



SAN FRANCISCO PLANNING DEPARTMENT

NC District Plan Check Market and Octavia

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Site Address	Block and Lot
Permit/Case Number	Zoning: NCT (731, 731.1) Upper Market NCT (732, 732.1) Hayes NCT (720.1) Valencia NCT
Applicant	
Survey Ratings	Requires Landmarks Review/Notification?
Environmental	
Proposal:	

Sect.	Subject	Comments	<input checked="" type="checkbox"/>
101.1	Gen Pln.(new/demo/use chg)		
102.9	GFA (non-residential)		
121	Lot width/Area		
<u>121.1</u>	Large Lot CU (new/enlarged bldg)		
<u>121.2</u>	Use Size CU		
<u>121.7</u>	<u>Restrict Lot Mergers in residential Districts and on Pedestrian-Oriented Streets</u>		
<u>124</u>	FAR (non-residential)		
<u>134</u>	Rear Yard (res. See 134 (e)))		
<u>135</u>	Open Space		
136	Obstructions		
136.1.2	Awnings, etc.		
140	Exposure		
141	Rooftop screen		
143	Street Trees		
DPW	Tree Disclosure (see bulletin)		
<u>145.1</u>	Street Frontage Above-grade <u>Parking setback/active use requirement (c) Required Ground Floor Commercial Uses (d)</u>		
<u>151</u>	Parking req. (NC)		
<u>151.1</u>	<u>Parking Limitations P.5 C .75 (CU Criteria)</u>		
<u>152</u>	Loading		
<u>153</u>	Rules for Calculation of		

NC District Plan Check: Market and Octavia
Updated May 21, 2010

	Required Spaces		
<u>154</u>	Parking Space Dimensions		
<u>155</u>	<u>Parking Arrangement Protected Street Frontages/Curb Cut restrictions (r)</u>		
155.2	Bicycle Parking(>10; min6)		
155.3	Showers/lockers (non-res)		
<u>155.5</u>	<u>Bicycle Parking – Residential Uses</u>		
<u>156</u>	Parking Lots		
<u>158.1</u>	<u>Non-accessory Parking garages</u>		
<u>166</u>	Requirements for Provision of Car-Share Parking Spaces		
<u>167</u>	Parking Costs Separated from housing Costs in New Residential Buildings		
<u>207.4</u>	Density of Dwelling Units in Neighborhood Commercial		
<u>207.6</u>	<u>Required Dwelling Unit Mix Unit Subdivision restrictions</u>		
<u>207.7</u>	<u>Demolition, conversion, and Merger of Existing Dwelling Units</u>		
<u>208</u>	Density Limitations for Group housing		
228,229	Gas Stations		
260(a)	Height		
	No. of Stories		
260(b)	Height Exemptions		
<u>261.1</u>	<u>Additional Height Limits for Narrow Streets and Alleys</u>		
<u>263.18</u>	<u>Special Height Exception: Additional 5' Ground Floor</u>		
295	Shadow (40'+)		
312	Notice(new/exp/use change)		
<u>315</u>	<u>Affordable housing (res projs)</u>		
<u>326</u>	<u>Market Octavia Community Improvement Fee</u>		
710-29	Use & Sizes (GFA/OFA (non-res) or units/sf (res):		
Admin	First Source (10 +DU ore 25K +sqft)		

Key: If section number is underlined Market and Octavia amended an existing section.
If section title is underlined then Market and Octavia added a new section.



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Residential District Plan Check Market and Octavia

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Information:
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Site Address	Block and Lot
Permit/Case Number	Zoning: RTO (206.4) RH-1 or RH-2
Applicant	
Survey Ratings	Requires Landmarks Review/Notification?
Environmental	
Proposal:	

Sect.	Subject	Comments	<input checked="" type="checkbox"/>
101.1	Gen Pln.(new/demo/use chg)		
102.9	GFA (non-residential)		
121	Lot width/Area		
<u>121.5</u>	<u>Development on Large Lots</u>		
<u>121.7</u>	<u>Restrict Lot Mergers</u>		
<u>124</u>	FAR (non-residential)		
<u>132</u>	Front Setback		
	Front Setback		
132(g)	Landscaping		
133	Side Setbacks		
	Building Depth		
<u>134</u>	Rear Yard (main bldg)		
	Rear Yard (to new stairs)		
<u>135</u>	Open Space		
136	Front Obstructions		
136	Rear Obstructions		
140	Exposure		
141	Rooftop screen		
142	Parking Screen		
143	Street Trees		
DPW	Tree Disclosure (see bulletin)		
<u>144</u>	Ground Story (RH-2,3 RM-1,2) <u>Width of Garage openings (b) Parking</u> <u>Setback (d)</u>		
151	Parking req. (RH-1 and RH-2)		
<u>151.1</u>	<u>Parking Limitations (RTO) P.75</u> <u>C1 (CU Criteria)</u>		
<u>152</u>	Loading		

Residential Plan Check: Market and Octavia
Revised May 21, 2010

<u>153</u>	Rules for Calculation of Required Spaces		
<u>154</u>	Parking Space Dimensions		
<u>155</u>	Parking Arrangement <u>Protected Street Frontages/Curb Cut restrictions (r)</u>		
155.2	Bicycle Parking(>10; min6)		
<u>155.5</u>	<u>Bicycle Parking – Residential Uses</u>		
156	Parking Lots		
<u>158.1</u>	<u>Non-accessory Parking garages</u>		
<u>167</u>	Parking Costs Separated from housing Costs in New Residential Buildings		
<u>207.1</u>	Rules for Calculation of Dwelling Unit densities		
<u>207.6</u>	<u>Required Dwelling Unit Mix Unit Subdivision restrictions</u>		
<u>207.7</u>	<u>Demolition, conversion, and Merger of Existing Dwelling Units</u>		
<u>208</u>	Density Limitations for Group housing		
<u>209.1-209.9</u>	Uses: <u>Dwelling density exceeding 1:600 in RTO (n)</u>		
<u>230</u>	<u>Corner Commercial Uses RTO</u>		
Policy	Rooms Down		
<u>253</u>	CU for Height > 40 ft. (<u>except RTO</u>)		
260(a)	Height		
	No. of Stories		
260(b)	Height Exemptions		
<u>261.1</u>	<u>Additional Height Limits for Narrow Streets and Alleys</u>		
295	Shadow (40'+)		
311	Residential design Guidelines		
311	Notice(new/exp/use change)		
315	Affordable housing (10 units or more)		
<u>326</u>	<u>Market and Octavia Community Improvement Fee</u>		
Admi n	First Source (10 +DU)		

Key: If section number is underlined Market and Octavia amended an existing section.
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SAN FRANCISCO PLANNING DEPARTMENT

C-3-G District Plan Check Market and Octavia

1650 Mission St.
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San Francisco,
CA 94103-2479

Reception:
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Fax:
415.558.6409

Planning
Information:
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Site Address	Block and Lot
Permit/Case Number	Zoning: C-3-G and VNMTR SUD (249.33)
Applicant	
Survey Ratings	Requires Landmarks Review/Notification?
Environmental	
Proposal:	

Sect.	Subject	Comments	<input checked="" type="checkbox"/>
101.1	Gen Pln.(new/demo/use chg)		
102.9	GFA (non-residential)		
121	Lot width/Area		
<u>124</u>	FAR (all uses)		
<u>134</u>	Rear Yard (res. See 134 (e)))		
<u>135</u>	Open Space		
135.2	Open Space (L/W)		
136	Front Obstructions		
136	Rear Obstructions		
138	Public Open Space		
138.1	Pedestrian Streetscapes		
139	Downtown Park Fund		
140	Exposure (res)		
141	Rooftop screen		
143	Street Trees		
145.4	Street Frontages (Ground floor commercial uses required (b))		
DPW	Tree Disclosure (see bulletin)		
<u>145.4</u>	Street Frontage <u>Ground Floor commercial uses required</u>		
146,147	Shadows		
149	<u>Public Art</u>		
<u>151.1</u>	<u>Parking Limitations P .25 C. 5</u>		
<u>152</u>	Loading		
<u>153</u>	Rules for Calculation of		

C-3-G District Plan Check: Market and Octavia
Revised May 21, 2010

	Required Spaces		
<u>154</u>	Parking Space Dimensions		
<u>155</u>	<u>Parking Arrangement Protected Street Frontages/Curb Cut restrictions (r) Limitations on above-grade parking</u>		
155.2	Bicycle Parking(>10; min6)		
155.3	Showers/lockers (non-res)		
155.5	Bicycle Parking – Residential Uses		
156	Parking Lots		
<u>158.1</u>	<u>Non-accessory parking garages</u>		
163	Transportation Management Programs/Transportation Brokerage Services (C-3 SOMA)		
164	Resident Placement / Training		
<u>166</u>	Requirements for Provision of Car-Share Parking Spaces		
<u>167</u>	Parking Costs Separated from housing Costs in New Residential Buildings		
215-227	Uses & Sizes (GFA/OFA (all uses))		
233	Live/Work (accessory only)		
228,229	Gas Stations		
260(a)	Height		
	No. of Stories		
260(b)	Height Exemptions		
263.13	40-65-J Exceptions		
<u>270</u>	<u>Bulk Limits: Measurement</u>		
295	Shadow (40'+)		
314	Child Care Requirement		
<u>315</u>	<u>Affordable housing (res projs)</u>		
<u>321</u>	<u>Annual Limit (office)</u>		
<u>326</u>	<u>Market Octavia Community Improvement Fee</u>		
Admin	First Source (10 +DU ore 25K +sqft)		

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A Sense of Place Distilled:

Design Checklist for the Market & Octavia Neighborhood Plan Area

Check all items that are consistent with the neighborhood plan.

For more detailed information refer to Market & Octavia Area Plan Fundamental Design Principles

Massing & Articulation (pages 2 to 4)

- New buildings shall be built to all property lines facing public rights-of-way. Setbacks are allowed in RTO and NCT for stoops & in limited examples in DTR & NCT for wider sidewalks. (Principle 2)
- Taller buildings have defined base, middle & top. (Principle 2)
- Use setbacks to reduce mass. (Principle 3)
- Facades provide 3-dimensional detail, such as bay windows, cornices, belt courses, window moldings & reveals. Minimum window reveal of 2" is required above the ground floor. Applied mullions and sliding windows on street-facing windows are not permitted. (Principle 4)
- Street-facing facades are articulated with a strong rhythm of regular vertical elements. (Principle 5 and 6)
- Buildings on sloping sites shall "step" with the topography. (Principles 7 and 8)
- Special building elements and architectural expressions should be used strategically at street intersections and near important public spaces. (Principle 9)
- Visible facades should have high-quality building materials such as stone, masonry, ceramic tile, wood (as opposed to composite, fiber-cement based synthetic wood materials), metal, precast concrete, and high-grade traditional "hard coat" stucco (as opposed to "synthetic stucco" that uses foam). (Principle 10)

Towers (pages 5 to 6)

- Horizontal articulation is required at the street wall height and at the ground/pedestrian level. (Principle 1)
- A change in vertical plane is required to differentiate the tower from the rest of the building. (Principle 2)
- A minimum amount of pedestrian comfort from wind must be provided. (Principle 3)
- Towers should be light in color. (Principle 4)

Ground Floor (pages 7 to 9)

- Surface parking is not permitted between the street-facing property line/sidewalk and the building front. (Principle 1)
- No more than 30% of the width of the ground floor may be devoted to garage entries or blank walls, except in no case shall garage entries be limited to less than 10' wide-- except where curb cuts are expressly prohibited. (Principle 2) Parking is at the rear of the site when possible. (Principle 3) 8'-wide garage entries are preferable for parcels under 50' wide. (Principle 4), Building entries & shop fronts are clear and inviting. (Principle 5)
- Primary building entries may be set back from the street-facing property line, though no more than 5' from the street-facing façade; and if set back should be no wider than 15' at the property line. (Principle 6)

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- New buildings have been checked against Article 6 of Planning Code (Principle 7)
- Pedestrian entries should be emphasized with architectural features, changes in projection and recesses, along with materials and color. Similarly, garage doors and parking should be de-emphasized. (Principle 8)
- First-floor residences should be approximately 3' above sidewalk level. (Principle 9)
- Residential units on floors 1-3 should be directly and independently accessible from the sidewalk rather than primarily from common lobbies. (Principle 10)

Neighborhood Commercial Streets (pages 10 to 11)

- Retail frontages must be no less than 60% fenestrated and 75% transparent. (Principle 1)
- Ground-floor retail uses should be directly accessible from the street at sidewalk grade. (Principle 2)
- Ground-floor retail spaces should have a minimum of 12' clear ceiling height. 15' clear ceiling height is desirable. (Principle 3)
- Horizontal architectural design articulation should be incorporated between the ground floor and second story levels. An minimum 6-inch projection is suggested. (Principle 4)
- Off-street parking must be accessed via side streets. (Principle 5)
- No curb cuts are permitted on Market, Church and Hayes Streets nor Van Ness Avenue and parts of Octavia Boulevard where retail is explicitly encouraged. (Principle 6)
- If provided, off-street parking at or above grade must be setback at least 25' from the property line, including parking above the ground floor, and lined with active uses. (Principle 7)

Market Street (page 12)

- Ground floor retail spaces must have a minimum 15' clear ceiling height. (Principle 1)

Alleys (page 13)

- Parking and garage doors may occupy no more than 40% of a parcel's total alley frontage, up to a total of 20' maximum, at ground level except in no case shall garage entries be limited to less than 10' wide. (Principle 1)
- Encourage residential uses on the ground floor. (Principle 2)
- Consider making improvements to non-residential alleys that foster the creation of dynamic, mixed-use places. (Principle 3)

Open Space (page 14)

- Three- and four-bedroom units should be located within three stories of common open space, accessible via stairs. (Principle 1)
- Street furniture and other public improvements should be provided in the vicinity of the project. (Principle 2)
- Private open spaces should be strongly connected to the street and tree-plantings to strengthen the street's value as an open space. (Principle 2)
- Encourage rooftop gardens as a form of common open space. (Principle 3)

Revised May 21, 2010

M/O CAC Summary of Appendix C Projects ranking analysis
May 2010

	Pty	Pj#	Project Name	Project	Gold	Cohen	Levitt	Olsson	Starkey	Henderson	Brinkman	Richards	Average	Status	
				Estimated Cost											Rank
Open space/ Parks	3	A6	McCoppin Plaza Extension - Phase II	\$ 2,030,000	3	2	2	1	3	1	1		1.86	long term	
	4	A4	Brady Park - New Open Space SoMa West	\$ 2,470,000	2	3	1	1	4	2	2		2.14	long term	
	1	A10	Improvements to Existing Parks	\$ -	1	1	4	4	1	4	3		2.57		
	2	A9	Hayes Green Rotating Art Project	\$ 250,000	4	4	3	3	2	3	4		3.29		
		A7	Patricia's Green in Hayes Valley - Recently Built	\$ 1,500,000	5	5	5	5	5	5	5		5.00	funded	
		A8	Under Freeway Park - Near Valencia Street	\$ 2,190,000	5	5	5	5	5	5	5		5.00	funded	
		A5	McCoppin Community Garden (formerly McCoppin Plaza - New Open Space)	\$ 880,000	5	5	5	5	5	5	5		5.00	funded	
Streetscape / Public Realm	1	A1	"Living Street" Improvements for select Alleys	\$ -	2	1	1	1	2	1	1		1.29		
	2	A2	Street Tree Plantings for Key Streets	\$ -	1	1	2	2	1	2	2		1.57		
		A3	McCoppin Street Greening	\$ 1,500,000	3	3	3	3	3	3	3		3.00	funded	
Transportation	Transit	1	A24	Transit Preferential Street Improvements	\$ 8,290,000	7	8	4	1	8	1	7		5.14	
		2	A26	Church Street Improvements (portion of)	\$ 4,640,000	2	4	7	1	3	11	15		6.14	
		3	A25	Dedicated Transit Lanes	\$ 4,990,000	8	13	1	7	19	1	9		8.29	
			A23	Van Ness Bus Rapid Transit Project (portion of)	\$ 58,340,000	19	17	2	10	9	9	2		9.71	
			A28	Transit User Infrastructure	\$ -	4	9	21	24	6		17		13.50	
			A19	Church Street and Van Ness Avenue Muni Metro Entrances	\$ 2,140,000	16	5	18	23	4	23	25		16.29	
			A27	Neighborhood Fast Passes	\$ -	18	14	19	24	2	16	24		16.71	
	Peds	1	A17	Pedestrian Improvements for Priority Intersections	\$ 14,810,000	1	1	10	1	1	9	10		4.71	
		2	A14	Hayes Street two way improvements	\$ 250,000	4	3	5	24	10	1	2		7.00	
		3	A20	Widen Hayes Street Sidewalk	\$ 2,400,000	14	7	5	8	6	1	11		7.43	
			A21	Dolores Street Median Extension	\$ 350,000	15	2	8	9	21	11	4		10.00	
			A12	Immediate Freeway Mitigation	\$ 660,000	19	6	21	22	11	11	5		13.57	
	Bicycles	1	A33	Page Street Bicycle Boulevard	\$ -	17	11	8	13	7	1	1		8.29	med/long term
		2	A30a	Market Street bicycle lanes between Octavia Boulevard and 17th/Castro Streets (extensions at intersections where bicycle lanes are currently dropped)	\$ -	19	11	3	13	11	1	5		9.00	
		3	A30j	Grove Street between Octavia Boulevard and Van Ness Avenue	\$ -	8	21	25	13	11	1	14		13.29	
		4	A30h	Sharrows and signage on key streets	\$ -	2	10	13	13	16	21	21		13.71	
			A30i	Church Street between Duboce Avenue and Hermann Street	\$ -	6	21	23	13	5	11	17		13.71	
			A30c	McAllister Street bicycle lanes and sharrows between Market Street and Masonic Avenue	\$ -	8	21	15	13	14	16	12		14.14	
			A30d	McCoppin Street westbound bicycle lane between Gough and Valencia Streets	\$ -	8	21	22	13	15	16	7		14.57	
			A30g	Polk Street northbound contra flow bicycle lane between Market Street and McAllister Street	\$ -	8	21	10	13	23	16	16		15.29	
		A30e	McCoppin Street pathway improvements between Market and Valencia Streets	\$ -	8	21	13	13	18	16	22		15.86		
		A30b	Market and Valencia Streets intersection and traffic signal improvements	\$ -	19	20	26	24	26	26	27		24.00		
		A30f	Otis Street westbound bicycle lane between South Van Ness Avenue and Gough Street	\$ -	19	21	26	24	26	26	27		24.14		
Other Transp		1	A13	Study Further Central Freeway Removal	\$ 200,000	19	16	12	11	22	1	20		14.43	
		2	A16	Parking Supply Survey and Program Recommendations	\$ 300,000	19	20	16	1	20	11	23		15.71	
		A18	Extend Octavia ROW to Golden Gate Avenue	\$ 1,630,000	19	15	20	1	16	23	19		16.14		
		A22	Re-establishment of Vacated Alleys	\$ 2,430,000	19	18	16	6	24	23	13		17.00		
		A15	Improve Safety of City Parking Garages	\$ 70,000	19	19	24	11	24	21	26		20.57		

Market/Octavia Community Advisory Committee
Community Improvements Program Preliminary Recommendations 2010/11
May 26, 2010 adopted

I. Streetscape/Greening/ Public Realm

1. **“Living Street” Improvements for select Alleys.***
2. **Street Tree Plantings for Key Streets.***

Additional potential priorities TBD per final Program recommendations in Fall 2010.

II. Open Space/ Parks

1. **Improvements to Existing Parks.** CAC establishing a process to identify potential projects for funding priorities. To be reflected in final 2010/11 Program recommendations.
2. **Hayes Green Rotating Art Project.**
3. **McCoppin Plaza Extension—Phase II.** Long term project, likely beyond 5 year Program recommendations period.
4. **Brady Park—new Open Space Soma West.** Long term project, likely beyond 5 year Program recommendations period.

Additional potential priorities TBD per final Program recommendations in Fall 2010.

III. Transportation

Transit

1. **Transit Preferential Street Improvements.***
2. **Church Street Improvements (portion of).**
3. **Dedicated Transit Lanes.***

Pedestrian

1. **Pedestrian Improvements for Priority Intersections.***
2. **Hayes Street two way Improvements.**

* No specific projects for current recommendations. CAC establishing a process to identify potential projects and/or criteria for funding priorities. To be reflected in final 2010/11 Program recommendations.

3. **Widen Hayes Street Sidewalk.**

Bicycles

1. **Page Street Bicycle Boulevard.**
2. **Market Street bicycle lanes between Octavia Boulevard and 17th/Castro Streets.**
3. **Grove Street between Octavia Boulevard and Van Ness Avenue.**
4. **Sharrows and signage on key streets.**

Other Transp

1. **Study further Central Freeway removal.[^]**
2. **Parking Supply Survey and Program Recommendations.[^]**

Additional potential Transportation priorities TBD per final Program recommendations in Fall 2010.

IV. Recreation Facilities

No specific projects for current recommendations. CAC establishing a process to identify potential projects for funding priorities. To be reflected in final 2010/11 Program recommendations.

V. Childcare Facilities

No recommendations necessary – standardized expenditure category.

VI. Library Materials

No recommendations necessary – standardized expenditure category.

VII. Local Economic Development

M/O Fund nexus to be determined. To be reflected in final 2010/11 Program recommendations.

VIII. Historical/Educational/Cultural

Placeholder category. M/O Fund nexus would need to be determined. To be reflected in final 2010/11 Program recommendations

IX. Other/ Community Generated Projects

Placeholder category. M/O Fund nexus would need to be determined. To be reflected in final 2010/11 Program recommendations

[^] These projects included as CAC priorities, but not intended for M/O Fund expenditures.

Final CAC recommendations will include evaluation of the overall Program:

Overall Program Rating	
Balance/variety of community improvements	5 high/0 low
Promotes mix of project/community improvement types	
Promotes various scales of projects/community improvements	
Promotes geographic mix of projects/community improvements in relation to development	
Promotes blend of physical and programmatic projects/community improvements	

Note:

The CAC will update these 2010/11 Program preliminary recommendations in the Fall of 2010. The CAC is establishing a process for regularly refining and augmenting the list of potential community improvements projects and range of categories for consideration in annual Program expenditure recommendations. The final revised 2010/11 Program recommendations are expected to be completed by November 2010.

Staff Report

Background

All infrastructure impact fees (RH, VV, MO, EN, & Balboa) provide an opportunity for project sponsors to request a fee waiver for “in-kind” provision of infrastructure. This refers to instances where a project sponsor directly provides, a park, streetscape improvement, child-care center or other eligible physical improvement in lieu of paying some or all of required impact fees. In-kind provision of infrastructure can offer advantages to the City, the project sponsor, and the community, depending on the circumstances. Potential benefits include efficiencies gained in the cost of materials, management of the infrastructure project, and coordination with construction of the development project.

The existing legislation requires Planning Director recommendation and Planning Commission approval for in-kind provision of infrastructure, as well as establishing the CAC’s in the case of Eastern Neighborhoods and Market Octavia, in an important advisory capacity. Existing legislation for each plan area designates which types of improvements are eligible for in-kind waivers; this varies by plan area but generally includes: open space, transportation, childcare, and library materials.

Given the broad spectrum of infrastructure types and variety of proposals that will be before the Commission, the Department has developed a proposal for a Planning Commission policy on in-kind waivers. This policy aims to provide community members and project sponsors clarity on the Department’s process and the Commission’s direction for in-kind improvement proposals.

Department staff developed this policy in coordination with staff from DPW, MTA, the Department of Parks and Recreation, and the City Attorney’s office. Two presentations were made to the Market and Octavia CAC and the Eastern Neighborhoods CAC. Additionally two members from each CAC participated in a working session and related drafting of the proposed policy.

Key Policy Goals

- Ensure neighborhoods are developed with a balanced set of infrastructure types
- Consider Community and CAC priorities
- Allow the City to move forward on priority infrastructure improvements
- Facilitate implementation of Area Plans in the most effective means possible
- Maximize opportunities for developer choice
- Leverage efficiencies gained by the City and project sponsors via in-kind improvements

Draft Planning Commission Policy

Each new development project in Rincon Hill, Market and Octavia, Balboa Park, Vis Valley and Eastern Neighborhoods plan areas is subject to a development impact fee that funds infrastructure to support the new development. The ordinance that establishes these fees also provides an option for project sponsors to build the infrastructure (in-kind provision) rather than pay fees, at the recommendation of the Planning Director and with the approval of the Planning Commission. This policy provides an outline of the process and criteria the Planning Department, Planning Commission and CACs (where applicable) shall use in the instances where in-kind agreements are requested.

When a new development project is filed with the Planning Department, the Department currently issues an initial Notice of Planning Department Requirements (NOPDR) which provides information on project specific code requirements, including impact fee requirements. The NOPDR will also include information about the steps necessary to pursue in-kind provision of a community improvement. This upfront notification encourages project sponsor to consider this option early in the process and plan for the steps necessary to pursue an in-kind agreement.

Ideally a project sponsor will coordinate with the Planning Department, CACs (as relevant), and refer to the plan to identify opportunities for in-kind improvements. Once a project sponsor indicates interest to the Planning Department in pursuing an in-kind agreement, the Planning Department will establish a new billing account for this process. The project sponsor will be responsible for all city staff time and materials associated with this process, including City Attorney, Planning Department staff, and any other City agency staff as deemed necessary.

This policy establishes *four major steps* to vetting a proposed in-kind improvement. First the proposed improvement must be deemed *eligible* for in-kind provision in the specific plan area at that time. Eligibility is based on the legislated purpose of a plan area's community improvements program. Second the Department must determine whether the proposed improvement is *recommended* for in-kind provision. Department endorsement of a proposed in-kind improvement should be based on a number of factors including general priority of improvement and similar criteria applied to fee expenditure. This step requires input from relevant City agencies and relevant Citizens Advisory Committee (CACs). Third the proposed improvement must be *defined* – the design, value, and the specific terms of the agreement. Lastly the Planning Commission must *approve* an in-kind agreement, informed by the Planning Department and CAC recommendations. Each of these steps is explained in more detail below.

Eligible

Each Plan provides a framework for determining whether a proposed improvement is *eligible* for in-kind provision. Eligibility criteria are legislated within the fee ordinances. There are generally three criteria that must be met for a proposed improvement to be eligible for a fee waiver and in-kind agreement. If these criteria are not met, the proposal is deemed ineligible for an in-kind provision and the project sponsor can not make a

request to the Commission for a fee waiver. If a proposed improvement is deemed ineligible, a project sponsor may propose an alternative improvement or pay the fees.

Eligible - Purpose of Community Improvements

Each Plan’s community improvements program (or public benefits program) and related impact fees are intended to fund infrastructure to offset the increased demands for infrastructure generated by new development. Impact fees fund the upfront capital costs for infrastructure and services that the City would otherwise be required to build in order to support new residence at existing standards. Accordingly, all improvements provided in-kind must be *available to the public* to the same extent they would be if the City provided the infrastructure. For example, in-kind parks must be publicly owned and accessible at hours consistent with similar city owned parks; transportation improvements must contribute to the existing public networks (transit, bicycle, or pedestrian); and childcare facilities must meet the same standards of access as childcare facilities that receive public funding from Department of Children Youth and their Families (DCYF).

Eligible – Infrastructure Type Identified in Fee Ordinance

If a category of infrastructure, such as open space, was identified in the planning process and included as an expenditure category in the fee ordinance, then a new park is eligible for an in-kind provision. The table below indicates which types of infrastructure are eligible for in-kind provision for each plan area.

Rincon Hill	Visitation Valley	Market and Octavia	Eastern Neighborhoods	Balboa Park
Open Space	Active Recreational Spaces	Open space and recreational facilities	Open space and recreational facilities	Parks, Plazas, Open Space
Streetscape Improvements	Streetscape Improvements	Transportation (Pedestrian, Bicycle, Transit, and Vehicle)	Transit, streetscape and public realm improvements	Transit and Streets
Library Materials	Library Facilities	Library Materials	Library Materials	Library Materials
		Childcare Facilities	Childcare Facilities	Childcare Facilities
Community Centers	Community Facilities			Community facilities

(Note that transit improvements are not included in the Rincon Hill community improvements program, therefore a transit project would not be eligible for in-kind provision in Rincon Hill. However, open space was identified in all plan areas, and would therefore be eligible for in-kind provision in all plan areas.)

Eligible – Projected revenue for infrastructure type is available

Each fee ordinance designates a certain percentage of revenue to each expenditure category. The proportions, determined during the planning process, ensure that the impact fees support a balance of infrastructure types. For each plan area the proportions are legislated in the correlated fee ordinance, see the table below for a summary table:

Market and Octavia	Residential	Commercial
Greening	34.1%	50.2%
Parks	8.2%	13.8%
Vehicle	0.4%	0.4%
Pedestrian	6.9%	6.2%
Transportation	22.2%	20.1%
Bicycle	0.5%	0.4%
Childcare	8.3%	0.0%
Library Materials	0.9%	0.0%
Recreational Facilities	13.1%	0.0%
Future Studies	0.2%	0.4%
Program Administration	5.1%	8.6%

Eastern Neighborhoods	Residential	Non-residential
Open space and recreational facilities	50%	7%
Transit, streetscape and public realm improvements	42%	90%
Community facilities (child care and library materials)	8%	3%

Balboa Park	% Fee Allocation
Streets	38%
Transit	13%
Parks, Plazas, Open Space	30%
Community facilities and services/Other	19%

Community improvements funded by impact fees, or provided through in-kind agreements, must be spent consistent with these proportions every five years. The Planning Department projects anticipated impact fee revenue for each planning area on a five year basis. A proposed improvement is eligible for in-kind provision if the projected revenue for the expenditure category is not expended or dedicated to other projects during the relevant five-year period.

For example, in the case of Eastern Neighborhoods, the Planning Department projects a total of \$1.9 million for Childcare and Library materials over a five year period. The

recently approved in-kind agreement for a childcare facility has allocated all but \$60,000 of the funds in that expenditure category. Accordingly a request for an in-kind agreement in that category is not eligible for an in-kind improvement for the next five years. Similarly, should \$9 Million in impact fees be spent on open space projects, then community improvements in that expenditure category would not be eligible for the remainder of that 5-year period.

Recommended

If a proposed community improvement is deemed eligible for in-kind provision based on the above criteria, the next step is to determine whether the Department recommends the in-kind provision of the proposed improvement and the related fee waiver. The criteria for a recommendation are less rigid than eligibility criteria described above. A few key considerations are discussed below. The Planning Department should report to the Planning Commission on all of these criteria, as relevant. The *recommendation* criteria below should be considered in balance; meeting one criteria or failure to meet another should not determine the Department's recommendation. Specific proposals may warrant additional considerations.

Recommended – does not compete with a CAC and IPIC endorsed improvement

Since the adoption of the several plans both the City agencies and the Citizens Advisory Committees (CACs) have been working to prioritize potential capital projects and to determine which improvements should be funded by projected impact fee revenue. The City agencies, through the Interagency Plan Implementation Committee (IPIC) and the CACs will develop a proposed capital plan, based on projected impact fee revenue for each area. The capital plan indicates which projects agencies and the CAC suggest are priorities for impact fee revenue. Each capital plan is refined annually to reflect changes in revenue projections, prioritization of capital projects, and any other new information about capital projects in the plan area.

These capital plans have area specific constraints and considerations. In all plan areas the revenue must be programmed for each expenditure category based on the legislated proportions (see Table 2 above). Additionally the Eastern Neighborhoods Plan has a legislated list of priority projects that must inform the capital planning process. Both the IPIC and MO CAC have initiated the capital planning process by developing prioritization criteria (see Appendix A); the EN CAC is beginning this process.

In instances where the CAC and IPIC have prioritized a specific project, such as a specific park, recreation center, or transportation improvement, the City will start investing resources in the development of that infrastructure, assuming that impact fee revenue will partially or completely fund the project. If a proposed in-kind project competes for revenue with an IPIC and CAC prioritized project, especially if the City has invested resources in developing that project, the Planning Department would *not* recommend the proposed in-kind improvement.

Capital planning efforts by the IPIC and CAC should allow for positive consideration of smaller in-kind proposals, by not programming 100% of expected impact fee revenue.

Providing some flexibility allows for project sponsors to pursue worthy in-kind improvements without competing with the CAC and IPIC priority projects. This is especially advantageous for minor streetscape improvements that enhance the pedestrian network, leverage efficiencies from required sidewalk work, and do not absorb a high portion of impact fees due for an individual project.

Recommended – efficiencies gained through coordination with development project

The primary benefit of in-kind provision of community improvements is the potential efficiencies gained through coordination with development projects. There are a few potentials for gains, such as: The private sector can often deliver an infrastructure project for roughly 20% less than the public sector – thus the public can receive more infrastructure per dollar when the improvement is built by the private sector. Also there are often instances when work required as part of the development project reduces the costs of upgrading or enhancing infrastructure. For instance, in most cases new development projects are required to replace the sidewalks adjacent to their property. In that case the incremental cost of including a bulb out is less than the cost of adding a bulb out after the sidewalk is replaced. When an in-kind approval leverages efficiencies for the Community improvements program the Department should consider recommending the proposed in-kind improvement.

Recommended – maintenance plan identified for improvement

New infrastructure, particularly new parks, plazas and buildings, require robust maintenance plans. New infrastructure that the City cannot maintain is not a good investment. Possible maintenance strategies include: development of an assessment district to fund maintenance, commitment from the project sponsor or related home owners association to fund maintenance, commitment from a public agency to fund maintenance, or any other committed source. Project sponsors cannot get credit for funding maintenance plans, as impact fee revenue is limited to capital expenditures. At a minimum new parks and other property that will become City responsibility require three years maintenance funding in hand. The Department should only recommend in-kind projects that have developed maintenance plans that satisfy relevant City agencies.

Recommended – relevant City Agencies review and approve the proposed improvement

Before a proposed in-kind improvement is brought to the Planning Commission, the relevant City agency, such as DPW, MTA, Recreation and Park or DCYFS, must review the project and provide formal comments. Project sponsor should provide conceptual designs that are at least 30% complete. Initial City review of an improvement should focus on feasibility and desirability of the proposal based on the agencies standards and priorities. Project sponsors are highly encouraged to modify proposed improvements to gain support from City agencies. The Planning Department should base its recommendation on the overall feasibility of the project and general City agency support.

Recommended – relevant CAC supports the proposed improvement

Both Market and Octavia and Eastern Neighborhoods have CACs. One of the key functions of the CAC's is to provide community input on the prioritization of plan area

community improvements. Accordingly the CAC's should make recommendations to the Planning Commission for each proposed in kind improvement. The Commission understands that the CACs intend to follow the same framework as is outlined in this policy for evaluating in kind agreements.

Once a project sponsor indicates interest in an in-kind proposal the Department should provide a courtesy notification at the next CAC meeting. Before the in-kind proposal is brought before the Planning Commission, the CAC should be offered the opportunity to discuss the proposal, ask questions of staff and adopt a resolution indicating their level of support for the in kind improvement. The CACs are encouraged to draft detailed resolutions explaining their thoughts on specific components of the proposed improvement, rather than general "up or down" resolutions.

Recommended – Eastern Neighborhoods – priority projects

The Eastern Neighborhoods plan includes a set of priority capital projects including Townsend Street, Victoria Manalo Draves Park - Pedestrian Improvements, Folsom Street - Streetscape Improvements, 16th Street - Streetscape Improvements, 16th Street - Transit Improvements, New 17th & Folsom Park, and Showplace Square Open Space Plan (including implementation of one open space project). The Department should not recommend projects that compete with these projects for revenue; for example requests to provide an in-kind park other than the two identified as priority parks would reduce the overall funding available to complete these parks and therefore should not be recommended. Project sponsors are encouraged to seek fee waivers and in-kind agreements for the identified priority projects in Eastern Neighborhoods.

Defined

Third the proposed improvement must be *defined*. The design, value, and the specific terms of the agreement will evolve through conversations with City agencies, neighbors, the project team, the CAC and other stakeholders. This section discusses design requirements for an improvement at key decision points: the Planning Commission consideration of development project and in-kind agreement, issuance first construction permit, issuance of first certificate of occupancy, and other points as appropriate.

Defined –Design

A conceptual design of a streetscape improvement, park, childcare center or other improvements is adequate at the initial phase of discussions with the Department and CAC. Before a formal recommendation from the Planning Department and other City agencies is finalized the design must be 30% complete. The Planning Commission will not hear requests for in kind provision of improvements that do not have at least 30% design completed.

If the in kind provision of an improvement is approved by the Planning Commission, the project sponsor must have final design completed and approved by the appropriate city

agencies before the first construction document for the development project is issued by the Department of Building Inspection.

Defined -Determining Value

The project sponsor is required to provide two cost estimates for the proposed improvement. The Planning Department will work with the Department of Public Works and the Department of Real Estate as appropriate to evaluate these cost estimates and determine the final value. The Planning Department is not required to base the final valuation of the project on the cost estimates provided by the project sponsor, but must provide an explanation for the final value. The final value should consider the costs to the City for delivery of a good as an outer limit, however the Department can assume that private delivery of infrastructure has lower costs than public costs. Ideally when an in-kind agreement is approved, private provision of the infrastructure is more advantageous than public provision, either through leverage of opportunity or efficiencies in delivery. In most cases a project sponsor will receive in-kind fee waiver credit for 100% of the identified delivery cost of a good, based on the city endorsed methodology. However, in two cases this may not occur: 1) if the identified costs exceed the impact fee amount projected in the appropriate nexus category for the relevant 5-year period. In this case, the Department may offer the project sponsor a choice of receiving a fee waiver for the amount allowable under the nexus, with remaining fee obligations to be paid in cash, or abandoning the in-kind waiver proposal and paying all fees in cash. 2) If total improvement costs exceed the amount of fees due, the project sponsor must identify additional funding sources or gift the balance to the City.

Project sponsors may not be credited with an in-kind fee waiver for any improvements which are required as part of project entitlements or any city codes. This includes but is not limited to the requirements listed in Appendix B. Examples include required open space, required street trees, replacement of sidewalks, or required access to streets. Additionally any improvement such as a community center or childcare facility, for example that is required to secure Federal, state, regional, or local development dollars cannot be credited as an in-kind improvement.

Defined - Legal Agreement

For every proposed in kind improvement an in-kind agreement must be drafted and approved by the City Attorney. Drafting an in kind agreement requires approximately one month including all necessary review cycles. More complicated arrangements may take longer. The in-kind agreement details the terms the City will require of the project sponsors.

At a minimum each agreement should include the following components

- *Timing of project completion* – in most cases the improvement should be completed before the issuance of the first certificate of occupancy.
- *Process for validating completion of work* – in most cases the relevant City agency, DPW, Park/Rec, MTA will inspect the work and verify previous to the Planning Department validating completion.

- *Validating Costs* – in most cases the project sponsor will be required to submit invoices for expenditures related to the improvement, the Department will remedy these costs with the original fee waiver. Cost overruns are the responsibility of the developer, however if the project is completed for less money than the amount of fees waived, the balance must be paid to the contributed to the relevant infrastructure fund.
- *Expiration of Agreement* – in most cases the project sponsor will be required to complete the proposed in-kind improvement within in a certain time from approval of the in-kind agreement.
- *Failure to fulfill Agreement* – in most cases the project sponsor’s failure to fulfill the agreement will cause them to owe all fees plus interest before issuance of the first Certificate of Occupancy.
- *Approvals of Improvement before first Construction document* - Before new public infrastructure is built, City agencies must approve the final design. In the case of streetscape improvements both MTA and DPW must approve the final design before construction, and the Department of Parks and Recreation must approve the acceptance of new public parks. In-kind agreements shall include a term that requires all necessary City approvals for an in-kind agreement are achieved prior to first construction document.

In kind agreements for specific infrastructure types should also include the following terms:

- Open Space
 - Must include three years of maintenance funding
- Childcare
 - Required affordability level
 - 55 year term
 - Free rent
 - Competitive process to identify program operator
- Streetscape
- Transit

Approved

Finally the Planning Commission must *approve* a fee waiver based on the in-kind agreement. Before the Planning Commission considers the request the following steps must be completed:

- CAC passes a resolution or recommendation on the project
- The relevant City agencies make a formal recommendation on the project to the Planning Department in regards to the overall feasibility and desirability of the proposed improvements
- The Planning Department determines the value of the in-kind improvement
- A final in-kind agreement is drafted, including all relevant terms

In most instances, the project sponsor will prefer to seek project entitlement and the in-kind waiver at the same hearing. To the extent that the improvement is well defined,

supported, and will be completed within a defined period from entitlement, this option is most efficient and preferred by the Planning Commission.

In instances where the final design, cost, or terms of the in-kind agreement are not completed, but the project sponsor would like to get entitlement of the development project so they can begin DBI review, the project sponsor must at a minimum declare their *intent to pursue an in-kind agreement* at the development projects hearing. The intent to pursue an in-kind agreement must be accompanied by a design of the improvement and a CAC resolution. At this hearing the Commission will state whether it is likely approve the fee waiver and related in-kind agreement. At a separate hearing the Planning Commission will consider the complete in-kind improvement package and request for a fee waiver. The CAC should be given an option to provide a second resolution at the second hearing. The Commission's intent to approve is non-binding as additional considerations may be introduced such as the specific terms of the in-kind agreement, the final value, or a shift in the prioritization process or expenditure availability due to timing. This option allows project sponsors to receive entitlements and initiate DBI review of projects while finalizing the design, costs, and terms of the in-kind agreement.

Partial Fee Waivers.

The following applies to cases in which a project sponsor proposes to waive a portion, but not all of their fee obligation through an in-kind waiver. Any remaining fees not waived due to an in-kind agreement are due at first construction document. A project sponsor may defer a portion of their total fees until first certificate of occupancy. In the case of an in-kind agreement for a portion of fees owed, the project sponsor should pay the balance of impact fees at earliest collection point. For example if a project sponsor owes \$1 Million and they have received a fee waiver based on an in-kind agreement for \$500,000. Prior to first construction they have the option to pay the \$500,000 balance, or defer 80% of their fees and pay \$200,000 at first construction document.

Appendix A. Samples of criteria City Agencies and CAC’s may use to determine whether an improvement is *recommended* for an in-kind agreement

- | |
|---|
| <p>IPIC Draft Evaluation Criteria</p> <ol style="list-style-type: none"> 1. Coordination <ol style="list-style-type: none"> a. Other public infrastructure improvements b. Public agency work programs c. New private development projects 2. Ability to operate and maintain asset 3. Ability to leverage funds <ol style="list-style-type: none"> a. From state or regional resource b. Match funding from local sources or agency budgets c. New programming that could generate new revenue 4. Achieve key plan objective: transit oriented neighborhood <ol style="list-style-type: none"> a. Mix of project type, scales, timelines b. Supports new growth and development 5. Community Priority – CAC input |
|---|

Market and Octavia CAC – Draft Evaluation Criteria

Consistent with Market/Octavia Plan Goals
Contributes to neighborhood diversity ("Housing People" goal)
Promotes pedestrian, bicycle safety and transit ("Transportation Choices" goal)
Strengthens Community ("Building Whole Neighborhoods" goal)
Demonstrated Need
Studies and/or empirical data support project
Benefits a broad range of users
Benefits youth
Needed to serve added neighborhood residents from growth
Alleviates strain on existing community infrastructure--parks, facilities, etc
Mitigates specific impacts from development
Promotes economic and social community stabilization
Enhances safety
Can be implemented in conjunction with other public improvement projects

Appendix B. Existing Requirements that cannot be credited as an in-kind improvement

- In-Kind value should not include any costs associated with work the project sponsor must complete as part of project entitlements. Requirements that cannot be included as part of the in-kind improvement include the following:
 - Planning Code Requirements
 - Yard and setback requirements – 130
 - Legislated setbacks – 131
 - Front setbacks, Landscaping – Section 132
 - Usable open space – 135, 138
 - Ped. Streetscape improvements in C-3 – 138.1
 - Screening of building features, 141, 142
 - Required Street Trees – Section 143
 - Treatment of ground floor, 144
 - Artworks etc. in C-3, 149
 - Parking Lots, 156
 - Transportation Management Programs, 163
 - Employment brokerage services, 164
 - Childcare brokerage services, 165??????????
 - Any Special Use District
 - Planned Unit Developments, 304
 - Affordable housing requirements, 313- 315, 319
 - Soma stabilization fund, 318
 - Mitigation and Improvement Measures identified during the environmental review process that are required to mitigate the specific impacts of a development project, including:
 - Staff directs traffic for drop off and loading/parking attendant
 - Programs to manage queuing, including pricing requirements
 - Police officers directing traffic for events
 - Information about available transit options in marketing materials
 - Freebies/discount for taking transit
 - Signal installation/modification (traffic control device)
 - Curb restrictions (no parking/loading only)
 - Signage/Directional signage
 - Curb Extensions/Bulbs
 - Parking Removal
 - Inter-agency coordination (residential move-in/move-out)
 - TDM Program
 - Car share
 - Standard conditions of approval
 - Variance
 - Parking with a percentage permeable surface
 - The Property Owner shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean condition. Such

maintenance shall include, at a minimum, daily litter pickup and disposal, and washing or steam cleaning of the main entrance and abutting sidewalks at least once each week

- A final pedestrian streetscape improvement plan, including landscaping and paving materials and patterns, shall be submitted for review by, and shall be satisfactory to the Planning Director, in consultation with staff from the Department of Public Works, the Department of Parking and Traffic, and the Bureau of Urban Forestry. Other agencies shall be contacted as appropriate. The Project shall include street trees in conformance with Section 143. Relocation of some existing underground utilities may be necessary to accommodate the required street trees. The street trees planted pursuant to this condition shall be maintained in perpetuity by the Project Sponsor.
- Subdivision Code Requirements
 - Public facilities, 1335
 - Utilities, 1336
 - Beautification, 1337
 - Easements, 1339
 - Mission Bay Subdivision Code, Improvements, Division 2, Article 6
 - Hunterspoint Shipyard Subdivision Code, Improvements, Division 3, Article 6
 - Responsibility for maintenance of street trees – 805
- DPW requirements
 - Required Curb Replacement
 - Required Access to lots
 - Required drainage work
 - Required curb ramps at corners
 - Survey monuments, replacement as appropriate
 - Establishment of a sidewalk, including the legislative process, for any parcel fronting a street, regardless of whether of accepted or unaccepted – as deemed appropriate by City agencies
 - In instances where project fronts unaccepted street property owners are responsible for curb to mid- line of the road.
- Credit may be given for anything built through
 - Downtown park fund, 139
 - Institutional Master Plans, 304.5
 - Childcare in C-3, 314