



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: October 29, 2008
TO: Members of Board of Supervisors Land Use Committee
FROM: Ken Rich, Steve Wertheim - Planning Department Staff
RE: Eastern Neighborhoods - Set of Potential Planning Code Text Changes

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The Board of Supervisors Land Use Committee has indicated they intend to make a set of changes to the Planning Code that was approved on August 7, 2008 by the Planning Commission. These changes and the staff response are described below.

Changes Regarding Residential Uses

- 1. Building standards for new housing in PDR Districts (Sec. 175.6(e)(1)(D)):** PDR Districts will not permit new housing. As such, the Code does not include building standards for new housing in this district. However, some new housing in these areas may occur because they have already submitted applications under the existing zoning. This language clarifies that these projects will be evaluated by the standards proposed for adoption in the Urban Mixed Use District.
- 2. Dwelling unit density (Sec. 207.6(c)(2)):** In the Eastern Neighborhoods Mixed Use Districts, the RTO-M District, and NCT Districts within the Eastern Neighborhoods, new dwelling units are not controlled by density. Instead, new housing must provide a mix of dwelling units. As adopted by the Planning Commission, this mix required that 40% of units must contain at least two bedrooms or to make sure all of their inclusionary units contain at least two bedrooms. The change made provides another option: the applicant may satisfy the requirements of this Section by developing 30% of the units with at least three bedrooms.
- 3. Student housing in the PDR-1-D District (Sec. 215(d) and 315.1(38)):** In the proposed Eastern Neighborhoods controls, the only new housing allowed in PDR Districts was student housing in the PDR-1-D District. After consideration, the Committee determined that student housing should not be permitted in the PDR-1-D District. This change was thus made to Sec. 215(d). Additionally, in Sec. 315.1(38), PDR-1-D was removed from the list of districts in which student housing is permitted.

4. **Inclusionary housing exemptions for student housing (Sec. 315.3(c)(5)):** The proposed Eastern Neighborhoods controls included an exemption from inclusionary housing requirements for new student housing developments. The concept was that student housing would meet inclusionary housing requirements by nature of being targeted as rental units to students. However, there was concern that removing requirements to provide inclusionary units would provide incorrect incentives and undermine the purpose of this provision. Therefore, this exemption has been removed from Sec. 315.3(c)(5).
5. **Designated Affordable Housing Zones (Sec. 327.6(c)):** The proposed Eastern Neighborhoods controls establish Designated Affordable Housing Zones in which a higher percentage of impact fees will be directed towards affordable housing than elsewhere in the Eastern Neighborhoods. Changes were made to this language to specify the exact boundary of these zones. Additionally, to further convey the importance of affordable housing in these areas, the Committee requested that the percentage of impact fees directed towards affordable housing was increased from 50% to 75% of all fees.
6. **Restricting development of Single Room Occupancy dwelling units in the Mission NCT and UMU District (Sec. 736.90 and 843.22):** Single Room Occupancy dwelling units (SROs) have historically been allowed only in the South of Market area. The proposed Eastern Neighborhoods language extended this use to the Urban Mixed Use (UMU) District. However, the Committee requested that housing in this district should be geared towards larger units, and therefore the ability to construct SROs in the UMU District was removed. Additionally, the proposed language extended this use to the Mission NCT District. This was a technical mistake and not the intention of the staff, and has been corrected by eliminating 736.90A from the Code.

Changes Regarding Commercial Development

1. **Supporting PDR and enabling flexibility in Small Enterprise Workspace buildings (Sec. 227(t)):** Small Enterprise Workspace (S.E.W.) buildings are designed to contain only small spaces, to serve small and incubating businesses. However, as they may only be developed in the PDR-1-D and PDR-1-G Districts, a change was made to enable larger PDR uses on the ground floor. Additionally, to provide future flexibility, the restriction on unit

merger and/or division in S.E.W. buildings has been removed. However, any unit merger and/or division must still meet unit mix controls established in this Section.

2. **Retail provisions along 16th Street and 3rd Street (Sec. 249.38):** The Transit-Oriented Retail Special Use District (SUD) adopted by the Planning Commission enabled PDR-zoned parcels along 16th Street and 3rd Street to contain a higher amount of retail (equivalent to the Urban Mixed Use District). The Committee requested that a change be made to remove this allowance from 3rd Street and along 16th Street east of Potrero Avenue, thereby enabling these parcels only the amount of retail enabled by the controls of the underlying PDR Districts.
3. **Integrated PDR Special Use District (Sec. 249.39):** Integrated PDR (as defined in Section 890.49) is a permitted use in new construction and certain existing buildings in the Eastern Neighborhoods Mixed Use Districts, PDR-1-D District, and PDR-1-G District. The Committee requested that a new Integrated PDR Special Use District be created on land zoned PDR-1-G in the Central Waterfront. This Special Use District requires that new Integrated PDR must receive Conditional Use authorization from the Planning Commission.

Changes Regarding Building and Design Standards

1. **Floor to floor minimum ground floor heights (Sec. 145.1(c)(3)(C)(i)):** The proposed new Eastern Neighborhoods controls require for the ground floor a minimum “unobstructed” 15-foot floor to ceiling clearance in UMU districts and 12-foot clearance in other districts. This control did not take into account mechanical equipment and other items that may be suspended from ceilings, making it difficult to measure the effective clearance and to implement this requirement over time as different tenants with different mechanical needs make improvements. A change was made to require 14 or 17 feet floor to floor to avoid the difficulties described above. This would not increase the overall heights of buildings.
2. **Minimum ground floor heights (Sec. 145.1(c)(3)(C)(ii)):** as written in proposed code amendments included residential projects. This was an oversight; staff intended only to specify minimum ground floor heights in non-residential projects. Therefore, this subsection has been deleted.

3. **Parking for retail uses in the Eastern Neighborhoods Mixed Use Districts (Sec. 151):** Staff has tightened parking controls in the Eastern Neighborhoods Mixed Use Districts for retail uses within ¼ mile of major transit corridors (Market, Mission, 3rd and 4th Streets). The purpose is to emphasize alternative modes of transportation and to support the use of space for uses other than parking. This change makes the controls in these areas consistent with the NCT districts. An exception is made for large grocery stores, which are still permitted the previous amount of parking.
4. **Parking in excess of minimum requirements (Sec. 204.5):** Existing Section 204.5 provides that in districts where minimum parking requirements apply, project sponsors may provide a certain number of spaces over the minimum amount before the parking would be considered non-accessory and subject to controls on parking as a principal use. In new Eastern Neighborhoods districts where parking would now be subject to maximums rather than minimums, staff has amended Section 204.5 to make it clear that where parking is subject to maximums, any number of spaces provided over the maximum would be considered non-accessory and subject to controls on parking as a principal use.

Changes Regarding Process

1. **Codifying how the “Legitimization” program will be implemented (Sec. 179.1):** As adopted by the Planning Commission, this Section did not contain language on how to implement this new program, which instead was contained in a Planning Commission Resolution. The revised version codifies direction on how this program will be implemented, including direction on notification, application, decision making, and a fee deferment program. This Section has been completely restructured to reflect both the extent of the new language, and because the language adopted by the Planning Commission was challenging to comprehend.
2. **Specificity for the implementation of the Citizens Advisory Committee (Sec. 327.7):** The Citizens Advisory Committee (CAC) will play a major role in implementing the Eastern Neighborhoods Plan. Therefore, it is critical to provide a high level of specificity as to its establishment and roles. Towards that end, new language has been added to this Section providing details,

including how the CAC will be established, representation on the CAC, and subcommittees.

3. **Codifying how the Integrated PDR Fee Discount Program will be implemented (Sec. 328):** As adopted by the Planning Commission, this Section did not contain language on how to implement this new program, which instead was contained in a Planning Commission Resolution. This new Section was created to specify how this program will be implemented, including payment procedures and the criteria which must be met to receive the fee discount.
4. **Fees for the 309.2 process (Sec. 352(a)):** The Eastern Neighborhoods Program includes a new “309.2” process for design review of large projects. However, the proposed legislation failed to state the cost to the applicant for such a process. Therefore, the Code was amended to reflect that this fee for projects that require this process will be the same as for projects that seek a Conditional Use authorization.
5. **Notice of Special Restrictions for Integrated PDR uses (Sec. 890.49(b)):** The proposed Eastern Neighborhoods code amendments requires that a Notice of Special Restrictions (NSR) be placed on new Integrated PDR uses, ensuring communication between the tenant and the Office of Economic and Workforce Development (OEWD). Subsequently, language has been added to further clarify the purpose of the NSR and the interaction between the tenant and OEWD, and to better collect information that will be used in the Fee Discount Program (see Sec. 328).

Technical Changes

1. Correct a formatting mistake in Planning Code Section 121.8 and 121.9 to show clearly that these are not new sections, just re-numbered sections.
2. Technical change to Section 124 to indicate that there is a basic floor area ratio (FAR) of 3.0 to 1 for all 48 foot height districts. (The Planning Commission raised 45-foot height limits to a new 48-foot limit in several areas within the UMU zones; this was not reflected in the associated FAR tables.)

3. Technical change to Section 145.4(b)(15) to reflect that the Planning Commission reclassified 24th Street in the Mission from Neighborhood Commercial to Neighborhood Commercial Transit.
4. Technical change to Section 175.6(e)(1)(A) to clarify that pipeline projects must comply with controls contained in Article 1.2 of the Planning Code
5. Technical change to Section 175.6(d) and (e)(1)(B) to clarify the intent of this section, without making any substantive modifications.
6. Technical change to Section 207.6(d)(4) needed to reflect that subsection (3) already existed.
7. Technical change to Section 210.9 to reflect that the Planning Commission removed the ability to establish new office space in the PDR-1-D District
8. Technical change to Section 210.10 to reflect that the Planning Commission removed the ability to establish new office space in the PDR-1-G District
9. Technical change to Section 309.2(a) to clarify that projects in the Eastern Neighborhoods Mixed Use Districts are subject to *all* applicable design guidelines.
10. Technical change to Section 309.2(b)(3) to remove extraneous “or” at the end of this subsection
11. Technical change to Sections 607.1(f)(2) and (3) (which relate to sign controls) to recognize new Mission NCT and SoMa NCT Districts.
12. Technical change to 843.24 to reference change made to dwelling unit mix requirements in Section 207.6(c)(2). Parallel changes will be made to Sections 814.04, 840.24, 841.24. 842.24.
13. Technical change to 890.49(a)(3) and (c) clarifying what may constitute an Integrated PDR use, and substantiating that Integrated PDR uses are not subject to the office limit controls of Section 320-324 (Prop M).