerous troublesome effects including overwhelming rent burden (as more of a household's income is needed to go toward rent); overcrowding as more people squeeze into smaller affordable units to share costs; an increase in workers per household needed to pay mortgage or meet monthly rent; increased commuter traffic from San Francisco job holders who cannot afford to live in the City; and an increase in the homeless population.

2. Households Overpaying

Rising housing costs lead to overpayment as more of a household's income is spent on housing. Overpayment comes about when 30% or more of a household's income goes to paying rent; or in the case of a homeownership household, 35% or more goes to mortgage payments. A higher percentage of poorer households thus tend to overpay. The table below shows that over 37% of all San Francisco households spend more than 30% of its income on housing costs. Table I-43 also shows that a higher percentage of renting households tend to overpay. The number and percentage of households overpaying has also grown since the 2000 Census. This increase is especially marked in homeownership households in large part due to relaxation of criteria for mortgage financing.

Tenure Type	2000		2007	
	No. of Households	% of Households	No. of Households	% of Households
Renter Occupied *	76,600	35.8%	82,125	41.0%
Owner Occupied **	18,237	17.4%	37,919	31.1%
All Households	94,837	28.8%	120,044	37.3%

* Gross Rents as 30% or more of household income.
 ** Monthly Owner Costs as 35% or more of household income.
 SOURCE: Census Bureau

Table I-43
Percentage of Households Overpaying Housing Costs, San Francisco, 2000 and 2007

3. Overcrowded Households

A household is considered overcrowded when there is more than one person per room in the dwelling unit. The 2000 Census reported that over 40,900 or 12% of all San Francisco households were overcrowded (Table I-44). Of these households, 9,400 (3% of all San Francisco households) are severely overcrowded, with more than 1.5 occupants per room. Renter households are also more likely to be overcrowded than home-owning households.

Table I-44
Overcrowded Households by Tenure, San Francisco, 2000

Tenure Type	Overcrowded		Severely Overcrowded	
	No. of Households	% of Households	No. of Households	% of Households
Owner Occupied	11,291	9.8%	1,808	1.6%
Renter Occupied	29,630	13.8%	7,636	3.6%
All Households	40,921	12.4%	9,444	2.9%

SOURCE: Census Bureau

Asian-American households make up a disproportionate number of overcrowded households. (Table I-45). This table also shows that a substantial percentage of Native Hawaiian/Pacific Islander, Other Race, and Asian-American households are overcrowded. These households are likely to be larger (see Table I-7) and have lower incomes (see Tables I-16 and I-18). Larger households have difficulty securing housing with three or more bedrooms, especially with the City's very limited stock of larger units. High housing costs also forces overcrowding. To afford the cost of housing, many low-income families crowd into smaller units.

Table I-45
Overcrowded Households by Household Ethnicity, San Francisco, 2000

Household Ethnicity	No of Households	% of Households
White	9,452	4.7%
African American	2,495	10.5%
American Indian / Alaska Native	168	12.9%
Asian	21,452	27.1%
Native Hawaiian / Pacific Islander	358	39.6%
Other Race	5,046	39.4%
Two or More Races	1,950	16.5%
Hispanic / Latino	9,472	30.1%
All Households	40,921	12.4%

SOURCE: Census Bureau

4. Expiration of Subsidized Section 8 Rental Housing

Government Code Section 65583(a)(8)(A-D) requires that the Housing Element update inventory assisted housing developments at risk of expiration or conversion to market rate within the housing element planning period (2007-2014). Assisted housing developments include multifamily rental housing complexes that receive government assistance under any of the following federal, State, and/or local programs (or any combination of rental assistance, mortgage insurance, interest reductions, and/or direct loan programs) which are eligible to change to market-rate housing due to termination (opt-out) of a rent subsidy contract (e.g., Housing Choice Vouchers, Section 8) mortgage prepayment (e.g., FHA), or other state or local programs with expiring use restrictions. As of 2008 in San Francisco, Section 8 housing is the only housing type at risk of conversion to market rate.

As shown on Table I-46, almost 580 low-income units are at risk of losing their Federal Rental Section 8 subsidies by 2014. Through contracts managed by the San Francisco Housing Authority, the Federal project-based Section 8 program subsidizes rent on over 8,000 units of affordable housing in the city. Almost half of these units are in projects owned or managed by non-profit organizations. Section 8 units receive Federal subsidies that provide the owners of these units with the difference between 30% of the tenant's income, and a HUD established rent for the units.

Table I-46 shows Section 8 units with contracts set to expire in the next few years. Expiration of Section 8 subsidies in privately owned projects could force tenants to pay market rate rents for their unit, or face eviction. Expiration of Section 8 contracts in nonprofit owned projects will burden organizations that lack sufficient income to meet operating costs and mortgage payments. Approaching Section 8 contract expirations threaten the affordability requirements of almost 580 units throughout the city.

Table I-46

Expiration and Opt-Outs of Project Based Section 8 Contracts, San Francisco, 2007

Project	Owner ¹	First Expire ²	Units ³	Flex ⁴	LIHPRHA ⁵	Rent Control
DIAMOND HEIGHTS						
Casa De Vida	PM	12/14/2001	21	No	No	No
Hayes Valley						
Fair Oaks Apartments	LD	07/20/2021	20	No	Yes	Yes
INGLESIDE						
Page / Holloway Apartments	PM or LD	12/15/2020	15	No	No	No
MISSION						
Mission Bart Apartments	PM	10/20/2013	13	No	No	No
Mission Plaza Apartments	PM	07/14/2000	132	No	No	No
NORTH BEACH						
Wharf Plaza I	PM	04/05/2002	116	No	No	No
Wharf Plaza II	PM	06/15/2002	114	No	No	No
TENDERLOIN						
Crescent Manor	LD	10/31/1996	92	Yes	No	Yes
WESTERN ADDITION						
Emeric-Goodman Building	LD	12/19/2004	30	No	No	No
Univista Apartments	LD	08/31/1997	24	Yes	No	Yes
Total	–	–	577	–	–	–

NOTES

¹ LD = Limited Dividend, PM = Profit Motivated

² First expiration of Section 8 Contract, typically 20 years after origination. Contract is renewed annually each year thereafter.

³ Units receiving project based Section 8 subsidy.

⁴ Flexible Subsidy Use Agreement: HUD rehabilitation loan program that provided funds to owners in exchange for a no-prepayment provision, and increased Section 8 contract rent levels to cover new debt

⁵ Low Income Housing Preservation and Resident Homeownership Act: Provided federal funds to purchase at-risk properties and extend affordability requirements for an additional 30 years

SOURCE: SF Redevelopment Agency

B. HOUSING NEEDS OF SPECIAL POPULATION GROUPS

All San Francisco households require a specific unit sizes and levels of affordability; various population groups have more specific housing requirements. Special housing needs are those associated with specific demographic or occupational groups which call for specific program responses, such as preservation of single-room occupancy hotels or the development of units with more bedrooms. Housing element law specifically requires analysis of the special housing needs of the elderly, the disabled, female-headed households, large families, and homeless persons and families, as well as the needs of any other group deemed appropriate by the City. These other groups include: the mentally ill; persons with HIV/AIDS; immigrants, refugees and undocumented workers; artists; and students. Most of special needs groups require some degree of affordable housing.

The permanent housing needs of specific population groups are summarized below with state required categories discussed first and locally determined groups following (Table I-47). It is important to note that these population groups are not mutually exclusive and needs may overlap. For example, a person can be both elderly and homeless. Roughly 39% of the homeless suffer from mental illness and as many as 23% of the elderly have mobility or self-care limitations. Between 60 to 80% of all homeless individuals may suffer from one or more physical disability, mental illness, or substance addiction.

Population Group	Type of Housing Units Needed
Homeless	Shelters, Transitional Housing, SROs, Small and Large Family Units
Physically Disabled	Accessible Units of all Types
Elderly	Senior Housing Projects, Studios, 1 Bedroom
Families with Children	2 or more Bedroom Family Housing
Female-Headed Households	2 or more Bedroom Family Housing
Mentally Ill	Board and Care, Institutional Facilities
New Immigrants, Refugees and Undocumented Workers	Small and Large Families, various
Students	Dorms or Studios
Artists	Affordable Live/Work Space

Table I-47
Permanent Housing Needs of Special Population Groups, San Francisco, 2008

SOURCE: SF Mayor's Office of Community Development

1. Homeless

The San Francisco Human Services Agency counted almost 6,380 persons on the streets and in homeless shelters in 2007 (Table I-48). Of these persons, about 44% were counted on the streets and some 43% were in shelters or transitional housing. Ninety-one percent of the homeless were single adults, while the remaining nine percent counted in this survey were in families.

Table I-48
**Estimated Homeless
 Population, San Francisco,
 2007**

Location	Single Adults	Persons in Families	Family Status Unknown	Total
Street	1,935	66	770	2,771
Shelter	1,175	322	0	1,497
Transitional Housing & Treatment Centers	1,076	190	0	1,266
Resource Centers & Stabilization	321	0	0	321
Jail	400	0	0	400
Hospitals	122	0	0	122
TOTAL	5,029	578	770	6,377

SOURCE: SF Human Services Agency, *San Francisco Homeless Count 2007*

Homeless households require affordable housing that is appropriately sized, with appropriate services. As reported in the ten year plan to end homelessness, appropriate housing for this population is permanent and includes 24 hour access to appropriate services.

2. Persons with Disabilities

San Francisco's housing stock and housing market present challenges to persons living with disabilities. This segment of the population, which includes individuals with mental, physical, and developmental disabilities, require a variety of living arrangements depending on the severity of their disability. Some can live at home in an independent environment with the help of other family members; others live independently with some assistance that includes special housing design features. Those who cannot work may require income support; and those with medical conditions would need in-home supportive services. Accessible housing can also be provided via senior housing developments.

The majority of persons with disabilities live on an income that is significantly lower than the non-disabled population. Many disabled individuals live on a small fixed income which severely limits their ability to pay for housing. The Task Force on Family Diversity estimates that at least one-third of all persons with disabilities in the United States live in poverty. Persons with disabilities have the highest rate of unemployment relative to other groups. For most, their only source of income is a small fixed pension afforded by Social Security Disability Insurance (SDI), Social Security Insurance (SSI), or Social Security Old Age and Survivor's Insurance (SSA), which will not adequately cover the cost of rent and living expenses even when shared with a roommate. In addition, persons with disabilities oftentimes experience discrimination in hiring and training. When they find work, it tends to be unstable and at low wages.

a. Physical Disabilities.

The Northern California Council for the Community estimates that 63,032 San Franciscans are physically disabled. The 2000 Census counted 56,216 non-institutionalized adults having a physical disability, which is defined as a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting or carrying. Over half of disabled adults are over 65 and may require appropriate housing. There are over 26,300

people between 16 and 64 with a physical disability. If one in five of disabled non-seniors require affordable housing, this specific population group would have a need for roughly 5,550 subsidized units.

Some physically disabled people require accessible housing with features such as: wheelchair accessible entrances, wide interior spaces for wheelchair circulation, accessible bathing facilities, adjustable heights for counters and cabinets, and other amenities. Since over three-quarters of San Francisco's housing stock built before 1950, much of the existing stock was not built with these accommodations in mind; some, but not most, can easily be converted to accessible standards. Most subsidized units developed by the Housing Authority, Redevelopment Agency, or otherwise supported by other public funds are accessible.

b. Mental Disabilities

According to the 2000 Census, almost 39,120 San Franciscans identify as having a mental illness; about 94% are over the age of 16. Not everyone with a mental illness has special housing needs. However, a substantial number of persons with severe psychiatric disabilities often have extremely low incomes and are consequently forced to live in substandard housing without the supportive services and assistance that would allow them to live independently. De-institutionalization of the state's mental institutions in the late 1970s left the charge and housing of psychiatrically disabled residents to private board and care facilities. In 1977 there were 1,278 board and care beds. By 1995 this number shrank to 465.

In 1999, licensed board and care facilities in San Francisco managed 525 beds for San Francisco's mentally ill. However, the growing costs of patient care may again reduce the modest gain in out-patient service. At current supplemental security subsidy levels, operators are finding the provision of board and care for the mentally ill financially unattractive.

A survey conducted by the San Francisco Mental Health Association indicated an overwhelming desire on the part of mentally disabled persons to live alone or with one to two friends in apartments with support services as needed. The absence of affordable housing linked to supportive services, however, sends many of the City's mentally ill to a cycle of short-term acute care and homelessness. While large scale supportive housing is a cost-effective way of meeting this group's housing needs, advocates working with special needs groups emphasize the need to balance large-scale development with small site development and rehabilitation of units within existing neighborhoods, to enable people to live within their neighborhood of origin wherever possible, and to avoid geographic concentration that often hinders the transition to independent living. The Department of Public Health's Division of Mental Health estimates a need for 2,000 supportive housing units for San Francisco's mentally ill.

3. Elderly

The 2000 Census counted 136,369 or 18% of San Francisco's population as 60 years or older. San Francisco's elderly population is expected to grow to 173,200 by 2010 and to 279,800 by 2030; this growth is consistent with national trends. The recent Census also estimated that 24% of all San Francisco households have one or more persons over 65 years old. About 32,300 elderly householders, representing about 10% of all households in 2000, lived alone.

Senior citizens have different housing needs especially as they develop health problems or experience decreased mobility. The 2000 Census estimated that 23% of persons 65 and over have mobility or self-care limitations. The City's Long-Term Care Pilot Project Task Force estimates that the City must develop a minimum of 1,500 units of affordable supportive housing. Older and disabled adults who require long-term care have a need for a broad range of on-site and off-site services including central dining, transportation services, limited or complete medical care, recreational and other services. For seniors living independently, there is a need for safe and easily maintained dwelling units.

4. Families with Children and Large Family Households

Approximately 54,700 or 38% of family households include children. Some 63,900 households, or almost one in five San Francisco households, include a person under 18 years of age. Many of these children are in low-income households in ethnic communities that tend to be larger and poorer (Tables 7 and 18). The high cost of housing and limited supply of larger units can result in overcrowding. These communities require that the existing affordable housing stock be adequately maintained and rehabilitated where necessary, and that new larger affordable units are constructed.

Virtually all large households, or those containing five or more persons, are family households. Family households as defined by the U.S. Census Bureau include only those households with persons related to the householder by birth, marriage or adoption, residing together. About 20% of all family households, roughly 29,000, have five persons or more. Table I-49 also shows the number of suitable accommodations available for larger families and/or households.

Based on the current waiting list managed by the San Francisco Housing Authority, there is an estimated unfilled need for over 17,000 affordable housing units for low-income families. Two-thirds of these families require a two or three-bedroom unit due to their larger family sizes.

Families with children generally earn less per capita than the average San Francisco household, yet require larger housing units. Like most groups, families require public transit and neighborhood serving retail in close proximity. But they have specialized needs as well: accessible routes or transit connections to schools, nearby childcare (if it cannot be provided on-site), laundry and storage facilities on-site, recreational opportunities that are directly accessible from each unit on-site.

Even more important for families is their ability to access housing. Because many families are two-worker households, they have very little time to pursue affordable housing opportunities which can be listed in multiple locations under various agencies. They require a simple, easily accessible “one-stop” system to help them find housing opportunities, as well as significant support such as counseling agencies to move towards homeownership opportunities.

Household Size	No. of Households	% of Total	Unit Size	No. of Units	% of Total
1-person household	127,380	38.6%	Studio	62,278	18.0%
2-person household	101,781	30.9%	1-bedroom	96,929	28.0%
3-person household	41,831	12.7%	2-bedrooms	103,199	29.8%
4-person household	28,563	8.7%	3-bedrooms	59,793	17.3%
5-person household	14,293	4.3%	4-bedrooms	18,331	5.3%
6-person or more household	16,002	4.9%	5-bedrooms or more	5,997	1.7%
TOTALS	329,851	100.0%	TOTALS	346,527	100.0%

Table I-49
Household Size and Housing Unit Sizes, San Francisco, 2000

SOURCE: Census Bureau

5. Female-Headed Households

Many families with a single parent are in households headed by women. Female-headed households in 2000 comprised 8% of all households. Women still suffer from income disparities in the job market, forcing them to survive with less income than their male counterparts. At the time of the last Census, about 17% of female headed households were under poverty level, compared to 8% of all families under poverty level (Table I-50). Seven years later, the American Community Survey estimated that 18% of families were under the poverty level while 22% of female-headed households were under the poverty level. This increase in poverty exacerbates the need for affordable housing in order to avoid an increase in homeless families, especially female-headed households.

Household Type	2000 Census		2007 ACS %
	No.	%	
Total Households	329,700	100.0%	18.0%
Total Female Headed Householders	28,380	8.6%	8.0%
Female Heads with Children under 18	10,820	38.1%	40.6%
Total Family Households	17,560	44.6%	44.1%
Total Families Under the Poverty Level	11,515	7.8%	18.0%
Female Headed Households Under the Poverty Level	4,718	16.6%	22.1%

Table I-50
Characteristics of Female-Headed Households, San Francisco, 2000

SOURCE: Census Bureau

6. Persons with HIV/AIDS and Terminally Ill Patients

San Francisco has the third highest number of total AIDS cases in the United States, comprising almost one in five of California AIDS cases and about 3% of AIDS cases nationwide. As of December 2006, San Francisco ranked third in the cumulative number of AIDS cases among metropolitan areas nationwide. The number of deaths from AIDS has decreased significantly from a high of over 1,820 in 1992 to fewer than 250 in 2007, in part because most deaths are listed under other causes given AIDS patients' compromised immune system. The number of people living with HIV/AIDS continues to increase steadily, from about 13,650 in 2002 to 15,470 in 2007.

Approximately 10% of people living with AIDS are homeless. The San Francisco Department of Public Health's Annual HIV/AIDS Epidemiology Report for 2007 noted that "Homeless persons suffer from high rates of substance abuse, mental illness, tuberculosis, infectious hepatitis, and insufficient health care. Among HIV-infected persons, unstable housing has been associated with poor utilization of health care services including greater reliance on emergency departments, more frequent hospitalizations, and fewer ambulatory care visits. Use of anti-retroviral therapy and prophylaxis against opportunistic illnesses is less frequent among the homeless. Among homeless persons, prescribed antiretroviral therapy and adherence to these medications is suboptimal." The report continues on to note that "After taking into account those factors that are known to affect AIDS survival (such as age and use of antiretroviral therapy), homelessness increased the risk of death by more than 20%."

The Housing Waiting List (HWL), created in 1995, is a centralized wait list that makes referrals to most housing programs designated for people living with HIV/AIDS except for hospices and emergency shelters. Most HOPWA funded (Housing Opportunities for Persons with AIDS) projects use this wait list. Approximately 2,000 people are currently active on the list. This list has been closed to new applicants since November 2001. Approximately 45% of people on the HWL report that they are homeless or have a history of homelessness and over 50% have an income below \$1,000 per month (or less than 20% of AMI).

Compounding the barriers facing people living with HIV/AIDS in San Francisco is the highly competitive local housing market. People living with HIV/AIDS with very low incomes compete with high-income prospective tenants in a private, consumer driven rental market. For this reason, a tenant-based rental subsidy program is one of the largest HOPWA-funded programs in San Francisco. Unfortunately, due to increasing housing costs, and despite extensive cost-containment measures, this program is able to subsidize fewer people over time. The current referrals from the HWL to the tenant-based subsidy program enrolled on the list in 1997 – or over 12 years ago.

The San Francisco HIV Health Services Planning Council is a community planning group that oversees the prioritization and allocation of Ryan White CARE Act Title I and II funds for the Eligible Metropolitan Area of San Francisco, San Mateo and Marin Counties. The federal Health Resources and Services Administration (HRSA) administers these funds. The Planning Council conducted the 2005 Comprehensive Needs Assessment, which focused

on underserved and populations in the most severe need of HIV/AIDS-related health and social services. Housing was consistently rated as one of the top three most needed and most requested among these populations. Changes to CARE Act funds further limit the amount of CARE Act funds that can be spent on housing, which creates additional barriers to providing appropriate affordable housing for people living with HIV/AIDS in San Francisco.

In 2006, the Board of Supervisors requested that a new citywide HIV/AIDS Housing Plan be done. The Department of Public Health's Housing and Urban Health section led this process, which included assembling an HIV/AIDS Housing Work Group. The result of this process is the Comprehensive HIV/AIDS Housing Plan. This Plan estimates that between 7,520 and 14,470 people living with HIV/AIDS in San Francisco have an unmet need for housing. Among these, between 1,410 and 2,560 are estimated to be currently homeless.

7. Immigrants, Refugees and Undocumented Workers

San Francisco has long been a "port of entry" to the United States for immigrants and refugees. San Francisco also shelters a number of undocumented persons who are in the United States without legal status. Although data on the number of total number of immigrants, refugees, and undocumented workers is not available, the 2000 Census found that more than 13% of all households, or 43,710, are linguistically isolated. Many of these new arrivals need low cost housing and support services; a limited number of housing and immigrant agencies in San Francisco provide multicultural and multilingual assistance.

Shelter providers for the homeless also assist homeless persons who are undocumented. These persons have an urgent need for shelter because they are ineligible for public assistance programs such as General Assistance. Most immigrants and refugees, regardless of immigration status, also need housing services that are provided in a multicultural and multilingual context.

8. Artists/Artisans

Artists have special housing needs for affordable accommodations that provide large wall space, high ceilings, lofts, lighting, and the ability to work at all hours of the day or night. There is high demand for such flexible space in the city. Past efforts to secure housing for artist in San Francisco through the live/work program failed to meet the target housing market. While there are not official counts of artists, the cultural and economic value of artist to San Francisco is undisputable.

9. Students

Institutions of higher learning have not provided sufficient housing for their student populations. For example, the University of California Medical Center has a student enrollment of 3,780 but only accommodates 178 single students and 130 students in family housing. San Francisco State University had a student enrollment of 26,800 in 2000 but only provided 1,500 student housing units. San Francisco City College's Phelan Campus totaled 25,000 students in 2000 with an estimated need for approximately 1,000 units. Students generally require smaller housing units near their school and job centers. Without dedicated housing, students often end up in overcrowded and/or costly accommodations.

C. HOUSING PRESERVATION NEEDS

San Francisco has an older housing stock, with 75% of all units over 50 years old. This is the largest concentration of older housing stock in the state. Seismic retrofitting requirements also create the greatest housing preservation need for San Francisco.

1. Private Housing Rehabilitation

Housing restoration, remodeling and maintenance is an on-going activity throughout the City. Renovation projects completed between 2000 and 2007 totaled \$486.7 million, affecting some 18,900 units. Over 92% of these permits were for residential improvements in one and two unit buildings. Almost 73% of the total rehabilitation costs were for projects in single-family units where the average cost of improvements was just over \$53,000 per unit.

2. Public Housing Rehabilitation

There are 6,156 public housing units in 50 developments located throughout the City. Recent programs have rehabilitated 1,149 units of new and affordable housing with 2,607 bedrooms. The 2007 Comprehensive Physical Needs Assessment performed by the San Francisco Housing Authority (SFHA) indicated that there is a backlog of immediate physical rehabilitation needs that will cost \$269 million. An additional \$26 million a year is needed to forestall physical deterioration in SFHA housing. The SFHA has identified projects totaling \$2.54 billion to comprehensively address all of the physical problems that currently exist.²

3. Seismic Retrofitting

In the early 1990s, there were approximately 11,850 units in 399 unreinforced masonry residential hotels and apartment buildings (UMB), most of which are occupied by low-income households. As of August 2008, five apartment buildings with 84 units and one residential hotel with 18 units have yet to comply with the City's retrofit requirements.³ The San Francisco Department of Building Inspection and the City Attorney are working together to bring these remaining buildings into compliance. It is estimated that on average, it takes as much as \$45,000 per unit in public subsidies to rehabilitate and seismically upgrade these buildings and still maintain their low-income rent structure. Rehabilitation and seismic upgrade costs vary depending on the type of building, the level of retrofit, and the availability of construction expertise.

In addition to unreinforced masonry buildings, much of San Francisco's older housing stock is in need of some type of seismic upgrading such as foundation bolting and structural reinforcement. Soft-story, wood frame, multifamily housing -- typically wood-frame buildings with open fronts, usually large openings on the ground floor such as multiple garage doors or large storefront windows -- is particularly at risk. The City's *Community Action Plan for Seismic Safety* (CAPSS) is looking at potential methods of instigating their retrofit, as well as other action steps to improve the City's earthquake resilience by addressing the performance of

² PHA Plans – Annual Plan for Fiscal Year 2008-09, San Francisco Housing Authority, August 2008

³ Information provided by Jerry Sullivan of the San Francisco Department of Building Inspection, August 13, 2008.

existing buildings during an earthquake and facilitating the repair of damaged buildings after an earthquake.

D. REPLACEMENT OF LOST UNITS

Demolitions, abatement enforcement, mergers and conversions, and fires all diminish the City’s housing stock, and lost units need to be replaced. Table I-51 below anticipates losses based on historic trends.

Reason for Replacement	Units
Demolition and Replacement	1,125
Unit Mergers	225
Loss of Secondary Units	400
Conversion to Commercial Use	60
Owner Move-In	5,530
Ellis Act Evictions	2,100
TOTAL	9,440

Table I-51
**Estimated Replacement Housing Needs,
San Francisco, 2007-June 2014**

SOURCE: Planning Department

1. Loss of Units through Building Demolition

Since 2000, building demolition has accounted for the loss of almost 1,200 units (Table I-27 on page 30), a rate 10% lower than the annual demolition average of 148 units between 1990 and 1999. The City has a one-to-one unit replacement policy and units lost through demolition are subsequently replaced with the same number of units or even more. Housing demolitions in this period included the demolition of North Beach Place and Valencia Gardens, two large, older public housing structures that have since been replaced by new affordable housing developments. Similar public housing renewal projects are foreseen in the near future.

2. Loss of Units through Mergers

Dwelling unit mergers result in fewer but larger units. Smaller units are generally considered more affordable. However larger units enable families to grow without leaving their communities. The City established legislation that aims to limit dwelling unit mergers that result in larger and more expensive units. A slight decline in dwelling unit mergers followed this legislation. Between 1995 and 1999, dwelling unit mergers resulted in the loss of some 233 units, an average of 47 a year. Trends slowed down even further, between 2000 through 2008, only 287 units were merged to make larger dwelling units, a loss of about 32 units a year.

3. Loss of Illegal Secondary Units through Code Enforcement

A secondary unit is generally a smaller unit that does not have the same amenities as the primary unit or units on a lot. Often these units are built in basements, garages, attics, or in rear yard structures. While many illegal secondary units may not meet existing code requirements, they still constitute a major supply of affordable housing. Some illegal units create life safety hazards; other units require alternative standards for open space, parking, rear yard requirements, or density requirements to be legalized.

Between 2000 and 2008, 204 illegal secondary units were removed; 80 units were legalized (Table I-53). The volume of complaints has been increasing; with a strengthened code enforcement team, it is estimated that in the future, 50 to 100 illegal units per year will be removed. Based on a projected average loss of 75 units per year, it is estimated that about 400 units will be needed between January 2007 and June 2014 to replace these typically affordable units.

Table I-53
Legalization of Secondary Units, San Francisco, 2000-2008

Year	Units Legalized	Illegal Units Removed
2000	-	12
2001	8	22
2002	9	36
2003	11	33
2004	8	22
2005	16	38
2006	9	12
2007	11	10
2008	8	19
TOTALS	80	204

Source: Planning Department

4. Loss of Units from Conversions to Commercial Use

Forty-nine housing units were legally converted to commercial uses between 2000 and 2008 (Table I-28). This is comparable with the annual average of about five units removed between 1990 and 1999. While the conversion of residential use to commercial uses has declined significantly from the high rates experienced in the late 1970s, illegal conversions are still a concern in a number of areas. Unfortunately, no reliable data can detail the extent of illegal conversions, but based on trends in the previous decade, at least 30 new housing units will be needed to replace housing lost to legal conversion to commercial use expected during the period covering January 2007 and June 2014.

5. Loss of Units from Owner Move-In and Ellis Act Evictions

Changes in tenure status through Ellis Act evictions or owners move-in is seen to result in a loss of affordable units. These units are affordable through rent control, rental status or smaller unit size. Units held off the market through the Ellis Act increased significantly in recent years (Table I-54). From the passage of the Act in 1986 until 1998 there were a total of 44 eviction notices given through the Ellis Act. In 1998 that number increased to 206 notices and in 1999 it peaked at 440 eviction notices. During the second half of the 1990s, however, owner move-in evictions increased dramatically; more than 1,000 eviction notices were given out annually through this process.

Year	Owner Move-In	Ellis Act or Other Removal from Market
FY 1997-1998	1,400	12
CY 1998	1,545	157
CY 1999	872	473
CY 2000	1013	345
CY 2001	802	292
CY 2002	548	251
CY 2003	357	238
CY 2004	345	368
CY 2005	267	359
CY 2006	227	304

Table I-54
Evictions from Ellis Act and Owner Move-Ins, San Francisco, 1997-2006

SOURCE: SF Rent Board

IV. Meeting Housing Needs

This section provides an analysis of the overall capacity for meeting the City's projected housing needs. The first part presents an inventory of the land use capacity for new housing based on the existing zoning, including an analysis of their suitability to a variety of affordable housing types. The second part discusses constraints to housing development in the City that could forestall the City's ability to meet San Francisco's RHNA allocation. The third part presents information on potential future projects and recent community plans. An estimate of housing development over the next five to ten years is also provided. This section shows that while San Francisco may have the land capacity to meet overall housing needs for the next planning period, the City must make programmatic and policy changes in order to meet targeted levels of affordability and achieve local and regional sustainability objectives.

San Francisco is already highly developed. It is also bounded on three sides by water, limiting its ability to expand outwards to meet the need for more housing. As San Francisco has relatively few large undeveloped sites and the following analysis is based on a cumulative examination of vacant and underdeveloped sites' potential development at less than the theoretical maximum capacity allowed under current zoning in acknowledgement of existing neighborhood characteristics. Nevertheless, almost 68,480 new housing units could potentially be built on numerous in-fill development opportunity sites under current zoning allowances. In addition, some 11,800 can be accommodated in vacant or nearly vacant lands currently or previously zoned "Public" such as Mission Bay, Treasure Island and Hunter's Point Naval Shipyard.

A. NEW HOUSING DEVELOPMENT POTENTIAL UNDER EXISTING ZONING

Residential development is allowed as-of-right in most of the City's zoning districts. All residential and residential-commercial (RH, RC and RM) districts permit dwelling units as of right. Housing is also permitted in most of the South of Market's mixed-use districts and all of the mixed-use districts in Chinatown; similarly, residential developments are allowed in downtown and commercial zoned districts. In the neighborhood commercial districts, housing is permitted but generally encouraged above the commercial ground floor in new construction projects. Housing development is a conditional use in industrial districts and the South of Market's Service and Secondary Office (SSO) district. The only zoning district wherein housing projects are not permitted unless it is affordable to low-income households is in the South of Market's Service-Light Industrial (SLI) district. New residential development is not allowed in the new Production, Distribution and Repair (PDR) districts.

Residential uses in San Francisco include emergency shelters, transitional housing, and other types of group housing. While group housing is not permitted in low density, single-family residential districts and the South of Market's residential enclave districts, they are accommodated in the moderate density residential, downtown, commercial, and neighborhood commercial districts. Such uses are also allowed on a conditional basis in low- to medium-density residential districts, the industrial districts and most South of Market districts. (*Appendix D* lists residential development standards for all zoning districts.)

1. Land Inventory

Housing Element law requires local governments to prepare an inventory of land suitable for residential development to help identify sites that can be developed for housing within the housing element planning period. It is a general estimate of the City's total housing capacity and is determined without specifying which sites may or may not be developed within the next five to seven years. This land inventory does not include sites that are under construction or are already slated for development in the next five to seven years, i.e. parcels with building permits already obtained and ready to start construction, or parcels that have received Planning Department entitlements and have applications for building permits filed.

The housing potential estimates shown in Tables I-55 and I-56 were derived using a computer model based on current zoning standards and an inventory of existing uses citywide. (*See Appendix D for additional details on methodology, terms used.*) The largely undeveloped Treasure Island and Hunter's Point Naval Shipyard are currently zoned "Public" and thus considered separately in this exercise. Similarly, parcels in Mission Bay are treated as distinct from the rest of the City's housing opportunity sites.

A database listing all parcels in the City, along with current land uses, zoning designation, and development or lot improvements forms the basis of this evaluation. Land use information collected included type of use, building square footage, number of stories, building height, lot area, floor area ratio, and other pertinent data.

Table I-55 categorizes the housing opportunity sites by zoning districts and lists the build-out capacities of potential housing sites according to permitted residential densities. Over half (58%) of the new housing can be accommodated in neighborhood commercial and mixed use districts; only 18% can be expected to be built in traditional residential districts.

General Zoning Districts	Vacant or Near Vacant Sites			Underdeveloped Sites			No. of Parcels	Net Units	Total Acres
	No. of Parcels	Net Units	Acres	No. of Parcels	Net Units	Acres			
Residential	919	2,771	101.9	1,156	7,971	151.7	2,075	10,742	253.6
Neighborhood Commercial	293	6,974	88.2	1,922	15,375	242.9	2,215	22,349	331.1
Mixed Use Districts	192	3,169	32.8	455	7,559	79.8	647	10,728	112.6
Downtown Commercial	63	631	33.9	184	1,077	43.6	247	1,708	77.5
Downtown Residential	21	2,401	4.5	25	2,196	5.9	46	4,597	10.3
Industrial	188	6,868	116.3	465	11,485	189.2	653	18,353	305.5
Sub-Total	1,676	22,814	377.6	4,207	45,663	713.1	5,883	68,477	1,090.6
Mission Bay								4,200*	
Treasure Island								6,000	
Hunter's Point Shipyard (Phase I)								1,600	
Sub-Total								11,800	
TOTALS								80,277	

Table I-55
Estimated New Housing
Construction Potential
in Undeveloped and
Underdeveloped Sites
by Generalized Zoning
Districts, San Francisco,
2008

* Remaining units to be built

SOURCE: SF Planning Department

Tables I-55 and I-56 above disaggregate this new housing potential according to the parcels' existing state of underutilization or lack of development. There are almost 1,680 parcels totaling 378 acres that are classified as undeveloped where over 22,810 new housing units could potentially be constructed. Another 4,200 lots are also seen as developable for residential uses, possibly yielding over 45,650 new units. Mission Bay, Treasure Island and Hunter's Point Naval Shipyard are expected to accommodate an additional 11,800 units. Undeveloped or underdeveloped parcels with proposed residential developments in the pipeline are not included in this assessment. About 230 of 800 acres of soft sites fall in areas with recently adopted area plans (Eastern Neighborhoods, Market & Octavia, Balboa Park, Rincon Hill, Visitacion Valley). The residential development pipeline, which accounts for some 50,200 units at the time of this report's writing, will be discussed at a later section of this report.

Table I-56

Estimated New Housing Construction Potential in Undeveloped and Underdeveloped Sites by Zoning District, San Francisco, 2008

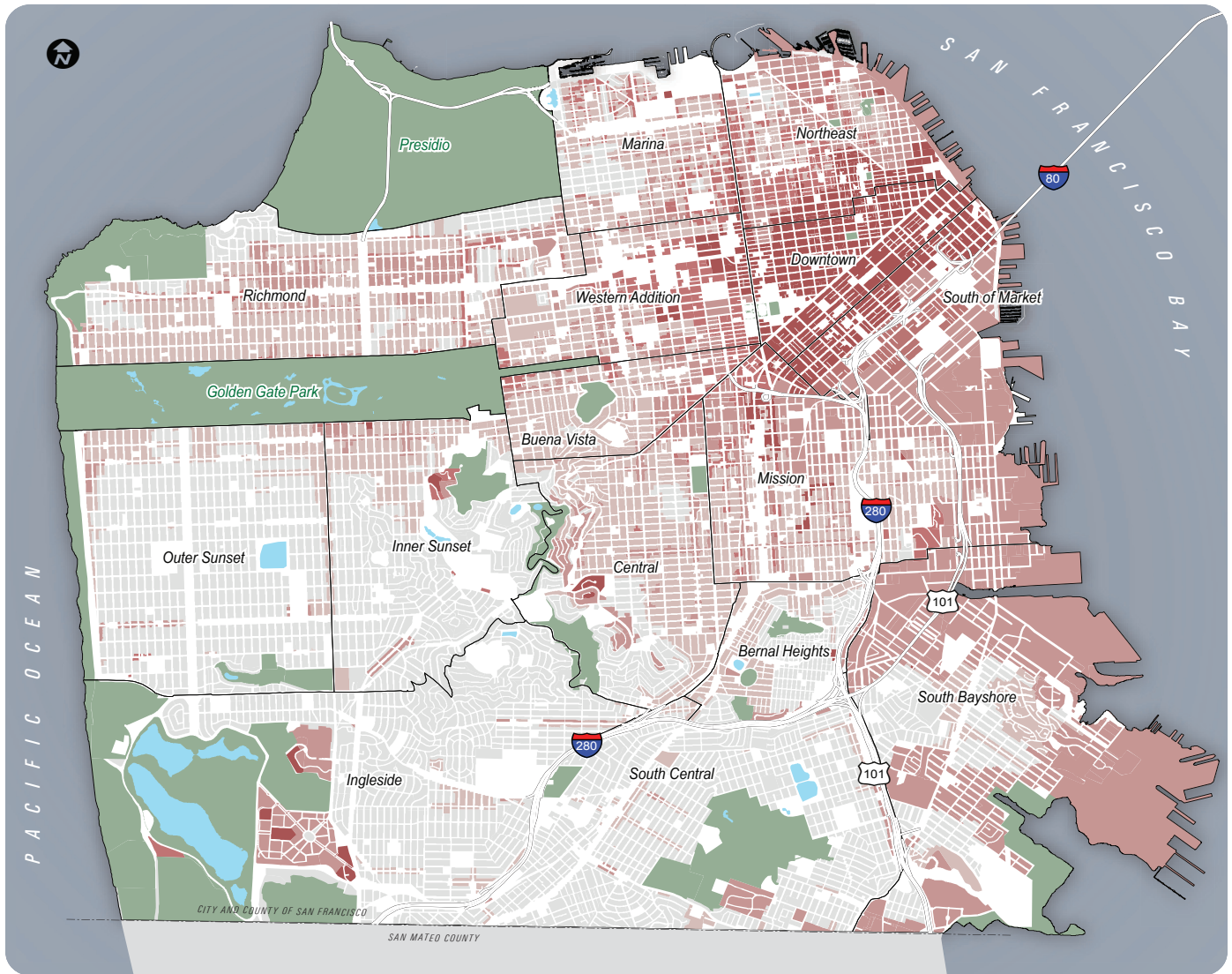
Zoning Group	Zoning District	Current Utilization						Total Parcels	Total Sum of Net Units	Total Sum of Acres	Zoned Units/Acre
		Vacant or Near Vacant Sites (Less than 5% of zoned capacity)			Underdeveloped or "Soft Sites" (From 5% - 30% of zoned capacity)						
		Parcels	Net Units	Acres	Parcels	Net Units	Acres				
Residential		919	2,771	101.9	1,156	7,971	151.7	2,075	10,742	253.6	
	RH-1	457	676	44.1	54	241	18.0	511	917	62.1	15
	RH-1(D)	135	135	21.9	2	2	0.1	137	137	22.0	11
	RH-1(S)	6	6	0.4	0	0	0.0	6	6	0.4	15
	RH-2	169	564	18.1	338	737	31.9	507	1,301	50.0	29
	RH-3	55	207	4.8	244	589	16.8	299	796	21.5	44
	RM-1	43	238	4.8	161	1,793	36.7	204	2,031	41.5	54
	RM-2	9	107	1.5	34	609	9.2	43	716	10.8	73
	RM-3	14	230	2.2	69	1,115	12.1	83	1,345	14.2	109
	RM-4	13	423	2.1	25	1,494	8.1	38	1,917	10.2	218
	RTO	18	185	2.1	229	1,391	18.7	247	1,576	20.8	See note 1
Neighborhood Commercial		293	6,974	88.2	1,922	15,375	242.9	2,215	22,349	331.1	
	NCD	31	410	5.4	358	2,559	37.0	389	2,969	42.5	See note 1
	NC-1	24	139	2.8	222	855	19.4	246	994	22.2	54
	NC-2	73	1,030	19.5	599	2,555	57.5	672	3,585	77.0	54
	NC-3	96	1,134	16.3	558	4,954	75.0	654	6,088	91.2	73
	NC-S	11	58	1.2	33	1,536	28.7	44	1,594	29.8	54
	NCTD	22	3,116	34.9	65	707	7.9	87	3,823	42.7	See note 1
	NCT-2	3	166	1.9	8	117	1.4	11	283	3.3	See note 1
	NCT-3	32	916	63.2	67	1,981	14.9	998	2,897	21.1	73
	SoMa NCT	1	5	0.0	12	111	1.1	13	116	1.2	See note 1
Downtown Commercial		63	631	33.9	184	1,077	43.6	247	1,708	77.5	
	C-2	16	369	26.3	26	267	19.6	42	636	45.9	54
	C-3-G	20	138	4.2	58	304	9.7	78	442	14.0	348
	C-3-O	7	68	1.3	30	264	4.8	37	332	6.1	348
	C-3-O(SD)	5	16	0.5	20	59	1.6	25	75	2.1	348
	C-3-R	1	6	0.2	13	39	1.4	14	45	1.6	348
	C-3-S	12	28	1.1	23	92	3.7	35	120	4.8	348
	C-M	2	6	0.3	14	52	2.8	16	58	3.1	218

Zoning Group	Zoning District	Current Utilization						Total Parcels	Total Sum of Net Units	Total Sum of Acres	Zoned Units/ Acre
		Vacant or Near Vacant Sites (Less than 5% of zoned capacity)			Underdeveloped or "Soft Sites" (From 5% - 30% of zoned capacity)						
		Parcels	Net Units	Acres	Parcels	Net Units	Acres				
Downtown Residential		21	2,401	4.5	25	2,196	5.9	46	4,597	10.3	
	SB-DTR	1	95	0.6	0	0	0.0	1	95	0.6	See note 1
	VNMDRSUD	13	657	2.0	18	1,649	4.9	31	2,306	6.9	See note 1
	RH DTR	7	1,649	1.8	7	547	1.0	14	2,196	2.8	See note 1
Mixed Use		192	3,169	32.8	455	7,559	79.8	647	10,728	112.6	
	CCB	1	10	0.0	5	86	0.4	6	96	0.4	218
	CRNC	3	60	0.3	10	167	0.8	13	227	1.1	218
	CVR	0	0	0.0	1	9	0.1	1	9	0.1	218
	MUG	1	4	0.1	19	241	3.0	20	245	3.0	See note 1
	MUO	16	399	2.8	16	408	4.2	32	807	7.0	See note 1
	MUR	20	428	2.8	37	658	4.1	57	1,086	6.9	See note 1
	RC-3	2	52	0.5	22	239	2.5	24	291	2.9	109
	RC-4	30	942	4.4	113	3,514	16.5	143	4,456	20.9	218
	RED	3	31	0.3	13	65	0.9	16	96	1.2	109
	RSD	5	76	0.7	6	105	1.1	11	181	1.8	218
	SLI	40	77	4.4	53	301	17.6	93	378	22.0	218
	SPD	0	0	0.0	2	3	0.1	2	3	0.1	73
	UMU	40	953	13.5	125	1,619	25.2	165	2,572	38.7	See note 1
	SLR	31	137	3.1	33	144	3.3	34	281	6.4	218
Other/ Industrial		188	6,868	116.3	465	11,485	189.2	653	18,353	305.5	
	M-1	156	4,801	80.6	433	5,928	105.3	589	10,729	185.9	54
	M-2	32	2,067	35.6	32	5,557	84.0	64	7,624	119.6	54
Totals		1,676	22,814	377.6	4,207	45,663	713.1	5,883	68,477	1,090.6	

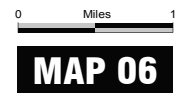
SOURCE: SF Planning Department

Notes:

1 These districts do not nominally restrict residential density, but regulates it based on factors such as lot cover, exposure, and unit mix requirements.



Generalized Housing Densities by Zoning District San Francisco, 2008



Density (Average Units per Acre)

	Low (14)
	Moderately Low (36)
	Medium (54)
	Moderately High (91)
	High (283)

2. Suitability of In-Fill Housing Development Under Existing Zoning

Approximately one-half of San Francisco's developable land is devoted to residential use. Of the residentially zoned acreage, a majority of the area (76%) is zoned for single family and two unit housing, at a housing density of approximately 10 to 29 units per acre. Other residential areas with higher housing densities, such as the Van Ness corridor and neighborhoods north of Market Street, bring average housing density citywide to 15 net dwelling units per acre.¹ Table I-57 lists the City's zoning categories that permit residential development, grouping these by generalized housing density levels. Map I-6 provides a generalized illustration of housing densities citywide.

The location of San Francisco's housing stock is detailed in Table I-22 (page 24) and the geographic boundary used for this data is the Planning District (shown on Map I-3, page 25). The Northeast and Richmond districts have the most units. One-third (34%) of the city's units are located in buildings with ten or more units, while single family homes account for almost another third (31%).

All parcels considered in this estimate meet the minimum lot requirement for development. Seventy-four of these parcels are vacant or undeveloped, and cover half an acre or more. Most non-profit developers of affordable housing consider 0.5 acre as the minimum lot size necessary to meet economies of scale. Altogether, these parcels – about half of which are one acre or larger – can accommodate over 5,550 new housing units.

¹ Not including right of way and streets.

Density Standards	Zoning District	Average Units per Acre	Estimated Population Density per Acre	General Characteristics and Locations
Low Density	RH-1	14	32	Mostly single-family housing located primarily in the southern and western parts of the City
	RH-1(D)			
Moderately Low Density	RH-2	36	83	Smaller multi-family housing such as duplexes, triplexes, and flats located around the City's central hills areas of Diamond Heights, Twin Peaks, and Potrero Hill; also around Golden Gate Park in the Richmond, and the northern part of the Sunset districts, the Marina and edges of Mission Bay bordering open space areas
	RH-3			
Medium Density	RM-1	54	124	Non-residential commercial and industrial districts; certain areas adjacent to commercial zones; also in the central areas of Mission Bay
	C-1			
	C-2			
	M-1			
	M-2			
	NCDs			
Moderately High Density	RM-2	91	209	More intensively developed northeastern part of the City; along major transit corridors such as Van Ness Avenue, Upper Market Street and Columbus Avenue; in major redevelopment areas such as the Western Addition, Golden Gateway; in Nob Hill, Chinatown, North Beach, edges of Mission Bay bordering commercial and industrial areas
	RM-3			
	RC-2			
	RC-3			
High Density	RM-4	283	651	Downtown districts, Rincon Hill, Cathedral Hill, parts of the Western Addition; parts of Diamond Heights, parts of Parkmerced, Nob Hill, parts of the northeastern section of the City; heavy commercial districts.
	RC-4			
	DTR			
	C-3			
	C-M			

Table I-57
Generalized Housing
Densities Allowed by Zoning
Districts, San Francisco,
2008

3. Locating New Housing Development in Existing Neighborhoods and Planned Areas

As Table I-56 above shows, residential districts contain a substantial number of undeveloped lots. Locating new housing development in these districts makes sense, as housing should go where other housing already exists. These in-fill sites are scattered throughout all residential neighborhoods and construction of additional units will have very minimal cumulative effect on infrastructure needs. The build-out assumption for these districts also takes into account typical housing types (single-family homes in RH-1, for example); and there would be little impact on the neighborhoods' residential character.

Neighborhood commercial districts are also ideal for additional housing because of these neighborhoods' proximity to transit and services. Typically, the calculation assumes upper storey residential development over ground floor commercial uses, although height limits in some neighborhood commercial districts may have a dampening effect on residential development.

Downtown districts are similarly ideal for residential development given proximity to jobs and transit. The higher densities allowed under current zoning in these districts could bring almost

2,200 new units. Some industrial lands may be more suitable than other industrial sites for residential development based on its proximity to existing residential districts and transit. At least 18,350 units can be accommodated in these industrial lands.

The City's mixed-use districts in Chinatown and South of Market are generally built up and yielded smaller numbers of developable sites. However, with higher densities allowed in these areas, in-fill development could accommodate at least an additional 5,980 units.

The Mission Bay Plan, adopted and being carried out by the San Francisco Redevelopment Agency, envisions a new neighborhood arising from one of the City's few vast and underused vacant industrial tracts. Projected land uses include a mix of housing and job opportunities. Mission Bay North will accommodate 3,000 units of housing while Mission Bay South will have 3,090 units. Some 1,800 units have already been built; the remaining 4,200 are expected to be completed by 2020.

Hunters Point Shipyard, another redevelopment project, will involve re-use of the 500-acre former military base. The Redevelopment Plan sees the decommissioned shipyard transformed into a mini-city with housing, job opportunities and recreational uses. The residential component of Phase I in the 25-year, three-phase Redevelopment Plan will bring about some 1,600 new housing units in the proposed Hills Neighborhood. Construction has begun and the first residents of the redeveloped sites are expected to move in by 2010 at the earliest.

a. Housing in Residential Areas

Housing development on remaining vacant, residentially zoned sites will occur as market pressure intensifies to build on available residential sites throughout the City. These sites generally have low or moderately low density residential-house zoning designations (RH-1, RH-2 or RH-3), which permit only one, two or three units per lot in most cases. Most housing – especially family housing – is already located in these residential districts. It is estimated that there is an in-fill housing potential of approximately 1,825 units on vacant and underutilized RH-1 and RH-2 parcels, which allow for single-family and duplexes, respectively. Typical densities range from a maximum of 14 units per acre for RH-1 districts and 39 units per acre for RH-2. An additional 460 units can also be accommodated in RH-3 parcels that allow for development of triplexes at about 43 units per acre density.

Residential mixed districts (RM) and residential commercial combined districts (RC) permit non-residential uses but remain predominantly residential in character. These areas are generally adjacent to commercial zones and can have intense, compact development. Medium density residential districts typically contain a mixture of dwelling types found in RH districts but have a significant number of apartment buildings. Over 2,115 new units can be developed in low-density residential mixed districts (RM-1). This zoning category allows for a maximum of 54 units per acre. About 530 and 1,030 additional new units can be in the RM-2 and RM-3 districts respectively. Almost 2,730 new units can be in-fill development in the downtown residential districts ringing the City's downtown core, where higher densities are permitted. All told, there is the potential for almost 8,300 new units on vacant or underutilized parcels in these medium- and high-density residential zones.

b. Housing in Neighborhood Commercial Districts

Both Planning Code regulations and General Plan policies encourage housing over commercial spaces in districts throughout the City. More recently, regional and national interest in transit-oriented development has grown considerably. The close proximity of neighborhood commercial districts to transit preferential streets makes in-fill sites in these districts particularly suitable for development. There is also a proven strong market for mixed-use development. Mixed-use projects, with commercial and residential components, accounted for a significant amount of the new building construction in the last decade. Opportunity sites in neighborhood commercial districts cover over 330 acres of land in the City. This represents the potential for roughly 22,350 new housing units over ground floor commercial spaces.

c. Better Neighborhoods Program

The Better Neighborhoods Program was initiated by the Planning Department to address the City's related housing and transportation challenges. It seeks to do so by strengthening the linkages between land use and transportation planning, so that each one effectively supports the other. Market and Octavia, Balboa Park, and the Central Waterfront were chosen as three pilot neighborhoods and selected to serve as a model for other areas in the City. Glen Park and Japantown were later added as compact versions of the Better Neighborhood planning process. These neighborhoods' proximity to transit and essential services are ideal for additional housing, including units in upper stories above commercial uses. The Market Octavia Plan, promising an additional 5,900 units, was adopted in mid-2008. The Central Waterfront Plan was adopted, along with three other Eastern Neighborhoods, at the end of 2008. Balboa Park was also adopted in December 2008. The Central Waterfront Neighborhood Plan allows for the potential development of about 1,100 to 1,500 new units while Balboa Park could mean some 800 to 3,150 additional units.

d. Housing in Industrial Areas and the Eastern Neighborhoods

A significant portion of new housing construction (over 40%) in the last decade occurred in the areas south of Market Street. These industrially zoned parts of the City provided a ready supply of flexible and inexpensive industrial space well suited for conversion to office space required by dot-com start-ups. At the same time, these same areas became highly desirable residential locations, especially for live/work or loft-style housing. Many traditional occupants of industrial space — notably production, distribution and repair businesses (PDR) — were displaced by rising rents brought on by new office and residential uses. Conflicts between new residents and remaining businesses, especially over noise and smells associated with many PDR activities made it difficult for businesses to operate. Some businesses found space elsewhere in San Francisco; many others left the City altogether, and a number went out of business.

Interim zoning controls and Planning Commission policies underscored the importance of retaining PDR activities and encouraging these uses on certain industrially zoned parcels while permitting housing and mixed-use activities on other industrially zoned parcels. Recently approved community planning in the Eastern Neighborhoods, where most industrially zoned

lands are located, proposed new zoning controls that define uses permitted on these parcels. An additional potential of 7,400 new housing units in industrial lands came about with the passage of new zoning standards.

4. Suitability of Potential Affordable Housing Sites

Affordable housing in San Francisco includes subsidized multifamily units, single room occupancy units (SRO), emergency shelters, transitional housing, and other types of group housing. In other municipalities, affordable housing includes housing for agricultural workers and low cost manufactured housing. San Francisco is highly urbanized and generally a distance from agricultural employment. Some manufactured single-family housing have been erected in San Francisco but prefabricated units may not be appropriate for high density, affordable housing in San Francisco, especially given seismic safety concerns.

Affordable housing projects with on-site services require a minimum of 90 units per site to gain economies of scale for construction and operations. Of all potential in-fill sites, some 57 parcels – with a total capacity of 12,500 units – would permit this type of development.

Construction of affordable multi-family units generally require a minimum lot size of 0.3 acre or roughly 40 units per project to meet economies of scale. There are around 120 such potential sites that are vacant or undeveloped. Altogether, these larger parcels, which average 1.6 acres each, could accommodate some 15,600 new housing units.

B. CONSTRAINTS TO HOUSING ACCESS, PRODUCTION AND CONSERVATION

Housing development in California is a complex and lengthy process. San Francisco in particular is one of the more challenging environments to build housing. Factors including high land and construction costs, protracted entitlement and permitting processes, and organized opposition pose real obstacles to developing housing in San Francisco.

One result of this difficult landscape has been the development of new housing in areas not fully appropriate for residential development, such as in predominantly industrial areas without the sufficient services and social infrastructure to support a pleasant and vital neighborhood. In meeting the City's housing goals, it is important to focus on areas that can absorb new development in the context of creating viable neighborhoods. Section IV, "Inventory of Land Suitable for Residential Development," discussed locations where the potential for new housing exists. Section VII, "Approaches and Resources to Meet Current and Future Housing Needs," describes policies and programs that the City is using, or can consider, to encourage appropriate housing development to meet its housing needs.

1. Equal Housing Opportunity

All residents have the right to housing that is available without discrimination – that is, without limitations based on race, color, religion, sex, handicap, familial status, or national origin. The federal Fair Housing Act of 1968, and California's Fair Employment and Housing Act, as well as other non-discrimination acts, were enacted to prohibit discrimination; and San Francisco has adopted a number of local anti-discrimination ordinances addressing housing and public accommodations (Administrative Code Sections 12 A & 12 B, Police Code Sections 33, 38, and 1.2). These federal, state and local provisions are enforced by the City's Human Rights Commission (HRC), which offers mediation services for filed complaints, technical assistance with referrals to nonprofit organizations and City agencies, and fair housing training for housing providers.

However, with all of these protections, discrimination still occurs. Some of the major impediments to fair housing include discrimination in access to housing, condition, evictions and even lending practices.

- **Discrimination:** The most common forms of housing discrimination in San Francisco occur in rental housing, when tenants – who may be facing racial discrimination, poverty, mental and physical handicaps, or have alternative sexual orientation or gender identity - are denied housing, discriminated against in the terms or conditions otherwise available to other tenants, or harassed by a landlord or fellow tenant. Section 8 tenants in particular have difficulty accessing market rentals, as many landlords choose to not rent to Section 8 tenants.

- **Poor conditions:** Many available housing units are maintained in poor condition, at the expense of the quality of life for their tenants. The need to make physical improvements is critical to improve living conditions in low-income housing. Also, given the City's high percentage of renters with disability, it is particularly critical for persons with special needs, to provide improved accessibility to existing housing units.
- **Formal and informal evictions:** Even with state and local regulations against formal evictions, abuses occur as many residents are unaware of their protections. "Buyouts" (where the landlord pays the tenant an agreed upon dollar amount to vacate the property and therefore avoid any eviction processes) are also prevalent throughout the City.
- **Lending practices:** Predatory lending, often directed towards low-income and minority communities, has arisen as a facet of housing discrimination. The current foreclosure crisis is affecting those communities disproportionately, and is also affecting renters of those foreclosed units, who are without traditional eviction rights

Connecting all of these issues is a lack of education about fair housing issues and a lack of information connecting people to resources. Often, fair housing issues pit landlords with access to capital, legal advice and time, against renters who may not be aware of their rights and who may face other impediments in the system such as a language barrier. While San Francisco is fortunate to have a number of nonprofit organizations in addition to the City's Human Rights Commission (HRC) that provide public education, access to legal services and counseling, and even funding, they often lack resources to reach the majority of the population in need.

2. Non-Governmental Constraints

Government Code Section 65583(a)(5) requires that the Housing Element update include an assessment of non-governmental constraints to housing development. Such constraints include the price of land, the cost of construction, and availability of financing.

a. Land Availability and Costs

Much of San Francisco exhibits an established, relatively dense development pattern and is considered by many to be substantially built-out. While there are parcels of land still potentially available for development (see Tables I-54 and I-55), San Francisco's tight land market increases pressures on land values. Both market-rate and affordable housing developers report that acquiring land for housing in the City is a challenge. The heightened values of land make some of the land identified as a potential housing site infeasible for actual housing development, especially housing affordable to lower income households.

The City's finite supply of land, coupled with strong development pressure, means that landowners can expect high prices for parcels they own, if they choose to sell for housing development at all. Sites identified as potential housing sites may not be sold to residential developers as some property owners are satisfied with the state of their properties' development. Institutions, for example, may keep surface parking uses to support other adjacent properties' more intense uses. Similarly, building owners may keep smaller but profitable commercial buildings

instead of fully developing their properties. Furthermore, except in purely residential zoning districts, housing developers must compete with other potential users. If it is more profitable for a landowner to hold or sell land for a commercial project, the land will not be available for housing. Private vacant or underdeveloped lands identified as housing opportunity sites will only see development if landowners decide to sell, and the prices they demand from housing developers will allow for profitable development.

Average land values vary greatly by zoning district as development potential varies greatly. Table I-58 below details the average sales price per square foot of vacant lands sold between 2000 and 2007. It shows that vacant lands in the industrial zoning districts were the least expensive and sold, on average, at just over \$48 per square foot. These areas' lower priced lands made for the mid- to late 1990s' rapid and often detrimental incursions of housing into still viable industrial districts.

Zoning Districts	No. of Transactions	Average Price per Sq. Ft.
Residential Districts	169	\$83
Residential Mixed Districts	11	\$176
Neighborhood Commercial Districts	32	\$92
Downtown Commercial Districts	5	\$951
Industrial Districts	39	\$48
South of Market Mixed Use Districts	12	\$326

Table I-58
Average Price per Square
Foot of Vacant Lands Sold,
San Francisco, 2000-2007

SOURCE: SF Assessor-Recorder's Office; SF Planning Department

Single-family zoned districts, where typically one unit is permitted per lot, cost on average just \$57 a square foot. Vacant parcels in moderately low density residential zones (where duplexes and triplexes are permitted) and the neighborhood commercial districts, averaged \$97 and \$92 per square foot respectively. Vacant land in the downtown and high density residential zoning districts was considerably higher, averaging above \$183 per square foot. The costliest vacant lots sold recently were in the downtown commercial zones – which allow land uses more profitable than residential uses – averaging \$951 per square foot. Vacant lots in the densely built South of Market Mixed Use districts bordering downtown had sold, on average, just over \$326 per square foot.

Though specific land costs varied greatly depending on an area's location and underlying zoning, the price of land is a major component of a developer's overall cost of producing housing. (See Table I-59 below.) A recent Planning Department study that explored options for expanding the City's inclusionary housing requirements compiled cost information from a variety of data sources. It showed that land for housing development in San Francisco often cost around \$110,000 per unit.

b. Housing Development Costs

In addition to high land costs, other direct costs of building new housing – the cost of labor, of construction materials and contractor fees – continued to escalate. Steep construction costs are generally seen as a major constraint on housing development and especially impacts affordability. In 2007, total development cost for an average two-bedroom condominium totaling 925 sq. ft. was about \$508,265 a unit or \$549 per square foot. Table I-59 below breaks down these costs to direct (or hard) costs such as building construction and indirect (or soft) costs such as entitlement fees, financing, and insurance charges.

In this estimate, planning, entitlement and other permitting fees – discussed in the section above – totaled less than 2% of development costs. Specific site conditions may also add to the cost of new housing construction. For example, building demolition may be required with the re-use of a site; toxic waste clean-up needed to mitigate chemical contamination in some former industrial sites; or increased foundation costs in potentially seismically unstable soils.

Table I-59
**Estimated Multi-Family
Housing Development Costs
Per Unit, San Francisco,
2007**

Cost Categories	Costs	% of Total Costs
DIRECT CONSTRUCTION COSTS		
Land Cost	\$110,000	21.6%
Building Construction	\$247,900	48.8%
Parking Space Construction	\$20,000	3.9%
Total Direct Costs	\$377,900	74.4%
INDIRECT CONSTRUCTION COSTS		
Planning and Building Entitlement Fees	\$9,893	1.9%
School Impact Fees	\$2,072	0.4%
Developer Project Management, Architecture, Engineering and Other "Soft" Costs	\$92,500	18.2%
Construction Financing	\$25,900	5.1%
Total Indirect Costs	\$130,365	25.6%
TOTAL DEVELOPMENT COST	\$508,265	100.0%
Total Cost per Square Foot (Average Net Unit Size: 925 sq ft)	\$549	

SOURCE: SF Planning Department

c. Availability of Open Space

Most of the potential housing sites identified -- some 3,980 parcels -- are within walking distance (1/4 mile) of open space amenities. Many of the remaining sites are located in new plan areas that include plans for more open space. For example, the Mission Bay project includes new public open spaces to serve the residents of its 6,000 new units and those of surrounding areas. The Rincon Point-South Beach Redevelopment area includes two new shoreline parks while Guy Place Park is currently being implemented per the Rincon Hill plan,

due to open early 2010. The draft *Recreation and Open Space Element* prioritizes new open space in underserved areas. As new areas are planned for housing, additional open space will need to be provided and should be included as part of future redevelopment plans, area plans, rezoning provisions, and subdivision projects.

d. Access to Commercial and Other Services

Many of the areas where new housing is likely to occur offer a rich mixture of uses that can readily serve new residents. About 85% of potential housing development sites are within walking distance (1/4 mile) from a neighborhood commercial district. Additionally, much of the future housing development will be in mixed use projects that will likely include local serving commercial activities. If these new, larger scale developments are well planned and designed, the additional residents and businesses will enrich existing neighborhoods nearby. Major new housing developments that are isolated from requisite services do not create livable neighborhoods, and can contribute to citywide transportation problems. Plans for new neighborhoods, and specific plans for improving existing areas, must respond to the commercial and service needs of new residents.

e. Transportation

San Francisco's transportation system has been strained by the availability of free and relatively inexpensive parking in many parts of the City, which promotes driving. Coupled with job and population growth, this has increased congestion while decreasing the efficiency of public transit services. Recent planning efforts seek to address this issue and continue to closely examine the interaction of land use and transportation to assure that current and future residents are able to travel conveniently and efficiently to jobs, services, and recreational opportunities. Also, planners at the San Francisco County Transportation Authority (SFCTA) are currently preparing the Countywide Transportation Plan that will prioritize numerous improvements to the City's transportation system.

f. Infrastructure Standards

The City imposes fees on sponsors of new development for various on- and off-site infrastructure improvements when necessary. Various standards for street widths, curb requirements, and circulation improvements have been developed over time and are not believed to be excessive or to impose undue burdens on development. They apply citywide and conform to the developed pattern of the City. More specific infrastructure improvements, such as particular streetscape design treatments, may be required of major new developments in the City's project areas. Given the densities at which residential land is developed in San Francisco, these infrastructure costs, even when borne partially by the developer, represent a relatively small cost per unit.

San Francisco's current housing stock is approximately 364,000 units. The housing production goal set by HCD/ABAG for San Francisco is 31,200 units by 2014. This represents an increase of almost 8.7%. The capacity of the City's infrastructure including water, sewage

treatment, and utility services is generally not a constraint to meeting San Francisco's housing goals. Many potential development sites are in areas that are well-served by the existing infrastructure. Some proposed area or neighborhood plans and very large development projects may require additional local infrastructure improvements.

The San Francisco Public Utilities Commission's (SFPUC) *Urban Water Management Plan (UWMP) for the City and County of San Francisco* (SFPUC, December 2005) projects water demand from residential and commercial customers. While the SFPUC does project an increase in total demand, it also expects residential water use to decline, even as population increases, because of increased conservation measures and efficiency. The 2005 Plan also relies on greater use of groundwater supplies and recycled water. The UWMP projects sufficient water supply in normal years, though during drought years demand will exceed supply. During drought years, plans are in place to institute varying degrees of water rationing depending on the severity of the drought. The SFPUC has begun the implementation of a 13-year Water Supply Improvement Program (WSIP) approved by the voters of San Francisco in the November 2002 General Election as Proposition A. The \$4.3 billion WSIP will ensure that safe and reliable drinking water service will be provided to meet projected San Francisco retail customer demand anticipated in the UWMP through 2018.

The WSIP will maintain compliance with state and federal drinking water standards while ensuring that the system will be functional in the event of a natural disaster, and will attempt to provide adequate water supplies during drought conditions. The SFPUC also has an on-going program to repair and replace outmoded and aging components of the City's water delivery and distribution infrastructure.

The SFPUC has committed to a number of programs to reduce water demand, which are described in greater detail in the UWMP. The SFPUC is also implementing a Recycled Water Program to produce recycled water for non-potable irrigation purposes.

In 1997, the City completed a 20-year program to upgrade its wastewater treatment system to bring it into full compliance with federal and state clean water regulations. Because San Francisco has a combined sanitary and stormwater system, the largest volume of wastewater occurs during wet weather.

In 2005, the SFPUC launched a citywide \$150 million, Five-Year Wastewater Capital Improvement Program (WWCIP) to improve the reliability and efficiency of San Francisco's combined wastewater and storm water system. Over the next few years, this program will help address the most critical needs of the aging wastewater system, improve the capacity of sewer mains, and upgrade treatment facilities.

The Water Pollution Control Division of the SFPUC reports that treatment capacity is available to serve expected growth. However, there are areas where local sewers, which transport waste to the treatment system, might be undersized and will need to be examined on a case by case basis. In 2012, the SFPUC will begin a public process to update the completed Clean Water

Master Plan to identify the future course of the City's wastewater and storm water collection and treatment system, including repair or replacement of structurally-inadequate sewers to address localized flooding problems. Some proposed area plans or very large development projects may need local infrastructure improvements to connect to the City's system.¹

In 2006, pursuant to SB 1087 and Government Code Section 65589.7, the SFPUC approved Resolution 06-0185 adopting a written policy to provide water and sewer service to new developments on an income-neutral basis. The SFPUC will also give priority to applicants for developments that include the sale or rental of housing that is affordable to lower-income households during any period when supply, treatment, or distribution capacity is limited.

San Francisco's solid waste is transferred to the Altamont Landfill, in Alameda County. In 1988, the City signed a long-term disposal agreement that provides for the disposition of up to 15 million tons of solid waste at Altamont. As of January 1, 2008, approximately 11.875 million tons of this capacity had been used, leaving a balance of 3.125 million tons. The Solid Waste Program is actively working to increase recycling, resulting in less disposal at the landfill. Current City incentives to Norcal Waste Systems to decrease waste disposal even further would allow landfill capacity at Altamont to extend to 2015. The City is exploring long-term options for solid waste disposal for when Altamont capacity has been reached.²

Despite recent supply problems, future gas and electricity supply should meet projected needs. Pacific Gas and Electric Company (PG&E) has filed a "Load Forecast" for San Francisco through 2014 with the California Energy Commission. This forecast is the basis for capital and operating plans, and covers both residential and commercial demand. PG&E is planning for a 20% increase in demand between 2006 and 2014. In addition, the City and County of San Francisco in 2004 commenced the San Francisco Electric Reliability Project that calls for a new City-owned power plant to operate during periods of peak demand.

g. Community Acceptance

San Francisco has a strong tradition of public involvement in policy discussions and possesses a very engaged citizenry on development issues. This activism often takes the shape of organized opposition to housing projects across the City, especially affordable housing for low-income residents and even towards well planned and designed developments. Such vocal opposition poses very real impediments to project sponsors and can lead to significant time delays, additional cost, or a reduction in the number of residential units produced. The City is committed to the involvement of citizens in the planning process and to the need to expound on the importance of working towards citywide housing objectives. Two recently approved planning initiatives – the Market/Octavia plan and the Eastern Neighborhoods Community Planning plan and re-zoning – have engaged residents, property owners, workers, and other stakeholders and sought broad public community backing through participatory programs of education, public dialogue and input, and consensus building..

The number of Discretionary Review requests initiated by members of the public ranged from

¹ Greg Braswell, San Francisco Department of Public Works, Bureau of Engineering. E-mail communication, August 22, 2008.

² This information is on the Solid Waste Program's website: www.sfenvironment.org.

281 in 2001 to 126 in 2008. The relationship between Discretionary Review requests and building permit applications (as a percentage of total permits filed) has been relatively constant with a recent high of 9% in 2005 and low of 6% in 2007. The current Discretionary Review process does not produce consistent or fair results, makes the development process more lengthy and costly for all involved, and takes time away from the Commission to address larger planning issues.

3. Governmental Constraints

Housing production in San Francisco is affected by a number of governmental regulations, from local policies and codes to state and federal land use regulations and state environmental laws. This section will examine the impacts of local governmental regulations on residential development as these can be addressed by local housing policy. These regulatory controls have been carefully crafted over time to balance citywide needs and address public concerns. These regulations were established to be consistent with the City's General Plan priorities to conserve and protect existing housing and neighborhood character. They also regulate new development to be compatible with and not detrimental to the area with respect to size, shape, traffic and its generated noise, open space and urban design requirements. The time required to administer and approve projects can add to the cost of housing production. But without these standards, an even greater check on new housing construction could result from public opposition to new development.

Addressing these constraints must be balanced against other citywide needs and will also be tempered by public concerns. Most of San Francisco's existing regulations were established to be consistent with the City's General Plan priorities to conserve and protect existing housing and neighborhood character, regulating development to be compatible with neighborhood character, and not detrimental to the area with respect to size, shape, traffic and its generated noise, open space and urban design requirements. The time required to administer and approve projects can also add to the cost of housing production. But without these standards, an even greater check on new housing construction could result from public opposition to development.

To address these issues, the City has made a number of improvements to remove hurdles in the City's General Plan and Planning Code, including:

- Using community planning processes to adopt streamlined regulations around discretionary process and reducing Conditional Uses;
- Using community planning processes to increase development capacity, including height, density and required lot sizes;
- Reduction of parking and open space requirements.

a. Entitlements

Proposed developments that deviate from or exceed permitted development standards, or that bring up other planning or environmental concerns, are subject to additional assessment and would require conditional use approvals, variances, and discretionary reviews. All these special permits take longer to process as they require greater study and analysis, public notifications and hearings, and approvals from the Planning Commission or the Zoning Administrator. The Commission may impose conditions or mitigation measures.

1) *Land Use Regulations and Community Plans.* The Planning Code, in particular, can present constraints to housing development. Height and density limits, parking and open space requirements, for example, can constrain housing form and increase production costs; discretionary processes such as Conditional Use authorizations can extend both the timeline for and the cost of housing construction.

The San Francisco Planning Department has prepared a number of community plans intended to shape growth in our urban neighborhoods, by encouraging housing where it makes sense and by using that housing growth to strengthen neighborhoods. The community planning process provides a neighborhood-based forum to grapple with issues such as appropriate height and density. It also provides the opportunity to shape new regulations for development which streamline the housing approval process yet make sure development still is designed according to the appropriate neighborhood character.

In the past five years, the Planning Department has completed several plans for the Downtown area (Rincon Hill and Transbay), a series of “Better Neighborhoods Plans” (Market & Octavia, Balboa Park and the Central Waterfront), and the Eastern Neighborhoods Plans (East SoMa, Showplace Square/Potrero Hill, and Mission). Adoption of these plans into the City’s General Plan enabled clearly stated housing development policies. Each new neighborhood plan is also accompanied by a set of new regulations, including amendments to the General Plan, Planning Code, and other required documents. The goal of these amendments is to establish parameters for new development that give residents and developers a clear sense of what is and is not allowed in these neighborhoods. Amendments reduce discretionary processes such as Conditional Use authorizations as much as possible while still ensuring adequate community review (in the Better Neighborhoods and Eastern Neighborhoods Area Plans, most housing is permitted as-of-right, and conditional use requirements for design aspects such as height have been eliminated). In many cases, the amendments also include a clarified public review and approval process that reduces permitting time and hearings.

Planning Code amendments adopted with each new neighborhood plan also served to expand potential development capacity in each of these areas, using tools such as height increases, removal of maximum densities, and removal of minimum required lot sizes. This increases flexibility for development on all sites in the project areas, and has resulted in an expanded development capacity which is detailed in Appendix D.

2) *Parking Requirements:* Providing parking represents a significant cost to developers and can affect housing prices, adding as much as \$50,000 to the price of a new unit. Surface level parking also takes up valuable real estate that could be devoted to housing or other uses. As such, parking requirements can act as a constraint to housing development.

Parking requirements vary throughout the City's zoning districts, based on factors like density and transit access. For example, in the City's low density districts (one-, two- or three-family housing districts), one parking space is required for each dwelling unit. The City's high-density residential districts, including RC-4, RSD, and other mixed use areas, require one parking space for every four units. In Downtown districts such as the DTR, NCT, RTO or C-3 Districts, no parking is required. Provision of guest parking is not required by the City for any housing development; it is only required for temporary stay uses such as hotel, motel or medical institution. Parking is not required for housing designed for and occupied by senior citizens, for group housing or for single-room occupancy dwellings; parking requirements for 100% affordable housing projects can be modified as a "variance" to reduce the 1:1 parking ratio requirement.

Recent amendments to the Planning Code removed parking requirements altogether in a number of zoning districts; instead, a maximum number of parking spaces serves as a cap. Newly adopted zoning districts such as Downtown Residential (DTR), C-3, Neighborhood Commercial Transit (NCT), and Residential Transit Oriented (RTO) Districts, have been established in several parts of the City do not require parking; provision of parking space is capped at one car for every four dwelling units (or less with a conditional use).

To address the cost parking adds to the development price tag, the "unbundling" of parking spaces has also been institutionalized through the Planning Code. The newly adopted Section 167 of the Planning Code requires that parking costs be separated from housing costs in housing developments of 10 or more units. Off-street parking spaces that are accessory to residential uses can be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units, so potential renters or buyers have the option of renting or buying a residential unit at a price lower than would be the case if there were a single price for both the residential unit and the parking space.

3) *Open Space Requirements:* The City's Planning Code currently requires that all new multi-family residential development provide outdoor open space, ranging from 36 to 125 square feet per unit, based on density, available public open space, and other factors. This open space may be provided on the ground, or in spaces such as balconies, terraces or rooftops.

To reduce the burden of open space requirements, as well as to gain the benefits that common space provides (collective place for residents to gather; residents get to know their neighbors well; space can foster a sense of community; etc.), the Planning Department has reduced open space requirements for developments which provide usable open space as publicly accessible. The Department is also proposing amendments to its General Plan which would provide this and other reductions to promote the provision of common open space.

4) *Redevelopment Project Areas:* The San Francisco Redevelopment Agency uses the state tool of redevelopment to revitalize local neighborhoods where appropriate. Redevelopment provides several tools that aid with the preservation of, rehabilitation of and production of affordable housing for low-and moderate-income families. San Francisco's local redevelopment ordinance specifically requires that 50% of redevelopment tax increment funds be committed to housing programs.

The unique power of being able to use tax increment revenue allows SFRA to commit significant dollars towards housing development, as well as to other project area improvements which encourage private development to do the same. In addition to the existing redevelopment plans which have removed institutional barriers to housing and spurred the development of significant amounts of new housing (Bayview Hunters Point, Mission Bay, Transbay and Yerba Buena Center), a redevelopment plan was recently adopted in Visitacion Valley; another redevelopment plan is underway for the India Basin/Hunters Point Shoreline (Area C) Survey Area.

5) *California Environmental Quality Act review procedures:* Like all projects in California, proposed residential projects in San Francisco are subject to environmental review under the California Environmental Quality Act (CEQA). CEQA can act as a constraint to housing development because it can increase both the costs and the time associated with development review. Environmental analysis can take upwards of 18-24 months to complete. In San Francisco, environmental review fees are calculated based on a project's calculated construction costs and can easily exceed \$100,000; independent consultants are often involved, also at a substantial cost. Moreover, under state law CEQA determinations may be appealed directly to the Board of Supervisors, an appeal body that is available to very few other types of land use decisions in San Francisco. It is not uncommon for the Planning Department's CEQA documents of any type to undergo lengthy appeals processes, further increasing the time and costs associated with environmental analysis.

The Department is implementing a variety of initiatives to increase the efficiency of the environmental review process and thereby reduce the time and costs associated with this effort. CEQA itself affords a variety of opportunities to streamline environmental review for urban infill and/or affordable housing projects, particularly in locations under an adopted area plan. The Planning Department takes advantage of these opportunities as available; however, when a project could result in significant environmental impacts (such as impacts to historical resources) the ability to streamline environmental review is substantially reduced.

Some common environmental impacts and their mitigations are relatively standard and could be addressed on a legislative level by ordinance and thereby incorporated into the building permit process. The benefit of this approach is that it would make more projects eligible for exemption from environmental review, because the necessary measures to avoid significant environmental impacts would be required for compliance with relevant code provisions. The Board of Supervisors has enacted such legislation with regard to several air quality-related concerns, and other such ordinances could be pursued in the future to address other areas of environmental impact.

With regard to the time and fees required for environmental review, sponsors of 100% affordable housing projects are granted priority permit processing status and are also eligible for deferred payment of environmental evaluation fees. These measures reduce the amount of time that a project is in the environmental review process and facilitate the initiation of applications for environmental review.

6) Discretionary Review: The Discretionary Review process can result in a significant cost to developers. The costs are typically the result of architectural fees, holding costs associated with extended time delays, and compensation that is sometimes requested by the Discretionary Review requestor in order to mitigate concerns or withdraw the Discretionary Review Application. Due to the ambiguous outcome and undefined timeline associated with the filing of a Discretionary Review Application, many project sponsors forgo projects altogether because of the additional time and financial burdens caused by this process. In 2008, almost 8% of all building permits reviewed by the Planning Department had Discretionary Reviews filed by a member of the public. The additional time and costs caused by Discretionary Review Applications are absorbed into the price of new or renovated dwelling-units, and therefore, the Discretionary Review process acts as a constraint to housing development and increases the overall cost of housing.

The City's Discretionary Review process is the Planning Commission's authority to review Code-complying projects and take action if the Commission finds that the case demonstrates "exceptional and extraordinary" circumstances. Conceptually, Discretionary Review is a second look at building permit applications that have already been determined to comply with the minimum Planning Code standards and applicable design guidelines. The idea is that additional scrutiny might be necessary in some cases to judge whether the design guidelines were applied appropriately or if there are circumstances unique to a case that warrant further modifications to the project. The problem with the Discretionary Review process is that because there are no guidelines for this process and no definition of "exceptional and extraordinary circumstances", it eliminates a developer's sense of predictability and certainty in the entitlement process. There are no barriers to file a Discretionary Review Application – other than a nominal fee of \$300 – and there are no limitations as to the amount of time the process can take. In 2007, 37% of the Discretionary Review cases were withdrawn, 35% were approved as proposed, 23% were approved with modifications, 5% were approved with revised plans, and no permits were denied.

The Discretionary Review process is most frequently used as a response to development in the City's low density districts, (RH – one-, two-, or three-family housing districts). From 2001 through 2008, the Southwest quadrant of the City received the most Discretionary Reviews, with the Northwest quadrant receiving the second most number of Discretionary Review filings. The costs associated with Discretionary Review in lower density districts have a greater impact to the affordability of housing, as there are fewer dwelling units associated with each project to absorb the additional costs of the process. Furthermore, the minimal filing cost of \$300 for a Discretionary Review Application does not nearly reflect the actual cost of processing the Application, which is about \$3,225. The Department recovers the difference by adding a surcharge fee of \$81 to the cost of every building permit application with a value over

\$50,000. This too adds to the overall cost of construction in the City, which increases the cost and acts as a constraint of housing development.

As part of the Department's Action Plan, the Department is seeking to reform the Discretionary Review process. One of the goals of this reform effort is to provide more certainty and predictability in the development process. This will eliminate some of the costs associated with developing housing in the City, and will improve a process that currently constrains housing development.

b. Permit Processing

A typical timeline for a medium-density, multi-family residential project (50 to 100 units) is about one year to 1½ years from the initial conceptual project review with the Planning Department to commencement of construction. This schedule assumes concurrent procedures for review under the California Environmental Quality Act (CEQA) and a conditional use application requiring Planning Commission review and approval. If an environmental impact report is required, it can take nine months to a year for all necessary studies and analyses to be conducted and the EIR heard before the Planning Commission. Applications can be filed at the same time or filed and heard upon completion of the environmental review. Both procedures are subject to public comment and appeals periods. The conditional use permit can be appealed before the Board of Supervisors within 30 days following the Planning Commission's approval. Once planning entitlements are secured, the project sponsor can prepare detailed building plans to be reviewed and approved by the Department of Building Inspection. Depending on the proposed project's complexity, the plan preparations, review and approval process can take from four to six months before building permits are issued. If no building permit appeals are filed against this project after the 15-day period following permit issuance, building construction can begin. But if this typical project has received a conditional use, then the Bureau of Permit Appeals has no jurisdiction.

Minor alterations and new housing projects of up to three single-family dwelling units or up to six units in a single structure may not require substantial environmental review. Projects proposing principally permitted uses (or "as of right") meeting all applicable Planning Code requirements and not triggering staff-initiated discretionary review will involve less permit processing time. Construction of these kinds of projects can typically begin within nine months of initial project review.

As the City's permitting and review agencies, the Planning Department, the Department of Building Inspection, and other related agencies have a significant effect on the efficiency of the housing construction process. To address this, the Planning Department initiated in 2008 an Action Plan containing procedural and operational reforms to improve the professionalism and efficiency of the City's planning process. Improvements to the Planning Code and its effect on permit processing are already underway. Other key features of the two-year program include improved application processing, including priority processing for favorable application types; creation of an integrated, on-line permit tracking system, streamlined California Environmental Quality Act review procedures, and improvements to the discretionary review processes.

1) *Planning Code Improvements:* The Planning Code itself could be considered a de-facto constraint on housing production, because of its complexities. Many projects, particularly larger projects, might require a Conditional Use authorization for aspects such as dwelling unit density. Variances are required to deviate (even slightly) from dwelling unit exposure requirements and parking minimums, and a Discretionary Review in order to demolish and existing dilapidated building.

Acknowledging this, and as an effort to establish a single and more straightforward entitlement path, the Department has adopted a new ‘one-stop’ review path in the recently rezoned eastern portions of San Francisco. Housed in Planning Code Section 329, this authorization process is an effort to provide greater certainty and expediency for those development applications which meet the fundamental requirements of the Planning Code, regardless of minor deviations so long as they are in keeping with the intent of the Code and neighborhood character. Section 329 approval is available to projects of moderate scale (small projects have largely been made as-of-right) and requires a single public hearing and entitlement by the Planning Commission based mainly on the physicality of the proposal rather than the land use and density characteristics.

2) *Application Processing:* Processing time for projects can be a constraint to housing development, especially during economic boom times when multiple applications are submitted simultaneously. Staffing levels, staff workloads and level of review required can all affect the Planning Department’s processing time, staffing levels, applications that were filed consecutively may have different processing times. Planning, entitlement and other permitting fees – to be discussed in a separate section below– totaled less than 2% of development costs.

The San Francisco Planning Department adheres to a set of Application Processing Guidelines, to ensure that all project applicants receive equitable treatment as the Planning Department reviews applications in the order received. However, under those guidelines, the Planning Department has established priority criteria to ensure that housing projects that help meet the City’s identified Housing Element or other General Plan goals are prioritized. Affordable Housing Projects, “green” housing construction projects (i.e. those that meet or exceed a Gold Rating using the LEED Building Rating System® or that achieve high sustainability standards under another “green building” rating systems approved by the Director); and other applications which are needed to secure the health or safety of users, promote disabled access, etc, receive prioritized review by staff.

The overwhelming majority of projects which seek to create additional housing are subject to some level of neighborhood notification. Such notice can stem either from a required discretionary entitlement, such as a Conditional Use authorization, or from Planning Code provisions which apply to as-of-right projects and are seek to inform and solicit input from the broader community. Required notification periods generally span 10 to 30-days and include notices mailed to property owners and/or occupants, notices posted at a project site, notices appearing in local newspapers, and all combinations thereof. An effort is currently underway to establish a single “Universal Planning Notice” applicable to all projects which will be more efficient for both the Department and Sponsors and more a effective public communications tool.

3) *Permit Tracking*: The Planning Department is also pursuing the development of an integrated permit tracking system to coordinate and streamline planning and building permitting processes. This system will establish a single intake application system for all Planning and Building cases to provide early and comprehensive information to applicants, and should have a significant effect on processing time.

c. *Permit Application Fees*

The Planning Department and the Department of Building Inspection require fees for entitlements and building permits based on a project’s estimated construction costs. Projects of much smaller scale – such as interior rehabilitation, minor alterations or upgrading – generally require over-the-counter Planning Department approval and a building permit. Projects that are broader in scope, however, may require additional permits, such as conditional use, demolition, and coastal zone permit, or may require other actions such as a variance, a zoning re-classification, a subdivision, or a more in-depth environmental evaluation. Payment of an application fee may be required for these additional permits. The application fee for most of these additional permits is also based on the total estimated cost of construction of the project. Other new housing construction fees include water and sewer hook-up and school fees. Table I-60 below provides an example of various fees imposed on new construction.

Table I-60
Fees for Various
Development Permits
by Construction Costs,
San Francisco, 2008

Estimated New Construction Cost	Building Permit (DBI) Fee	City Planning Plan Check Fee for Building Permits	If Required			
			Conditional Use Fees	Variance Fees	Coastal Zone Fees	Environmental Evaluation Fee
\$100,000	\$1,953	\$2,010	\$1,818	\$3,495	\$363	\$5,755
\$500,000	\$6,085	\$11,450	\$4,046	\$3,495	\$811	\$12,076
\$1,000,000	\$10,250	\$15,163	\$6,833	\$3,495	\$1,370	\$19,386
\$10,000,000	\$74,570	\$26,894	\$61,176	\$3,495	\$12,252	\$129,816
\$25,000,000	\$179,570	\$27,644	\$90,324	\$3,495	\$18,082	\$186,516
\$50,000,000	\$354,570	\$28,894	\$90,324	\$3,495	\$18,082	\$233,816
\$100,000,000	\$654,570	\$31,395	\$90,324	\$3,495	\$18,082	\$250,616

SOURCE: SF Planning Department; SF Department of Building Inspection

According to the state Department of Housing and Community Development’s 1999 *Pay to Play* survey, residential development fees in San Francisco are lower than Bay Area and California average development fees. According to this report, for example, development fees for an in-fill house in San Francisco totals \$15,476 while the Bay Area average is \$25,859 and California, \$20,327; per unit development fees for a 45-unit apartment building averaged \$5,233 per unit in San Francisco, \$17,016 is the Bay Area average and \$15,531 for California. Furthermore, as Table I-58 above showed, entitlement fees are not a substantial proportion of development costs and are not seen as a significant constraint on housing development. Development projects by non-profit housing organizations are eligible for reduced or deferred City Planning permit fees pursuant to City Planning Code Section 351(a), (e), (g), (h), and (i).

d. Building Code Standards

San Francisco's Building Code is based on the California Building Code. San Francisco can make certain amendments to the California Building Code, which local governments are permitted by the State to do if these amendments are proven and justified by local topography, geology or climate. The Building Code is intended to assure health and safety. Some San Francisco amendments to the State code, while maintaining health and safety standards, ease the production of housing by recognizing the particular local conditions. For example, the San Francisco Building Code permits fire escapes for certain required exits in existing buildings, whereas the State Code does not. Local amendments to the Building Code do not make housing more difficult or expensive than housing elsewhere in California.

Federal and state laws require that commercial and public use buildings, and new housing, be designed and constructed to be accessible to persons with disabilities. Local agencies do not enforce the federal American with Disabilities Act (ADA) prohibiting discrimination against persons with disabilities. The San Francisco Department of Building Inspection, implementing the San Francisco Building Code, requires all new construction and rehabilitation projects to comply with the Code's disability access requirements. (San Francisco does not make any amendments to the California Code's disabled access provisions.) Generally, one and two-family dwellings are not required to be accessible. Existing privately funded multi-family dwellings can generally undergo alterations with little or no accessibility upgrade. All new buildings of three or more units must meet the accessibility standards of the Code. Exceptions may be granted if compliance would result in an unreasonable hardship, in which case any reasonable accessible features will still be required.

4. Financing

This section is a discussion of the availability of financing as a non-governmental constraint to housing development as required by Government Code Section 65583(a)(5).

The Planning Department's regulatory capacity can encourage housing – especially affordable housing – development and conservation. But actual housing production or rehabilitation can only be realized with adequate financing. Some of the costs of providing housing occur at one time (capital expenditures such as land acquisition, construction or rehabilitation costs). Conservation of affordable housing, however, requires recurring annual funding for rental subsidies, operating subsidies and supportive services. Assembling the necessary funding to produce and maintain adequate affordable housing for the City's low- and moderate-income residents remains an enormous challenge.

In light of the recent national financial crises, it is difficult to determine the availability of appropriate financing.

a. Private Financing Sources

Private lenders offer construction loans on a conservative loan to appraised value ratios and pay particular attention to a project's costs. This limits the lenders' risk but may also reduce availability of financing for new housing construction. Larger, multi-unit condominium projects can be especially difficult to finance as lenders assume that construction costs tend to be higher as developers provide more amenities and that units may take longer to sell, stretching the period to recover construction costs.

Private financial institutions provide financing to affordable housing projects – often as construction loans – to comply with the Community Reinvestment Act requirements. Private lenders also participate in first-time homeownership programs that enable moderate-income households.

b. Public Financing Sources

Affordable housing development and conservation depends largely on the availability of public funding sources. Table I-61 lists the various federal, state and local funding available for affordable housing production for fiscal year 2008-2009. Clearly, these funds will not cover the tremendous affordable housing need described in previous sections.

Public financing covers capital funding for the acquisition, rehabilitation, construction, and preservation of affordable housing. Other public financial programs also provide for supportive services, rental assistance, and assistance to first-time home buyers, and administrative costs to city agencies and non-profit corporations that provide affordable housing and other community development and human services.

Some of the funding programs above – such as CDBG, HOME – are expected to be stable sources of affordable housing funds. However, these are also subject to budgetary constraints. Similarly state funding sources are vulnerable to the budgeting process, although additional state funding became available with voters' approval of new bond issues in November 2002. Most local sources such as the Hotel Tax Fund and the Jobs-Housing Linkage Fund are even more dependent on economic trends. One significant local affordable housing bond (Proposition A) was fully committed in 2003; issuance of additional bonds fell short of receiving two-thirds of San Francisco voters' support.

Funding Program	Funding Sources	Total Allocation	Set-Aside for Pipeline Projects	Available for New Projects
Supportive Housing	CDBG, HOME, HOPWA	\$36,882,336	\$31,782,336	\$5,100,000
Family Rental Housing	Affordable Housing Fund, Affordable Housing Bond funds	\$23,652,027	\$23,652,027	
Senior Rental Housing	Hotel Tax, Mission Bay and Affordable Housing Bond funds	\$30,876,817	\$30,876,817	
Single Family Homeowner Rehabilitation	CDBG, CERF	\$2,182,000		\$2,182,000
Public Housing		\$5,250,000	\$5,250,000	
Existing Affordable Preservation		\$9,678,063	\$9,678,063	
Existing Non-Profit Housing Preservation	CDBG, HOME	\$2,906,293	\$2,906,293	
Homeownership	Tax Increment funds	\$28,615,355	\$21,465,355	\$7,150,000
Housing Opportunities	CDBG, HOME, Tax Increment funds	\$1,651,557		\$1,651,557
TOTALS		\$141,694,448	\$125,610,891	\$16,083,557

Table I-61
**Federal, State and Local
Funding for Housing
Programs, San Francisco,
2008-2009**

SOURCE: Draft 2008-2009 Action Plan, Mayor's Office of Community Development, Mayor's Office of Housing, San Francisco Redevelopment Agency
CDBG: Community Development Block Grant HOME: Home Investment Partnership Program
HOPWA: Housing Opportunities for Persons with AIDS CERF: Code Enforcement Rehabilitation Fund

Some public funds are restricted to particular housing types and/or population groups; for example the elderly housing program (Section 202, Hotel Tax Fund), the disabled housing program (Section 811, Hotel and Tax Fund), and HOPWA (Housing Opportunities for Persons with AIDS). Administrative costs are also not covered by most public funding sources. Federal grants often carry a number of restrictions and regulations that can make the funds difficult to use. For example, some federal programs require matching grants while others are impossible to combine with other funds. Most affordable housing programs require three or more sources of funding to become feasible. Different funding sources may have to be tapped for pre-development, construction, and permanent financing costs – leading to considerable transaction and legal costs and delays in the development process.

C. QUANTIFIED HOUSING GOAL

The state Department of Housing and Community Development, with the Association of Bay Area Governments, determined San Francisco's fair share of the regional housing need for the period covering January 1999 through June 2006 at 20,372 units. Even with very aggressive policies and programs, given that San Francisco is a mature, built-up city with limited large tracts of undeveloped land and the previous decades' housing production record, the "fair share" of affordable housing units was not achieved. Table I-62 below shows that 86% of the state mandated production targets and 47% of the affordable housing production for the period covered by the 2004 *Residence Element* were achieved; this statistic is a result of the overproduction of market rate units. Appendix A provides details of the City's housing production performance in the evaluation of the 2004 *Residence Element*.

Household Affordability	Housing Goals 1999-2006	Actual Production 1999-2006	% of Production Target Achieved	Production Deficit (Surplus)
	Total	Total		
Very Low Income (below 50% AMI)	5,244	4,342	82.8%	902
Low Income (50% - 79% AMI)	2,126	1,113	52.4%	1,013
Moderate Income (80% - 120% AMI)	5,639	725	12.9%	4,914
Market Rate (over 120% AMI)	7,363	11,293	153.4%	(3,930)
TOTALS	20,372	17,473	85.8%	

Table I-62
Annual Production Targets
and Average Annual
Production, San Francisco,
1999-2006

More than the poor performance in the production of very low- and low-income housing, the deficit of 5,750 units affordable to moderate income households has been seen as critical in the City's housing problem into a crisis of affordability. As Table I-63 below shows, housing construction in the last two years, along with projected pipeline completion by 2014, point to an exacerbation of construction deficit in housing affordable to low- and moderate-income households.

Table I-63
Housing Production Targets
and Estimated Annual
Production, San Francisco,
2007-2014

Income Category	RHNA 2007-2014	Production 2007-2008	Estimated Immediate Development Pipeline (To 2014) **			Constructed plus Limited Pipeline Total	Estimated Shortfall (Surplus)
	No. of Units	No. of Units	Under Construction	Entitled Projects	Other Pipeline		
Extremely Low (< 30% AMI)	3,294	628*	555	1,405	1,548	4,136	(842)
Very Low (31-49% AMI)	3,295	628*	556	1,406	1,548	4,138	(843)
Low (50-79% AMI)	5,535	309	149	0	27	485	5,050
Moderate (80-120% AMI)	6,754	569	833	573	1,193	3,168	3,586
Market (over 120% AMI)	12,315	4,349	4,723	3,250	6,759	19,081	(6,766)
TOTALS	31,193	6,483	6,816	6,634	11,075	31,008	

* The 1,256 units affordable to Extremely Low and Very Low Income Households include 576 units acquired and/or rehabbed as permitted by Housing Element Law.

** This does not include major projects under Planning review including ParkMerced, Treasure Island, or Candlestick Point / Hunters Point Shipyard Phase II which are expected to be completed after the 2014 reporting period. The limited pipeline assumption include projects that are currently under construction, entitled projects (approved by Planning Department and Department of Building Inspection), and projects of 250 units or less currently under Planning Department review that are expected to be completed by 2014; also assumes SF Hope is completed by 2014.

SOURCE: ABAG; SF Planning Department

D. REALIZATION OF HOUSING POTENTIAL

1. Projects in the Pipeline

In addition to new housing completed recently, housing in the production pipeline is an important indicator of future development. For the purposes of this report, the Planning Department defines the pipeline as those projects under construction, projects that have been approved by the Building Department within the past three years or filed within the past five years. It should be noted that project applications and permitting activities in the near future could increase the number of new housing production in the next five years.

Housing projects move through a multi-tiered approval process. A development proposal is first reviewed by the Planning Department for compliance with the Planning Code and consistency with the General Plan. The project then goes through review by the Department of Building Inspection (DBI) for approval and issuance of a building permit. Once construction is finished and the project passes inspection by DBI, it is issued a certificate of final completion. Only when a project receives a certificate of final completion can the housing units be officially counted as part of San Francisco's housing stock.

As of December 31, 2008, the Planning Department was reviewing 148 projects, comprising 32,160 residential units (Table I-64). At that time, 101 projects, consisting of 4,040 units, had been approved by the Planning Commission but had yet to apply for building permits. Additionally, the Department of Building Inspection was reviewing 360 applications for 4,350 units. A total of 2,840 units in 182 projects had received Planning Department approval and have been approved or issued building permits. A number of these projects have already started construction, and several are nearly complete, but are yet to receive DBI's certificate of final completion. A total of 199 projects, totaling 6,820 units, were under construction at the end of 2008. It is possible that some of these projects, especially those in the early stages of development such as Planning review, may not go forward due to shifts in economic and legislative conditions. Production trends over the last decade, however, show that as much as 85% to 90% of pipeline projects units are completed within five to seven years.

Table I-64
**New Housing Construction
Pipeline, San Francisco,
Q4 2008**

Type of Pipeline Activity	No. of Projects	No. of Units
Under Construction	199	6,820
Building Permit Approved / Issued	182	2,840
Building Permit Application Filed	360	4,350
Planning Department Approved	101	4,040
Planning Department Filed	148	32,160
Total Pipeline	990	50,200

2. Housing Potential Under New Zoning Proposals

Through multi-year community planning efforts, the City of San Francisco has recently updated zoning controls for over 1/3 of the city. These planning efforts developed appropriate zoning, heights, bulks, and densities in balance with infrastructure and funding strategies to support new growth. A number of other planning efforts are underway including Balboa Park, the Transbay Terminal District, and Japan Town which will result in increased residential development potential.

Table I-65 below details the estimated additional potential capacity with rezoning in planning initiatives currently underway.

Area	Under Current Zoning			With Proposed Rezoning *	
	Undeveloped	Soft Sites	Total Estimate	Total New Estimate	Additional Potential Units with Rezoning
Executive Park	114	97	211	1,600	1,389
Glen Park	5	6	11	100	89
Japantown	99	514	613	To be determined	
ParkMerced	3	0	3	5,600	5,597
Transbay Terminal	44	78	122	1,200	1,078
Visitacion Valley *	885	460	1,345	1,200	0
Western SoMa	466	743	1,209	2,700	1,491
India Basin				1,200	1,200
Hunters Point Shipyard			1,500	4,000	2,500
Candlestick Point				7,500	7,500
Treasure Island				7,000	7,000
TOTALS	1,616	1,898	5,014	32,100	27,844

* Rezoning of the Schlage Lock site.

SOURCE: SF Planning Department

Table I-65
Estimated New Housing Construction Potential with Proposed Rezoning of Select Neighborhoods, San Francisco, 2008

3. Plans for Future Affordable Housing Construction

Stable government support in the last few years covered almost all of the affordable housing production, with less than 5% produced through inclusionary housing measures. Public subsidies tend to fund very low and low-income housing, with very limited grants allocated for moderate-income home buyers. The recently revised and expanded inclusionary affordable housing requirement is expected to improve the provision of new housing for households earning moderate incomes.

Tables I-53 and I-54 indicated that there are more than enough in-fill housing opportunity sites to meet the projected housing needs. Yet historic housing production trends, together with recent public financing flows, could mean only some of these sites would be developed.

Capital subsidies needed to bridge this estimated shortfall can be enormous (Table I-66). Funds available for new affordable housing construction, rehabilitation and supportive service provision in 2008 totals just about \$48.1 million. The estimated additional capital subsidies needed to meet the City's regional housing share would require over \$1,656 million in funding.

Table I-66
Estimated Capital Subsidies Required to Meet Production Goals, San Francisco, 2007-June 2014

Income Category	Estimated Annual Shortfall in Production	Estimated Affordability Gap	Estimated Capital Subsidies Required to Meet Production Goals
Extremely Low Income (below 30% AMI)	0	\$170,000	\$0
Very Low Income (30-49% AMI)	0	\$170,000	\$0
Low Income (50% - 79% AMI)	5,050	\$200,000	\$1,010,000,000
Moderate Income (80% - 120% AMI)	3,586	\$180,000	\$645,480,000
Total	8,636		\$1,655,480,000

* Assumes middle of the range, thus 15% of AMI (ELI), 40% of AMI (VLI), 65% of AMI (LI) and 100% of AMI (Moderate), 2008 Income Guidelines

** 30% of annual household income

SOURCE: SF Planning Department; SF Mayor's Office of Housing

With the availability of future public subsidies impossible to predict at best, an optimistic assumption would anticipate funding that would sustain the last decade's affordable housing production. Achieving the housing production and affordability targets set by HCD-ABAG is clearly very difficult. But setting the goals to be more "realistic" and "achievable" could only weaken efforts at seeking and obtaining resources necessary to meet the City's urgent housing needs.

A practical solution would be to uphold these long-term targets and annually assessing priorities against the reality of available resources. The City, therefore, will take the production targets set by HCD-ABAG for its quantified housing production objectives. Each year, as resources are known to be, or reasonably expected to become available, shortfalls in achieving goals can be assessed, program targets shifted appropriately, and resources allocated efficiently and effectively.

4. Opportunity Sites on Public Land

Most San Francisco city agencies do not own large tracts of land that do not serve as part of their stated mission. There are occasional exceptions; for example, when new technology results in operational changes or when departmental objectives change over time. A few city agencies, notably the SF Municipal Transportation Agency (SFMTA, formerly Muni) and the San Francisco Unified School District, have found over time that some of their parcels can be disposed of or can be utilized for a mixture of other uses (Table I-67).

- **San Francisco Municipal Transportation Agency:** The SFMTA, in particular, has been exploring new uses for its surplus sites where future housing development might be possible.
 - **Phelan Loop and Balboa Park Station area** — Alternative use options are being explored for Muni property near Balboa Park as part of the Better Neighborhoods program. The 1.4-acre Phelan Loop (Ocean and Phelan Avenues) is currently the terminus for the 49-Van Ness-Mission, 9AX-San Bruno Express, 9BX-San Bruno Express, and 9X-San Bruno Express lines. This site has the capacity to accommodate ground floor commercial uses and some 80 dwelling units. In addition, SFMTA and Bay Area Rapid Transit (BART) properties collectively called Upper Yard and BART Station area, with some in-fill development along San Jose Avenue can together have capacity for more than 400 new units.
 - **Presidio Trolley Coach Division (at Geary and Masonic)** — Covers 5.4 acres and services about 170 trolley coaches. It is an attractive location for retail, office and housing development. If rezoned from P (Public) to NC-3 (Neighborhood Commercial-Moderate Scale) like the adjacent properties along Geary Boulevard, the site has a capacity of 392 units
 - **Woods Motor Coach Division (adjacent to the 22nd Street Caltrain Station)** — At the end of the Dogpatch’s main neighborhood commercial street, this 3.9 acre site is ideal for high-density, mixed use residential development. It lies within the Central Waterfront plan area and is estimated to have a housing potential capacity of about 1,000 new units.
 - **Potrero Trolley Coach Division Yard (Mariposa and Bryant)** — Currently housing about 180 trolley coaches on 4.4 acres. SFMTA is looking at a multi-story parking garage above the yard, or market-rate and affordable housing. If developed as a Planned Unit Development (PUD), this site could accommodate 318 units.
- **San Francisco Unified School District (SFUSD):** The SFUSD is currently preparing a Facilities Master Plan that will identify possible surplus land that could become available for housing development. The SFUSD’s Seven/Eleven Committee for Long-Term Leasing and Property Sales has determined that approximately 20% of the District’s current square footage is considered surplus. They have engaged Bay Area Economics to study the potential and viability of housing for some of these areas. SFUSD expects the study and its recommendations to be completed by January 2009.¹
- **San Francisco Community College District (SFCCD)/ San Francisco Public Utilities Commission (SFPUC):** Both the SFCCD and the SFPUC’s Water Department share ownership of the 25-acre Balboa reservoir site. The reservoir is also within the Planning Department’s Better Neighborhoods Balboa Park Station study area. Planning estimates between 575 to 1,000 new housing units could be built on this site.
- **Central Freeway Parcels:** Demolition of the Central Freeway freed up some seven acres of public lands for residential development. The freeway parcels have an esti-

¹ Conversation with Phillip Smith, Director of the San Francisco Unified School District’s Real Estate and Asset Management section, August 21, 2008

mated housing development potential capacity of 900 units. About half of these public lands will be dedicated to affordable housing.

Table I-67
**Summary of
Housing Potential in
City-Owned Lands**

Site	Acreage	No. of Potential Units
MTA Phelan Loop Turnaround	1.4	80
MTA Green LRV Division Upper Yard	1.8	200
MTA Balboa Park Station Infill Housing on San Jose Avenue	7.7	222
MTA Presidio Trolley Division Yard	5.4	392
MTA Woods Motor Coach Division Yard	3.9	1,000
MTA Potrero Trolley Coach Division Yard	4.4	318
SFCCD Balboa Reservoir	10.0	575
PUC Balboa Reservoir	15.0	425
Central Freeway Parcels	7.0	900
TOTAL	56.6	4,112



A.

Evaluation of the 2004 Housing Element

As part of the Housing Element update process, California Government Code Sections 65588(a) and (b) require an evaluation of San Francisco's existing *Housing Element*. This review consists of three parts: 1) a summary of San Francisco's housing production during the 1999-2006 reporting period; 2) a review of the programs and analysis of the appropriateness of the 2004 *Housing Element* goals, objectives and policies and the effectiveness of the housing element in achieving those goals and objectives; and, 3) an evaluation of the progress in implementation of the housing element.

A review and evaluation of the 2004 *Housing Element* objectives and policies is essential to an effective housing element update. Reviewing housing targets and production measures, examining the appropriateness and effectiveness of objectives and policies as stated in the existing element, and evaluating implementation programs initiated during the reporting period will all serve to strengthen the revised *Housing Element* and help address the City's ongoing housing challenges. An evaluation of the implementation programs is presented in a matrix at the end of this appendix.

Housing Targets and Production

The State Department of Housing and Community Development (HCD) and the Association of Bay Area Governments (ABAG) set San Francisco's fair share of the regional housing need for the 1999-2006 reporting period at 20,372 units. This Regional Housing Needs Allocation (RHNA) process also established that 64% of these units (13,009 units) be affordable to lower income households and the remaining 36% (7,363 units) could be met by market rate housing production. The 2004 *Housing Element* suggested that the total number of housing units allocated to San Francisco by the RHNA process was not realistic given the constraints and impediments to housing production, but still accepted the allocation as its quantified housing production goal.

Although San Francisco fell short of meeting the state mandated fair share housing targets, over 17,470 new housing units were built from 1999-2006, or almost 86% of its housing production targets (Table A-1). The City met almost 83% of the target for very-low income housing, but only 52% of the low-income housing production target was produced. The City also exceeded the market-rate housing target by over 53%. The greatest deficiency for the reporting period was in the production of moderate-income housing, where the City produced just 13% of its target. These numbers, however, represent an improvement over the previous Housing Element update reporting period (1989-1998), where San Francisco met only 61% of its total housing production targets, producing only 40% of both its very-low and low-income housing targets, and 12% of its moderate-income housing target.

Income Category	ABAG/HCD Regional Housing Needs Determination (RHNA) Production Goals 1999-June 2006		Actual New Housing Production and Acquisition/Rehabilitation 1999 – 2006*		
	No. of Units	% of Total	No. of Units	% of Actual Production	% of RHNA Goal
Very Low (< 50% AMI)	5,244	25.7%	4,342	24.8%	82.8%
Low (50-79% AMI)	2,126	10.4%	1,113	6.4%	52.4%
Moderate (80-120% AMI)	5,639	27.7%	725	4.1%	12.9%
Market (over 120% AMI)	7,363	36.1%	11,293	64.6%	153.4%
TOTALS	20,372	100.0%	17,473	100.0%	85.8%

SOURCE: Housing Inventory
 *Acquisition/Rehabilitation units included to the extent allowed by Housing Element law

Table A-1
Housing Production Targets and Actual Housing Production by Income Category, 1999 – 2006

While San Francisco did improve the production of housing affordable to low and very-low income households earning less than 80% AMI, it did not substantially improve the production of moderate-income housing for households earning between 80% and 120% AMI. The primary obstacle to the production of moderate-income housing in high land cost markets such as San Francisco is profitability. Moreover, unlike low and very low income housing, few subsidies exist for building housing for moderate income households. ABAG’s 2007 study, *A Place Called Home*, shows that other communities in the Bay Area with high land values have also failed to produce sufficient moderate-income housing. Almost all of the moderate-income housing produced during the reporting period came from the inclusionary housing programs and, with increasing land and production costs, there is little reason to think this trend will change.

Production of market-rate housing during the reporting period continued to exceed RHNA targets, with over 150% of the target for this income category produced during the reporting period.

Housing Programs and Initiatives

The 2004 *Housing Element* retained most of the policies in the 1990 *Residence Element*, but consolidated and reorganized the City's 12 housing objectives. The 2004 *Housing Element* places greater emphasis on identifying appropriate locations for new housing citywide, especially increased density near downtown; on implementing area plans to build new neighborhoods in appropriate locations; on improving the livability of existing neighborhoods through good design, mixed-use development, increased density near transit, improved infrastructure and public amenities, and reduced parking requirements; on protecting the affordability of existing housing and building more new affordable housing; on streamlining the housing production process through program EIRs and Area Plan EIRs; on creating mixed-income communities; on providing more family housing; and on managing homelessness through supportive housing.

The objectives and policies of the 2004 *Housing Element* underscored four main housing themes: 1) increasing housing production, especially affordable housing; 2) preserving and maintaining the City's housing supply; 3) increasing housing densities in areas well served by transit in order to create a more livable City, meet the City's goals for housing production, revitalize neighborhoods; and 4) building supportive housing opportunities for the homeless and those at-risk of homelessness.

New Area Plans

A variety of new area plans were initiated during the 1999-2006 reporting period. These plans seek to capitalize on each area's unique assets for current and future residents, and strengthen neighborhoods by encouraging new housing in transit-rich areas where neighborhood shops and services are concentrated.

- The Better Neighborhoods Program was started in 2000 and used intensive community-based planning to incorporate recognition of citywide needs, including housing goals, into the planning process for each neighborhood. Three neighborhoods – Balboa Park, Central Waterfront, and Market and Octavia – were initially selected to serve as models for similar future programs in other parts of the City. The Market Octavia Plan was adopted and approved in 2008 and Balboa Park in April 2009. The Central Waterfront Plan was included in the Eastern Neighborhoods environmental review and plan adoption process in December of 2008.
- The Eastern Neighborhoods (EN) planning process is a large-scale community planning effort in several neighborhoods in the eastern portion of San Francisco originally including the South of Market, Mission, Potrero Hill/Showplace Square, Bayview, and Visitacion Valley neighborhoods. Eventually the Bayview, (adopted by the San Francisco Redevelopment Agency in June 2006), and Visitacion Valley (adopted in December 2008) neighborhoods underwent separate planning and plan adoption processes. The Central Waterfront was incorporated into the EN environmental review and plan adoption process. These EN plans were adopted in December 2008.

- In the Downtown area, the Rincon Hill plan was approved in 2005, allowing for 2,200 units; some 1,460 of these units have since been entitled. The Transbay Redevelopment Area was adopted in 2005 and will add approximately 2,600 new units. Successful completion and implementation of these plans will create vibrant new communities adjacent to employment centers and regional transit hubs, consistent with the policies and programs contained in the housing element.
- Area plans for India Basin and Japantown were initiated in 2007.

Program Environmental Impact Reports

A major new policy in the 2004 *Housing Element* encourages the preparation of detailed Program Environmental Impact Reports (EIR) and the use of subsequent community plan exemptions, where appropriate, for new planning areas in order to streamline environmental review by reducing duplication in the EIR process. Area Plans in these program areas would also seek to reduce the number of discretionary approvals required for specific affordable housing projects. The pilot project for this type of program EIR was the Market/Octavia Area Plan, which analyzed the area plan at a programmatic level while also providing project-level environmental review of former freeway parcels where the plan foresees specific residential growth. The Market/Octavia program EIR was completed in the summer of 2008; subsequently the Planning Department has established a community plan exemption processes, which enables new construction to benefit from the analysis completed in the Market and Octavia EIR. Other area plans adopted in 2008 also approved programmatic EIRs. The program EIR and community exemption model will streamline the entitlement process new infill housing units.

Affordable Housing

- *Planning Department - Inclusionary Housing Program.* In 2001, San Francisco greatly increased the capacity for affordable housing production through expansion of its Inclusionary Housing Program and increased fees to the Affordable Housing Fund. During the 1999-2006 reporting period, the inclusionary program produced 869 units, mostly in the South of Market. This is 796 more than the 73 units produced from 1992 (when the program first began) to 1998. The inclusionary program also contributed \$23 million to the Affordable Housing Fund in in-lieu fees.

In 2006, the program was further modified as follows: expanded coverage with a lower threshold to include projects with five or more new units; increased the percentage of affordable units required to 15% on-site and 20% off-site; increased the amount of in-lieu fees in order to cover the increasing costs of constructing affordable units; and required off-site affordable units to be rental, or ownership units affordable to

those making 80% of the San Francisco Area Median Income (SFAMI), and be located within a mile of the subject development. Because median income for the City of San Francisco is lower than area median income, program affordability levels are tied to metropolitan median income or SFAMI. This better reflects local conditions and further enhances program affordability.

Most recently completed new area plans have also incorporated higher inclusionary affordable housing requirements. These areas include Rincon Hill, Market Octavia, and Eastern Neighborhoods program area plans.

- *Redevelopment Agency - Housing Participation Policy.* Changes to the Redevelopment Agency's Housing Participation Policy also occurred in 2002, with required unit percentages and affordability requirements similar to the City's Inclusionary Affordable Housing Program. The Redevelopment Agency's program produced 480 affordable units during the 1999-2006 reporting period, and should produce substantially more units in the next period if the Agency's recommendation to adopt new inclusionary requirements similar to those adopted by the City in 2006 is approved.
- *Jobs Housing Linkage Program.* In February 2001, the Office-Affordable Housing Production Program (OAHPP) was revised and expanded; it was also renamed the Jobs-Housing Linkage Program (JHLP). The original OAHPP required office development project sponsors to directly provide housing or to contribute land or in-lieu fees to a housing developer as a condition of approval for large-scale office development. The JHLP was expanded in scope and application to include all types of commercial development (e.g., hotels, entertainment, R&D, large retail etc.); monitoring and collection of fees paid was also enhanced.

From 1999-2006, JHLP contributions to the Affordable Housing Fund increased to almost \$42 million, compared with less than \$9 million collected between the 1990 *Housing Element* reporting period of 1989-1998. Also, in response to increasing development costs, fees were increased substantially in 2008. JHLP funds raised in fiscal 2007-2008 were over \$21 million, and are expected to increase during the next reporting period, as several more large developments are in the pipeline.

HOPE SF Program

The City developed the 2006 HOPE SF program to increase affordable housing production. Modeled after the federal HOPE VI program, HOPE SF provides funding to replace existing public housing and add mixed-income units. The HOPE SF also plans for needed transit improvements, community facilities, and public amenities. The HOPE SF Task Force identified 2,500 existing units in need of replacement on eight underutilized sites. They found that, in addition to replacing the existing affordable units, that these sites could accommodate an additional 3,500 homes. The pilot project for HOPE SF, Hunter's View in the Bayview District, is scheduled to break ground in 2009.

Supportive Housing

In 2006, San Francisco's Continuum of Care approach to homelessness was modified to focus on providing supportive housing opportunities for families and single persons under a Housing First model. The plan established a 10-year goal of producing 3,000 units of supportive housing, and over 1,500 units have been produced through 2007.

At-Risk Affordable Housing

The number of affordable housing units at risk of converting to market rate, including Single Resident Occupancy (SRO) units, has been substantially reduced by the Mayors Office of Housing (MOH) and the Redevelopment Agency (SFRA). At risk units were transferred to non profits and provided operating subsidies, ensuring their long term affordability. As called for in the 2004 *Housing Element* capital improvement projects were implemented for distressed public housing, and several public housing projects, such as Hayes Valley and Valencia Gardens, were rebuilt during the reporting period using federal HOPE VI funds.

The Residential Conversion and Demolition Guidelines, the Condominium Conversion Ordinance (which limits the annual number of apartments that can convert to condominiums), and the City's Rent Control policies all continue to limit the demolition or conversion of existing affordable housing.

OBJECTIVES AND POLICIES - IMPLEMENTATION PROGRAMS EVALUATION

The following review of past and current implementation programs is organized by the three primary themes of the 2004 *Housing Element*: 1) Construction and Conservation of Housing; 2) Affordability; and 3) Citywide and Regional Concerns.

1. CONSTRUCTION AND CONSERVATION OF HOUSING

Objectives 1, 2, and 3 detail San Francisco's strategy for increasing the overall net supply of housing. Production of new housing and increasing density of development was the primary strategy. Retaining the existing supply of housing, particularly rental housing, affordable units and residential units located in commercial and industrial areas, and maintaining existing housing in decent condition, were also important strategies for increasing the supply of housing in San Francisco. Several programs were successful in helping achieve these objectives, which continued several of the policies from the 1990 *Residence Element* related to retaining the existing housing stock, and combined two objectives from the 1990 *Residence Element* related to maintaining condition of housing and seismic safety.

OBJECTIVE 1

TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

New Housing Production

From 1999-2006, San Francisco's housing stock added a net increase of 17,473 units. As stated previously, although San Francisco fell short of its RHNA targets, this still represents 86% of its overall housing production targets. This unit gain reflects the cumulative efforts of a range of public agency programs and private investment throughout the City. This total is the net balance of new construction, demolished units, alterations, and allowable acquisition/rehab.

Major Plans and Developments

A number of area and community planning efforts were also initiated between 1999 and 2006/ The resulting plans and rezoning in these areas increase potential housing capacity. As shown in Table A-2 below, these programs created capacity for growth estimated to be over 40,600 units.

Table A-2
Planned Capacity & Programs, Estimated Growth

Program	Sub-Area	Program	Estimated Plan Growth
Eastern Neighborhoods	Mission	Area Plan	1,700
	East SoMa	Area Plan	2,900
	Central Waterfront	Area Plan	2,000
	Showplace Square & Potrero Hill	Area Plan	3,200
Better Neighborhoods	Western SoMa	Area Plan	2,700
	Market & Octavia	Area Plan	6,000
	Balboa Park	Area Plan	1,800
Downtown Neighborhoods	Rincon Hill	Area Plan	4,100
	Transbay	Area Plan	3,400
Bayshore	India Basin	Project/Plan	1,300
	Candlestick	Project/Plan	7,500
	Hunters Point	Project/Plan	2,500
	Schlage/Visitacion Valley	Project/Plan	1,500
Total			40,600

In addition, there were several other initiatives pursued by the City from 1999-2006 to create more housing units. These include:

- **Secondary Units.** Allowing an additional on-site unit in existing residential structures is an effective and inexpensive way to realize greater housing potential. Several measures have been introduced in the last 20 years that sought to create additional housing opportunities through such a mechanism, but were deemed politically infeasible due

to neighborhood opposition. The initiatives proved quite controversial in some neighborhoods, as they failed to convince residents that reduced parking requirements for secondary units would not have adverse neighborhood effects, even for those located near transit and services. Thus, the City's housing interests might be better served by exploring support for second units in Area Plans or other neighborhood focused planning efforts. Although 72 secondary units were legalized from 2000-2007, 185 were removed during the same period.

- **Institutional Master Plans.** The City requires that large institutions create Institutional Master Plans (IMPs) whose purpose are to provide the public with information regarding institutional operations including future expansion, construction, and property acquisition.

Although IMPs are informational only and do not explicitly require that institutions provide housing for its students or workers, the process has directly contributed to increasing the amount of housing large institutions must plan to accommodate demand. For example, through the IMP process, San Francisco State University increased the amount of student housing it planned to provide from 845 to 1,200 units.

During the 1999-2006 reporting period, a total of nine IMPs were completed including:

1. 50-70 Oak Street, Conservatory of Music
2. 380 Ellis Street, Glide Foundation
3. 100 Phelan Avenue, San Francisco City College
4. 800 Chestnut, San Francisco Art Institute
5. 200 McAllister, U.C. Hastings College
6. 1 Beach, CA School of Psychology
7. 1692 Haight, Haight Street Free Clinic

- **HOME 15/5.** The Mayor announced the HOME 15/5 initiative on August 3, 2005. This initiative established a goal of 15,000 new homes to be built by 2010, including 5,400 new homes affordable to low- and moderate-income families. Table A-3 below shows the progress in meeting HOME 15/5 goals. In FY2007-08, the budget for affordable housing is \$226.2 million, an increase over the \$211.9 million in the FY2006-07 budget and the \$135.2 million in the FY2005-06 budget.

	2005	2006	2007	2008	TOTALS
Units Entitled by Planning	4,665	5,701	2,612	2,418	15,396
Units Issued Building Permits	5,571	2,332	3,281	2,346	13,530
Units Completed	2,112	1,995	2,679	3,340	10,126

Table A-3
Progress Towards Meeting Home 15/5 Goals

- **Family Housing.** The construction of new family housing, especially affordable family housing, was a major goal of the 2004 *Housing Element*. A total of 2,214 units of designated affordable family housing, consisting of three or more bedrooms, was produced during the 1999-2006 reporting period. This represents 56% of all affordable housing constructed in the City or 15% of total housing production during that time. In addition, 626 single-family homes were completed during the reporting period, representing 4.2% of all new construction.

OBJECTIVE 2

RETAIN THE EXISTING SUPPLY OF HOUSING.

- The City has codified controls on applications that propose the loss of dwellings and live-work units by merger, conversion or demolition. Except in the case of unsound or unsafe housing, or the most expensive single family homes, dwelling removal requires a hearing before the Planning Commission, and applicants must meet a majority of the criteria for dwelling loss to be approved, in order to retain the City's existing sound housing stock. Over 1,000 units were demolished during the reporting period, representing about 0.3% of the City's housing stock. However, given the City's one-to-one replacement policy, almost all of the demolished units were part of replacement projects. Compared with the 1,600 units demolished during the 1989-1998 period, the annual rate of demolitions has been decreased.
- The City's dwelling unit merger policy was codified in 2008 to require Planning Commission review of any proposal to merge dwelling units. Planning Code Section 317 establishes criteria to evaluate such proposals, and emphasizes the importance of existing units to the city's housing stock. From 1990-1998, 326 dwelling units were lost due to a merger with another unit, while from 1999-2006, 315 dwelling units were lost due to mergers. This represents a 25% increase in the annual average number of units lost due mergers.
- San Francisco's Condo Conversion Ordinance is now almost 25 years old. The ordinance restricts the number of rental units that can be converted to ownership properties to 200 per year. These controls remain an important feature of the City's ability to retain its rental housing stock. Programs proposed in the 2004 *Housing Element* suggested implementing sales price limitations on conversions of existing low- and moderate-income units, requiring a portion of any condo subdivision to remain permanently affordable, and construction of an equivalent number of similar units off-site or payment of an in-lieu fee. These programs did not receive support and the existing rent controlled apartment stock continues to decrease, particularly in two-unit buildings.
- The Residential Hotel Conversion Ordinance preserves the City's valuable supply of single room occupancy (SRO) residential units and restricts their conversion to commercial uses. Originally adopted in 1980 and strengthened in 1990, this program is still in effect and the loss of SRO units has been minimized. The total number of residential rooms decreased during the 1999-2006 reporting period from 19,618 to 19,164. However, rooms owned and operated by non-profit organizations increased

from 15% in 1999 to 25% in 2006, thereby permanently protecting their affordability. The SRO Hotel Safety and Stabilization Task Force continues to monitor SRO units in the City.

Several measures have been implemented to slow the loss of single-room occupancy (SRO) residential hotel units in San Francisco, such as increased safety regulations, transfer of residential hotel buildings to non-profit organizations, ensuring the long-term affordability of these units, and the reauthorization of the Single Room Occupancy Hotel Safety and Stabilization Task Force that was set to expire in 2003. Many SROs in the City have now been transferred to non-profit ownership or management, helping ensure the continued viability that these important affordable housing resources provide, but operating and rehabilitation subsidies are needed for many of the properties acquired 10-15 years ago. New affordable SROs are being built with supportive services for this population.

A number of new for-sale SRO units have been completed in the South of Market as well. These units have been controversial because they are relatively expensive on a per square foot basis and take advantage of zoning controls originally intended to accommodate affordable, rental SROs.

- Several attempts were made over the past 20 years to legalize some of the estimated 20,000 illegal secondary units scattered throughout the City as a way to retain this supply of housing that is generally more affordable. This policy met with substantial opposition from residents concerned with the lack of parking for these units, and was never adopted. Significant issues with meeting State-mandated building codes were also problematic.

OBJECTIVE 3

ENHANCE THE PHYSICAL CONDITION AND SAFETY OF HOUSING WITHOUT JEOPARDIZING USE OR AFFORDABILITY.

- *Publicly Funded Rehabilitation.* The City sponsored the rehabilitation of 2,051 units during the last reporting period. Funding from these programs, administered by the Mayor's Office of Housing and the San Francisco Redevelopment Agency, enabled the units to be revitalized while retaining affordability.
- *Historic Resources.* Several buildings were designated landmarks during the 1999-2006 reporting period including the Glazer Keating House at 1110 Taylor Street, 557 Ashbury Street, and the Shipwright's Cottage at 900 Innes. Historic Surveys were also initiated for all the Better Neighborhoods and Eastern Neighborhoods plan areas as well Japantown, and all of these surveys have either been completed or will be complete by 2009. As new plan areas are established, an evaluation of historic resources will be performed where appropriate. The Planning Department will also be revising the historic context statement for the City, which provides a framework for the evaluation of the significance of potential historic resources. This work is also expected to be completed in 2009.

- *Federal Hope VI Program.* The federally established HOPE VI Program assists local Public Housing Authorities with the rehabilitation of distressed residential units and buildings. The San Francisco Housing Authority has received \$118.5 million to support the rehabilitation of five public housing developments, leveraging these grants into an additional \$166.8 million in private and public funding. The Housing Authority rehabilitated 650 units from 1998-2002 with these funds, and another 700 units are currently under construction.
- *HOPE-SF Program.* As previously discussed, the City launched the HOPE-SF initiative in 2006 which called for using City funds to rebuild 2,500 units of public housing in several distressed sites across the City. These developments would be rebuilt at higher density and as mixed-income communities with neighborhood services. An important part of the HOPE-SF program is the one-to-one replacement of subsidized housing units and the programs established to ensure right of return for existing residents.
- *Unreinforced Masonry Buildings.* There are currently 102 units in six unreinforced masonry buildings that require seismic upgrading. The Department of Building Inspection is currently pursuing abatement actions for these structures. This number is down from 11,850 units and 399 buildings in 2002. Most of these rehabilitated units are in residential hotels (SROs) and apartment buildings occupied by lower income households.
- *Property Maintenance Assistance.* The CERF/CHRP programs continue to assist low-income property owners in repairing code violations that might otherwise lead to abatement of housing units. New CERF loans average four to five per year, and new CHRP loans average 10-15 per year.

2. AFFORDABILITY

Both the 1990 *Residence Element* and the 2004 *Housing Element* called for increasing production of affordable housing, preserving affordable housing, encouraging economic integration in housing development, and the expansion of financial resources for permanently affordable housing. Several objectives and policies from the 2004 *Housing Element* made significant contributions to San Francisco's efforts to provide, retain, and fund affordable housing citywide.

OBJECTIVE 4

SUPPORT AFFORDABLE HOUSING PRODUCTION BY INCREASING SITE AVAILABILITY AND CAPACITY.

- *Inclusionary Housing Program.* The Planning Commission and Board of Supervisors adopted new code language in 2002 that placed a 10% affordable requirement on all housing projects over 10 units and a 12% affordable requirement on developments over 10 units that seek conditional use approval. Prior to this adoption, inclusionary housing was only encouraged, not required. A total of 472 units were produced by the City's inclusionary policy during the 1999-2006 reporting period, with the majority of the units produced in the last two years.

The City modified and expanded the requirements again in 2006, resulting in 447 units produced between 2007 and June 2008. The program was expanded by eliminating the distinction for conditional use applications, and now requires 15% on-site inclusionary and 20% off-site. The program was also expanded to include projects containing five to nine units. A proposal to require condominium conversions to be subject to the inclusionary ordinance was suggested by the 2004 *Housing Element*, but was not incorporated in the 2006 changes.

- *Redevelopment Agency Housing Participation Policy.* Changes to the San Francisco Redevelopment Agency’s Housing Participation Policy also occurred in 2002, with required unit percentages and affordability requirements similar to the City’s Inclusionary Affordable Housing Program in effect at that time. The Agency’s program produced 480 affordable units during the 1999-2006 reporting period. In September 2008, the Agency recommended adoption of new requirements similar to those adopted by the City in 2006.
- *Density Bonuses and FAR limits.* The City has continued the policy of establishing special use districts (SUDs) and height exceptions intended to support the development of affordable housing by allowing density bonuses for higher percentages of affordable or special needs housing. Almost all new Area Plans initiated during the 1999-2006 reporting period also include these policies, as well as additional affordable housing impact fees. Floor area ratio (FAR) limitations have been removed in the downtown areas to encourage housing development.
- *Housing Development on Public Land.* Over the past ten years, the City has engaged in several major planning efforts which include the identification of housing opportunities on public lands. In particular, the City seeks to take advantage of new and rehabilitated housing on former military properties in San Francisco – the Hunter’s Point Naval Shipyard and Treasure Island. Through the Planning Department’s Better Neighborhoods Program, the City is pursuing the development of affordable housing on several significant public sites. The Market-Octavia Plan calls for the development of up to 900 units of housing on the former Central Freeway parcels, one-half of which could be affordable and/or senior units. The Balboa Park Plan recommends the construction of affordable housing on portions of the Phelan Loop owned by the San Francisco Community College District, on existing bus yards owned by the Municipal Railway, and on portions of the unused Balboa Reservoir owned by the Public Utilities Commission.
- *Surplus Public Lands.* In 2004, the City adopted the Surplus City Property Ordinance. This ordinance requires that surplus public land be identified and evaluated for potential use as homeless housing. It also established a Citizens Advisory Committee to explore affordable housing development at sites determined to be surplus, or, if identified as such, if this land should be sold to raise money for affordable housing development. The removal of the Central Freeway created a variety of surplus parcels in the Market-Octavia plan area that will be developed as housing, and several publicly owned sites in the Eastern Neighborhoods are also being considered for affordable housing development. Table A-4 lists other sites that have been transferred to MOH for consideration as affordable housing

Table A-4
Surplus Properties
Transferred to MOH

150 Otis
155 & 165 Grove
201 Broadway
301 Wilde
341 Corbett
395 Justin
949 Vermont
Junipero Serra @ Shields
Lawton & 20th Avenue
San Jose @ Cuvier
San Jose @ Milton
Alemanly & Ocean
195 Portola

OBJECTIVE 5**INCREASE THE EFFECTIVENESS AND EFFICIENCY OF THE CITY'S AFFORDABLE HOUSING PRODUCTION SYSTEM.**

- *Program EIRs.* The Market & Octavia Area Plan was developed with a program EIR designed to include sufficient detail to avoid the need for additional project EIRs, and thus streamline the housing production process. As the program EIR was recently approved, it remains to be seen whether it will have the intended effect of reducing the amount of environmental review necessary for subsequent projects within the plan area. The City also continues to advocate for changes to CEQA that facilitate transit-oriented development.
- *Entitlement Process Improvements.* The City initiated several efforts to identify obstacles to housing production and speed the entitlement process, and a joint process improvement team between the Planning Department and the Department of Building Inspection (DBI) is actively working on these issues. Additional staff at both agencies was hired during the reporting period to expedite entitlements and permitting, representing a 23% increase in staffing at the Planning Department and 12% increase at DBI since 2005.

The City also invested \$600,000 in new technology to streamline permitting activities among various agencies, including Planning, DBI, Fire, and the Department of Public Works. The Business Process Review was initiated by DBI during the reporting period to further streamline the issuance of building permits. A policy was implemented early in 2007 that requires immediate assignment of affordable housing projects, eliminating a four to six month delay.

- *Consolidated Plan.* The Mayor's Office of Community Development (MOCD) *Consolidated Plan* in 2000 and 2005 identified the specific housing needs of San Francisco's low-income residents, based on demographic and other information. The 2005 *Consolidated Plan*, which covers the 2005-2009 period, contains the following priorities which are used to allocate affordable housing funds: 1) create housing opportunities for the homeless; 2) create affordable rental housing opportunities for individuals and families with incomes up to 60% of the area median income (AMI), and; 3) create homeownership opportunities for individuals and families with incomes up to 120% AMI.

The Mayor's Office of Housing (MOH) and San Francisco Redevelopment Agency (SFRA) continue to collaborate with the Department of Public Health and Human Services to develop supportive housing opportunities that directly and effectively address the needs of homeless persons. Additionally, MOH and SFRA have continued to develop high quality affordable rental housing opportunities for households at or below 50% AMI, along with administering new homeownership opportunities (most arising from San Francisco's inclusionary housing policy) for households generally ranging from 80% to 120% AMI.

- *Non-Profit Support.* The Mayor’s Office of Housing continues to administer Housing Program Grants from the federal Community Development Block Grant program (CDBG), which amounted to \$16.3 million between 1999 and 2006 (Table A-5). These funds are granted to local non-profit housing agencies to build local capacity and support housing activities consistent with the consolidated plan.

Year	Amount
1999	1,789,834
2000	1,607,847
2001	2,051,954
2002	1,978,216
2003	1,835,277
2004	2,601,326
2005	2,268,614
2006	2,172,360
Total	\$16,305,428

Table A-5
CDBG 1999-2006

OBJECTIVE 6

PROTECT THE AFFORDABILITY OF EXISTING HOUSING.

- *Rent Control.* The San Francisco Rent Ordinance was enacted effective June 13, 1979 by the Board of Supervisors and signed by the Mayor to alleviate the City’s affordable housing crisis. The Ordinance applies to most rental units built before June 1979, and places limits on the amount of rent increases which can be charged and on the reasons for evicting a tenant. Although the number of rent controlled units continues to decline, particularly in smaller two-unit buildings that are not subject to condominium conversion controls, approximately 170,000 rental units are protected by rent control. Tenants in these units are safeguarded from excessive rent increases.
- *First-time Homeowner Assistance Programs.* The Mayor’s Office of Housing offers several funding programs to assist moderate and low-income households in purchasing their first property. These funds include the Downpayment Assistance Loan Program (DALP), City Second Loan Program, and Mortgage Credit Certificate Program (MCC) that assist with the funding of a down payment and increase a household’s ability to qualify for a mortgage. The lack of funding and increasing cost of property during the reporting period has limited the number of households these programs have been able to assist. During the 1999-2006 reporting period, DALP and City Second loans assisted 428 households and the MCC program assisted 406 households.
- *Permanent Affordability.* Long-term or permanent affordability remains a priority for the programs of the Mayor’s Office of Housing (MOH) and San Francisco Redevelopment Agency (SFRA). For almost all programs, affordability terms of 50 to 75 years are now standard. The term of affordability is greater than the anticipated life of the developments funded by public funds. Where project sponsors have sought additional money from the City to extend the useful life of the building, MOH and SFRA require an extension of the term of affordability. In addition, the lead role played by non-profit entities in sponsoring affordable housing has meant that, in practice, housing developments will remain affordable even after the expiration of the 50 to 75 year term, since such assets must continue to be used for purposes consistent with the corporate purpose of the organization.
- *Community Land Trusts.* The City established a Community Land Trust Task Force in 2001 to explore the feasibility of using land trust structures to enhance affordable housing opportunities in San Francisco. Land trusts and other limited equity ownership models may be an effective way of retaining affordability in tight housing markets.

A pilot project sponsored by the San Francisco Community Land Trust (SFCLT) was approved in 2006 at 53 Columbus Avenue and is nearing completion. The building contains 21 apartments housing 80-plus tenants, primarily elderly Chinese immigrant families. SFCLT will retain ownership of the land, but will sell the apartments to existing tenants as a cooperative. Resident-owners will own a limited equity stake allowing them to sell their units in the future, but the resale price will be controlled to ensure permanent affordability. SFCLT secured a \$2 million loan from the city to pay for seismic upgrades, as well as support from the City's Lead Program; and from the Mayor's Office of Housing. In addition, tenants have agreed to a five percent rent increase and a \$5,000 down payment. The outcome of this project will help determine the viability of this method of ensuring permanent affordability.

- *Affordable Housing Monitoring Programs.* The Mayor's Office of Housing manages a number of programs to set and implement monitoring standards and procedures for projects receiving housing subsidies. Monitored subsidies include loans for owner-occupied single-family homes, multi-family rental units, and the refinancing of affordable housing projects. Through an annual recertification process, MOH staff review management practices, income and rent levels, and occupancy status at subject properties to ensure compliance with affordability requirements. MOH significantly improved its Asset Management and BMR and Inclusionary monitoring programs near the end of the reporting period through investments in technology and process improvements. In 2007, MOH and the Planning Department also updated the Inclusionary Procedures Manual that contains procedures for monitoring and enforcing the policies that implement the program.
- *Acquisition of At-Risk Affordable Housing.* The acquisition of affordable housing units at-risk of converting to market rate due to expiring HUD mortgages or other subsidies has been an important part of the City's efforts to increase the stock of affordable housing. Concerted efforts by MOH and SFRA have resulted in securing financing for most of these properties to come under non-profit ownership to ensure permanent affordability. From 1999 to 2006, a total of 1,661 affordable units were preserved through these efforts. Assisted housing developments include multifamily rental housing complexes that receive government assistance from federal, State, and/or local programs (or any combination of rental assistance, mortgage insurance, interest reductions, and/or direct loan programs) which are eligible to change to market-rate housing due to termination of a rent subsidy contract (e.g., Housing Choice Vouchers, Section 8) mortgage prepayment (e.g., FHA), or other state or local programs with expiring use restrictions. While most traditionally at-risk conversions have been averted, a new need has emerged to preserve affordability and community stability of rental housing stock restricted by the City's rent stabilization ordinance. Because many such sites are too small for traditional local financing models (less than 20 units) MOH is currently working on a "small site" program that could allow the acquisition and rehabilitation of smaller sites, requiring a creative model addressing the specifics of these properties.
- *Single Resident Occupancy (SRO).* Residential hotels in San Francisco are regulated by Administrative code Chapter 41 – the Residential Hotel conversion and Demolition Ordinance, enacted in 1981. This ordinance preserves the stock of residential hotels and regulates the conversion and demolition of residential hotel units.

At the end of the 1999-2006 reporting period, 19,164 residential hotel rooms existed in San Francisco; 75% were in for-profit residential hotels and 25% were in non-profit hotels. Moreover, residential rooms in non-profit residential hotels have been increasing in each of the past five years: 40% from 2003 to 2007.

- *Other Programs.* The Condominium Conversion Ordinance puts the cap on the number of rental units converted to ownership units at 200 per year in order to limit the loss of rental units that are generally more affordable housing opportunities. The Rent Control Board also continues to implement rent control as a measure to retain affordability in rental housing. However during the 1999-2006 reporting period, 1,774 units were converted to condominiums in two-unit buildings. Two-unit buildings continue to be exempted from the condominium conversion ordinance and in 2007 an additional 522 units were converted to condominiums in these buildings. From 1999-2007, a total of 2,296 rental units were lost due to two-unit building condominium conversions.

OBJECTIVE 7

EXPAND THE FINANCIAL RESOURCES AVAILABLE FOR PERMANENTLY AFFORDABLE HOUSING.

- *Jobs-Housing Linkage Program.* The economic boom of the late 1990s and the housing bubble of 2003-2006 provided substantial additional funds for affordable housing from the Jobs-Housing Linkage Program (JHLP). For example, JHLP fees totaled almost \$42 million during fiscal 1999-2006, compared with less than \$9 million during the fiscal year 1986 (when the program was established) to 1998 period. Ten development projects, totaling 743 housing units, received funds from the JHLP between 1999 and 2006. These fees were increased substantially during the reporting period in order to more equitably share the burden of housing provision in San Francisco, and JHLP funds raised in fiscal 2007-2008 were over \$21 million. Funds are expected to increase during the next reporting period due to planned pipeline development.
- *Inclusionary In-lieu Fees.* The City's revised and expanded inclusionary program, and increased in-lieu fees, resulted in payments of \$23 million to the Affordable Housing Fund during the 1999-2006 reporting period. Like the expected increase in JHLP revenue, dramatic increases in the payments to the AHF are also expected from the inclusionary program, as in-lieu fee payments under the revised program were almost \$51 million in fiscal 2007-2008 alone.
- *Affordable Housing Bonds.* In 1996, San Francisco voters approved Proposition A, the Affordable Hous-

Fiscal Year	Amount Collected
1999-2000	\$0
2000-2001	\$0
2001-2002	\$0
2002-2003	\$0
2003-2004	\$959,411
2004-2005	\$134,875
2005-2006	\$2,623,279
2006-2007	\$19,225,864
2007-2008	\$7,514,243
2008-2009	\$43,330,087

Table A-6
Inclusionary Housing Fees, 1999-2008

ing and Home Ownership Bond Program, which allocated \$100 million in bond money to affordable housing programs administered by the Mayor's Office of Housing. The program dedicated 85% of these funds to the development of affordable rental housing, and 15% to down payment assistance for first time homebuyers. The Mayor's Office of Housing began dispersing funds from this program to specific projects in 1998, supported by Proposition A bond money during the reporting period. A similar affordable housing bond appeared on the San Francisco ballot in 2002 but failed to receive the required two-thirds vote. Although not a bond and therefore passable with a majority vote, Measure B on the 2008 ballot promised to establish an affordable housing fund financed by a small property tax assessments over a 15 year period; nevertheless, Measure B also failed to garner sufficient voter support.

3. CITYWIDE AND REGIONAL CONCERNS

The 2004 *Housing Element* continued several 1990 Residence Element objectives that encompass citywide and regional concerns and priorities related to the production and allocation of housing, including improving access to housing opportunities, adjusting affordability standards, preventing discrimination, minimizing or mitigating displacement, increasing production of family-sized units, creating mixed-income neighborhoods, reducing homelessness and the risk of homelessness, revitalizing neighborhoods to improve quality of life, increasing density near transit, providing neighborhoods with adequate transit and amenities, increasing available funding for transit-oriented development, expanding regional transit systems to discourage commuting by car, and promoting increased affordable housing production across the region.

OBJECTIVE 8

ENSURE EQUAL ACCESS TO HOUSING OPPORTUNITIES.

- *Preventing Discrimination.* The Fair Housing Unit of San Francisco's Human Rights Commission (HRC) investigates and mediates complaints of discrimination in housing based on race, religion, sexual orientation, and numerous other characteristics and qualities discrimination against families with children. Protection from such discrimination stems from several local ordinances, including five sections of the Municipal Police Code that prohibit specific kinds of housing discrimination. HRC staff also provides counseling on fair housing and general housing rights, offers referrals to other agencies, conducts research on fair housing practices, and hosts training and educational sessions.
- *Fair Housing.* The product of a multi-agency effort coordinated by the Mayor's Office of Housing, the City released an updated Analysis of Impediments to Fair Housing report in 2004. The report discusses the challenges of affordability, accessible housing, and alleged discrimination in the City's housing market. The paper also offers recommendations on increasing community acceptance of affordable housing and the

promotion of fair housing practices in public housing. These action items are incorporated into the City's 2005-2010 Consolidated Plan and its associated Action Plan.

- *Density Bonus.* The City has continued the policy of establishing Special Use Districts (SUDs) to allow density bonuses in certain circumstances, such as affordable or special needs housing. The following SUDs were adopted during the 1999-2006 reporting period:
 - Alabama and 18th Affordable Housing
 - Third and Oakdale Affordable Housing
 - Van Ness and Market
 - Trinity Plaza
 - 901 Bush
 - Folsom and Main
 - Scott Street Senior Housing
 - Fourth and Freelon
 - Haight Street Senior Housing
 - Downtown Housing Demonstration

- *Economic Integration.* The city revised and expanded its inclusionary affordable housing policy in 2002 and again in 2006, as discussed in greater detail under Objective 7 above. The policy requires the provision of affordable units in development projects with five or more units and discourages the provision of off-site units to meet this requirement; moreover if the required affordable units are built off site, they must be located within one mile. Over time, this will lead to greater economic integration of units within housing developments.

The HOPE-SF program launched in 2006 will rebuild existing public housing projects as mixed-income developments, at increased density and with additional public amenities. The pilot project at Hunter's View is scheduled to break ground in 2009, and the success of this project will serve as a model for increased economic integration.

- *Affordability Targets.* Since adoption of the 1990 *Residence Element*, the Mayor's Office of Housing (MOH) and the San Francisco Redevelopment Agency (SFRA) have targeted their affordable housing programs to serve low and very low-income households to the maximum extent feasible. For most rental housing units, household income may not exceed 60% of area median income (AMI). Most ownership units can range from 80% to 120% AMI, but must average 100% AMI.

Changes to the City's inclusionary program in 2006 require any off-site BMR units to be either rental units, or ownership units affordable to 80% AMI. These agencies have also dedicated increasing resources to assisting households at income levels below the maximum income levels for each program. For example, notices of funding availability for family rental housing currently require that units targeted toward households with extremely low incomes (i.e., at or below 20% of area median income) be included in the development.

OBJECTIVE 9**AVOID OR MITIGATE HARDSHIPS IMPOSED BY DISPLACEMENT.**

- *Rent Control and Tenants' Rights.* The San Francisco Human Rights Commission administers numerous programs to investigate and mediate conflicts around alleged housing discrimination. The City's Rent Stabilization Board Commission - comprised of tenant, landlord, and neutral representatives - oversees the Rent Stabilization Board, the City agency charged with monitoring and enforcing the city's rent control ordinance. The Rent Board offers counseling and referral services to tenants faced with property management problems or the threat of eviction. The City's Rent Control ordinance requires property owners to compensate tenants that are evicted due to a major capital improvement project or an owner move-in. The number of total evictions represented by Ellis Act and owner move-in evictions declined to 531 over the 1999-2006 reporting period; this is a substantial decrease from the 1,345 reported for 1989 through 1998. This was largely due to declining owner move-in evictions.
- *HOPE-SF* The HOPE-SF program to rebuild public housing includes provisions for one-to-one replacement of all housing units and right of return for existing tenants. Tenant assistance to enable return is also provided.

OBJECTIVE 10**REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS IN COORDINATION WITH RELEVANT AGENCIES AND SERVICE PROVIDERS**

- *Master Lease Program.* The City created a Master Lease Program in 1999 that provides housing with supportive services for persons leaving homeless shelters. This program was expanded significantly from 2003 to 2007 to focus on providing supportive housing. In July 2000, the City completed the renovation of 100 units at the Presidio as supportive housing geared towards homeless veterans.
- *10-Year Plan to End Chronic Homelessness.* Recognizing the need for an integrated service system, the City adopted the Continuum of Care Plan in 1995 in an effort to better coordinate housing, health, and human services for homeless individuals and families. This plan was updated in 2001.

The City dropped the Continuum of Care approach to providing services in 2004, with Mayor Gavin Newsom's 10-Year Plan to End Chronic Homelessness that emphasized building supportive housing for the chronically homeless under a "housing first" approach. Under this plan, the City proposes a total of 3,000 units in supportive housing by 2014. As of 2008, approximately 1,500 units have been created, mostly from the acquisition and rehabilitation of existing units as well as formal agreements with existing SROs. An April 2007 commitment to double the production of family supportive housing was made in response to the concern that the City's supportive housing programs over the last few years served primarily single people.

OBJECTIVE 11

IN INCREASING THE SUPPLY OF HOUSING, PURSUE PLACE MAKING AND NEIGHBORHOOD BUILDING PRINCIPLES AND PRACTICES TO MAINTAIN SAN FRANCISCO'S DESIRABLE URBAN FABRIC AND ENHANCE LIVABILITY IN ALL NEIGHBORHOODS.

- *Residential Design Guidelines.* In 1989, the Planning Department proposed a set of design guidelines to help ensure that new residential development respects the unique character of many of San Francisco's neighborhoods. These guidelines were refined and adopted as part of the 1990 *Residence Element* update, and were updated again in 2003 as part of the 2004 *Housing Element* program.
- *New Area Plans.* Through the Better Neighborhoods and other area plan programs, the Planning Department continues to explore ways to develop and enhance the quality and livability of existing residential neighborhoods. The Eastern Neighborhoods new area plans initiated during the 1999-2006 reporting period and recently adopted in 2008, identify core elements that help create vibrant neighborhoods, such as walkability, availability of services, transit access, housing choices, and unique character. These new area plans incorporate these ideas into the development of community goals and neighborhood improvements.
- *Housing Development in Residential Neighborhoods.* Almost 4,550 units of housing were developed in San Francisco's existing residential neighborhoods from 1999-2006, representing 30% of all housing production in the City during that time period. This figure includes all new units constructed in the city's traditionally residential RH and RM districts (Residential House and Residential Mixed). The City has been able to locate this substantial amount of new housing in existing residential areas without significant adverse impacts to prevailing neighborhood character. The Better Neighborhoods and Eastern Neighborhoods programs provide for an increase in the number of housing units built in these districts near transit and other services.
- *Parking Requirements.* Neighborhood planning policies seek to reduce parking requirements below one space per unit in areas near transit in order to increase density, discourage automobile use, and create more walkable neighborhoods.
- *Green Building – Quality of Life Improvements.* The City has made a substantial effort to incorporate green building principles and green design into development projects during the last several years. In 2006, the Planning Department and other permitting agencies began to expedite permits for Leadership in Energy and Environmental Design (LEED) certified gold buildings. Moreover, in 2008 the City adopted a Green Building Ordinance that requires new construction to meet green building standards.

OBJECTIVE 12**STRENGTHEN CITYWIDE AFFORDABLE HOUSING PROGRAMS THROUGH COORDINATED REGIONAL AND STATE EFFORTS.**

- *Regional Grants.* San Francisco was successful in advocating for language in the 2007-2014 Regional Housing Needs Assessment (RHNA) process to direct more transportation money to jurisdictions that agree to take on greater housing growth. Recently, the Association of Bay Area Governments FOCUS program, which seeks to encourage growth near transit in the Bay Area, designated several neighborhoods in San Francisco as Priority Development Areas (PDAs). PDAs are regionally-designated areas prioritized for housing development, and therefore eligible for grant funding. Planned PDAs would be eligible for capital infrastructure funds, planning grants, and technical assistance while Potential PDA's would be eligible for planning grants and technical assistance, but not capital infrastructure funds. Currently, a number of neighborhoods have been identified as PDAs. These areas represent approximately 40% of the city's land area.

Attachment A-1 is a review of all the implementation programs of the 2004 *Housing Element*:

Table A-7
Review of Implementation Programs from 2004 Housing Element

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
HOUSING SUPPLY			
<p>OBJECTIVE 1 To provide new housing, especially permanently affordable housing, in appropriate locations which meets identified housing needs and takes into account the demand for affordable housing created by employment demand.</p>		Somewhat successful.	Continue/ Modify
<p>Policy 1.1 Encourage higher residential density in areas adjacent to downtown, in underutilized commercial and industrial areas proposed for conversion to housing, and in neighborhood commercial districts where higher density will not have harmful effects, especially if the higher density provides a significant number of units that are affordable to lower income households. Set allowable densities in established residential areas at levels that will promote compatibility with prevailing neighborhood scale and character where there is neighborhood support.</p>	<p>The City added a total of 17,473 net units, 35% of which are affordable. Of these affordable units, 2,214 are family housing, representing 56% of all affordable housing constructed or 15% of total housing production.</p>	Somewhat successful, although RHNA targets not met. Given market conditions, the proportion of affordable housing has increased.	
<p>Policy 1.2 Encourage housing development, particularly affordable housing, in neighborhood commercial areas without displacing existing jobs, particularly blue-collar jobs or discouraging new employment opportunities.</p>	<p>New area plans, including Market-Octavia, Eastern Neighborhoods, Rincon Hill and others, potentially increase housing capacity by over 55,000 and capitalize on existing neighborhood commercial and transit infrastructure where present. These plans also require a percent of larger family sized units.</p>	Plans that will facilitate and guide growth in appropriate areas were successfully adopted.	
<p>Policy 1.3 Identify opportunities for housing and mixed-use districts near downtown and former industrial portions of the City.</p>	<p>The Planning Department successfully adopted the Eastern Neighborhoods plan that encourages housing in former industrial areas where residential neighborhoods are established and urban amenities are in place or are feasible.</p>	Successful	
<p>Policy 1.4 Locate in-fill housing on appropriate sites in established residential neighborhoods.</p>	<p>The Planning Department continues to encourage housing development on brownfield sites such as the former Schlage Lock factory, where clean-up costs are not prohibitive and residential neighborhoods can be established.</p>	Successful	
<p>Policy 1.5 Support development of affordable housing on surplus public lands.</p>	<p>The City continues to evaluate surplus federal or state lands as an affordable housing resource.</p>	On-going	

Objective/Policy/Implementation (Policy/ Program)	Result	Evaluation	Continue/Modify/Delete
<p>Policy 1.6 Create incentives for the inclusion of housing, particularly permanently affordable housing, in new commercial development projects.</p>	<p>The Redevelopment Agency continues to prioritize affordable housing on lands it controls.</p>	<p>On-going</p>	
<p>Policy 1.7 Encourage and support the construction of quality, new family housing.</p>	<p>The Planning Department increased height limits, eliminated density requirements, modified off-street parking requirements, and generated additional funds for affordable housing through new impact fees in the Rincon Hill Plan Area. Similar changes are proposed for the Transbay Plan Area.</p>		
<p>Policy 1.8 Allow new secondary units in areas where their effects can be dealt with and there is neighborhood support, especially if that housing is made permanently affordable to lower-income households.</p>	<p>The Planning Department continues to implement the Van Ness Avenue Plan, which requires residential units over commercial uses. There are currently 929 units in the development pipeline for this area.</p>	<p>On-going</p>	
<p>Policy 1.9 Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.</p>	<p>The Planning Department adopted new zoning that requires a minimum percentage of larger family units, ranging from two to four bedrooms, in new major residential projects.</p>	<p>To be determined in the next reporting period.</p>	
	<p>The Mayor's Office of Housing and the San Francisco Redevelopment Agency continues to administer programs for development of affordable family rental housing with priority given to projects that include affordable family units for the homeless and those at-risk of homelessness, and include supportive services for residents.</p>	<p>On-going</p>	
	<p>Student housing was increased due in part to nine Institutional Master Plans adopted during the 1999-2006 reporting period.</p>	<p>To be determined in the next reporting period.</p>	
	<p>New residential design guidelines were adopted easing infill development in existing neighborhoods.</p>	<p>On-going</p>	
	<p>RTO zoning adopted that encourages the creation of secondary units.</p>	<p>To be determined in the next reporting period.</p>	

Objective/Policy/Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
	The Planning Department will continue to support the Jobs Housing Linkage Program, which requires that commercial development provide housing or pay an in-lieu fee. Nearly \$42 million was collected during the 1999-2006 reporting period.	Successful. Revise fees as needed	
HOUSING RETENTION			
OBJECTIVE 2 Retain the existing supply of housing.		Successful	Continue
Policy 2.1 Discourage the demolition of sound existing housing.	The City continues to apply the Residential Conversion and Demolition Guidelines while discouraging the merger of units.	On-going	
Policy 2.2 Control the merger of residential units to retain existing housing.	The Condo Conversion Ordinance continues to control the conversion of smaller apartment buildings into condominiums and restrict larger apartment buildings over 6 units from converting.	On-going	
Policy 2.3 Restrict the conversion of rental housing to other forms of tenure or occupancy.	The Residential Hotel Conversion Ordinance continues to preserve the City's supply of SRO units.	On-going	
Policy 2.4 Retain sound existing housing in commercial and industrial areas.	The Department of Building Inspection and the San Francisco Fire Department continue to regulate the safety of buildings through annual inspections.	On-going	
Policy 2.5 Preserve the existing stock of residential hotels.	The City continues to facilitate the transfer of residential hotels to non-profit housing organizations to ensure permanent affordability, livability, and maintenance.	On-going	
Policy 2.6 Consider legalization of existing illegal secondary units where there is neighborhood support, the units can conform to minimum Code standards of safety and livability, and the permanent affordability of the units is assured.			

Objective/Policy/Implementation (Policy/Program)	Result	Evaluation	Continue/ Modify / Delete
HOUSING CONDITION			
OBJECTIVE 3 Enhance the physical condition and safety of housing without jeopardizing use or affordability.		Successful	Continue
Policy 3.1 Ensure that existing housing is maintained in a decent, safe, and sanitary condition, without increasing rents or displacing low-income households.	2,051 units were rehabilitated during the reporting period.	Successful	
Policy 3.2 Preserve at risk, privately owned assisted housing.	Several buildings were landmarked and Historic Surveys were initiated for most area plans underway.	Successful	
Policy 3.3 Maintain and improve the condition of the existing supply of public housing.	The Housing Authority received \$118.5 million from the Federal HOPE VI Program to rehabilitate five public housing developments; this was used to leverage an additional \$166.8 million. Some 650 units were rehabilitated, with another 700 units under construction.	To be determined upon completion.	
Policy 3.4 Monitor the correction of serious continuing code violations to prevent the loss of housing.	The HOPE SF program was initiated and will use City funds to rebuild 2,500 units of public housing.	To be determined upon completion.	
Policy 3.5 Improve the seismic stability of existing housing without reducing the supply of affordable housing.	Seismic retrofits of UMBs have been completed on most of the 11,850 units identified following the 1989 earthquake. Retrofits are pending for the remaining 102 units.		
Policy 3.6 Preserve landmark and historic residential buildings.	The CERF/CHRP programs continue to assist low-income property owners in repairing code violations;	On-going	
	The Department of Building Inspection continues to ensure that residential units meet building code standards by responding to complaints and through periodic inspection of apartments and hotels, as well as mandating the seismic retrofit of unreinforced masonry buildings.	On-going	
	The City continues to implement the Proposition M policy that landmarks and historic buildings be preserved.	On-going	

Objective/Policy/Implementation (Policy/Program)	Result	Evaluation	Continue/ Modify / Delete
HOUSING AFFORDABILITY			
OBJECTIVE 4 Support affordable housing production by increasing site availability and capacity.		Successful	Continue
Policy 4.1 Actively identify and pursue opportunity sites for permanently affordable housing.	The City's Affordable Housing Fund, derived from payment of fees by office, entertainment, hotel, and retail developers as well as market rate housing developers, continues to be used to develop affordable housing. A total of \$65 million was collected during the 1999-2006 reporting period.	On-going	
Policy 4.2 Include affordable units in larger housing projects.	The City's Inclusionary Housing program, which requires new development to provide a percentage of affordable units, produced 472 units during the 1999-2006 reporting period. The City expanded the program in 2001 and 2005. An additional 546 units were produced in 2007-2008..	On-going	
Policy 4.3 Encourage the construction of affordable units for single households in residential hotels and "efficiency" units.	The Redevelopment Agency increased affordability requirements in redevelopment areas, resulting in 480 affordable units during the 1999-2006 reporting period.	On-going	
Policy 4.4 Consider granting density bonuses and parking requirement exemptions for the construction of affordable housing or senior housing.	Affordable housing special use districts (SUDs) that increase densities for more affordable units continue to be established. Almost all new area plans also include these policies as well as requiring additional affordable housing impact fees.	On-going	
Policy 4.5 Allow greater flexibility in the number and size of units within established building envelopes, potentially increasing the number of affordable units in multi-family structures.	Developing housing on appropriate public land continues to be city policy. The Market Octavia Plan calls for the development of up to 900 units on former Central Freeway parcels. The development of additional affordable housing continues to be investigated for various other plan areas.	On-going	
Policy 4.6 Support a greater range of housing types and building techniques to promote more economical housing construction and potentially achieve greater affordable housing production.			

Objective/Policy/Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
<p>OBJECTIVE 5 Increase the effectiveness and efficiency of the city's affordable housing production system.</p>		Mostly successful.	Continue.
<p>Policy 5.1 Prioritize affordable housing projects in the planning review and approval processes, and work with the development community to devise methods of streamlining housing projects.</p>	<p>Additional staff at Planning and DBI were hired to expedite the permitting process and the City invested \$600,000 in new technology to streamline permitting activities among various agencies. In 2007, a policy was implemented that requires immediate assignment of affordable housing projects eliminating a 4-6 month delay.</p>	On-going	
<p>Policy 5.2 Support efforts of for-profit and non-profit organizations and other community-based groups and expand their capacity to produce and manage permanently affordable housing.</p>	<p>The Mayor's Office of Housing (MOH) and the Redevelopment Agency continue to collaborate with the Department of Public Health and the Human Services Agency to develop supportive housing for homeless persons and families, as well as develop rental housing at or below 50% AMI.</p>	On-going	
<p>Policy 5.3 Create greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.</p>	<p>MOH continues to administer the Community Development Block grant program to fund the activities of local nonprofit housing agencies with \$16.3 million distributed between 1999 and 2006. In 2008, \$2.2 million was distributed.</p>	On-going	
<p>Policy 5.4 Coordinate governmental activities related to affordable housing.</p>			
<p>OBJECTIVE 6 Protect the affordability of existing housing</p>		<p>Mostly successful. Some affordable rental units were lost in 2-unit buildings. Upon vacation rent control price resets to market price.</p>	Continue/ Modify
<p>Policy 6.1 Protect the affordability of units in existing buildings at risk of losing their subsidies or being converted to market rate housing.</p>	<p>The rent control ordinance continues to limit rent increases for approximately 170,000 rental units in the City.</p>	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
<p>Policy 6.2 Ensure that housing developed to be affordable is kept affordable.</p>	<p>The Downpayment Assistance Loan Program (DALP) and Mortgage Credit Certificate (MCC) program continues to assist with the funding of a down payment and increase a household's ability to qualify for a mortgage. During the 1999-2006 reporting period, 428 households received DALP or city second loan assistance and the MCC program assisted 406 households.</p>	<p>On-going</p>	
<p>Policy 6.3 Safeguard tenants from excessive rent increases.</p>	<p>Permanent affordability remains a priority for all City housing programs with most now having affordability terms of 50 to 75 years; as most affordable housing is owned and operated by nonprofit agencies, affordability beyond this term is also ensured.</p>	<p>On-going</p>	
<p>Policy 6.4 Achieve permanent affordability through community land trusts and limited equity housing ownership and management.</p>	<p>The city continues to explore community land trusts with a pilot project at 53 Columbus approved and nearing completion. The outcome of this project will help determine the viability of this method of ensuring permanent affordability.</p>	<p>Community land trust pilot project under construction.</p>	
<p>Policy 6.5 Monitor and enforce the affordability of units provided as a condition of approval of housing projects.</p>	<p>MOH continues to improve its monitoring of affordable housing programs with significant technology and process improvements to Asset Management and the Below Market Rate and Inclusionary monitoring programs.</p>	<p>On-going</p>	
	<p>MOH and the San Francisco Redevelopment Agency (SFRA) acquired financing for the acquisition of most at-risk affordable housing (due to expiring HUD mortgages or other subsidies). MOH is currently working on a "small site" program that could allow the acquisition and rehabilitation of smaller sites that are typically too small for traditional financing models.</p>	<p>On-going</p>	
	<p>The Condominium Conversion Ordinance continues to limit to 200 per year the number of rental units converted to ownership units.</p>	<p>On-going</p>	

Objective/Policy/Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
<p>OBJECTIVE 7 Expand the financial resources available for permanently affordable housing.</p>		Successful	Continue
<p>Policy 7.1 Enhance existing revenue sources for permanently affordable housing.</p>	<p>The Jobs-Housing Linkage Program (JHLP) continues to provide substantial funds for affordable housing. During the reporting period \$42 million was collected, assisting 10 development projects totaling 743 units.</p>	On-going	
<p>Policy 7.2 Create new sources of revenue for permanently affordable housing including dedicated long-term financing for housing programs.</p>	<p>Inclusionary in-lieu fees were increased during the reporting period, resulting in \$23 million in payments to the Affordable Housing Fund.</p>	On-going	
<p>Policy 7.3 Develop greater investments in and support for affordable housing programs by corporations, churches, unions, foundations, and financial institutions.</p>	<p>The Human Services Agency and the Department of Public Health continue to offer operating subsidies for special needs housing through their supportive housing programs.</p>	On-going	
<p>HOUSING CHOICE</p>		On-going	
<p>OBJECTIVE 8 Ensure equal access to housing opportunities.</p>		On-going	Continue
<p>Policy 8.1 Encourage sufficient and suitable rental housing opportunities and emphasize permanently affordable rental units wherever possible.</p>	<p>The Human Rights Commission continues to investigate and mediate complaints of discrimination in housing.</p>	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
<p>Policy 8.2 Employ uniform definitions of affordability that accurately reflect the demographics and housing needs of San Franciscans.</p>	<p>Inclusionary requirements were amended in 2006 to reflect San Francisco median income instead of the SF-Marin-San Mateo area median income.</p>	<p>On-going</p>	
<p>Policy 8.3 Ensure affirmative marketing of affordable housing.</p>	<p>The City has continues the policy of establishing special use districts to allow density bonuses for affordable or special needs housing.</p>	<p>On-going</p>	
<p>Policy 8.4 Encourage greater economic integration within housing projects and throughout San Francisco.</p>	<p>Economic integration in housing has been fostered by the City's revised and expanded Inclusionary Housing Ordinance that requires below market rate units (BMRs) to be built as part of new development. The HOPE-SF program will also rebuild existing public housing projects as mixed-income developments at increased densities and with additional public amenities.</p>	<p>On-going</p>	
<p>Policy 8.5 Prevent housing discrimination</p>	<p>MOH and the SFRA have targeted their affordable housing programs to serve low and very low income households to the maximum extent possible.</p>	<p>On-going</p>	
<p>Policy 8.6 Increase the availability of units suitable for users with supportive housing needs.</p>	<p>The San Francisco Redevelopment Agency and the Mayor's Office of Housing continue to monitor leasing and sales of assisted housing developments to ensure compliance with affirmative marketing goals and income and rent restrictions.</p>	<p>On-going</p>	
<p>Policy 8.7 Eliminate discrimination against households with children</p>	<p>The City's affirmative marketing programs for affordable housing continue to require outreach to minority communities, including advertising in multi-lingual media.</p>	<p>On-going</p>	
<p>Policy 8.8 Promote the adaptability and maximum accessibility of residential dwellings for disabled and elderly occupants.</p>			
<p>Policy 8.9 Encourage the provision of new home ownership opportunities through new construction so that increased owner occupancy does not diminish the supply of rental housing</p>			

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
<p>Policy 8.10 Ensure an equitable distribution of quality board and care centers, and adult day care facilities throughout the City.</p>			
<p>OBJECTIVE 9 Avoid or mitigate hardships imposed by displacement.</p>		Successful	Continue
<p>Policy 9.1 Minimize the hardships of displacement by providing essential relocation services.</p>	The Human Rights Commission continues to investigate and mediate charges of housing discrimination.	On-going	
<p>Policy 9.2 Offer displaced households the right of first refusal to occupy replacement housing units that are comparable in size, location, cost, and rent control protection.</p>	The Rent Stabilization Board continues to enforce the city's rent control ordinance which requires property owners to compensate tenants that are evicted as well as offering counseling and services to tenants faced with property management problems or eviction threats; the number of total evictions represented by Ellis Act and owner move-in evictions declined during the 1999-2006 reporting period to 531, compared to 1,345 reported for 1989-1998.	On-going	
	The City continues to work for a minimum of one-to-one replacement of all housing lost.	On-going	
	The HOPE-SF program to rebuild public housing includes provisions for one-to-one replacement of all housing units and right of return for existing tenants; tenant assistance to enable return is also provided.	On-going	
<p>HOMELESSNESS</p>			
<p>OBJECTIVE 10 Reduce homelessness and the risk of homelessness in coordination with relevant agencies and service providers</p>		Somewhat successful; although the City continues its' efforts, homelessness continues to be a major problem.	Modify
<p>Policy 10.1 Focus efforts on the provision of permanent affordable and service-enriched housing to reduce the need for temporary homeless shelters.</p>	The Master Lease Program, established in 1999 to provide housing with services for homeless persons, was expanded significantly during the reporting period. The City completed the renovation of 100 units of supportive housing at the Presidio.	On-going	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
<p>Policy 10.2 Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.</p>	<p>The Treasure Island Homeless Development Initiative (TIHDI) rehabilitated 250 units of housing as part of the homeless component of the civilian reuse plan for Treasure Island.</p>	<p>On-going</p>	
<p>Policy 10.3 Improve coordination among emergency assistance efforts, existing shelter programs, and health care outreach services.</p>	<p>In 2004, the City adopted a 10-year plan to end chronic homelessness by constructing 3,000 units of supportive housing by 2014.</p>	<p>On-going</p>	
<p>Policy 10.4 Facilitate childcare and educational opportunities for homeless families and children</p>	<p>The Residential Hotel Unit Conversion and Demolition Ordinance continues to minimize the loss of residential hotel units through conversion and demolition.</p>	<p>On-going</p>	
	<p>The Department of Human Services (DHS) continues to fund non-profit agencies to provide on-site supportive services for formerly homeless individuals and families living in supportive housing. DHS coordinates development of these programs with the Mayor's Office of Housing and the Redevelopment Agency, which provide funding for construction and rehabilitation of affordable housing, including supportive housing.</p>	<p>On-going</p>	
	<p>MOH, the San Francisco Housing Authority and the Redevelopment Agency continue to integrate job training and other programs that support low- and moderate-income families, into its affordable housing development.</p>	<p>On-going</p>	
	<p>The DHS Eviction Prevention and Rental Assistance program continues to work with non-profits to help low and very-low income individuals and families at risk of homelessness to maintain their housing by paying past due rent to avoid eviction, and offering legal services, counseling, and other supportive services.</p>	<p>On-going</p>	
	<p>DHS continues to fund non-profit contractors to provide after-care services for homeless families once they are housed to help them maintain housing, become stable and prevent recurring episodes of homelessness.</p>	<p>On-going</p>	

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
	The City continues to operate its Homeless Services Team, which conducts outreach to homeless persons living on the street with the goal of assisting the most difficult-to-reach homeless persons to access available appropriate services, benefits, health care and housing.	On-going	
	The Department of Human Services continues to implement the California Work Opportunity and Responsibility to Kids (CalWORKs) program to serve adults with dependent children where participants receive financial support and a full array of services for 18-24 months as they work with an Employment Specialist to follow an individualized Employment Plan.	On-going	
HOUSING DENSITY, DESIGN, AND QUALITY OF LIFE			
OBJECTIVE 11 In increasing the supply of housing, pursue place making and neighborhood building principles and practices to maintain San Francisco's desirable urban fabric and enhance livability in all neighborhoods.			Continue
Policy 11.1 Use new housing development as a means to enhance neighborhood vitality and diversity.	The Planning Department's <i>Residential Design Guidelines</i> was updated in 2003 to help ensure that new residential development is compatible with existing residential development.	On-going	
Policy 11.2 Ensure housing is provided with adequate public improvements, services, and amenities.	All new area plans initiated during the reporting period include enhancements to the quality and livability of neighborhoods; walkability, availability of services, transit access, and housing choices are all incorporated into the development of community goals and neighborhood improvements.	On-going	
Policy 11.3 Encourage appropriate neighborhood-serving commercial activities in residential areas, without causing affordable housing displacement.	The Planning Department continues to encourage historic preservation and adaptive reuse of older buildings to enhance neighborhood vibrancy.	On-going	

Objective/Policy/Implementation (Policy/Program)	Result	Evaluation	Continue/ Modify / Delete
<p>Policy 11.4 Avoid or minimize disruption caused by expansion of institutions, large-scale uses and auto-oriented development into residential areas.</p>	<p>Almost 4,550 units of housing, or 30% of all housing production from 1999-2006, were developed in San Francisco's existing neighborhoods without significant adverse impacts to prevailing neighborhood character. The remaining new units were built on industrial land.</p>	<p>On-going</p>	
<p>Policy 11.5 Promote the construction of well-designed housing that enhances existing neighborhood character.</p>	<p>Planning policies encourage the reduction of parking below one space per unit in areas near transit to increase density, discourage automobile use, and create more walkable neighborhoods.</p>	<p>On-going</p>	
<p>Policy 11.6 Employ flexible land use controls in residential areas that can regulate inappropriately sized development in new neighborhoods, in downtown areas and in other areas through a Better Neighborhoods type planning process while maximizing the opportunity for housing near transit.</p>	<p>Beginning in 2006, City permitting agencies expedited permits for LEED certified Gold buildings. In 2008, the City adopted a Green Building Ordinance that requires new construction to meet green building standards.</p>	<p>On-going</p>	
<p>Policy 11.7 Where there is neighborhood support, reduce or remove minimum parking requirements for housing, increasing the amount of lot area available for housing units.</p>	<p>The Department of Building Inspection, Pacific Gas and Electric Company (PG&E), and the Building Science industry continue environmental education programs for the general public, project sponsors, and builders.</p>	<p>On-going</p>	
<p>Policy 11.8 Strongly encourage housing project sponsors to take full advantage of allowable building densities in their housing developments while remaining consistent with neighborhood character.</p>	<p>The Mayor's Office of Housing continues to provide funding for the physical and financial preservation of non-profit owned affordable rental housing that requires energy efficiency improvements in order to protect its affordability.</p>	<p>On-going</p>	
<p>Policy 11.9 Set allowable densities and parking standards in residential areas at levels that promote the City's overall housing objectives while respecting neighborhood scale and character.</p>	<p>The Department of Building Inspection continues to enforce Title 24 energy code requirements, as well as the Residential Energy Conservation Ordinance (RECO) that affects all residences at time of sale or at time of meter conversion, major improvement or condominium conversion.</p>	<p>On-going</p>	
<p>Policy 11.10 Include energy efficient features in new residential development and encourage weatherization in existing housing to reduce overall housing costs and the long-range cost of maintenance.</p>			

Objective/ Policy/ Implementation (Policy/ Program)	Result	Evaluation	Continue/ Modify / Delete
REGIONAL AND STATE HOUSING NEEDS			
<p>OBJECTIVE 12 Strengthen citywide affordable housing programs through coordinated regional and state efforts.</p>		<p>Successful. The City continues to engage on a regional level, and strives to carry its fair share of regional growth.</p>	<p>Modify</p>
<p>Policy 12.1 Work with localities across the region to establish a better relationship between economic growth and increased housing needs.</p>	<p>The City continues to work with the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) to shape plans that meet regional housing, transportation, and job needs.</p>	<p>On-going</p>	
<p>Policy 12.2 Support the production of well-planned housing regionwide that address regional housing needs and improve the overall quality of life in the Bay Area.</p>	<p>The San Francisco Redevelopment Agency (SFRA) continues to serve as the lead agency and administrator of the HOPWA Program on behalf of the San Francisco Eligible Metropolitan Statistical Area (EMSA), which includes San Francisco, San Mateo and Marin counties.</p>	<p>On-going</p>	
<p>Policy 12.3 Encourage jurisdictions throughout the Bay Area to recognize their share in the responsibility to confront the regional affordable housing crisis.</p>	<p>At the state level, the City was successful in advocating for changes that direct more transportation money to jurisdictions, like San Francisco, that take on greater housing growth as part of the 2007-2014 Regional Housing Needs Allocation process.</p>	<p>On-going</p>	
<p>Policy 12.4 Foster educational programs across the region that increase public understanding of the need for affordable housing and generate support for quality housing projects.</p>	<p>At the regional level, the City successfully coordinated with the Association of Bay Area Governments (ABAG) to designate several neighborhoods in San Francisco as Priority Development Areas that, as regionally-designated areas prioritized for housing development, are eligible for various funds to assist with capital infrastructure, planning, and technical assistance expenses.</p>	<p>On-going</p>	
<p>Policy 12.5 Support the State of California in developing and implementing state affordable housing plans and programs.</p>			



B. Public Participation



C. Implementing Programs



D. Estimating Potential Development Capacity

INTRODUCTION

The Planning Department faces many policy questions relating to the future development, its location and type, within San Francisco. To inform this discussion, the Department relies on a number of data sources compiled into key databases to analyze existing and future land use trends and potential. The “build out” database is a collection of parcel-based data which quantifies existing land use conditions and, given zoning and height information, estimates for each parcel the potential for additional development. The database is set up with a series of scripts (see Attachment D-1) enabling testing of possible rezoning scenarios with relative ease. The result is a cumulative estimate of vacant and underdeveloped sites’ potential development at less than the theoretical maximum capacity allowed under current zoning. This estimate is necessarily conservative as it takes into account neighborhood character wherein existing residential structures typically fall below building densities and heights allowed by zoning.

TERMS

The terms used in the tables and Housing Element Part I: Data and Needs Analysis are explained below:

- ***Housing Potential Sites:*** These are sites suitable for residential development based on criteria and site analyses of each district in the City. They consist of vacant or “undeveloped” parcels and “soft sites,” which are determined appropriate for residential development based chiefly on database analysis including screening based on existing uses and preliminary surveys.
- ***Vacant or Near Vacant and Undeveloped Lands:*** A parcel is considered “vacant” or “near vacant” and undeveloped if development is 5% or less of the potential development. This criterion thus includes unimproved or undeveloped lots used for open storage, surface parking, or other open air uses. Large lots with very small structures, for example a one-level grocery store with a relatively large parking lot, also fit under this description. These sites theoretically could be readily developed for residential use.

- **Underdeveloped Sites or “Soft Sites”:** A second category of housing potential sites includes parcels which exceed 5% but not 30% of potential development square footage but were considered reasonable candidates for redevelopment. These include sites with building uses that significantly underutilize the site such as. These sites may have structures that could be reused or rebuilt for residential use.

GENERAL APPROACH TO ESTIMATING POTENTIAL CAPACITY

The build out database uses zoning information to estimate the potential development for each of more than 150,000 parcels in San Francisco. Given the number of parcels in the city, it is not feasible to calculate capacity for parcels individually. Accordingly, a batch treatment, and thus larger datasets of information, is needed.

Potential development is counted in residential units and in commercial gross square feet. A parcel may have residential, commercial or residential and commercial development capacity depending on the specific combination of zoning and height district. Attachment D-2 summarizes permitted land uses and general development standards for the City’s zoning districts.

Once the development potential for residential and commercial space is calculated, information on existing housing units and commercial square footage can be used to calculate the net potential for each parcel. For example, for a parking lot or a one-storey building in an 80-foot height zoning district, most of the potential capacity remains unused or underdeveloped; for two-storey homes in most residential neighborhoods, however, the potential capacity would be considered built out.

The degree to which a parcel is considered built out is measured as its development “softness” and expressed as a percentage of how much of the parcel’s potential development capacity is utilized, aggregating residential and non-residential uses. The softness categories in use are 5% and 30%; the categories are mutually exclusive, and a parcel’s softness is counted in the category it falls immediately beneath. For example, a parcel that is developed to 20% of its zoned capacity will fall in the 30% softness bracket. The total remaining potential is measured in the field *Netsqft*, while remaining housing potential is recorded in *Netunits*. *Netsqft* is total potential square feet minus total existing square feet. *Netunits*, similarly, is total potential units minus total existing units. Rather than being mutually exclusive measures, or *Netunits* being contained in *Netsqft*, they measure different things.¹

For the purpose of determining remaining development potential capacity, the Planning Department does not consider any parcel developed to more than 30% of its capacity as a “soft site,” or a candidate for additional square footage or intensification. However, as net units

¹ *Netsqft* doesn’t distinguish between what uses exist and could exist in a building, but is strictly a measure of how large the building is relative to the estimated potential given the zoning and height combination. *Netunits* in turn only compares existing and potential residential units. If the existing unit count happens to be small relative to non-residential uses in a building, the space for the additional, or net units could end up consuming more space than the net remaining buildable space. In order for the net residential units to be developed, there would, apart from an expansion of the building, also need to be a conversion of existing commercial uses to residential. This principle, if uncommon in practice, is illustrated in Figure D-1.

are tallied separately as the difference between potential and existing units, a parcel is only considered soft if the actual building size is small enough to warrant a softness classification. In other words, a building could conceivably have a potential for more residential units per existing density controls, but if it is already built to capacity in terms of square footage, it is not considered “soft” as an increase in residential units would need to come at the expense of existing uses in the building (whether as a split of existing units, or conversion of commercial space) and not through building expansion.

SPECIFIC APPROACH BY ZONING DISTRICT TYPE

Different development assumptions were applied to parcels based on general zoning designations.

- ***Downtown:*** In all C-2, C-3 and C-M districts, it is assumed that the primary use will be commercial and this is thus assigned 90% of the square footage with the remaining 10% going to residential use.
- ***Industrial and South of Market districts:*** It is assumed in these districts that a certain proportion of the lots will be developed as residential and the remaining will be devoted to commercial use.
- ***PDR Districts:*** Envelope is determined as FAR times lot area. FAR varies by height district. No residential uses assigned.
- ***Downtown Residential Districts:*** For these districts, bulk controls play a significant role in determining the amount of developable space, so floor plates was varied for different portions of the building depending on the height district. Residential to commercial uses was assigned in ratios 6:1.
- ***Eastern Neighborhoods Residential Districts:*** For Mixed-Use-Residential and Downtown Residential-South Beach, residential to commercial uses were assigned in a 3:1 ratio and 6:1 ratio, respectively. Buildable area is stories times 80% of lot area.
- ***Multi-Use:*** This covers all Residential-Mixed (RM) districts. It assumes one primary use – residential – with no secondary use. Residential density limits determine the number of units, constrained by the height limit and rear yard requirements.
- ***Resident:*** This assumes housing as the sole use in all residential (RH) districts. This scenario also assumes one unit for each RH-1 lot, two units for RH-2, and three units for RH-3. For larger lots, the conditional use density limits apply.
- ***Residential-Transit Oriented:*** As no residential density is specified, an average unit size of 1,000 sq ft plus 20% circulation/building inefficiency was used. The buildable envelope was calculated using 55% lot cover for each floor. No commercial uses assumed.
- ***Mixed:*** All neighborhood commercial districts and the Chinatown Mixed Use districts are assumed to have commercial as the primary use, built-out based on the FAR, with residential as a secondary use, built-out to residential density limits. Residential development, however, is trimmed down based on the height limits.

- **Neighborhood Commercial Mixed, No Density Limits:** A new, more flexible class of neighborhood commercial districts has been introduced not nominally constraining residential density, except for a requirement that 40% of units be two-bedrooms or larger. Height limit, rather than FAR was used to determine the built-out envelope. For these districts we divided evenly capacity between residential and commercial space.
- **Eastern Neighborhoods Mixed Districts:** A number of new zoning districts in the Eastern Neighborhoods emphasize use flexibility and are less prescriptive in terms of allowed density for residential uses. For these districts, FAR determines the buildable area, and FAR in turn varies depending on building height. In these districts, commercial uses are given priority, ranging between 50% to 75% of buildable space.

DATA

The Department relies on a number of sources to provide the key information that forms the basis for the capacity calculations (Table D-1). While each data set is subject to errors in substance and time, we are confident that the method is meaningful in the aggregate assuming that errors are geographically randomly distributed. We have not found evidence that errors exhibit clustering.

Table D-1
Data Inputs and Sources

Data	Source(s)
Housing Units	Assessor's Office, Department of Building Inspection, Mayor's Office of Housing, Planning Department, San Francisco Housing Authority, San Francisco Redevelopment Agency
Zoning Districts and Development Standards	Planning Department
Height Limits	Planning Department
Building Square Footage	Assessor's Office, LIDAR* 3D data set
Commercial Square Footage	Dun & Bradstreet, LIDAR* 3D data set
Historic Survey Rating Status	Planning Department
Public Facilities	Department of Telecommunications and Information Services
Transfer of Development Right status	Planning Department
Development Pipeline	Department of Building Inspection, Planning Department, San Francisco Redevelopment Agency

Notes:

* Light Detection and Ranging, a remote sensing system used to collect three-dimensional topographic data, was used to estimate existing building square footage.

CALCULATING CAPACITY

Table D-2 summarizes the algorithm for calculating residential and commercial square footage, respectively, for each district. For practical reasons, districts were grouped in general zoning district classes; for example, the over 20 distinct, named neighborhood commercial districts were grouped with general neighborhood commercial districts. Assumptions also include: the height of one floor or one storey was considered on

average 10 feet; square footage of a new dwelling unit was estimated at a gross 1,200 square feet, including circulation space, building inefficiencies, parking etc.

The purpose of the build out has been to determine buildable capacity. Given the variety of land uses allowed in most districts, buildable capacity is categorized at the most basic level: residential or non-residential/commercial use. Accordingly, commercial space is treated as a generic category for the purposes of calculating potential non-residential space.²

Limitations

For reasons of data architecture, Special Use Districts (SUDs) overlaid on zoning districts were generally not included for build out calculation, with the exception of the Van Ness Market Downtown Residential Special Use District, which could readily be mapped and treated as a downtown residential district. All occurrences of this Special Use District/C-3 zoning combination could thus be treated the same way.

Another shortcoming of the build out script is that it does not at this time estimate the possibility of a Planned Unit Development (PUD) option available to parcels larger than ½ acre in single ownership. While PUDs allow slightly greater density, they allow less than the density allowed by a district one class denser in order to not qualify as a rezoning. Capacity, this way, for sites eligible for PUD is estimated on the conservative side.

Finally, inaccuracies crop up where lots are split into multiple zoning and/or height districts. The lot proportions in each district cannot be determined at the database level.³ In most of these cases, the more conservative zoning or height district was picked, and capacity calculated accordingly. For some larger sites, the height to be used by the script was assigned manually to better reflect actual conditions.

It is important to note that the buildout dataset lacks a time dimension and makes no assumptions or claims about economic or political conditions. Construction on sites may or may not happen depending on economic conditions, and would need to go through the normal review channels prior to realization. Moreover, this exercise of estimating the City's remaining potential development capacity should not be taken as an identification of soft sites or parcels that will turn over and be developed. Market pressures can push development in parcels that may have existing land uses that exceed 30% or even 50% of its zoned capacity.

² For some districts the script accounts for different commercial categories separately to better reflect specific district limitations on certain uses.

³ Once we digitize a citywide height layer, this issue can be better addressed within a geographic information system.

Table D-2

Buildout Calculation Algorithm by Zoning District

District	District Class	Algorithm	Constraint
RH-1, RH-1(D), RH-2, RH-3	Residential	The suffix of the district determines number of possible units. A test is performed to see if lot is large enough for Conditional Use additional units. No commercial allowed. No non-residential assumed for these districts.	If average unit size times units is larger than buildable envelope, subtract one unit until units fit in envelope.
RM-1, RM-2, RM-3, RM-4	Residential-Multi	The suffix of the district determines the allowable density. RM-1, for example, allows one unit per 800 square feet of lot area. No non-residential assumed for these districts.	If average unit size times units is larger than buildable envelope, subtract one unit until units fit in envelope.
RTO	Residential	Calculate buildable envelope by taking 55% of lot area times stories. Divide envelope by average unit size. No non-residential uses assumed for these districts.	If average unit size times units is larger than buildable envelope, subtract one unit until units fit in envelope.
RC, CRNC, CVR, CCB	Mixed	Commercial uses given a FAR of 1 by default. Rest of envelope given to residential uses, within the limits of the density cap.	If the number of units at the average unit size plus the 1 FAR commercial yields less than the total potential envelope, add commercial space up to the allowed commercial FAR.
C-3, C-2	Downtown	Envelope is determined by FAR. Assign 90% to commercial, 10% to residential. Divide residential space by average unit size to get unit count.	Lots smaller than 7,500 square feet are assigned only half FAR.
DTR	High Density Residential	Envelope is determined by height, not by FAR. Height less than 24 stories results in floor plate of 7,500 sf, less than 30, 8,500, less than 35, 9,000, 36 and higher, 10,000 sf floor plate. Upper third of tower has a reduced floor plate by 10%. Residential to commercial space is assigned 6:1.	Because floor plate for this zone type is constrained regardless of lot size, a check was included to allow extra towers on very large lots to approximate square footage if lot was split. The constant used was 4, meaning that lots more than four times the floor plate would be candidates for a second tower, thereby ensuring that bulk controls in these districts would not be artificially limited on oversize lots.
MUO, UMU, MUR	Eastern Neighborhood Mixed	Envelope is set to stories times FAR. FAR in turn varies by height district. (Portion of) FAR is used, rest is residential. If four stories, set retail, office=1 FAR each. If five-six stories, set retail =1 FAR, office=2 FAR. If 8 stories or more, set retail =1, office=3 FAR.	
MUR, DTR-S	Eastern Neighborhood Mixed	Envelope is stories times lot area. We assign most space to residential use here. 25% Commercial, 75% residential.	
M-1, M-2	Industry	Assign residential square footage based on half of residential density allowed for district. Commercial use is FAR times commercial share of development.	

District	District Class	Algorithm	Constraint
NC-1, NC-2, NC-3, named NC's, RED, RSD	Mixed	Commercial uses given a FAR of 1 by default. Rest of envelope given to residential uses, within the limits of the density cap.	If the number of units at the average unit size plus the 1 FAR commercial yields less than the total potential envelope, add commercial space up to the allowed commercial FAR.
NCT districts	Mixed, no density limits	Most districts capacity shared evenly between residential and commercial development. As no residential density is specified, an average gross unit size of 1,200 sq.ft. was used.	
PDR-1, PDR-2	PDR	Envelope is FAR times lot area. FAR varies by height district. No residential space.	
SLI, SLR, SPD, SSO	South of Market Mixed Use	Multiply the commercial share of the lot by FAR to arrive at commercial square footage. The FAR varied for SSO lots depending on height limit. Divide the product of the residential share, number of buildable stories (limited by FAR) and .75 lot cover by the average size of a unit; this yields the number of units. Multiply this number by the average unit size to arrive at residential square footage.	

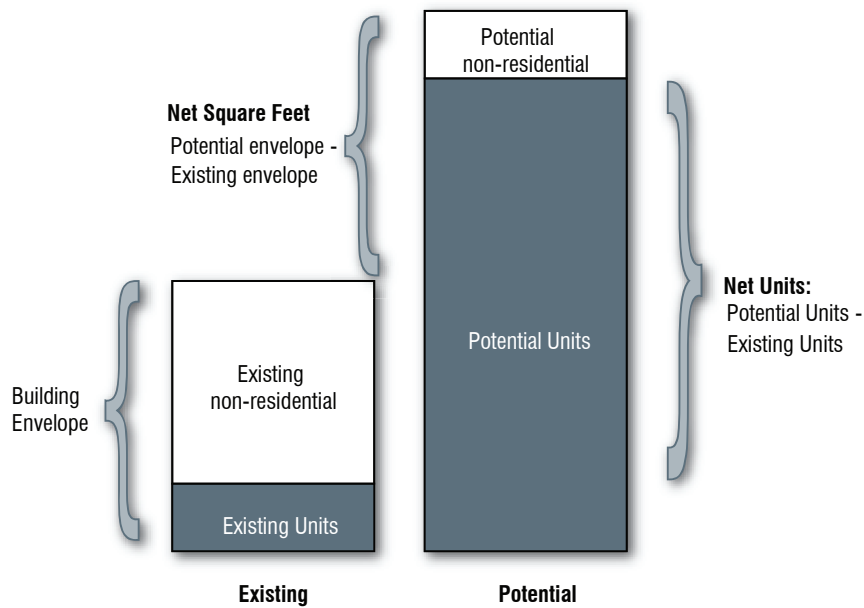
Exceptions

There were sites which would qualify for a softness label on metrics alone, but for a number of reasons were excluded from the overall softness tally. These cases are listed in Table D-3. These exceptions have been taken largely for practical reasons. For example, fire stations, schools and other public community facilities may be in structures that do not fully utilize the parcels' potential capacity based on underlying zoning standards. These buildings, however, serve a public function and may not likely be turning over for additional development. Similarly, freeways and other dedicated rights-of-way, even if these parcels are zoned for residential uses, are not considered as land suitable for development. Also underutilized parcels that may have residential or mixed uses with at least 10 units are not considered soft for this exercise. It is assumed for the purposes of estimating land inventory that such sites will not likely be demolished and rebuilt. These exemptions therefore make this makes for a conservative estimate of the City's remaining capacity.

Table D-3
Soft Site Exceptions

Override Type	Description
Lot functions as open space for or otherwise connected to adjacent property	Lot is deeded open space for adjacent development.
Public or other large facility not likely to change	Fire stations, museums, schools etc.
Historic designation or otherwise significant	Exclusion from the softsite tally includes Category I and Category II buildings as well as California Historic Resource Status Codes 1 thru 5, all suffixes.
Incorrect (too low) base data	If existing square footage information is deemed to be on the low side, the net capacity figure can be overstated. For example, the square footage reported represents only one condominium in a multi-unit structure.
TDR Used	If a Certificate of Transfer was issued, lot was marked as not soft as capacity has been transferred under §128.
Residential units	If more than 10 residential units were on site, the site was considered not soft.
Pipeline	A development event is in the pipeline. Site is assumed not soft if construction has already started or if the proposed project has received planning entitlements and/or building permits have been approved or issued.
ROW	Freeway or other dedicated rights-of-way.

Figure D-1
Relationship Between Building Envelopes, Net Square Feet, and Net Units⁴



⁴ As net units is the nominal difference between existing and proposed units, the net unit estimate will in some cases presuppose that, in order to realize the net unit figure, existing non-residential building space will need to be converted into residential use. The figure shows this in the uncommon situation where a building has far more non-residential than residential space, and thus can add a relatively large number of units—more than could typically fit in the net square feet available between the existing building size and what could be built if fully developed.

*Attachment D-1***Main Build-Out Functions**

Note: These functions were used for the buildout calculations in Microsoft Access's Visual Basic for Applications interface.

```

Option Compare Database
Option Explicit
'-----
'Class MixedUseCapacity
'-----

Function MixedGeneral(inStories As Integer, inLotArea As Double, _
    inresdensity As Integer, inFAR As Single, rearYard As Double, flag As
Byte)

Dim varunits As Integer
Dim varressqft As Double
Dim varcommsqft As Double
Dim vartotsqft As Double
Dim check, potEnvelope, farOverride As Single

'If inFar > inStories Then
'tempFAR = inStories
'End If

farOverride = 1 'set a commercial far at 1 as a default.
varunits = Int(inLotArea / inresdensity)
varressqft = varunits * grossUnitSize(1)
varcommsqft = inLotArea * farOverride
vartotsqft = varressqft + varcommsqft

'this compares totalsqft to the theoretical envelope given res/com mix. If
larger than 1, subtract units.

potEnvelope = ((farOverride * inLotArea) + (inStories - farOverride) *
(inLotArea * (1 - rearYard)))
check = (vartotsqft / potEnvelope)

Select Case check 'if envelope is not filled, add commercial
    Case Is > 1
        'varressqft = potEnvelope - inLotArea
        'varunits = varressqft / grossUnitSize(1)
        varcommsqft = potEnvelope - varressqft
    Case Else
        Do While potEnvelope > vartotsqft And varcommsqft <
(inLotArea * inFAR)

            'varunits = varunits - 1
            'potEnvelope = ((farOverride * inLotArea) +
(inStories - farOverride) * (inLotArea * (1 - rearYard)))
            varcommsqft = varcommsqft + 1000
            'varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft + varcommsqft
        Loop
    End Select

Select Case flag
    Case 1
        MixedGeneral = varunits
    Case 2
        MixedGeneral = varcommsqft
End Select

```

End Function

```
-----  
Function C3General(ByVal inStories As Integer, ByVal inLotArea As Double, _  
ByVal inFAR As Single, ByVal inZoning As String, flag As Byte)
```

```
    'returns residential square feet for c3 districts by designating  
envelope  
    'as FAR times lotsize (when height limit allows) and distributing 90%  
to commercial.  
    'Limits potential for lots smaller than 7500 sqft to half the FAR  
otherwise used.
```

```
    Dim varunits As Integer  
    Dim varressqft As Double  
    Dim varcommsqft As Double  
    Dim vartotsqft As Double
```

```
    vartotsqft = inLotArea * inStories  
    If inLotArea <= 7500 And (inZoning = "C-3-O" Or inZoning = "C-3-O(SD)")
```

Then

```
    Select Case inStories < 9
```

```
        Case True
```

```
            varcommsqft = inLotArea * inStories * 0.9
```

```
            varressqft = inLotArea * inStories * 0.1
```

```
        Case Else 'buildings taller than 10 stories will use
```

only half the possible FAR

```
            varcommsqft = inLotArea * (0.5 * inFAR) * 0.9
```

```
            varressqft = inLotArea * (0.5 * inFAR) * 0.1
```

```
    End Select
```

```
Else
```

```
    If inStories > inFAR Then
```

```
        varcommsqft = (inLotArea * inFAR * 0.9)
```

```
        varressqft = (inLotArea * inFAR * 0.1)
```

```
    Else
```

```
        varcommsqft = inLotArea * inStories * 0.9
```

```
        varressqft = inLotArea * inStories * 0.1
```

```
    End If
```

```
End If
```

```
Select Case flag
```

```
    Case 1
```

```
        C3General = varressqft
```

```
    Case 2
```

```
        C3General = varcommsqft
```

```
End Select
```

End Function

```
-----  
Function SOMGeneral(ByVal inZoning As String, ByVal inLotArea As Double,  
ByVal inStories As Integer, _  
ByVal inFAR As Single, ByVal inShare As Single, ByVal rearYard As Single,  
flag As Byte) As Long
```

```
'works on soma districts; uses average unit size rather than units relative  
to lot area. Since these districts
```

```
'are very permissive density-wise (1 per 200 sf lot area), using  
average size yields an estimate on the conservative side.
```

```
'leave out the rearyard usage for now; go with FAR.
```

```
Dim varcommsqft, varressqft As Long
```

```
Dim varfar As Single
```

```
Dim lotCoverage As Single
```

```
lotCoverage = 1 - rearYard
```

```

varfar = 0

If InStr(1, inZoning, "SSO") > 0 Then
  Select Case inStories
    Case 4, 5
      varfar = 3
    Case 6, 8
      varfar = 4
    Case 13
      varfar = 4.5
    Case Else
      varfar = inFAR
  End Select
End If

If varfar = 0 Then
  varfar = inFAR
End If
varressqft = inLotArea * (1 - inShare) * varfar * (1 - rearYard)

If inStories <= varfar Then
  varressqft = inLotArea * (1 - inShare) * inStories * (1 - rearYard)
  varcommsqft = inLotArea * inShare * inStories
Else
  varcommsqft = inLotArea * inShare * varfar
  varressqft = inLotArea * (1 - inShare) * varfar * (1 - rearYard)
End If

Select Case flag
  Case 1
    SOMGeneral = varressqft
  Case 2
    SOMGeneral = varcommsqft
End Select

End Function
-----

Function ENMixed(ByVal inStories As Integer, ByVal inLotArea As Long, flag
As Byte)
  Dim retail As Long
  Dim office As Long
  Dim resSf As Long
  Dim FAR As Single
  Dim envelope As Long
  Dim totComSf As Long
  '***returns commercial square footage for eastern neighborhood zoning
  districts. Allocates commercial primarily based on
  '***FAR (variable by height district) and leaving the rest to
  residential.
  envelope = inStories * inLotArea

  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = inLotArea * 1
      office = inLotArea * 1
      totComSf = retail + office
      resSf = FAR * inLotArea - totComSf
    Case Is = 5
      FAR = 4
      retail = inLotArea * 1
      office = inLotArea * 2
      totComSf = retail + office
      resSf = FAR * inLotArea - totComSf
    Case Is = 6
      FAR = 5
      retail = inLotArea * 1

```

```

        office = inLotArea * 2
        totComSf = retail + office
        resSf = FAR * inLotArea - totComSf
    Case Is = 8
        FAR = 6
        retail = inLotArea * 1
        office = inLotArea * 3
        totComSf = retail + office
        resSf = FAR * inLotArea - totComSf
    Case Is > 8
        FAR = 7.5
        retail = inLotArea * 1
        office = inLotArea * 3
        totComSf = retail + office
        resSf = FAR * inLotArea - totComSf
End Select

Select Case flag
    Case 1
        ENMixed = resSf
    Case 2
        ENMixed = totComSf
End Function
-----

Function NCTGeneral(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single, ByVal comShare As
Single, flag As Byte) As Long
    '***Projects number of units on NC lots without density control.
    Dim envelope As Double
    Dim varunits As Integer
    Dim varressqft As Double
    Dim vartotsqft As Double
    Dim varcomsqft

    envelope = inLotArea * (1 - rearYard) * inStories
    varunits = envelope * (1 - comShare) / grossUnitSize(0.5)
    varcomsqft = envelope * comShare
    vartotsqft = varressqft + varcomsqft

    Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
Nz(inStories, 0)
        varunits = varunits - 1
        varressqft = varunits * grossUnitSize(0.5)
        vartotsqft = varressqft
    Loop

Select Case flag
    Case 1
        NCTGeneral = varunits
    Case 2
        NCTGeneral = varcomsqft
End Select
End Function
-----

\-----
\Other functions
\-----

Function grossUnitSize(parkingperunit As Single) As Long
    Const parkingSqft As Integer = 300
    Const circulationPercent As Single = 0.15
    Dim circulationSqft As Integer
    Const baseSize As Integer = 713
        Const usableOpenSpace As Integer = 80
    circulationSqft = baseSize * circulationPercent

```

```

        grossUnitSize = baseSize + parkingperunit * parkingSqft +
circulationSqft + usableOpenSpace
End Function
-----

Function C2_resunits(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single) As Integer
    'returns residential units for C2 districts. Full FAR is given to
commercial,
    'any remaining square footage given to residential. Residential rear
yard requirement
    'NOT implemented in this function.

    Dim varressqft As Long
    Dim varresunits As Long
    Dim envelope As Long
    Dim varcommsqft As Long

    varcommsqft = inLotArea * inFAR
    envelope = inLotArea * inStories
    varresunits = Int(inLotArea / 800)
    varressqft = varresunits * grossUnitSize(1)

    If ceil(varcommsqft / inLotArea) > inStories Then
        varcommsqft = inLotArea * inStories
    End If
    Do While varcommsqft + varressqft > envelope And varresunits > 0
        varresunits = varresunits - 1
        varressqft = varresunits * grossUnitSize(1)
    Loop

    C2_resunits = varresunits
End Function
-----

Function C2_sqft(ByVal inStories As Integer, ByVal inLotArea As Double, _
ByVal inFAR As Single)
    Dim varcommsqft As Double
    varcommsqft = inLotArea * inFAR
    If ceil(varcommsqft / inLotArea) > inStories Then
        varcommsqft = inLotArea * inStories
    End If
    C2_sqft = varcommsqft
End Function
-----

Function C3_ressqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single, ByVal inZoning As String)
    Dim xy As New MixedUseCapacity
    C3_ressqft = xy.C3General(inStories, inLotArea, inFAR, inZoning, 1)
End Function
-----

Function C3_commsqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inFAR As Single, ByVal inZoning As String)
    Dim xy As New MixedUseCapacity
    C3_commsqft = xy.C3General(inStories, inLotArea, inFAR, inZoning, 2)
End Function
-----

```

```

Function DTR_Commsqft(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Double, ByVal rearYard As Single)

    Dim varTowerEnvelope As Long
    varTowerEnvelope = towerEnvelope(inStories, inLotArea, inShare,
rearYard)

    DTR_Commsqft = (varTowerEnvelope * (1 - inShare))
End Function
-----
Function DTR_ressqft(ByVal inStories As Integer, ByVal inLotArea As Double,
ByVal inShare As Double, ByVal rearYard As Single)

    Dim varTowerEnvelope As Long
    varTowerEnvelope = towerEnvelope(inStories, inLotArea, inShare,
rearYard)

    DTR_ressqft = (varTowerEnvelope * (inShare))
End Function
-----
Function towerEnvelope(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Double, ByVal rearYard As Single) As Long

    Dim varLowerTowerFloorplateSqft As Double
    Dim varLowerTowerStories As Byte
    Dim varlowertowersqft As Double

    Dim varTowerstories As Byte
    Dim varTowerEnvelope As Double

    Dim varUpperTowerFloorPlateSqft As Double
    Dim varUpperTowerStories As Double
    Dim varUpperTowerSqft As Double

    Dim varPodiumStories As Byte
    Dim varPodiumSqft As Double

    Dim varTowers As Integer
    Dim varNextTower As Double

    Const areaFactor As Byte = 5

    If inStories <= 12 Then
        varPodiumStories = inStories
        varPodiumSqft = varPodiumStories * inLotArea * (1 - rearYard)
    Else
        If inStories <= 24 Then
            varLowerTowerFloorplateSqft = 7500
            varPodiumStories = 8
            varLowerTowerStories = inStories - varPodiumStories
            varUpperTowerStories = 0

        ElseIf inStories <= 30 Then
            varLowerTowerFloorplateSqft = 8500
            varPodiumStories = 8
            varLowerTowerStories = inStories - varPodiumStories
            varUpperTowerStories = 0

        ElseIf inStories <= 35 Then
            varLowerTowerFloorplateSqft = 9000
            varUpperTowerFloorPlateSqft = varLowerTowerFloorplateSqft -
(0.1 * varLowerTowerFloorplateSqft)
            varPodiumStories = 12
            varTowerstories = inStories - varPodiumStories
            varUpperTowerStories = (1 / 3) * varTowerstories
            varLowerTowerStories = (2 / 3) * varTowerstories

```



```

ElseIf inStories > 35 Then
    varLowerTowerFloorplateSqft = 10000
    varUpperTowerFloorPlateSqft = varLowerTowerFloorplateSqft -
(0.1 * varLowerTowerFloorplateSqft)
    varPodiumStories = 12
    varTowerstories = inStories - varPodiumStories
    varUpperTowerStories = (1 / 3) * varTowerstories
    varLowerTowerStories = (2 / 3) * varTowerstories
End If

varNextTower = (varLowerTowerFloorplateSqft * areaFactor)
varTowers = Int(inLotArea / varNextTower)
If varTowers < 1 Then
    varTowers = 1
End If

'***podium envelope
varPodiumSqft = (varPodiumStories * inLotArea) * (1 - rearYard)

'***lower tower envelope
Select Case inLotArea
    Case Is >= varLowerTowerFloorplateSqft
        varlowertowersqft = (varLowerTowerStories *
varLowerTowerFloorplateSqft) * varTowers
    Case Else
        varlowertowersqft = (varLowerTowerStories * inLotArea) *
varTowers
End Select

'***upper tower envelope
Select Case inLotArea
    Case Is >= varUpperTowerFloorPlateSqft
        varUpperTowerSqft = (varUpperTowerStories *
varUpperTowerFloorPlateSqft) * varTowers
    Case Else
        varUpperTowerSqft = (varUpperTowerStories * inLotArea) *
varTowers
End Select
End If

varTowerEnvelope = varPodiumSqft + varlowertowersqft +
varUpperTowerSqft
towerEnvelope = varTowerEnvelope
End Function
-----
Function EN_com(ByVal inStories As Integer, ByVal inLotArea As Long)

Dim xyz As New MixedUseCapacity
EN_com = xyz.ENMixed(inStories, inLotArea, 2)
End Function
-----

Function EN_res(ByVal inStories As Integer, ByVal inLotArea As Long)
Dim xyq As New MixedUseCapacity
EN_com = xyq.ENMixed(inStories, inLotArea, 1)
End Function
-----

Function EN_PDR_com(ByVal inStories As Integer, ByVal inLotArea As Long)
Dim retail As Long
Dim office As Long
Dim resSf As Long
Dim PDR As Long
Dim FAR As Single
Dim totComSf As Long
'***Returns commercial square footage for eastern neighborhoods PDR
districts.

```

```

If inLotArea < 2500 Then
  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 5
      FAR = 4
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 6
      FAR = 5
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 8
      FAR = 6
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is > 8
      FAR = 7.5
      retail = inLotArea * 1
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
  End Select

ElseIf inLotArea >= 2500 And inLotArea < 5000 Then
  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 5
      FAR = 4
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 6
      FAR = 5
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 8
      FAR = 6
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is > 8
      FAR = 7.5
      retail = 2500
      office = inLotArea * 1
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
  End Select

```

```

ElseIf inLotArea >= 5000 Then
  Select Case inStories
    Case Is <= 4
      FAR = 3
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 5
      FAR = 4
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 6
      FAR = 5
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is = 8
      FAR = 6
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
    Case Is > 8
      FAR = 7.5
      retail = 2500
      office = 5000
      PDR = FAR * inLotArea - (retail + office)
      totComSf = retail + office + PDR
  End Select
End If

EN_PDR_com = retail + office + PDR
End Function
-----

Function SOM_commsqft(ByVal inZoning As String, ByVal inLotArea As Double,
ByVal inStories As Integer, _
ByVal inFAR As Single, ByVal inShare As Single, ByVal rearYard As Single)
As Long
`works on soma districts; uses average unit size rather than units relative
to lot area. Since these districts
  `are very permissive density-wise (1 per 200 sf lot area), using
average size yields an estimate on the conservative side.

Dim xz As New MixedUseCapacity

  SOM_commsqft = xz.SOMGeneral(inZoning, inLotArea, inStories, inFAR,
inShare, rearYard, 2)
End Function
-----

Function SOM_ressqft(ByVal inZoning As String, ByVal inLotArea As Double,
ByVal inStories As Integer, _
ByVal inFAR As Single, ByVal inShare As Single, ByVal rearYard As Single)
As Long
  Dim pz As New MixedUseCapacity
  SOM_ressqft = pz.SOMGeneral(inZoning, inLotArea, inStories, inFAR,
inShare, rearYard, 1)
End Function
-----

Function Mixed_Comml(inStories As Integer, inLotArea As Double, _
  inresdensity As Integer, inFAR As Single, rearYard As Double)

```

```

Dim tempUnits
Dim xx As New MixedUseCapacity

Mixed_Comml = xx.MixedGeneral(inStories, inLotArea, inresdensity, inFAR,
rearYard, 2)
End Function
-----

Function Mixed_Units(inStories As Integer, inLotArea As Double, _
    inresdensity As Integer, inFAR As Single, rearYard As Double)
    '***Projects number of units on mixed-zoned lots. Maximizes residential per
density limit, assigns rest to commercial up to FAR.
Dim tempUnits
Dim xx As New MixedUseCapacity
Mixed_Units = xx.MixedGeneral(inStories, inLotArea, inresdensity, inFAR,
rearYard, 1)
End Function
-----

Function MUR_DTR_S_Comsgft(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Single, ByVal rearYard As Single) As Long

    Dim varcomsqft As Double
    Dim vartotsqft As Double

    '***companion function to MUR_Ressqft. Com share set in separate lookup
table and passed in.

    vartotsqft = inLotArea * inStories * (1 - rearYard)
    varcomsqft = (vartotsqft * (1 - inShare))
    MUR_DTR_S_Comsgft = varcomsqft

End Function
-----

Function MUR_DTR_S_Ressqft(ByVal inStories As Integer, ByVal inLotArea As
Double, ByVal inShare As Single, ByVal rearYard As Single) As Long

    Dim varressqft As Double
    Dim vartotsqft As Double

    '***companion function to MUR_comsgft. Com share set in separate lookup
table and passed in.
    vartotsqft = inLotArea * inStories * (1 - rearYard)

    varressqft = (vartotsqft * inShare)
    MUR_DTR_S_Ressqft = varressqft

End Function
-----

Function NCT_ComSqft(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single, ByVal comShare As
Single) As Long
    '***Projects number of units on NC lots without density control.
Dim klm As New MixedUseCapacity
NCT_ComSqft = klm.NCTGeneral(inStories, inLotArea, rearYard, comShare, 2)

End Function
-----

Function NCT_Units(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single, ByVal comShare As
Single) As Integer
    '***Projects commercial use based on set share
Dim kl As New MixedUseCapacity
NCT_Units = kl.NCTGeneral(inStories, inLotArea, rearYard, comShare, 1)

```

End Function

```

-----
Function RH_units(ByVal inZoning As String, ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single)
  ***Projects number of units on RH-zoned lots
  Dim varunits As Single
  Dim varressqft As Double
  Dim vartotsqft As Double
  Const rh1nxt As Integer = 3000
  Const rh2nxt As Integer = 1500
  Const rh3nxt As Integer = 1000
  Dim rhzoning As Integer
  Dim rhnumber As Integer

  rhzoning = InStr(1, inZoning, "RH-")

  If rhzoning = 1 Then
    rhnumber = (CInt(Mid(Nz(inZoning, 0), 4, 1)))
  End If
  'first of three blocks testing whether lot is large enough for CU units

  Select Case inLotArea
    Case Is >= 1500
      If rhnumber = 1 Then
        Then
          If inLotArea >= 1 * rh1nxt And InStr(1, inZoning, "RH-1(D)") = 0
            varunits = Int(inLotArea / (rh1nxt))
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
            Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
              varunits = varunits - 1
              varressqft = varunits * grossUnitSize(1)
              vartotsqft = varressqft
            Loop
            RH_units = varunits
          Else
            varunits = rhnumber
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
            Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
              varunits = varunits - 1
              varressqft = varunits * grossUnitSize(1)
              vartotsqft = varressqft
            Loop
            RH_units = varunits
          End If
        'second of three blocks testing whether lot is large enough for CU
units
      ElseIf rhnumber = 2 Then
        If inLotArea >= 2 * rh2nxt Then
          varunits = Int(inLotArea / rh2nxt)
          varressqft = varunits * grossUnitSize(1)
          vartotsqft = varressqft
          Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
            varunits = varunits - 1
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
          Loop
          RH_units = varunits
        Else
          varunits = rhnumber
          varressqft = varunits * grossUnitSize(1)
          vartotsqft = varressqft
        End If
      End Select
End Function

```

```

        Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
            varunits = varunits - 1
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
        Loop
        RH_units = varunits
    End If
    'third of three blocks testing whether lot is large enough for CU
units
    ElseIf rhnumber = 3 Then
        If inLotArea >= 3 * rh3nxt Then
            varunits = Int(inLotArea / (rh3nxt))
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
            Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                varunits = varunits - 1
                varressqft = varunits * grossUnitSize(1)
                vartotsqft = varressqft
            Loop
            RH_units = varunits
        Else
            varunits = rhnumber
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
            Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
inStories
                varunits = varunits - 1
                varressqft = varunits * grossUnitSize(1)
                vartotsqft = varressqft
            Loop
            RH_units = varunits
        End If
    Else
        RH_units = 0
    End If
Case Else
    RH_units = 0

End Select
End Function
-----

```

```

Function RM_Units(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal inresdensity As Double, ByVal rearYard As
Single) As Long
    '***Projects number of units on RM-zoned lots
    Dim varunits As Integer
    Dim vardensity As Double
    Dim varressqft As Double
    Dim vartotsqft As Double

    vardensity = inLotArea / inresdensity
    varunits = Int(vardensity)
    varressqft = varunits * grossUnitSize(1)
    vartotsqft = varressqft
    Do While (vartotsqft / (inLotArea * (1 - rearYard))) > inStories
        varunits = varunits - 1
        varressqft = varunits * grossUnitSize(1)
        vartotsqft = varressqft
    Loop

    RM_Units = varunits

End Function
-----

```

```

Function RTO_Units(ByVal inZoning As String, ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single)
    '***Projects number of units on R-zoned lots
    Dim envelope As Double
    Dim varunits As Integer
    Dim varressqft As Double
    Dim vartotsqft As Double

    If InStr(1, inZoning, "RTO") Then
        envelope = inLotArea * 0.55 * inStories
        varunits = envelope / grossUnitSize(0.75)
        vartotsqft = varressqft

        Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
Nz(inStories, 0)
            varunits = varunits - 1
            varressqft = varunits * grossUnitSize(1)
            vartotsqft = varressqft
        Loop
        RTO_Units = varunits
    Else
        RTO_Units = Null
    End If

End Function
-----
Function RTO_MixUnits(ByVal inStories As Integer, _
ByVal inLotArea As Double, ByVal rearYard As Single)
    '***Projects number of units on RED-Mixed-zoned lots in West Soma
    Dim resenvelope As Double
    Dim varunits As Long
    Dim varressqft As Double
    Dim varcomsqft As Double
    Dim vartotsqft As Double

    If Lotarea >= 1200 Then
        varcomsqft = 1200
    Else
        varcomsqft = inLotArea
    End If

    resenvelope = inLotArea * (1 - rearYard) * inStories - varcomsqft
    varunits = resenvelope / grossUnitSize(1)
    vartotsqft = varressqft

    Do While ceil(vartotsqft / (inLotArea * (1 - rearYard))) >
Nz(inStories, 0)
        varunits = varunits - 1
        varressqft = varunits * grossUnitSize(1)
        vartotsqft = varressqft
    Loop
    RTO_MixUnits = varunits

End Function
-----
Function height_stories(ByVal in_limit As String)
    '***Returns number of stories allowed given the height limit
    Dim varstring As String
    Dim varheight As Integer

    If (InStr(1, in_limit, "OS/") = 1) _
And (InStr(1, in_limit, "-" ) > 0) Then
        varstring = Mid(in_limit, 4, InStr(1, in_limit, "-" ) - 4)
        varheight = CInt(varstring)
    ElseIf InStr(1, in_limit, "-" ) > 0 Then
        varstring = Left(in_limit, InStr(1, in_limit, "-" ) - 1)
        varheight = CInt(varstring)
    End If

```

```

ElseIf InStr(1, in_limit, "X") > 0 Then
    varstring = Left(in_limit, InStr(1, in_limit, "X") - 1)
    varheight = CInt(varstring)
Else
    varheight = 0
End If

height_stories = Int(varheight / 10)
End Function
-----

Function ceil(ByVal innumber As Double)
    '***Returns the next integer up; used for calculating number of stories
    '***given the lot area and building square footage
    If Int(innumber) > innumber Then
        ceil = Int(innumber) + 1
    Else
        ceil = Int(innumber)
    End If
End Function
-----

Function old_unit_size()
    '***Used for assumptions about square footage of existing units
    old_unit_size = 765 * 1.2
End Function
-----

Function new_unit_size(ByVal in_option As Boolean)
    '***Use for calculating square footage of new residential units.
    '***Case true for live-work, case false for everything else.
    If in_option Then
        new_unit_size = 1000
    Else
        new_unit_size = 1000 * 1.2
    End If
End Function
-----

Function calc_softness(ByVal intotsqft As Double, ByVal insqft As Double)
    Select Case Nz(insqft, 0)
        Case 0 To (intotsqft * 0.05)
            calc_softness = 5
        Case (intotsqft * 0.05) To (intotsqft * 0.3)
            calc_softness = 30
        Case (intotsqft * 0.3) To (intotsqft * 0.4)
            calc_softness = 40
        Case (intotsqft * 0.4) To (intotsqft * 0.5)
            calc_softness = 50
        Case Else
            calc_softness = Null
    End Select
End Function
-----

```


Attachment D-2
Summary of Residential Standards by Zoning District

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
RESIDENTIAL DISTRICTS				
RH-1(D) House, One-Family (Detached Dwellings)	One dwelling unit per lot. (11 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more.	300 sq.ft. per unit if private; 400 sq.ft. per unit if common.
RH-1 House, One-Family	One dwelling unit per lot; up to one unit per 3000 sq.ft. of lot area (maximum of 3 units) with conditional use approval. (17 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more.	300 sq.ft. per unit if private; 400 sq.ft. per unit if common.
RH-1(S) House, One-Family with Minor Second Unit	Same as RH-1; or 2 dwelling units per lot with second unit limited to 600 sq.ft. of net floor area. (35 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more.	300 sq.ft. per unit if private; 400 sq.ft. per unit if common.
RH-2 House, Two-Family	Two dwelling units per lot; up to one unit per 1500 sq.ft. of lot area with conditional use approval. (35 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more; group housing, boarding; group housing, religious orders; group housing, medical and educational institutions.	125 sq.ft. per unit if private; 166 sq.ft. per unit if common.
RH-3 House, Three-Family	Three dwelling units per lot; up to one unit per 1000 sq.ft. of lot area with conditional use approval. (52 du/acre)	Residential care facility for 6 or fewer.	Residential care facility for 7 or more; group housing, boarding; group housing, religious orders; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
RM-1 Mixed (Apartments and Houses), Low Density	Three dwelling units per lot or one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
RM-2 Mixed (Apartments and Houses), Moderate Density	Three dwelling units per lot or one dwelling unit per 600 sq.ft. of lot area. (77 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	80 sq.ft. per unit if private; 106 sq.ft. per unit if common.

**Table D-7
Summary of Planning Code Standards for Residential Use**

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
RM-3 Mixed (Apartments and Houses), Medium Density	Three dwelling units per lot or one dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	60 sq.ft. per unit if private; 80 sq.ft. per unit if commercial.
RM-4 Mixed (Apartments and Houses), High Density	Three dwelling units per lot or one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if commercial.
RC-3 Residential-Commercial Combined, Medium Density	Three dwelling units per lot or one dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	60 sq.ft. per unit if private; 80 sq.ft. per unit if commercial.
RC-4 Residential-Commercial Combined, High Density	Three dwelling units per lot or one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if commercial.
RTO Residential Transit Oriented Development	Permitted 1 dwelling unit per 600 square feet of lot area, may exceed this limit for BMR units, affordable housing, or other special uses. With a conditional use permit density may exceed 1 unit per 600 and is then limited by height, bulk and unit mix requirements. (77 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if commercial.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
RTO-M Residential Transit Oriented Development, Mission	Permitted 1 dwelling unit per 400 square feet of lot area; may exceed this limit for BMR units, affordable housing, or other special uses; Density may exceed 1 unit per 400 and is then limited by height, bulk and unit mix requirements. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (109 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
NEIGHBORHOOD COMMERCIAL DISTRICTS (NCD)				
Pacific NCD	One dwelling unit per 1,000 sq.ft. of lot area. (44 du/acre)	Group housing	Residential care facility for 6 or fewer.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
NC-1 NC Cluster District, NC-2 Small-Scale NCD, NC-S NC Shopping Center, Inner Sunset NCD , Sacramento NCD , West Portal NCD	One dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	100 sq.ft. per unit if private; 133 sq.ft. per unit if common.
NC-3 Moderate-Scale NCD, Castro NCD , Inner Clement NCD , Outer Clement NCD , Upper Fillmore NCD , Haight NCD , Union NCD , 24th-Noe Valley NCD	One dwelling unit per 600 sq.ft. of lot area. (77 du/acre)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	80 sq.ft. per unit if private; 100 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
Broadway NCD, Upper Market NCD, North Beach NCD, Polk NCD	One dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	60 sq.ft. per unit if private; 80 sq.ft. per unit if com-mon.
NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICTS (NCTD)				
Hayes-Gough NCTD, Upper Market NCTD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	60 sq.ft. per unit if private; 80 sq.ft. per unit if com-mon.
NCT-2 Small-Scale NCTD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	100 sq.ft. per unit if private; 133 sq.ft. per unit if com-mon.
NCT-3 Moderate-Scale NCTD, Mission NCTD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Group housing; residential care facility.	Not applicable.	80 sq.ft. per unit if private; 100 sq.ft. per unit if com-mon.
Valencia NCTD, 24th-Mission NCTD, SOMA NCTD	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Group housing; residential care facility for 6 or fewer.	Residential care facility for 7 or more.	80 sq.ft. per unit if private; 100 sq.ft. per unit if com-mon.
MIXED USE DISTRICTS				
CCB Chinatown Community Business, CVR Chinatown Visitor Retail, CRNC Chinatown Residential Neighborhood Commercial,	One dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Group housing; residential care facility.	Not applicable.	48 sq.ft.

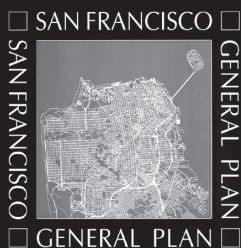
Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
RED Residential Enclave	One dwelling unit per 400 sq.ft. of lot area. (109 du/acre)	SRO units.	Residential care facility.	60 sq.ft. per unit if all private; 80 sq.ft. if common space. 36 sq.ft. per unit for live/work units.
SPD South Park	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	SRO units.	Group housing; residential care facility.	80 sq.ft. per unit; 54 sq.ft. if publicly accessible.
RSD Residential/ Service	One dwelling unit per 200 sq.ft. of lot area for projects below 40 ft; above 40 ft., density determined by conditional use process. (218 du/acre)	SRO units.	Group housing; residential care facility.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
SLR Service/ Light Industrial/ Residential	One dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	SRO units.	Group housing; residential care facility.	60 sq.ft. per unit if private; 80 sq.ft. per unit if common.
SLI Service/ Light Industrial	By conditional use only if low income; otherwise, not permitted; one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	Not applicable.	SRO units, if low income; group housing; residential care facility.	36 sq.ft.
SSO Service/ Secondary Office	By conditional use only; one dwelling unit per 200 sq.ft. of lot area. (218 du/acre)	SRO units.	Group housing; residential care facility.	36 sq.ft.
RH-DTR Rincon Hill Downtown Residential, SB DTR South Beach Downtown Residential	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Not applicable.	Residential care facility.	75 sq.ft. per unit; up to 50% may be provided off-site if publicly accessible.
MUG Mixed Use - General, MUR Mixed Use - Residential, MUO Mixed Use - Office	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	SRO units.	Student housing; residential care facility.	80 sq.ft. per unit; 54 sq.ft. if publicly accessible.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
UMU Urban Mixed Use	No density limit. 40% required to contain at least 2 bedrooms or 30% required to contain at least 3 bedrooms. (N/A)	Not applicable.	Student housing; residential care facility.	80 sq.ft. per unit; 54 sq.ft. if publicly accessible.
TB DTR Transbay Downtown Residential (Redevelopment Project Area)	No density limit. (N/A)	Group housing, residential care facility.	Not applicable.	16 sq.ft. per unit plus common space located in the center of each block
COMMERCIAL DISTRICTS				
C-2 Community Business	Dwelling at a density of the closest R district, but in no case less than one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Group housing; residential care facility.	Not applicable.	Same as the requirement for the nearest R district.
C-M Heavy Commercial	By conditional use only; dwelling at a density of the closest R district, but in no case less than one dwelling unit per 125 sq.ft. of lot area. (348 du/acre)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
DOWNTOWN COMMERCIAL DISTRICTS				
C-3-O Downtown - Office, C-3-R Downtown - Retail, C-3-G Downtown - General	Dwelling at a density of the closest R district, but in no case less than one dwelling unit per 125 sq.ft. of lot area. Higher density permitted with conditional use. (348 du/acre)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
C-3-S Downtown Support	Dwelling at a density of the closest R district, but in no case less than one dwelling unit per 125 sq.ft. of lot area. Higher density permitted with conditional use. (348 du/acre)	Group housing.	Residential care facility.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
INDUSTRIAL AND PDR (PRODUCTION, DISTRIBUTION, AND REPAIR) DISTRICTS				
M-1 Light Industrial	Dwelling at a density of the closest R district, but in no case less than one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Residential care facility.	Group housing;	36 sq.ft. per unit if private; 48 sq.ft. per unit if com-mon.
M-2 Heavy Industrial	Dwelling at a density of the closest R district, but in no case less than one dwelling unit per 800 sq.ft. of lot area. (54 du/acre)	Not applicable.	Group housing;	36 sq.ft. per unit if private; 48 sq.ft. per unit if com-mon.
PDR-1-B PDR - Light Industrial Buffer, PDR-1-D PDR - Design, PDR-1-G PDR - General, PDR-2 Core PDR – Bayview	Dwelling units or group housing not permitted. (N/A)	Not applicable.	Not applicable.	Not applicable.
PUBLIC USE DISTRICT				
P Public	Dwelling units or group housing not permitted. (N/A)	Not applicable.	Not applicable.	Not applicable.

Zoning District	Maximum Dwelling Unit Density	Other Residential Uses (Permitted as of Right)	Residential Conditional Uses (Subject to Commission Approval)	Usable Open Space Requirements for Dwelling Units
SPECIAL USE DISTRICTS (SUD)				
Van Ness SUD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
Folsom and Main Residential/Commercial SUD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
North of Market Residential SUD Subarea No. 1	One dwelling unit per 125 sq.ft. of lot area; double density provisions do not apply. (348 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
North of Market Residential SUD Subarea No. 2	One dwelling unit per 200 sq.ft. of lot area; double density provisions do not apply. (218 du/acre)	Residential care facility for 6 or fewer; group housing, boarding; group housing, religious orders.	Residential care facility for 7 or more; group housing, medical and educational institutions.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common.
Van Ness and Market Downtown Residential SUD	No density limit; density controlled by physical envelope controls of height, setbacks, open space, and exposure. (N/A)	Group housing; residential care facility.	Not applicable.	36 sq.ft. per unit if private; 48 sq.ft. per unit if common; up to 40% may be provided off-site if within the SUD or within 900 feet of the project site.
Lakeshore Plaza SUD	By conditional use only; one dwelling unit per 3,000 sq.ft. of lot area on first and second stories only; group housing is not permitted. (15 du/acre)	Not applicable.	Residential care facility.	300 sq.ft. per unit if private; 400 sq.ft. per unit if common.

DRAFT HOUSING ELEMENT



PART II: OBJECTIVES & POLICIES

AN ELEMENT OF THE GENERAL PLAN
OF THE CITY AND COUNTY OF SAN FRANCISCO

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I. SUMMARY OF OBJECTIVES & POLICIES

ISSUE 1: ADEQUATE SITES

OBJECTIVE 1

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

POLICY 1.1

Plan for the full range of existing and projected housing needs in the City and County of San Francisco.

POLICY 1.2

Work proactively to identify and secure opportunity sites for permanently affordable housing.

POLICY 1.3

Continue using community planning processes to plan for housing growth.

POLICY 1.4

Through community planning processes, establish land use controls that support efficient use of land.

POLICY 1.5

Support new housing projects on sites that are located close to major transit lines.

POLICY 1.6

Consider public health objectives when designating and promoting housing development sites.

POLICY 1.7

Include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

ISSUE 2: CONSERVE AND IMPROVE EXISTING STOCK

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS.

POLICY 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except in instances where a merger clearly supports the need for family housing.

POLICY 2.3

Prevent the destruction or reduction of housing for parking.

POLICY 2.4

Promote physical improvements and continued maintenance to existing units to ensure their long term habitation and safety.

POLICY 2.5

Encourage and support the seismic retrofitting of the existing housing stock.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

POLICY 3.2

Maintain balance in affordability of existing housing stock by protecting affordable rental units while supporting affordable moderate ownership opportunities.

POLICY 3.3

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

POLICY 3.4

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

ISSUE 3: EQUAL HOUSING OPPORTUNITIES

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

POLICY 4.1

Develop new housing, and encourage the remodeling of existing housing, for families.

POLICY 4.2

Provide a range of housing options for residents with special needs for housing support and services.

POLICY 4.3

Create housing for physically disabled and elderly occupants by including universal design principles in new and rehabilitated housing units.

POLICY 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

POLICY 4.5

Encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

POLICY 4.6

Consider environmental justice issues when planning for new housing and locating affordable and assisted housing.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

POLICY 5.1

Ensure all residents of the City of San Francisco have access to subsidized housing units

POLICY 5.2

Increase access to housing, particularly for who might not be aware of their housing choices.

POLICY 5.3

Prevent housing discrimination, particularly against immigrants and households with children.

POLICY 5.4

Provide a range of unit types for all segments of need, and work to move residents up that housing ladder.

OBJECTIVE 6

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

POLICY 6.1

Continue to pursue both short- and long-term strategies to eliminate homelessness

POLICY 6.2

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

ISSUE 4: FACILITATE PERMANENTLY AFFORDABLE HOUSING

OBJECTIVE 7

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

POLICY 7.1

Expand the financial resources available for permanently affordable housing, especially permanent sources.

POLICY 7.2

Strengthen San Francisco's affordable housing efforts by planning and advocating at regional, State and federal levels.

POLICY 7.3

Recognize the importance of operations, maintenance and services funding to the success of affordable housing programs.

POLICY 7.4

Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

POLICY 7.6

Acquire and rehabilitate existing housing to reduce resources required to provide affordable housing.

POLICY 7.7

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

POLICY 7.8

Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives.

OBJECTIVE 8

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

POLICY 8.1

Support all efforts to produce and manage permanently affordable housing.

POLICY 8.2

Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

POLICY 8.3

Create greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

OBJECTIVE 9

PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.

POLICY 9.1

Protect the affordability of units at risk of losing subsidies or being converted to market rate housing.

POLICY 9.2

Continue prioritization of affordable preservation as the most effective means of providing affordable housing.

POLICY 9.3

Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

I. SUMMARY OF OBJECTIVES & POLICIES

ISSUE 5: REMOVE CONSTRAINTS TO THE CONSTRUCTION AND REHABILITATION OF HOUSING

OBJECTIVE 10

ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION-MAKING PROCESS

POLICY 10.1

Create certainty in the development entitlement process, through housing regulations that make community parameters for development clear.

POLICY 10.2

Reduce the need for discretionary processes such as conditional use approval, and ensure an effective decision-making process that ensures adequate community review where discretion is warranted.

POLICY 10.3

Use best practices to reduce excessive time or redundancy in local application of CEQA review.

POLICY 10.4

Support state legislation and programs that promote environmentally favorable projects.

ISSUE 6: MAINTAIN THE UNIQUE AND DIVERSE CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS

OBJECTIVE 11

RECOGNIZE THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

POLICY 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and fits within existing neighborhood character.

POLICY 11.2

Ensure implementation of the good design standards in project approvals.

POLICY 11.3

Foster a sense of community through architectural design, using features that promote community interaction.

POLICY 11.4

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

POLICY 11.5

Consider a neighborhood's physical character when integrating new uses into residential areas, and restrict uses that disrupt the residential fabric.

POLICY 11.6

Reflect upon local culture, needs and values when planning for new uses and housing; strengthen each area's sense of place and history.

ISSUE 7: BALANCE HOUSING CONSTRUCTION AND COMMUNITY INFRASTRUCTURE

OBJECTIVE 12

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

POLICY 12.1

Promote new housing that is located in close proximity to transportation infrastructure, to promote transit use and environmentally sustainable patterns of movement.

POLICY 12.2

Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

POLICY 12.3

Ensure new housing shall be sustainably supported by water, sewer and power systems.

ISSUE 8: PRIORITIZING SUSTAINABLE DEVELOPMENT

OBJECTIVE 13

PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

POLICY 13.1

Support "smart" regional growth that locates new housing close to jobs and transit.

POLICY 13.2

Work with localities across the region to coordinate the production of affordable housing region wide according to sustainability principles.

POLICY 13.3

Promote sustainable land use patterns that integrates land use and transportation to increase transit, pedestrian, and bicycle trips

POLICY 13.4

Promote the highest feasible level of "green" development in both private and municipally-supported housing.



PART II. OBJECTIVES & POLICIES

Please note that this text contains only Part 2 Objectives, Policies and Implementation Programs of the Housing Element. Part 1, Data and Needs Analysis is available separately.



INTRODUCTION

Housing element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The City of San Francisco has embraced this requirement as an opportunity for a community based vision for San Francisco's future. Part 2 of the *Housing Element* sets forth objectives, policies, and programs to address the housing needs identified in Part one.

Why is Housing an Issue?

San Francisco's population continues to grow; now surpassing the 1950s population peak, with over 800,000 residents. As a hub for the region, San Francisco hosts a significant proportion of the City's jobs, as well as the core of local transportation infrastructure. Despite the recent economic impacts of the national recession, industries in San Francisco are – slowly - growing, particularly in the categories of financial and professional services, and knowledge industries such as biotechnology, digital media, and clean technology. With new employment opportunities

comes the increased demand for a variety of housing types, for a diverse population including seniors, special needs groups, homeless, individuals with AIDS, renters, and demand for a variety of housing types increase, especially as families want to stay in San Francisco as they grow.

Affordable housing is by far the most salient housing issue in San Francisco and the Bay Area. ABAG projects that at least 39% of new housing demands will be from low and very low income households (households earning under 80% of area median income), and another 22% affordable from households of moderate means (earning between 80 and 120% of area median income). The Housing Elements policies and programs offer strategies to address these specific housing demands.

Based on the growing population, and smart growth goals of providing housing in central areas like San Francisco, near jobs and transit, the State Department of Housing and Community Development (HCD), with the Association of Bay Area Governments (ABAG), estimates that San Francisco needs capacity for roughly 31,000 new units, 60%



of which should be suitable for housing for the extremely low, very low, low and moderate income households, in the next Housing Element period to meet its share of the region's projected housing demand. Because San Francisco also shares these state and regional objectives to increase the supply of housing, improve the regional jobs-housing balance, protect the environment, and promote a more efficient development pattern, this Housing Element works to meet those targets.

The City's Housing Values

In developing the 2009 Housing Element Update, the City worked closely across agencies and broadly with San Francisco neighborhoods, community organizations, housing advocates, and residents. Through a broad outreach process that included a Community Advisory Body, stakeholder sessions, over 30 community workshops, monthly office hours, and interactive web outreach including an online survey, four housing values were developed to guide the 2009 Housing Element:

1. *Prioritize permanently affordable housing.* Across the City, participants acknowledged that the cost of housing in San Francisco was an issue affecting everyone, from working families to the very poor. Thus the Housing Element focuses on creating the right type of housing, to meet the financial, physical and spatial needs of all of our residents who cannot afford market-rate housing. This requires not only creating new housing, but addressing the numerous housing types needed for San Francisco's diverse population, and preserving and maintaining the existing housing stock, which provides some of the City's most affordable units.
2. *Recognize and preserve neighborhood character.* Residents of San Francisco, from its wealthiest neighborhoods to its lower income areas, prioritized their own neighborhoods' physical and cultural character. Therefore the Housing Element recognizes that any plans for housing, from individual projects to community plans, need to acknowledge the unique needs of individual neighborhood they are located within. No individual strategies proposed in this Housing Element are appropriate universally; each needs to be considered within the neighborhood context. By using community planning processes that are driven by the input of the community itself, the City can ensure that the best qualities of neighborhoods are not only maintained, but strengthened.
3. *Integrate planning of housing, jobs, transportation and infrastructure.* Participants stressed that housing does not occur in a vacuum- that successful housing must be considered as a part of a whole neighborhood, one that includes public infrastructure such as transit, open space and community facilities, and privately provided infrastructure such as retail and neighborhood services. As one considers the needs of various household types, steps must be taken to encourage amenities required by families, such as child care, schools, libraries, parks and other services.
4. *Maintain the City as a sustainable model of development.* The City's residents recognized the City's social, practical and legislative responsibility to address housing needs from both the local and the regional perspective, given San Francisco's role as a job center

and a transit nexus. Thus, the Housing Element prioritizes increasing transit availability and accessibility, and prioritizing housing development where transit and other mode options are improved, to reduce the impacts of greenhouse gas emissions. It promotes “green” development in both new and reconstruction. It does not, however, promote growth at all costs: the Housing Element recognizes that a truly sustainable San Francisco balances housing production with other major values discussed above, in the context of affordability needs, infrastructure provision, and neighborhood culture and character.

Challenges Ahead: Balancing Goals with Resources and Realities

In an effort to plan for and respond to growing housing demands, the Planning Department has been engaged in several neighborhood specific community planning efforts throughout the City. Nine community plans – the Bayview Hunters Point, Rincon Hill, Market & Octavia, Central Waterfront, Eastern SoMa, Mission, Showplace Square/Potrero Hill and Balboa Park Area Plans, and the Visitation Valley Master & Redevelopment Plan - have been adopted since the 2004 Housing Element update. Together these recently adopted Plan Areas are projected add growth of up to 20,000 new units, which, in combination with citywide infill potential provides sites which can accommodate over 42,000 new units, as cited in Part 1 of the Housing Element. Ongoing community planning efforts, including major redevelopment plans at Mission Bay, Treasure Island and Hunter’s Point Naval Shipyard, will add even more capacity over the next 20 years.

Implementation of these plans, both on the housing and infrastructure side still requires significant planning and support. While the City has made strides in developing new housing to serve that growing population - about 18,960 new housing units were added to the City’s housing stock since 2000 - housing affordability continues to be a major concern. Even with very successful policies and programs, and an all-time high average production rate of over 2000 units per year, San Francisco achieved only 67% of its targets for very low and low production met, and a total of 47% of all affordable housing production met.¹

Because of the high cost of housing, affected by land costs, construction costs and market demand, subsidies required to provide a unit to low and very low income households ranges \$170,000 and \$200,000 per unit. At this subsidy rate, costs to meet the total need projected by the RHNA exceed \$2 billion dollars. This is significantly more than funding has allowed in previous years, and, given current economic conditions, far more than can be realistically expected in the next five and a half years.

This Housing Element addresses residential development during a period of national recession, against a backdrop of reductions in sale and rental values, backlogs of unsold units, and a lack of funding for new housing development. Working within this context, the Housing Element stresses stabilization strategies that respond to the economic downturn. Creative new context specific strategies include:

- Small-site acquisition and rehabilitation, where the City takes an active role in securing and stabilizing existing units as permanently affordable housing.
- Owner-initiated rehabilitation, where the City supports- financially or otherwise – owner or landlord initiated improvements to existing housing, particularly at-risk rental units.
- Project partnerships, fostering relationships between affordable and market rate developers on new sites, or on projects which may have stalled, to expand affordable housing opportunities.
- Providing assistance in foreclosures, including assistance to existing homeowners and working to secure foreclosed units as affordable opportunities.

However, even with these strategies the City will not likely see the development of 31,000 new units, nor is it likely to meet RHNA affordability targets for over 12,000 units affordable to low and very low income levels. While there are more than enough in-fill housing sites to meet projected housing needs, and while the policies of this Housing Element will foster further housing development, realizing the City’s housing targets would require tremendous financing – something which, given the state and local economy, private finance conditions, and overall housing market, is not likely to be available during the period of this Housing Element.

¹ Note: Other major cities, such as Oakland and Los Angeles, faced the same challenges, meeting on average only 30% of their affordability targets

For the City to be truly successful in achieving the type and amount of housing targeted by the RHNA and mandated by local and regional sustainability goals, a full partnership with the state and the region is required. Funding at the state and regional levels need to continue to consider – and prioritize – San Francisco’s share of the statewide housing, particularly its affordability challenges, when allocating funding for affordable housing and for public infrastructure. Only through this partnership, and if infrastructure and housing funding priorities are coordinated with regional growth objectives, can the City truly move towards these housing production targets.

Acknowledging Tradeoffs

The Housing Element is intended to be an integrated, internally consistent and compatible statement of policies for housing in San Francisco, based upon the goals of the citizens of the City. However, many of these goals have a natural tension between them. For example, the relationship of market rate to affordable housing can often seem competitive, and even oppositional. Yet increased levels of affordable housing cannot be achieved without the private development sector, which brings significant funding towards affordable housing and its needed services through tax revenues, inclusionary requirements and other fees. In balancing this relationship, the City needs to consider how all types of housing contribute to overall goals.

Another tension exists between the demand for more housing in San Francisco and the impact – real or perceived – that new development can have on neighborhoods. To meet local and regional sustainability goals, more housing and greater density is required, but growth needs to be shaped so that it does not occur at the expense of valued San Francisco qualities. Community plans need to balance these factors to increase housing equitably while still preserving what people love about their neighborhoods.

A final illustration is provided by the opposition between where housing opportunities, in a built-out City like San Francisco, exist; and where public infrastructure and services are already best provided. While the City’s goal is to locate housing in areas that already have access to infrastructure and services, many sites large enough for affordable housing are often found in transitioning areas. In such cases, the

City needs to seek equilibrium for housing opportunities by prioritizing increased infrastructure or services to these transitioning areas.

The purpose of this Housing Element is not to resolve all of those tensions, but to provide a framework the City can use to highlight concerns that should be balanced by decision makers, to achieve the City’s stated housing goals.

The Document

The *objectives* and *policies* that follow are intended address the State’s objectives and the City’s most pressing housing issues: identifying adequate housing sites, conserving and improving existing housing, providing equal housing opportunities, facilitating permanently affordable housing, removing government constraints to the construction and rehabilitation of housing, maintaining the unique and diverse character of San Francisco’s neighborhoods, balancing housing construction with community infrastructure, and sustainability. Each set of objectives and related policies is accompanied by *implementing programs* – a detailed schedule of actions that will implement the housing element including timelines, steps, projected outcomes and entities responsible for each action. Also, each set of objectives and policies is followed by a series of *strategies for further review* – ideas which were raised over the course of the Housing Element development and outreach, which require further examination, and potentially long-term study, before they can be directly implemented. These strategies will be examined in more detail with the appropriate agencies over the course of the draft Housing Element’s review, to determine if such strategies are possible and can be pursued as implementation programs.

ISSUE 1: ADEQUATE SITES

OBJECTIVE 1

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

Even during declining economies, housing demand in San Francisco continues. Families continue to expand, life expectancy has increased, and more people seek to live closer to where they work. This need for housing comes from households of all income levels.

In an attempt to manage the regional growth and accommodate projected housing needs throughout the Bay Area, the Association of Bay Area Governments (ABAG) allocates a number of housing units at various income levels to each community in the region for the purposes of the Housing Element, based on projected job growth. ABAG has allocated more than 31,000 new housing units in City and County of San Francisco through the year 2014, with over 60% of those units required to be affordable to households of moderate income (defined as 120% of Area Median Income) or below.

Reaching these ABAG goals will require the implementation of a number of strategies, including the construction of new particularly permanently affordable housing, for which land must be identified. Housing sites must be considered carefully in order to make the most of a limited



land supply while ensuring that new housing is in keeping with existing neighborhood character particularly sites for which must meet specific development criteria implementing continuing Planning efforts need to explore strategies for efficient development of housing, including continued planning in areas of the City undergoing residential growth, and new planning efforts in areas where growth is expected and appropriate.

Specific criteria should be considered when planning for, and securing, sites for housing. To enable easy access and movement throughout the City, housing should be located close to transit, and to other necessary public infrastructure such as schools, parks and open space, as well as quasi-public or privately provided services such as child care and health facilities. To enable efficient site development, as well as access to retail and services, housing should be located throughout the City in a mixed-use fashion. To ensure the health of residents, housing should be located away from concentrations of health-impacting land uses.

New housing, however, is not the only answer to addressing housing needs in San Francisco. Other strategies, such as retention of existing units, and making such units permanently affordable, as discussed in Objectives 2 and 3 of this Element, will help meet many of the City's housing affordability goals.

POLICY 1.1

Plan for the full range of existing and projected housing needs in the City and County of San Francisco.

In order to increase the supply and affordability of housing, the Planning Department has been engaged in several community planning projects throughout the City. Areas were selected for these efforts because they were located near major public infrastructure, such as transit, and/or because of site opportunities, such as large areas of underdeveloped land or transitioning land uses. Completed planning efforts include the areas included in the Better Neighborhoods program, such as Balboa Park, Market and Octavia and the Central Waterfront neighborhoods; the Eastern Neighborhoods program including the Mission, South of Market area, Showplace Square and Potrero Hill; and adoption of a several Redevelopment Areas, most recently Visitacion Valley/Schlage Lock. Continuing projects include Japantown, Glen Park, the Northeast Embarcadero Study, and a number of planning projects in the South-

east sector of the City, including the Bayview Hunters Point Plan, Candlestick / Hunters Point, and India Basin Shoreline Community Planning Process. These projects will result in specific zoning changes and impose design guidelines that will encourage housing development in appropriate locations throughout San Francisco.

Together, these planning efforts could provide capacity for significantly more units than are projected for this planning period (2007-2014); however continued efforts will be needed to ensure that the actual growth includes the mix of housing types, tenures and affordability needs that exist currently, and that are projected in the future.

POLICY 1.2

Work proactively to identify and secure opportunity sites for permanently affordable housing.

While in previous years land prices have dramatically increased annually, current land prices seem to have stabilized. While it is difficult to assume how long this period will last, these stabilized land prices provide opportunities for permanently affordable housing development that should be aggressively pursued.

Publicly-owned land offers unique opportunities for development of affordable housing. To keep apprised of publicly owned land that could be used to meet affordable housing needs, the City should regularly review its inventory of surplus, vacant or underused public property, through an annual reporting process that provides such information to the Mayors Office of Housing. City property no longer needed for the purpose for which it was acquired, such as public offices, schools or utilities should be considered for sale or lease for development of permanently affordable housing. Where sites are not appropriate for the development of affordable housing, revenue generated from sale of surplus lands should continue to be channeled into the City's Affordable Housing Fund under the San Francisco Administrative Code Sections 23A.9 - 11.

The City's land-holding agencies should also look for creative opportunities to partner with affordable housing developers, such as identifying buildings where air rights may be made available for housing without interfering with their current public use; sites where housing could be located over public parking, transit facilities or water

storage facilities; or reconstruction opportunities where public uses could be rebuilt as part of a joint-use affordable housing project. For example, the new Glen Park library exemplifies the compatibility of public functions with other uses such as housing and neighborhood serving commercial uses... Agencies should also look for opportunities where public facilities could be relocated to other, more appropriate sites, thereby making such sites available for housing development. For example, certain Muni fleet storage sites located in dense mixed-use or residential areas could be relocated, thereby allowing in-fill mixed use or residential development.

The City should proactively seek sites for affordable housing development by buying developments that are no longer moving forward towards completion. This may include properties that have received some or all City land use entitlements, properties that have begun construction but cannot continue, or properties that have completed construction, but whose owners must sell. The City should pursue such opportunities when they occur as funding is available.

POLICY 1.3

Continue using community planning processes to plan for housing growth.

Community plans are an opportunity for neighborhoods to work with the City to develop a strategic plan for their future, including housing, services and amenities. Such plans can be used to target growth strategically to increase infill development in locations close to transit and other needed services. As noted above, the City has already done



significant community planning to accommodate projected growth. Ongoing community planning efforts including Treasure Island, Transbay Terminal, Candlestick Park, Bayview Redevelopment Area, Hunters Points Shipyard, Japantown, and Glen Park should be completed. The City has already invested considerable resources in the development of these community plans and it should prioritize the completion of these efforts.

Areas for future planning for the next Housing Element planning period (2014-2021) should be based on established planning principles, such as locations with necessary public infrastructure and neighborhood amenities, and where site opportunities exist, such as undeveloped (or underdeveloped) areas where residential use is appropriate or appropriate at higher densities. Criteria for initiation of new planning efforts should include locations near major transportation investments or future funded improvements and major opportunity sites. New planning efforts should also aim for a fair distribution of growth, so as not to disproportionately burden certain areas of the City.

Currently, all major planning processes are initiated by direction from the Planning Commission, the Board of Supervisors, and/or the Mayor's Office, primarily through adoption of the Department's annual Work Program, part of the annual City budget process. The Department's Work Program allows citizens to know what community planning the Department is currently working on, or will be working on in the near future. The Planning Department should use the Work Program as a vehicle to inform the public about all of its activities, and should publish and post the Work Program to its web page, and make it available for review at the Department.

Any successful community planning process requires adequate outreach and communication. To assure that the Planning Department, and other agencies involved in land use approvals conduct adequate community outreach, and that the communities are aware of the Department's commitment to work collaboratively on community planning efforts, changes to land use policies and controls should be accomplished only after an open and publicly noticed process.

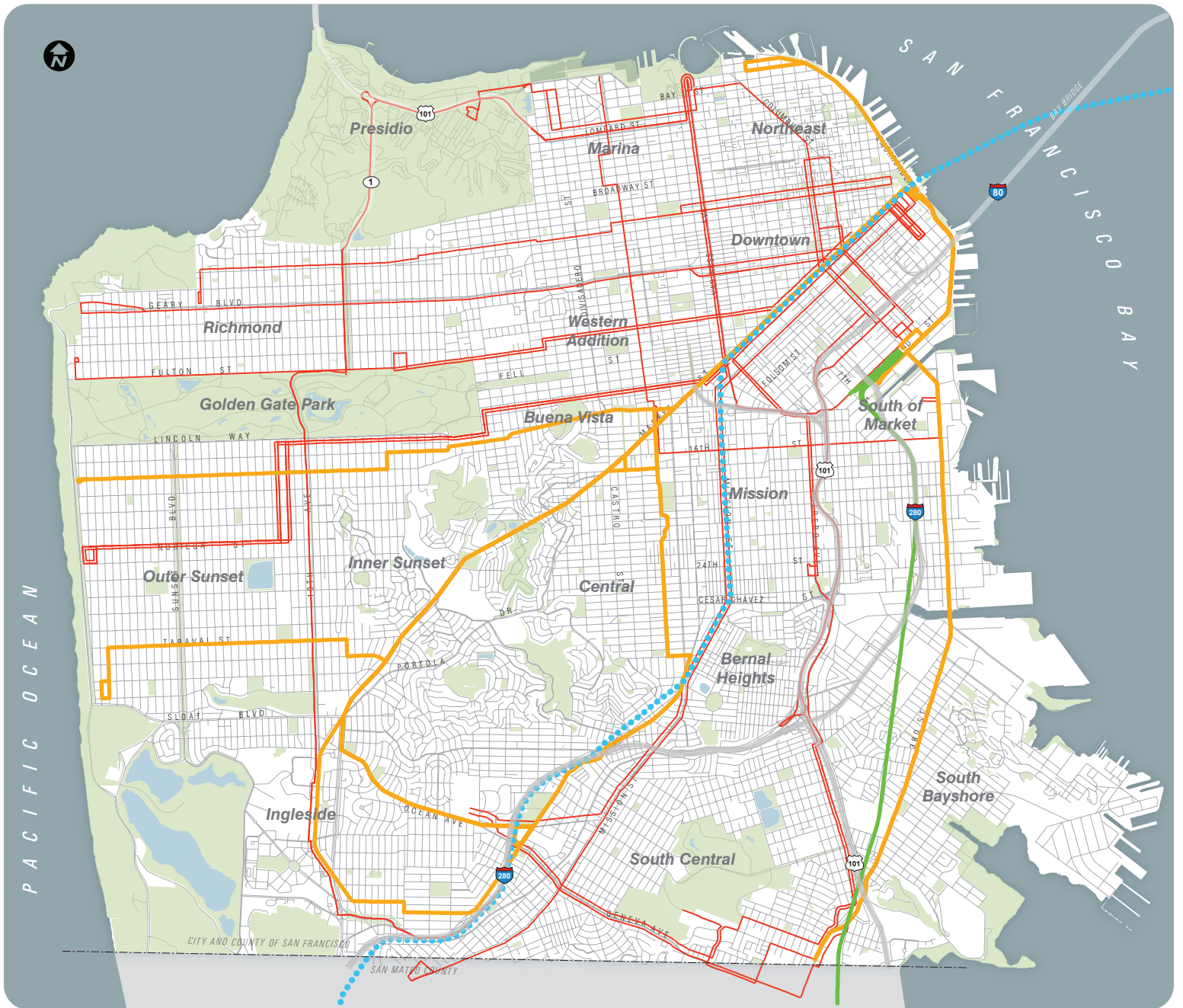
POLICY 1.4

Through community planning processes, establish land use controls that support efficient use of land.

Efficient use of land enables additional housing, promotes walkability, supports transit use and preserves open space. There are a number of planning and zoning strategies that can foster efficient site development. Increased heights, higher densities, compact building patterns and inclusion of secondary units are all strategies that have been used throughout the City to foster well-organized land use. Such strategies, when correctly implemented, can give San Francisco's more urban neighborhoods the zoning and design tools to ensure that development is efficient, attractive, pedestrian friendly and contributes to a thriving community. These strategies can enable growth to be sited thoughtfully, along transit nodes and in neighborhood centers, and shaped appropriately, with pleasing building scales that relate to the width of the street, the character of the existing built fabric, and the activity of the environment. In particular, code changes that regulate building density by height, bulk and setback requirements, rather than by limits on the number of units allowed, ensure that the form of housing is sculpted to be in context with established neighborhood character.

However, all of these strategies are not appropriate in all locations – it is important that zoning and design tools be reviewed in the context of their applicability and appropriateness to a given neighborhood. Therefore, within each individual community planning process, the Planning Department should study existing conditions, looking at factors such as infrastructure, existing heights and densities, composition of the built fabric, historic structures and neighborhood character. Completion of such a study will allow the Department to determine how strategies that increase capacity for housing would work within neighborhood specific context.

Secondary units (also called “accessory units”, “in-law units” or “granny flats”) represent a simple and cost-effective method of expanding the housing supply, because they can be located efficiently on existing residential lots without requiring the owner to subdivide the property; can be constructed inexpensively when such units are located



Major Transit Lines

0 Miles 1

MAP 01

- BART
- Muni Metro
- Caltrain
- TEP Rapid Network (Bus)

in already existing structures; and can meet the needs of low-income households or seniors because of their typically lower rents. Secondary units are allowed in all of the City's zoning districts, except for RH-1 areas. Given concerns about secondary units' impacts on neighborhood character and about increased parking demands, allowing secondary units in RH-1 districts should be considered only during the community planning process, and allowed where there is demonstrated community support, and where such units can conform to minimum Code standards of safety and livability.

POLICY 1.5

Support new housing projects on sites that are located close to major transit lines.

San Francisco enjoys an extensive network of transit lines, including a number of major transit lines that provide nearby residents with the opportunity to move about the City without need of a car. Because of proximity to transit, some 29% of the City's households do not own cars and 33% of San Franciscans take public transit to work, with higher rates for households in transit-rich areas. Infill housing in transit-rich areas provides a cost-effective solution for lower income residents and for those who do not own cars, particularly if parking is not included or required. Locating new housing along transit-served areas supports the City's *Transit First* policy and discourages car dependency. More importantly it provides site-efficient and cost effective housing solutions.

However, it is important to distinguish areas that are "transit-rich," and located along major transit lines, from those that are simply served by transit. For the purposes of this Housing Element, "major transit lines" are defined as those that have significant ridership and comprehensive service – meaning almost 24-hour service with minimal headways. This network of major transit lines includes BART's heavy rail lines, MUNI Metro's light rail system including the E, J, K, L, M and N lines, and Muni's major arterial, high-ridership, frequent service local network lines. These lines are defined and prioritized in Muni's Transit Effectiveness Project (TEP) as the "24-hour Rapid Network," and will be slated for long-term improvements. These transit lines are slated to receive funding and service increases which will make it easier to meet service demands as well as increase the ability to travel both downtown and between neighbor-



hoods. Therefore, the Department should support housing projects along these major transit lines that are consistent with all current zoning. A map of these major transit lines is attached as Map II-1: Major Transit Lines.

POLICY 1.6

Consider public health objectives when designating and promoting housing development sites.

A healthy neighborhood has a balance of housing and the amenities needed by residents at a neighborhood level, such as can neighborhood serving retail, particularly stores offering fresh produce, childcare and medical services. Therefore, community planning efforts in areas that do not already have a healthy mix of services should include requirements, incentives or bonuses to encourage necessary amenities as appropriate.

Land use and transportation planning decisions are directly related to environmental health and justice issues in San Francisco. For example, SFDPH environmental health inspectors frequently observe that families live in housing conditions that cause a variety of health outcomes such as asthma and lead poisoning. Understanding the impacts of past uses on the soil, the proximity to currently operating heavy industrial uses, and the surrounding air quality are critical when developing housing.

In 2007 the San Francisco Department of Public Health completed the Healthy Development Measure Tool (HDMT) which proposes a system to evaluate the health impacts of the Eastern Neighborhood Area Plan and related projects. The HDMT proposes a checklist for evaluating a

range of project types from smaller housing developments to neighborhood wide community plans. The HDMT covers six topics: environmental stewardship, sustainable and safe transportation, public infrastructure (access to goods and services), social cohesion, adequate and healthy housing, and a healthy economy, with over 100 benchmarks in total. The level of analysis the tool provides can be very useful in developing housing policy and programs for a large area, as it can aide in identifying gaps in services and amenities to be addressed at a policy level. Because of HDMT tool's breadth, it is important that it be used in the appropriate context. Therefore the HDMT should be used to provide a general review of overall context, particularly in the development of community plans.

POLICY 1.7

Include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

San Francisco has a strong tradition of mixed-use neighborhoods, which enabled its early residents to take advantage of the City's rich mix of services and amenities on foot and by transit. Today, mixed-use buildings in San Francisco allow residents to live above street-front commercial space, services or institutional uses, and in certain instances allows residents to live where they work. Housing should



continue to be considered as a joint use with all compatible non-residential housing types. While separation of some uses will always be required to protect public health, the majority of the City's non-residential uses, such as retail, services and workplaces, not only make sense with, but can be improved by, the inclusion of housing.

The construction of new commercial or other non-residential development projects increase the City's employment base, thereby increasing the demand for housing. The City's Jobs-Housing Linkage Program, which collects fees for affordable housing production from commercial developments, should continue to be enforced and monitored. The fee structure should also be reviewed regularly to ensure that developers continue to contribute adequately to the costs created by the demand for housing caused by their projects.

Similarly, institutions of higher education provide needed services and contribute to the intellectual and cultural life of the City, while at the same time create a demand for housing by students, which can pressure on existing housing stock. Higher educational institutions should assist in the provision of additional housing to meet this demand, and the City should support new construction of student housing that could reduce pressure on the existing housing stock.

Implementation Measures

To achieve the City's objective to identify and make available adequate sites for development in order to meet the City's housing need, the City will implement the following measures:

1. Planning staff shall provide data to the Planning Commission on the expected unit type and income level of any proposed projects or area plans under review, including how such units would address the regional housing needs production goals.
2. Planning shall continue to make data on housing production available to the public through the annual Housing Inventory.
3. All agencies subject to the Surplus Property Ordinance, San Francisco Administrative Code Sections 23A.9 - 11, shall annually report on the availability of surplus property to the Department of Real Estate and the Assessor's Office, for use by

- the Mayor’s Office of Housing (“MOH”) in MOH’s continuing evaluation of surplus land for suitability for affordable housing development potential. To the extent that land is not suitable for housing development, the City should sell surplus property and use the proceeds for affordable housing development for homeless people consistent with the Surplus Property Ordinance.
4. MOH shall continue to actively pursue surplus or underused publicly-owned land for housing potential, working with agencies not subject to the Surplus Property Ordinance such as the San Francisco Public Utilities Commission, SFUSD and the Municipal Transportation Agency to identify site opportunities. City agencies shall continue to survey their properties for affordable housing opportunities or joint use potential.
 5. Consistent with the SFMTA’s Climate Action Plan, MOH shall work with MTA to identify Muni sites that can serve as potential housing sites.
 6. The Redevelopment Agency shall continue to set-aside sites in redevelopment areas for affordable housing development.
 7. Planning, Redevelopment and MOEWD shall complete long range planning processes already underway: Japantown, Glen Park, the Northeast Embarcadero Study, the Bayview Hunters Point Plan, Candlestick / Hunters Point, India Basin Shoreline Community Planning Process, Treasure Island and Hunter’s Point.
 8. Planning shall publish its annual work program, citing all community planning processes that are to be initiated or are underway. This annual work program shall be located on the Department’s website.
 9. At the initiation of any community planning process, the Planning Department shall notify all neighborhood organizations that have registered with the Planning Department on its Neighborhood Organization List and make continued outreach efforts with all established neighborhood and interest groups in the area of the City under consideration.
 10. At the conclusion of any community planning process, any corresponding implementation measures that result from the process, including revisions to zoning, public benefits programs, implementation plans, review procedures, and new Planning Code provisions, may be adopted only if the Planning Commission finds that the community planning process has entailed substantial public involvement.
 11. Planning shall require integration of new technologies that reduce the space required for non-housing functions, such as parking, and shall consider requiring parking lifts to be supplied in all new housing developments seeking approval for parking at a ratio of 1:1 or above.
 12. When considering legalization of secondary units within community planning processes, Planning shall develop a Design Manual that illustrates how secondary units can be developed to be sensitive to the surrounding neighborhood, to ensure neighborhood character is maintained. .
 13. Planning staff shall prioritize support for projects which are located within a reasonable walking distance of stops along major transit lines, including BART, MUNI rail lines and Muni’s “ 24-hour Rapid Network”.
 14. Planning shall continue to impose requirements under the Jobs Housing Linkage Program, and shall work with new or expanding commercial and institutional uses to plan for the related housing need they generate.
 15. Planning shall work with DPH to tailor the use of the Healthy Development Measurement Tool (HDMT) in development of neighborhood or citywide plans to be effective given the tradeoffs inherent in achieving affordable housing, and utilize the information received in the development of policy and programs.
 16. Planning shall continue to implement City requirements for Institutional Master plans (Section 304.5 of the Planning Code) to ensure that institutions address housing and other needs, with full participation by the Planning Commission, community and neighborhood organizations, other public and private agencies and the general public.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- MOH should explore programs that promote donation of land for affordable housing development to the City, including community land trust programs. One possibility may be the review of programs that could allow the donation of real estate as a charitable contribution, similar to the Conservation Tax Incentive promoted by the Trust for Public Land for open space purposes, where taxpayers can deduct up to 50% of adjusted gross income (AGI) for donations or bargain sales of qualified conservation easements.
- Planning should continue to explore area-specific strategies to maximize opportunities for affordable housing, such as identifying affordable housing site opportunities, or developing additional inclusionary measures that are tailored to particular neighborhoods, within community planning processes,
- Planning should explore methods for promoting increased mixed uses, including the consideration of requiring conditional use authorization for single-use development projects in mixed use zoning districts, (such as Neighborhood Commercial zoning districts).

A Model of Efficient Site Development: HOPE SF

HOPE SF is a local initiative, jointly managed by the San Francisco Housing Authority and the Mayor's Office of Housing, to rebuild many of San Francisco's public housing communities. HOPE SF grew out of the federal initiative called HOPE VI (Housing Opportunities for People Everywhere), with the goal of transforming public housing developments from large, disconnected developments into mixed income, mixed use neighborhoods. These new neighborhoods will provide a range of housing options that will allow residents throughout various phases in their life to move up the housing ladder, and include community building components that will assist in moving households from crisis to stability and economic advancement.



There are currently 4 HOPE SF projects currently underway, with an additional 3 sites anticipated over the next decade. The land that once held nearly 2,500 public housing units will be developed with 6,000 housing units (at one-for-one replacement of public housing), parks, and other necessary amenities to make a neighborhood whole. This model of development demonstrates how land can be redeveloped in a way that provides more housing than existed previously, while simultaneously adding needed neighborhood amenities. This transformation is taking advantage of under utilized land that existed around the public housing units and reconfiguring the physical layout of the development, as well as carving out specific locations for parks and amenities such as child care centers.

ISSUE 2: CONSERVE AND IMPROVE EXISTING STOCK

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS.

The majority of San Francisco's housing stock is over 60 years old – important cultural and housing assets that the City must think strategically about to protect for future generations. Nearly all of San Francisco households will make their home in the existing housing stock – RHNA goals represent less than one percent of the existing housing stock. Therefore, conserving and improving the existing housing stock is critical to San Francisco's long term housing strategy. Retaining the existing housing stabilizes the diversity of housing types in the City and reduces the needs for resources to fund and build new housing. Policies and programs under this objective facilitate conservation and improvement of the variety of unit types in the City and the physical conditions of the units.

Housing maintenance includes routine maintenance, major repair projects, and preventive care – especially seismic work. The health of the existing housing stock requires that all types of maintenance be pursued to the extent possible, while not overburdening on low-income groups, resulting in displacement or exceedingly high housing costs. The physical condition and seismic sustainability of the existing stock is of particular local concern.

POLICY 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

Demolition of existing housing often results in the loss of lower-cost rental housing units. Even if the existing housing is replaced, the new units are generally more costly for residents. Demolition often results in displacement of residents, causing personal hardship and relocation problems.

Older housing stock should only be considered for demolition and replacement when the resulting project results in a significant increase in housing units – for instance when structures are not built to or near the zoned capacity.

San Francisco's Planning Code and Planning Commission guidelines require public hearing and deliberation for demolition of units, discourage the demolition of sound housing stock, especially historically significant structures, and require that replacement projects be entitled before demolition permits are issued. The City should continue to discourage the demolition of existing housing that is sound or can be rehabilitated, particularly where those units provide an affordable housing resource. In many neighborhoods shopping areas, conversions of upper floor housing units to non-residential use are allowed, but subject to conditional use review. Under such review, the desirability of retaining the housing should be weighed against the public benefits to be gained by the alternative, non-residential use. As a general rule, conversion should be considered only for needed neighborhood serving commercial activities that cannot reasonably locate elsewhere in the commercial district. Similarly, in downtown commercial districts, conversion of upper-floor housing units to non-residential use should be subject to conditional use review.

POLICY 2.2

Retain existing housing by controlling the merger of residential units, except in instances where a merger clearly supports the need for family housing.

San Francisco's building types and high pressure market make it particularly vulnerable to both subdivisions and unit mergers in response to short term market trends. The City must protect the existing units and their relative affordability while recognizing the need for some flexibility to support family housing. Merging of two units, especially small units, can allow a family to grow without leaving their community. Yet mergers also result in a net loss of housing units in the City, where the resulting unit is often less affordable, thus amplifying both problems of housing supply and affordability. All proposals to merge units should be carefully considered within the local context and housing trends to assure that the resulting unit responds to identified housing needs, rather than creating fewer, larger and more expensive units.

POLICY 2.3**Prevent the removal or reduction of housing for parking.**

Maintaining existing space in buildings that is dedicated to housing reduces the need for the production of new housing to support existing and future households. The more habitable space in a structure, the greater the ability of the structure to adapt to a variety of lifecycles, and the more flexibility provided for the growth of families. Space currently dedicated to housing people should not be converted into parking. Furthermore, the City should encourage the conversion of ground floor space to housing, provided such a conversion does not impact the long term seismic sustainability of the existing structure.

POLICY 2.4**Promote physical improvements and continued maintenance to existing units to ensure their long term habitation and safety.**

As the City's housing stock ages, maintenance becomes increasingly important. The majority of San Francisco housing is more than 60 years old. Property owners should be encouraged and supported in efforts to maintain and improve the physical condition of housing units. Maintenance is generally the responsibility of property

owners, with the City enforcing appropriate seismic and safety standards. But in some circumstances such as low income homeowners, senior homeowners, or neglected or abandoned property, the City should take a more active role through funding and programs in order to facilitate maintenance and improvements and ensure the long term habitability of the housing stock.

Although code enforcement should be actively pursued, flexibility should be granted to low-income households where Code violations do not create a public safety hazard. Legalization of existing secondary units should be considered, where Code violations do not create a public safety hazard, in exchange for designating the unit permanently for senior or affordable housing.

POLICY 2.5**Encourage and support the seismic retrofitting of the existing housing stock.**

Where San Francisco to experience a major earthquake it is estimated that 8,600 to 100,000 housing units could be in jeopardy. Seismic retrofitting of the existing housing stock ensures that immediately after an earthquake residents will have a place to live, and that after minor repairs most or all residents can return to their homes.

Neighborhood Preservation: Chicago's Upkeep and Repair Services Program

As residents age it often becomes harder and harder to upkeep a home. The City of Chicago in partnership with local non-profit HOME (Housing Opportunities and Maintenance for the Elderly) has established a program for elderly residents to receive assistance with regular maintenance tasks around their home. This program provides senior residents, on a fixed income, help with small project around their home. Types of repairs include: light plumbing, replacing faulty light fixtures or switches, repairing or maintaining weather stripping and caulking. They also encompass incorporating universal design retrofits, such as installing handicap access grab bars and railings and other similar repairs. Last year \$300,000 in funding (from both the City of Chicago and private foundations) made 720 repairs possible in the homes of 407 low-income elderly homeowners.



The City should prioritize public resources to address the most imminent risks: 1) structures at high risk of collapse and therefore pose the highest public safety risk, such as soft-story buildings; 2) structures that house low income or vulnerable populations; and 3) structures that are vulnerable due to construction type. DBI should focus seismic upgrade programs towards vulnerable geographies and soils types (as identified by CAPPs), populations (areas with low median incomes or high population of seniors) and building types (older, rent-controlled and soft story).

The City should also continue to educate and assist property owners in their efforts to make seismic safety improvements. Currently property owners can find information on DBI's earthquake preparedness website, attend lunchtime talks, or reference the Seismic Safety FAQ for building owners sheet.

Implementation Measures

To achieve the City's objective to retain existing housing units, and promote safety and maintenance standards, the City will implement the following measures:

17. Planning shall continue to implement the recently adopted Planning Code Section 317, which codifies review criteria for allowing housing demolition, conversion and mergers, amend it when necessary, and shall continue to apply Section 311 of the Planning Code to deny residential demolition permits until approval of a new construction permit is obtained. Planning shall also continue to require that all publicly subsidized housing units be replaced one for one.
18. Planning shall continue to require Discretionary Review (DR) for all dwelling unit merger applications.
19. Planning shall amend existing Historic Preservation bulletins and Residential Design Guidelines to discourage the reduction of habitable or potentially habitable space for parking.
20. Through the Community Action Plan for Seismic Safety (CAPSS), DBI shall develop and adopt a program which mandates seismic upgrades for "soft-story" buildings.
21. The Department of Building Inspection (DBI) shall continue to provide educational programs to assist property owners with non-structural improvements that assist in long-term safety, such as securing water heaters and developing household emergency plans.
22. DBI shall continue to provide and improve public information materials for residents and property owners about best practices and programs to maintain and enhance their home(s), including advertising of funding sources. DBI shall provide language translation of all materials, and shall explore methods of working through neighborhood organizations to expand knowledge about programs.
23. The Mayor's Office of Neighborhood Services shall expand the capacity of the Neighborhood Empowerment Network, a partnership of City Agencies, local non profits and committed community leaders, to share information to prepare homeowners and residents for natural disasters.
24. DBI shall continue to ensure that residential units meet building code standards by responding to complaints and through periodic inspection.
25. MOH shall evaluate and enhance the CHRP rehabilitation program to facilitate housing acquisition and maintenance projects for low-income households.

Strategies For Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- Planning should evaluate the net impact of permitting unit mergers for the creation of family housing.
- DBI should consider additional programs that support voluntary home maintenance and seismic retrofitting, including expedited plan review and fee rebates.
- MOH and DBI should explore methods to, and seek funding for, programs that can increase maintenance and safety standards while not unduly increasing rents or displacing low-income households, such as a City-funded loan program aimed at meeting the needs of lower-income owners, similar to Chicago's H.O.M.E.'s Upkeep and Repair Services Program.

- The BIC should evaluate the current uses of the Code Enforcement Rehabilitation Fund (CERF) and determine whether the program could be improved or expanded.
- As a part of the CAPPs Program, DBI should evaluate the need for revisions to the San Francisco Building Code; the need for the retrofit of designated shelters or the determination of alternate seismically safe locations; and the need for mitigation programs for critical non-ductile concrete buildings.
- DBI should evaluate alternative uses of the Seismic Safety Loan Program, and consider making it available for use in rehabilitating properties for conversion to limited-equity housing cooperatives.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

San Francisco is a city of renters – which enables incredible diversity of age, income, and household type. Students, young professionals, artists, new families, low income households, and many others rely on the availability of rental housing to live in San Francisco. The City’s market-rate rental units generally provide moderately priced housing options, while rent controlled units and permanently affordable rental units meet needs at lower income levels. Thus the availability of sound and affordable rental housing is of major importance to meet the City’s housing needs of those who tend to rent their residences and cannot afford to own housing.

Regulations protecting the affordability of the existing housing stock have traditionally focused on rental housing, such as rent control and its associated tenants rights laws, and condominium conversion limits. Both rent control and condominium conversion limits evoke an impassioned public discussion around housing rights, private property rights, and quality of life in San Francisco. This discussion warrants continued public engagement in the ongoing effort to provide a balance of housing opportunities to support San Francisco’s diverse population.

POLICY 3.1

Preserve rental units, especially rent controlled units, to meet the City’s affordable housing needs.

Sixty-two percent of San Francisco’s residents are renters. In the interest of the long term health and diversity of the housing stock the City should work to preserve this approximate ratio of rental units. The City should pay particular attention to rent control units which contribute to the long term existence and affordability of the City’s rental housing stock without requiring public subsidy, by continuing their protection and supporting tenant’s rights laws. One strategy that can aid in preserving these units, further discussed under Policy 7.6, is acquiring and rehabilitating such units for permanently affordable housing. Efforts to preserve rental units from physical deterioration include programs that support landlord’s efforts to maintain rental housing such as: maintenance assistance programs, programs to support and enhance property management capacity, especially for larger companies, and programs to provide financial advice to landlords.

POLICY 3.2

Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

The intent of maintaining a balance of housing opportunities is to maintain housing for a diversity of household types and income categories.

Units in limited equity cooperatives remain affordable because they are deed-restricted to an affordability level, so that the owner can sell his/her unit for a price up to that maximum affordability level. Opportunities to create affordable homeownership opportunities through programs such as limited equity cooperatives should be supported.

Limited conversions of rental stock to condominiums also help achieve affordable homeownership, providing a category of housing stock for moderate income housing needs. Thus, while the City needs to consider the impact of conversion of rental units to ownership status, as it will impact preservation of rental units, this issue should be balanced with the need for a diversity of housing choices. Conversion of rental housing to time share or corporate suite use should be prohibited.

POLICY 3.3**Preserve “naturally affordable” housing types, such as smaller and older ownership units.**

A review of current sales prices reveals that new homes are priced considerably higher than existing, older housing stock. This is particularly true of smaller units, such as the mid-century construction in certain lower density residential neighborhoods. These housing units provide a unique homeownership opportunity for new and smaller households. While higher density housing generally results in more shared costs among each unit, the pre-existing investment in lower density housing generally outweighs the benefits of higher density in terms of housing affordability. To the extent that lower density older housing units respond to this specific housing need, without requiring public subsidy, they should be preserved. Strategies detailed under Objective 2, to retain existing housing units, and promote their life-long stability, should be used to support this housing stock.

POLICY 3.4**Retain permanently affordable residential hotels and single room occupancy (SRO) units.**

Residential or single-room occupancy hotels (SROs) offer a unique housing opportunity for lower income elderly, disabled, and single-person households. The proximity of most SROs to the downtown area has fueled pressure to convert SROs to tourist hotels. In response to this, the City adopted its Residential Hotel Ordinance, which regulates and protects the existing stock of residential hotels. This ordinance requires permits for conversion of residential hotel rooms, requires replacement on a 1 to 1 level, and requires 80% of the cost of replacement to be provided to the City in the case of conversion or demolition.

Residential hotels located in predominantly residential areas should be protected by zoning that does not permit commercial or tourist use; in non-residential areas, conversion of units to other uses should not be permitted or should be permitted only where a residential unit will be, or has been, replaced with a comparable unit elsewhere. For those hotels that are operated as mixed tourist/permanent resident hotels, strict enforcement is needed to ensure that the availability of the hotel for permanent residential occupancy is not diminished. City programs should support the retention of residential hotels, restrict conversions and demolitions, and require mitigations to any impacts on the affordable housing stock.



Implementation Measures

To achieve the City's objective to retain existing housing units, and promote safety and maintenance standards, the City will implement the following measures:

26. DBI and DPW shall continue to moderate the conversion of rental housing to tenancies in common.
27. Planning shall continue to enforce the Residential Hotel Unit Conversion and Demolition Ordinance.
28. The Department of Health and Human Services (HSA) shall continue to facilitate the transfer of residential hotels to effective non-profit housing organizations; and HSA, DPH, and MOH should develop programs that further encourage non-profit operation of SROs.
29. MOH shall implement the Small Site Acquisition and Rehabilitation program using inclusionary in-lieu fees to enable non-profits to acquire existing rental properties under 25 units for long-term affordability; and shall explore other methods of support, such as low-interest rate financing and technical assistance for small site affordable development.

Strategies For Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- The City should evaluate the role of rent-controlled units in meeting affordable housing needs, in order to develop policies that effectively continue their protection, and possibly implement requirements for their replacement. As part of this work, the City should consider pursuit of state legislative efforts that eliminate housing displacement pressures.
- The Rent Board should explore requiring proof of full-time residency for rent controlled units, to ensure they are fully occupied and not used as a second home, pied-à-terre or executive housing.
- The City should continue to monitor the effectiveness of current condominium conversion restrictions intended to moderate conversion and maintain supply of affordable rental housing in the City.
- MOH, SFRA HHS and DPH should explore how to expand the creation of permanently affordable units for single person households, particularly outside of well-served locations such as the Tenderloin and SOMA.
- MOH, SFRA and DBI should work cooperatively with affordable housing groups to identify and develop tools that would facilitate rehabilitation of at-risk rental units on an ongoing basis.

ISSUE 3: EQUAL HOUSING OPPORTUNITIES

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

Population diversity is one of San Francisco's most important assets; San Francisco's residents span ethnicities, income levels, household types and sizes. Supporting household diversity requires the City support a variety of housing opportunities, so that everyone has the opportunity to live in a suitable home that they can afford

A diverse housing stock provides housing for people throughout their lifecycle, as they move from being a single household, to families with children, to aging and elderly. It accommodates different types of households, from traditional married couples to cooperative living households, from female-headed households to multigenerational families with adult children who live at home. It provides a range of housing options for people's varying needs, which might span illness, disability, or unique supportive service needs. Designing housing that can accommodate all physical abilities is critical to maintaining housing diversity.

A diverse housing stock provides unit types that span financial abilities as well as personal choice, in diverse, economically integrated neighborhoods that offer a positive quality of life. Households should be able to choose the form of tenure most suited to their needs, from either a rental or an ownership housing stock. And they should be able to find suitable, affordable places to live in healthy neighborhoods, free from concentrations of pollutants such as aging industrial uses, power plants, and sewage treatment facilities.

POLICY 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

Families with children are very much part of the City's vitality and diversity. While currently families with children constitute a small portion of San Francisco households,

with only 12% of the City's total population being 14 years old and younger, the changing demographics of the City illustrate that the need for family housing is growing, as larger, extended families increase and as more and more households desire to stay in the City as they have children.

Much of the new housing constructed in the last decade was smaller studios and one-bedroom units. New multi-bedroom units are often too expensive for the average San Francisco family. Many large families, especially those newly immigrated to the United States, are crowded into units designed for much smaller households. As a result, San Francisco's families with children are leaving or are experiencing overcrowded conditions that can negatively impact health and safety.

While all agencies in the City acknowledge the need for housing for families with children, particularly low and very low family needs, there still is no accepted definition across the City on what, exactly, defines family housing. The Department of Children Youth and Families has developed a number of recommendations for action towards family housing, including a proposed working definition of family-friendly housing. This work should be codified into a formal city definition that can be used to shape housing requirements, and inform housing project approvals, in new housing construction.

Recent community planning efforts promote the construction of new housing for families by requiring that a minimum 40% of new units constructed have two-bedrooms or more. This practice should be continued where appropriate. Existing units can also offer opportunities for "family-sized" housing through expansion and in some cases unit mergers. A number of existing units are already sized for family households, especially single family homes. The City should offer support for elderly people who seek to downsize their homes, and encourage people who may be better served by alternatives, particularly in term of size, upkeep and budget, to downsize.

For family sized units to work for families the City needs to look beyond the provision of housing to ensure that the other amenities critical to families are provided. Proximity to schools, to open space, and to affordable child care are critical for the well-being of families. The Next Generation SF agenda, developed by Coleman Advocates for Children

and Youth and committed to by the Mayor, not only advanced more affordable family housing, but advocated for better education opportunities for the City's youth, particularly minority youth, to advance their long-term opportunities, and for more revenue to be devoted to the safety and economic security of SF families, through more child care, violence prevention, youth employment and family support services.

POLICY 4.2

Provide a range of housing options for residents with special needs for housing support and services.

There are a number of groups in the City in need of special housing consideration. Populations in need of support include the physically and mentally disabled; those suffering from mental illness; or those suffering from severe illness such as AIDs. They also include people undergoing transitions, such as those trying to exit homelessness, aging out of foster care, leaving a hospital or institutional care; or populations in need of special security, such as transgender individuals. Many of these groups need housing with supportive services provided either on-site or nearby; many face bias in their existing housing situations, and many are at risk of losing housing due to disruptive behavior, deteriorating medical conditions, or an inability to afford rent.

Another category of at-risk individuals includes the City's recent immigrants, particularly refugees and undocumented workers, including day laborers and domestic workers. Many of these new arrivals need low cost housing and support services including multicultural and multilingual assistance. Many have families whom they support, and are stressed from overcrowding and substandard living conditions; many are homeless.

The City should take an active role to encourage the construction of new facilities, and the expansion of the available housing units, in appropriate locations suited to needs of these groups. The City should also support efforts by potential sponsors to identify and develop sites for special users and work cooperatively with social service agencies and housing providers. The City should also seek to reduce institutional barriers to development of innovative forms of housing that would better serve these individuals, from

group housing to supportive housing to residential treatment facilities. One category of need that is expected to increase dramatically in coming years is the need for dementia care. Flexible models, such as the GreenHouse model, a group-home facility for seniors, should be explored.

Of particular importance are the ancillary social and medical service facilities, employment or advocacy services that enable positive living for members of in-need populations. The link to services is critical- in some cases, intensive case management and availability of services can make the difference between someone becoming institutionalized or homeless, or remaining in their own home. Therefore, support facilities need to be located on-site, or integrated into neighborhoods within close pedestrian or transit access from residences. In particular, board and care facilities, group homes, and services that allow at-risk or disabled persons to live at home while still receiving daily support, should be permitted to locate close to their clients.

POLICY 4.3

Create housing for physically disabled and elderly occupants by including universal design principles in new and rehabilitated housing units.

While some of the disabled and elderly will require housing that provides supportive, long-term care arrangements as discussed above, many will remain largely independent for longer periods of time, needing only physical accommodations to enable active living. Yet physically disabled and elderly San Franciscans often have difficulty finding housing constructed to meet their physical accessibility needs. While the current San Francisco Building Code requires all new construction except one and two-family dwellings to comply with the Code's disability access requirements, much of the City's existing stock is inaccessible, and existing privately funded multi-family dwellings can generally undergo alterations with little or no accessibility upgrade. Those with physical disability issues are further at risk in obtaining housing because they often have lower than average incomes.

The City's community planning processes should foster housing designed according to universal design principles, meaning that it is accessible, or can be made adaptable, to the disabled or elderly. "Accessible" means that the housing presents no physical barriers to handicapped or

elderly people. “Adaptable” means housing whose entry and circulation are designed and constructed so that making relatively minor adjustments and additions rather than structural changes can make the unit fully accessible. Existing housing may be more difficult to retrofit, and more costly, when it is being rehabilitated as permanently affordable housing, so accessibility and adaptability design requirements should be made flexible for reconstruction projects.

Similar to the discussion above regarding housing for people with supportive needs, of particular importance are the everyday services and activities that sustain healthy, independent living for those with physical constraints and low mobility. Community planning processes should also foster direct, walkable access to recreational facilities and open space, to commercial areas and shopping, and to community services.

POLICY 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

In recent years the production of new housing has yielded primarily ownership units. However, this trend may be shifting, as low vacancy rates and high rents indicate a strong demand for rental housing, and as lending practices shift in favor of projects with a long-term source of income (rents). The City should make a concerted effort to do what is within its control to encourage the continued development of rental housing throughout the City, including market-rate rentals that can address moderate and middle income needs.

Recent community planning efforts have explored incentives such as fee waivers, or reductions in inclusionary housing requirements, in return for the development of deed-restricted, long-term rental housing. The City should also seek new ways to promote new, permanently affordable rental housing. One possible strategy is to consider condo map increases as disincentives, or map fee reductions in exchange for deed restrictions for long-term provision of rental units. Another strategy is to look to existing sites or buildings for acquisition as permanently affordable units; this would require a local fund that is structured to act quickly to enable such purchases as they become available.

POLICY 4.5

Encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

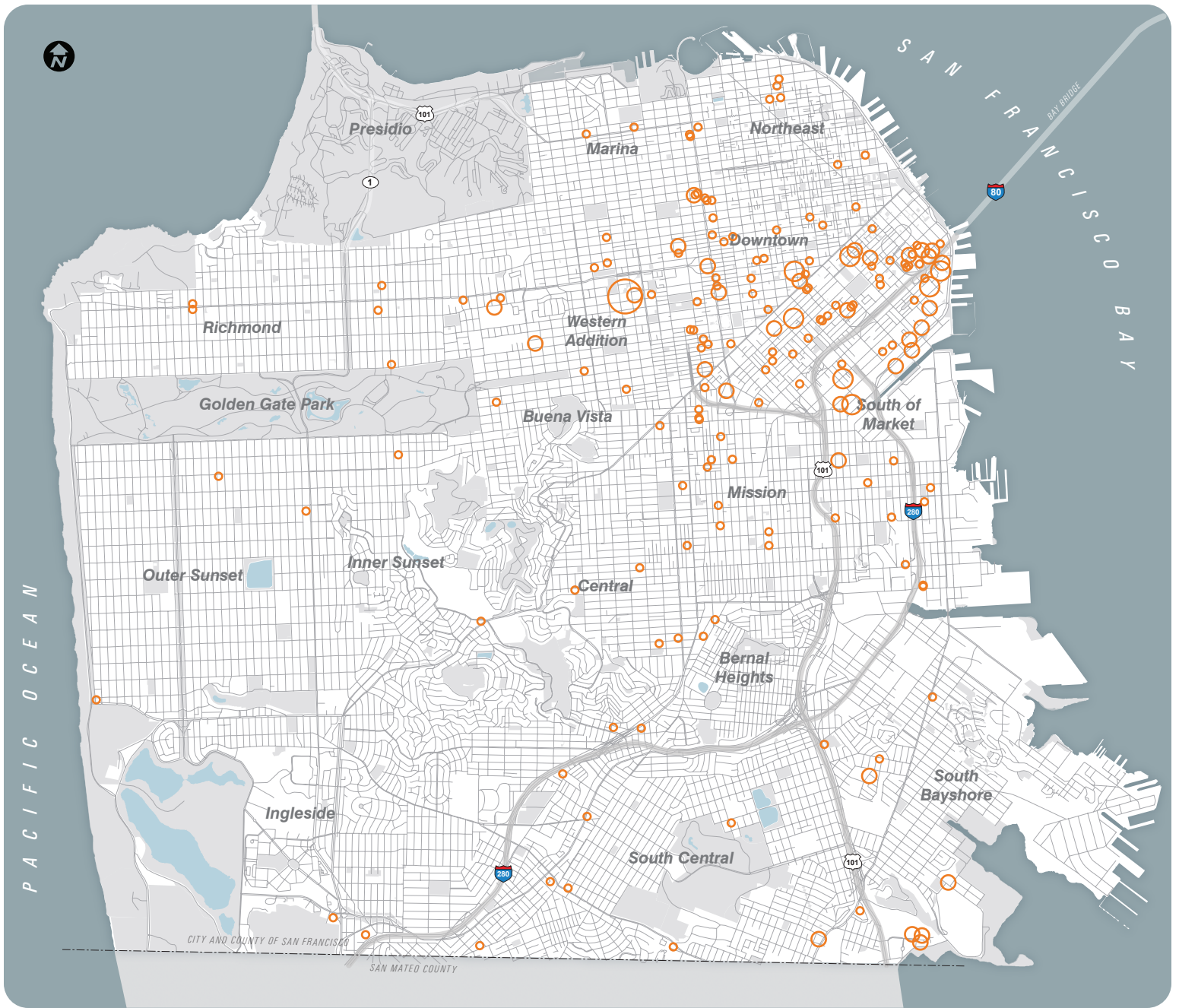
Economically-integrated, diverse neighborhoods provide residents with a number of benefits. Crime levels, school attendance and graduation rates, employment opportunity and health status of residents tend to be markedly improved in integrated neighborhoods, as compared to exclusively lower-income areas.

While San Francisco’s neighborhoods are more economically integrated than its suburban counterparts, concentrations of low-income households still exist. Special efforts should be made to expand housing opportunities for households of lower-income levels in other areas of the city, and community planning efforts should include policies and programs that foster a diverse, integrated housing stock. These planning efforts should also include protections against the displacement of existing low- and moderate-income households by higher income groups.

The City’s Inclusionary Housing Program, which requires that affordable housing units be provided on-site, provides one method for on-site integration (Map II-2: Below Market Rate Housing Projects). Construction of new affordable housing projects should likewise be distributed throughout the City, to ensure equitable neighborhoods as well as equal access to residents living in different parts of San Francisco (Map II-3: Affordable Housing Projects). For example, the homeless population lives in many neighborhoods throughout the City and would benefit from having housing resources in the neighborhood in which they work and live. All neighborhoods of the city should be expected to accept their fair share of affordable housing, whether it is through the City’s inclusionary affordable housing policies, construction of new 100% affordable projects, rehabilitation projects or through consideration of additional density and secondary units in conformance with Policy 1.4.

POLICY 4.6

Consider environmental justice issues when planning for new housing, especially affordable housing.



Below Market Rate Housing Projects

0 Miles 1

MAP 02

- UNITS
- < 10
 - 11 - 50
 - 51 - 200
 - > 201

The term “environmental justice” was born out of a concern that minority and low-income populations bear a disproportionate share of adverse health and environmental impacts, because of where they live. Proximity to undesirable land uses, substandard housing, housing discrimination, personal safety in housing, and community displacement are environmental justice issues that need to be addressed in many of the City’s neighborhoods.

Housing is an important component of addressing environmental justice. The City should promote new, and rehabilitated, low-income housing on sites that do not have negative health impacts, near services and supplies so that residents have access to things like transit and healthy fresh food, with access to jobs, to child care and to youth programs, to the City needs to also ensure that the costs of housing do not lead to other environmental justice impacts, such as sacrificing nutrition, health care, and the needs of their children.

Implementation Measures

To achieve the City’s objective to foster a housing stock that meets the needs of all residents across lifecycles, the City will implement the following measures:

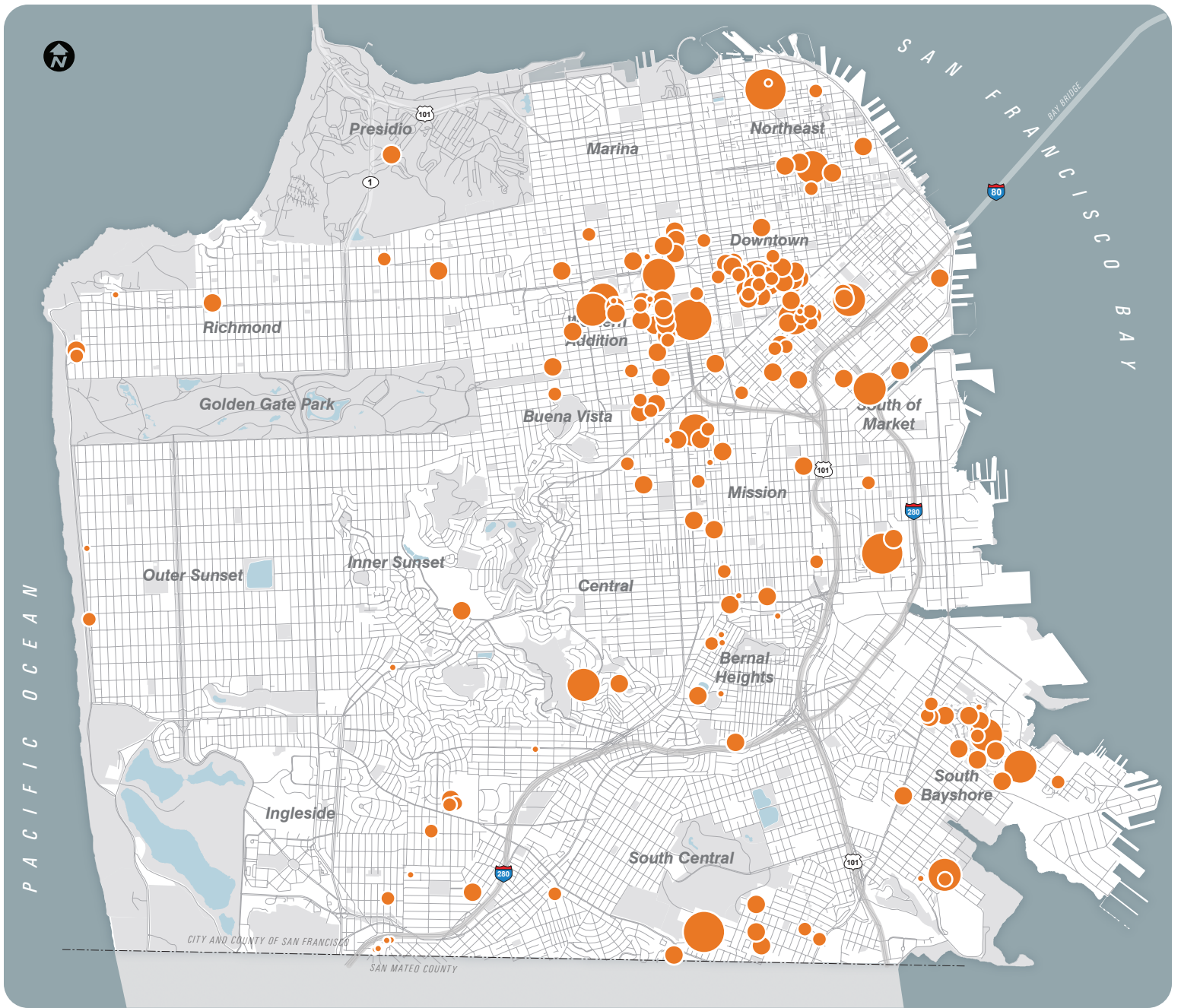
30. All City agencies shall create and utilize a common definition for family housing, to guide the provision of family units in both private and public construction.
31. Planning should evaluate the impact of requiring minimum percentages of family units in new recently adopted community plans, and continue the practice where it promotes family housing that is accessible to residents.
32. The Mayor and the Board of Supervisors shall continue efforts to meet the goal of the Next Generation SF agenda, including construction or acquisition of sites for 3000 family units by 2011.
33. The Department of Public Health (DPH) will continue to provide permanent housing and supportive services for adults with mental health, substance use, and chronic medical conditions through the Direct Access to Housing (DAH) Program; and to provide on-site case managers who can help residents avoid eviction.

34. The Department of Aging and Adult Services (DAAS), through the Community Living Fund, will continue to support home and community-based services that help individuals who are at risk of being institutionalized.
35. Planning shall continue to implement Planning Code Section 209, which allows a density bonus of twice the number of dwelling units otherwise permitted as a principal use in the district, when the housing is specifically designed for and occupied by senior citizens, physically or mentally disabled persons.
36. Planning and OEWD shall promote the use of Historic Rehabilitation Tax Credits to help subsidize rental projects, and continue to provide information about such preservation incentives to repair, restore, or rehabilitate historic resources towards rental housing in lieu of demolition.
37. MOH and SFRA shall encourage economic integration by prioritizing the location new affordable and assisted housing opportunities outside concentrated low-income areas and encouraging mixed-income development. MOH and SFRA shall and regularly provide maps and statistics to the Planning Commission on the distribution of projects. This information shall be included in reports including the Housing Inventory
38. Planning and MOH shall continue to implement and update the Citywide Inclusionary Housing Program, which requires the inclusion of permanently affordable units in housing developments of 5 or more units.

Strategies For Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- The Tax Assessors Office should evaluate the primary inhibitors to downsizing, and examine the incentives offered by Prop 60, which allows senior owners to move into “equal” or “lesser” value units while retaining their previously established Prop. 13 taxable values.



Affordable Housing Projects

0 Miles 1

MAP 03

- UNITS
- < 10
 - 11 - 50
 - 51 - 200
 - 201 - 300
 - > 301

- Planning staff should review the Planning Code’s incentives for senior housing development.
- MOH, SFRA and other housing entities should explore methods of collaborating with special needs advocacy groups to increase outreach to historically socio-economically disadvantaged populations.
- Supportive housing providers should explore ways to increase design and program elements in supportive housing which increase safety and inclusion, and provide trainings for housing staff to increase understanding of residents and reduce bias.
- DAAS should explore the potential for partnerships with HSA, MOH and nonprofit developers interested in developing adult residential care facilities to increase supportive housing options for the elderly, particularly people with dementia.
- DBI should study ways to encourage inclusion of “Universal Design” elements into new projects, especially small-scale, cost-effective measures such as installation of appliances and counter tops at accessible heights, flat light switches, and levers and grab bars; resulting programs should balance the benefits of physical accessibility with the benefits of housing affordability.
- DAAS should work with MOH and SFRA to explore ways to implement the GreenHouse model, a small-scale living environment of 6 to 10 seniors with nursing care needs that can be integrated into existing neighborhoods as infill development.
- During community planning processes, Planning should explore partnerships with agencies such as RPD, OEWD, MOH and DCYF for cross-discipline efforts that may improve conditions in disadvantaged neighborhoods and increase access to housing, jobs, and public services.
- Planning should examine incentives such as density bonuses, or other zoning related mechanisms that encourage long-term (i.e. deed-restricted) permanently affordable rental housing.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Previous policies have discussed the need to maintain and add new housing to meet San Francisco’s identified needs; the policies that follow under this Objective are intended to make sure that all residents have access to those units. Governmental ‘red tape’, including byzantine application systems and disparate housing application processes, can make accessing the supportive housing system extremely difficult, particularly for people already burdened by language or other social barriers. Social and economic factors can discriminate against certain population groups and limit their access to housing opportunities, leading to patterns of economic and racial segregation. And even when people have successfully entered the supportive housing system, options seldom provide an exit strategy towards independence.

POLICY 5.1

Ensure all residents of San Francisco have equal access to subsidized housing units

Federal fair housing laws prohibit discrimination against protected classes of people as described below in Policy 6.4; they also prohibit most types of preference so as to avoid discrimination. Many communities, including San Francisco, have adopted some form of local preference, providing priority for people who live and/or work in the municipality to affordable and/or workforce housing sponsored and/or supported by the City. However, smaller geographic preference areas, or any specific racial or other preference, put local governments at risk of violating fair housing laws and constitutional law.

To ensure all residents have access to housing, public agencies should make special efforts to attract cultural, racial or ethnic groups who might not normally be aware of their housing choices, particularly those who have suffered discrimination in the past. Marketing and outreach efforts should encourage application by households who are least likely to apply because of characteristics protected by fair housing law.

POLICY 5.2**Increase access to housing, particularly for who might not be aware of their housing choices.**

Currently, subsidized housing is offered through a number of City agencies, including the San Francisco Housing Authority, the San Francisco Redevelopment Agency, the Mayor's Office of Housing, and the Department of Health and Human Services; by nonprofit entities managing own housing developments; and even by market-rate developers in the case of the City's Inclusionary Housing Program. The result of so many programs, with different administrating entities, creates difficulty in navigating the City's affordable housing placement system, and places a high burden on housing advocates and service providers. A comprehensive, single-stop source of all available housing is needed to link residents to prospective homes in a timely matter.

Efforts to improve access should focus particularly on groups who might not be aware of their housing choices, including those with lower incomes, language and comprehension barriers, and those who have suffered discrimination in the past. The City should therefore partner with community providers already serving those groups. Available housing should be advertised broadly, with targeted outreach to at-risk populations and communities, in multi-lingual media to ensure fair marketing practice. And information about housing rights, such as safeguards against excessive rent increases, should be given the same marketing and outreach.

POLICY 5.3**Prevent housing discrimination, particularly against immigrants and households with children.**

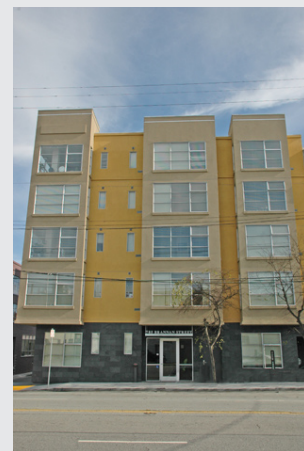
Housing discrimination is defined as the denial of rights to a group of persons by direct providers of housing whose practices making housing unavailable to certain groups of people. Discrimination can be based on race, color, or national origin; religion; sex or gender; familial status; and disability; and furthermore on factors such as HIV/AIDS status, weight or height, source of income, and economic discrimination. Discrimination in housing is governed primarily by the federal Fair Housing Act. To ensure housing opportunities for all people, the City should assist in the implementation of fair housing and anti-discrimination laws. The Human Rights Commission enforces the City's Fair Housing Law and handles complaints of housing discrimination.

Households with children are one group that is often cited as having difficulty finding suitable housing because some landlords discriminate against children as tenants. The City should continue enforcement of the 1987 ordinance prohibiting residential apartment owners from discriminating against families based on household size unless the Building Code does not permit occupancy of the dwelling by a family of that size. In publicly subsidized housing, households with dependent children should have multiple bedroom units.

Moving up the Housing Ladder: Galvin Apartments

The Galvin Apartments located in San Francisco's SOMA district provide SRO residents an opportunity to climb the housing ladder into a permanently affordable studio apartment. The 56 units were constructed in 2006 as an off-site requirement of the City's Inclusionary Zoning ordinance. As opposed to an SRO unit, the studios at the Galvin have full private baths and kitchenettes with a stove and a microwave. It is this type of development that fills a niche in the housing market that allows SRO tenants move up the housing ladder into a more permanent housing type.

Rental units constructed under the Inclusionary Zoning requirement are required to be affordable to a resident earning 60% of the area median income. However, the developer of the Galvin Apartments partnered with Tenderloin Housing Clinic to construct units that could be rented at 35% of area median income. By lowering the rent to this level, these units became affordable to people currently renting SRO units.



The State and City have developed numerous tenants' rights laws and fair housing statutes. Education of residents and tenants is critical to ensure implementation of these laws, and the City should work not only to uphold such laws, but to broaden their affect by partnering with community service providers and housing rights advocates to expand both knowledge and .protections.

POLICY 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

Changes in life stage or household type, such as a personal need, illness or disability; the birth of a child; or a change in economic situation or job opportunity, can affect the type of unit a household requires. Once residents do achieve housing, they are also challenged in moving beyond that unit to another housing unit that may be more appropriate for their current life stage. To meet the diversity of need demanded by the residents of San Francisco, a range of housing types must be provided, and the ability to move between these types - often referred to as "moving up the housing ladder" must be available.

Supportive housing, or housing for the formerly homeless, is often the first step on the ladder for many individuals. However, much of the housing aimed at meeting this need is temporary, renting by the week or month, and intended only to provide short-term housing until another option

can be found. Other options, and support service that help move people between these options, is required. To make such movement possible, the City needs to make a concerted effort to link its various programs, and provide counseling for residents in aspects of those programs so they have the ability to move between them. The City also needs to provide financial support needed to start at the next level, whether that is a rental deposit for an apartment or a down payment for a first home. The City should also look to helping people on the other side of the housing ladder, such as those who might be downsizing, particularly from single family homes into either smaller units/condos or rental units.

Implementation Measures

To achieve the City's objective to ensure that all residents have equal access to available units, the City will implement the following measures:

39. All housing agencies shall require associated project sponsors to provide the agency with an outreach program that includes special measures designed to attract those groups identified as least likely to apply.
40. The Mayor's Office on Housing (MOH) shall work with the SFRA, SFHA, HSA, DPH, and nonprofit and private housing providers to develop a "one-stop" center providing information on all affordable

Centralized Information: Washington DC Housing Search Website

In late 2008, Washington DC introduced a website that aggregates the City's affordable rental and for sale property listings: <http://www.dchousingsearch.org>. All of the affordable housing development projects funded by the DC Department of Housing and Community Development are required to list available units on DCHousingSearch. Also included are all DC Housing Authority developments, Section 8 rental and for sale properties, and other managed developments. Both publicly subsidized units as well as privately owned units are searchable on the website.

The online housing locator service is free to both prospective tenants and landlords. Listings for apartments include the number of bedrooms and baths, rent and deposit costs, a map of location, and if the unit is handicap accessible. In addition to the housing listings, the website also provides housing information and resources such as an affordability calculator, links to tools and services for renters and low-income households, and renter rights and responsibilities information.

housing opportunities within the City, including BMRs, providing specific information about the availability of units and related registration processes, and applications.

41. The City's Human Rights Commission (HRC) will continue to support and monitor the Fair Housing Access laws and advise the Mayor's Office of Housing and the Mayor's Office on Disability on issues of accessibility and impediments to Fair Housing. The HRC will investigate and mediate discrimination complaints. When appropriate, the HRC will provide referrals to other government agencies.
42. The HRC will continue to assist in resolving landlord-tenant problems in rental housing, including single room occupancy hotels.
43. The Board of Supervisors shall continue to uphold local measures prohibiting tenant harassment. Section Sec. 37.10B of the City's Administrative Code prevents landlords or their agents from doing specified acts, such as abusing the right of entry to the unit, threatening or attempting to coerce a tenant to move, or interfering with the tenant's right of privacy.
44. DBI shall perform proactive enforcement of housing codes where such infractions adversely affect protected resident categories, and shall monitor the correction of such continuing code violations to prevent the loss of housing.
45. The City and all of its partners shall continue to provide translation of all marketing materials, registration processes, applications, etc. Such materials should be marketed broadly and specifically target underserved populations.
46. The Police Department will continue to implement San Francisco's Municipal Police Code under Article 1.2, which prohibits housing discrimination against families with minor children. This law prohibits the most common forms of discrimination, such as restrictive occupancy standards, rent surcharges and restrictive rules.
47. The City will continue to promote access to housing by families by enforcing Section 503(d) of the City's Housing Code, and supporting amendments that increase equity.

Strategies For Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- MOH should explore methods of partnering with community service providers and housing rights advocates to expand community knowledge of, and access to, the "one-stop" center above.
- All housing agencies should work together to explore how to expand assistance for residents transitioning from supportive services to rental housing, by providing credit help, clean slate programs, and security deposit assistance.
- The Board of Supervisors shall explore ways in which the City can support housing rights advocates, to assist in disseminating information to the widest possible audience.

OBJECTIVE 6

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

Over the last Housing Element period, San Francisco has made strides in addressing homelessness, with documented decreases in population living on the street. The policies of the 1980s that regarded temporary shelter as an acceptable housing plan for homeless households has been superseded by an increased focus on permanent supportive housing programs, as well as programs such as Project Homeless Connect (where volunteers connect homeless individuals to services), Care Not Cash (which redistributes general relief support in the form of housing & other services), and eviction prevention services that attempt to stem the onset of homelessness before it starts.

However, homelessness continues, and recent figures show that homelessness figures have increased as unemployment has risen. Statistics show that the category at most risk for homelessness is middle-aged individuals, particularly males, of all races; immigrants and families. Special categories of risk include veterans, those with substance abuse problems, and transgendered individuals.

POLICY 6.1**Continue to pursue both short- and long-term strategies to eliminate homelessness**

While shelters can provide an alternative to sleeping on the streets, they do little to address the underlying causes. A permanent solution to homelessness requires permanent affordable housing. San Francisco has focused homeless housing efforts on providing very low-income homeless singles and families a range of supportive options that are intended to stabilize their housing situation for the long term. Programs sponsored by the Human Services Agency include Permanent SRO Housing for Single Adults through the Master Lease Program, Rental Housing Subsidies for Single Adults and Families with Disabilities including mental health, substance abuse and/or HIV/AIDS, and Permanent Supportive Housing for Families.

In addition to permanent housing, temporary shelters and services are still needed, particularly services that provided in an unbiased, multi-lingual and multicultural context. Immediate housing will be needed to serve socio-economic groups that will be particularly impacted by the recent economic trends. In particular, more home-improvement workers and day laborers, facing more competition and a dwindling number of construction jobs, are becoming homeless. Yet few flexible options for housing - meaning, housing that is not already reserved for a specific program - exist in the neighborhoods they call home, resulting in people shuttling from neighborhood to neighborhood to find an open bed.

The City's "Continuum of Care: Five-Year Strategic Plan," created by the San Francisco Local Homeless Coordinating Board (the primary City policy board responsible for planning and coordinating homeless programs in the city), is intended to provide a comprehensive road map for policy and services directed towards people who are homeless and at risk for homelessness. Its "priority" sectors of action include permanent, subsidized housing; transition from incarceration, foster care and hospitals as well as avoiding evictions; interim housing in shelters as a stopgap until permanent housing is available; improvement of access to

housing and support services; increased economic stability through employment services and education; and respectful, coordinated Citywide action dedicated to individual's rights. The City's "10 Year Plan to End Chronic Homelessness" focuses more deeply upon permanent supportive housing for the chronically homeless including families, which make up an estimated 20% of San Francisco's homeless population. Both plans should continue to be executed and implemented, and creation of the housing types they promote - both permanently affordable and necessary additional shelters - should be located equitably across the City according to need.

POLICY 6.2**Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.**

Between 60 to 80% of all homeless individuals in San Francisco may suffer from one or more physical disability, mental illness, or substance addiction. The City's "Continuum of Care" plan prioritizes stable, permanent housing for this group as the highest instance in the city.

Families, while not the highest incidences of homelessness (last year's count by the Human Services Agency found that 91% of the homeless were single adults, and 9% were in families) are an important category of need. Homeless family housing is extremely limited; focusing on the City's chronically homeless often leaves out families, who tend to become homeless situationally, based on current job or economic conditions.

Refugees and immigrants also face housing hardship. Language barriers and, frequently, the additional hurdle of illegality can create unique barriers to housing access. Homeless people who are undocumented can face prejudice in trying to secure beds or units, inability to communicate, and frequently have difficulty accessing beds on a regular basis, or the more stable, long-term forms of housing that might enable them to move up the housing ladder. Both families and immigrants should be given particular consideration in the City's homeless policies and housing creation.

Implementation Measures

To achieve the City's objective to reduce homelessness and the risk of homelessness, the City will implement the following measures:

48. The Department of Public Health, the Human Services Agency; the Mayor's Office of Community Development; the Department on the Status of Women; the Department of Children, Youth and Their Families; the Mayor's Office of Housing; and the San Francisco Redevelopment Agency shall continue to implement the City's "10 Year Plan to End Chronic Homelessness" and the "Continuum of Care: Five-Year Strategic Plan of San Francisco."
49. HSA will continue to operate programs such as its Master Lease Program, which renovates hotels to be managed by nonprofit agencies providing case management and supportive services on-site, and to fund non-profit agencies to provide on-site supportive services.
50. DPH shall continue to offer shelter programs such as Homeless Death Prevention, Winter Shelter, and Community Housing Partnership; as well as services and clinics which deliver a variety of health services to homeless persons.

Strategies For Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- HSA should explore new ways to provide permanently affordable and service-enriched housing to reduce the need for temporary homeless shelters, and to place homeless people in housing directly off the streets, without first going through a "readiness process," shelter, or transitional housing program.
- HSA should explore the potential to create or set aside publicly constructed housing for homeless families with children, with supportive services for residents.
- HSA should continue to work with Redevelopment and MOH, and nonprofit partners such as the Coalition on Homelessness to expand ways to move homeless people currently within the shelter system toward permanently affordable housing.

ISSUE 4: FACILITATE PERMANENTLY AFFORDABLE HOUSING

OBJECTIVE 7

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

Responding to the needs for affordable housing is the most critical housing objective in San Francisco. San Francisco's projected affordable housing needs far outpace the capacity for the City to secure subsidies for new affordable units. A successful funding strategy will require a range of resources including federal, state, and regional partners, and the City.

First, the City must continue to proactively pursue additional federal, state and regional affordable housing and infrastructure dollars to support projected housing needs. Second, the City must continue to aggressively develop local programs to fund affordable housing, including strategies that more efficiently use existing subsidies to work towards the desired mix of affordable housing options. Third, the City needs to look beyond dollars for creative ways to facilitate affordable housing development that make sense in the current economic climate, such as land subsidy programs, process and zoning accommodations, and acquisition and rehabilitation programs.

POLICY 7.1

Expand the financial resources available for permanently affordable housing, especially permanent sources.

San Francisco should continue to be a leader in identifying, securing and mandating funding for permanently affordable housing. Building on a good track record for securing federal and state funds, the City shall continue to lobby for necessary funding in coordination with regional entities. Local programs such as HOPE-SF, inclusionary housing and 50% set asides of Redevelopment Areas' Tax Increment Financing dollars demonstrate a strong dedication to providing local funding to affordable housing. These programs should be continued and expanded as feasible.

The State should also consider methods of increasing funding for affordable housing. Ballot measures do not promote long-term security for affordable housing, and given recent ballot trends, asking voters to go further into debt every four years is a risky proposition. The City should support state efforts to identify a permanent state fund that would finance housing for low- and middle-income households.

A dedicated, permanent source of local funding for housing programs will also help address the need for affordability over the long-term. Currently, local funding for affordable housing is dependent on annual budgeting, which makes long-term planning difficult. It also creates a situation where affordable housing funding is dramatically effected by downturns in the economy, which further exacerbates issues already faced by low-income families. Ultimately San Francisco's affordable housing programs should have a permanent funding source.

POLICY 7.2

Strengthen San Francisco's affordable housing efforts by planning and advocating at regional, state and federal levels.

Housing affordability is not an issue that may be addressed in isolation from other municipalities in the region. Because the region's growth forecast is based on increased housing development that supports alternative transportation modes, the State and region's policies project that a large proportion of the region's growth will continue in San Francisco. Thus, the City needs to advocate strongly for a coordinated regional strategy that takes into account the planning and capital required to accommodate the household growth in a sustainable way.

Also, because the RHNA's originate from state allocations, state funding sources need to program funding for affordable housing and infrastructure according to growth forecasts. State Bill 375, California's landmark smart growth bill adopted in 2008, legislates the reduction of greenhouse gases through regional and local planning efforts, and requires that any transportation projects and programs that receive state funding must be consistent with these greenhouse gas reduction plans. However, the State should seek to go further in tying funding to smart growth allocations, by directing housing and infrastructure funds towards jurisdictions accommodating that smart growth; and federal stimulus fund efforts should follow this same

model. The City needs to use its planning and redevelopment efforts, which outline a land use and infrastructure framework for growth, to more strongly advocate at the state and federal funding world.

POLICY 7.3

Recognize the importance of funds for operations, maintenance and services to the success of affordable housing programs.

A holistic approach to affordable housing includes careful consideration of the operation, services and maintenance programs necessary to maintain the housing once it is built. As the income level of households decreases, the income subsidy needed to cover the gap between eligible operating costs and project income becomes deeper.

Operations and maintenance costs should be considered as a necessary aspect of publicly subsidized affordable housing projects. One potential strategy is the development of a fund earmarked for operations and maintenance costs affordable to very low-income persons, based on the supplement to rent revenue required to cover ongoing operating expenses. Services plans should include resident placement and supportive services, including job placement, as needed.

POLICY 7.4

Facilitate affordable housing development through land subsidy programs, such as land trusts and land dedication.

Land costs are a considerable portion of affordable housing development costs. Land trusts and land dedication programs can reduce those costs – thus reducing the overall subsidies required to build new affordable housing units. The City shall support and encourage land based subsidies, especially when land is well suited for affordable housing development.

Land trusts rely on individuals or groups to purchase the land and later devote that land to affordable development entities; this model is appropriate for public agencies or larger employers as a way of supporting affordable housing development. The San Francisco Community Land Trust is one example of how a nonprofit can purchase land and maintain permanent affordability by creating long terms ground leases that include re-sale restrictions.

Land dedication allows property owners to designate their land for an affordable housing project; this model could most likely be used by private citizens or private developers wishing to provide community benefits. The Trust for Public Land has a program which promotes dedication for open space purposes by providing major tax deductions; a similar program could be developed for charitable contribution of land for housing purposes.

POLICY 7.5

Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

Public processing time, staffing, and fees related to City approval are a significant portion of affordable housing development costs. The City should expedite the review process and procedures as appropriate; to reduce overall development costs and increase the performance of public investment in affordable housing.

Local planning, zoning, and building codes should be applied to all new development, however when quality of life and life safety standards can be maintained zoning accommodations should be made for permanently affordable housing. For example variances on specific requirements including open space requirements, exposure requirements, or density limits, where they do not affect neighborhood quality and meet with applicable design standards, including neighborhood specific design guideline, can facilitate the development of affordable housing. Current City policy allows affordable housing developers to pursue these



zoning accommodations through rezoning and application of a Special Use District (SUD). The City could further improve developers' ability to use SUDs by making them as-of-right.

City review and approval of affordable housing projects should be improved to reduce costly delays. Affordable housing projects already receive Priority Application Processing through coordination with the Planning Department, Department of Building Inspection, and Department of Public Works. This process could be further enhanced by designating a planner(s) to coordinate governmental activities related to affordable housing.

POLICY 7.6

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

The City's existing housing stock provides a resource which can be used to fulfill a number of affordable housing needs. The City should pursue and facilitate programs that enable households to better access existing housing stock. By acquiring and rehabilitating such units, the City can use affordable housing funds in a cost-effective way that provides stability in existing low-income neighborhoods, where units may be at risk of poor safety or conversion.

San Francisco should also explore opportunities to take advantage of projects that are delayed, abandoned or are on the market. Having a readily accessible pool of funding available for purchase of such projects would enable affordable housing developers to take over the land and entitlements of such projects. The City should explore a number of options to assist in securing these opportunities for permanently affordably housing, co-ops or land-trust housing, including subsidies, affordable housing programs, new tax incentives or government intervention.

POLICY 7.7

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

Market rate housing in the City of San Francisco is generally available to households making at or above 180% of median income. Affordable housing programs, including City subsidized affordable housing and inclusionary housing, are provided to households at or below 120% of median income. This leaves a gap of options for households in

between those two categories, referred to in this Housing Element as "middle income" households. Unfulfilled demand for middle income housing impacts the supply and pressure on housing stock for lower income households.

San Francisco prioritizes federal, state, and local subsidies for lower income households; therefore the City should support innovative market-based programs and practices that enable middle income housing opportunities. Creating smaller and less expensive unit types that are "affordable by design" can assist in providing units to households falling in this gap. Development strategies that reduce construction costs, such as pre-fabricated housing and other low cost construction types can decrease overall housing costs, making it affordable to middle income households without subsidy. Industrialized wood construction techniques used in lower density housing and light-weight prefabricated, pre-stressed concrete construction in moderate and high density housing also have the potential of producing great savings in construction time and cost.

Cooperative housing types, which typically enable efficient use of land or existing housing stock, can be less costly. Common examples include limited-equity housing cooperatives, shared rentals and group houses. Another option is a common-interest co-operative model, which is commonly used by artist, student or other communities where housing assets are owned and managed in common by all of the co-op's members. A final option is cohousing, in which individual households band together in cooperative living, using things like common kitchens, community rooms, open space and even personal transportation such as shared cars and bicycles. The City should therefore support cooperative housing types as a form of market-based lower cost housing.

POLICY 7.8

Develop, promote, and improve ownership models which enable households to achieve homeownership within their means, such as down-payment assistance, and limited equity cooperatives.

Affordable homeownership opportunities are part of providing a diversity of housing opportunities in the City.

San Francisco should continue homeownership assistance programs including counseling, down payment assistance, silent second mortgages and programs that support teachers. Other programs that reduce the burden of homeown-

ership such as limited equity cooperatives, which can be created through community land trusts and are discussed in Policy 3.2, should be supported by the City.

Recent homeownership and foreclosure trends have resulted in potential opportunities for affordable homeownership programs. To the extent that San Francisco experiences foreclosures, San Francisco should provide assistance to existing homeowners and work to secure foreclosed units as affordable ownership opportunities. Where larger, multi-unit buildings become available via foreclosures, the City should look to acquire them as permanently affordable units; this would require the ability to reformulate related programs to access funding, or a designated local fund that is structured to act quickly to enable such purchases as they become available.

Implementation Measures

To achieve the City's objective to secure funding and resources for permanently affordable housing, including innovative programs, the City will implement the following measures:

51. The San Francisco Redevelopment Agency will continue to maximize its contribution towards permanent affordable housing construction, and shall continue its practice of reauthorizing Tax Increment Financing in expiring redevelopment areas wherever possible to continue revenue for affordable housing purposes.
52. HSA and DPH will continue to administer operating subsidies for special needs housing through their supportive housing programs.
53. MOH, SFRA, and SFHA will continue efforts to provide financial support to nonprofit and other developers of affordable housing, through CDBG and other funding sources.
54. Under the oversight of the Capital Planning Committee, the City shall formalize an interagency grant committee tasked with creating a coordinated grant strategy for pursuing stimulus funds for housing and supporting infrastructure.
55. The City's housing agencies shall keep apprised of federal, state and local affordable housing funds and other grant opportunities to fund affordable

housing for the City of San Francisco, and shall work with federal Representatives to keep the abreast of the specifics of the housing crisis in San Francisco. MOH, SFRA and other agencies shall continue to use such funds for housing at all AMI levels below market.

56. MOH shall continue to administer first time home buyer programs such as City's Down Payment Assistance Loan Program (DALP), City Second Loans, and the Inclusionary Affordable Housing Program.
57. The City shall pursue federal and state opportunities to increase programs for limited equity homeownership, homeowner assistance programs and down payment assistance. Programs specific to the recent foreclosure trends should be pursued as appropriate. Upon implementation, all programs have a significant prepurchase counseling program, and that consumers are supported by a post-purchase services network to assure access to information and services to prevent foreclosure.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- MOH should explore federal and state stimulus opportunities to increase programs for limited equity homeownership, homeowner assistance programs and down payment assistance; ensuring all programs have a significant prepurchase counseling program, and that consumers are supported by a post-purchase services network to assure access to information and services to prevent foreclosures.
- The Board of Supervisors should explore the creation of a permanent local source of affordable housing funding for the City, such as a housing trust fund. The City should also support efforts at the state level to establish a similar permanent state source of funding for affordable housing.
- Planning, in cooperation with other agencies, should explore the use of Tax Increment Financing outside redevelopment areas to further the development of affordable housing and supportive infrastructure.

- MOH and Planning should continue to consider, within the context of a community planning process, zoning categories which require a higher proportion of affordable housing where increased density or other benefits are granted. Options include Affordable Housing Only Zones (SLI); Affordable Housing Priority Zones (UMU) or Special Use Districts on opportunity sites.
- DBI should review Building Code requirements to examine ways to promote “affordable by design” housing, including pre-built housing, affordable by design, construction types that allow housing at the ground floor of podiums, and other low cost construction types.

OBJECTIVE 8

BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

The development of affordable housing is critical to the long term health, sustainability and diversity of San Francisco. In order to successfully deliver affordable housing the City and private sector must have the tools they need to develop and rehabilitate affordable housing. It is in the interest of the City to ensure that both public and private entities that participate in the delivery and maintenance of affordable housing have resources and materials, in addition to funding that are necessary to deliver affordable housing. Key functions include technical support and services, and political support and development of public awareness.

POLICY 8.1

Support the production and management of permanently affordable housing.

Non-profit housing development corporations develop most of San Francisco’s subsidized affordable housing. The City should continue to provide technical and financial assistance to support continued operations and enhanced capacity of these entities. One strategy is to facilitate partnerships, such as linking non-profits with private developers for joint development opportunities, or with lenders to expand funding options. Another is providing

information and advice, such as training on design, green building and energy efficient remodeling, and information about construction products

Additionally the City should invite partnerships towards affordable housing development with market rate developers, major employers, religious organizations, other philanthropic organizations and trade unions. These organizations may offer development or organizational capacity, funding or land resources.

POLICY 8.2

Encourage employers located within San Francisco to work together to develop and advocate for housing appropriate for employees.

Local employers, particularly larger employers, have a vested interest in securing housing necessary to support their work force. If adequate housing is not available employers have a more difficult time attracting employees, workers performance suffers as a result of long and stressful commutes, and in some cases employers may chose to relocate their businesses. The City should foster stronger housing advocacy among employers, who could advocate for housing projects and types. The City should also connect major employers to both market-rate and affordable developers, especially those with a vested interest in workforce housing, such partnerships could provide developers with a funding resource, or a pool of committed residents, which could reduce the risk of developing a project, while securing housing for employees.

POLICY 8.3

Generate greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

Affordable housing projects are frequently delayed or withdrawn because of community opposition. Greater public awareness of affordable housing challenges and potential solutions would generate broader long-term support for housing. San Franciscans, faced with one of the most expensive housing markets in the City, generally support the notion of providing more affordable housing options and understand the range and severity of affordable housing needs in the City. However when individual projects are

presented the macro understanding of the affordable housing crisis gets lost in fears about changes to an individual neighborhood or block. The City, in coordination with affordable housing providers, should work to showcase successful affordable housing projects that improve neighborhoods, help households, and provide much needed workers for our City.

Implementation Measures

To achieve the City's objective to build public and private sector capacity to support, facilitate, provide and maintain affordable housing, the City will implement the following measures:

58. MOH, SFRA, and other housing agencies shall continue to provide support to nonprofit and faith-based organizations in creating affordable housing, including both formal methods such as technical assistance and training to subsidized housing cooperative boards, and informal methods such as providing information about programs that reduce operations costs, such as energy efficient design.
59. MOH shall continue to coordinate local affordable housing efforts through the Citywide Loan Committee and the Consolidated Plan.
60. OEWD shall coordinate with employer organizations such as the Chamber of Commerce, to facilitate their advocacy, sponsorship or even subsidization of affordable housing, including the organization of a collective housing trust fund.
61. Planning, DBI and other agencies shall continue to provide informational sessions at Planning Commission, Department of Building Inspection Commission and other public hearings to educate citizens about affordable housing, including information about its residents, its design, and its amenities.
62. Planning staff shall support affordable housing projects in the development review process, including allowing sponsors of permanently affordable housing to take full advantage of allowable densities provided their projects are consistent with neighborhood character.
63. The city should encourage manufactured home production, per California law (Government Code 65852.3) that permits all manufactured homes.
64. OEWD shall explore targets for construction of employer assisted housing, similar to the City of Chicago's program that created a goal that 10% of all plan for transformation units be filled with employer assisted units.
65. OEWD and Planning shall develop a consistently applied time limit for valid Planning Code entitlements, which can be tied to expiration of environmental review. OEWD, MOH and Planning should also explore options that would support affordable housing when/if entitlements expire. One option for study is to allow the expired entitlement to continue if the site is sold to an affordable housing developer, or allow expansion of the time limit if project sponsors agree to increased affordability requirements.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- OEWD and MOH should explore partnerships between developers and employers, such as master lease programs that ensures that a given number of units will be rented by the employer or their a sub lessee (the employee); or purchase guarantees to accompany the construction of for-sale housing, where an employer agrees to purchase a given number of units in a development if those units are not otherwise purchased, in exchange for price discounts for employees.
- MOH and Planning should explore expansion of the land donation alternative included in the Eastern Neighborhoods Area Plans as a way to fulfill Inclusionary Zoning requirements, and should work with the Tax Assessors office to explore tax incentives that could facilitate the donation of land from private property owners to the City or non-profits for the development of affordable housing.

OBJECTIVE 9

PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.

In 1997, in response to a change in federal guidelines that allowed the affordability provisions on subsidized housing to expire, San Francisco created a program to preserve affordable housing. Through this program the Mayor’s Office of Housing and the San Francisco Redevelopment Agency has acquired and transferred a number of at-risk developments to non-profit entities for permanent affordability.

Continuing to maintain the existing stock of subsidized units is a critical component of San Francisco’s affordable housing strategy. As units provided by the Redevelopment Agency and MOH, which currently apply life-long affordability restrictions to their projects, are not particularly at risk, efforts need to focus on properties not financed by these entities. Additionally, the City should continue to provide long term funding strategies to new subsidized units, to protect the public’s investment in affordable housing and maintain housing stability.

POLICY 9.1

Protect the affordability of units at risk of losing subsidies or being converted to market rate housing.

Existing affordable housing units should be maintained and preserved at their current levels of affordability. Through the Housing Preservation Program (HPP), the City’s housing agencies work to restructure funding terms of Community Development Block Grant funds and housing office bonds to extend affordability terms of subsidized developments. In most cases, the land is purchased by the Redevelopment Agency, with long-term affordability contracts required for the units. The City should continue these efforts to ensure that subsidized units remain affordable when a specific subsidy expires. To protect affordability, preservation program efforts need to begin early, prior to the contract’s expiration date, so careful tracking of existing subsidized housing and coordinated planning among various agencies should be continued.



The City also has additional ordinances that limit profit from market-rate conversions of restricted units, thereby motivating HUD contract renewals. These include the Rent Control Ordinance (Administrative Code, Chapter 37), the Assisted Housing Preservation Ordinance (Administrative Code, Chapter 60), the Source of Income Ordinance (City Police Code, Article 33, Section 3304), and the Just Cause Eviction Ordinance (Residential Rent Stabilization and Arbitration Ordinance, Chapter 37.9). The implementation of these ordinances should be continued.

POLICY 9.2

Continue prioritization of affordable preservation as the most effective means of providing affordable housing.

Financial support is required to continue to support the preservation of existing affordable housing. The HPP program has used tax-exempt bond financing, low income tax credits and federal funds to finance acquisition and rehabilitation costs. In addition, the Agency has engaged tenants and built organizing capacity to support acquisition negotiations with owners of such developments. The City should continue these mechanisms to complete preservation acquisitions of existing, at-risk subsidized units.

Additionally, other agencies in the City should look to retain existing affordable housing stock with supportive programs and policies. Privately owned and operated rental housing is under continuing pressure to convert to market rate housing, an programs such as the acquisition and rehabilitation model discussed previously can aid in their retention.

POLICY 9.3

Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

The San Francisco Housing Authority is the largest landlord in San Francisco with over 6,200 units, and is one of the most important sources of permanently affordable housing for low-income households. The devolution of responsibility for public housing from a federal to local level requires

Small Site Acquisition and Rehabilitation: Curtis Johnson Apartments

Beyond Shelter Housing Development Corporation (BSHDC) is a non-profit in Los Angeles that is dedicated to both providing housing to people and families that are either homeless or at-risk of becoming homeless. In their recent development, the Curtis Johnson Apartments located in South Los Angeles, BSHDC partnered with the California Community Reinvestment Corporation Affordable Housing Partners (CCRC) to transform 48 “at-risk” multifamily housing projects into a model of scattered-site, service-enriched housing available for very low-income families. The existing housing units were acquired and rehabilitated to provide a combination of studios, one and two bedroom units, with new kitchens, bathrooms, as well as on-site laundry facilities. Residents have access to a BSHDC services coordinator and may also access services through the Family Services Center at nearby BSHDC development. These units were individual properties scattered across several sites within close proximity to one another, which allowed for easier rehabilitation management, with a services coordinator, access to a nearby family services center, and ongoing property management.



increased local responsibility for public housing developments. The City should continue to pursue innovative local financing techniques, energy efficiency measures, and creative property management and customer service. Innovative programs such as HOPE SF, which distinguish San Francisco as a leader in public housing redevelopment should be continued with City investment and support.

Implementation Measures

To achieve the City’s objective to preserve units subsidized by the federal, state or local sources, the City will implement the following measures:

66. SFRA shall continue monitoring of all “at risk” or potentially at risk subsidized affordable housing units, and continue to implement the Assisted Housing Preservation Program (HPP) to protect and preserve federally subsidized housing.

67. SFRA shall continue to ensure relocation of all tenants who are displaced, or who lose Section 8 subsidies, through housing reconstruction.
68. MOH shall continue to lead a citywide effort, in partnership with SFRA, SFHA and other City agencies to prioritize and facilitate the preservation and redevelopment of the City’s distressed public housing according to the recommendations of the HOPE SF task force.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- SFRA, in cooperation with MOH and the SFHA, shall explore the creation of a residents and/or non-profit ownership and management program to acquire existing “at risk” buildings.

ISSUE 5: REMOVE CONSTRAINTS TO THE CONSTRUCTION AND REHABILITATION OF HOUSING

OBJECTIVE 10

ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION-MAKING PROCESS

Many factors can constrain the development, maintenance, and improvement of the housing stock. Market conditions, such as the cost of land, the availability of materials, and the rate of labor, are difficult to affect through government actions. But other factors, such as the clarity of planning and permitting requirements, processing time, application and review procedures, and environmental review requirements, can be directly addressed through City policy. Additionally, zoning tools discussed in Objective 1 as well as Objective 11, such as mixed use zoning, appropriate densities, and secondary units, can facilitate the production and addition of housing, particularly affordable housing.

POLICY 10.1

Create certainty in the development entitlement process, through housing regulations that make community parameters for development clear.

There is a clear public benefit to creating, and applying, a strict approach to regulatory land use controls. Certainty in the development regulations simplifies the process for applicants, and allows neighbors to understand and anticipate the likely outcomes of changes in their neighborhood. It also reduces misunderstandings between developers and communities before proposals have been designed to a level of detail where change can be very costly or time-consuming. The ultimate goal of a “certain” development entitlement process is to create greater transparency and accountability in the process for all parties, empowering both the public and developers.

A goal of recent Planning Department community planning processes is to use the intensive neighborhood-based planning process to coordinate citywide goals with the needs of individual neighborhoods. The resulting adopted

area plans have directed both land use and urban form to create development that is of a character and quality specified by the community, through clear Planning Code provisions as well as neighborhood specific Design Guidelines. Once such controls are in place, it is the responsibility of planning and permitting staff to adhere to consistent and clear application of Planning Code, Design Guidelines, and other adopted requirements.

Affordable housing projects are often granted exceptions to general requirements to further the City’s ability to meet affordable housing objectives. Often simple exceptions raise confusion and concern among community members. Where additional support may be required for projects which meet the City’s targeted housing needs, such as permanently affordable housing for very-low and low-income households, the City should explore methods such as designating Planning staff, or taking an active role in mediating disputes with neighbors. Such a function could either be provided within the City or contracted with an outside non-profit entity to provide free mediation services.

POLICY 10.2

Reduce the need for discretionary processes such as conditional use approval, and ensure an effective decision-making process that ensures adequate community review where discretion is warranted.

Conditional use authorizations, which are subject to a decision by the Planning Commission, can have varying outcomes, and can therefore be problematic for neighborhoods who are seeking certainty about changes in their neighborhood. Recent amendments to the Planning Code in several recent area plans adopted new land use controls which replaced some conditional use requirements in those plan areas in exchange for clear as-of-right requirements. Future community planning processes should continue its practice of reducing conditional uses when appropriate and where such removal can support desired types of development.

The City’s mandatory (i.e. non community initiated) Discretionary Review should be refined and replaced with clear conditions where possible. The City’s community initiated Discretionary Review process should also be evaluated through a public process, and examined to provide more certainty and predictability in the development process.

This will eliminate some of the costs associated with developing housing and making changes or additions to the existing housing stock, and will improve a process that currently constrains property owners and housing development.

POLICY 10.3

Use best practices to reduce excessive time or redundancy in local application of CEQA.

The California Environmental Quality Act was initiated to open development decisions so that action could be taken to offset negative environmental effects. At its basis, CEQA offers a tool to balance environmental values with concrete development decisions, and as such, was one of the early tools citizens and agencies had to promote environmentally favorable projects, and reject, or reduce the impact of, negative ones. However, its provisions have created numerous concerns about delay and misuse of CEQA; policy makers have recently started discussing reform of CEQA to help address concerns about misuse and delays to good housing projects.

Using best practices, Community Plan exemptions and tiered environmental reviews, can help enable CEQA to be more closely tuned to its initial intent, and to become a strong mechanism for smart growth planning and development. In particular, the City should explore mechanisms that will maintain the strength of CEQA and its use as a tool for environmental protection while eliminating aspects of its implementation that are not appropriate to the City's context. One such improvement underway is the recent Board of Supervisors direction to study the updating of automobile "Level of Service" (LOS) with Auto Trip Generation (ATG) as a more meaningful measure of traffic impacts in an urban context. .

POLICY 10.4

Support state legislation and programs that promote environmentally favorable projects.

Senate Bill 375 legislates the reduction of greenhouse gases through regional and local planning efforts, to achieve state-wide sustainable development goals. SB 375 provides some regulatory relief for "sustainable projects" to reduce project costs, processing time and legal risks, including reducing some CEQA provisions. It also hints at linking future State

infrastructure funding, specifically transportation funds, to achievement of smart growth goals, including lower vehicle miles traveled. Allocation of affordable housing resources, particularly for new production, should be consistent with smart growth principles.

SB 375, and future regional and state efforts, should be accompanied by the kind of funding that will enable growth to truly be "smart". Linking funding directly to efficient land use, rather than to population or regions, would encourage smart land use patterns. The implementation of SB 375 should be monitored, and addressed with amendments if necessary, to ensure it successfully provides the tools necessary to meet its smart growth goals in San Francisco.

Implementation Measures

To achieve the City's objective to ensure a streamlined, yet thorough, and transparent decision-making process, the City will implement the following measures:

69. Within all community planning processes, and in updates to the Planning Code, Planning shall clearly specify development that is principally permitted, and limit conditional use requirements. Where conditional use authorization is required, the Planning Code should provide clear conditions for deliberation.
70. Planning shall implement an interdepartmental review committee for major projects, requiring large projects come in for an interdepartmental review with representatives from all appropriate reviewing agencies (Planning, DBI, the Fire Department, and DPW) to provide project sponsors with early feedback on the proposed project, identify issues that will may overlap among the various departments, and increase the speed at which the project can move through all City review and approval processes.
71. Planning shall continue to utilize, and explore ways to increase the benefits of, Community Plan exemptions and tiered environmental reviews. As a part of this process, Planning shall prioritize projects which comply with CEQA requirements for infill exemptions by assigning planners immediately upon receipt of such applications.

72. The Board of Supervisors shall establish timelines for all CEQA determinations appealed to the Board of Supervisors, including negative declarations and categorical exemptions, and explore mechanisms to discourage unfounded appeals.
73. The City shall coordinate with regional entities to complete the necessary planning document for SB 375, including a “Sustainable Communities Strategy” which promotes sustainable growth; and corresponding updates to the Housing, Recreation and Open Space, and Land Use Elements of the General Plan.
74. The Department of the Environment, Planning and other agencies shall coordinate City efforts to update the Climate Action Plan, create climate protection amendments to the San Francisco General Plan, and develop other plans for addressing greenhouse gases necessary per AB 32 and SB 375.
75. Planning shall implement tools to decrease EIR production time, such as creating an established pool for consultant selection for project applications to streamline environmental review processes for project applicants; screening applications upon intake to identify necessary special studies and the likely level of review required for the project, which will allow project sponsors to initiate any required special studies while the application is waiting to be assigned to a planner; and adding Planning staff to increase in-house resources for transportation environmental review.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- Planning should continue to examine how zoning regulations can be clarified, and design guidelines developed through community planning processes. Planning staff should adhere to such controls in reviewing and recommending approval of projects.

ISSUE 6: MAINTAIN THE UNIQUE AND DIVERSE CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS

OBJECTIVE 11

RECOGNIZE THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

San Francisco is a City of neighborhoods, each with a distinct character and quality. While the Housing Element provides a citywide housing strategy, its implementation should be applied and expressed differently in each neighborhood. The existing character, design context (including neighborhood specific design guidelines), historic and cultural context, and land use patterns of each neighborhood shall inform and define the specific application of Housing Element policies and programs. As each neighborhood progresses over time the distinct characters shall be the foundation to all planning and preservation efforts. Just as the City seeks a variety of housing types to meet the diversity of needs, the City also values a variety of neighborhood types to support the varying preferences and lifestyles of existing and future households.

POLICY 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and fits within existing neighborhood character.

San Francisco has a long standing history of beautiful and innovative architecture that builds on appreciation for beauty and innovative design. Residents of San Francisco should be able to live in well-designed housing suited to their specific needs. The City should ensure that housing provides quality living environments and complements the character of the surrounding neighborhood, while striving to achieve beautiful and innovative design that provides a flexible living environment for the variety of San Francisco's household needs.

The City should continue to improve design review to ensure that the review process results in good design that complements existing character. The City should also seek out creative ways to promote design excellence. Possibilities include design competitions that foster innovative thinking, looking to the City's "beauty contest" idea as a way to provide limited, as-of-right approval for particularly well-designed projects, and encouraging designers to meet with other local architects to provide peer review. New York City recently implemented a similar initiative that awards public projects, including affordable housing, based on talent and experience rather than to the lowest bidder, which has resulted in several buildings with lauded design.

POLICY 11.2

Ensure implementation of accepted design standards in project approvals.

As the City's Residential Design Guidelines state, San Francisco is known for its neighborhoods and the visual quality of its buildings. Its architecture is diverse, yet many neighborhoods are made up of buildings with common rhythms and cohesive elements of architectural expression. For all new buildings and major additions, the fundamentals of good urban design should be followed, while allowing for freedom of architectural expression. A variety of architectural styles (e.g. Victorian, Edwardian, Modern) can perform equally well. Proposed buildings should relate well to the street and to other buildings, regardless of style.

New and substantially altered buildings should be designed in a manner that conserves and protects neighborhood character by implementing the Residential Design Guidelines as Standards – meaning that quality should not be compromised. High quality materials, and a strong attention to details, should be carried across all styles. And buildings should represent their era, yet be timeless, as new development will take place over time. Modest structures will fill in small gaps in the urban fabric, some owners will upgrade building facades, and large underutilized land areas will see dramatic revitalization in the years ahead.

Some neighborhoods, especially those with recently adopted Area Plans, have neighborhood specific guidelines. New development and alterations or additions to existing structures in these neighborhoods should refer to these guidelines in concert with the citywide Residential Design Guidelines. Also projects in historic preservation districts should refer to related design documents.

POLICY 11.3

Foster a sense of community through architectural design, using features that promote community interaction.

Buildings define the public realm. Building height, setback, and spacing define the streets, sidewalks, plazas, and open space that provide the setting for people to meet and interact informally and shape the neighborhood's range of social experiences and offerings. Buildings shape views and affect the amount of sunlight that reaches the street. And the frontage of buildings can encourage interaction, while

providing safety and increasing surveillance of the street. Thus, buildings should be designed with a human scale, consistent with each individual area's traditional pattern of development. Design features such as regular entrances and windows along the street, seating ledges, outdoor seating, outdoor displays of wares, and attractive signage, the use of stoops and porticos, and limiting blank walls all assist in ensuring an inviting community environment.

The uses of buildings and their relationships to one another can also affect the variety, activity, and liveliness of a place. Zoning for a mix of use, open spaces and community facilities in appropriate locations, such as neighborhood commercial centers, can increase opportunities for social interaction. Mixing compatible uses within buildings, such as housing with retail, services or small-scale workplaces, can build activity for friendly streets and public spaces. In the best cases, the defining qualities of buildings along the street create a kind of "urban room" where the public life of the neighborhood can thrive.



POLICY 11.4

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

Landmarks and historic buildings are important to the character and quality of the City's neighborhoods and are also important housing resources. A number of these structures contain housing units particularly suitable for larger households and families with children.

New buildings adjacent to or with the potential to visually impact historic contexts or structures should be designed to complement the character and scale of their environs. The new and old can stand next to one another with pleasing effects, but only if there is a successful transition in scale, building form and proportion, detail, and materials.

POLICY 11.5

Consider a neighborhood's physical character when integrating new uses into residential areas, and restrict uses that disrupt the residential fabric.

Some commercial and institutional uses, such as educational, religious, medical and senior housing, generate unique service demands and patterns. As these projects are pursued, community infrastructure, including transportation, open space, and other recreational facilities, should be appropriately provided.

The scale and design of permitted commercial and institutional buildings should acknowledge and respond to the surrounding neighborhood context, incorporating neighborhood specific design guidelines whenever possible. To ensure a successful integration of these uses, especially large institutions, the City should pay close attention to plans for expansion through master planning efforts. Analysis should include needs generated for housing, transportation, pedestrian amenities, and other services.

POLICY 11.6

Reflect upon local culture, needs and values when planning for new uses and housing; strengthen each area's sense of place and history.

In addition to the factors discussed above, including physical design, land use, scale, and landmark elements, neighborhood character is also defined by long-standing heritage, community assets, institutional and social characteristics. Maintaining the linkages that such elements bring, by connecting residents to their past, can contribute to the distinctiveness of community character and unique sense of place; as well as foster community pride and participation.

Elements of community heritage can include the public realm, including open space and streets; and the built environment, such institutions, markets, businesses that serve local needs, and special sites. Other, non-physical aspects can include ethnicity, language, and local traditions. Development of new housing should consider all of these factors, and how they can aide in connecting to them. Housing types that relate to the community they serve, particularly the income, household and tenure type of the community, can help to address negative changes in socioeconomic conditions, and reduce displacement. Constructing housing that includes community components that build upon this sense of place, such as public plazas, libraries, community facilities, public art, and open spaces, can build a stronger sense of community heritage. And the development of neighborhood-specific design guidelines, as discussed above, should review local neighborhood characteristics that contribute to and define its character beyond the physical.

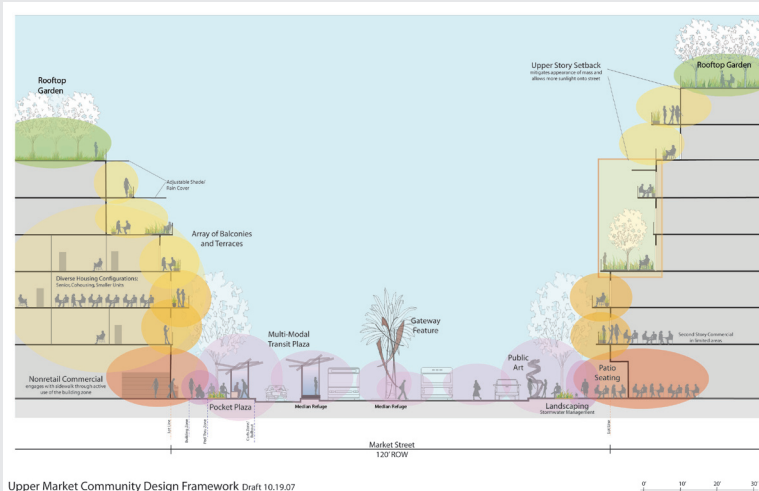
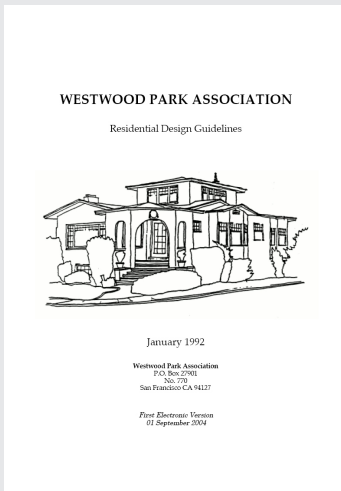
Historically, neighborhoods in San Francisco have become identified with certain cultural groups, including ethnic communities that have settled within corridors or areas of larger neighborhoods. It is important to recognize, however, that local culture is not static- San Francisco's cultural character and composition have shifted as social, ethnic, and political groups have moved across the City's landscape. Plans and programs, including housing developments, need to recognize the duality of changing environments when they occur, and work to both preserve the old while embracing the new.

Community Design Guidelines: Westwood Park and Upper Market

Several of San Francisco’s neighborhoods have developed design guidelines specific to their neighborhood. These adopted guidelines are used by the neighborhood, city staff and commissions to evaluate proposed projects within the two neighborhoods. This case study looks at two neighborhoods, Westwood Park and Upper Market, which used different methods for the development of the guidelines, either of which might be appropriate for other neighborhoods throughout the city.

In 1992, the Westwood Park Neighborhood Association initiated and completed a set of design guidelines for their neighborhood. The Westwood Park Residential Design Guidelines recognize the cohesiveness of style in a neighborhood built over 2 decades, and provide a general context for neighborhood character. The guidelines specifically cover both physical criteria for residential lots as well as design aesthetics for residential buildings. Topics included in the guidelines range from front and rear yard setbacks to appropriate materials for windows and garage doors. The guidelines were incorporated into the City’s Planning Code as a part of the Westwood Park Residential Character District.

In 2008, in the face of increasing development opportunities, District 8 Supervisor Duffy initiated a planning process to give residents, developers, merchants, and community members the opportunity to develop design parameters for the Upper Market corridor. The San Francisco Planning Department, in conjunction with Supervisor Duffy, hired an urban planning and design consultant team to lead the public series of community workshops held throughout the fall of 2007. The outcome of the community process was a set of guidelines that cover topics such as designing an inviting ground floor design, active upper story design, natural systems in building design, and context-sensitive architecture. The Planning Commission adopted the Upper Market Development Design Guidelines as a policy of the Planning Commission, requiring adherence to the Guidelines as a driving criteria for project review and approval.



Implementation Measures

To achieve the City's objective to recognize the diverse and distinct character of San Francisco's neighborhoods, the City will implement the following measures:

76. Planning staff shall continue to implement the Residential Design Guidelines as standards (including renaming these guidelines as standards for clarity), and shall reform the Planning Department's internal review process to ensure consistent application of design guidelines and enhance the internal role of a "Residential Design Team" who shall oversee application of the Guidelines.
77. Planning staff shall continue to work with the design community to provide informational sessions at the Planning Commission, Department of Building Inspection Commission and other public hearings to educate decision makers and citizens about architectural design.
78. Planning staff shall continue to use community planning process to develop policies, zoning, and standards that are tailored to neighborhood character.
79. Planning shall include in development of new community plans mixed use design standards for both residential and commercial buildings.
80. Planning Department staff shall continue project review and historic preservation survey work, in coordination with the Historic Preservation Commission; and shall continue to integrate cultural and historic surveys into area plan projects.
81. Planning shall complete and adopt the Preservation Element of the General Plan..
82. MOH / SFRA shall continue funding the acquisition and rehabilitation of landmark and historic buildings for use as affordable housing.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- Planning should explore ways to encourage property owners to use preservation incentives and federal tax credits for rehabilitation of qualified historical resources, Mills Act property tax abatement programs, the State Historic Building Code, and tax deductions for preservation easements.
- Planning should explore ways to assist in federal environmental review and review under Section 106 of the National Historic Preservation Act for historically significant local buildings receiving federal assistance.
- All agencies should explore ways to incorporate design competitions and peer review on major projects.

ISSUE 7: BALANCE HOUSING CONSTRUCTION AND COMMUNITY INFRASTRUCTURE

OBJECTIVE 12

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

San Francisco's planning should take into account all elements of a whole neighborhood in coordination with new housing. Citywide and neighborhood specific planning should look at neighborhood infrastructure such as parks, recreational facilities and schools, and neighborhood services such as grocery stores, drug stores and other commercial services.

The City must continue to plan for the necessary infrastructure, especially transportation and water services, to support existing and new households. These fundamental services should continue to be planned for at a system level by each relevant agency in a way that is coordinated with new growth. Additionally standard development project review procedures should continue to consider the relationship between new development and necessary infrastructure.

Other important neighborhood elements maintain the health, well-being, and social standards of our City, including publicly provided functions such as schools, parks, libraries; as well as privately developed ones such as grocery



stores and neighborhood retail, child care, art and cultural facilities. These elements are critical to maintaining and enhancing the quality of life in San Francisco and should be encouraged and supported.

POLICY 12.1

Promote new housing that is located in close proximity to transportation infrastructure, to promote transit use and environmentally sustainable patterns of movement.

New housing generates new trips to neighborhood serving businesses, employment centers, recreation facilities, and regional centers. To the extent possible these trips should be easily accommodated on the existing transportation network with increased services. To that end the city should promote housing development in areas that are well served with transportation infrastructure including Bart trains, Muni trains, and Muni's rapid network of buses.

Encouragement of the use of public transit and car-sharing must be accompanied by improving the reliability and usability of public transportation and broadening access to and location of car share options, as ways to make these alternatives more attractive. Additionally, bicycle amenities can and should be an integral component to housing and supporting the City's Transit First policy. The City must maintain and improve the transportation network in coordination with new development. Long range transportation planning should consider projected growth patterns. Tools such as impact fees should facilitate the coordination of new growth with improved transportation infrastructure.

As the City has been directing planning efforts to shape housing construction in transit-rich locations through its Redevelopment, Better Neighborhoods and other community planning processes, its funding efforts should prioritize these parts of the City. To ensure that new neighborhood infrastructure, particularly transit, is provided concurrently with new growth, agencies within the City should prioritize funding or planning efforts within these planned areas, especially for discretionary funding application processes such as the state's Proposition 1C, etc.

POLICY 12.2

Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

San Francisco's neighborhoods' support a variety of life choices through the quality of life elements they provide. Such elements include open space, child care facilities and other neighborhood services such as libraries, neighborhood-serving retail (including grocery stores), community centers, medical offices, personal services, locally owned businesses, and a pedestrian and bike-friendly environment. These elements enable residents to continue to live in their neighborhood as their needs change, and encourage the development of neighborhood relationships. Access to these amenities and services at a neighborhood level enables residents to make many trips on foot or public transportation.

Some of these amenities are maintained by the City, such as open space and some childcare facilities. The City should consider projected growth patterns in plans for the growth and maintenance of these quality of life amenities. Other neighborhood services such as grocery stores, drug stores, and restaurants are provided by private parties – the City should support and encourage the adequate provision of these services whenever possible.

POLICY 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

Projected growth will affect our local public infrastructure systems, especially transportation infrastructure and systems such as water, sewer and power. Realizing this, the City and County of San Francisco has taken a proactive effort in working towards interagency solutions. However, because provision of major infrastructure transcends City boundaries, long-term strategic planning also requires coordination with, and support from, State and regional continued efforts to preserve and grow public infrastructure systems.

With regards to transportation, including transit, roadway, bicycle and pedestrian improvements, the City's long-range Countywide Transportation Plan guides future investment decisions. Managed by the San Francisco County Transportation Authority, the Plan looks at projected growth in jobs and housing in San Francisco, regional trends and changing needs, to provide the city's blueprint for transportation system development and investment over the next 30 years.

With regards to water supply, the San Francisco Public Utilities Commission (SFPUC) plans for growth via the Urban Water Management Plan, which is updated every five years, and is pursuing strategies to addressing increased growth by means such as innovative conservation practices, use of recycled water, and increased use of groundwater. In conjunction with these plans, the PUC has established new connection fees to ensure that new development pays for the impact it places upon the supply network. The PUC has also recently adopted rate increases to fund voter-approved seismic improvements to the pipe network and the combined sewer/stormwater system

Additionally, the City's power networks need to be given the same cooperative consideration. While the City is currently well supplied with power, and is supplementing that system regularly with new technologies such as wind and solar, aging infrastructure, funding constraints and deferred maintenance highlight the need for continued master planning if the emerging vision for a more sustainable system is to be achieved.

Implementation Measures

To achieve the City's objective to balance housing growth with adequate infrastructure that serves the City's growing population, the City will implement the following measures:

83. Planning shall cooperate with infrastructure agencies such as SFMTA and DPW to plan for adequate transportation to support the needs of new housing, and within each community planning process shall develop clear standards for transit and transportation provision per unit.
84. Planning shall ensure community plans for growth are accompanied by capital plans and programs to support both the "hard" and "soft" elements of infrastructure needed by new housing.
85. Planning shall formalize an "Implementation Group" in the Planning Department, to manage the implementation of planned growth areas after Plan adoption, including programming impact fee revenues and coordinating with other City agencies to ensure that needed infrastructure improvements are built.

86. Planning shall update CEQA review procedures to account for trips generated, including all modes, and corresponding transit and infrastructure demands.
87. Planning shall update other elements of the City's General Plan, such as the Transportation and Community Facilities Element to identify infrastructure standards and plans that account for projected growth.
88. Planning shall continue implementing the City's requirement that units be sold and rented separately from parking so as to enable the resident the choice of owning a car.
89. Planning and SFMTA shall coordinate housing development with the ongoing Transit Effectiveness Project.
90. Planning and other relevant agencies shall maintain consistency of development fees, while updating such fees through regular indexing according to construction cost index to maintain a correct relationship between development and infrastructure costs. Fees to be updated include the Transportation Impact Development Fee, Area Plan specific impact fees, downtown impact fees, and other citywide impact fees.
91. The PUC will ensure charges for system upgrades are equitably established, so that new growth will pay its way for increased demands placed on the

system, while all residents pay for general system upgrades and routine and deferred maintenance.

92. The PUC will continue to implement conservation regulations and incentives such the City's Green Building Ordinance and the Stormwater Design Guidelines.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- Planning shall consider incentive programs such as requiring larger new housing developments to provide transit passes to their residents as a part of association dues or monthly rent; or requiring new developments that include car-sharing parking spots to encourage car share memberships to their residents.
- Planning shall explore the creation of a definition of neighborhood serving uses that reflects use categories which clearly serve the daily needs of adjacent residents, perhaps modeled on North Beach SUD requirements which restrict to "neighborhood-serving retail sales and personal services of a type which supplies commodities or offers personal services to residents," (Planning Code Section 780.3).

Housing and Community Infrastructure: Broderick Place

Faletti's Plaza, constructed in 2005 at the corner of Fell and Broderick Streets, is a model development that successfully integrated needed community infrastructure with the construction of new housing. The development involved relocating an existing branch bank and parking lot to create 119 housing units in a mixed use project with a neighborhood market, additional retail uses and a new bank building. Faletti's, a neighborhood grocer that closed in 1999, leaving the community without everyday food access, was brought back to the neighborhood with the development, enabling residents access to a full service grocery store. The retail uses physically wrap the development's parking garage so that it is virtually unseen from the sidewalk. The parking garage provides spaces for the residential and retail uses, as well as bicycle parking and car share parking spots.



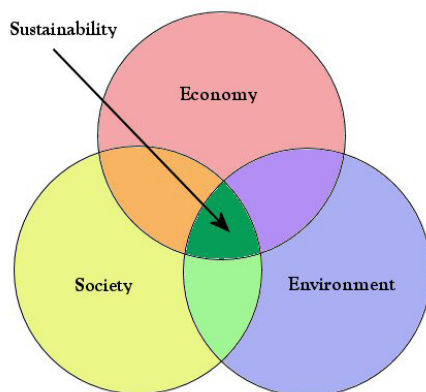
ISSUE 8: PRIORITIZING SUSTAINABLE DEVELOPMENT

OBJECTIVE 13

PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

The United Nations' definition of sustainability, also used by the San Francisco Sustainability Plan, states that "A sustainable society meets the needs of the present without sacrificing the ability of future generations to meet their own needs." Accordingly, sustainable development in San Francisco aims to meet all human needs – environmental, economic and social – across time.

San Francisco is often seen as a leader in urban sustainable development, because of its early adoption of a Sustainability Plan (1997), and subsequent policies, from prohibitions on plastic bags and bottled water to the recently adopted Green Building Ordinance. However, sustainable development does not focus solely on environmental issues. It needs to encompass the way we promote economic growth, so that the most vulnerable, disadvantaged residents get an equal share of the benefits of growth. Also critical is the concept of social equity, which embraces a diversity of values that are not perhaps as easily quantified as greenhouse gas emissions or marketplace dollars, such as housing & working conditions, health, educational services and recreational opportunities, and general quality of life.



While San Francisco's role as a regional job center does promote its role as a nexus for new housing development, sustainability does not mean growth at all costs. A truly sustainable San Francisco balances housing production with affordability needs, infrastructure provision, and neighborhood culture and character. Thus, as the City prioritizes sustainability in housing development, all actions need to keep in mind its broad range of environmental, economic and social components, by ensuring that housing development does not degrade environmental quality, or contribute emissions that further impact our resources; by promoting economic vitality so that all citizens have access to housing that is within their means and close to their workplace; and by protecting the rights of all citizens, including preventing their displacement.

POLICY 13.1

Support "smart" regional growth that locates new housing close to jobs and transit.

In San Francisco, and in many of the other job centers in the Bay Area, workers struggle to find housing they can afford. At the same time, employers have difficulty recruiting employees, because of the lack of affordable options near their locations. These trends exacerbate long-distance commuting, one of the primary sources of greenhouse gas emissions; they also negatively impact the working families struggling with such commutes by demanding more travel time and higher travel costs.

The City should support efforts to construct more housing near jobs, and near transit. Yet, sustainable development requires consideration of the impacts of new housing. Plans for smart growth must work to prevent the unintended consequences on low-income residents, such as gentrification and displacement, and to maintain the character and composition of neighborhoods for the long-term.

This answer of new housing near jobs does not apply to San Francisco alone. As part of the larger regional economy of the Bay Area, decisions made by one community - to limit commercial or residential growth - affect other communities in the region. SB 375 attempts to address this at a state level, but continued efforts are required to ensure new residential development is planned region wide to take advantage of the availability of employment opportunities,

efficient transportation systems, and community services. It is imperative that governing entities such as the Association of Bay Area Governments and the State structure funding and other incentives to direct local government policies to house their fair, “smart” share of the labor pool, particularly those locations close to transit. San Francisco should take an active role in promoting such policies, and discouraging funding that would enable housing development that is not attached to the use of public transit. The City should also play a greater role in ensuring local and regional growth management strategies are coordinated and complementary.

POLICY 13.2

Work with localities across the region to coordinate the production of affordable housing region wide according to sustainability principles.

Because the need for housing relates to jobs which are provided across the region, planning for housing requires a regional strategy. In a true jobs-housing balance, the workers are the residents of nearby housing, and housing costs are affordable to the local workforce. Provided the type and cost of housing constructed are taken into account, smart growth strategies can address the housing needs of low-income residents, while contributing to diverse communities.

Construction of housing affordable to a mix of incomes must be provided not only in San Francisco, but throughout the region, to allow low-income residents to reach jobs as well as needed services like grocery stores and child-care. At the present time, most of the region’s subsidized housing for low- and moderate-income households is concentrated in the central cities, including San Francisco. Communities throughout the Bay Area, particularly those who provide working opportunities for this same population, should accept responsibility for housing low- and moderate-income households as well. One way of addressing affordability needs across municipal boundaries is to explore the creation of a regional affordable housing fund, which could accept funds from both public and private sources. Another is a permanent state fund that would finance housing for low- and middle-income households, which would ease some of the funding uncertainty that occurs during difficult budget years.

POLICY 13.3

Promote sustainable land use patterns that integrates land use and transportation to increase transit, pedestrian, and bicycle trips

Sustainable land use patterns include those located close to jobs and transit, as noted above. But they also include easy access to, and multiple travel modes between, other services, shopping and daily needs. This could mean all services needed are located within an easy walk of the nearby housing; it could also mean that such services are available by bike or transit, or in the best cases, by all modes. The common factor in sustainable land use patterns is that the need for a private car is limited.

To encourage walking, cycling and transit use, comprehensive systems must be in place. A Citywide network of walkable streets, bike lanes that are safe for children as well as the elderly, and reliable, convenient, transit must be in place. The City should continue efforts to improve such networks, to make them more attractive to users. The City should also continue requirements and programs that link developers of housing to contribute towards such systems. Sustainable design that includes improved streets and transit stops adjacent to developed property, as well as the inclusion of mid-block crossings, alleys and bike lanes at larger, multi-block developments, can further incentivize non-automotive movement.

POLICY 13.4

Promote the highest feasible level of “green” development in both private and municipally-supported housing.

Green development specifically relates to the environmental implications of development. Green building integrates the built environment with natural systems, using site orientation, local sources, sustainable material selection and window placement to reduce energy demand and greenhouse gas emissions.

San Francisco has for several years had a municipal green building ordinance, and in the past year has also adopted strict green building standards for private construction as well. The City also promotes several incentive programs to encourage development to go beyond the requirements of

the ordinances, including Priority permitting for LEED Gold certified projects, solar rebates at the local, state and federal level, and rebates for energy and water efficiency.

Preservation and rehabilitation of existing buildings is in and of itself a “green” strategy, as renovating an existing building generally consumes far less energy than demolition and new construction. But truly addressing climate change must include upgrades to these buildings as well. Often, features that add to the initial cost of a structure are highly cost-effective in terms of the life cycle or operating costs. For example, weatherization of existing housing can usually pay for itself in a short time, resulting in lower utility bills and housing costs. Energy costs, particularly, can be a burden on low-income families, and including mechanism that reduce energy use as well as energy costs, can leave more money for housing itself.



Implementation Measures

To achieve the City’s objective to prioritize sustainable development in planning for and constructing new housing, the City will implement the following measures:

93. Regional planning entities such as ABAG shall continue to prioritize regional transportation decisions and funding to “smart” local land use policies that link housing, jobs and other land uses, including focusing on VMT reduction. The City shall encourage formalization of state policy that similarly prioritizes transportation and infrastructure dollars transit infrastructure for “smart growth” areas such as San Francisco, rather than geographic allocation.
94. The City shall support and participate in the development of the regional “Sustainable Communities Strategy” plan to meet greenhouse gas emissions reduction targets by ABAG and MTC. Subsequently, the City shall amend local plans, including the Housing Element, Recreation and Open Space Element, and Land Use Element, as necessary to be in concordance with the Strategy.
95. The City shall advocate at the federal level for the Federal Transportation Reauthorization Act to include sustainable growth language that links transportation and land use, and create strong links between transportation funding and transit-oriented development, such as mixed-income housing.
96. On a local level, the City shall prioritize planned growth areas such as Better Neighborhoods, other Area Plans or Redevelopment Areas for regional, state and federal bond and grants, especially for discretionary funding application processes such as the State’s Prop 1C.
97. The San Francisco Transportation Authority shall implement regional traffic solutions that discourage commuting by car, such as congestion pricing, parking pricing by demand, and shall continue to work with the Metropolitan Transportation Commission (MTC) on funding strategies.
98. The City shall continue to support efforts to use state or regional funds to give housing subsidies or income tax credits to employees who live close to their workplaces, and shall consider offering housing subsidies or income tax credits to employees who live close to their workplaces.
99. The City will continue to support transit-related income tax credits to encourage employees to commute to work via transit; and shall explore local requirements that require new developments to provide residents with a MUNI FastPass as part of condominium association benefits to promote local transit use.
100. OEWD will facilitate employer-supported transit and transportation demand management (TDM) programs, including rideshare matching, transit improvements, bicycle and pedestrian facility

improvements, parking management and restriction of free parking; , and continue to require that employers offer commuter benefits per Section 421 of the Environment Code to encourage employees to use transit or carpool.

101. DBI, Planning, and the Department of Environment shall continue to implement the City's Green Building Ordinance; and the Department of the Environment, the PUC and DBI shall continue local and state incentive programs for green upgrades.

Strategies for Further Review

To further this objective, the City should further explore the following options, and examined their potential to address Housing Element goals:

- DBI should work with the Rent Board and other building-owner organizations to explore incentives that can be offered to landlords to promote "green" capital improvements, such as enabling restricted tenant pass-throughs when such improvements will result in a tangible financial benefit to the tenant.

Portland's Clean Energy Fund

A partnership between municipal governments and power companies in the Portland, Oregon area are currently piloting a Clean Energy Fund that provides a financial mechanism for making green retrofits in residential buildings possible without upfront prohibitive costs. The goal of the program is to provide homeowners a loan that covers the cost of materials and installation for energy improvements. The loan for such improvements is paid back over time through the savings they reap from the improvements on their utility bills. The partnership is using 2009 Federal Stimulus dollars as the seed money for this program.

Homeowners are provided with a home energy assessment that is conducted by both a professional Building Performance Institute contractor and an "Energy Advocate" that helps explain potential improvements. This team assists the team from the beginning with financing options all the way through the installation process. The Portland area pilot is focusing on energy improvements that include: basic weatherization (insulation, air sealing, duct sealing), space heating (furnace or heat pump), hot water (gas, electric, tankless gas), solar hot water, solar photovoltaic, and windows.



ABBREVIATIONS

ABAG	Association of Bay Area Governments
ADA	Americans with Disabilities Act
AGI	Adjusted Gross Income
AMI	Area Median Income
BART	Bay Area Rapid Transit
BIC	Building Improvement Committee
CAPSS	Community Action Plan for Seismic Safety
CEQA	California Environmental Quality Act
CERF	Code Enforcement Rehabilitation Fund
CHRP	San Francisco Community Housing Rehabilitation Program
CPC	Capital Planning Committee
DAAS	Department of Aging and Adult Services
DAH	Direct Access to Housing Program
DALP	Down Payment Assistance Loan Program
DBI	Department of Building Inspection
DPH	Department of Public Health
DCYF	Department of Children Youth and Families
DHS	Department of Human Services
DOE	Department of the Environment
DPW	Department of Public Works
DR	Discretionary Review
HSA	Human Services Agency
HDMT	Healthy Development Measurement Tool
HOPE VI	Housing Opportunities for People Everywhere
HOPE SF	Housing Opportunities for People Everywhere San Francisco
HPP	Housing Preservation Program
HRC	Human Rights Commission
LEED	Leadership in Energy and Environmental Design
MOH	Mayor's Office of Housing
MONS	Mayor's Office of Neighborhood Services
MTC	Metropolitan Transportation Commission
MUNI	San Francisco Municipal Railway
NC	Neighborhood Commercial
OEWD	Office of Economic and Workforce Development
Prop 1C	State of California Proposition 1C Grant Program
RHNA	Regional Housing Needs Assessment
RPD	City and County of San Francisco Recreation and Park Department
SB 375	State of California Senate Bill #375
SFHA	San Francisco Housing Authority
SFMTA	San Francisco Municipal Transportation Agency
SFPUC	San Francisco Public Utilities Commission
SFRA	San Francisco Redevelopment Agency
SFUSD	San Francisco United School District
SOMA	South of Market
SRO	Single-Room Occupancy Units
SUD	Special Use District
TDM	Transportation Demand Management
TEP	Transit Effectiveness Project
TIDF	Transportation Impact Development Fee
VMT	Vehicle Miles Traveled

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HOUSING ELEMENT 2009: Policy Comparison

The attached matrix was created as a tool to facilitate the review of the preliminary draft policies of the 2009 Housing Element, as they compare to previously adopted policies in the 2004 and 1990 Housing Elements. Policies that are new to 2009, or continuing policies that contain new elements, are denoted by *bold italics*. In many cases, the relationship between 2009 and previous year policies is clear from the 2009 policy's supporting text; to review this text, see the full Housing Element draft of PART II: Objectives, Policies, and Implementation Programs at <http://housingelement2009.sfplanning.org/>. Please note that this matrix is only intended only to support community review; it is not a comprehensive analysis of the 1990, 2004 and 2009 Housing Elements.

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
1.0 Identify and <i>make available</i> for development adequate sites to meet the City's quantified housing needs.	1.0 To provide new housing, especially permanently affordable housing, in appropriate locations which meets identified housing needs and takes into account the demand for affordable housing created by employment demand.	1.0 To provide new housing, especially permanently affordable housing, in appropriate locations which meets identified housing needs and takes into account the demand for affordable housing created by employment growth.
<i>1.1 Plan for the full range of existing and projected housing needs in the City and County of San Francisco.</i>		
1.2 Work proactively to identify <i>and secure</i> opportunity sites for permanently affordable housing.	1.5 Support development of affordable housing on surplus public lands. 4.1 Actively identify and pursue opportunity sites for permanently affordable housing.	1.1 Promote development of permanently affordable housing on surplus, underused and vacant public lands. 7.1 Create more housing opportunity sites for permanently affordable housing.
<i>1.3 Continue community planning processes to plan for housing growth.</i>		
1.4 <i>Through community planning processes,</i> establish land use controls that support efficient use of land.	1.8 Allow new secondary units in areas where their effects can be dealt with and there is neighborhood support, especially if that housing is made permanently affordable to lower income households.	1.5 Allow new secondary units in areas where their effects can be dealt with and there is neighborhood support, especially if that housing is made permanently affordable to lower income households.

<p align="center">Draft 2009 Housing Element Objectives & Policies</p>	<p align="center">Related 2004 Housing Element Objectives and Policies</p>	<p align="center">Related 1990 Residence Element Objectives and Policies</p>
	<p>2.6 Consider legalization of existing illegal secondary units where there is neighborhood support and the units can conform to minimum Code standards of safety and livability and the permanent affordability of the units is assured.</p> <p>4.5 Allow greater flexibility in the number and size of units within established building envelopes, potentially increasing the number of affordable units in multi-family structures.</p> <p>11.6 Employ flexible land use controls in residential areas that can regulate inappropriately sized development in new neighborhoods, in downtown areas and in other areas through a Better Neighborhoods type planning process while maximizing the opportunity for housing near transit.</p> <p>11.9 Set allowable densities and parking standards in residential areas at levels that promote the City's overall housing objectives while respecting neighborhood scale and character.</p>	<p>3.3 Consider legalization of existing illegal secondary units where there is neighborhood support and the units can conform to minimum Code standards of safety and livability and the permanent affordability of the units is assured.</p> <p>2.3: Allow flexibility in the number and size of units within permitted volumes of larger multi unit structures, especially if the flexibility results in creation of a significant number of dwelling units that are permanently affordable to lower income households.</p> <p>12.5 Relate land use controls to the appropriate scale for new and existing residential areas.</p> <p>2.1 Set allowable densities in established residential areas at levels which will promote compatibility with prevailing neighborhood character.</p> <p>2.3 Allow flexibility in the number and size of units within permitted volumes of larger multi unit structures, especially if the flexibility results in creation of a significant number of dwelling units that are permanently affordable to lower income households.</p>

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
1.5 Support new housing projects on sites that are located close to <i>major transit lines</i> (defined!).	11.6 Employ flexible land use controls in residential areas that can regulate inappropriately sized development in new neighborhoods, in downtown areas and in other areas through a Better Neighborhoods type planning process while maximizing the opportunity for housing near transit.	
1.6 <i>Consider health objectives</i> when designating and promoting housing development sites.		1.6 Discourage development of new housing in areas unsuitable for residential occupancy, or on sites containing existing housing worthy of retention.
1.7 <i>Include</i> housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.	1.6 Create incentives for the inclusion of housing, including permanently affordable housing, in new commercial development projects. 1.9 Require new commercial developments and higher educational institutions to meet the housing demand they generate, particularly the need for affordable housing for lower income workers and students.	1.3 Create incentives for the inclusion of housing, including permanently affordable housing in commercial developments. 1.7 Obtain assistance from office developments and higher educational institutions in meeting the housing demand they generate, particularly the need for affordable housing for lower income workers and students.
2.0 Retain existing housing units, <i>and promote safety and maintenance standards</i> .	2.0 Retain the existing supply of housing. 3.0 Enhance the physical condition and safety of housing without jeopardizing the use or affordability.	3.0 Retain the existing supply of housing. 5.0 To maintain and improve the physical condition of housing while maintaining existing affordability levels.
2.1 Discourage the demolition of sound existing housing, <i>unless the demolition results in a net increase in affordable housing</i> .	2.1 Discourage the demolition of sound existing housing. 2.4 Retain sound existing housing in commercial and industrial areas.	3.1 Discourage the demolition of sound existing housing.

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
2.2 Retain existing housing by controlling the merger of residential units, except in instances <i>where a merger supports the need for family housing.</i>	2.2 Control the merger of residential units to retain existing housing.	3.2 Control the merger of residential units.
2.3 <i>Prevent the destruction or reduction of housing for parking.</i>		
2.4 Promote physical improvements and continued maintenance to existing units to ensure their long term habitation and safety.	3.1 Ensure that existing housing is maintained in a decent, safe, and sanitary condition without increasing rents or displacing low-income households. 3.4 Monitor the correction of serious continuing code violations to prevent the loss of housing.	5.1- Assure that existing housing is maintained in decent, safe sanitary condition at existing affordability levels. 5.2 Promote and support voluntary housing rehabilitation which does not result in the displacement of lower income occupants. 5.3 Assure correction of serious continuing code violations and loss of housing.
2.5 Encourage and support the seismic retrofitting of the existing housing stock.	3.5 Improve the seismic stability of existing housing without reducing the supply of affordable housing.	4.3 Improve the seismic stability of existing housing.
3.0 Protect the affordability of the existing housing stock, <i>especially rental units</i> .	6.0 Protect the affordability of existing housing.	10.0 To protect the existing affordability of housing.
3.1 Preserve rental units, <i>especially rent controlled units</i> , to meet the City's affordable housing needs.	2.3 Restrict the conversion of rental housing to other forms of tenure or occupancy.	3.4 Restrict the conversion of rental housing to condominiums or other forms of tenure or occupancy. 3.5 Prohibit the conversion of rental housing to time share, corporate suite or hotel use.

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
3.2 Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.	8.9 Encourage the provision of new home ownership opportunities through new construction so that increases in owner occupancy do not diminish the supply of rental housing.	13.7 Expand opportunities for home ownership without significantly diminishing the supply of rental housing.
3.3 <i>Preserve "naturally affordable" housing types, such as smaller and older ownership units.</i>		
3.4 Retain <i>permanently affordable</i> Residential Hotels and Single Room Occupancy (SRO) units.	2.5 Preserve the existing stock of residential hotels.	3.7 Preserve the existing stock of residential hotels.
4.0 <i>Foster a housing stock that meets the needs of all residents over across lifecycles.</i>		
4.1 Develop new housing, and encourage the remodeling of existing housing, for families.	1.7 Encourage and support the construction of quality, new family housing.	
4.2 Provide a range of housing options for residents with special needs for housing support and services.	8.6 Increase the availability of units suitable for users with supportive housing needs.	13.3 Increase the availability of units suitable for special user groups with special housing needs including large families, the elderly, and the homeless.
4.2 Provide a range of housing options for residents with special needs for housing support and services.	8.10 Ensure an equitable distribution of quality board and care centers, and adult day care facilities throughout the City.	13.8 Amend regulations relating to group housing to ensure a distribution of quality board and care, adult day care facilities and single room occupancies.
4.3 Create housing for physically disabled and elderly occupants <i>by including universal design principles in new and rehabilitated housing units.</i>	8.8 Promote the adaptability and maximum accessibility of residential dwellings for disabled and elderly occupants.	13.2 Promote adaptability and maximum accessibility of residential dwellings for disabled occupants.
4.4 Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units whenever possible.	8.1 Encourage sufficient and suitable rental housing opportunities and emphasize permanently affordable units wherever possible.	13.6 Provide adequate rental housing opportunities.

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
4.5 Encourage integrated neighborhoods, with a <i>diversity of unit types provided at a range of income levels</i> .	8.4 Encourage greater economic integration within housing projects and throughout San Francisco. 4.2 Include affordable units in larger housing projects.	13.5 Encourage economic integration in housing by ensuring that new permanently affordable housing is located in all the City's neighborhoods, and by requiring that all new large market rate residential development includes affordable housing. 7.2 Include affordable units in larger housing projects.
4.6 <i>Consider environmental justice issues</i> when planning for new housing, especially affordable housing.		1.6 Discourage development of new housing in areas unsuitable for residential occupancy, or on sites containing existing housing worthy of retention.
5.0 Ensure that all residents have equal access to available units.	8.0 Ensure equal access to housing opportunities.	13.0 To provide maximum housing choice.
5.1 <i>Ensure all residents of the City of San Francisco have access to subsidized housing units.</i>		
5.2 Increase access to housing, particularly for those who might not be aware of their housing choices.	8.3 Ensure affirmative marketing of affordable housing.	10.3 Ensure equal access to, protection for, and affirmative marketing of affordable housing.
5.3 Prevent housing discrimination, particularly against immigrants and households with children.	8.5 Prevent housing discrimination. 8.7 Eliminate discrimination against households with children.	13.1 Prevent housing discrimination based on age, race, religion, sex, sexual preference, marital status, ancestry, national origin, color, disability, health (AIDS/ARC), source or amount of income, citizenship or employment status as a family day case provider. 13.4 Eliminate discrimination against households with children.
5.4 <i>Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.</i>		

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
6.0 Reduce homelessness and the risk of homelessness.	10.0 Reduce homelessness and the risk of homelessness in coordination with relevant agencies and service providers.	15.0 To deal with the root causes of homelessness, recognizing the solution is more than the provision of emergency shelter.
6.1 Continue to pursue both short-and long-term strategies to eliminate homelessness.	<p>10.1 Focus efforts on the provision of permanent affordable and service-enriched housing to reduce the need for temporary homeless shelters.</p> <p>10.2 Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.</p> <p>10.3 Improve coordination among emergency assistance efforts, existing shelter programs, and</p> <p>10.2 Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.</p>	<p>15.1 Shift focus from provision of temporary shelter to provision of permanent affordable housing.</p> <p>15.2 Develop strategies to deal with root causes of homelessness including lack of financial resources, employment and health services.</p> <p>15.3 Provide emergency assistance programs including emergency access to food, clothing,</p> <p>15.5: Adopt measures that prevent homelessness.</p>
6.2 <i>Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.</i>		
7.0 Secure funding and resources for permanently affordable housing, including innovative programs that are not solely reliant on traditional mechanisms or capital.	<p>7.0 Expand the financial resources available for permanently affordable housing.</p> <p>12.0 Strengthen citywide affordable housing programs through coordinated regional and state efforts.</p>	<p>8.0 To expand the financial resources for permanently affordable housing.</p> <p>16.0 To address affordable housing needs through a coordinated state and regional approach.</p>
7.1 Expand the financial resources available for permanently affordable housing, especially permanent sources.	7.1 Enhance existing revenue sources for permanently affordable housing.	8.1 Enhance existing revenue sources for permanently affordable housing.

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
	7.2 Create new sources of revenue for permanently affordable housing, including dedicated long-term financing for housing programs.	8.2- Create new sources of revenue for permanently affordable housing. 8.3- Provide new mechanisms to assure long-term financing for permanently affordable housing.
7.2 Strengthen San Francisco's affordable housing efforts by planning and advocating at Regional, State and Federal levels.	12.0 Strengthen citywide affordable housing programs through coordinated regional and state efforts.	16.0 To address affordable housing needs through a coordinated state and regional approach.
<i>7.3 Recognize the importance of operations, maintenance and services funding to the success of affordable housing programs.</i>		
7.4 Facilitate affordable housing development through <i>land subsidy programs</i> , such as land trusts and land dedication.	4.0 Support affordable housing production by increasing site availability and capacity. 6.4 Achieve permanent affordability through community land trusts and limited equity housing ownership and management.	7.0 To increase land and improve building resources for permanently affordable housing. 11.1 Encourage non-profit and limited equity ownership and management of housing.
7.5 Encourage the production of affordable housing through <i>process and zoning accommodations</i> , and prioritize affordable housing in the review and approval process.	5.1 Prioritize affordable housing projects in the planning review and approval processes, and work with the development community to devise methods of streamlining housing projects. 4.4 Consider granting density bonuses and parking requirement exemptions for the construction of affordable housing or senior housing.	6.3- Improve the planning review and approval process and give priority to permanently affordable housing projects. 7.3 Grant density bonuses for construction of affordable or senior housing.
<i>7.6 Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.</i>		

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
7.7 Support housing <i>for middle income households</i> , especially through programs that do not require a direct public subsidy.	4.6 Support a greater range of housing types and building techniques to promote more economical housing construction and potentially achieve greater affordable housing production.	7.4- Promote more economical housing construction to achieve affordable housing. 7.6- Encourage industrialized housing production techniques where such techniques result in compatible quality of design at lower cost. 7.7- Allow construction of unconventional housing types that reduce cost, if quality can be maintained.
7.8 Develop, promote and improve ownership models which enable households to achieve homeownership <i>within their means</i> , such as down payment assistance, limited equity ownership and community land trusts.	6.4 Achieve permanent affordability through non-profit and limited equity housing ownership and management.	11.2- Support new affordable ownership programs.
8.0 Build public and private sector capacity to support, facilitate, provide and maintain affordable housing.	5.0 Increase the effectiveness and efficiency of the City's affordable housing production system.	6.0 To improve the citywide affordable housing delivery system.
8.1 Support all efforts to produce and manage permanently affordable housing.	5.2 Support efforts of for-profit and non-profit organizations and other community-based groups and expand their capacity to produce and manage 7.3 Develop greater investments in and support for affordable housing programs by corporations, churches, unions, foundations, and financial institutions.	6.2 Expand affordable housing capacities of community based non-profit organizations. 8.4 Develop greater investment in and support for affordable housing programs by corporations, churches, unions and financial institutions.
8.2 <i>Encourage employers located within San Francisco to develop and advocate for housing appropriate for employees.</i>		

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
8.3 Generate greater public awareness about the quality and character of affordable housing projects and generate communitywide support for new affordable housing.	5.3 Create greater public awareness about the quality and character of affordable housing projects and generate community-side support for new affordable housing. 12.4 Foster educational programs across the region that increase public understanding of the need for affordable housing and generate support for quality housing projects.	6.4 Create greater public awareness of the affordable housing problem and support for affordable housing.
9.0 Preserve units subsidized by the Federal, State or local sources.	6.0 Protect the affordability of existing housing.	10.0 To protect the existing affordability of housing.
9.1 Protect the affordability of units at risk of losing their subsidies or being converted to market rate housing.	6.1 Protect the affordability of units in existing buildings at risk of losing their subsidies or being converted to market rate housing. 3.2 Preserve at risk, privately owned assisted housing.	10.1 Preserve affordability of existing affordable units. 10.2 Protect existing buildings at risk of losing their subsidies or being converted to market rate housing.
<i>9.2 Continue prioritization of affordable preservation as the most effective means of providing affordable housing.</i>		
9.3 Maintain and improve the condition of the existing supply of public housing, <i>through programs such as HOPE SF</i> .	3.3 Maintain and improve the existing supply of public housing.	5.4 Maintain and improve the existing supply of public housing.
<i>10.0 Ensure a streamlined, yet thorough, and transparent decision-making process.</i>		
<i>10.1 Create certainty in the development entitlement process, through housing regulations to make community parameters for development clear.</i>		

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
10.2 <i>Reduce the need for discretionary processes such as conditional use approval, and ensure an effective decision-making process that ensures adequate community review where discretion is warranted.</i>		
10.3 <i>Use best practices to reduce excessive time or redundancy in local application of CEQA.</i>		
10.4 <i>Support state legislation and programs that promote environmentally favorable projects.</i>		
11.0 Recognize the <i>diverse and distinct character</i> of San Francisco's neighborhoods.	11.0 In increasing the supply of housing, pursue place making and neighborhood building principles and practices to maintain San Francisco's desirable urban fabric and enhance livability in all neighborhoods.	12.0 Provide a quality living environment.
11.1 Promote the construction and rehabilitation of well-designed housing <i>that emphasizes beauty, flexibility, and innovative design</i> , and fits within existing neighborhood character.	11.5 Promote the construction of well-designed housing that enhances existing neighborhood character.	12.4 Promote construction of well designed housing that conserves existing neighborhood character.
11.2 <i>Ensure implementation of the good design standards in project approvals.</i>		
11.3 <i>Foster a sense of community through architectural design, using features that promote community interaction.</i>		
11.4 <i>Respect San Francisco's historic fabric</i> , by preserving landmark buildings <i>and ensuring consistency with historic districts.</i>	3.6 Preserve landmark and historic residential buildings.	5.5 Preserve landmark and historic residential buildings.
11.5 <i>Consider a neighborhood's physical character when integrating new uses into residential areas</i> , and restrict uses that disrupt the residential fabric.	11.4 Avoid or minimize disruption caused by expansion of institutions, large-scale uses and auto-oriented development into residential areas.	12.3 Minimize disruption caused by expansion of institutions into residential areas.

Draft 2009 Housing Element Objectives & Policies	Related 2004 Housing Element Objectives and Policies	Related 1990 Residence Element Objectives and Policies
11.6 <i>Reflect upon local culture, needs and values when planning for new uses and housing; strengthen each area's sense of place and history.</i>		
12.0 <i>Balance housing growth with adequate infrastructure that serves the City's growing population.</i>		
12.1 Promote new housing that is located in close proximity to transportation infrastructure, <i>to promote transit use and environmentally sustainable patterns of movement .</i>	11.6 Employ flexible land use controls in residential areas that can regulate inappropriately sized development in new neighborhoods, in downtown areas and in other areas through a Better Neighborhoods type planning process while maximizing the opportunity for housing near transit.	1.3 Create incentives for the inclusion of housing, including permanently affordable housing in commercial developments.
12.2 Consider the proximity of quality of life elements such as open space, child care and neighborhood services, when developing new housing units.	10.4 Facilitate childcare and educational opportunities for homeless families and children. 11.2 Ensure housing is provided with adequate public improvements, services, and amenities. 11.3 Encourage appropriate neighborhood-serving commercial activities in residential areas, without causing affordable housing displacement.	15.4 Facilitate childcare and education for children of homeless families. 12.1 Assure housing is provided with adequate public improvements, services and amenities. 12.2 Allow appropriate neighborhood-serving commercial activities in residential areas.
12.3 <i>Ensure new housing shall be sustainable supported by water, sewer, and power systems.</i>		
13.0 <i>Prioritize sustainable development in planning for and constructing new housing.</i>		
13.1 Support <i>"smart" regional growth</i> that locates new housing close to jobs and transit.	12.1 Work with localities across the region to establish a better relationship between economic growth and increase housing needs.	16.1 Encourage the balancing of regional employment growth with development and growth of affordable housing in the region.

<p align="center">Draft 2009 Housing Element Objectives & Policies</p>	<p align="center">Related 2004 Housing Element Objectives and Policies</p>	<p align="center">Related 1990 Residence Element Objectives and Policies</p>
<p>13.2 Work with localities across the region to coordinate the production of affordable housing region-wide <i>according to sustainability principles</i> .</p>	<p>12.2 Support the production of well-planned housing regionwide that address regional housing needs and improve the overall quality of life in the Bay Area. 12.3 Encourage jurisdictions throughout the Bay Area to recognize their share in the responsibility to confront the regional affordable housing crisis.</p>	<p>16.2 Encourage development of housing in the Bay Area which will meet regional housing needs and contribute to the quality of life in the region. 16.3 Encourage the distribution of affordable housing throughout the Bay Area without diminishing efforts to expand such housing in the</p>
<p><i>13.3 Promote sustainable land use patterns that integrates land use and transportation to increase transit, pedestrian, and bicycle trips</i></p>		
<p>13.4 Promote the highest feasible level of “green” development in both private and municipally-supported housing.</p>	<p>11.10 Include energy efficient features in new residential development and encourage weatherization in existing housing to reduce overall housing costs and the long-range cost of maintenance.</p>	<p>7.5 Encourage energy efficiency in new residential development and weatherization in existing housing to reduce overall housing cost.</p>

Attachment 3 2009 HOUSING ELEMENT UPDATE Project Timeline

