



Market Octavia Plan Amendment

Planning Commission | February 13, 2020



San Francisco
Planning

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Project Overview

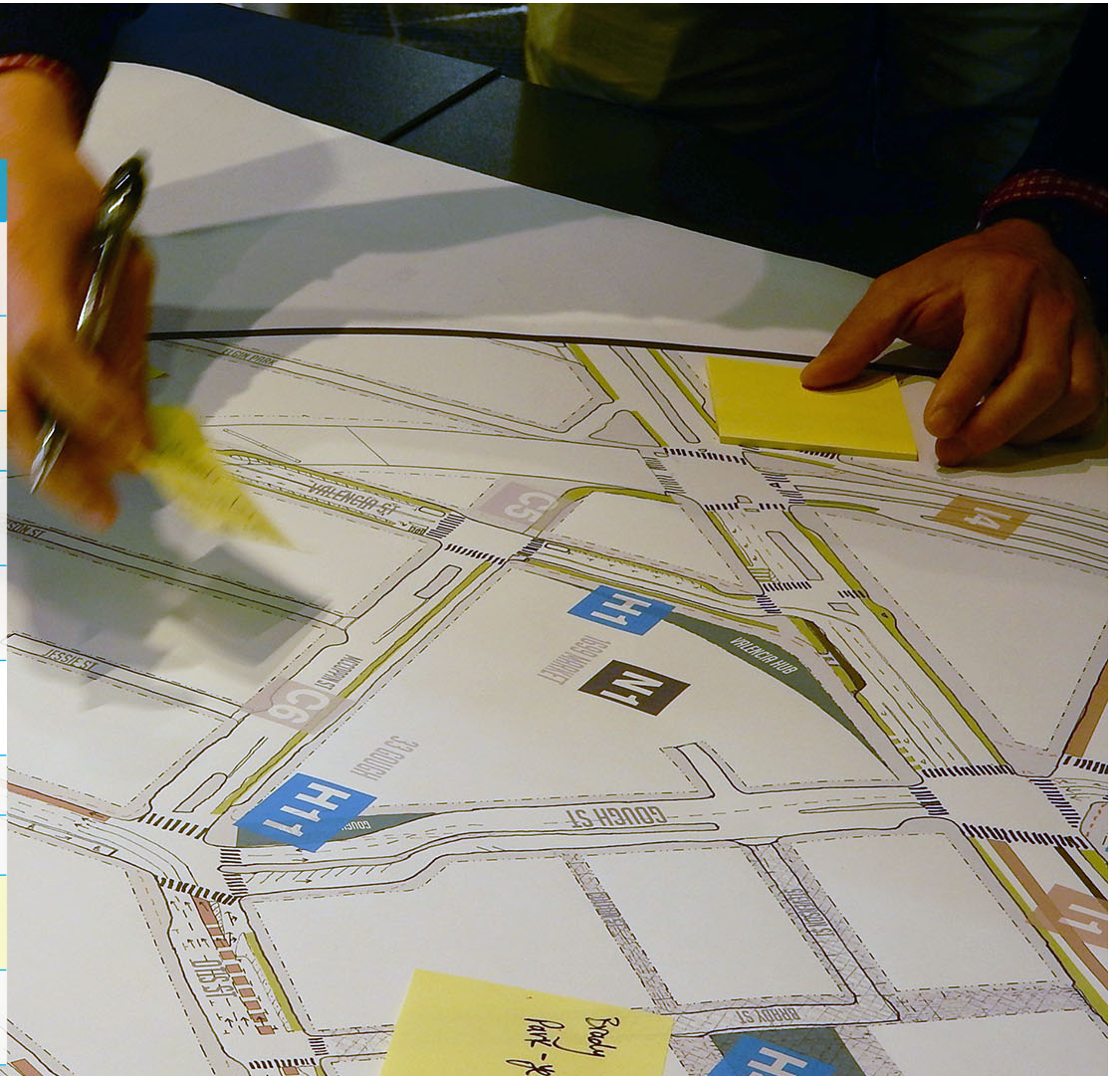
Recommendations

Key Legislative Changes



PROJECT TIMELINE

DATE	MILESTONE
Jan 2016	Project start-up, existing conditions analysis, stakeholder meetings.
April 2016	Workshop #1: Urban Form, Land Use, and Public Benefits
June 2016	Workshop #2: Public Realm
March 2017	Workshop #3: Refined Options and Designs
Oct 2017	Environmental Review Process began
June 2019	Workshop #4: Project Update + Public Benefits
July 2019	DEIR released
Jan 2020	Workshop #5: Project Update
Feb 2020	Planning Commission Initiation Hearing
March 2020	Planning Commission Adoption Hearing on or after March 12



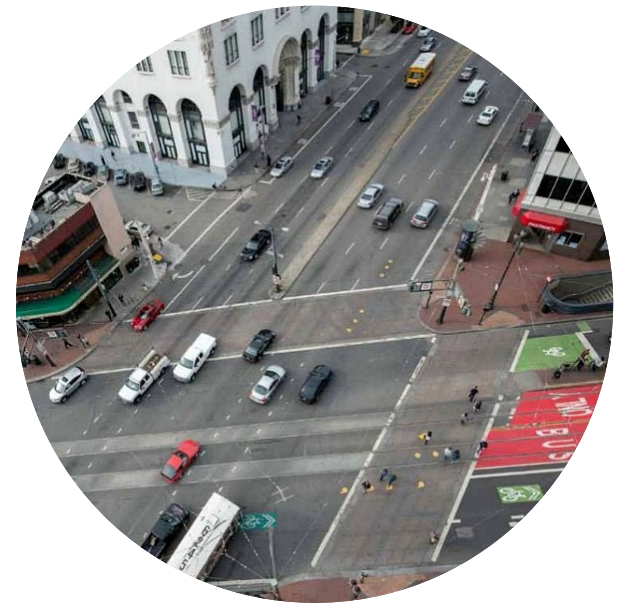
PROJECT GOALS



Increase housing and affordable housing near transit



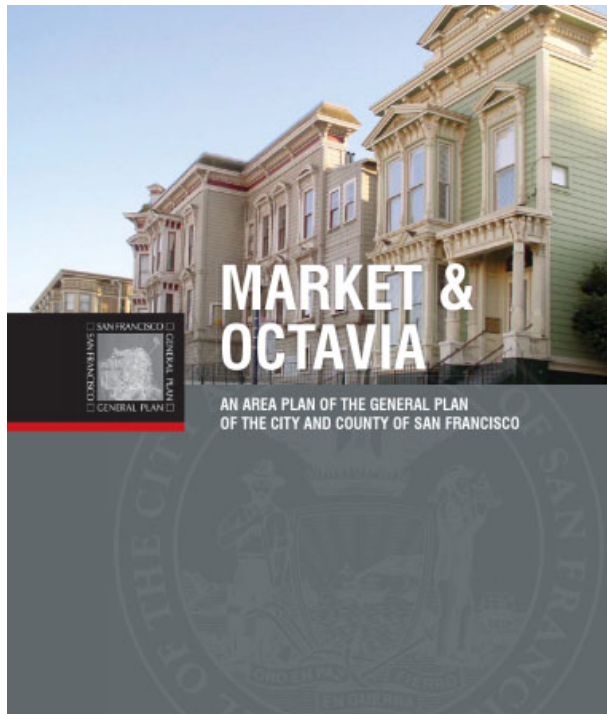
Develop and coordinate designs for the public realm



Create robust public benefits package and prioritize projects for implementation

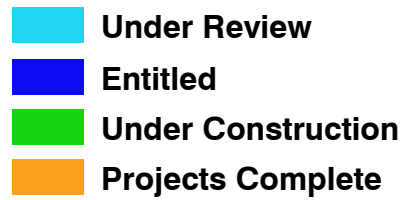
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PROJECT DELIVERABLES



- ① Amend the **Market & Octavia Area Plan**
 - Height Map
 - Zoning Map
 - Objectives and policies
- ② Amend the **Planning Code** to reflect land use and policy changes
- ③ Update the **Market & Octavia Implementation Plan**

THE LANDSCAPE



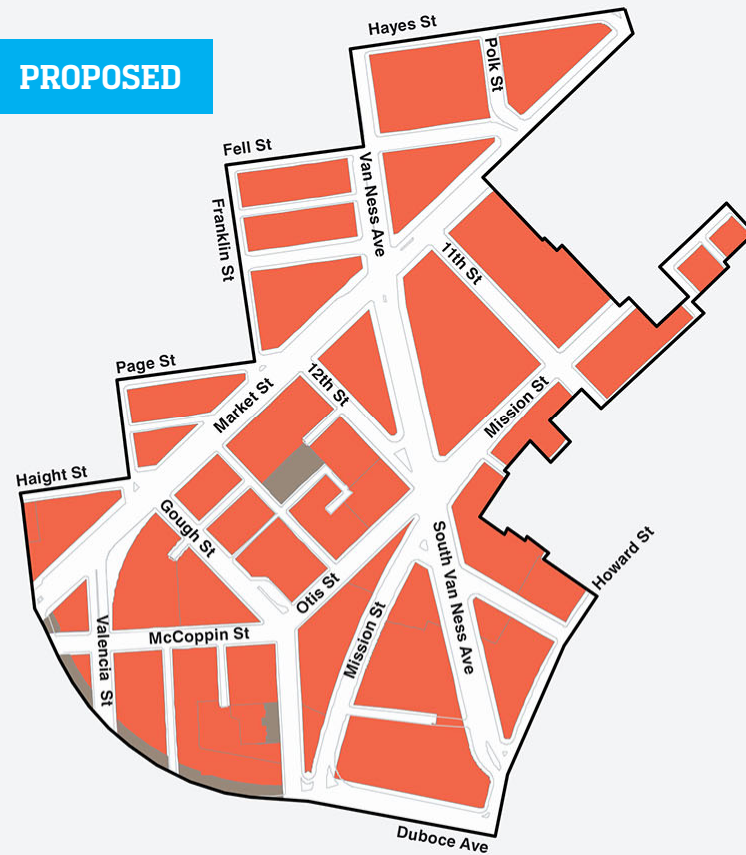


RECOMMENDATIONS

EXISTING



PROPOSED



Land Use

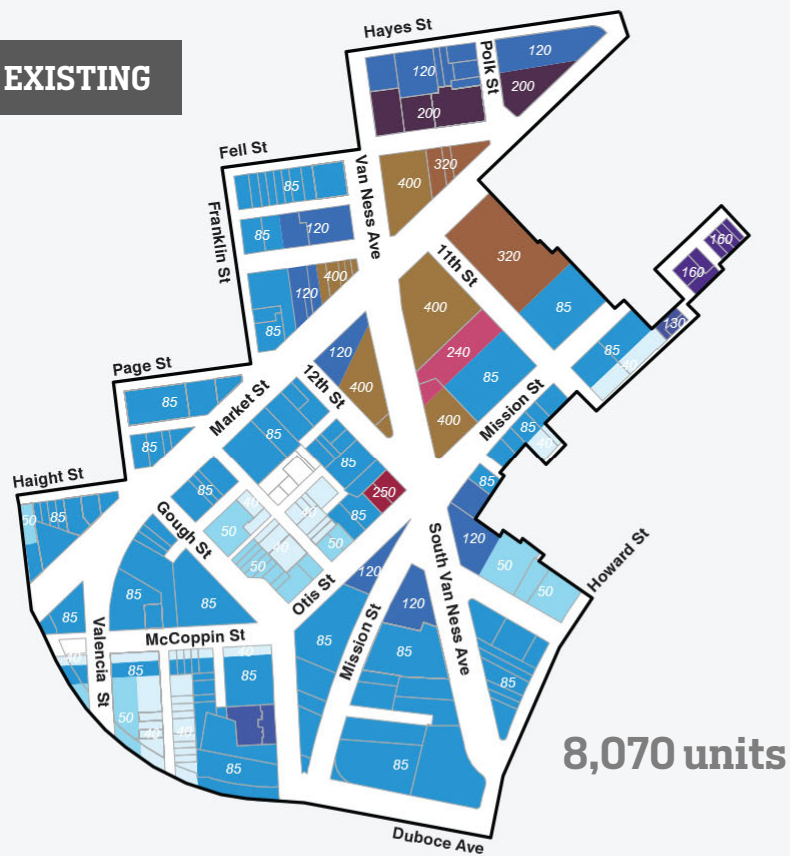


Nighborhood Commercial
(NCT-3)



General Commercial (C-3-G) + Van Ness & Market
Residential Special Use District (SUD)

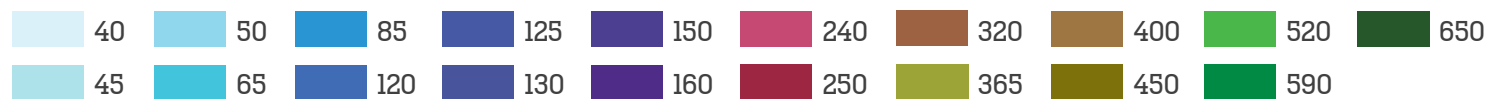
EXISTING



PROPOSED



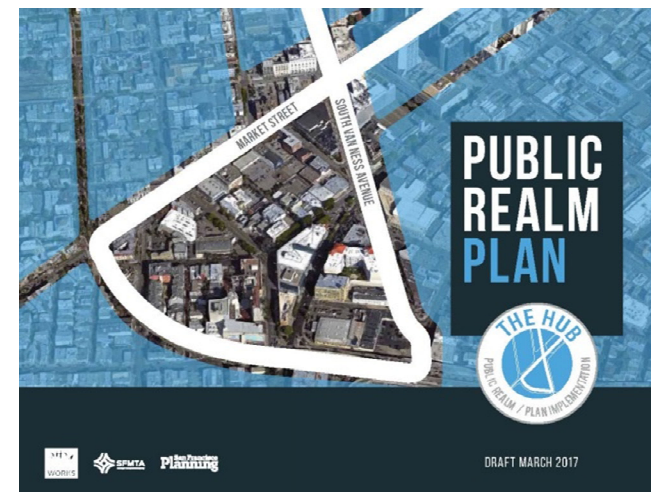
Maximum Heights



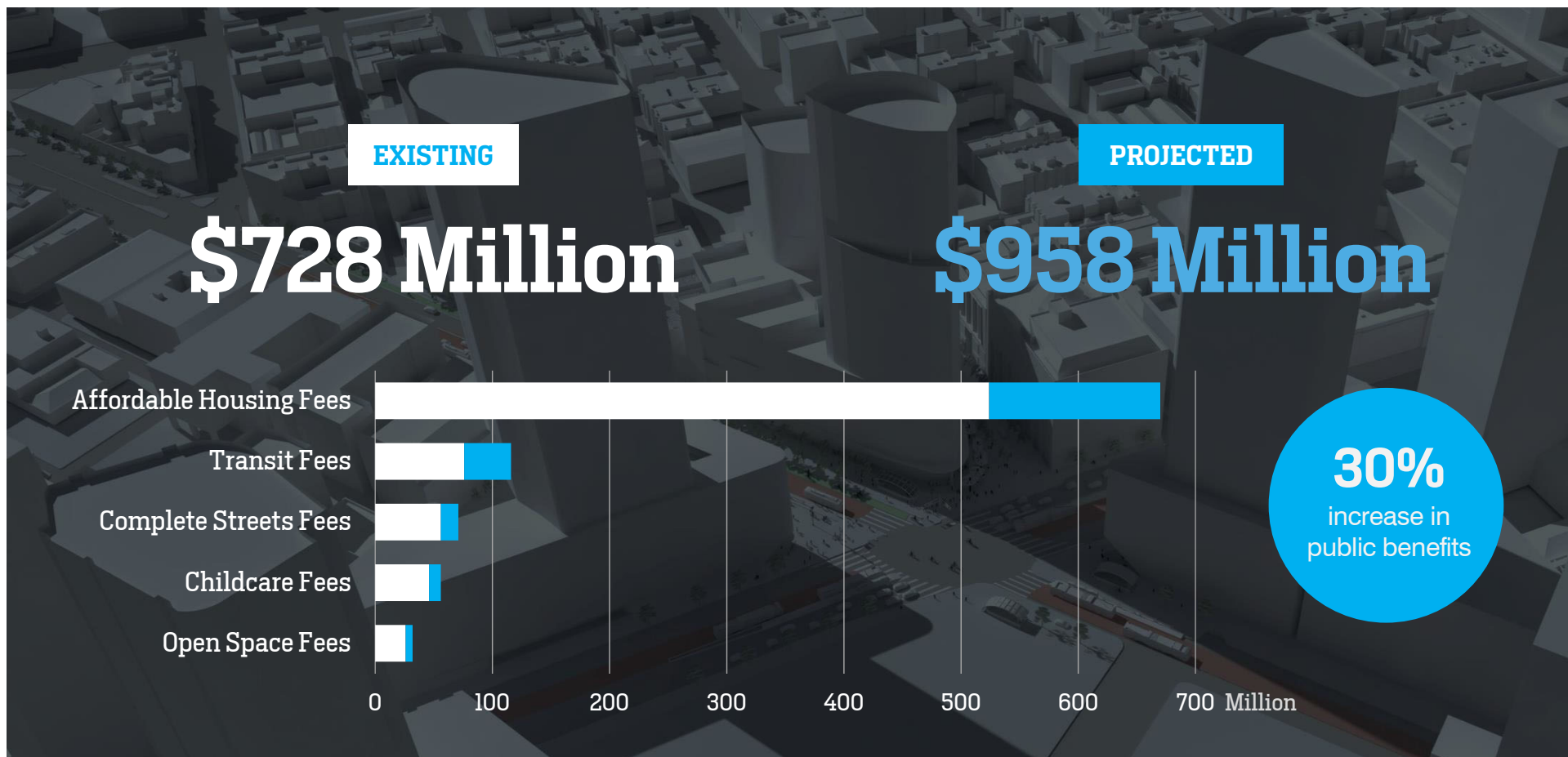


Public Realm

- Streets proposed for improvements
- Living Alley improvements



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Public Benefits Summary

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Inclusionary
Requirements
(Sec. 415)

1

\$528 M

23%
affordable
units

Market and Octavia
Area Plan and Upper
Market Neighborhood
Commercial
District Affordable
Housing Fee
(Sec. 416)

2

Van Ness and Market
Affordable Housing
and Neighborhood
Infrastructure
Fee and Program
(Sec 424)

3

\$154 M

Inclusionary
Requirements + Area
Plan Affordable
Housing Fees

\$682 M

29%
affordable
units + fees

Affordable Housing Resources

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All Projects



Small Projects 10 - 24 units



Large Projects 25 units or more

On-Site

12%



13.5%



20.5%



22.5%



Off-Site or
Fee

20%



20%



30%



33%



BEFORE JUNE 2016 *

JANUARY 2020**

- * "Grandfathered" rates depending on size, location, and EEA accepted date
 ** On-Site rates increase annually. Applies to EEA accepted on or after Jan 12, 2016

More info: <https://sfplanning.org/project/inclusionary-affordable-housing-program>

RENTAL

OWNER

Inclusionary Rates Increase Citywide

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Purpose:

Studying the feasibility of increasing the inclusionary housing requirements and/or adding new fees and development requirements.

Findings: Limited Capacity

- San Francisco is currently the most expensive market to build in the world.
- Construction costs increased 5% in 2018 and **doubled** since 2013.
- On-site inclusionary housing requirements have increased 67% since 2016, and will continue to increase annually.
- Projects in this area are subject to additional housing fees above 415 requirements, this fee is unique and higher than elsewhere in the city.



Feasibility Analysis

Source: Turner + Townsend International Construction Market Survey 2019

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Public Benefits Package

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Proposed Public Benefits: Affordable Housing

\$682 Million

**For new on-site units and
affordable housing resources**

- 2,200 affordable housing units
- 434 additional affordable units
(above existing zoning)
- Achieve 29% affordable units
overall

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\$116 Million

For improvements to transit service and capacity including modernization of Van Ness Station

- Specific projects to be identified and informed by the Van Ness Station Capacity Study led by SFMTA

Proposed Public Benefits: Transit

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\$71 Million

For street and alley improvements

1. Redesign of major streets in the Plan Area to be safe and comfortable for people walking, biking, and on transit.
2. Living alleys

Proposed Public Benefits: Complete Streets

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Proposed Public Benefits: **Schools and Childcare**

\$57 Million

For childcare centers and schools

- \$20M New childcare centers
- \$37M Capital Investments in schools serving K-12 population

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Potential Public Benefits: **Open Space**

\$32 Million

For new parks and enhancements to existing open spaces

1. New Park at 11th and Natoma
2. Improvements to Buchanan Mall
3. Improvements to Koshland Park
4. New/Improved Civic Center Public Spaces
5. Other open spaces in the Hub area TBD

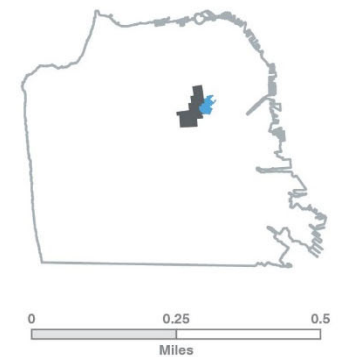
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EQUITY ASSESSMENT



 Communities of Concern





Equity Goals

**Anticipated
Benefits**

**Potential
Burdens**

**Additional
Community
Concerns**

**Strategies to
Mitigate
Burdens**

Monitoring

Equity Assessment

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Equity Assessment: **Equity Goals**

- Decrease displacement risk of low income, people of color and other vulnerable populations.
- Decrease displacement risk of small businesses in and adjacent to the Hub.
- Increase affordable housing options for low income residents and communities of color.
- Ensure sidewalks are comfortable and safe for everyone.
- Program impact fee money with an equity lens and engage vulnerable populations in the process to ensure that they benefit from investment and opportunities.



- More housing near major local and regional transit lines, providing access to jobs, amenities, and opportunities.
- Up to 2,200 affordable housing units and 682M in affordable housing resources for the City.
- Improved streets and alleys, improved safety for people to walk and bike.
- New and improved open space and recreational amenities.
- No loss of existing housing units.

Equity Assessment: Anticipated Benefits

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- Potential modest loss of retail and industrial jobs.
- Over time, risk of small businesses displacement and turnover due to changing demographics and new retail demands.
- Less tolerance for homeless encampments.

Equity Assessment: **Potential Burdens**

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- Concerns that ground floor uses may not be neighborhood serving.
- Concerns that the design of new buildings, could be uninviting to a diverse population.
- Concerns that new market rate housing could add to gentrification pressures in adjacent neighborhoods

Equity Assessment: **Additional Community Concerns**

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- Build more housing, including affordable housing
- Limit direct displacement by not increasing heights on sites with existing housing.
- Expand boundary in which impact fee money can be spent to serve a larger population including low income residents and communities of color in adjacent neighborhoods.
- Work with private development to conduct outreach to better reach low income residents and communities of color.
- Harness existing city programs around housing and small business protection, preservation and production.
- Transition potential homeless encampments with support from the Department of Homelessness and Supportive Housing (HSH).
- Add a new policy in the Market and Octavia Area Plan to apply a racial and social equity lens to future planning decisions.

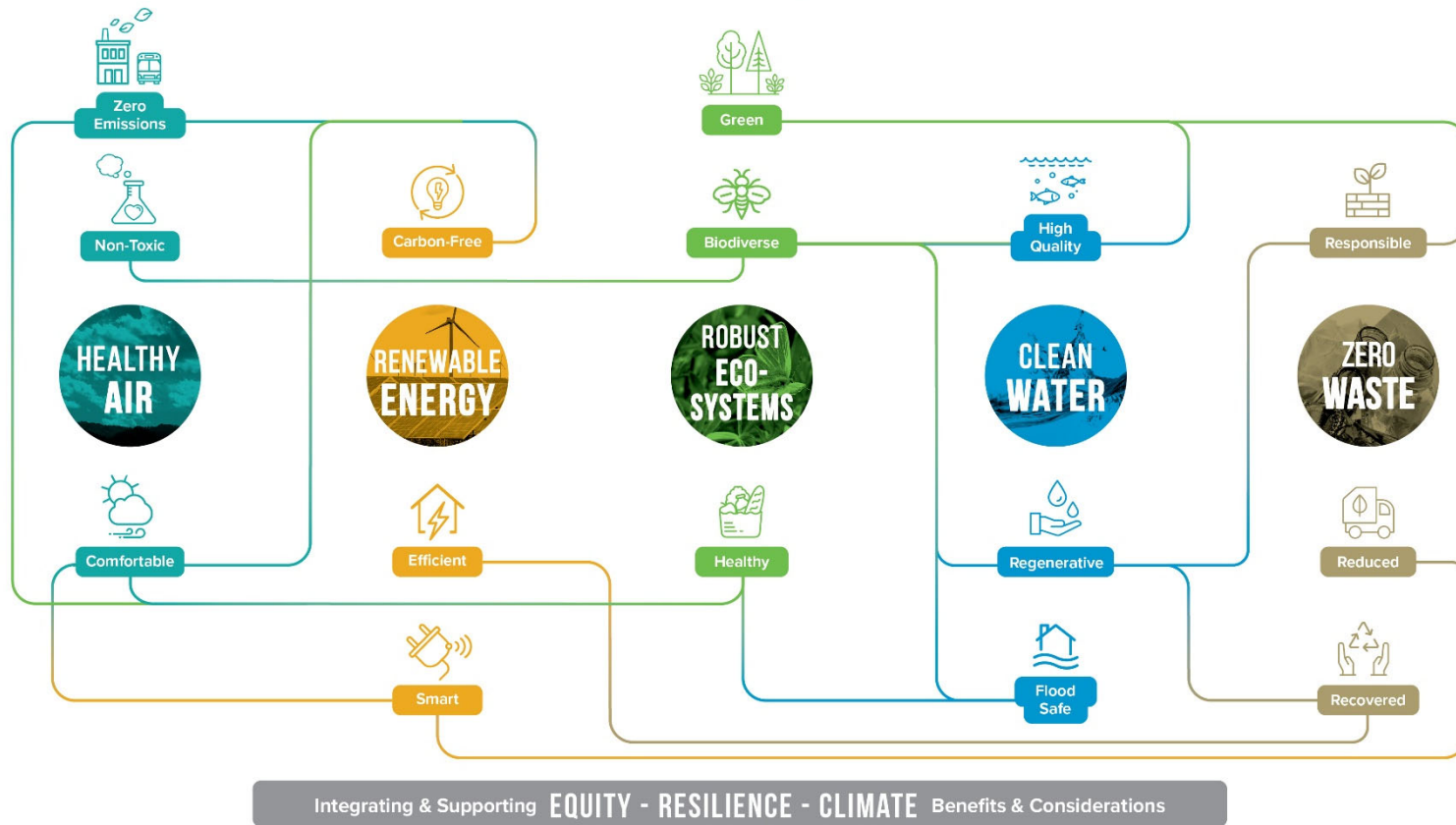
Equity Assessment: Strategies to Mitigate Burdens

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SUSTAINABLE NEIGHBORHOOD FRAMEWORK

San Francisco Sustainable Neighborhood Framework








ROAD MAP

SUMMARY:

MARKET/OCTAVIA

EXAMPLE

Sustainability and Resilience Strategy: THE HUB & MARKET-OCTAVIA AREA PLAN

GOALS	TARGETS	EXISTING REQUIREMENTS	PLAN POLICIES (City Policy Direction, <i>The Hub Regulation</i>)
	Zero Emission	<ul style="list-style-type: none"> – Bike parking by unit [Planning] – 100% EV-ready, off-street parking [Green Building] 	<ul style="list-style-type: none"> – Bike parking by bedroom + scaled for cargo bikes – EV charging, on-street parking
	Non-Toxic	<ul style="list-style-type: none"> – Low-emitting materials [GBC] 	<ul style="list-style-type: none"> – Zero-emitting materials
	Comfortable	<ul style="list-style-type: none"> – High-quality air filtration [Health, Art 38] 	<ul style="list-style-type: none"> – Shading and living walls
	Efficient	<ul style="list-style-type: none"> – Mixed-fuel bldgs 10%+ efficient [Title 24/GBC] 	<ul style="list-style-type: none"> – All-electric buildings and systems (no natural gas)
	Carbon Free	<ul style="list-style-type: none"> – 15% roof as solar PV or thermal [GBC] <i>OR living roof</i> – All-electric preferred development [GBC] – Renewable Electricity, large comm [Environment] 	<ul style="list-style-type: none"> – 15% roof solar PV or thermal hot water (up to 120') – Battery storage for resilience – Renewable electricity purchase, all bldgs
	Smart Operations		<ul style="list-style-type: none"> – Smart systems and plug loads
	Green	<ul style="list-style-type: none"> – 30% Living Roof alternative [PC] <i>OR solar</i> 	<ul style="list-style-type: none"> – 30% living roof (up to 120')
	Biodiverse	<ul style="list-style-type: none"> – Bird Safe Buildings [PC] 	<ul style="list-style-type: none"> – 50% minimum local and California natives
	Healthy	<ul style="list-style-type: none"> – Integrated Pest Management, City facilities 	<ul style="list-style-type: none"> – Non-toxic landscaping practices, private development – Access to healthy and affordable food
	Regenerative	<ul style="list-style-type: none"> – Non-potable water, flushing & irrigation [Health, 12] – Water balance model, low-water landscaping [PUC] 	<ul style="list-style-type: none"> – 100% climate appropriate species – Non-potable water for cooling & street cleaning
	Flood Safe	<ul style="list-style-type: none"> – Stormwater/urban flood disclosure [Police] 	<ul style="list-style-type: none"> – Build to 100-yr storm + SLR elevations
	High Quality	<ul style="list-style-type: none"> – Reduce and slow stormwater runoff [SMO] 	<ul style="list-style-type: none"> – Prioritize green infrastructure
	Responsible	<ul style="list-style-type: none"> – Material use, various LEED points [GBC] 	<ul style="list-style-type: none"> – Focus on low-carbon materials
	Reduced Waste	<ul style="list-style-type: none"> – Recycling & composting, buildings [Env, Bldg] 	<ul style="list-style-type: none"> – Recycling & composting, open spaces
	Recovered/Reused	<ul style="list-style-type: none"> – 65% construction waste diversion [Env, Bldg] 	<ul style="list-style-type: none"> – 75% Construction waste diversion – Maximum deconstruction & material re-use

NEW AREA PLAN OBJECTIVES + POLICIES

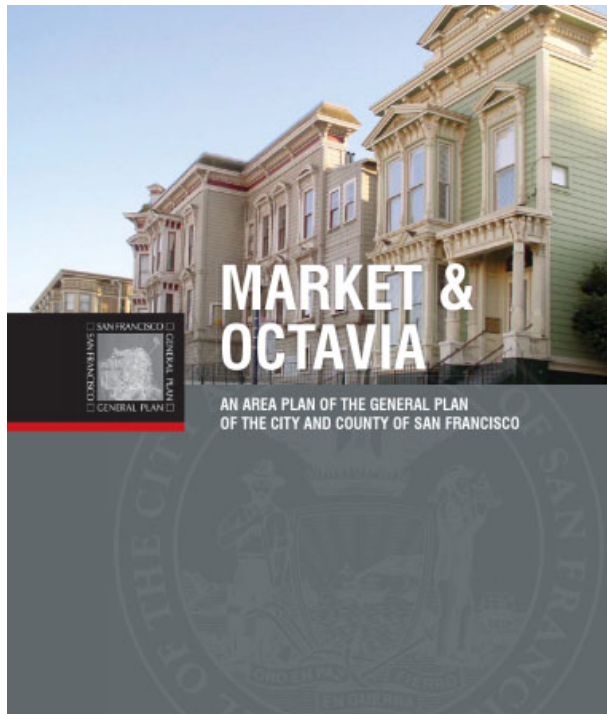
OBJECTIVE 3.2 ENHANCE ENVIRONMENTAL SUSTAINABILITY THROUGH BUILDING DESIGN

- Policy 3.2.1
Support healthy indoor and outdoor air quality
- Policy 3.2.2
Support biodiversity and connect people to nature.
- Policy 3.2.3
Maximize energy efficiency and use of renewable sources
- Policy 3.2.4
Maximize water conservation, protect from flooding, and support local watershed health.
- Policy 3.2.5
Support the City's zero waste goal in building design and operation by prioritizing responsible materials, reduced consumption, and material recovery and reuse.



KEY LEGISLATIVE CHANGES

PROPOSED LEGISLATION



- ① **General Plan** Amendment
- ② **Planning Code** Amendment
- ③ **Zoning Map** Amendment
- ④ **Planning Code** Amendment and **Business + Tax Code Regulations** Amendment (to establish the Hub Housing Sustainability District)

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Topic	Change
Racial + Social Equity	Apply a racial + equity lens to decision making
Land Use + Urban Form	Update purpose and related policies of the SUD
Housing	Incorporate policies to address families with children and tenant protections
Sustainability	Incorporate policy direction that supports sustainability and climate resilience
Streets + Open Spaces	Update policies to reflect the Hub Public Realm Plan
Arts	Add a new policy to encourage non profit arts on ground floor
Misc.	Non substantive changes to explanatory text and updates as needed

General Plan Amendments - Summary

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Topic	Change
Clarify the Van Ness and Market SUD	Amend selected policies to support the vision of the SUD as outlined in the Market and Octavia Area Plan
Parking	Conditional Use for additional parking not permitted
Neighborhood-Supporting Uses	Require micro-retail; require a Conditional Use authorization for retail uses larger than 6,000 sq/ft and for Formula Retail.
Bulk	Changes to the floor plate size; new tower sculpting controls.
Public Benefit	Expand the area in which impact fees can be spent; update the list of infrastructure projects to be funded with impact fees; allow in-kind credit for TSF; allow in-kind credit if exceed on-site inclusionary requirements.
309 Exceptions	Micro retail and additional height and bulk

ZONING MAP AMENDMENT

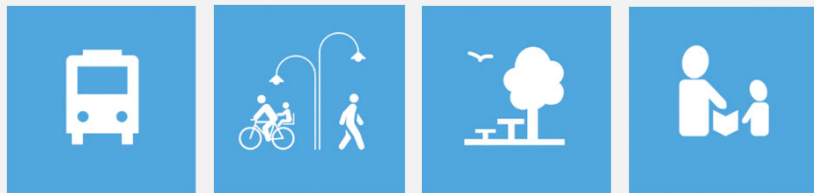


- 1 Rezone NCT-3 parcels to C-3-G
- 2 Rezone some publicly owned parcels from NCT-3 to P
- 3 Expand the Van Ness and Market Special Use District to the entire area
- 4 Establish new maximum height and bulk districts on 18 sites

HUB HOUSING SUSTAINABILITY DISTRICT (HSD)

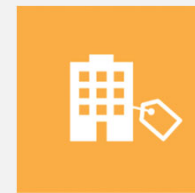
FILE NO.	ORDINANCE NO.
1 [Business and Tax Regulations, Planning Codes - Hub Housing Sustainability District]	
2	
3 Ordinance amending the Business and Tax Regulations and Planning Codes to create	
4 the Hub Housing Sustainability District, encompassing an area generally bounded by	
5 Haight Street from Octavia Boulevard to Gough Street, Gough Street from Haight Street	
6 to Page Street, Franklin Street from Page Street to Fell Street, Fell Street from Franklin	
7 Street to Van Ness Avenue, Van Ness Avenue from Fell Street to Hayes Street, Hayes	
8 Street from Van Ness Avenue to Larkin Street, Market Street from Ninth Street to 10th	
9 Street, midblock between 10th Street and 11th Street from Market Street to Mission	
10 Street, Mission Street from 10th Street to Washburn Street, a portion of Washburn	
11 Street, Minna Street from 10th Street to just past Lafayette Street (with certain lots	
12 excluded), midblock between Lafayette Street and 12th Street to Howard Street,	
13 Howard Street just north of 12th and 13th streets, and 13th Street to Octavia Boulevard	
14 and Haight Street), to provide a streamlined and ministerial approval process for	
15 certain housing projects within the District meeting specific labor, on-site affordability,	
16 and other requirements; creating an expedited Board of Appeals process for appeals of	
17 projects within the District; and making approval findings under the California	
18 Environmental Quality Act, findings of public convenience, necessity, and welfare	
19 under Planning Code, Section 302, and findings of consistency with the General Plan,	
20 and the eight priority policies of Planning Code, Section 101.1.	
21 NOTE: Unchanged Code text and uncodified text are in plain Arial font.	
22 Additions to Codes are in <u>single-underline italics Times New Roman font</u> .	
23 Deletions to Codes are in strike through italics Times New Roman font .	
	Board amendment additions are in <u>double-underlined Arial font</u> .
	Board amendment deletions are in strike through Arial font .
	Asterisks " * " * " indicate the omission of unnumbered Code

- 1 Allows for ministerial approval of some housing projects
- 2 Would generally apply to:
 - Buildings 120' and lower
 - Projects that do not seek discretionary approval by the Planning Commission
- 3 Projects have to meet certain criteria including:
 - On-site affordable housing
 - At least 10% of the units for very low or low income households



\$276 M

- 71M additional fees for streets, alleys, transit, open space, childcare, schools.
- Funding for parks in Soma + the Western Addition.



\$682M

- 164M additional affordable housing resources.
- 1,640 additional units.
- 434 additional affordable units.
- 29% affordable units.

Market and Octavia Area Plan Amendment: [Summary](#)

Market Octavia Plan Amendment

ACTION BEFORE THE COMMISSION

- ① Initiate the amendments to the **General Plan**
- ② Initiate the amendments to the **Planning Code**
- ③ Initiate the amendments to the **Zoning Map**
- ④ Initiate the amendments to the **Planning Code** and **Business + Tax Code Regulations** (to establish the Hub Housing Sustainability District)

- ① Schedule an adoption Hearing on or after **March 12, 2020**



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