



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Resolution HEARING DATE MAY 14, 2020

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Project Name: **Market and Octavia Area Plan Amendment: General Plan Amendments**

Case Number: **2015-000940GPA**

Initiated by: **Planning Commission**

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RESOLUTION ADOPTING A PROPOSED ORDINANCE AMENDING THE SAN FRANCISCO GENERAL PLAN TO AMEND THE MARKET AND OCTAVIA AREA PLAN; MAKING CONFORMING AMENDMENTS TO THE ARTS ELEMENT AND THE HOUSING ELEMENT; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF THE PLANNING CODE SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE AND GENERAL WELFARE UNDER PLANNING CODE SECTION 340, AND FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco mandates that the Planning Commission (hereinafter "Commission") shall periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan in response to changing physical, social, economic, environmental or legislative conditions; and

WHEREAS, The Commission, at a duly noticed public hearing on February 13, 2020 and in accordance with Planning Code Section 340(c), initiated the General Plan Amendments for the Market and Octavia Area Plan by Planning Commission Resolution No. 20653.

WHEREAS, this Resolution adopting and recommending that the Board of Supervisors approve the General Plan Amendments is a companion to other legislative approvals relating to the amendments of the Market and Octavia Area Plan, including recommendations that the Board of Supervisors approve Planning Code, Business and Tax Regulations Code, and Zoning Map Amendments.

WHEREAS, in 2008 the City adopted the Market and Octavia Area Plan, including new land use controls, height controls and proposed community improvements. The "Hub" neighborhood (hereinafter "Plan Area") was included within the boundaries of the Market and Octavia Area Plan. The Market and Octavia Area Plan included numerous policies that supported a vision for the Hub as a "vibrant new mixed-use neighborhood," and it also created the Van Ness and Market Downtown Residential Special Use District (SUD). This SUD facilitated the development of a transit-oriented, high-density, mixed-use residential neighborhood around the intersections of Market Street and Van Ness Avenue and Mission Street and South Van Ness Avenue.

WHEREAS, While the Market and Octavia Area Plan established a new framework for development, the San Francisco Planning Department (herein after “Planning Department”) did not receive many major development applications in the Hub neighborhood until 2012 (four years after the plan was adopted) due to the Great Recession.

WHEREAS, In 2016, the Planning Department initiated a community planning process to take a new look at the Hub area holistically and identify opportunities to increase the amount of housing and affordable housing near transit, to develop and coordinate updated designs for the public realm, and to update the Market and Octavia public benefits program and prioritize projects for implementation.

WHEREAS, The Planning Department is seeking to make amendments to the existing Market and Octavia Area Plan and other elements of the General Plan, Planning Code, Business and Tax Regulations Code, Zoning Map, and public benefits document to provide a comprehensive updated set of policies and implementation programming to realize the vision of the Hub area as originally described in the Market and Octavia Area Plan; and

WHEREAS, Amended policies envisioned for the Area Plan are consistent with the existing General Plan. However, there are a minimal number of amendments to the General Plan that are required to further achieve and clarify the vision and goals of the Market and Octavia Area Plan, and generally to update the General Plan to reflect changed physical, social and economic conditions. Proposed amendments to the General Plan, including the amendments to the Market and Octavia Area Plan, are attached hereto as Exhibit III-2. The City Attorney’s Office has reviewed this proposed Ordinance and approved it as to form; and

WHEREAS, On May 14, 2020, after a duly noticed public hearing, the Commission reviewed and considered the Final Environmental Impact Report for the Hub Plan, 30 Van Ness Avenue Project, 98 Franklin Street Project, and Hub Housing Sustainability District (HSD) (“FEIR”) and found the FEIR to be adequate, accurate, and objective, thus reflecting the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and by Motion No. _____ certified the FEIR for the Hub Plan, 30 Van Ness Avenue Project, 98 Franklin Street Project, and Hub Housing Sustainability District (HSD) as accurate, complete, and in compliance with the California Environmental Quality Act (“CEQA”), the regulations implementing CEQA (“the CEQA Guidelines”), and the local law implementing CEQA, Chapter 31 of the San Francisco Administrative Code.

WHEREAS, On May 14, 2020, by Motion No. _____, the Commission approved CEQA Findings, including a statement of overriding considerations, and adoption of a Mitigation Monitoring and Reporting Program (“MMRP”), under Case No. 2015-000940, for approval of the amendments to the Market and Octavia Area Plan.

WHEREAS, The Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

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

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **adopts** the proposed ordinance.

FINDINGS

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

1. The General Plan Amendments realize and implement the original Market and Octavia Area Plan vision and policies for the Hub area. In the Market and Octavia Area Plan, the Hub area is identified as a “vibrant new mixed-use neighborhood,” and the existing Van Ness and Market Downtown Residential Special Use District (SUD) encouraged the development of a transit-oriented, high-density, mixed-use residential neighborhood around the intersections of Market Street and Van Ness Avenue and Mission Street and Van Ness—and reduced parking.
2. The General Plan Amendments will help maintain the diversity of residents by providing new on-site affordable units and additional affordable housing resources for the City and by requiring that the first priority for new affordable housing units should be built within the Van Ness and Market Residential Special Use District.
3. The General Plan Amendments will help provide safe and convenient transportation by funding capital projects that will improve conditions for people walking, bicycling, and taking transit.
4. The General Plan Amendments will help facilitate the creation of new parks and improve existing recreational facilities.
5. The General Plan Amendments would incorporate policy direction to support sustainability and climate resilience and to advance racial and social equity.
6. **General Plan Compliance.** The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

AIR QUALITY ELEMENT

OBJECTIVE 3

DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS

Policy 3.1

Take advantage of the high-density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

Policy 3.2

Encourage mixed land use development near transit lines and provide retail and other types of service-oriented uses within walking distance to minimize automobile dependent development.

Policy 3.4

Continue past efforts and existing policies to promote new residential development in and close to the downtown area and other centers of employment, to reduce the number of auto commute trips to the city and to improve the housing/job balance within the city.

Policy 3.6

Link land use decision making policies to the availability of transit and consider the impacts of these policies on the local and regional transportation system.

The amended Plan will continue to support this Objective and Policy by directing development to an area that is highly accessible to public transit, Muni Metro (with Van Ness BRT), and within walking distance of BART.

ENVIRONMENTAL PROTECTION ELEMENT

Objective 15

INCREASE THE ENERGY EFFICIENCY OF TRANSPORTATION AND ENCOURAGE LAND USE PATTERNS AND METHODS OF TRANSPORTATION WHICH USE LESS ENERGY.

Policy 15.1

Increase the use of transportation alternatives to the automobile.

The Plan supports this Objective and Policy by facilitating the efficient and intelligent use of energy for transportation. For transportation, the Plan locates new development in an area where a high percentage of trips will be taken by energy efficient modes of transportation, including walking, bicycling, and transit.

HOUSING ELEMENT

OBJECTIVE 1:

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

Policy 1.2

Focus housing growth and infrastructure-necessary to support growth according to community plans.

Policy 1.3

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

Policy 1.4

Ensure community-based planning processes are used to generate changes to land use controls.

Policy 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Plan supports this Objective and these Policies by increasing the amount of housing potential through a comprehensive community plan developed through a community based planning process, achieving approximately 29% of all new units in the plan area as affordable, and doing so in a location where new residents can rely on public transportation, walking, and bicycling for the majority of daily trips.

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.1

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

OBJECTIVE 3

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

Policy 3.2

Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

OBJECTIVE 7

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

Policy 7.6

Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

The Plan supports this Objective and Policies by maintaining existing prohibitions and limitations on housing demolition and facilitating and funding acquisition/rehabilitation of existing housing to create permanently affordable housing.

OBJECTIVE 10

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

Policy 10.1

Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations

Policy 10.3

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

The Plan supports this Objective and these Policies by creating clear controls for housing, streamlining the approval process for certain housing projects and enabling projects to utilize Community Plan Evaluations under CEQA.

OBJECTIVE 12

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

Policy 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

The Plan supports additional housing directly adjacent to a major transit station and multiple transit lines.

OBJECTIVE 13

PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

Policy 13.1

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

Policy 13.3

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

Policy 13.4

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

The Plan amendments supports these Objectives and Policies by locating housing and job growth in an area highly accessible by public transit, by funding improvements for people walking and bicycling, and by proactively supporting environmental sustainability and resilience in new buildings and on publicly-owned rights-of-way and parks.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 1:

ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM.

Policy 1.1

Encourage the dynamic and flexible use of existing open spaces and promote a variety of recreation and open space uses, where appropriate.

Policy 1.2

Prioritize renovation in highly-utilized open spaces and recreational facilities and in high needs areas.

OBJECTIVE 2:

INCREASE RECREATIONAL AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BAY REGION.

Policy 2.1

Prioritize acquisition of open space in high needs areas.

The Plan amendments supports these Objectives and Policies by helping to fund improvements of existing parks while facilitating the development of new parks in and adjacent to the plan area.

OBJECTIVE 3

IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE.

Policy 3.1

Creatively develop existing publicly-owned right-of-ways and streets into open space.

The Plan amendments supports this Objective and Policy by transforming 12th Street into a linear open space by widening sidewalks and adding additional greening. The Plan amendments also support the design and implementation of living alleys, which will create more pedestrian-oriented streets that are designed to focus on livability, instead of parking and traffic.

TRANSPORTATION ELEMENT

OBJECTIVE 2

USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1

Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development and coordinate new facilities with public and private development.

The Plan amendment will continue to support this Objective and Policy by directing development to an area that is highly accessible to public transit, Muni Metro (with Van Ness BRT), and within walking distance of BART. The Plan also continues to support walking and bicycling by facilitating improvements to all of the neighborhood's major streets as outlined in the Hub Public Realm Plan.

Policy 11.3

Encourage development that efficiently coordinates land use with transit service, requiring that developers address transit concerns as well as mitigate traffic problems.

The Plan amendment will continue support dense residential development directly adjacent to major transit infrastructure and is consistent with the City's Transit First Policy and the Transportation Element of the General Plan.

OBJECTIVE 24

DESIGN EVERY STREET IN SAN FRANCISCO FOR SAFE AND CONVENIENT WALKING.

Policy 24.1

Every surface street in San Francisco should be designed consistent with the Better Streets Plan for safe and convenient walking, including sufficient and continuous sidewalks and safe pedestrian crossings at reasonable distances to encourage access and mobility for seniors, people with disabilities and children.

Policy 24.2

Widen sidewalks where intensive commercial, recreational, or institutional activity is present, sidewalks are congested, where sidewalks are less than adequately wide to provide appropriate pedestrian amenities, or where residential densities are high.

The Plan amendments supports this Objective and Policies by facilitating improvements that will transform an area that lacks amenities and is often unsafe for people walking, bicycling, and taking transit into an area that is safe and comfortable for all. This includes strategies to widen sidewalks, decrease the length of crosswalks and create protected bicycle lanes. The proposed amendments also include reference to the Hub Public Realm Plan which outlines additional treatments and designs to the Hub's major streets and alleys.

URBAN DESIGN ELEMENT

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

The Plan supports this Objective and Policy through establishment of height and bulk limits that support the Urban Design Element by harmonizing the Hub neighborhood within the city as a whole, highlighting the Hub as a center of activity and transit and tapering heights in the Hub to meet smaller-scales adjacent neighborhoods.

7. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

The Plan amendment establishes maximum height and bulk districts which can be achieved through a 309 exception. One of the criteria to receive this exception is through the provision of community serving uses at the ground floor including neighborhood-oriented retail. New opportunities for neighborhood serving retail uses would be available on the ground floor of new development. In addition, the Plan will increase opportunities for smaller and independent local businesses with more affordable rent by limiting formula retail uses and requiring "micro-retail" uses of 1,000 square feet or less on certain lots. The Plan would substantially increase the residential population of the area, which largely consists of commercial establishments, increasing the available 24/7 customer base for local retail businesses.

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

The existing Hub area is largely commercial, with limited existing housing. No parcels with existing housing would be upzoned through the Plan amendments. The Plan amendments would carry forward existing city policy to support high density residential development near the intersection of Van Ness and Market and Mission and South Van Ness. Existing City regulations and programs to protect and preserve existing housing, including the City's substantial existing restrictions on evictions and demolitions would continue to apply. The Plan will further protect the neighborhood's economic diversity by reinforcing the area's existing mixed-use land use pattern. The Plan will facilitate the development of primarily residential buildings whose ground floors will consist of a mix of retail and community serving uses.

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

The Plan could generate up to \$682 Million dollars in affordable housing resources for the City. This includes up to 2,200 affordable units created or funded by development in the Plan Area. In addition, the up zoning would result in over 400 additional affordable housing units than would be created under the existing zoning.

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

On balance, the Plan will not result in commuter traffic impeding Muni transit service or overburdening the streets or neighborhood parking. Given the minimal increase in the number of jobs in the area that would result from these Plan amendments, adoption of this Plan amendment would not increase commuter traffic in the Plan Area. In addition, the Plan Area is well served by local and regional transit, including BART and Muni Metro (including the new Van Ness BRT). The City expects to generate up to \$116 million to improve transit capacity in this area. The Plan is designed to shift the way people travel away from use of private vehicles to more sustainable modes of transportation. The proposed street designs would help to improve vehicle movement and facilities for transit riders. In addition to supporting public transit, the Plan amendments decreases the amount of parking required for residential uses, which will discourage commuter traffic, in conjunction with the City's existing Transportation Demand Management requirements.

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

The Plan will not displace any industrial or service sectors due to commercial office development. New development in the plan will be predominantly residential, and any new commercial office space would be small components of new mixed-use residential development.

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

The Plan will improve preparedness to protect against injury and loss of life in an earthquake. The Plan will facilitate additional new construction that will comply with all current Building Code, Fire Code, and other applicable safety standards.

7. That landmarks and historic buildings be preserved.

The Plan will support the preservation of landmarks and historic buildings. The General Plan amendments have been revised to additionally refer to buildings identified under Article 11 of the Planning Code and buildings that have been determined eligible for listing in the California and National Registers.

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

On balance, the Plan amendments would not negatively affect the area's existing parks and open space or their access to sunlight.

8. **Planning Code Section 340 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the General Plan as set forth in Section 340.
9. **CEQA Findings.** The Planning Commission adopts and incorporates by reference as though fully set forth herein the CEQA Findings set forth in Planning Commission Motion No. _____.
10. **Mitigation Monitoring and Reporting Plan.** The Planning Commission adopts and incorporates by reference as though fully set forth herein the Mitigation Monitoring and Reporting Plan, the requirements of which are made conditions of approval.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on May 14, 2020.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: