

MARKET & OCTAVIA PLAN MONITORING REPORT 2010–2014





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Front Cover: Linden Alley looking towards Patricia's Green

MARKET & OCTAVIA PLAN MONITORING REPORT

2010–2014

San Francisco Planning Department
October 2015





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HIGHLIGHTS: MARKET AND OCTAVIA PLAN MONITORING REPORT 2010–2014

SUMMARY OF HIGHLIGHTS

The 2010–2014 reporting period includes the impact of the 2008 global financial meltdown and ensuing recession as well as the subsequent recovery. The plan area has emerged from the depths of the crisis with new community improvements and growth in housing and commercial space.

Commercial Space and Employment

The vitality and strength of Market & Octavia as a place is a result of residential neighborhoods with space for commerce and places to gather for socializing. The pattern for new development in the area is driven towards mixed use development. In fact, all but one project built since 2010 is residential with mixed uses on the ground floors. The SF Jazz Center, a performing arts venue for jazz and music education located at 205 Franklin Street, is the lone single-use project built during the reporting period.

Housing

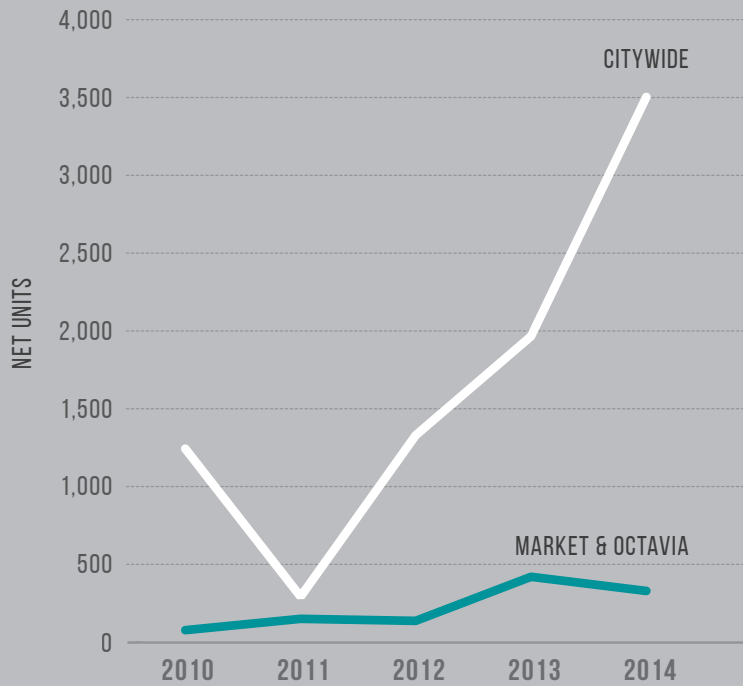
Housing production in Market & Octavia mirrored the City's as the effects of the recession caused many residential projects to be stalled or cancelled. When the City's net new housing production plummeted in 2011, nearly half were in the *Market & Octavia Plan* area. Since then housing production Citywide has rebounded, with Market & Octavia recovering and quickly catching up.

Implementation of Proposed Programming

New parks were built and several more received improvements between 2010 and 2014. The McCoppin Hub and the SoMa West Skate Park and Dog Play Area have opened in a previously under-served area of Market & Octavia. Improvements to transportation, including the bus-only lane on Haight and the contra flow bike lane on Polk Street, have come about as development in the Plan area picked up. The Planning Department estimates that nearly \$19.5 million in impact fee revenue will come from the *Market & Octavia Plan* area over the next five years.

HOUSING INVENTORY

HOUSING PRODUCTION TRENDS, 2010–2014



MARKET & OCTAVIA RECOVERY FROM RECESSION

125 **305** **↑2X**

2011

2014

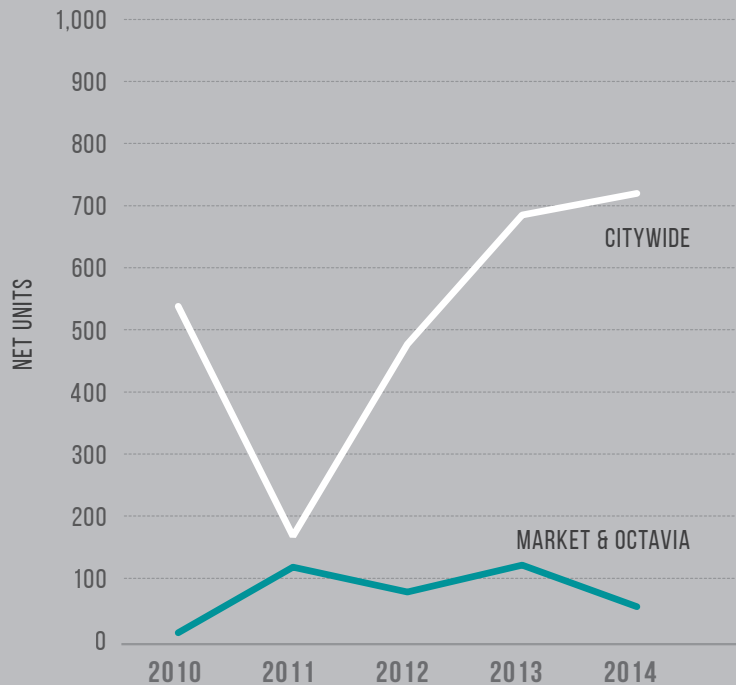
CITYWIDE RECOVERY FROM RECESSION

269 **3,514** **↑13X**

2011

2014

AFFORDABLE HOUSING PRODUCTION TRENDS, 2010–2014



MARKET & OCTAVIA RECOVERY FROM RECESSION

120 **57** **↓0.5X**

2011

2014

CITYWIDE RECOVERY FROM RECESSION

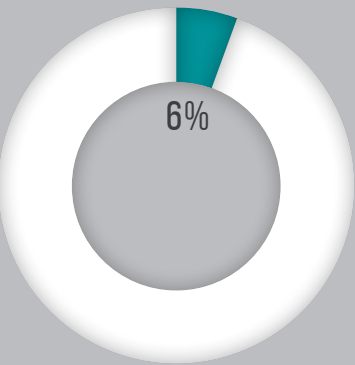
171 **723** **↑4X**

2011

2014

HOUSING PIPELINE

HOUSING PIPELINE, QUARTER 4 OF 2014

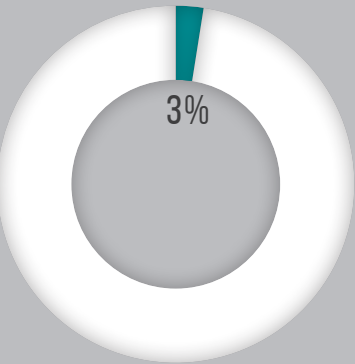


692

11,351

UNITS UNDER REVIEW

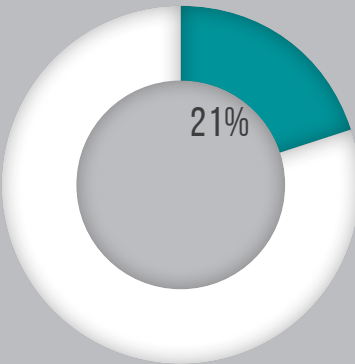
MARKET & OCTAVIA
CITYWIDE



837

31,698

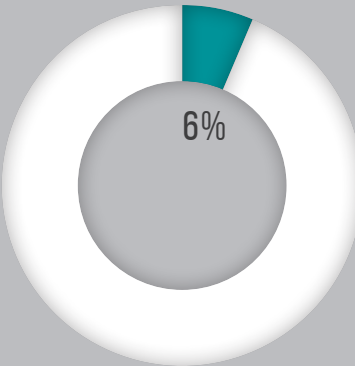
UNITS ENTITLED



1,620

7,883

UNDER CONSTRUCTION



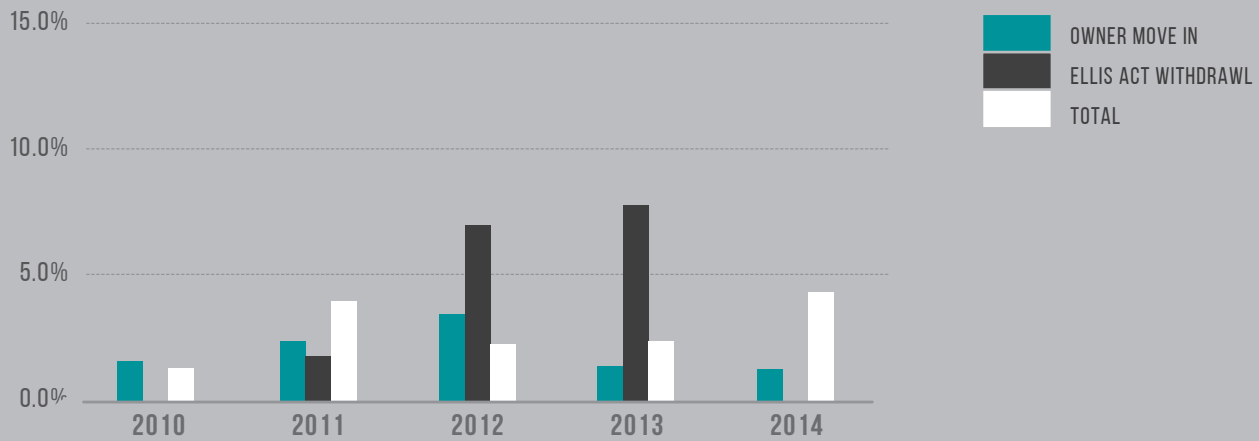
3,149

50,932

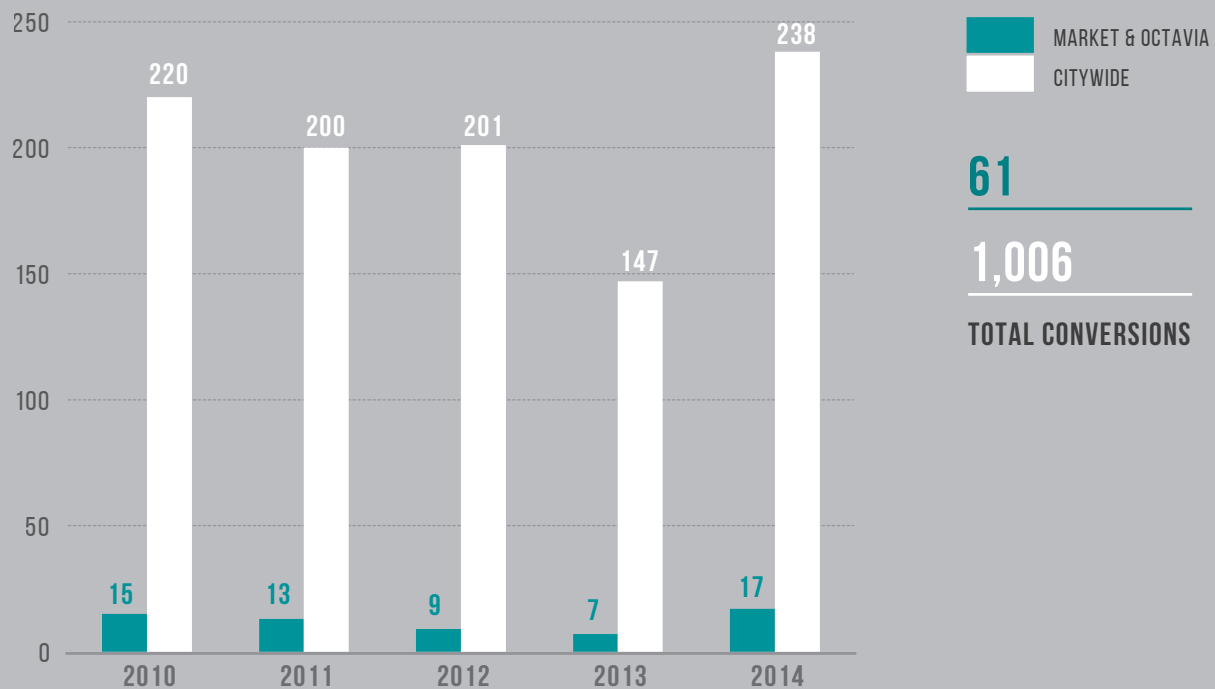
TOTAL UNITS IN PIPELINE

OTHER CHANGES IN HOUSING CHARACTERISTICS

EVICTIONS: MARKET & OCTAVIA AS A SHARE OF CITYWIDE TRENDS, 2010–2014

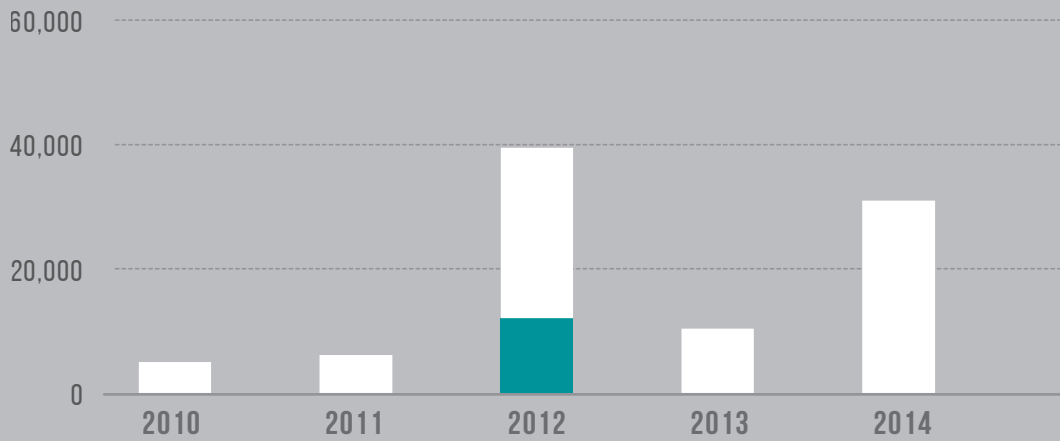
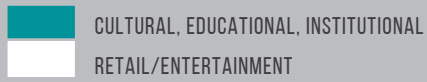


CONDO CONVERSION TRENDS, 2010–2014



COMMERCIAL SPACE

COMMERCIAL DEVELOPMENT TRENDS IN MARKET & OCTAVIA, 2010–2014



COMMERCIAL SPACE

COMMERCIAL PROJECT PIPELINE IN NET SQUARE FEET, 2014



MARKET & OCTAVIA
CITYWIDE

38,296

1,799,719

CULTURAL, EDUCATIONAL,
INSTITUTIONAL

2%

OF CITYWIDE

0

1,775,383

MEDICAL

0%

OF CITYWIDE

-116,889

12,265,597

OFFICE

-1%

OF CITYWIDE

-76,037

-381,685

PDR/LIGHT INDUSTRIAL

20%

OF CITYWIDE

95,797

2,943,964

RETAIL/ENTERTAINMENT

3%

OF CITYWIDE

0

1,056,215

VISITOR/LODGING

0%

OF CITYWIDE

-61,263

19,459,193

TOTAL

0%

OF CITYWIDE

EMPLOYMENT

ESTABLISHMENTS



MARKET & OCTAVIA

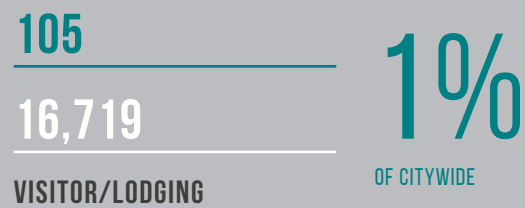
CITYWIDE



* TOTAL INCLUDES OTHER JOBS

EMPLOYMENT

JOBS



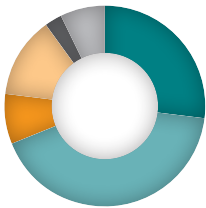
* TOTAL INCLUDES OTHER JOBS

INFRASTRUCTURE & FEES COLLECTED

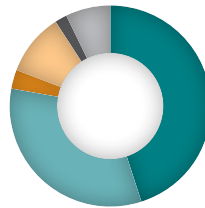
TRANSPORTATION

27%	CAR	45%
42%	TRANSIT	33%
8%	BIKE	3%
13%	WALK	10%
3%	OTHER	2%
7%	WORK AT HOME	7%

MARKET & OCTAVIA



CITYWIDE



MARKET & OCTAVIA AFFORDABLE HOUSING FEE AND UPPER MARKET NEIGHBORHOOD COMMERCIAL DISTRICT INCLUSIONARY HOUSING FEES COLLECTED FY 2010–2014

\$3,418,890

TOTAL

MARKET & OCTAVIA COMMUNITY INFRASTRUCTURE IMPACT FEES COLLECTED FY 2010–2014

\$8,772,120

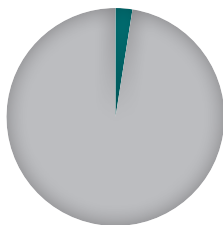
TOTAL

PROJECTED FIVE-YEAR DEVELOPMENT IMPACT FEE REVENUE

\$19,408,700

TOTAL

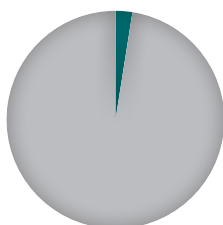
FIRST SOURCE HIRING PROGRAM, MARKET & OCTAVIA, 2010–2015



108

3,819

TOTAL PUBLIC PROJECTS



31

1,098

TOTAL PRIVATE PROJECTS

Introduction

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

In response to the need for housing and to support transit-oriented development, the *Market & Octavia Plan* brought about new zoning rules for appropriate residential and commercial uses. To

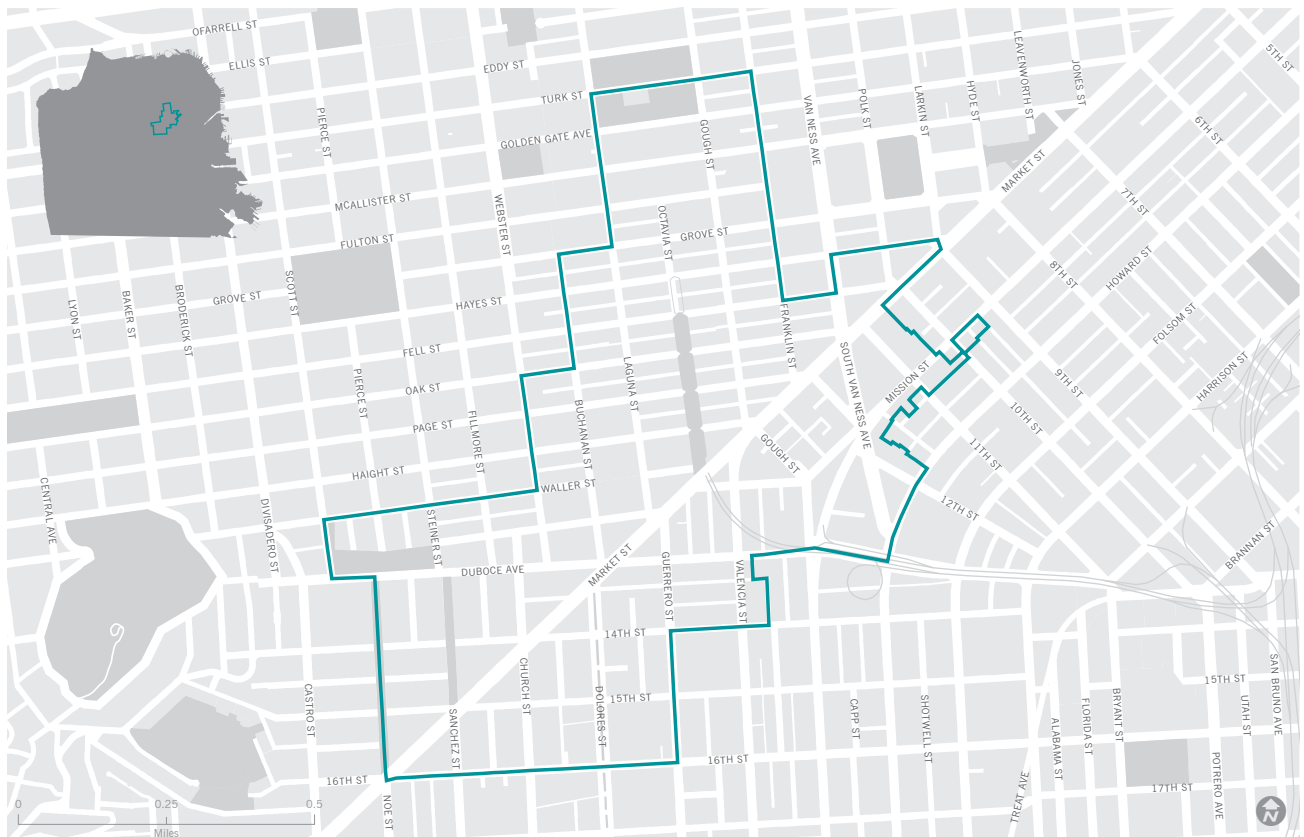
balance out the pressures of development and population growth encouraged by the plan, the *Market & Octavia Plan* places high-density land uses close to transit and prescribes a range of neighborhood enhancements including streetscape and open space improvements.

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

Following the Plan's Environmental Impact Report's certification in April 2007, the San Francisco Planning Commission adopted the *Market & Octavia Plan* as part of the San Francisco General

MAP 1

Market & Octavia Plan Area Boundaries



Plan in July 2007. On April 8, 2008, the Board of Supervisors approved the area plan and it was made effective on May 30, 2008.

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

Report Structure

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

The Planning Department is issuing this second *Market & Octavia Five-Year Monitoring Report* in 2015 and will cover the period from January 1, 2010 through December 31, 2014. Although the ordinance directed the initial five year time series report due on July 15, 2008, the *Market & Octavia Plan* was not adopted and approved until late 2007. In effect, the first Monitoring Report, produced in 2011, covered the period three years preceding and two years following the plan's adoption. This is the second five-year monitoring report and will be covering development activities between 2010 and 2014. Subsequent time series monitoring reports will be released in years ending in 5 and 0.

Data Sources

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

Copies of this report can be downloaded from the Publications & Reports link at the Planning Department's web site at <http://www.sfplanning.org>.

A limited number of copies are available for purchase from the Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA 94103. Copies may also be reviewed at the Government Information Center on the fifth floor of the San Francisco Main Library.

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1 HOUSING

Housing

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

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

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

Housing Stock & New Housing Production

Based on the 2010 decennial US Census, there were just over 18,200 units in the *Market & Octavia Plan* boundaries – about 5% of the estimated Citywide total.

Some 980 net new units were added to the *Market & Octavia Plan* area's housing stock between 2010 and 2014 (see [Table 1.1](#)). Nearly all of these new units were entitled after the adoption of the *Market & Octavia Plan* and were subject to its controls. Of this total, 880 units resulted from new construction; 101 units were gained from additions to existing buildings; and four units were demolished in the five-year period. Eight new construction projects, with 358 units, were built on seven Central Freeway parcels. A separate subsection details development trends in the Central Freeway parcels.

[Table 1.2](#) shows the Citywide figures for comparison. About 12% of the net increase in the City's housing stock in the last five years was in the Market & Octavia area. [Map 2](#) shows the location of recent housing construction. Additional details about these new development projects can be found in Appendix B, [List BL-1](#).

TABLE 1.1

New Housing Production Trends, Market & Octavia, 2010–2014

Year	Units Completed from New Construction	Units Demolished	Net Units Gained or Lost from Alterations	Net Change in Number of Units
2010	53	0	-2	51
2011	121	0	4	125
2012	40	4	80	116
2013	371	0	9	380
2014	295	0	10	305
TOTAL	880	4	101	977

Source: San Francisco Planning

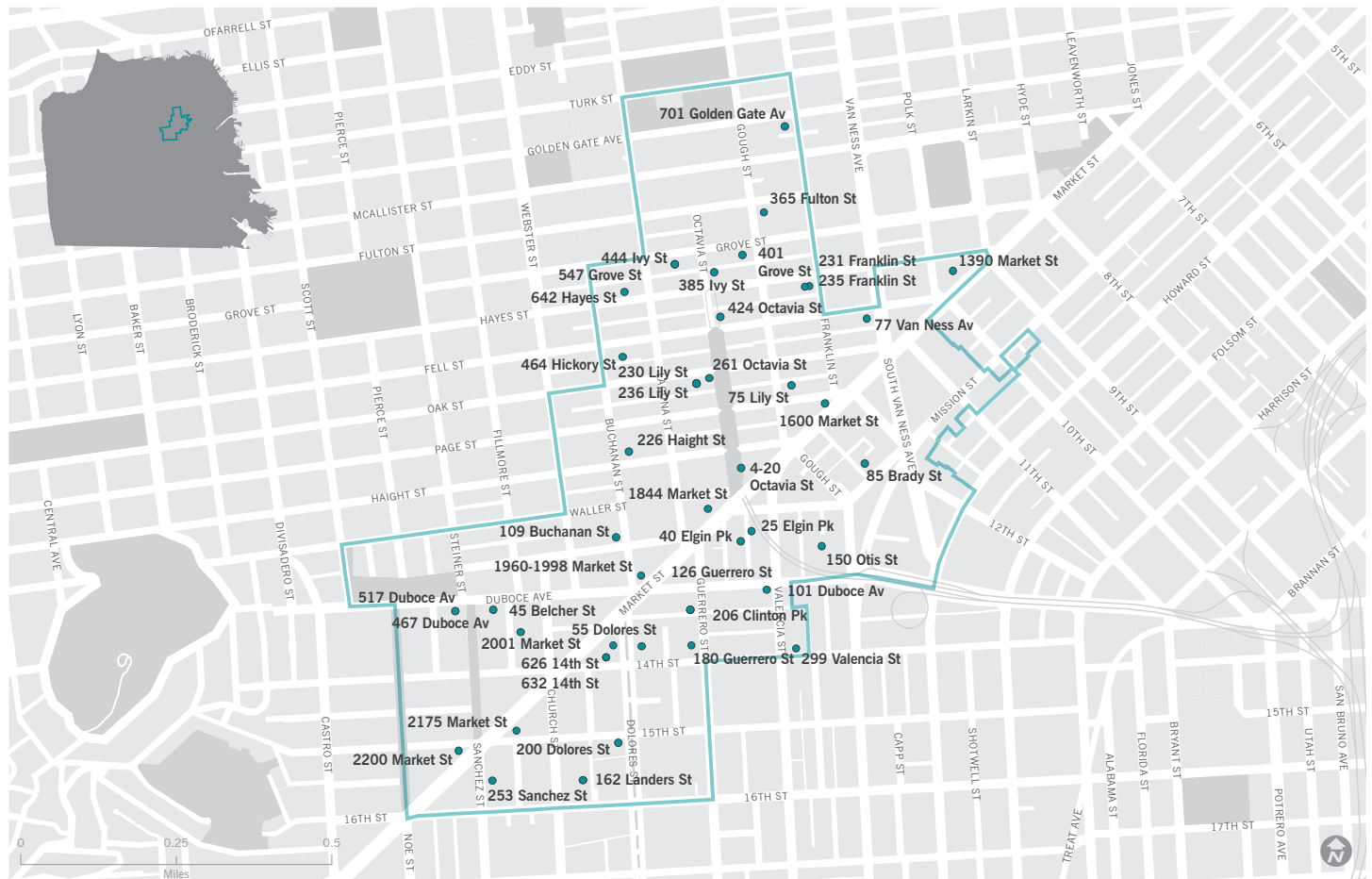
New Housing Production, San Francisco, 2010–2014

Year	Units Completed from New Construction	Units Demolished	Net Units Gained or Lost from Alterations	Net Change in Number of Units
2010	1,079	170	318	1,227
2011	348	84	5	269
2012	796	127	650	1,319
2013	2,330	429	59	1,960
2014	3,454	95	155	3,514
TOTAL	8,007	905	1,187	8,289

Source: San Francisco Planning

MAP 2

New Housing Production, Market & Octavia, 2010–2014



Housing Development Pipeline

Table 1.3 shows that a total of about 3,149 units in some 42 projects are proposed to be built in the *Market & Octavia Plan* area. Map 4 shows the location of proposed housing projects in Market & Octavia by development status. List BL-3 in Appendix B provides a detailed list of these housing pipeline projects.

Table 1.3 shows that about 1,620 units – or 51% – are under construction and will likely be completed within the next two years. Another 837 units – about 27% – have received Planning Department entitlements and could see completion within the next two to seven years.

Nearly 22% of the units in the residential development pipeline are in the early stages of the process and are expected to be completed in the next five to ten years. Just the same, 22% of proposed units Citywide – over 11,350 units – are under review and have yet to receive entitlements. About 15% of the units in the housing pipeline citywide are under construction and while the remainder have been entitled and have filed for or have received building permits.

If completed in the next 10 years, the current residential pipeline within the Market & Octavia Area Plan boundaries would mean an increase of almost 17% in the area's housing stock. Successful accommodation of this significant infill growth, as envisioned in the Plan, would require infrastructure improvements that encourage transit use and enhance urban amenities in the neighborhood.

TABLE 1.3

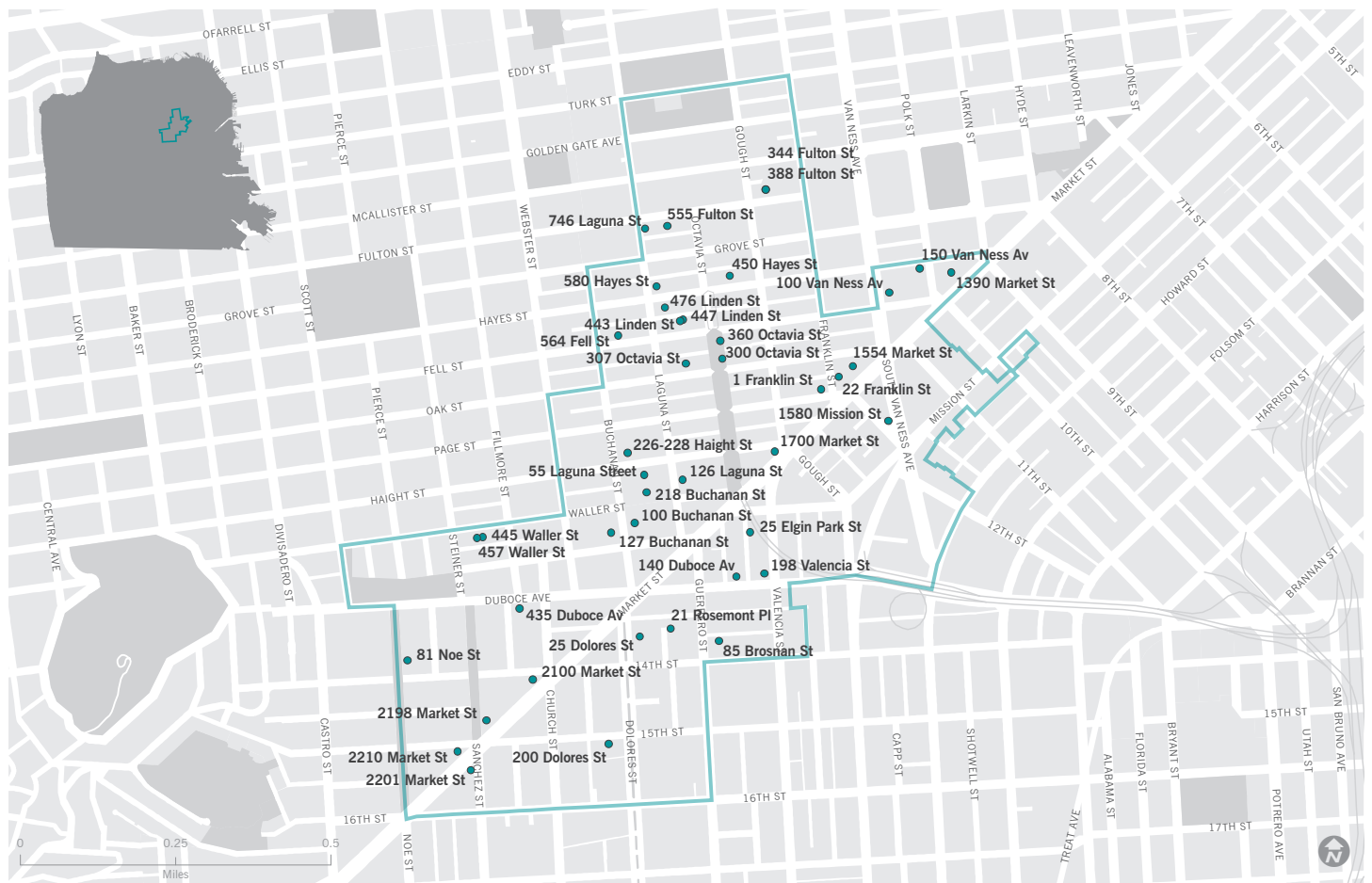
Housing Development Pipeline, Market & Octavia and San Francisco, Q4 2014

Non-Residential Land Uses	Market Octavia				San Francisco				Market Octavia as % of San Francisco	
	No. of Units	Unit %	No. of Projects	Project %	No. of Units	Unit %	No. of Projects	Project %	Units	Projects
Construction	1,620	51%	16	38%	7,883	15%	214	24%	21%	7%
Planning Entitled	837	27%	12	29%	31,698	62%	265	29%	3%	5%
Planning Approved	736	23%	6	14%	28,094	55%	69	8%	3%	9%
Building Permit Filed	13	0%	1	2%	1,079	2%	31	3%	1%	3%
Building Permit Approved/ Issued/ Reinstated	88	3%	5	12%	2,525	5%	165	18%	3%	3%
Under Review	692	22%	14	33%	11,351	22%	420	47%	6%	3%
Planning Filed	513	16%	6	14%	8,414	17%	104	12%	6%	6%
Building Permit Filed	179	6%	8	19%	2,937	6%	316	35%	6%	3%
TOTAL	3,149	100%	42	100%	50,932	100%	899	100%	6%	5%

Source: San Francisco Planning

MAP 3

Housing Development Pipeline by Development Status, Market & Octavia, Q4 2014



Affordable Housing in Market & Octavia

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

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

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

New Affordable Housing Production

Of the 977 net new units built in Market & Octavia between 2010 and 2014, 398 or 41% were affordable units (Table 1.4); for comparison, the citywide share of new affordable housing construction is 31% (Table 1.5). About 36% of the 11 housing projects with affordable housing were 100% affordable housing projects built between 2010 and 2014. The largest 100% affordable development was in the permanent supportive housing building for extremely low income and chronically homeless individuals at 365 Fulton Street, also identified as Parcel G of the 22 Central Freeway parcels. An additional 78 units were made affordable through the City's inclusionary affordable housing requirement.

TABLE 1.4

Affordable Housing Unit Production, Market & Octavia, 2010–2014

Year	Public Subsidy	Inclusionary	Total
2010	15	0	15
2011	121	0	121
2012	77	4	81
2013	101	23	124
2014	24	33	57
TOTAL	338	60	398

Source: San Francisco Planning

TABLE 1.5

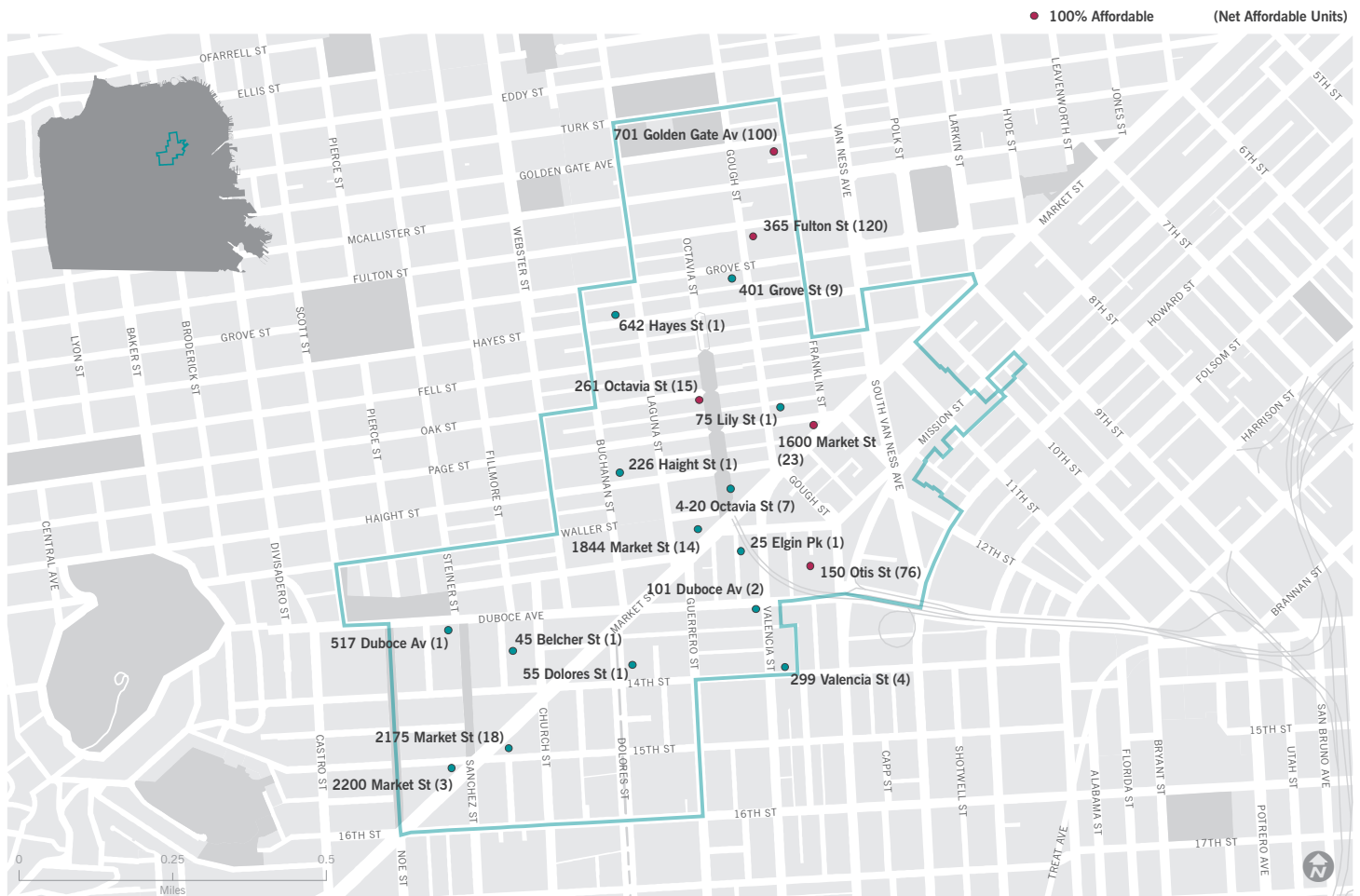
Affordable Housing Unit Production, San Francisco, 2010–2014

Year	Public Subsidy	Inclusionary	Total
2010	509	32	541
2011	167	4	171
2012	382	98	480
2013	472	216	688
2014	344	379	723
TOTAL	1,874	729	2,603

Source: San Francisco Planning

MAP 4

New Affordable Housing Production, Market & Octavia, 2010–2014



New affordable housing units comprised about 15% of the affordable units built in the City in the last five years. [Map 4](#) shows the location of inclusionary BMRs and 100% affordable housing units. Additional details about inclusionary units can be found in Appendix B, [List BL-1](#) and 100% affordable housing projects in Appendix B, [List BL-2](#).

Housing Stock Preservation

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

In the reporting period, four units in the *Market & Octavia Plan* area were demolished ([Table 1.6](#)). Citywide, the number of units lost through demolition totaled 905.

Housing units can also be lost through dwelling unit mergers. The *Market & Octavia Plan* discourages this practice to ensure diversity in housing unit type and size. [Table 1.6](#) below shows that three units were lost due to mergers into a larger units. [Table 1.7](#) shows citywide figures for comparison. Illegal units removed also result in loss of housing; corrections to official records, on the other hand, are just adjustments to the housing count.

TABLE 1.6**Units Lost, Market & Octavia, 2010–2014**

Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	<i>Illegal Units Removed</i>	<i>Units Merged into Larger Units</i>	<i>Correction to Official Records</i>	<i>Units Converted</i>	<i>Total Alterations</i>		
2010	–	3	–	–	3	–	3
2011	–	–	–	–	–	–	–
2012	–	–	–	–	–	4	4
2013	1	–	–	–	1	–	1
2014	–	–	–	–	–	–	–
TOTAL	1	3	–	–	4	4	8

Source: San Francisco Planning

TABLE 1.7**Units Lost, San Francisco, 2010–2014**

Year	Units Lost Through Alterations by Type of Loss					Units Demolished	Total Units Lost
	<i>Illegal Units Removed</i>	<i>Units Merged into Larger Units</i>	<i>Correction to Official Records</i>	<i>Units Converted</i>	<i>Total Alterations</i>		
2010	5	22	1	10	38	170	208
2011	39	22	1	3	65	84	149
2012	2	23	1	1	27	127	154
2013	70	38	2	–	110	429	539
2014	24	20	1	–	45	95	140
TOTAL	140	125	6	14	285	905	1,190

Source: San Francisco Planning

Other Changes in the Housing Stock

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

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

Condo conversions increase San Francisco's homeownership rate, however, condo conversions have decreased – estimated to be at about 37% in 2013, down from 39% in 2008. In 2013, some 82% of households in the *Market & Octavia Plan* area – about eight out of every 10 – were renters. Almost 10% of San Francisco's rental units are in the *Market & Octavia Plan* area.

Table 1.8 shows that, in the last five years, some 61 units in the *Market & Octavia Plan* area were converted to condominiums. This represents almost 6% of all condo conversions citywide.

Another indicator of change in housing characteristic is the incidence of owner move-in and/or Ellis Out evictions. These evictions effectively remove units from the rental housing stock and are, in most cases, precursors to condo conversions. Between 2010 and 2014, there were owner move-in evictions in 18 units and 26 units were withdrawn from the rental stock under the Ellis Act; citywide totals are 924 and 527, respectively (see Table 1.9 and Table 1.10 below). Owner move-in and Ellis Act evictions in Market & Octavia constituted over 2% and about 5% of citywide totals. Other types of evictions, while noted in the table below, do not necessarily result in the rental units being converted to other tenure type.

TABLE 1.8

Condo Conversion, Market & Octavia and San Francisco, 2010–2014

Year	Market Octavia	San Francisco	Market Octavia as % of San Francisco
	<i>No. of Units</i>	<i>No. of Units</i>	<i>No. of Units</i>
2010	15	220	7%
2011	13	200	7%
2012	9	201	4%
2013	7	147	5%
2014	17	238	7%
TOTAL	61	1,006	6%

Source: San Francisco Public Works

TABLE 1.9

Evictions, Market & Octavia, 2010–2014

Year	Market Octavia		
	<i>Owner Move In</i>	<i>Ellis Act Withdrawal</i>	<i>Other</i>
2010	2	0	22
2011	3	1	78
2012	6	7	40
2013	4	18	41
2014	3	0	80
TOTAL	18	26	261

Source: San Francisco Rent Board

TABLE 1.10

Evictions, San Francisco, 2010–2014

Year	San Francisco		
	<i>Owner Move In</i>	<i>Ellis Act Withdrawal</i>	<i>Other</i>
2010	124	70	1,588
2011	123	54	1,851
2012	172	99	2,034
2013	275	229	2,076
2014	230	75	1,592
TOTAL	924	527	9,141

Source: San Francisco Rent Board



Central Freeway Parcels

The removal of the Central Freeway and subsequent construction of Octavia Boulevard released for development approximately seven acres of land in some 22 publicly owned parcels (See [Map 5](#)). Over one-half of these parcels have already been earmarked for affordable housing, including a substantial amount of affordable senior housing. Commercial uses are also encouraged on the ground floor of new development on the freeway parcels and are required on those lots fronting Hayes Street and portions of Octavia Blvd.

In the last five years, eight projects with 358 units have been built on seven parcels. Four projects are a 100% affordable totaling 336 units, while the remaining four projects have a total of 159 units, including 22 inclusionary affordable units.

In addition, some 360 units in six projects are in various stages of the development pipeline. Of this pipeline, 30 units or approximately 8% of these will be affordable units. (See [Table 1.11](#) for additional details on completed and pipeline projects in the Central Freeway parcels.)

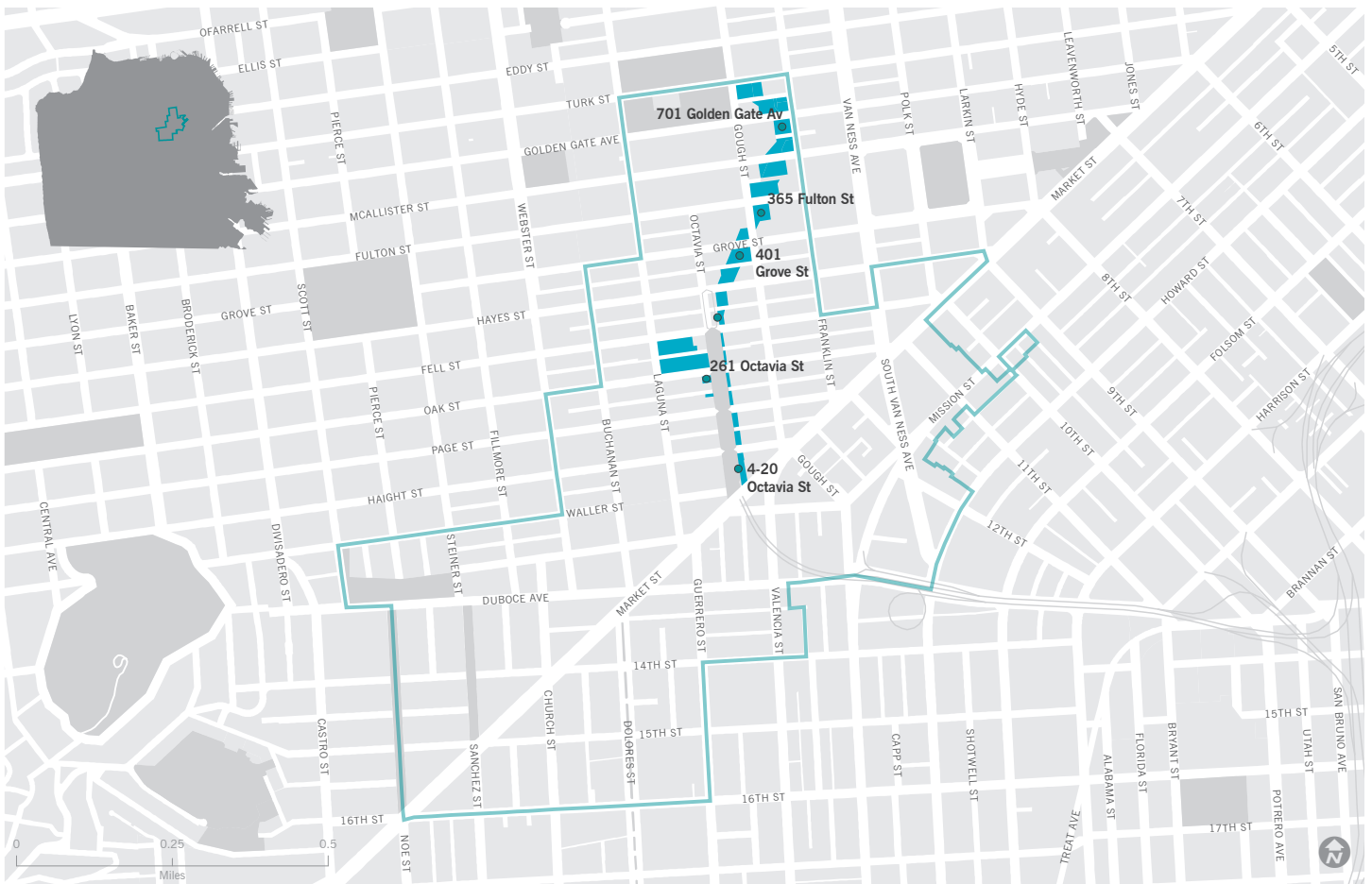
The remaining undeveloped parcels are listed in Appendix B, [List BL-4](#). All told, these parcels have the zoned capacity to accommodate up to 297 units.

TABLE 1.11
Central Freeway Parcels

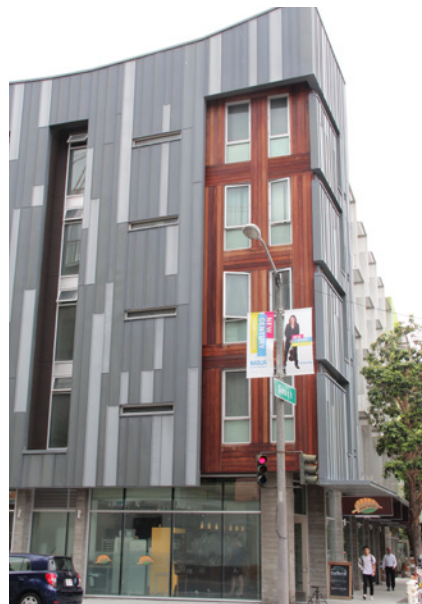
	Parcel	Address	No. of Units	No. of Affordable Units	Development Status
Completed	A	881 Turk St	101	101	Completed
	A	368 Elm St	28	3	Completed
	C	701 Golden Gate Av	100	100	Completed
	G	365 Fulton St	120	120	Completed
	H	527 Gough St	21	3	Completed
	I	401 Grove St/ 300 Ivy	63	9	Completed
	Q	261 Octavia Blvd	15	15	Completed
	V	8 Octavia Blvd	47	7	Completed
Total Completed			495	358	72%
Pipeline	F	380 Fulton St	75	–	Under Construction
	J	450 Hayes St	41	–	Under Construction
	M	360 Octavia Blvd	16	–	Under Review
	N	300 Octavia Blvd	16	–	Under Review
	P	307 Octavia/ 400 Laguna	182	–	Under Construction
	U	102–04 Octavia Blvd	30	30	Under Review
Total Pipeline			360	30	8%
TOTALS			855	388	45%

Source: San Francisco Planning

MAP 5 Central Freeway Parcels



Parcel C. 701 Golden Gate Ave Street



Parcel G. 365 Fulton St



Parcel I. 500 Gough St

2 COMMERCIAL SPACE & EMPLOYMENT

Commercial Space and Employment

The vitality and strength of Market & Octavia as a place requires appropriate spaces for a range of land uses. A variety of neighborhood characteristics are found within the plan boundaries; Market & Octavia is as much a place of work and commerce as it is a place of housing. Over half of the land area is dedicated to residential uses, including about 22% in housing mixed with commercial uses, typically on the ground floor. Commercial land uses take up almost 40%. Schools and cultural destinations comprise about 5% of the land use. (See Appendix B, [Table BT-1](#) for land use distribution tables for Market & Octavia and San Francisco.)

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

Commercial Space Inventory

The *Market & Octavia Plan* supports continuous retail activities on Market, Church and Hayes Streets and on Van Ness Avenue – the area’s core transit and commercial corridors. Monitoring requirements call for an accounting of commercial and retail space in the *Market & Octavia Plan* area. [Table 2.1](#) below is an inventory of non-residential space in Market & Octavia as of 2014.

[Table 2.2](#) on the following page shows commercial and other non-residential development activity in the *Market & Octavia Plan* area between 2010 and 2014 while [Table 2.3](#) shows corresponding figures for San Francisco. Non-residential development in Market & Octavia made up almost 4% of the Citywide total commercial projects completed in the last five years.

Major non-residential projects recently completed in Market & Octavia during the reporting period include the construction of the SF Jazz Center, a performing arts venue for jazz and music education (205 Franklin Street) and a 100% affordable housing project with ground floor commercial uses at 1600 Market Street. These projects were both

TABLE 2.1

Commercial and Other Non-Residential Building Space, Market & Octavia and San Francisco, 2014

Non-Residential Land Uses	Market Octavia		San Francisco		Market Octavia as % of San Francisco
	Area (Sq. Ft.)	Area (Sq. Ft.)	Area (Sq. Ft.)	Area (Sq. Ft.)	
Cultural, Institutional, Educational	1,192,791	17%	29,661,536	13%	4.0%
Medical	417,668	6.1%	17,479,084	7%	2.4%
Office	3,228,857	46.8%	107,284,334	45.3%	3.0%
PDR/ Light Industrial	583,236	8%	36,222,872	15%	1.6%
Retail/ Entertainment	1,391,188	20%	42,052,196	18%	3.3%
Visitor/ Lodging	88,816	1.3%	4,041,521	1.7%	2.2%
TOTAL	6,902,556	100%	236,741,543	100%	2.9%

Source: San Francisco Planning

TABLE 2.2**New Commercial and Other Non-Residential Development Trends, Market & Octavia, 2010–2014**

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR/ Light Industrial	Retail	Visitor	TOTAL
2010	–	–	–	–	4,980	–	4,980
2011	–	–	–	–	6,070	–	6,070
2012	12,000	–	–	–	27,440	–	39,440
2013	–	–	–	–	10,350	–	10,350
2014	–	–	–	–	30,916	–	30,916
TOTAL	12,000	–	–	–	79,756	–	91,756

Source: San Francisco Planning

TABLE 2.3**New Commercial and Other Non-Residential Development Trends, San Francisco, 2010–2014**

Year Completed	Cultural, Institutional, Educational	Medical	Office	PDR/ Light Industrial	Retail	Visitor	TOTAL
2010	133,054	16,196	83,957	70,000	186,489	–	489,696
2011	50,307	–	278,214	1,000	6,070	–	335,591
2012	34,825	–	2,281	30,055	98,010	–	165,171
2013	325,621	–	252,500	–	43,818	–	621,939
2014	620	–	371,500	–	65,545	63,286	500,951
TOTAL	544,427	16,196	988,452	101,055	399,932	63,286	2,113,348

Source: San Francisco Planning

entitled after adoption of the *Market & Octavia Plan* and were thus subject to the new zoning requirements. [Map 6](#) shows the location of these non-residential developments. [Table BL-5](#) in Appendix B provides details on these recently completed commercial and other non-residential projects in Market & Octavia.

Commercial Development Pipeline

At the end of the fourth quarter 2014, the development pipeline in *Market & Octavia Plan* area shows a net loss of nearly 61,300 commercial sq. ft., most in the 21 mixed residential/commercial projects (see [Table 2.4](#)). This loss is largely due to conversion of office use to housing; the largest project of this type is the transformation of the California State AAA offices at 100 Van Ness to luxury housing.

Of this commercial pipeline, about 46,760 of cultural, institutional and educational square footage

and about 37,250 of retail use square footage are under construction and will likely be completed in the next two years. A net gain of nearly 419,500 square feet of commercial space have received entitlements from the Planning Department but have yet to receive building permits. These projects are expected to be completed in the next five years. The net loss of 125,450 square feet of commercial space are under review and have filed applications with the Planning Department and/or the Department of Building Inspection. These projects are in the early stages of development and will likely be completed in the next five to seven years.

[Table 2.5](#) shows the commercial development pipeline for San Francisco for comparison. About 3% of the citywide retail pipeline is located within Market & Octavia. [Map 7](#) shows the locations of the proposed commercial developments in the plan area.

MAP 6

Commercial Development Trends, Market & Octavia, 2010–2014

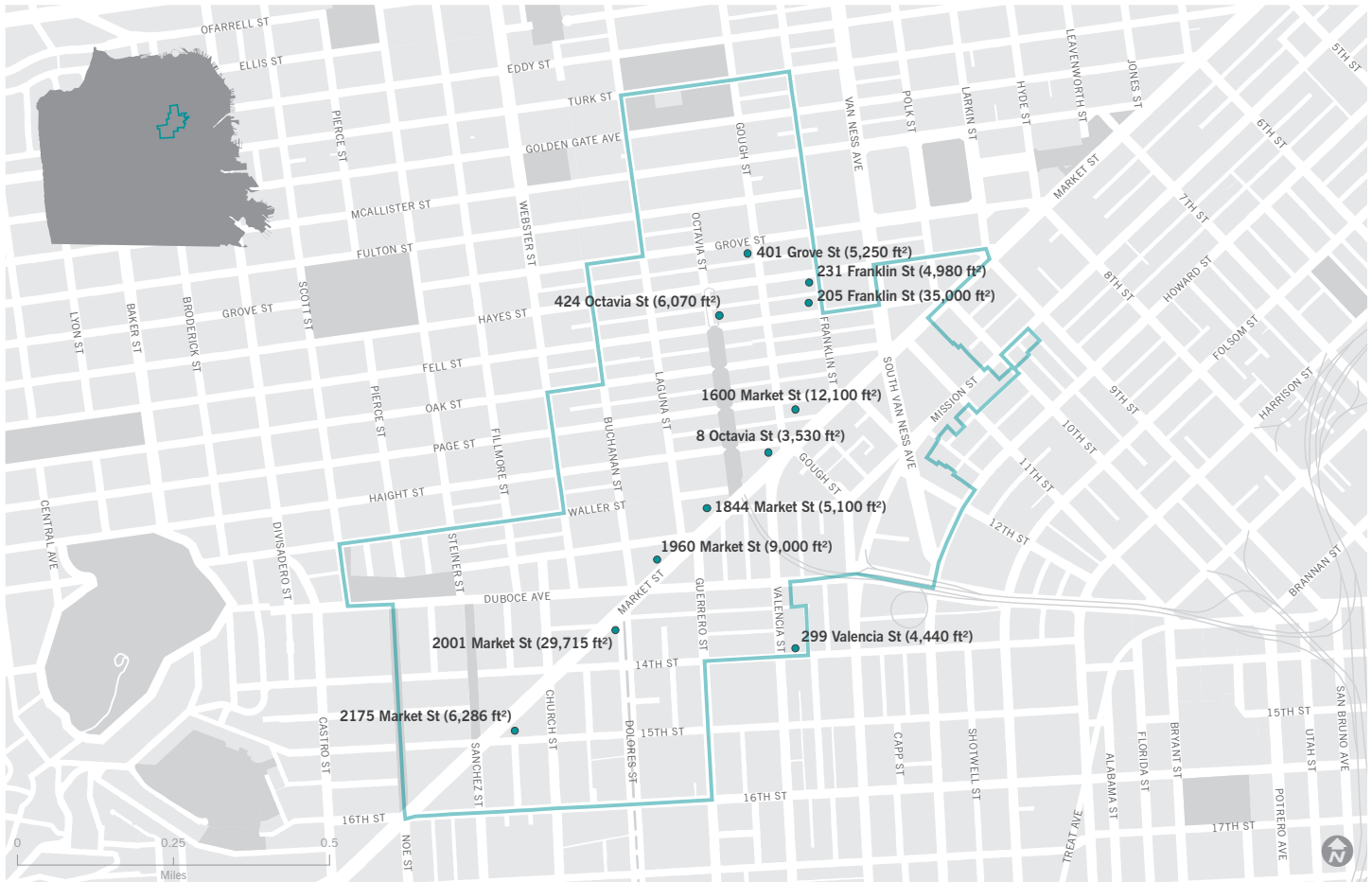


TABLE 2.4

New Commercial and Other Non-Residential Development Pipeline, Market & Octavia, Q4 2014

Development Status	Cultural, Institutional, Educational	Medical	Office	PDR/ Light Industrial	Retail	Visitor	Total Commercial Sq. Ft.
Construction	46,759	—	(420,270)	(19,037)	37,251	—	(355,297)
Planning Entitled	(8,463)	(9,500)	447,009	(57,000)	47,437	—	419,483
Planning Approved	0	(9,500)	447,009	(57,000)	43,053	—	423,562
Building Permit Filed	(8,463)	—	—	—	—	—	(8,463)
Building Permit Approved/ Issued/ Reinstated	—	—	—	—	4,384	—	4,384
Under Review	—	—	(136,558)	—	11,109	—	(125,449)
Planning Filed	—	—	(136,558)	—	10,109	—	(126,449)
Building Permit Filed	—	—	—	—	1,000	—	1,000
TOTAL	38,296	(9,500)	(109,819)	(76,037)	95,797	—	(61,263)

Source: San Francisco Planning

TABLE 2.5

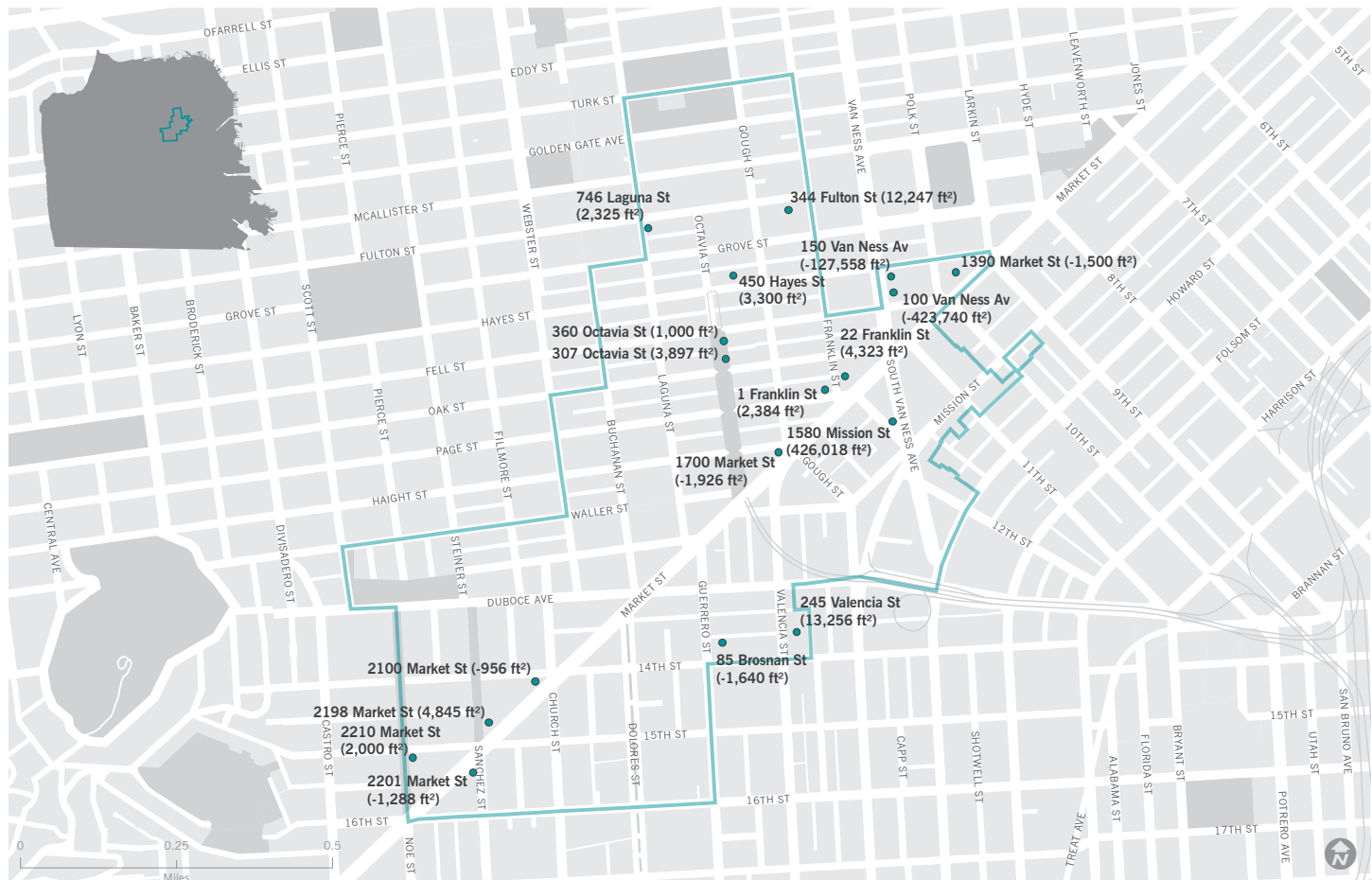
New Commercial and Other Non-Residential Development Pipeline, San Francisco, Q4 2014

Development Status	Cultural, Institutional, Educational	Medical	Office	PDR/ Light Industrial	Retail	Visitor	Total Commercial Sq. Ft.
Construction	588,740	1,775,383	3,687,256	(82,211)	552,857	75,445	6,597,470
Planning Entitled	531,533	–	4,315,802	164,769	1,687,609	218,393	6,918,106
Planning Approved	(194,996)	–	4,259,723	312,528	1,770,587	385,154	6,532,996
Building Permit Filed	727,525	–	(51,990)	(32,447)	(59,666)	(212,653)	370,769
Building Permit Approved/ Issued/ Reinstated	(996)	–	108,069	(115,312)	(23,312)	45,892	14,341
Under Review	679,446	–	4,262,539	(464,243)	703,498	762,377	5,943,617
Planning Filed	667,886	–	4,207,107	(423,235)	669,107	814,569	5,935,434
Building Permit Filed	11,560	–	55,432	(41,008)	34,391	(52,192)	8,183
TOTAL	1,799,719	1,775,383	12,265,597	(381,685)	2,943,964	1,056,215	19,459,193

Source: San Francisco Planning

MAP 7

Commercial and Other Non-Residential Development Pipeline, Market & Octavia, Q4 2014



Employment

Office Jobs

San Francisco is a regional employment hub, taking in the largest concentration of office jobs in the Bay Area including financial, legal, and other specialized business services. According to state Employment Development Department (EDD), there were about 272,200 office jobs in San Francisco at the end of the second quarter of 2014. Of these jobs, about 6,900 (or 3% of the citywide total) were in the *Market & Octavia Plan* area; there were approximately 520 establishments (or 3% of San Francisco establishments) with office employment (see [Table 2.6](#)).

Retail Jobs

San Francisco is also a regional shopping destination and 20% of all city jobs are in retail (Table 1.6). There were about 4,045 retail jobs in the *Market & Octavia Plan* area, about 25% of total jobs in the area; this also represented almost 3% of all citywide retail jobs.

Estimated New Jobs in Retail and Office Pipeline

As discussed in the previous section, almost 110,400 net sq ft of retail space and 116,890 net sq ft loss of office space are in the commercial development pipeline. Assuming an average employee density of 350 sq ft, these new commercial spaces can accommodate as many as 307 new retail jobs and a loss of 325 office jobs when completed. Majority of the loss of office jobs comes from the conversion of 100 Van Ness.

TABLE 2.6

Employment, Market & Octavia and San Francisco, Q2 2014

Non-Residential Land Uses	Market Octavia				San Francisco				Market Octavia as % of San Francisco	
	Establishments		Jobs		Establishments		Jobs			
	Number	%	Number	%	Number	%	Number	%	Est.	Jobs
Cultural, Educational, Institution	50	3%	1,613	10%	1,993	4%	71,835	11%	3%	2%
Medical	556	36%	1,409	9%	21,664	41%	58,434	9%	3%	2%
Office	522	34%	6,906	43%	15,322	29%	272,208	43%	3%	3%
PDR / Light Industrial	102	7%	1,846	12%	5,250	10%	84,142	13%	2%	2%
Retail/ Entertainment	289	19%	4,045	25%	8,087	15%	122,446	20%	4%	3%
Visitor / Lodging	11	1%	105	1%	314	1%	16,719	3%	4%	1%
Other	52	3%	84	1%	4,089	8%	4,756	1%	1%	2%
TOTAL	1,530	100%	15,924	100%	52,630	100%	625,784	100%	3%	2.5%

Source: San Francisco Planning, Economic Development Department Q2 2014

3 TRANSPORTATION AND PARKING

Transportation & Parking

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

Commute Mode Split

Table 3.1 confirms the neighborhood's accessibility by modes other than the automobile. According to the Five-Year, 2013 American Community Survey, 42% of employed residents in the *Market & Octavia Plan* area took public transit, some 10% more than the Citywide figure. Another 13% walked to work, compared to about 10% citywide. About 8% biked to work; in comparison, only 3% biked to work citywide. As for automobile commuters, a little less than half of San Francisco workers drove or carpooled compared to a little under a third of *Market & Octavia Plan* area commuters.



TABLE 3.1

Commute Mode Split, Market & Octavia and San Francisco, 2013

Transport Mode	Market Octavia		San Francisco		Market Octavia as % of San Francisco
	No. of Commuters	%	No. of Commuters	%	
Car	9,064	27%	199,219	45%	5%
Drove Alone	7,546	23%	165,631	37%	5%
Carpooled	1,518	5%	33,588	8%	5%
Transit	13,946	42%	145,863	33%	10%
Bike	2,564	8%	15,631	3%	16%
Walk	4,212	13%	45,083	10%	9%
Other	1,109	3%	10,019	2%	11%
Worked at Home	2,454	7%	31,428	7%	8%
TOTAL	33,349	100%	447,243	100%	7%

Source: 2013 5-Year American Community Survey

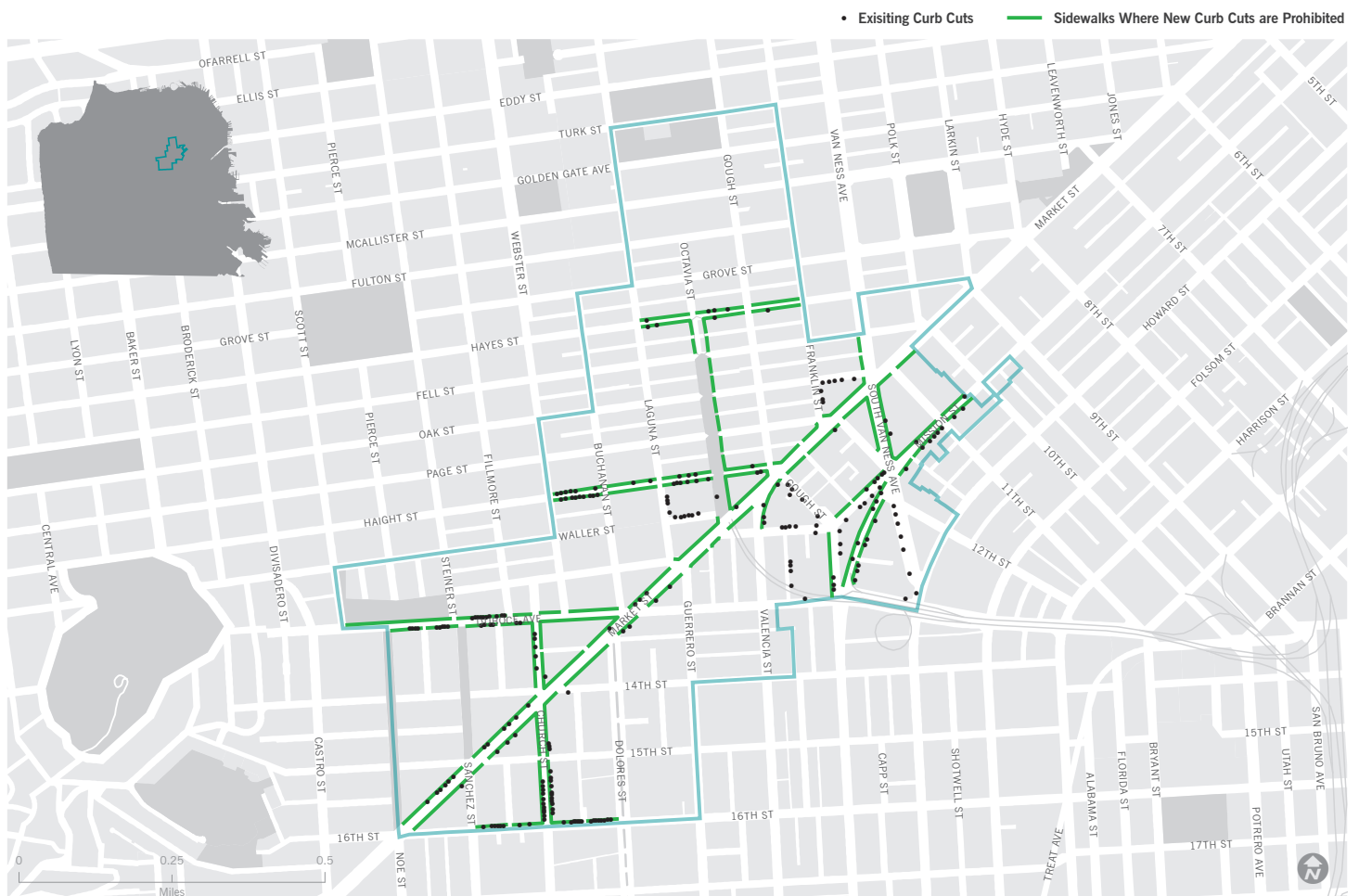
Curb Cuts

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

Under the *Market & Octavia Plan*, curb cuts are not permitted on specific street frontages. A survey of the area was conducted in May 2010 to set the baseline of existing curb cuts. [Map 8](#) below shows sidewalks where new curb cuts are not permitted as well as location of existing curb cuts. Subsequent monitoring will track changes in the area where new curb cuts are prohibited.

MAP 8

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



Parking Inventory

In April 2013, the San Francisco Metropolitan Transit Authority (SFMTA), through their SF Park program, released a comprehensive census of the City's on- and off-street parking supply. This survey showed a total of about 444,770 parking spaces in San Francisco and included all paid or free, publicly available parking spaces. It does not, however, include off-street residential parking spaces and other unmarked "private" parking. [Table 3.2](#) below shows that an estimated 248,700 spaces or approximately 56% of non-residential parking in San Francisco is free, unmetered on-street parking. There are also 26,750 parking meters citywide, and about 5,500 or over 20% are within the *Market & Octavia Plan* area. About 104,700 publicly accessible parking spaces – meaning parking lots and garages open to the public and priced with hourly, daily or monthly rates – are available citywide; about 2% or about 2,230 are in the Market & Octavia area. Additionally, customer parking and permit holder parking total about 29,670 off-street parking; about 680 or 2% are in the *Market & Octavia Plan* area. Exclusive of unmetered parking spaces,

the number of on- and off-street non-residential parking in Market & Octavia amount to about 5% of the citywide total. [Map 9](#) shows the location of on-street parking meters and off-street commercial and publicly-accessible parking within Market & Octavia.

Off-Street Residential Parking

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

TABLE 3.2

Parking Census, Market & Octavia and San Francisco, 2013

Parking Type		Market Octavia	Citywide	Parking Type Description
On-Street	Metered	5,494	26,750	All metered parking, including parking managed by SFMTA and the Port of San Francisco. The city's 2,270 motorcycle spaces are counted as 450 metered automobile parking spaces as each motorcycle space uses about 1/5 of a regular metered car space.
	Unmetered	n/a	248,700	An estimate of non-metered on-street parking. A standard unmetered parking space is measured as 17 feet long for parallel spaces, 8.5 feet if perpendicular.
	Paid publicly available (PPA)	2,234	104,717	Parking lots and garages that are open to the public and priced (e.g., with hourly, daily, monthly rates). Market Octavia figure includes 10 motorcycle spaces. Citywide figure includes 184 motorcycle parking spaces.
Off-Street	Free publicly available (FPA)	0	7,525	Parking in City parks that does not have fees and daytime restrictions.
	Customer parking only (CPO)	679	29,668	Parking available to customers only; typically for businesses or religious institutions, for example.
	Permit holder only (PHO, CGO)	1,037	27,408	Parking requiring some form of permit (e.g., paid monthly permit and/or employee- or student-only parking lots). Also, includes Commercial/Government Only (CGO).
TOTALS		9,444	444,768	

Source: San Francisco Municipal Transportation Agency

MAP 9

Market & Octavia Parking Supply



3:4 for Market & Octavia Area Plan NCT, and 2:4 for VNMDR SUD). There are similar caps for the various non-residential uses in all districts.

Table 3.3 below shows the number of parking spaces associated with residential development entitled by the Planning Department in the Market Octavia Plan area between 2010 and 2014. In the last five years, some 245 net parking spaces in 14 proposed projects have received Planning approvals; roughly, this translates roughly to one parking space for every six units. These projects were entitled after the adoption of the *Market & Octavia Plan* and were subject to the new parking controls. About 50% of these projects received both a conditional use authorization and a variance. Projects that received a variance only made up 30% while projects that received conditional use authorizations only made up 20%.

TABLE 3.3

Parking Spaces in Entitled Residential Developments, Market & Octavia, 2010–2014

Year	No of Projects	No of Housing Units	No of Parking Spaces
2010	1	0	(3)
2011	1	182	91
2012	7	709	(58)
2013	2	226	112
2014	3	503	103
TOTALS	14	1,620	245

Source: San Francisco Planning



333
MAYES

NO PARKING
Any Vehicle
From 8:00 AM
To 6:00 PM

AZALEA

63910

4 IMPLEMENTATION OF PROPOSED PROGRAMMING

Market & Octavia Plan Community Advisory Committee

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

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

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

Market & Octavia Plan CAC

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

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

Infrastructure and Transportation Improvements

The Planning Department estimates nearly \$19.4 million in impact fee revenue in the *Market & Octavia Plan* area over the next five years to complete the remaining plan implementation. Given the limited revenue dedicated to plan implementation, careful capital planning is critical. The Inter-agency Plan Implementation Committee (IPIC), including representatives from key implementing agencies, developed a 10 year capital plan for the project area to ensure efficiency and effectiveness of capital fund expenditures. Capital Plans are constrained by projected revenue for each planning area. Key revenue sources include projected development impact fees and secured grants. The Planning Department projects development impact fee revenue based on known development projects and an assumed rate of planned growth in the next five years.

The IPIC Capital Plan for Market & Octavia has been incorporated into the City's 10-Year Capital Plan, starting with the FY 2008-2017 plan. The Planning Department chapter of the Capital Plan includes a 10-year projection of capital projects by implementing agency and revenue projections by plan area. Capital plans for each area plan will be updated annually. The Planning Department will update revenue projections based on projected growth. Specific capital projects may change based on recommendations of the IPIC and Citizens Advisory Committees (CACs). The Capital Plans integrate the recommendations of the Market & Octavia CAC (MOP CAC), incorporating projects that they prioritized through their scorecard ranking system.

Since plan adoption, progress has been made on the planning and development of a number of transportation projects and open space projects. Additionally the Market & Octavia CAC meets and works to further the implementation of the plan.

Completed Infrastructure Projects

FY 2011 Infrastructure Projects

The list below highlights infrastructure projects that have been completed in 2011:

- » The Hayes and Fell Streets two way project, converted portions of each street between Van Ness and Gough to a two-way operation, as called for in the Market and Octavia plan and the Transit Effectiveness Project (TEP). This SFMTA and Planning project was fully implemented in Fall 2011, funded in part by Market and Octavia Impact Fees.
- » Octavia Boulevard and Patricia's Green, in Hayes Valley.
- » Some bicycle projects have been completed since the plan adoption, pursuant to the implementation of the San Francisco Bicycle Plan, adopted 2009, including:
 - » A bicycle lane on Otis Street between Van Ness and Gough Streets.



- » Green lane markings and sharrows on parts of 'the wiggle' bicycle route, including Duboce Street.
- » Bicycle improvements to Market Street, including green boxes, green lanes, and reconfiguration of bicycle and vehicle patterns between Van Ness and 8th Streets.
- » Enhancement of bicyclist protection on Market at Octavia Street.
- » Bicycle lanes on 17th Street.

FY 2012 Infrastructure Projects

The list below highlights infrastructure projects that have been completed in 2012:

- » Improvements to Stevenson, McCoppin Street, and parts of Valencia Street and alley improvements to Pearl, Elgin, Stevenson and parts of Jessie Street - Construction was completed in Fall 2012.
- » In recent years, the City has made major capital improvements to the Hayes Valley Playground and Clubhouse, Duboce Park and the Harvey Milk Center for the Recreational Arts, and Koshland Park. Duboce Park also recently received a youth play area as part of the Community Opportunities program.
- » The SFCTA conducted the Central Freeway and Octavia Circulation Study, which is examined local and regional transportation issues and needs in the Market and Octavia neighborhood since the completion of the Octavia Boulevard project. The Study, which was approved by the SFCTA board in Fall 2012, developed a limited set of near-term priority projects, including pedestrian and traffic operations improvements and recommends a strategic framework for addressing circulation needs in the area, centered on managing travel demand, shifting trips to transit and non-motorized modes, and improving safety and livability.
- » A bicycle lane and greening improvements on McCoppin Street between Valencia and Otis.

FY 2013 Infrastructure Projects

The list below highlights infrastructure projects that have been completed in 2013:

- » The MTA led a comprehensive transit and pedestrian project at the intersection of Church



and Duboce Streets. The project included re-railing, repaving, streetlight upgrades, pedestrian bulbouts at corners, expanded boarding islands, and some greening.

- » Bicycle improvements to Market Street and a turn box for cyclists turning left onto Valencia from Market Street.
- » A Bay Area Bike Share station at Market and South Van Ness and at 10th and Market.

FY 2014 Infrastructure Projects

The list below highlights infrastructure projects that have been completed in 2014:

- » The Haight Street two-way project, which was supported in part by impact fees, returned buses to a dedicated transit lane on Haight Street between Octavia and Market, and added pedestrian amenities at the Market/ Haight/ Gough intersection.
- » The Polk Street contra flow lane, completed in spring 2014, provides a northbound bike facility on the one-way portion of Polk between Market and Grove. This project was funded in part by impact fees, which provided a local match for grant funds.
- » An in-kind agreement at Dolores and Market Street created traffic calming across Dolores Street, and a new public plaza at the southwest corner of the intersection.
- » An expanded bulbout at the southeast corner



of 14th and Market streets reduces the crossing distance across 14th Street and provides additional space for pedestrians.

- » At the intersection of Market and Octavia Streets, a right turn enforcement camera for eastbound traffic was installed to address bicycle safety. This was one of the short-term projects funded by the sale of the Central Freeway Parcels.
- » Bicycle improvements at the intersection of Buchanan and Market guide cyclists entering and exiting the wiggle through this complicated intersection. This was another short-term project funded by the sale of the Central Freeway Parcels.
- » In late 2013, the MTA launched the 5L Pilot, which provides limited stop bus service along the busy 5 Fulton corridor.
- » The McCoppin Hub Park, one of the Central Freeway Ancillary Projects, was constructed in the existing public right-of-way at the western end of McCoppin Street.
- » A new skatepark and dog play area, another of the Central Freeway Ancillary Projects, was constructed below a portion of the Central Freeway.



Ongoing Planning Efforts

There are several ongoing planning projects that aim to refine ideas that were first proposed in the Market Octavia Plan. These planning efforts will translate broader Plan goals into implementable projects.

- » The Market Octavia Living Alleyway Program will explore the potential of alleys to serve

as an alternative transportation network and as places for public life. Through a CalTrans Community-Based Transportation Planning Grant, the Planning Department is leading a two-year community-based program to design and implement a network of Living Alleys in the Plan Area.

- » Building on community-vetted conceptual designs included in the Upper Market Community Plan, in 2013 the SFMTA conducted a study of Upper Market intersections that focused on feasibility and preliminary cost estimates for specific intersection improvements. Priority improvements have been identified for implementation. The Market Octavia Open Space Community Challenge Grant, proposed by the CAC, will encourage community members to propose improvements to open space in their neighborhood. A 2014 pilot program will build on the City Administrator's existing Community Challenge Grant program.

Ongoing Infrastructure Projects

In addition to completed infrastructure, progress has been made on many more transportation and open space projects in the Plan Area. Many of these improvements were proposed by the Market Octavia Plan and are being further refined as City agencies perform additional study, develop project designs, secure funding, or conduct additional community outreach. Other new project ideas have been generated through the work of the IPIC and the CAC to help implement the Market Octavia Plan.

Many of the streetscape, transportation and open space projects will utilize impact fee revenue. However, the majority of funding for ongoing infrastructure projects relies heavily on other public funding sources.

Streetscape and Transportation

The Market Octavia Plan envisions a neighborhood that supports multiple transportation modes, and places particular emphasis on creating streets that are comfortable for pedestrians and cyclists. Several capital projects, such as the various

improvements to Market Street intersections, seek to both make streets safer for pedestrians and create places for public life and activity.

Projects funded by impact fees

Streetscape and Transportation projects supported in full or in part by impact fees include:

- » In 2015, the Planning Department will re-examine land use and street design in the Van Ness and Market SUD area to prepare for the large amount of expected development and make public realm recommendations to improve pedestrian safety and comfort.
- » Pedestrian safety improvements to Franklin and Gough Streets will add bulbouts along these streets in conjunction with their repaving.
- » The Market Octavia Sidewalk Greening Program will fund community maintained street trees and sidewalk gardens in the Plan Area.
- » The Streetscape Enhancement Fund will set aside funding to enhance street projects that may not otherwise include pedestrian safety or greening components.
- » Enhancements to Page Street, including landscaping and greening, will improve the bicycle and pedestrian infrastructure along this "Green Connection."
- » The Better Market Street project is a multi-agency effort that will improve mobility and the public realm along Market Street from the Embarcadero to Octavia Blvd. The project is currently undergoing environmental review.
- » Re-establishing the Octavia right-of-way from



Fulton Street to Golden Gate Avenue will reconnect the neighborhood street grid and increase access to the newly-renovated Hayward Park.

- » Pedestrian amenities at the Mission and Van Ness intersection will be implemented in conjunction with the Van Ness Bus Rapid Transit (BRT) project and Muni Forward, discussed in further detail below.

Projects Funded by Sale of the Central Freeway Parcels

Projects funded in full or in part by the proceeds from the former Central Freeway Parcels (does not include the original Central Freeway ancillary projects):

- » Re-opening the closed crosswalk at the intersection of Fell and Gough Streets.
- » Pedestrian safety improvements to the intersection of Oak and Octavia.
- » Pedestrian safety spot improvements at various intersections within a one-block radius of Octavia Blvd.
- » Short-term bicycle improvements at the intersection of Page and Octavia.
- » A number of pedestrian and bicycle safety improvements at the intersection of Market and Octavia.



- » Pedestrian countdown signals at several intersections on Gough Street.
- » Muni Forward is an ongoing program that aims to improve transit service in key corridors. As part of this project, the MTA will implement various streetscape and bus stop improvements to improve safety, reliability, and travel time along the 5 Fulton and the 71 Haight corridors.

Projects Funded Through Other Sources

Additional projects from other sources include:

- » As part of Vision Zero, the City's policy goal to eliminate traffic-related fatalities by 2014, the MTA has proposed a raised cycletrack pilot project on Market Street from Gough to 12th Street. Vision Zero projects also include a variety of spot improvements, such as daylighting, vehicle turn restrictions, and signal upgrades at Valencia and Duboce Streets.
- » The MTA's Wiggle Neighborhood Green Corridor project will add wayfinding, traffic calming, and green infrastructure along the wiggle bike route.
- » The SFCTA is leading the Van Ness Bus Rapid Transit (BRT) Project. The project includes a package of treatments that provide rapid, reliable transit, including dedicated bus lanes, transit signal priority, proof of payment, high-quality stations, and related pedestrian

amenities. The SFCTA has secured some funding and is working with SFMTA toward project completion in 2018.

- » In addition to the 5-Fulton and the 71-Haight, discussed above, the SFMTA has included the 14-Mission corridor in Muni's Rapid Network and has identified strategies to improve transit travel times and reliability along the Mission Street Corridor.
- » In 2012, the Planning Department received a CalTrans Environmental Justice Planning Grant to build on the TEP by working with the local community to create designs that will enhance neighborhood identity and improve pedestrian access on Mission Street.
- » A second phase of Bay Area Bike Share, which first launched in 2013, has been environmentally cleared and would expand the bike share program to include the Mission Dolores neighborhood and a portion of Hayes Valley.

Open Space

There are six existing parks in the Plan Area, of which Hayward Park has the highest renovation and capital needs. One additional park, Brady Block Park, is proposed for construction by the Market and Octavia Plan. This park could be built in future years in coordination with redevelopment of the surrounding lots.

Open space projects supported in full or in part by impact fees include:

- » The Market Octavia Area Plan Community Challenge Grant, proposed by the CAC, encourages community members to propose improvements to open space in their neighborhood. A pilot program was launched in summer 2014.
- » Major renovations to Hayward Park in coordination with the most recent Park and Open Space bond.
- » A new park in Brady Block that will take advantage of underutilized parcels and a unique system of alleys.
- » The ongoing Rotating Art Project at the center of Patricia's Green.



Fees Program and Collection

The Market and Octavia Affordable Housing Fee, which became effective in May 2008, requires new development projects in the Market Octavia Plan Area (which includes the Van Ness and Market Special Use District) and the Upper Market NCD subject to the Inclusionary Affordable Housing Program to pay an additional affordable housing fee per square foot of residential transit Oriented District (RTO). [Table 4.1](#) below shows that a total of \$ 3,418,894 in fees were collected from 11 housing development projects during the reporting period. (See also Appendix [Table BL-2](#) for details.) [Table 4.1](#) also shows that \$8,742,794 was collected as community infrastructure impact fees.

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

A \$4.00 per square foot fee would also be imposed on commercial developments or commercial components of mixed-use projects; similarly, net addition beyond 20% of non-residential uses would also be subject to the impact fee.

TABLE 4.1**Market & Octavia Fees Program Collection, FY 09–10 to FY 13–14**

Fiscal Year	Affordable Housing Fee	Community Infrastructure Impact Fee
FY2009-2010	\$ –	\$78,808
FY2010-2011	\$ –	\$113,882
FY2011-2012	\$118,956	\$1,268,943
FY2012-2013	\$262,278	\$2,466,982
FY2013-2014	\$3,037,660	\$4,814,179
TOTALS	\$3,418,894	\$8,742,794

Source: SF Planning

TABLE 4.2**Projected Five-Year Fee Revenue, Market & Octavia, FY 15–19**

Improvement Type	Revenue	% Revenue
Market and Octavia Development Impact Fees		
Transportation	\$5,821,000	26%
Open Space	\$4,115,600	18%
Greening	\$6,678,500	29%
Child Care	\$1,580,000	7%
Library	\$171,300	0.8%
Program Administration	\$1,042,300	5%
Total Revenue	\$19,408,700	85%
Non-Impact Fee Sources		
Central Freeway Parcel Sales - Ancillary Projects	\$3,383,000	15%
TOTALS	\$22,791,700	100%

Source: SF Planning, 2014 IPIC Annual Report

The Market & Octavia Community Improvements Program fees are collected prior to issuance of the construction permit from the Department of Building Inspection. Based upon projected growth in the plan area, the Market & Octavia Development impact fee is expected to generate nearly \$12 million in five years. [Table 4.2](#) below shows projected revenue over five years by expenditure category as defined in the *Market & Octavia Plan* fee ordinance (see [Appendix C](#) for complete text of ordinance).

Historic Preservation

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

- » **Area Plan Level Survey:** Beginning in 2006, the Planning Department contracted with consultants Page & Turnbull to survey the Area Plan boundaries. These included portions of several neighborhoods, including Hayes Valley, the Mission, SoMa, Civic Center, Upper Market, Duboce Triangle and Duboce Park, Lower Haight, Castro and the Western Addition. A Historic Context Statement was prepared to document the history of the area and inform the survey findings. The survey focused on buildings constructed before 1962 which had not been previously surveyed. A total of 1,563 buildings were documented with DPR 523A forms. Individual evaluations for 155 buildings were also made using DPR 523B forms, and 736 buildings were evaluated as part of a group or district on DPR 523D forms. There were also 261 buildings with preexisting survey data, and 68 buildings previously surveyed

and reassessed by Page & Turnbull. The survey was adopted by the Landmarks Preservation Advisory Board and Planning Commission in February 2009.

- » **Augmentation Survey:** At the conclusion of the area plan survey, approximately 750 buildings were left without an assessment. The Planning Department responded to community requests to augment the plan-level survey, and commissioned the firm of Kelley and VerPlanck to assess an additional 200 properties on DPR 523B forms. Alongside that effort, Department staff analyzed the Hayes Valley Residential District and did extensive clean-up work to classify an additional 176 buildings within the boundaries of the survey where previous documentation was silent. The Historic Preservation Commission (HPC) adopted this survey at its July 21, 2010 meeting.



Representative photo of Market Street Masonry District
Credit: Moses Corrette, SF Planning Department



Representative photo of Duboce Park District
Credit: SF Planning Department

- » **Van Ness Automotive Support Structures Survey:** A study of automobile-related buildings between Larkin and Gough Streets from Pacific to the north and Mission Street to the south was completed by architectural historian William Kostura. There are 17 buildings within the Market & Octavia Area Plan boundaries that were assessed in this survey effort. The Historic Preservation Commission (HPC) adopted this survey in July 2010.
- » **Mission Dolores Neighborhood Survey:** The Mission Dolores Neighborhood Association (MDNA), a neighborhood group, commissioned Carey & Company to expand on the area plan level survey, both in depth of documentation and area, bringing a study beyond the boundary of the *Market & Octavia Plan* area. The survey found a National Register eligible district over a large area, partially within the *Market & Octavia Plan* area.

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

Landmark Districts

Market Street Masonry Landmark District

The Area Plan Level Survey identified an architecturally significant grouping of eight masonry buildings located along or adjacent to Market Street. Constructed between 1911 and 1925, these buildings are well-preserved examples that retain most or all of their character-defining features, including several unaltered historic storefronts. In April 2013 these buildings were designated as San Francisco's 12th Landmark District: the Market Street Masonry Landmark District.

Duboce Park Landmark District

The Area Plan Level Survey also identified an architecturally significant grouping of buildings located along the northern boundary of Duboce Park. Planning Department staff conducted additional research and public outreach in support of designating the area as a landmark district. In June 2013, Mayor Ed Lee signed legislation designating the Duboce Park Landmark District, which includes 87 residential buildings constructed between 1899 and 1911.

Jobs Housing Linkage Fee

Prompted by the Downtown Plan, the City determined that large office development, by increasing employment, attracts new residents and therefore increases demand for housing. In response, the Office Affordable Housing Production Program (OAHPP) was established in 1985 to require large office developments to contribute to a fund to increase the amount of affordable housing. In 2001, the OAHPP was re-named the Jobs-Housing Linkage Program (JHLP) and was revised to require all commercial projects with a net addition of 25,000 gross square feet or more to contribute to the fund. Fees collected are deposited into the Citywide Affordable Housing Fund, which also includes Inclusionary Housing Fees, to solely increase the supply of housing affordable to qualifying households.

Between fiscal years 2010 and 2014, about \$6.7 million was collected, all from completed projects citywide. There was no revenue collected from JHLP fees for Market & Octavia between 2010 and 2014. Since the program was established in 1985, a total of a little over \$12.8 million has been collected citywide.

First Source Hiring Program

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

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

component, regardless of size, are subject to the first source hiring requirement. [Table 4.3](#) below shows about 140 job placements for *Market Octavia Plan* area residents during the reporting period. This represents 13% of all First Source Hiring Program placements Citywide.

TABLE 4.3

Jobs Housing Linkage Fees Collected, Market & Octavia and San Francisco 2010–2014

Fiscal Year	Revenue	
	<i>Market Octavia</i>	<i>San Francisco</i>
2010–11	–	–
2011–12	–	\$414,222.00
2012–13	–	\$3,022,903.97
2013–14	–	\$3,557,025.98
TOTAL	–	\$6,994,151.95

Source: San Francisco Planning, Office of the Controller

TABLE 4.4

First Source Hiring Program, Market & Octavia, 2010–2015

Fiscal Year	Entry-Level Job Placements					
	94102 Projects		94102 Resident Placements		Total Placements	
	<i>Public Projects</i>	<i>Private Projects</i>	<i>Public Projects</i>	<i>Private Projects</i>	<i>Public Projects</i>	<i>Private Projects</i>
2010–11	3	1	17	1	504	141
2011–12	4	0	10	4	469	132
2012–13	0	2	8	5	623	253
2013–14	6	2	33	9	1,152	225
2014–15	0	0	40	12	1,071	347
TOTAL	13	5	108	31	3,819	1,098

Source: Office of Economic Workforce and Development



APPENDIX A: MARKET AND OCTAVIA PLAN MONITORING REQUIREMENTS ORDINANCE

Annual Reporting

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

- (a) Time Period and Due Date. Reporting shall be presented by July 1st of each year, and shall address the immediately preceding calendar year.
- (b) Data Source. The Planning Department shall assemble data for the purpose of providing the reports. City records shall be used wherever possible. Outside sources shall be used when data from such sources are reliable, readily available and necessary in order to supplement City records. When data is not available for the exact boundaries of the Plan Area, a similar geography will be used and noted.
- (c) Categories of Information. The following categories of information shall be included: Commercial Space and Employment.
 - (1) The amount of office space "Completed," "Approved," and "Under Construction" during the preceding year, both within the Plan Area and elsewhere in the City. This inventory shall include the location and square footage (gross and net) of those projects, as well as an estimate of the dates when the space "Approved" and "Under Construction" will become available for occupancy.
 - (2) Plan Area and Citywide Employment trends. An estimate of additional employment, by occupation type, in the Plan Area and Citywide.
 - (3) Retail Space and Employment. An estimate of the net increment of retail space and of the additional retail employment relocation trends and patterns Plan Area and Citywide.
 - (4) Business Formation and Relocation. An estimate of the rate of the establishment of new businesses and business and employment relocation trends and patterns within the Plan Area and Citywide Housing.
 - (5) Housing Units Certified for Occupancy. An estimate of the number of housing units in the Plan Area and throughout the City newly constructed, demolished, or converted to other uses.
 - (6) Affordable Housing Production. An estimate of the number of new affordable housing units in the Plan Area and throughout the City, including information on affordability and funding sources.
 - (7) Unit size. An estimate of the mix of unit sizes in the Plan Area and throughout the City including new construction, unit mergers and unit subdivisions.
 - (8) Unit Conversion. An estimate of average number by unit type in the Plan Area and throughout the City, including condo conversion, and eviction cases.
 - (9) Enforcement of Project Entitlements. A summary of successful compliance with conditions and design standards for development projects approved in the Plan Area and any enforcement actions taken to ensure compliance or adjudicate complaints

Transportation

- (10) Parking Inventory. An estimate of the net increment of off-street parking spaces in all Districts.
- (11) Transit Service. An estimate of transit capacity for peak periods.
- (12) Transit infrastructure and capacity improvements. A summary of new transit infrastructure and capacity improvements in the Plan Area and affecting the Plan Area as projected in the *Market & Octavia Plan*, including a comparison of that increased and improved transit service relative to the number of new housing units and office space approved during the same period.
- (13) Transit Impact Fee. A summary of the use of the transit impact development fee funds, identifying the number of vehicles, personnel and facilities acquired.
- (d) Report. The analysis of the factors under Commercial Space, Housing and Transportation will compare Plan Area trends to existing conditions, Citywide trends, and regional trends, when relevant. The comparisons will indicate the degree that the City is able to accommodate new development as projected within the Plan Area. Based on this data, the Department shall analyze the effectiveness of City policies governing Plan Area growth and shall recommend any additional measures deemed appropriate.

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

Time Series Report

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

(a) Implementation of Proposed Programming.

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

- (1) Fees. Monitor expenditure of all implemented fees. Report on studies and implementation strategies for additional fees and programming.
- (2) Parking Programs. Report on implementation strategies, including cooperation with relevant agencies, and success of program as implemented.
- (3) Historic Preservation Surveys. Report findings of survey. Detail further proceedings with regards to findings of survey work.

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

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

with projected development, and provide recommendations for balancing transportation infrastructure with projected growth.

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

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

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

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

APPENDIX B:

LISTS AND TABLES

LIST BL-1

Major Market-Rate Residential Development Completed, Market & Octavia, 2010–2014

Year	Street Address/ Project Name	Total Units	Affordable Units	Unit Mix	Tenure Type	Initial Sales Price or Rental Price
2010	233 Franklin St/ Linden Hayes	32	0	One Bedroom: 16 Two Bedroom: 13 Four Bedroom: 4	Ownership	–
2011	–	–	–	–	–	–
2012	299 Valencia Street	40	4	One Bedroom: 12 Two Bedroom: 24	Rental/ Ownership	From \$2,600 From \$4,750 From \$400,000
2013	1844 Market Street / Venn Apartments	113	14	One Bedroom: Two Bedroom: Three Bedroom:	Rental	From \$3,035 From \$4,035 From \$4,985
	38 Dolores Street / 38 Dolores	81	In-Lieu	One Bedroom: Two Bedroom: Three Bedroom:	Rental	From \$2,950 From \$3,800 From \$8,100
	300 Ivy Street / 401 Grove Street / 300 Ivy	63	9	One Bedroom: 24 Two Bedroom: 34 Three Bedroom: 5	Ownership	From \$1.2M
2014	1998 Market St/ Linea	115	–	Studio: 2 One Bedroom: 59 Two Bedroom: 54	Ownership	From \$480K From \$615K –\$805K From \$830K– \$1.22M
	2175/ 2175 Market	88	18	One Bedroom: 53 Two Bedroom: 35	Rental	From \$3,428 –\$3,578 From \$3,999–\$4,881
	8 Octavia St/ 8 Octavia	49	7	One Bedroom: 7 Two Bedroom: 30 Three Bedroom: 3	Ownership	From \$1,385,000
	2210 (2220) Market St/ The Century	22	3	One Bedroom: 8 Two Bedroom: 14	Ownership	From \$795K –\$835K From \$1.13M–\$1.3M

Source: San Francisco Planning

LIST BL-2**List of Affordable Housing, Housing Income Target & Funding Source, 2010–2014**

Year	Street Address	Total Units	Affordable Units	Household Income Target	Tenure Type	Funding Source/ Program
2010	261 Octavia Street	15	15	VLI	Rental	MOH
2011	365 Fulton Street	120	120	VLI	Rental	MOH/ SFRA
2012	150 Otis Street	76	76	EVLI	Rental	–
	299 Valencia	40	4	MOD	Ownership	Inclusionary
2013	401 Grove Street	63	9		Ownership	Inclusionary
	701 Golden Gate Ave	100	100	VLI	Rental	CTCAC, OCII, FHLB, NeighborWorks
	1844 Market Street	113	14	LI	Rental	Inclusionary
2014	8 Octavia Street	47	7	MOD	Ownership	Inclusionary
	1600 Market Street	24	23	MOD	Ownership	Inclusionary
	2175 Market Street	88	18	LI	Rental	Inclusionary
	2210 Market Street	22	3	MOD	Ownership	Inclusionary

Source: San Francisco Planning, Mayor's Office of Housing

LIST BL-3**Residential Development Pipeline, Market & Octavia, Q4 2014**

Development Status	Address	No of Units	Mixed Use Project
CONSTRUCTION		1,620	
	100 Van Ness Ave	399	x
	218 Buchanan St	191	
	307 Octavia St	182	x
	555 Fulton St	139	
	746 Laguna St	136	x
	55 Laguna St	133	x
	100 Buchanan St	116	
	2198 Market St	87	x
	344 Fulton St	75	x
	388 Fulton St	75	x
	450 Hayes St	41	x
	25 Dolores St	37	x
	85 Brosnan St	3	x
	443 Linden St	2	
	447 Linden St	2	
	476 Linden St	2	

Development Status	Address	No of Units	Mixed Use Project
PLANNING ENTITLED		837	
Planning Approved		736	
	1580 Mission St	440	
	1390 Market St	230	x
	2100 Market St	60	x
	435 Duboce Ave	3	
	126 Laguna St	2	
	226 Haight St	1	
Building Permit Filed		13	
	200 Dolores St	13	x
Building Permit Approved/ Issued/ Reinstated		88	
	1 Franklin St	35	x
	580 Hayes St	29	
	2210 Market St	22	x
	81 Noe St	1	
	564 Fell St	1	
UNDER REVIEW		692	
Planning Filed		513	
	150 Van Ness Ave	429	x
	1700 Market St	42	x
	22 Franklin St	28	x
	2201 Market St	9	x
	140 Duboce Ave	2	
	21 Rosemont Pl	3	
Building Permit Filed		179	
	1554 Market St	110	
	198 Valencia St	28	
	300 Octavia St	16	
	360 Octavia St	16	x
	127 Buchanan St	4	
	25 Elgin Park	3	
	457 Waller St	1	
	445 Waller St	1	
TOTAL		3,149	

Source: San Francisco Planning, 2014 Q4 Pipeline

LIST BL-4**Central Freeway Parcels, Zoning and Housing Development Capacity**

Parcel	Street Address	Area Sq Ft	Zoning	Height Limits	Potential Unit Capacity*
B	732 Golden Gate Ave	18,308	NCT-3	50-X	44
D	620 McAllister St	10937	NCT-3	50-X/85-X	32
E	627 McAllister	22,000	NCT-3	50-X	54
E-st	10 Ash St	n/a	NCT-3	50-X	14
K	350 Linden St**	19500	Hayes NCT	40-X/50-X	26
L	370 Fell St**	13,595	Hayes NCT	50-X	14
O	427 Fell St**	37426	RTO	40-X/50-X	81
R	279 Oak St	10497	Hayes NCT	50-X	8
S	180 Page St	10,500	Hayes NCT	50-X	8
T	140 Octavia Blvd	13211	Hayes NCT	50-X	16
TOTAL					297

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

** Temporary urban garden

Source: San Francisco Planning

TABLE BT-1**Land Use Distribution, Market & Octavia and San Francisco, 2014**

Land Use	Market Octavia		San Francisco		Market Octavia as % of San Francisco
	Area	% Distribution	Area	% Distribution	
Mixed Residential	2,161,527	32%	37,799,256	16%	6%
Residential	1,479,559	22%	63,027,939	27%	2%
Office	1,015,829	15%	36,690,112	16%	3%
Mixed Uses	832,241	12%	43,289,714	19%	2%
PDR/Light Industrial	312,501	5%	12,143,575	5%	3%
Cultural, Educational, Institution	305,573	5%	12,254,454	5%	2%
Public/Open Spaces	297,296	4%	5,901,060	3%	5%
Retail/ Entertainment	282,195	4%	11,105,030	5%	3%
Visitor / Lodging	36,038	1%	3,663,013	2%	1%
Vacant Lot	13,654	0.2%	1,110,635	0%	1%
Medical	0	0%	5,081,391	2%	0%
Right of Way	0	0%	9,813	0.004%	0%
TOTAL	6,736,413	100%	232,075,992	100%	3%

Source: San Francisco Planning

LIST BL-5

Commercial Development Projects Completed, Market & Octavia, 2010–2014

Address	No of Units	Total Commercial Sq Ft	Cultural, Institutional, Educational	Medical	Office	PDR/Light Industrial	Retail	Visitor / Lodging
1600 Market Street	24	12,100	–	–	–	–	12,100	–
1844 Market Street	113	5,100	–	–	–	–	5,100	–
1960 Market St	115	9,000	–	–	–	–	9,000	–
205 Franklin Street	0	35,000	12,000	–	–	–	23,000	–
2175 Market Street	88	6,286	–	–	–	–	6,286	–
231 Franklin Street	33	4,980	–	–	–	–	4,980	–
299 Valencia Street	44	4,440	–	–	–	–	4,440	–
401 Grove Street	63	5,250	–	–	–	–	5,250	–
424 Octavia St	1	6,070	–	–	–	–	6,070	–
8 Octavia Street	49	3,530	–	–	–	–	3,530	–
TOTAL	530	91,756	12,000	–	–	–	79,756	–

Source: San Francisco Planning

LIST BL-6

Commercial Development Pipeline, Market & Octavia, Q4 2014

Dev. Status	Address	No of Units	Total Comm. Sq Ft	Cult., Inst., Edu.	Medical	Office	PDR/Light Ind.	Retail	Visitor / Lodging
CONSTRUCTION		1,168	(355,297)	46,759	–	(420,270)	(19,037)	37,251	–
	100 Van Ness Ave	399	(423,740)	–	–	(421,005)	–	(2,735)	–
	307 Octavia St	182	3,897	–	–	–	–	3,897	–
	746 Laguna St	136	2,325	–	–	(19,620)	–	21,945	–
	55 Laguna St	133	3,500	–	–	–	–	3,500	–
	2198 Market St	87	4,845	–	–	1,145	–	3,700	–
	344 Fulton St	75	12,247	–	–	10,425	–	1,822	–
	388 Fulton St	75	45,750	33,503	–	10,425	–	1,822	–
	450 Hayes St	41	3,300	–	–	–	–	3,300	–
	25 Dolores St	37	(19,037)	–	–	–	(19,037)	–	–
	85 Brosnan St	3	(1,640)	–	–	–	–	–	–
	245 Valencia St	–	13,256	13,256	–	–	–	–	–
PLANNING ENTITLED		800	419,483	(8,463)	(9,500)	447,009	(57,000)	47,437	–
Planning Approved		730	423,562	–	(9,500)	447,009	(57,000)	43,053	–
	1580 Mission St	440	426,018	–	–	447,009	(57,000)	36,009	–
	1390 Market St	230	(1,500)	–	(9,500)	–	–	8,000	–
	2100 Market St	60	(956)	–	–	–	–	(956)	–
Building Permit Filed		13	(8,463)	(8,463)	–	–	–	–	–
	200 Dolores St	13	(8,463)	(8,463)	–	–	–	–	–
Building Permit Approved/ Issued/ Reinstated		57	4,384	–	–	–	–	4,384	–
	1 Franklin St	35	2,384	–	–	–	–	2,384	–
	2210 Market St	22	2,000	–	–	–	–	2,000	–
UNDER REVIEW		524	(125,449)	–	–	(136,558)	–	11,109	–
Planning Filed		508	(126,449)	–	–	(136,558)	–	10,109	–
	150 Van Ness Ave	429	(127,558)	–	–	(136,558)	–	9,000	–
	1700 Market St	42	(1,926)	–	–	–	–	(1,926)	–
	22 Franklin St	28	4,323	–	–	–	–	4,323	–
	2201 Market St	9	(1,288)	–	–	–	–	(1,288)	–
Building Permit Filed		16	1,000	–	–	–	–	1,000	–
	360 Octavia St	16	1,000	–	–	–	–	1,000	–
TOTAL		2,492	(61,263)	38,296	(9,500)	(109,819)	(76,037)	95,797	–

Source: SF Planning, 2014 Q4 Pipeline



APPENDIX C:
MARKET AND
OCTAVIA COMMUNITY
IMPROVEMENTS
NEIGHBORHOOD PROGRAM

Sec. 326.3. – Application.

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

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

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

- (1) Prior to the issuance by DBI of the first site or building permit for a residential development project, or residential component of a mixed use project within the Program Area, a \$10.00 Community Improvement Impact Fee in the *Market & Octavia Plan Area*, as described in (a) above, for the Market & Octavia Community Improvements Fund, for each net addition of occupiable square feet which results in an additional residential unit or contributes to a 20 percent increase of residential space from the time that this ordinance is adopted.
- (2) Prior to the issuance by DBI of the first site or building permit for a commercial development project, or commercial component of a mixed use project within the Program Area, a \$4.00 Community Improvement Impact Fee in the *Market & Octavia Plan Area*, as described in (a) above, for the Market & Octavia Community Improvements Fund for each net addition of occupiable square feet which results in an additional commercial capacity that is beyond 20 percent of the non-residential capacity at the time that this ordinance is adopted.

- (c) Upon request of the sponsor and upon payment of the Community Improvements Impact Fee in full to the Treasurer, the execution of a Waiver Agreement or In-Kind Agreement approved as described herein, the Treasurer shall issue a certification that the obligations of this section of the Planning Code have been met. The sponsor shall present such certification to the Planning Department and DBI prior to the issuance by DBI of the first site or building permit for the development project. DBI shall not issue the site or building permit without the Treasurer's certification. Any failure of the Treasurer, DBI, or the Planning Department to give any notice under this Section shall not relieve a sponsor from compliance with this Section. Where DBI inadvertently issues a site or building permit without payment of the fee, Planning and DBI shall not issue any further permits or a certificate of occupancy for the project without notification from the Treasurer that the fees required by this Section have been paid or otherwise satisfied. The procedure set forth in this Subsection is not intended to preclude enforcement of the provisions of this Section under any other section of this Code, or other authority under the laws of the State of California.

- (d) Fee Adjustments.

- (1) Inflation Adjustments. The Planning Commission may adjust the amount of the development impact fees set forth in the annual fee adjustments on an annual basis before the annual budget is approved. The Market & Octavia Community Improvements Impact Fee adjustments should be based on the following factors: (a) the percentage increase or decrease in the cost to acquire real property for public park and open space use in the area and (b) the percentage increase or decrease in the construction cost of providing these and other improvements listed in § 326.1(E)
 - (a). Fluctuations in the construction market can be gauged by indexes such as the Engineering News Record or a like index. Revision of the fee should be done

in coordination with revision to other like fees, such as those detailed in Sections 247, 313, 314, 315, 318, and 319 of the Planning Code. The Planning Department shall provide notice of any fee adjustment including the formula used to calculate the adjustment, on its website and to any interested party who has requested such notice at least 30 days prior to the adjustment taking effect.

- (2) Program Adjustments. Upon Planning Commission and Board approval adjustments may be made to the fee to reflect changes to (a) the list of planned community improvements listed in § 326.1(D); (b) re-evaluation of the nexus based on new conditions; or (c) further planning work which recommends a change in the scope of the community improvements program. Changes may not be made to mitigate temporary market conditions. Notwithstanding the foregoing, it is the intent of the Board of Supervisors that it is not committing to the implementation of any particular project at this time and changes to, additions, and substitutions of individual projects listed in the related program document can be made without adjustment to the fee rate or this ordinance as those individual projects are placeholders that require further public deliberation and environmental review.
- (3) Unless and until an adjustment has been made, the schedule set forth in this ordinance shall be deemed to be the current and appropriate schedule of development impact fees.
- (e) Option for In-Kind Provision of Community Improvements. The Planning Commission may reduce the Community Improvements Impact Fee described in (b) above for specific development proposals in cases where a project sponsor has entered into an In-Kind Agreement with the City to provide In-Kind improvements in the form of streetscaping, sidewalk widening, neighborhood open space, community center, and other improvements

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

341.5) or other prioritization processes related to Market & Octavia Community Improvements Programming.

(f) Option for Provision of Community Improvements via a Community Facilities (Mello-Roos) District. The Planning Commission may waive the Community Improvements Impact Fee described in (326.3(b) above, either in whole or in part, for specific development proposals in cases where one or more project sponsors have entered into a Waiver Agreement with the City approved by the Board of Supervisors. Such waiver shall not exceed the value of the improvements to be provided through the Mello Roos district. In consideration of a Mello-Roos waiver agreement, the Board of Supervisors shall consider whether provision of Community Improvements through a Community Facilities (Mello-Roos) District will restrict funds in ways that will limit the City's ability to provide community amenities according to the established community priorities detailed in the Market & Octavia Area Plan, or to further amendments. The Board of Supervisors shall have the opportunity to comment on the structure of bonds issued for Mello Roos Districts. The Board of Supervisors may decline to enter into a Waiver Agreement if the establishment of a Mello Roos district does not serve the City or Area Plan's objectives related to Market & Octavia Community Improvements and general balance of revenue streams.

(g) Applicants who provide community improvements through a Community Facilities (Mello Roos) District or an In-Kind development will be responsible for all additional time and materials costs including, Planning Department staff, City Attorney time, and other costs necessary to administer the alternative to the direct payment of the fee. These costs shall be paid in addition to the community improvements obligation and billed no later than expenditure of bond funds on approved projects for Districts or promptly following satisfaction of the In-Kind Agreement. The Planning Department may designate a base fee for the establishment of a Mello Roos Dis-

trict, that project sponsors would be obliged to pay before the district is established. The base fee should cover basic costs associated with establishing a district but may not account for all expenses, a minimum estimate of the base fee will be published annually by the Planning Department.

(h) Waiver or Reduction:

(1) Waiver or Reduction Based on Absence of Reasonable Relationship.

(A) A project applicant of any project subject to the requirements in this Section may appeal to the Board of Supervisors for a reduction, adjustment, or waiver of the requirements based upon the absence of any reasonable relationship or nexus between the impact of development and the amount of the fee charged or for the reasons set forth in subsection (3) below, a project applicant may request a waiver from the Board of Supervisors.

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

adjustment or waiver to the Treasurer and Planning Department.

- (2) Waiver or Reduction, Based on Housing Affordability or Duplication of Fees. This section details waivers and reductions available by right for project sponsors that fulfill the requirements below. The Planning Department shall publish an annual schedule of specific values for waivers and reductions available under this clause. Planning Department staff shall apply these waivers based on the most recent schedule published at the time that fee payment is made.
- (A) A project applicant subject to the requirements of this Section who has received an approved building permit, conditional use permit or similar discretionary approval and who submits a new or revised building permit, conditional use permit or similar discretionary approval for the same property shall be granted a reduction, adjustment or waiver of the requirements of Section 326 of the Planning Code with respect to the square footage of construction previously approved.
- (B) The Planning Commission shall give special consideration to offering reductions or waivers of the impact fee to housing projects on the grounds of affordability in cases in which the State of California, the Federal Government, the Mayor's Office of Housing, the San Francisco Redevelopment Agency, or other public subsidies target new housing for households at or below 50% of the Area Median Income as published by HUD. This waiver clause intends to provide a local 'match' for these deeply subsidized units and should be considered as such by relevant agencies. Specifically these units may be rental or ownership opportunities but they must be subsidized in a manner which maintains their affordability for a term no less than 55 years. Project sponsors must demonstrate to the Planning Department staff that a

governmental agency will be enforcing the term of affordability and reviewing performance and service plans as necessary, usually this takes the form of a deed restriction. Projects that meet the requirements of this clause are eligible for a 100 percent fee reduction until an alternative fee schedule is published by the Planning Department. Ideally some contribution will be made to the Market & Octavia Community Improvement Program, as these units will place an equal demand on community improvements infrastructure. This waiver clause shall not be applied to units built as part of a developer's efforts to meet the requirements of the Inclusionary Affordable Housing Program, and Section 315.

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

Plan, especially fees that allow project sponsors to obtain a waiver from the Market & Octavia Community Improvement's Fund.

(i)

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

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

ACKNOWLEDGMENTS

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